

CITY OF SIMI VALLEY  
STATE OF CALIFORNIA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

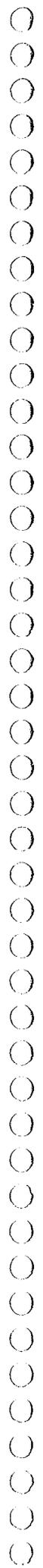


Veterans Plaza

FISCAL YEAR ENDED JUNE 30, 2005

2004-05

PAUL MILLER, Mayor BARBRA WILLIAMSON, Mayor Pro Tem  
GLEN T. BECERRA, Council Member STEVEN T. SOJKA, Council Member MICHELLE S.FOSTER, Council Member



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2005

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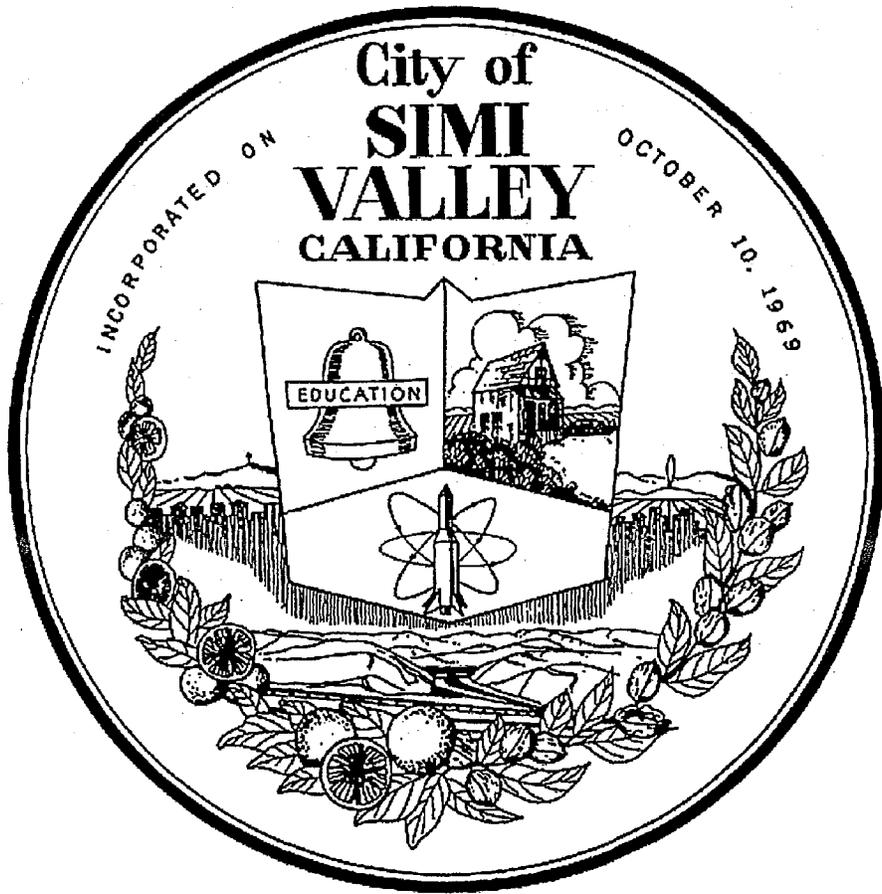
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# CITY OF SIMI VALLEY

*Home of The Ronald Reagan Presidential Library*

December 22, 2005

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

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Simi Valley for the fiscal year ended June 30, 2005.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by Moreland and Associates, Inc., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2005, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2005 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP require that management provide a narrative 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 MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the City of Simi Valley**

The City, incorporated in 1969, has a population of 121,286 and is the third largest of Ventura County's ten cities. It is located on the County's southeastern border, nestled between the Santa Susana Mountains and the Simi Hills. The City, which covers a land area of 38.9 square miles, has a mean elevation of 765 feet.

The City operates under the Council-Manager form of government. The City's four Council Members are elected at-large to four-year terms in alternate slates of two, every two years. The City's Mayor is elected at-large every two years. The Mayor presides over Council meetings and has one vote. Council members also serve as Board members of the Ventura County Waterworks District No. 8 and the Simi Valley Community Development Agency.

The City Council appoints both the City Manager and the City Attorney. The City Manager heads the executive branch of the government, implements City Council directives and policies, and manages the administration and operational functions through the various department heads. The City Manager is responsible for the appointment of department heads, and also serves as the City Clerk and City Treasurer.

City government is divided into five departments: Police, Public Works, Administrative Services, Environmental Services, and Community Services. The City has its own sanitation agency that collects and treats wastewater. Certain potable and reclaimed water services are provided through the legally separate Ventura County Waterworks District No. 8 which functions, in essence, as an agency of the City and therefore has been included as an integral part of the City's financial statements. The City also provides transportation services. Fire, paramedic, and animal regulation services are provided by the County of Ventura. The Rancho Simi Recreation and Park District provides leisure service activities.

The annual budget serves as the foundation for the City's financial planning and control. The budget also contains detailed goals and objectives, a working financial plan, and financial projections for the departments and agencies that comprise the City's governmental structure.

The City's fiscal year runs from July 1 to June 30. Departments and agencies submit current level expense budgets, requests for budget increases (Policy Items), requests for replacement of equipment items (Capital Asset Requests), and possible budget reductions (Reverse Priority Items) to the Budget Office in early April. The City Manager and his staff conduct a series of budget review meetings with departments and agencies in April. The City Manager then presents a Preliminary Base Budget, Draft Five-Year Capital Improvement Program, and a Supporting Document that contains line item budget information to the City Council for review in mid-May.

The City Council conducts one or more budget hearings during the month of June, modifies the Preliminary Base Budget and Draft Five-Year Capital Improvement Program as appropriate, and adopts the Annual Budget and Five-Year Capital Improvement Program not later than June 30.

Expenditures are budgeted at the line-item level according to fund and operational area. Overall budgetary control, however, is exercised at the fund level, except for the City's General Fund, where control is exercised at the department level. The City Council has the legal authority to amend the budget at any time during the fiscal year. The City Manager is also authorized to make administrative amendments to the budget, provided the amendments do not have a significant policy impact or affect budgeted year-end fund balances.

Interim financial reports can be generated on demand by operating departments. In addition, comprehensive financial reviews are prepared and submitted to the City Council at the end of the first quarter and at mid-year of each fiscal year and are reviewed publicly at regularly scheduled City Council meetings. Interim financial reports are made available to the general public upon request. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and major special revenue funds, this comparison is presented in the *Basic Financial Statements* section of this report. For other governmental funds with appropriated annual budgets, this comparison is presented in the *Supplementary Information* section.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

**Local economy.** The City continues to enjoy a favorable economic environment and local indicators point to continued stability in the face of a weak State economic climate. Locally generated revenues from taxes increased by \$7.8 million, or 26.2 percent over the prior fiscal year. However, \$6.6 million of this increase is due to a reallocation of motor vehicle license fees as property taxes.

The region has a growing service and retail base that adds to the relative stability of employment. Major industries with headquarters or divisions located within the City's boundaries, or in close proximity, include real estate lending, health care, insurance, computer hardware, home improvement materials, and retail sales. A major regional shopping mall – the Simi Valley Town Center – opened in October 2005, and has provided increased job opportunities. The mall consists of nearly 800,000 square feet of retail space, and includes a residential component with 500 luxury apartment units and 50 affordable units. This residential component is currently under construction.

The opening of the new Air Force One Pavilion at the Ronald Reagan Presidential Library in October 2005 is also expected to stimulate the local economy, as there will be a significant increase in visitors from out of the area coming to see this impressive new facility.

Even with construction completed on the above-mentioned regional mall, residential and commercial development activity remains strong. Two separate residential developments currently underway will add over 1,000 single-family housing units to the City's housing stock. Construction of two major hotels was completed in Fiscal Year 2004-05, and these will help accommodate the City's increasing number of visitors. Industrial growth is projected to continue in Simi Valley as corporations seeking friendly and accessible government, a safe community, and a strong labor pool continue to find Simi Valley an attractive location.

**Long-term financial planning.** The City's moderate but steady population growth (averaging 1.5% per year over the past five years) will continue to have favorable impacts on its tax and non-tax revenues. The recent opening of the Simi Valley Town Center, as well as continuing commercial development throughout the City, increased the City's development-related revenues substantially in Fiscal Year 2004-05. As these new businesses begin operations, they will generate significant new sales and property tax revenue for the City.

Faced with continuing growth and increased demands for service, the City is also planning to expand its facilities on the City's Civic Center campus. The expansion of the City's Senior Center is slated for completion during Fiscal Year 2005-06. This 12,000 square foot expansion will double both the size of the current facility and the range of services available to seniors. Among the new services will be Lifetime Learning Programs, a Senior Technology Lab, and a fitness classroom. Providing services for seniors in Simi Valley is a particular priority, as seniors are among the fastest growing segment of the population. The City is also considering an expansion plan for the City Hall facility. If approved, this expansion will provide additional space and consolidate City departments in one physical location to create efficiencies of scale and improve services to the public.

The City also continues to maintain and enhance its critical technology infrastructure, recognizing that being up-to-date technologically improves the City's ability to attract and retain businesses and to provide essential services to residents. The Police Department, for example, is in the process of completing the implementation of a multi-million dollar Integrated Police System project. Additionally, an outdated two-way radio system is being replaced with a new digital system that will provide improved coverage throughout the City.

**Cash management policies and practices.** Cash temporarily idle during the year was invested in obligations of the U.S. Government and the U.S. Treasury, the State Treasurer's Local Agency Investment Fund, and money market funds. The maturities of the investments range from one day to five years. The average yield on investments during the fiscal year was 2.5 percent. Investment income includes a reduction in the fair value of investments. Decreases in fair value during the current year, however, do not necessarily represent trends that will continue; especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

**Risk Management.** The City employs a full-time Risk Manager to oversee the processing of claims filed against the City, to procure appropriate insurance coverages, and to design and implement loss prevention programs. The City maintains self-insured retentions for property damage, workers' compensation, and general liability of \$10,000, \$500,000, and \$1,000,000, respectively. Various insurance carriers provide the City with excess coverage for claims that exceed these amounts. The City is fully self-insured for unemployment insurance claims.

Health, dental, life, short-term, and long-term disability insurance coverages are also made available to City employees through a number of different insurance carriers.

The City maintains cash and investment balances within its internal service funds sufficient to cover its self-insured obligations.

**Pension and other postemployment benefits.** The City participates in the California Public Employees' Retirement System (CalPERS) for both its sworn retirement program (Safety Plan) and its non-sworn retirement program (Miscellaneous Plan). The Miscellaneous Plan also includes those involved with the operation of the legally separate Ventura County Waterworks District No. 8. These benefits are provided through the statewide plan managed by CalPERS. The City has no obligation in connection with employee benefits offered through the plan beyond its contractual payment to the CalPERS Board of Administration.

The City also provides post-retirement health benefits for retirees meeting specified service requirements and their spouses. As of the end of the current fiscal year, there were 60 retired employees receiving these benefits, which were financed on a pay-as-you-go basis. GAAP do not require governments to report a liability in the financial statements in connection with a employer's obligation to provide these benefits.

Additional information on the City's post-employment benefits and pension arrangements can be found in Notes IV. C-E in the notes to the financial statements.

**Gann Appropriations Limitation.** Article XIII B of the State of California Constitution sets limits on the amount of tax revenues that the City can appropriate within a given fiscal year. Only tax proceeds are subject to the limit. Charges for services, regulatory fees, grants, loans, donations, and other non-tax proceeds are not subject to the limit. Exemptions are also made for voter-approved debt and debt that existed prior to January 1, 1979, and for the cost of compliance with Court or Federal government mandates. Fiscal Year 1978-79 appropriations serve as the basis for this limit, with adjustments being made annually to reflect increases in population, the cost of living, and service responsibility transfers. The City's appropriations limit for the fiscal year ended June 30, 2005 was \$42,112,508. Actual tax revenues received and appropriated during the fiscal year were well under this limit.

**Awards and Acknowledgements.** The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2004. This was the twenty-fifth consecutive year (fiscal years ended 1980-2004) that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes that its current CAFR continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Fiscal Services Division. Special thanks go to Lika Garg, Deputy Director/Fiscal Services, for her extensive work in preparing this report. I would also like to express my appreciation to all members of the Administrative Services Department who assisted with the preparation of this report, and to Moreland and Associates, Inc., the City's independent auditors, who also contributed to its preparation.

Additionally, I would like to thank the Mayor, City Council Members, and City Manager for their direction and support in planning and conducting the financial operations of the City in a progressive and responsible manner.

Respectfully submitted,



Steve Elam, Director  
Department of Administrative Services

**OFFICIALS OF THE CITY OF SIMI VALLEY**

(as of June 30, 2005)

**Members of the City Council**

PAUL MILLER, Mayor  
BARBRA WILLIAMSON, Mayor Pro Tem  
GLEN T. BECERRA, Council Member  
STEVEN T. SOJKA, Council Member  
MICHELLE FOSTER, Council Member

**Administrative Staff**

Mike Sedell ..... City Manager  
David H. Hirsch ..... City Attorney  
Debbie Solomon ..... Director of Community Services  
Al Boughey ..... Director of Environmental Services  
Steve Elam ..... Director of Administrative Services  
Timothy P. Nanson ..... Director of Public Works  
Mark Layhew ..... Chief of Police

# ORGANIZATION of the City of SIMI VALLEY

**CITIZENS**

**1 MAYOR  
4 MEMBER CITY COUNCIL  
(Elected at Large)**

**CITY MANAGER  
(Appointed by City Council)**

**CITY ATTORNEY  
(Appointed by City Council)**

**ADMINISTRATIVE SERVICES  
Director**

**COMMUNITY SERVICES  
Director**

**ENVIRONMENTAL SERVICES  
Director**

**POLICE DEPARTMENT  
Chief**

**PUBLIC WORKS  
Director**

- Budget
- Fiscal Services
- Support Services
- Treasury Services
- Information Services
- Customer Service
- Workers' Compensation

- Code Enforcement
- Permit Compliance
- Solid Waste Management
- Senior Services
- Transit
- Neighborhood Councils
- Cable Television
- Animal Regulation
- School Crossing Guards
- Cultural Arts Center
- Youth Services
- Task Force on Homelessness

- Planning Commission
- Building and Safety
- Affordable Housing Subcommittee
- Advanced/Current Planning
- General Plan Coordination
- CDBG Program
- First Time Homebuyer Assistance
- Housing Rehabilitation Assistance
- Housing Allocation Program

- Patrol Unit
- Auxiliary Services Unit
- Detective Unit
- Emergency Services
- Traffic Unit
- Fiscal Services Unit
- Special Operations Unit
- Records Unit
- Crime Analysis Unit
- Maintenance Unit
- Communications Unit

- City Engineer
- Traffic Engineering
- District Engineering
- Administrative Services
- Maintenance
- Sanitation Services
- Waterworks District
- Source Control
- Hazardous Materials
- Household Hazardous Waste Management

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Simi Valley,  
California

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2004

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

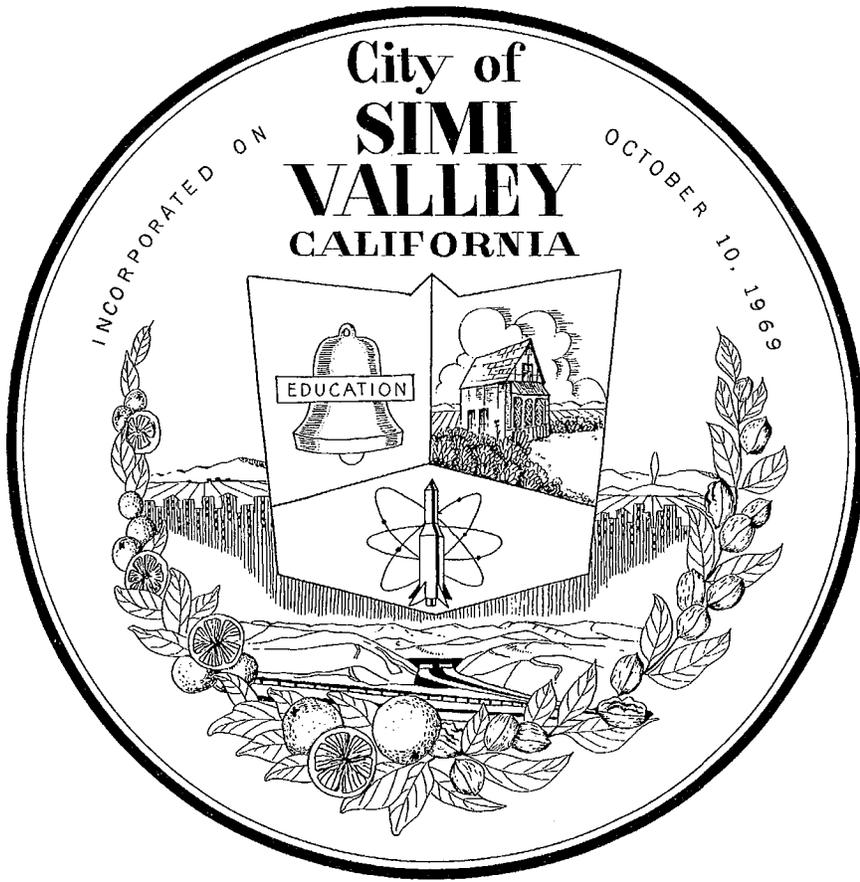


*Nancy L. Ziehl*

President

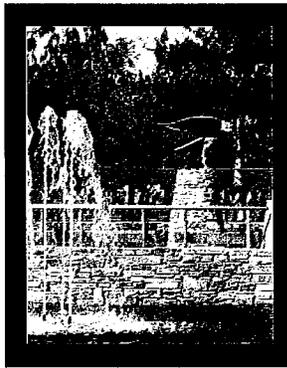
*Jeffrey R. Enos*

Executive Director



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# Independent Auditors' Report





October 21, 2005

The Honorable City Council of  
the City of Simi Valley, California

Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Simi Valley, California, as of and for the year ended June 30, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Simi Valley's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Simi Valley, California, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 21, 2005 on our consideration of the City of Simi Valley internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The management's discussion and analysis and other required supplementary information identified in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory section, and the combining and individual nonmajor fund financial statements and schedules listed as supplementary information in the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Hovland & Associates, Inc.*

## Management's Discussion and Analysis

The management of the City of Simi Valley provides this narrative overview and analysis of the financial activities of the City of Simi Valley for the fiscal year ended June 30, 2005. Please consider this information in conjunction with additional information that we have furnished in the letter of transmittal, which is located in the *Introductory Section* of this report.

### Financial Highlights

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$212,349,306 (*net assets*). Of this amount, \$56,595,386 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$26,448,088. The majority of this increase, \$22 million (net of expenditures), is attributable to proceeds from certificates of participation issued during the fiscal year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$96,825,752, an increase of \$28,326,631 in comparison with the prior year. Approximately two-thirds of the ending fund balance amount, \$63,171,035, is available for spending at the government's discretion (*unrestricted fund balance*). However, one-third of this amount (\$22 million) consists of proceeds from certificates of participation issued during the fiscal year to provide financing for improvements to and expansion of the Senior Citizens' Center and public capital improvements relating to the construction of a shopping mall. An additional one-third (\$20 million) is held in Development Related Fees and Streets and Roads funds, designated for public improvements.
- At the end of the current fiscal year, the unreserved/undesignated fund balance for the General fund was \$6,829,563. This amount represents the *Prudent Reserve for Economic Uncertainty* established by the City Council at 13 percent of budgeted General fund expenditures.
- The City of Simi Valley's total liabilities increased by \$32 million during the current fiscal year. This increase consists of a \$23 million increase in long term liabilities for the most part, due to the issuance of certificates of participation during the fiscal year, and an increase of approximately \$9 million in liabilities resulting from recording deferred revenue to off-set housing related loans receivable. The recovery of these loans receivable is anticipated in future years, and is contingent on varying conditions being met, such as the resale of the property, or residual receipts. To mitigate these uncertainties the receivables have been offset by a liability of the same amount with no affect on net assets.

# CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

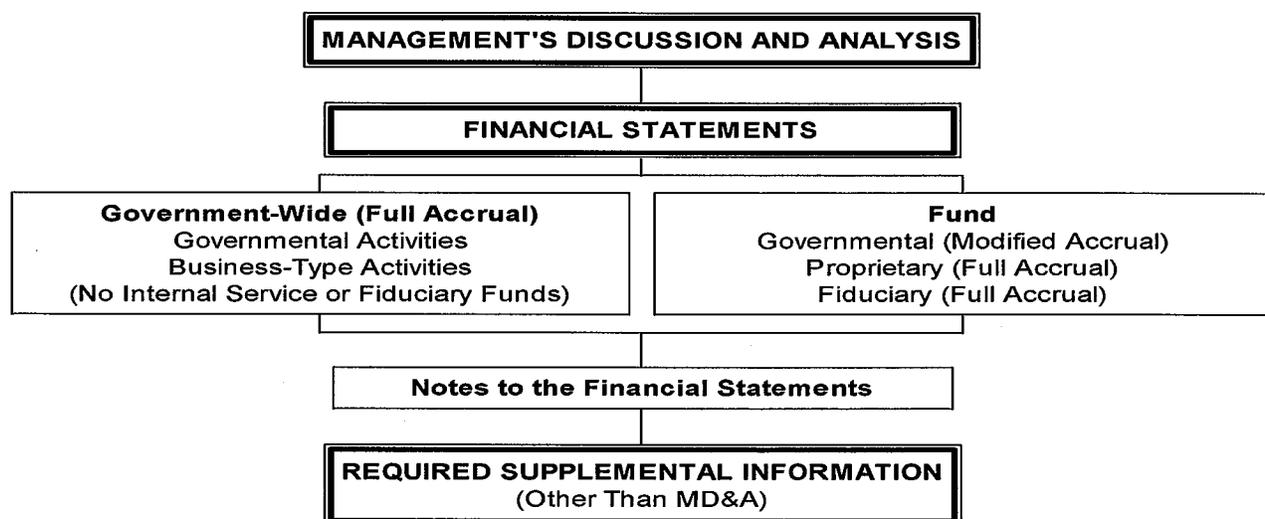
## Overview of the Financial Statements

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

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the financial statements.

In addition, this report also contains required supplementary information, supplementary information, and statistical information.

The following diagram displays the interrelationships of this report.



## Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The City has presented certain restated information from prior years in this letter for comparative purposes.

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

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

## CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, community services, planning, public ways and facilities, and public safety. The business-type activities of the City include a Sanitation fund, a Waterworks District, and a Transit fund.

### Fund financial statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 over 70 individual governmental funds in its financial system and presents them grouped by related activities as 7 major and 24 nonmajor separate governmental funds for this report. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the seven major funds: the General fund, the Community Development Agency Housing Administration fund, the Merged Tapo Canyon and West End Tax Increment fund, the Development Related Fees fund, the 2004 Certificates of Participation fund, the Streets and Roads fund, and the Public Facility Improvements fund. Data from the other 24 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* in the *Supplementary Information* section of this report.

The City adopts annual appropriated budgets for the General fund, proprietary funds and all special revenue funds. Project-length budgets are adopted for the capital project funds. A budgetary comparison statement has been provided for the General fund and the major special revenue funds to demonstrate compliance with this budget. Budgetary comparison schedules

## CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

are also provided for the budgeted nonmajor special revenue funds in the *Supplementary Information* section.

**Proprietary funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in government-wide financial statements. The City uses enterprise funds to account for its sanitation, waterworks, and transit operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its liability insurance and workers' compensation insurance operations. Because both of these operations predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the sanitation, waterworks, and transit operations, all of which are considered major funds of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the *Supplementary Information* section of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City holds these funds in a custodial capacity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of these funds are not available to support the City's programs. A combining statement of changes in assets and liabilities of fiduciary funds is provided in the *Supplementary Information* section of this report.

### Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions.

# CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

## Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Simi Valley, assets exceeded liabilities by \$212,349,306 at the close of the most recent fiscal year.

A significant portion of the City's net assets (52 percent) reflects its investment in capital assets net of accumulated depreciation (land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to citizens; consequently these assets are not available for future spending. Although the City's investments in capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (21 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (27 percent) may be used to meet the City's ongoing obligations to citizens and creditors.

### City of Simi Valley's Net Assets

	Governmental Activities		Business-Type Activities		Total	
	FY 2004-05	FY 2003-04	FY 2004-05	FY 2003-04	FY 2004-05	FY 2003-04
Current and other assets	\$134,034,108	\$95,664,080	\$39,489,223	\$35,517,395	\$173,523,331	\$131,181,475
Capital assets	76,596,483	66,464,084	72,475,306	66,493,449	149,071,789	132,957,533
<b>Total assets</b>	<b>210,630,591</b>	<b>162,128,164</b>	<b>111,964,529</b>	<b>102,010,844</b>	<b>322,595,120</b>	<b>264,139,008</b>
Long-term liabilities outstanding	74,957,681	51,952,640	799,185	749,218	75,756,866	52,701,858
Other liabilities	29,632,591	20,795,815	4,856,357	4,740,117	34,488,948	25,535,932
<b>Total liabilities</b>	<b>104,590,272</b>	<b>72,748,455</b>	<b>5,655,542</b>	<b>5,489,335</b>	<b>110,245,814</b>	<b>78,237,790</b>
Net assets:						
Invested in capital assets, net of related debt	39,280,006	27,714,331	72,475,306	66,493,449	111,755,312	94,207,780
Restricted	28,718,649	23,136,350	15,279,959	14,666,713	43,998,608	37,803,063
Unrestricted	38,041,664	38,529,028	18,553,722	15,361,347	56,595,386	53,890,375
<b>Total net assets</b>	<b>\$106,040,319</b>	<b>\$89,379,709</b>	<b>\$106,308,987</b>	<b>\$96,521,509</b>	<b>\$212,349,306</b>	<b>\$185,901,218</b>
<b>Total Liabilities and Net Assets</b>	<b>\$210,630,591</b>	<b>\$162,128,164</b>	<b>\$111,964,529</b>	<b>\$102,010,844</b>	<b>\$322,595,120</b>	<b>\$264,139,008</b>

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same was true for the prior fiscal year.

**CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS**

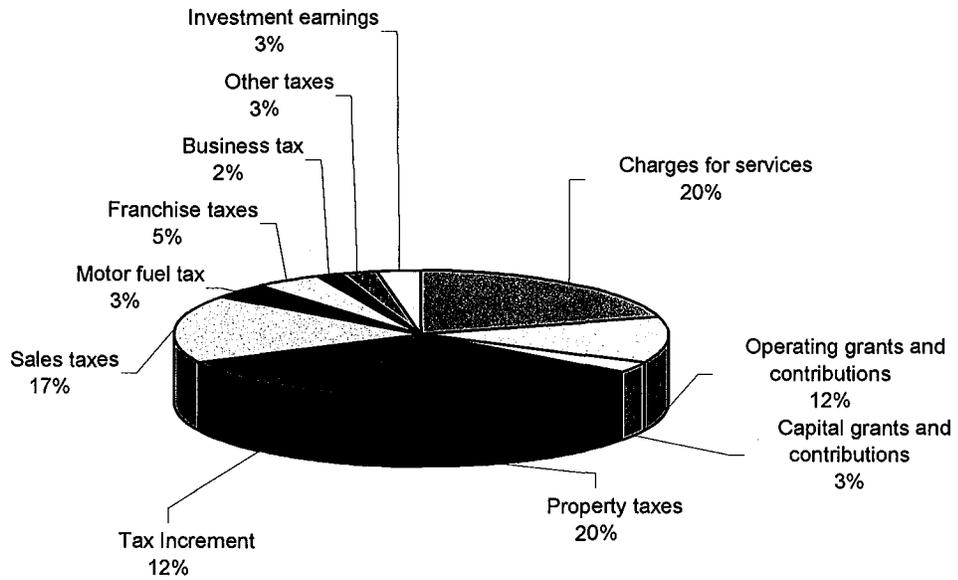
**City of Simi Valley's Changes in Net Assets**

	Governmental		Business-Type		Total	
	Activities		Activities			
	FY 2004-05	FY 2003-04	FY 2004-05	FY 2003-04	FY 2004-05	FY 2003-04
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 17,433,888	\$ 11,617,122	\$ 34,110,851	\$32,958,176	\$ 51,544,739	\$ 44,575,298
Operating grants and contributions	10,041,651	10,447,345	1,953,733	2,277,103	11,995,384	12,724,448
Capital grants and contributions	1,280,369	1,950,267	999,383	121,815	2,279,752	2,072,082
<b>General Revenues:</b>						
Property taxes & tax increment	27,899,227	20,981,163	-	-	27,899,227	20,981,163
Other taxes	22,292,505	20,880,710	-	-	22,292,505	20,880,710
Capital contributions	1,765,510	83,857	8,295,223	1,864,986	10,060,733	1,948,843
Other	4,388,172	6,973,264	988,116	493,145	5,376,288	7,466,409
<b>Total revenues</b>	<b>85,101,322</b>	<b>72,933,728</b>	<b>46,347,306</b>	<b>37,715,225</b>	<b>131,448,628</b>	<b>110,648,953</b>
<b>Expenses:</b>						
General government	16,247,298	15,145,488	-	-	16,247,298	15,145,488
Community services	3,339,200	3,306,481	-	-	3,339,200	3,306,481
Planning	8,961,596	10,819,148	-	-	8,961,596	10,819,148
Public ways and facilities	14,480,308	15,228,178	-	-	14,480,308	15,228,178
Public safety	24,910,100	24,888,781	-	-	24,910,100	24,888,781
Interest on long-term debt	2,766,273	2,089,477	-	-	2,766,273	2,089,477
Indirect expense allocation	(3,821,800)	(3,668,100)	3,821,800	3,668,100	-	-
Sanitation	-	-	10,715,924	10,276,065	10,715,924	10,276,065
Water	-	-	19,373,481	19,793,965	19,373,481	19,793,965
Transit	-	-	4,206,360	4,128,283	4,206,360	4,128,283
<b>Total expenses</b>	<b>66,882,975</b>	<b>67,809,453</b>	<b>38,117,565</b>	<b>37,866,413</b>	<b>105,000,540</b>	<b>105,675,866</b>
Change in net assets before transfers	18,218,347	5,124,275	8,229,741	(151,188)	26,448,088	4,973,087
Transfers	(1,557,737)	(1,669,434)	1,557,737	1,669,434	-	-
<b>Change in Net Assets</b>	<b>16,660,610</b>	<b>3,454,841</b>	<b>9,787,478</b>	<b>1,518,246</b>	<b>26,448,088</b>	<b>4,973,087</b>
Net assets - beginning of the year	89,379,709	85,924,868	96,521,509	95,003,263	185,901,218	180,928,131
<b>Net Assets - ending</b>	<b>\$106,040,319</b>	<b>\$ 89,379,709</b>	<b>\$106,308,987</b>	<b>\$96,521,509</b>	<b>\$212,349,306</b>	<b>\$185,901,218</b>

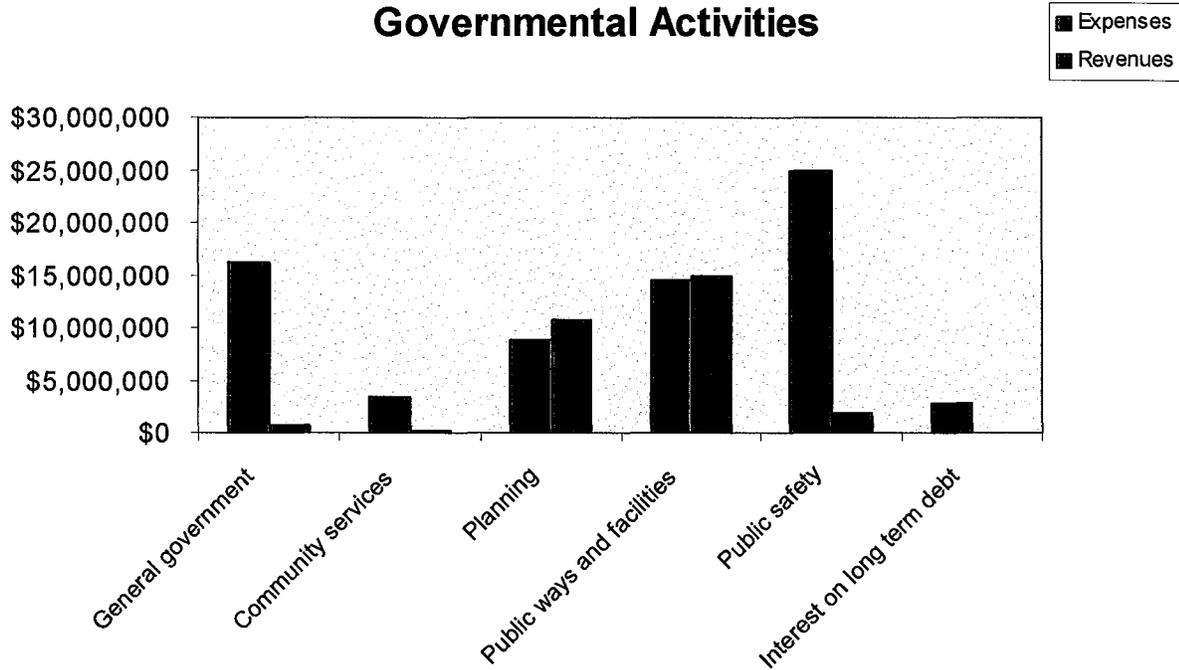
At the end of the current fiscal year the City's total net assets increased by \$26.4 million; the net assets of governmental activities increased by \$16.6 million and business activities increased by \$9.8 million. This increase was primarily due to increased revenues resulting from sustained development in the City.

**Governmental Activities.** The increase of \$16.6 million in governmental net assets accounted for 63% of the growth in the City's net assets. This resulted primarily from a \$7 million increase in property tax (\$6.6 million of this increase was due to a reallocation of motor vehicle license fees by the State of California), and a \$6 million increase in service charge revenues. In addition, other tax revenues increased by \$1.4 million and capital contributions increased by \$1.6 million.

**Revenues by Source - Governmental Activities**

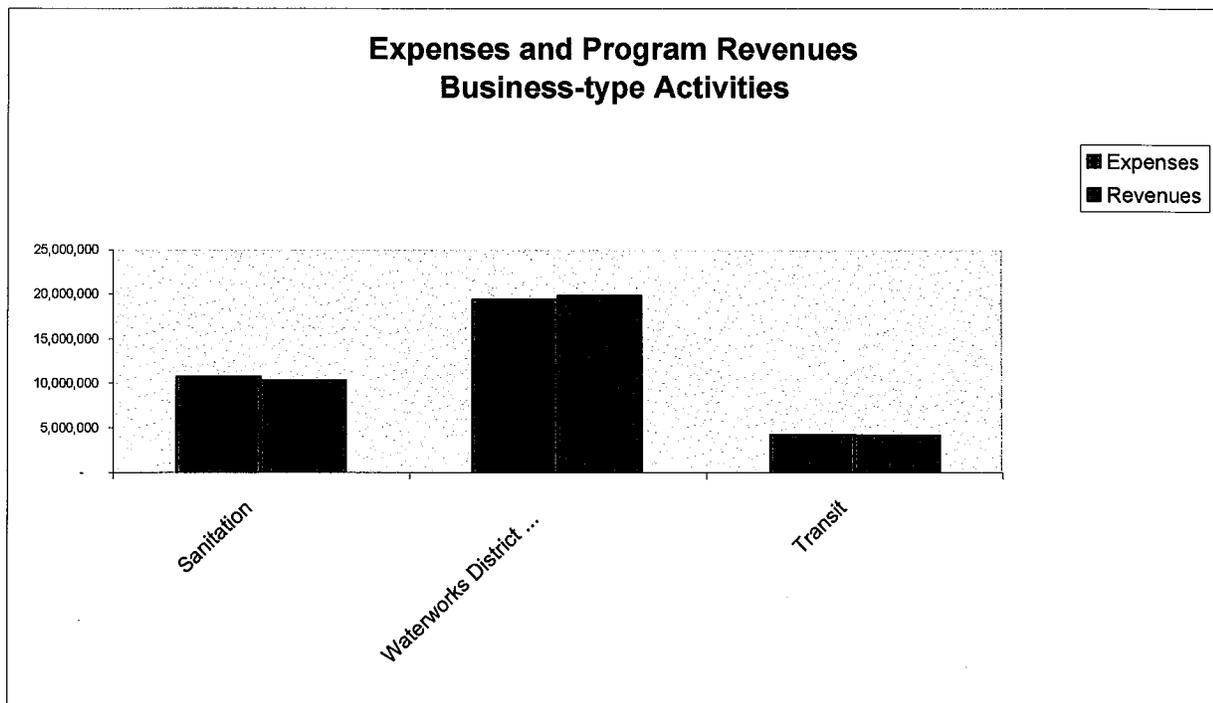
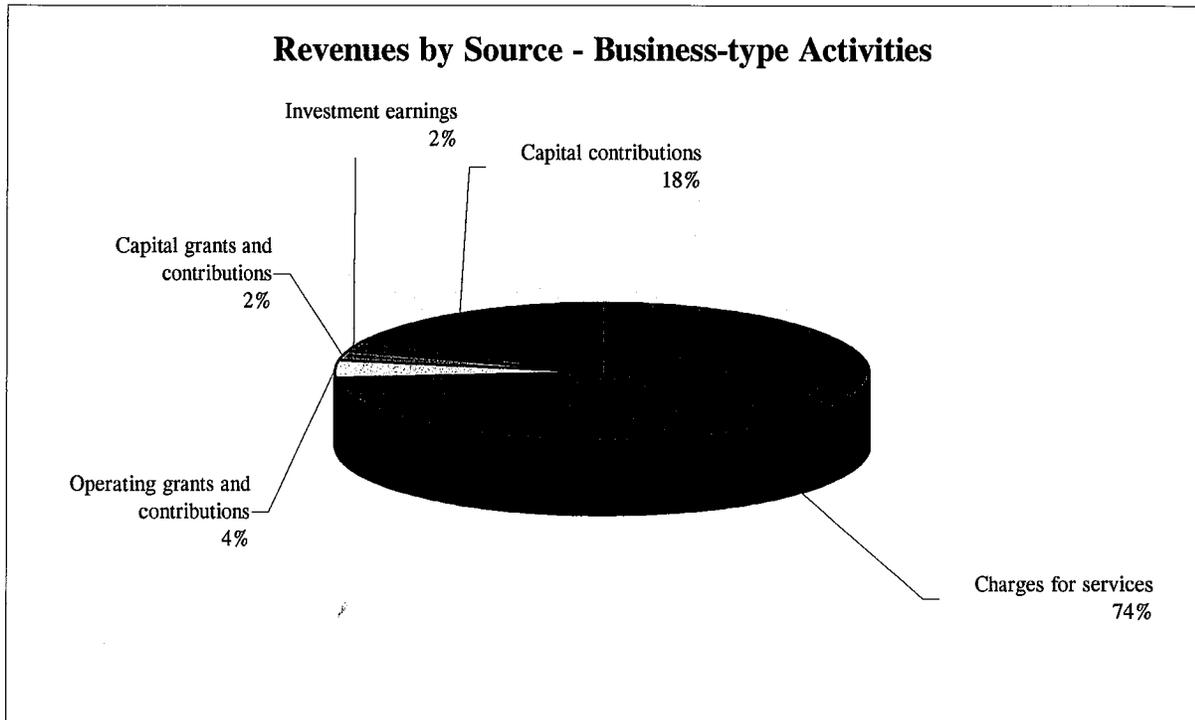


**Expenses and Program Revenues  
Governmental Activities**



**CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS**

**Business-type Activities.** Business-type activities increased the City's net assets by \$9.8 million, accounting for 37% percent of the total growth in the City's net assets. This increase primarily resulted from a \$6 million increase in developer-contributed infrastructure, a \$1 million increase in capital grants and contributions, and a \$1 million increase in service charge revenues.



## CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

### Financial Analysis of the Government'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 necessary in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$96,825,752, an increase of over \$28 million over the prior year. Approximately two-thirds of this total amount (\$63.2 million) constitutes *unreserved fund balance*, which is available to meet the City's current and future needs. A significant portion of the increase (\$22 million) in unreserved fund balance is the result of certificates of participation issued during the fiscal year to provide financing for improvements to and expansion of the Senior Citizens' Center and public capital improvements relating to the construction of a shopping mall. A portion of the fund balance (\$33.7 million) is *reserved* to indicate that it is not available for new spending because it has already been committed for the following purposes: (1) to liquidate contracts and purchase orders of the prior period (\$8,138,479); (2) to pay debt service (\$4,503,935); and (3) for advances to other funds and loans receivable not due in the upcoming fiscal year (\$21,012,303).

The General fund is the chief operating fund of the City. At the end of the fiscal year, unreserved/undesignated fund balance of the General fund was \$6,829,563, while total fund balance reached \$37,440,994. As a measure of the General fund's liquidity, it may be useful to compare both unreserved/undesignated fund balance and total fund balance to total fund expenditures. Unreserved/undesignated fund balance represents 13 percent of budgeted General fund expenditures, established as a *Prudent Reserve for Economic Uncertainty* by the City Council. Total fund balance represents 75% of budgeted General fund expenditures.

The fund balance of the City's General fund increased by \$4,989,270 during the current fiscal year. This increase is primarily due to significant increases in property tax, licenses and permits, and sales tax revenues, and decreases in operating transfers. Expenditures increased moderately across all City departments.

The net change in the fund balance of the Community Development Housing Administration fund was a decrease of \$1,312,270. The City finalized the purchase of land for development of a mixed-use housing and commercial project.

The fund balance of the Merged Tapo Canyon and West End Tax Increment fund decreased by \$1,346,869. This decrease resulted from supporting debt service payments for the 1995 Lease Revenue bonds and the 2004 Certificates of Participation.

## CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

The fund balance of the Development Related Fees fund increased by \$4,643,323. This increase was primarily due to developer agreement fees.

**Proprietary Funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Sanitation, Waterworks and Transit funds were \$10,158,658, \$8,118,160, and \$184,520, respectively. The growth in net assets for Sanitation, Waterworks, and Transit was \$3,658,226, \$5,152,562 and \$279,401 respectively. The growth in net assets for Sanitation and Waterworks was primarily due to developer-constructed infrastructure.

### **General Fund Budgetary Highlights**

The difference between the General fund original expenditure budget and the final amended expenditure budget was \$1.7 million, and can be briefly summarized as follows:

\$1.1 million in increases were appropriated for prior year commitments that were carried forward. The balance consisted of approved expenditure increases in various categories. These increases in expenditures were offset by the City's participation in the VLF (vehicle license fee) gap loan program.

### **Capital Asset and Debt Administration**

**Capital assets.** The City of Simi Valley's investment in capital assets for its governmental and business type activities as of June 30, 2005, amounts to \$149,071,789 (net of accumulated depreciation). This investment in capital assets includes land, plant and buildings, furnishings and equipment, computers and software, vehicles, and infrastructure consisting of roads and highways, and water and sewer distribution systems. The total increase in the City's investment in capital assets for the current fiscal year was 12 percent (a 15 percent increase for governmental activities, and a 9 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- \$3.2 million in street projects, and \$4.0 million in water and sewer lines projects were completed.
- Substantial progress was made in the Senior Center Expansion and the Unified Two-way Radio System projects, with \$3.7 and \$3.3 million in construction costs incurred during the year.

Additional information on the City's capital assets can be found in note III D on pages 48 - 49.

**CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS**

**City of Simi Valley's Capital Assets  
(net of depreciation)**

	Governmental		Business-Type		Total	
	Activities		Activities			
	<u>FY 2004-05</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2003-04</u>
Land	\$10,787,195	\$10,235,613	\$ 1,235,080	\$ 1,235,080	\$ 12,022,275	\$ 11,470,693
Buildings	22,258,928	23,269,408	8,121,365	8,390,018	30,380,293	31,659,426
Furnishings and equipment	437,452	476,155	975,818	1,259,050	1,413,270	1,735,205
Computers	1,800,795	1,969,804	-	-	1,800,795	1,969,804
Vehicles	1,166,462	1,340,083	2,941,389	3,513,446	4,107,851	4,853,529
Infrastructure	21,670,942	18,430,097	38,768,834	37,239,275	60,439,776	55,669,372
Intangibles	3,257,494	3,508,070	-	-	3,257,494	3,508,070
Construction in progress	15,217,215	7,234,854	20,432,820	14,856,580	35,650,035	22,091,434
<b>Total</b>	<b>\$76,596,483</b>	<b>\$66,464,084</b>	<b>\$72,475,306</b>	<b>\$66,493,449</b>	<b>\$149,071,789</b>	<b>\$132,957,533</b>

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of \$64,768,108. This entire amount represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

**City of Simi Valley's Outstanding Bonded Debt**

	Governmental	
	Activities	
	<u>FY 2004-05</u>	<u>FY 2003-04</u>
1995 SVPFA variable rate lease revenue bonds	\$ 7,805,000	\$ 8,325,000
2003 tax allocation bonds	30,745,000	31,435,000
2004 certificates of participation	25,955,000	
Less deferred amounts	263,108	(124,999)
<b>Total</b>	<b>\$ 64,768,108</b>	<b>\$ 39,635,001</b>

The City's bonded debt increased by \$25,133,107 (63.4 percent) during the current fiscal year as a result of \$25.9 million of certificates of participation issued to provide financing for improvements to and expansion of the Senior Citizens' Center and public capital improvements relating to the construction of a shopping mall.

The City maintains an "A+" rating from Standard & Poor's and has no outstanding general obligation debt at this time.

Additional information on the City's long-term debt can be found in note III G on pages 52 - 54.

# CITY OF SIMI VALLEY • MANAGEMENT DISCUSSION AND ANALYSIS

## **Economic Factors and Next Year's Budgets and Rates**

- The City's real estate market continues to be strong, with 569 housing units completed during the fiscal year, and approximately 600 units estimated to be completed during the upcoming year. The fast pace of development has resulted in Building Permits revenue exceeding \$5.4 million, a historic high. It is anticipated that property tax and other development-related revenues will continue to grow significantly faster than inflation.
- Sales tax receipts, likewise, are exceeding inflation due to the opening of new commercial enterprises in the City. In addition, a regional shopping mall opened in the City on October 27, 2005. The mall includes nearly 800,000 square feet of retail space, as well as a residential component with 500 luxury apartment units. The opening of the mall is expected to significantly increase the City's sale tax revenue in Fiscal Year 2005-06 and beyond.

During the current fiscal year, the City generated a General fund surplus of \$4.9 million. This was due to both higher-than-expected revenues and to expenditures being significantly below budget, due mostly to savings in personnel spending resulting from vacancies in several General fund departments. The surplus funds have been allocated for spending in Fiscal Year 2005-06. The unreserved fund balance includes a prudent reserve for economic uncertainty equivalent to 13% of budgeted expenditures.

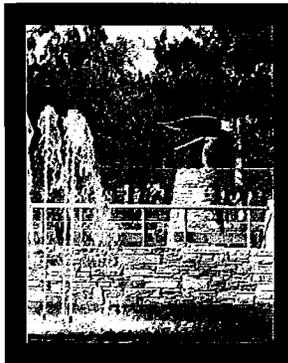
Water rates were increased within the last year, and sewer rates were approved for an increase. In February of 2005, water rates were increased by an average of 8.07% in order to maintain an adequate cash reserve, to fund the replacement of existing facilities and equipment, and to construct new facilities. In June of 2005, an increase in sewer rates of 4.97% was approved. This increase in rates will be effective as of July 1, 2005, in order to maintain an adequate cash reserve, to fund the replacement of existing facilities and equipment, and to construct new facilities.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of Simi Valley's finances for all those with an interest in the City's financial condition. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Simi Valley, Department of Administrative Services, 2929 Tapo Canyon Road, CA 93063.

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# Government-Wide Financial Statements





**CITY OF SIMI VALLEY**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2005**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (note III A)	\$ 114,518,359	\$ 15,615,399	\$ 130,133,758
Accounts receivable (net of allowance for uncollectibles) (note III C)	1,787,048	5,003,662	6,790,710
Taxes receivable	2,999,448	249,308	3,248,756
Grants receivable	210,657	2,819,668	3,030,325
Interest receivable	651,719	256,518	908,237
Internal balances (note I D 2)	2,202,094	(2,202,094)	-
Inventories	-	841,674	841,674
Restricted cash and investments (note III A):			
Customer deposits	-	732,861	732,861
Connection fees	-	16,172,227	16,172,227
Total current assets	<u>122,369,325</u>	<u>39,489,223</u>	<u>161,858,548</u>
Noncurrent assets:			
Loans receivable (note III B)	10,168,152	-	10,168,152
Deferred charges	1,496,631	-	1,496,631
Capital assets (note III D):			
Capital assets not being depreciated	26,004,410	21,667,900	47,672,310
Capital assets being depreciated, net	50,592,073	50,807,406	101,399,479
Total noncurrent assets	<u>88,261,266</u>	<u>72,475,306</u>	<u>160,736,572</u>
Total assets	<u>210,630,591</u>	<u>111,964,529</u>	<u>322,595,120</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	3,969,461	2,523,240	6,492,701
Salaries and benefits payable	2,739,102	655,387	3,394,489
Accrued interest payable	1,003,771	-	1,003,771
Deposits	6,650,703	-	6,650,703
Liabilities payable from restricted assets	-	1,625,129	1,625,129
Unearned revenues	9,555,516	-	9,555,516
Current portion of long-term obligations	5,714,038	52,601	5,766,639
Total current liabilities	<u>29,632,591</u>	<u>4,856,357</u>	<u>34,488,948</u>
Noncurrent liabilities (note III G):			
Noncurrent portion of long-term obligations	74,957,681	799,185	75,756,866
Total liabilities	<u>104,590,272</u>	<u>5,655,542</u>	<u>110,245,814</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	39,280,006	72,475,306	111,755,312
Restricted for:			
Capital projects	20,172,858	-	20,172,858
Debt service	3,500,228	-	3,500,228
Other purposes	5,045,563	15,279,959	20,325,522
Unrestricted	38,041,664	18,553,722	56,595,386
Total net assets	<u>\$ 106,040,319</u>	<u>\$ 106,308,987</u>	<u>\$ 212,349,306</u>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Full Cost by Function</u>	<u>Program Revenues</u>	
				<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Primary government:</b>					
<b>Governmental activities:</b>					
General government	\$ 16,247,298	\$ (4,732,549)	\$ 11,514,749	\$ 501,517	\$ -
Community services (CS)	3,339,200	-	3,339,200	118,096	69,052
Planning (ES)	8,961,596	490,100	9,451,696	7,626,881	3,055,494
Public ways and facilities (PW)	14,480,308	420,649	14,900,957	8,146,699	6,136,205
Public safety (PD)	24,910,100	-	24,910,100	1,040,695	780,900
Interest on long term debt	2,766,273	-	2,766,273	-	-
<b>Total governmental activities</b>	<b>70,704,775</b>	<b>(3,821,800)</b>	<b>66,882,975</b>	<b>17,433,888</b>	<b>10,041,651</b>
<b>Business-type activities:</b>					
Sanitation	10,715,924	1,357,900	12,073,824	11,964,388	43,530
Waterworks district no. 8	19,373,481	1,644,600	21,018,081	21,746,334	17,170
Transit	4,206,360	819,300	5,025,660	400,129	1,893,033
<b>Total business-type activities</b>	<b>34,295,765</b>	<b>3,821,800</b>	<b>38,117,565</b>	<b>34,110,851</b>	<b>1,953,733</b>
<b>Total primary government</b>	<b>\$ 105,000,540</b>	<b>\$ -</b>	<b>\$ 105,000,540</b>	<b>\$ 51,544,739</b>	<b>\$ 11,995,384</b>

General revenues:  
Property taxes  
Tax Increment  
Sales taxes  
Motor fuel tax  
Franchise taxes  
Business tax  
Other taxes  
Investment earnings  
Gain (loss) on asset disposition  
Miscellaneous  
Capital contributions-unrestricted  
Transfers  
Total general revenues and transfers  
Change in net assets  
Net assets-beginning  
Net assets-ending

**CITY OF SIMI VALLEY  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

Program Revenues	Net (Expense) Revenue and Changes in Net Assets		
	Primary Government		
Capital	Governmental	Business-type	Total
Grants and Contributions	Activities	Activities	
\$ 344,543	\$ (10,668,689)	\$ -	\$ (10,668,689)
-	(3,152,052)	-	(3,152,052)
146,632	1,377,311	-	1,377,311
666,330	48,277	-	48,277
122,864	(22,965,641)	-	(22,965,641)
-	(2,766,273)	-	(2,766,273)
<u>1,280,369</u>	<u>(38,127,067)</u>	<u>-</u>	<u>(38,127,067)</u>
-	-	(65,906)	(65,906)
-	-	745,423	745,423
<u>999,383</u>	<u>-</u>	<u>(1,733,115)</u>	<u>(1,733,115)</u>
<u>999,383</u>	<u>-</u>	<u>(1,053,598)</u>	<u>(1,053,598)</u>
<u>\$ 2,279,752</u>	<u>(38,127,067)</u>	<u>(1,053,598)</u>	<u>(39,180,665)</u>

Primary government:

Governmental activities:

- General government
- Community services (CS)
- Planning (ES)
- Public ways and facilities (PW)
- Public safety (PD)
- Interest on long term debt

Total governmental activities

Business-type activities:

- Sanitation
- Waterworks district no. 8
- Transit

Total business-type activities

Total primary government

17,290,860	-	17,290,860
10,608,367	-	10,608,367
14,829,984	-	14,829,984
2,930,485	-	2,930,485
3,856,273	-	3,856,273
1,355,601	-	1,355,601
2,250,647	-	2,250,647
2,270,336	985,444	3,255,780
(812,649)	-	(812,649)
-	2,672	2,672
1,765,510	8,295,223	10,060,733
(1,557,737)	1,557,737	-
<u>54,787,677</u>	<u>10,841,076</u>	<u>65,628,753</u>
16,660,610	9,787,478	26,448,088
<u>89,379,709</u>	<u>96,521,509</u>	<u>185,901,218</u>
<u>\$ 106,040,319</u>	<u>\$ 106,308,987</u>	<u>\$ 212,349,306</u>

General revenues:

- Property taxes
- Tax increment
- Sales taxes
- Motor fuel tax
- Franchise taxes
- Business tax
- Other taxes
- Investment earnings
- Gain (loss) on asset disposition
- Miscellaneous

Capital contributions-unrestricted

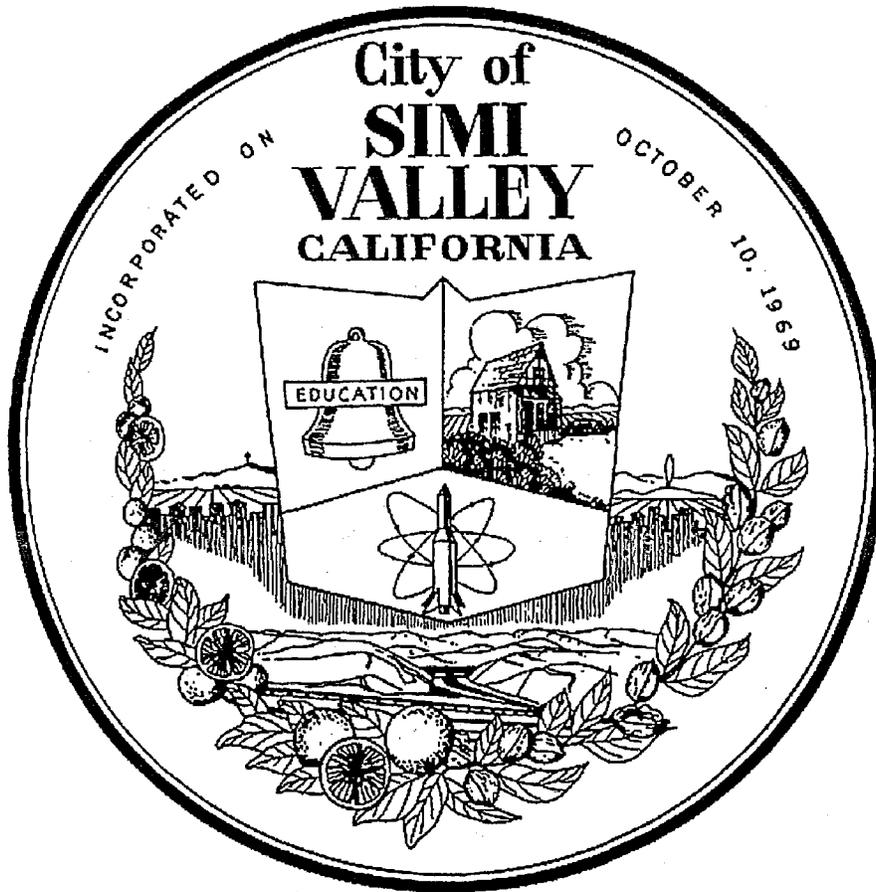
Transfers

Total general revenues and transfers

Change in net assets

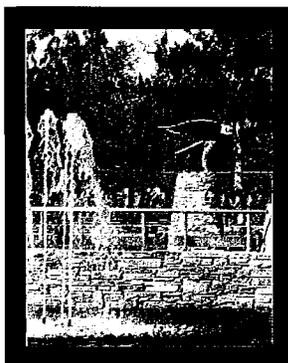
Net assets-beginning

Net assets-ending



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## Fund Financial Statements







**CITY OF SIMI VALLEY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2005**

	General	Special Revenue			Debt Service
		Community Development Agency Housing Administration	Merged Tapo Canyon & West End Tax Increment	Development Related Fees	2004 Certificates of Participation
<b>ASSETS</b>					
Cash and investments:					
Held by city	\$ 14,994,389	\$ 4,202,689	\$ 99,435	\$ 23,021,283	\$ -
Held by fiscal agents	-	-	-	103,596	23,103,809
Accounts receivable (net of allowance for uncollectibles) (note III C)	922,734	-	24,812	-	-
Taxes receivable	2,853,767	-	67,686	-	-
Grants receivable	34,417	-	-	-	-
Interest receivable	287,163	31,544	13,799	104,545	-
Due from other funds (note III F)	4,227,081	19,486	-	-	-
Loans receivable (note III B)	447,695	7,020,552	-	195,482	-
Advances to other funds (note III F)	17,830,798	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 41,598,044</b>	<b>\$ 11,274,271</b>	<b>\$ 205,732</b>	<b>\$ 23,424,906</b>	<b>\$ 23,103,809</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 1,085,430	\$ 48,303	\$ 205,730	\$ 170,785	\$ 839,503
Salaries and benefits payable	2,591,620	65,853	-	-	-
Due to other funds (note III F)	-	-	-	-	-
Advances from other funds (note III F)	-	-	12,120,211	-	-
Deposits	-	-	-	6,650,703	-
Deferred revenues	500,000	7,020,552	-	195,482	-
<b>TOTAL LIABILITIES</b>	<b>4,157,050</b>	<b>7,134,708</b>	<b>12,325,941</b>	<b>7,016,970</b>	<b>839,503</b>
<b>FUND BALANCES</b>					
Reserved (note III H)	19,006,034	646,750	1,000	38,112	-
Unreserved (note III H):					
General fund	11,605,397	-	-	-	-
Special revenue funds	-	3,492,813	-	16,369,824	-
Debt service funds	-	-	-	-	22,264,306
Capital projects funds	-	-	-	-	-
Undesignated (note III H):	6,829,563	-	(12,121,209)	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>37,440,994</b>	<b>4,139,563</b>	<b>(12,120,209)</b>	<b>16,407,936</b>	<b>22,264,306</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 41,598,044</b>	<b>\$ 11,274,271</b>	<b>\$ 205,732</b>	<b>\$ 23,424,906</b>	<b>\$ 23,103,809</b>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2005**

<b>Capital Projects</b>				
Streets & Roads	Public Facility Improvements	Nonmajor Governmental	Total Governmental Funds	
				<b>ASSETS</b>
				Cash and investments:
				Held by city
\$ 4,387,471	\$ 6,386,266	\$ 18,113,664	\$ 71,205,197	Held by fiscal agents
-	-	3,092,363	26,299,768	Accounts receivable (net of allowance for uncollectibles) (note III C)
-	839,502	-	1,787,048	Taxes receivable
-	-	77,995	2,999,448	Grants receivable
113,600	-	62,640	210,657	Interest receivable
-	24,198	102,800	564,049	Due from other funds (note III F)
-	-	-	4,246,567	Loans receivable (note III B)
-	-	2,504,423	10,168,152	Advances to other funds (note III F)
-	-	2,500,000	20,330,798	
<b>\$ 4,501,071</b>	<b>\$ 7,249,966</b>	<b>\$ 26,453,885</b>	<b>\$ 137,811,684</b>	<b>TOTAL ASSETS</b>
				<b>LIABILITIES AND FUND BALANCES</b>
				<b>LIABILITIES</b>
\$ 321,458	\$ 893,284	\$ 349,333	\$ 3,893,826	Accounts payable
-	-	66,353	2,723,826	Salaries and benefits payable
-	-	1,952,089	1,952,089	Due to other funds (note III F)
-	3,348,380	174,207	15,642,798	Advances from other funds (note III F)
-	-	-	6,650,703	Deposits
113,600	-	2,293,056	10,122,690	Deferred revenues
435,058	4,241,664	4,835,038	40,985,932	<b>TOTAL LIABILITIES</b>
				<b>FUND BALANCES</b>
525,283	5,188,245	8,249,293	33,654,717	Reserved (note III H)
-	-	-	11,605,397	Unreserved (note III H):
-	-	6,578,548	26,441,185	General fund
-	-	-	22,264,306	Special revenue funds
-	-	-	-	Debt service funds
3,540,730	-	7,799,974	11,340,704	Capital projects funds
-	(2,179,943)	-	(7,471,589)	Undesignated (note III H):
-	-	436,408	436,408	Special revenue funds
-	-	(1,445,376)	(1,445,376)	Capital projects funds
4,066,013	3,008,302	21,618,847	96,825,752	<b>TOTAL FUND BALANCES (DEFICITS)</b>
<b>\$ 4,501,071</b>	<b>\$ 7,249,966</b>	<b>\$ 26,453,885</b>	<b>\$ 137,811,684</b>	<b>TOTAL LIABILITIES AND FUND BALANCES</b>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES  
JUNE 30, 2005**

Fund balances - total governmental funds	\$	96,825,752
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets in governmental activities are not financial resources and, therefore, are not reported in the governmental funds (note III E).</p>		76,596,483
<p>Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:</p> <p style="padding-left: 20px;">Unamortized bond issuance costs</p>		1,496,631
<p>Internal service funds are used by management to charge the costs of workers' compensation and general liability. The assets and liabilities are included in governmental activities in the statement of net assets.</p>		757,812
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:</p>		
Deferred revenue adjustment for loans receivable	\$ 567,174	
Accrued interest payable	(1,003,771)	
Compensated absences payable	(4,431,654)	
1995 Lease Revenue Bonds	(7,805,000)	
2003 Tax Allocation Bonds	(30,745,000)	
2004 Certificates of Participation	(25,955,000)	
Unamortized bond premium	(794,043)	
Unamortized bond payable deferred on refunding	530,935	(69,636,359)
<hr style="width: 100%;"/>		
Net assets of governmental activities	\$	<u>106,040,319</u>

See accompanying independent auditors' report and notes to the basic financial statements.



**CITY OF SIMI VALLEY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	General	Special Revenue			Debt Service
		Community Development Agency Housing Administration	Merged Tapo Canyon & West End Tax Increment	Development Related Fees	2004 Certificates of Participation
<b>REVENUES</b>					
Taxes	\$ 37,672,161	\$ -	\$ -	\$ -	\$ -
Tax increment revenues	-	-	10,545,622	-	-
Licenses and permits	5,761,949	-	-	-	-
Fines and forfeitures	744,172	-	-	-	-
Use of money and property	1,249,648	1,711,781	110,576	321,361	280,789
From other governments	3,185,214	-	-	-	-
Grants	414,889	-	-	-	-
Service charges	2,508,020	3,821	-	818,907	-
Other revenues	1,369,199	-	-	5,404,843	-
<b>Total revenues</b>	<b>52,905,252</b>	<b>1,715,602</b>	<b>10,656,198</b>	<b>6,545,111</b>	<b>280,789</b>
<b>EXPENDITURES</b>					
Current:					
General government	4,129,694	282,814	167,721	-	-
Community services (CS)	3,314,873	-	-	-	-
Planning (ES)	5,704,232	3,040,368	-	143,368	-
Public ways and facilities (PW)	12,006,718	-	-	-	-
Public safety (PD)	24,640,516	-	-	-	-
<b>Total current expenditures</b>	<b>49,796,033</b>	<b>3,323,182</b>	<b>167,721</b>	<b>143,368</b>	<b>-</b>
Capital outlay:					
Streets and roads	-	-	-	-	-
Other capital projects	-	1,812,563	56,106	-	-
<b>Total capital outlay</b>	<b>-</b>	<b>1,812,563</b>	<b>56,106</b>	<b>-</b>	<b>-</b>
Debt service:					
Bond issuance costs	-	-	-	-	662,894
Principal	-	-	-	-	-
Interest	-	-	306,982	-	598,640
Other	-	-	-	-	-
<b>Total debt service</b>	<b>-</b>	<b>-</b>	<b>306,982</b>	<b>-</b>	<b>1,261,534</b>
Intergovernmental	-	-	4,103,250	-	-
<b>Total expenditures</b>	<b>49,796,033</b>	<b>5,135,745</b>	<b>4,634,059</b>	<b>143,368</b>	<b>1,261,534</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>3,109,219</b>	<b>(3,420,143)</b>	<b>6,022,139</b>	<b>6,401,743</b>	<b>(980,745)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in (note III F)	6,173,993	2,121,673	-	-	598,565
Transfers out (note III F)	(4,293,942)	(13,800)	(7,369,008)	(1,758,420)	(3,695,107)
Bonds issued	-	-	-	-	25,955,000
Premium on bonds	-	-	-	-	386,593
<b>Total other financing sources (uses)</b>	<b>1,880,051</b>	<b>2,107,873</b>	<b>(7,369,008)</b>	<b>(1,758,420)</b>	<b>23,245,051</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>4,989,270</b>	<b>(1,312,270)</b>	<b>(1,346,869)</b>	<b>4,643,323</b>	<b>22,264,306</b>
<b>FUND BALANCES (DEFICITS)-BEGINNING</b>	<b>32,451,724</b>	<b>5,451,833</b>	<b>(10,773,340)</b>	<b>11,764,613</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)-ENDING</b>	<b>\$ 37,440,994</b>	<b>\$ 4,139,563</b>	<b>\$ (12,120,209)</b>	<b>\$ 16,407,936</b>	<b>\$ 22,264,306</b>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

<u>Capital Projects</u>				
Streets & Roads	Public Facility Improvements	Nonmajor Governmental	Total Governmental Funds	
\$ -	\$ -	\$ 1,911,204	\$ 39,583,365	<b>REVENUES</b>
-	-	62,745	10,608,367	Taxes
-	-	-	5,761,949	Tax increment revenues
-	-	-	744,172	Licenses and permits
-	73,172	921,109	4,668,436	Fines and forfeitures
-	-	6,043,309	9,228,523	Use of money and property
502,580	289,410	1,794,114	3,000,993	From other governments
-	-	792,911	4,123,659	Grants
10,245	-	60,400	6,844,687	Service charges
512,825	362,582	11,585,792	84,564,151	Other revenues
				Total revenues
				<b>EXPENDITURES</b>
				Current:
-	-	1,125,342	5,705,571	General government
-	-	13,043	3,327,916	Community services (CS)
-	-	1,521,981	10,409,949	Planning (ES)
-	-	2,667,415	14,674,133	Public ways and facilities (PW)
-	-	786,825	25,427,341	Public safety (PD)
-	-	6,114,606	59,544,910	Total current expenditures
				Capital outlay:
2,218,756	-	-	2,218,756	Streets and roads
-	3,757,124	4,556,379	10,182,172	Other capital projects
2,218,756	3,757,124	4,556,379	12,400,928	Total capital outlay
				Debt service:
-	-	-	662,894	Bond issuance costs
-	-	1,210,000	1,210,000	Principal
-	-	1,847,587	2,753,209	Interest
-	-	328,503	328,503	Other
-	-	3,386,090	4,954,606	Total debt service
				Intergovernmental
-	-	22,882	4,126,132	Total expenditures
2,218,756	3,757,124	14,079,957	81,026,576	
(1,705,931)	(3,394,542)	(2,494,165)	3,537,575	<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>
				<b>OTHER FINANCING SOURCES (USES)</b>
2,830,620	3,695,107	7,127,830	22,547,788	Transfers in (note III F)
(145,023)	-	(6,825,025)	(24,100,325)	Transfers out (note III F)
-	-	-	25,955,000	Bonds issued
-	-	-	386,593	Premium on bonds
2,685,597	3,695,107	302,805	24,789,056	Total other financing sources (uses)
979,666	300,565	(2,191,360)	28,326,631	<b>NET CHANGE IN FUND BALANCES</b>
3,086,347	2,707,737	23,810,207	68,499,121	<b>FUND BALANCES (DEFICITS)-BEGINNING</b>
\$ 4,066,013	\$ 3,008,302	\$ 21,618,847	\$ 96,825,752	<b>FUND BALANCES (DEFICITS)-ENDING</b>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
RECONCILIATION OF THE STATEMENT OF REVENUES  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

Net change in fund balances - total governmental funds \$ 28,326,631

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

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

Infrastructure contributed by developers	\$ 1,765,510	
Capital outlay	12,393,579	
Loss on asset disposition	(812,649)	
Depreciation expense	<u>(3,214,041)</u>	10,132,399

Issuance of long-term debt affects current financial resources in governmental funds. Also governmental funds report premiums, issuance costs and economic gain/loss when debt is issued. However, debt does not affect net assets, and the other costs are deferred and amortized in the statement of activities.

Issuance of certificates of participation	(25,955,000)	
Unamortized premium on bonds	(386,593)	
Unamortized issuance costs	<u>662,894</u>	(25,678,699)

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

Principal payments:		
Tax increment bonds	520,000	
Lease revenue bonds	<u>690,000</u>	1,210,000

Expenditures that do not use current financial resources are not reported in governmental funds, but are recorded as expenses in the statement of activities.

Net debt service interest accrual	(386,637)	
Amortization of bond issuance costs	(51,511)	
Amortization of deferral on refunding	(28,482)	
Amortized premium on bonds	26,968	
Compensated absences	<u>(161,440)</u>	(601,102)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (231,873)

Expenditures in the statement of activities that do not utilize current financial resources are not reported as revenues in the funds. 881,001

Internal service funds are used by the City to account for liability and workers' compensation insurance. The net expense of these funds is reported with governmental activities. 2,622,253

Change in net assets of governmental activities \$ 16,660,610

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES</u></b>				
Taxes:				
Sales	\$ 14,344,500	\$ 14,344,500	\$ 14,829,984	\$ 485,484
Property	14,674,200	14,674,200	15,379,656	705,456
Franchise	3,724,600	3,724,600	3,856,273	131,673
Business and other	3,209,200	3,209,200	3,606,248	397,048
Licenses and permits	3,914,600	3,914,600	5,761,949	1,847,349
From other governments	1,257,300	3,094,100	3,185,214	91,114
Grants	151,300	324,900	414,889	89,989
Service charges	3,213,000	3,213,000	2,508,020	(704,980)
Fines and forfeitures	676,000	676,000	744,172	68,172
Use of money and property	821,900	821,900	1,249,648	427,748
Other revenues	1,262,600	1,286,700	1,369,199	82,499
Total revenues	<u>47,249,200</u>	<u>49,283,700</u>	<u>52,905,252</u>	<u>3,621,552</u>
<b><u>EXPENDITURES</u></b>				
Current:				
City administration	2,922,100	3,003,100	2,687,545	315,555
Attorney	945,400	951,400	937,506	13,894
Administrative services and city-wide support (AS)*	803,300	1,234,500	504,643	729,857
Community services (CS)	3,575,600	3,604,400	3,314,873	289,527
Planning (ES)	6,163,000	6,161,700	5,704,232	457,468
Public ways and facilities (PW)	12,644,600	13,056,900	12,006,718	1,050,182
Public safety (PD)	23,802,100	24,523,100	24,640,516	(117,416)
Total expenditures	<u>50,856,100</u>	<u>52,535,100</u>	<u>49,796,033</u>	<u>2,739,067</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(3,606,900)</u>	<u>(3,251,400)</u>	<u>3,109,219</u>	<u>6,360,619</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	6,062,500	6,062,500	6,173,993	111,493
Transfers out	(2,266,800)	(4,405,000)	(4,293,942)	111,058
Total other financing sources (uses)	<u>3,795,700</u>	<u>1,657,500</u>	<u>1,880,051</u>	<u>222,551</u>
<b>NET CHANGE IN FUND BALANCE</b>	188,800	(1,593,900)	4,989,270	6,583,170
<b>FUND BALANCES (DEFICITS)-BEGINNING</b>	<u>32,451,724</u>	<u>32,451,724</u>	<u>32,451,724</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)-ENDING</b>	<u>\$ 32,640,524</u>	<u>\$ 30,857,824</u>	<u>\$ 37,440,994</u>	<u>\$ 6,583,170</u>

\*net of reimbursements

**CITY OF SIMI VALLEY  
COMMUNITY DEVELOPMENT AGENCY HOUSING ADMINISTRATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES</u></b>				
Use of money and property	\$ 589,900	\$ 589,900	\$ 1,711,781	\$ 1,121,881
Service charges	64,100	64,100	3,821	(60,279)
Total revenues	<u>654,000</u>	<u>654,000</u>	<u>1,715,602</u>	<u>1,061,602</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government:				
Reimbursement to general fund	406,600	406,600	406,600	-
Reimbursement from CDBG	(104,300)	(104,300)	(104,300)	-
Reimbursement from HOME grant	(100,000)	(100,000)	(19,486)	(80,514)
Total general government	<u>202,300</u>	<u>202,300</u>	<u>282,814</u>	<u>(80,514)</u>
Environmental services:				
Personnel	850,500	850,500	867,338	(16,838)
Materials, supplies and services	2,714,600	5,280,600	2,173,030	3,107,570
Total environmental services	<u>3,565,100</u>	<u>6,131,100</u>	<u>3,040,368</u>	<u>3,090,732</u>
Capital outlay	-	696,000	1,812,563	(1,116,563)
Total expenditures	<u>3,767,400</u>	<u>7,029,400</u>	<u>5,135,745</u>	<u>1,893,655</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(3,113,400)</u>	<u>(6,375,400)</u>	<u>(3,420,143)</u>	<u>2,955,257</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	2,207,200	2,207,200	2,121,673	(85,527)
Transfers out	(13,800)	(13,800)	(13,800)	-
Total other financing sources (uses)	<u>2,193,400</u>	<u>2,193,400</u>	<u>2,107,873</u>	<u>(85,527)</u>
NET CHANGE IN FUND BALANCES	(920,000)	(4,182,000)	(1,312,270)	2,869,730
FUND BALANCES (DEFICITS)-BEGINNING	<u>5,451,833</u>	<u>5,451,833</u>	<u>5,451,833</u>	<u>-</u>
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 4,531,833</u>	<u>\$ 1,269,833</u>	<u>\$ 4,139,563</u>	<u>\$ 2,869,730</u>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY**  
**MERGED TAPO CANYON AND WEST END TAX INCREMENT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES</u></b>				
Tax increment revenues	\$ 10,975,000	\$ 10,975,000	\$ 10,545,622	\$ (429,378)
Use of money and property	86,500	86,500	110,576	24,076
Total revenues	<u>11,061,500</u>	<u>11,061,500</u>	<u>10,656,198</u>	<u>(405,302)</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government:				
Materials, supplies and services	121,200	121,200	130,768	(9,568)
Contract services	44,000	44,000	36,953	7,047
Total general government	<u>165,200</u>	<u>165,200</u>	<u>167,721</u>	<u>(2,521)</u>
Capital outlay	<u>-</u>	<u>60,000</u>	<u>56,106</u>	<u>3,894</u>
Debt service:				
Interest	<u>199,500</u>	<u>199,500</u>	<u>306,982</u>	<u>(107,482)</u>
Intergovernmental	<u>4,192,900</u>	<u>4,192,900</u>	<u>4,103,250</u>	<u>89,650</u>
Total expenditures	<u>4,557,600</u>	<u>4,617,600</u>	<u>4,634,059</u>	<u>(16,459)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>6,503,900</u>	<u>6,443,900</u>	<u>6,022,139</u>	<u>(421,761)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	<u>(9,248,700)</u>	<u>(12,825,200)</u>	<u>(7,369,008)</u>	<u>5,456,192</u>
Total other financing sources (uses)	<u>(9,248,700)</u>	<u>(12,825,200)</u>	<u>(7,369,008)</u>	<u>5,456,192</u>
NET CHANGE IN FUND BALANCES	<u>(2,744,800)</u>	<u>(6,381,300)</u>	<u>(1,346,869)</u>	<u>5,034,431</u>
FUND BALANCES (DEFICITS)-BEGINNING	<u>(10,773,340)</u>	<u>(10,773,340)</u>	<u>(10,773,340)</u>	<u>-</u>
FUND BALANCES (DEFICITS)-ENDING	<u>\$ (13,518,140)</u>	<u>\$ (17,154,640)</u>	<u>\$ (12,120,209)</u>	<u>\$ 5,034,431</u>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
DEVELOPMENT RELATED FEES  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES</u></b>				
Use of money and property	\$ 225,800	\$ 225,800	\$ 321,361	\$ 95,561
Service charges	600,000	600,000	818,907	218,907
Other revenues	2,307,500	2,307,500	5,404,843	3,097,343
Total revenues	<u>3,133,300</u>	<u>3,133,300</u>	<u>6,545,111</u>	<u>3,411,811</u>
<b><u>EXPENDITURES</u></b>				
Current:				
Environmental services:				
Housing programs	295,500	295,500	143,368	152,132
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers out	(3,200,600)	(1,709,100)	(1,758,420)	(49,320)
NET CHANGE IN FUND BALANCES	(362,800)	1,128,700	4,643,323	3,514,623
FUND BALANCES (DEFICITS)-BEGINNING	<u>11,764,613</u>	<u>11,764,613</u>	<u>11,764,613</u>	<u>-</u>
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 11,401,813</u>	<u>\$ 12,893,313</u>	<u>\$ 16,407,936</u>	<u>\$ 3,514,623</u>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2005**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities Internal Service Funds</b>
	<b>Ventura County</b>		<b>Simi Valley</b>		
	<b>Simi Valley Sanitation</b>	<b>Waterworks District No. 8</b>	<b>Transit System</b>	<b>Total</b>	
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and investments	\$ 10,163,120	\$ 5,452,279	\$ -	\$ 15,615,399	\$ 17,013,394
Customer receivable	570,001	4,185,945	-	4,755,946	-
Other receivable	6,265	208,393	33,058	247,716	-
Taxes receivable	249,308	-	-	249,308	-
Grants receivable	-	-	2,819,668	2,819,668	-
Inventories	188,929	523,790	128,955	841,674	-
Interest receivable	140,797	115,721	-	256,518	87,670
<b>Restricted cash and investments:</b>					
Customer deposits	-	732,861	-	732,861	-
Connection fees	7,486,866	8,685,361	-	16,172,227	-
<b>Total current assets</b>	<b>18,805,286</b>	<b>19,904,350</b>	<b>2,981,681</b>	<b>41,691,317</b>	<b>17,101,064</b>
<b>Noncurrent assets:</b>					
<b>Capital assets (net of accumulated depreciation) (note III D):</b>					
Land	765,660	469,420	-	1,235,080	-
Buildings and improvements	5,952,601	600,766	1,567,998	8,121,365	-
Furnishings and equipment	230,064	251,892	493,862	975,818	-
Vehicles	404,909	368,119	2,168,361	2,941,389	-
Distribution system	24,705,320	14,056,556	6,958	38,768,834	-
Construction-in-progress	16,153,067	3,516,464	763,289	20,432,820	-
<b>Total noncurrent assets</b>	<b>48,211,621</b>	<b>19,263,217</b>	<b>5,000,468</b>	<b>72,475,306</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>67,016,907</b>	<b>39,167,567</b>	<b>7,982,149</b>	<b>114,166,623</b>	<b>17,101,064</b>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable	445,123	1,980,454	97,663	2,523,240	75,635
Salaries and benefits payable	363,628	117,640	174,119	655,387	15,276
Compensated absences	23,655	26,912	2,034	52,601	10,055
Due to other funds (note III F)	-	-	2,294,478	2,294,478	-
Claims and legal services payable	-	-	-	-	4,010,818
<b>Total current liabilities</b>	<b>832,406</b>	<b>2,125,006</b>	<b>2,568,294</b>	<b>5,525,706</b>	<b>4,111,784</b>
<b>Current liabilities payable from restricted assets:</b>					
Water service prepayments	-	732,861	-	732,861	-
Accounts payable restricted	765,567	126,701	-	892,268	-
<b>Total current liabilities from restricted assets</b>	<b>765,567</b>	<b>859,562</b>	<b>-</b>	<b>1,625,129</b>	<b>-</b>
<b>Noncurrent liabilities:</b>					
Advances from other funds (note III F)	-	-	-	-	4,688,000
Compensated absences	327,356	242,962	228,867	799,185	17,326
Claims and legal services payable	-	-	-	-	7,433,758
<b>Total noncurrent liabilities</b>	<b>327,356</b>	<b>242,962</b>	<b>228,867</b>	<b>799,185</b>	<b>12,139,084</b>
<b>TOTAL LIABILITIES</b>	<b>1,925,329</b>	<b>3,227,530</b>	<b>2,797,161</b>	<b>7,950,020</b>	<b>16,250,868</b>
<b>NET ASSETS</b>					
Invested in capital assets	48,211,621	19,263,217	5,000,468	72,475,306	-
Restricted	6,721,299	8,558,660	-	15,279,959	-
Unrestricted	10,158,658	8,118,160	184,520	18,461,338	850,196
<b>TOTAL NET ASSETS</b>	<b>\$ 65,091,578</b>	<b>\$ 35,940,037</b>	<b>\$ 5,184,988</b>	<b>106,216,603</b>	<b>\$ 850,196</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					
Beginning adjustment				(604,905)	
Current adjustment				697,289	
<b>Net assets of business-type activities</b>				<b>\$ 106,308,987</b>	

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<b>Business-type Activities - Enterprise Funds</b>				<b>Governmental Activities Internal Service Funds</b>
	<b>Simi Valley Sanitation</b>	<b>Ventura County Waterworks District No. 8</b>	<b>Simi Valley Transit System</b>	<b>Total</b>	
<b><u>OPERATING REVENUES</u></b>					
Charges for sales and services	\$ 11,964,388	\$ 21,746,334	\$ 400,129	\$ 34,110,851	\$ 6,577,473
<b><u>OPERATING EXPENSES</u></b>					
Salaries and benefits	5,171,894	2,968,358	2,480,484	10,620,736	246,285
Materials and supplies:					
Water purchases	-	12,782,415	-	12,782,415	-
Utilities	774,397	517,610	-	1,292,007	-
Chemicals	321,722	-	-	321,722	-
Other	239,135	662,898	348,936	1,250,969	11,082
Services:					
Maintenance projects	140,128	483,773	-	623,901	-
Other	1,941,833	1,299,995	485,407	3,727,235	-
Insurance	215,800	124,000	153,200	493,000	577,275
Claims and legal expenses	-	-	-	-	1,600,249
General administration	1,357,900	1,644,600	819,300	3,821,800	1,101,200
Depreciation	2,279,247	759,685	842,137	3,881,069	-
Total operating expenses	<u>12,442,056</u>	<u>21,243,334</u>	<u>5,129,464</u>	<u>38,814,854</u>	<u>3,536,091</u>
OPERATING INCOME (LOSS)	<u>(477,668)</u>	<u>503,000</u>	<u>(4,729,335)</u>	<u>(4,704,003)</u>	<u>3,041,382</u>
<b><u>NONOPERATING REVENUES AND EXPENSES</u></b>					
Grants	43,530	17,170	1,893,033	1,953,733	-
Interest	435,123	550,321	-	985,444	283,360
Other	(11)	54,200	(51,517)	2,672	-
Total nonoperating revenues (expenses)	<u>478,642</u>	<u>621,691</u>	<u>1,841,516</u>	<u>2,941,849</u>	<u>283,360</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	974	1,124,691	(2,887,819)	(1,762,154)	3,324,742
<b><u>CONTRIBUTIONS AND TRANSFERS</u></b>					
Capital contributions	3,996,052	4,299,171	999,383	9,294,606	-
Transfers in (note III F)	-	-	2,167,837	2,167,837	-
Transfers out (note III F)	(338,800)	(271,300)	-	(610,100)	(5,200)
Total contributions and transfers	<u>3,657,252</u>	<u>4,027,871</u>	<u>3,167,220</u>	<u>10,852,343</u>	<u>(5,200)</u>
CHANGE IN NET ASSETS	3,658,226	5,152,562	279,401	9,090,189	3,319,542
TOTAL NET ASSETS-BEGINNING	<u>61,433,352</u>	<u>30,787,475</u>	<u>4,905,587</u>		<u>(2,469,346)</u>
TOTAL NET ASSETS-ENDING	<u>\$ 65,091,578</u>	<u>\$ 35,940,037</u>	<u>\$ 5,184,988</u>		<u>\$ 850,196</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					
Current adjustment				697,289	
Change in net assets of business-type activities				<u>\$ 9,787,478</u>	

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities Internal Service Funds</u>
	<u>Ventura County</u>		<u>Simi Valley</u>		
	<u>Simi Valley Sanitation</u>	<u>Waterworks District No. 8</u>	<u>Transit System</u>	<u>Totals</u>	
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>					
Cash received from service charges and other revenues	\$ 11,625,139	\$ 21,548,785	\$ 433,858	\$ 33,607,782	\$ 6,577,473
Cash paid for salaries and benefits	(5,008,148)	(2,941,444)	(2,405,988)	(10,355,580)	-
Cash paid for supplies and materials	(1,303,175)	(13,562,866)	(390,896)	(15,256,937)	-
Cash paid for general administration	(1,357,900)	(1,644,600)	(819,300)	(3,821,800)	(1,101,200)
Cash paid for services and insurance	(2,774,278)	(1,907,768)	(638,607)	(5,320,653)	(242,883)
Cash paid for insurance premiums and claims	-	-	-	-	(3,174,839)
Net cash provided (used) by operating activities	<u>1,181,638</u>	<u>1,492,107</u>	<u>(3,820,933)</u>	<u>(1,147,188)</u>	<u>2,058,551</u>
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u></b>					
Cash paid from transfers to other funds	(338,800)	(271,300)	-	(610,100)	-
Cash received from grants and other governments	43,530	17,170	922,848	983,548	-
Cash received from interfund borrowing	-	-	2,704,961	2,704,961	(5,200)
Net cash provided (used) by noncapital financing activities	<u>(295,270)</u>	<u>(254,130)</u>	<u>3,627,809</u>	<u>3,078,409</u>	<u>(5,200)</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u></b>					
Sewer connection fees and water capital improvement charges	3,996,052	4,299,171	-	8,295,223	-
Contribution received from other governments	-	-	999,383	999,383	-
Acquisition of capital assets	(6,465,603)	(2,325,362)	(1,103,453)	(9,894,418)	-
Net cash provided (used) by capital and related financing activities	<u>(2,469,551)</u>	<u>1,973,809</u>	<u>(104,070)</u>	<u>(599,812)</u>	<u>-</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>					
Interest on investments	394,057	494,227	-	888,284	240,216
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,189,126)	3,706,013	(297,194)	2,219,693	2,293,567
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	18,839,112	11,164,488	297,194	30,300,794	14,719,827
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 17,649,986</u>	<u>\$ 14,870,501</u>	<u>\$ -</u>	<u>\$ 32,520,487</u>	<u>\$ 17,013,394</u>
<b><u>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</u></b>					
Capital additions	\$ 622,819	\$ 1,254,596	\$ 50,000	\$ 1,927,415	\$ -
Contributions in aid of construction	(622,819)	(1,254,596)	(50,000)	(1,927,415)	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u></b>					
Operating income (loss)	\$ (477,668)	\$ 503,000	\$ (4,729,335)	\$ (4,704,003)	\$ 3,041,382
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,279,247	759,685	842,137	3,881,069	-
(Increase) decrease in accounts receivable	(331,822)	(179,197)	1,295	(509,724)	-
Increase (decrease) in inventory	24,461	-	(39,362)	(14,901)	-
Increase (decrease) in accounts payable	(476,517)	370,950	(4,132)	(109,699)	(103,342)
Increase (decrease) in accrued payroll	140,091	2	72,462	212,555	-
Increase (decrease) in compensated absences	23,655	26,912	2,034	52,601	-
Increase (decrease) in water service prepayments	-	10,750	-	10,750	-
Increase (decrease) in claims and legal services payable	-	-	-	-	(879,489)
Adjustment for revenues and expenses classified as nonoperating	191	5	33,968	34,164	-
Total adjustments	<u>1,659,306</u>	<u>989,107</u>	<u>908,402</u>	<u>3,556,815</u>	<u>(982,831)</u>
Net cash provided (used) by operating activities	<u>\$ 1,181,638</u>	<u>\$ 1,492,107</u>	<u>\$ (3,820,933)</u>	<u>\$ (1,147,188)</u>	<u>\$ 2,058,551</u>

See accompanying independent auditors' report and notes to the basic financial statements.

**CITY OF SIMI VALLEY  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
JUNE 30, 2005**

	<b>Total</b>
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments:	
Held by city	\$ 2,896,455
Held by fiscal agents	6,965,104
Accounts receivable	20,798
Prepays	3,000,000
<b>TOTAL ASSETS</b>	<b>\$ 12,882,357</b>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Intergovernmental payable	\$ 12,882,357
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 12,882,357</b>

See accompanying independent auditors' report and notes to the basic financial statements.

CITY OF SIMI VALLEY • LISTING OF NOTES TO THE BASIC FINANCIAL  
STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2005

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**I. Summary of significant accounting policies**

**A. Reporting entity**

The City of Simi Valley is a municipal corporation governed by an elected mayor and four-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The following blended component units are included in the City's financial statements:

- Ventura County Waterworks District No. 8 provides water services to the residents of the City of Simi Valley. The activity of the District is reported as an Enterprise Fund.
- Simi Valley Community Development Agency established under "Community Redevelopment Law" in the California Health and Safety Code serves to eliminate blight, enhance job creation and retention, and improve the tax base for the City by promoting development. The activity of the Agency is reported in special revenue, debt service and capital projects funds.
- Simi Valley Industrial Development Authority facilitates certain types of development projects.
- Simi Valley Public Financing Authority provides a financing mechanism for various public projects. The activity of the Authority is reported in the debt service funds.

These entities are financially accountable to the primary government, and are governed by a board comprised of the City's elected council. Stand-alone financial statements for the Community Development Agency are available from the Department of Administrative Services. Separate financial statements are not prepared for the Ventura County Waterworks District No. 8, the Simi Valley Industrial Development Authority and the Simi Valley Public Financing Authority.

**B. Financial statements**

The basic financial statements of the City are comprised of:

Government-wide financial statements,  
Fund financial statements,  
Budget-to-actual comparisons for the general fund and major special revenue funds,  
Notes to the basic financial statements, and  
Required supplementary information.

In addition, supplementary information is provided for:

Nonmajor governmental funds,  
Budget-to-actual comparisons for nonmajor special revenue funds,  
Internal service funds, and  
Fiduciary funds.

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and

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its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of net assets, statement of activities and a management's discussion and analysis section provides an analysis of the City's overall financial position and changes in financial position.

Net assets are classified into three components: invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:

- Invested in capital assets, net of related debt - This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.
- Restricted - This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net assets - This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Fund financial statements for the City's governmental, enterprise, and internal service

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funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sanitation, water and transit funds, and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

Financial reporting is based upon all Governmental Accounting Standards Board (GASB) pronouncements, as well as the Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins that were issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements. FASB pronouncements issued after November 30, 1989 are not followed in the preparation of the accompanying financial statements.

**C. Measurement focus, basis of accounting, and financial statement presentation**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. Their reported fund balances (net current assets) are considered 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. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual

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accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, service charges, rents, intergovernmental revenue, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The underlying accounting system of the City is based on funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The City reports the following major governmental and enterprise funds:

**General fund:**

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

**Special revenue funds:**

*Community Development Agency Housing Administration fund* accounts for housing set-aside funds used to reimburse the costs associated with the processing of affordable housing agreements, as well as any general plan amendments for affordable housing projects.

*Merged Tapo Canyon and West End Tax Increment fund* accounts for tax increment revenues restricted by the State for debt service requirements.

*Development Related Fees fund* accounts for fees paid by developers for infrastructure construction and improvements, traffic impact mitigation, and program participation in low- and moderate-income housing programs. This fund also accounts for performance and other deposits held by the City.

**Debt Service Funds:**

*2004 Certificates of Participation fund* was established to account for the debt service transactions related to this issuance.

**Capital project funds:**

*Streets and Roads fund* accounts for all street-related improvements. Grants, transfers of funds from special revenue funds, accumulated via service charges, or transfers from the general fund primarily fund these improvements.

*Public Facility Improvements fund* provides for the building needs of various City facilities, including the planned expansion of City Hall and the Senior Citizens' Center.

**Enterprise funds:**

*Simi Valley Sanitation fund* accounts for providing wastewater collection and treatment services in all the incorporated areas within the City of Simi Valley, as well as adjacent unincorporated areas.

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*Ventura County Waterworks District No. 8* fund accounts for the activities of the District, a blended component unit of the government. The District provides water services to 62% of Simi Valley residents.

*Simi Valley Transit System* fund accounts for the activities of the City's transit system.

Additionally, the City reports the following fund types:

**Internal service funds:**

The City utilizes two internal service funds to account for risk management services provided to other departments of the City, on a cost reimbursement basis.

*Liability Insurance* fund provides for losses arising from general liability, property, automobile, physical damage, employee fiduciary, and unemployment claims. It is financed through contributions paid by each operating program based on factors similar to those used by insurance companies (i.e. payroll, property values, and number of employees).

*Workers' Compensation Insurance* fund accounts for the workers' compensation program. It is financed through contributions paid by each operating program based on factors similar to those used by the State Compensation Insurance Fund in calculating premium amounts; i.e., percentage rates by class of employee applied against related payroll costs.

**Fiduciary funds:**

The City accounts for assets held by the City in a trustee capacity or as an agent for individuals or private organizations in agency funds.

*Assessment District* funds account for special assessments collected on the property tax roll by the City on behalf of the property owners.

*Tax Increment Pass-Through* funds are utilized to accumulate tax increment revenues on behalf of taxing entities in the Community Development project areas until they are remitted to these agencies.

**D. Assets, liabilities, and net assets or equity**

*1. Deposits and investments*

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

State statutes and City Investment Policy, authorize the government to invest in obligations of the U.S. Treasury, the State and local agencies and the State Treasurer's Investment Pool.

Investments are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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*2. Receivables and payables*

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Receivables are shown net of an allowance for uncollectibles.

*3. Property taxes*

Property taxes in California are levied in accordance with Article 13A of the State Constitution and statutory provisions by the County Assessor for the secured and unsecured tax rolls, and State Board of Equalization for the utility property tax rolls. The tax levy to support general operations is limited to one percent of full value at time of purchase with subsequent annual increases up to two percent. Increase to full value is allowed for property improvements or upon change in ownership. Amounts required to finance voter-approved debt are excluded from this limitation and are calculated and levied each fiscal year. Property taxes are levied on both real and personal property. Secured property taxes are levied July 1, payable in two equal installments: the first is due November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10. Unsecured property taxes become delinquent with penalties after August 31. Secured property taxes become a lien on the property on January 1.

The County of Ventura bills and collects the property taxes and remits them to the City throughout the year. Property tax revenue is recognized in the fiscal year for which taxes have been levied, provided the revenue is collected in the current period, or within 60 days thereafter.

Taxes levied for all property within the Community Development Agency project areas is remitted to the Agency. The amount of tax, computed by applying the current tax rate to the assessed valuation prior to the adoption of the redevelopment plan, is paid to the various taxing agencies. The excess tax received is deposited in the Agency funds. In accordance with the Health and Safety code, 20% of gross tax increment revenues are set-aside in the Community Development Agency Housing Administration fund, to be used for replacement or improvement of low-income housing.

*4. Inventories and prepaid items*

In governmental funds the purchase method is used to account for inventories. Under this method inventories are recorded as expenditure when purchased rather than capitalized as an asset. If inventory amounts are significant at year-end they are reported as an asset. Inventory amounts in the governmental funds were not significant in fiscal year 2004-05.

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In proprietary funds inventories are valued at cost. They are accounted for using the consumption method, on a first-in / first-out basis.

*5. Restricted assets*

Customer deposits and connection fees are classified as restricted assets on the statement of net assets, business-type activities. Customer deposits off-set the liability for water service prepayments, and the cash received for water and sewer connection fees is restricted for infrastructure or plant improvements.

*6. Capital assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 (the infrastructure limit is \$50,000) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Donated infrastructure assets are recorded at estimated historical cost provided by the developer.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. As per GASB Statement No. 34, the City will retroactively capitalize major general infrastructure assets by the fiscal year ended June 30, 2007.

Property, plant, and equipment is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Vehicles	5-10
Machinery and equipment	3-10
Water sewer line	30-100
Infrastructure	25-50

*7. Compensated absences*

Vacation and sick leave benefits are consolidated into an annual leave benefit program. It is the City's policy to permit employees to accumulate earned but unused annual leave. All annual leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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*8. Long-term obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. The deferred gain or loss on a refunding is netted with the debt and amortized over the shorter of the remaining life of the refunded debt or the new debt using the straight-line method.

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

*9. Fund equity*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**II. Stewardship, compliance, and accountability**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, enterprise funds, and all special revenue funds. Project-length budgets are adopted for the capital project funds. Debt service funds are not budgeted. All appropriations lapse at fiscal year end.

The appropriated budget is prepared by fund, function and department. The City Manager may make transfers of appropriations that do not have a significant policy impact or affect budgeted year-end fund balances. The City Council may amend the budget at any time during the year. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level for all funds except the general fund for which the legal level of budgetary control is the department level.

Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

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**B. Excess of expenditures over appropriations**

For fiscal year ended June 30, 2005, expenditures exceeded appropriations in the Merged Tapo Canyon and West End Tax Increment (major), and the Madera Royal Tax Increment (nonmajor) special revenue funds by \$16,459 and \$1,116 respectively. Fiscal Year 2005-06 tax increment revenues will fund these over-expenditures.

**C. Deficit fund equity**

The Merged Tapo Canyon and West End Tax Increment special revenue fund had a deficit fund balance of \$12,120,209 as of June 30, 2005. This is due to the amount advanced from the City's general fund to the Community Development Agency, a blended component unit of the City, to finance community development projects. The advance will be repaid from available tax increment revenues.

In addition, the following nonmajor funds had deficit fund balances as of June 30, 2005: the Madera Royal Tax Increment special revenue fund (\$174,207), and the Stormwater Detention Basins (\$33,907), Police Facility (\$1,653,680) and Regional Mall (\$56,580) capital projects funds. Tax increment revenues to be received in Fiscal Year 2005-06 will eliminate the deficit for the Madera Royal Tax Increment fund. The deficit for the Stormwater Detention Basins fund will be eliminated by grant drawdowns. The deficit for the Police Facility fund will be eliminated from available bond proceeds. The deficit in the Regional Mall fund will be eliminated by drawdowns of bond proceeds from the Certificates of Participation issued on September 2, 2004. The Workers' Compensation internal service fund also has deficit net assets (\$3,678,270) as of June 30, 2005. Increasing the amounts charged to the participating funds in subsequent fiscal years will eliminate this deficit.

**III. Detailed notes on all funds**

**A. Cash and investments**

The cash balances of all funds held by the City are pooled and invested for the purpose of increasing interest earnings through investment activities. The interest earned on these investments is allocated to participating funds based on their average cash balances. The carrying amounts of cash and investments have been decreased by \$430,046 in order to reflect the fair value at June 30, 2005.

Cash and investments as of June 30, 2005 are classified in the accompanying financial statements as follows:

Statement of net assets:

Cash and investments	\$ 120,842,674
Cash and investments held by bond trustee	26,196,172
Fiduciary funds:	
Cash and investments	2,896,455
Cash and investments held by bond trustee	6,965,104
Total cash and investments	<u>\$ 156,900,405</u>

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Cash and investments as of June 30, 2005 consist of the following:

Cash on hand	\$ 3,150
Deposits with financial institutions	1,701,503
Investments	<u>155,195,752</u>
Total cash and investments	<u>\$ 156,900,405</u>

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

The table below identifies the investment types that are authorized by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. Debt proceeds held by bond trustee are invested in accordance with the provisions of debt agreements of the City, when more restrictive than the City's investment policy.

<u>Authorized Investments</u>	<u>Maximum Maturity Constraints</u>	<u>City Policy Legal Limit (% or \$)</u>	<u>Maximum Investment in in One Issuer</u>
City Bonds	5 years	None	None
United States Treasuries	5 years	None	None
State Bonds	5 years	None	None
Municipal Bonds	5 years	None	None
Federal Agencies	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Certificates of Deposit	5 years	30%	None
Collateralized Certificates of Deposit	5 years	25%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Local agency investment pool	N/A	\$25,000,000 <sup>1</sup>	None

<sup>1</sup>Per entity

**Interest Rate Risk**

To minimize the impact of changes in market interest rates the City holds investments to maturity, matches investment maturities with specific cash flow requirements, invests in a combination of shorter term and longer term investments, and invests in securities maturing in 5 years or less from the settlement date.

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Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) 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>Amount</u>	<u>Remaining Maturity in Months</u>			
		<u>12 Months Or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	<u>More Than 60 Months</u>
U.S. Treasury securities	\$34,672,851	\$24,672,269	\$10,000,582	\$ -	\$ -
U.S. Government agency securities	34,773,450	-	-	34,773,450	-
Local agency investment pool	52,484,579	52,484,579	-	-	-
Money market funds	103,596	103,596	-	-	-
<u>Held by bond trustee:</u>					
Federal home loan mortgage discount notes	3,419,091	3,419,091	-	-	-
Local agency investment pool	21,447,200	21,447,200	-	-	-
Money market and mutual funds	8,294,985	8,294,985	-	-	-
<b>Total</b>	<b>\$155,195,752</b>	<b>\$110,421,720</b>	<b>\$10,000,582</b>	<b>\$34,773,450</b>	<b>\$ -</b>

**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>Amount</u>	<u>Minimum</u>	<u>Exempt</u>	<u>Ratings as of Year End</u>		
		<u>Legal Rating</u>	<u>From Disclosure</u>	<u>S &amp; P AAA</u>	<u>Moody Aaa</u>	<u>Not Rated</u>
U.S. Treasury securities	\$34,672,851	N/A	\$34,672,851	\$ -	\$ -	\$ -
U.S. Government agency securities	34,773,450	N/A	-	34,773,450	34,773,450	-
Local agency investment pool	52,484,579	N/A	-	-	-	52,484,579
Money market funds	103,596	A	-	-	-	103,596
<u>Held by bond trustee:</u>						
Federal home loan mortgage discount notes	3,419,091	N/A	-	3,419,091	3,419,091	-
Local agency investment pool	21,447,200	N/A	-	-	-	21,447,200
Money market and mutual funds	2,763,862	A	-	-	-	2,763,862
Blackrock liquidity T-Fund	5,531,123	A	-	5,531,123	5,531,123	-
<b>Total</b>	<b>\$155,195,752</b>		<b>\$34,672,851</b>	<b>\$43,723,664</b>	<b>\$43,723,664</b>	<b>\$76,799,237</b>

**Concentration of Credit Risk**

In addition to the limitations stipulated in the *Authorized Investments* table, the City's investment policy lists the following limitations:

- No more than 15% of the City's portfolio (exclusive of investments in government agency

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issues and LAIF) shall be invested with one financial institution.

- No more than 25% of the City's portfolio shall be invested in collateralized certificates of deposit issued by Savings and Loan institutions.
- Investments of bond proceeds, held by fiscal agents, in LAIF shall be limited to \$25 million per bond issue.

**Custodial Credit Risk**

All demand deposits and certificates of deposit held by the City are entirely insured or collateralized. The California Government Code requires California banks and savings and loan associations to secure a local government agency's deposits by pledging government securities with a market value equal to 110% of the deposits or pledging first trust deed mortgage notes with a market value equal to 150% of the total deposits.

To protect investments against custodial credit risk caused by collapse of individual securities dealers, all securities owned by the City are held by the City's custodial bank, a third party bank trust department, acting as agent for the City under the terms of a custody agreement.

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Federal Home Loan Bank	Federal agency securities	\$34,773,450

As of June 30, 2005, the City had no investments which were uninsured, unregistered and not held in the City's name.

**Investment in State Investment Pool**

The City is a voluntary participant in the California Local Agency Investment Fund (LAIF) that is regulated by California Code Section 16429 under the oversight of the Treasurer of the State of California. In addition to the primary City account, LAIF accounts are also maintained for the following blended component units of the City: Waterworks District No. 8, Community Development Agency, and Industrial Development Authority. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts 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.

**B. Loans receivable**

The City provides amortizable and deferred payment home rehabilitation loans, first time homebuyer and affordable housing loans to qualifying low-income households under programs accounted for in the Special Revenue funds. The loan receivable is offset against deferred revenue as these amounts are dependent on future events like residual receipts and sale of property.

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**C. Allowance for uncollectible accounts**

Accounts receivable as of year-end are listed net of allowances for uncollectibles as follows:

	<b>General Fund</b>	<b>Merged Tapo Canyon &amp; West End Tax Increment</b>	<b>Public Facility Improvements</b>	<b>Total</b>
Accounts receivable	\$1,453,342	\$ 24,812	\$ 839,502	\$2,317,656
Allowance for uncollectibles	(530,608)	-	-	(530,608)
<b>Total accounts receivable net</b>	<b>\$ 922,734</b>	<b>\$ 24,812</b>	<b>\$ 839,502</b>	<b>\$1,787,048</b>

**D. Capital assets**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 10,235,613	\$ 1,812,563	\$ (1,260,981)	\$ 10,787,195
Construction-in-progress	7,234,854	10,162,803	(2,180,442)	15,217,215
<b>Total capital assets, not being depreciated</b>	<b>17,470,467</b>	<b>11,975,366</b>	<b>(3,441,423)</b>	<b>26,004,410</b>
Capital assets, being depreciated:				
Buildings and improvements	31,670,364	-	(157,994)	31,512,370
Furnishings and equipment	4,927,610	95,686	(211,828)	4,811,468
Computers	2,690,502	332,445	(7,862)	3,015,085
Vehicles	4,857,280	420,340	(185,041)	5,092,579
Infrastructure	19,093,067	3,964,026	-	23,057,093
Intangibles	3,758,646	-	-	3,758,646
<b>Total capital assets being depreciated</b>	<b>66,997,469</b>	<b>4,812,497</b>	<b>(562,725)</b>	<b>71,247,241</b>
Less accumulated depreciation for:				
Buildings and improvements	(8,400,956)	(932,717)	80,231	(9,253,442)
Furnishings and equipment	(4,451,455)	(134,389)	211,828	(4,374,016)
Computers	(720,698)	(499,816)	6,224	(1,214,290)
Vehicles	(3,517,197)	(593,961)	185,041	(3,926,117)
Infrastructure	(662,970)	(723,181)	-	(1,386,151)
Intangibles	(250,576)	(250,576)	-	(501,152)
<b>Total accumulated depreciation</b>	<b>(18,003,852)</b>	<b>(3,134,640)</b>	<b>483,324</b>	<b>(20,655,168)</b>
<b>Total capital assets, being depreciated, net</b>	<b>48,993,617</b>	<b>1,677,857</b>	<b>(79,401)</b>	<b>50,592,073</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 66,464,084</b>	<b>\$ 13,653,223</b>	<b>\$ (3,520,824)</b>	<b>\$ 76,596,483</b>

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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,235,080	\$ -	\$ -	\$ 1,235,080
Construction-in-progress	14,856,580	7,919,268	(2,343,028)	20,432,820
Total capital assets, not being depreciated	<u>16,091,660</u>	<u>7,919,268</u>	<u>(2,343,028)</u>	<u>21,667,900</u>
Capital assets, being depreciated:				
Buildings and improvements	11,913,577	-	-	11,913,577
Furnishings and equipment	5,090,025	47,065	(24,335)	5,112,755
Vehicles	7,585,380	390,571	(509,210)	7,466,741
Distribution system	82,159,538	3,966,116	(135,248)	85,990,406
Total capital assets being depreciated	<u>106,748,520</u>	<u>4,403,752</u>	<u>(668,793)</u>	<u>110,483,479</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,523,559)	(268,653)	-	(3,792,212)
Furnishings and equipment	(3,830,975)	(323,046)	17,084	(4,136,937)
Vehicles	(4,071,934)	(852,813)	399,395	(4,525,352)
Distribution system	(44,920,263)	(2,436,557)	135,248	(47,221,572)
Total accumulated depreciation	<u>(56,346,731)</u>	<u>(3,881,069)</u>	<u>551,727</u>	<u>(59,676,073)</u>
Total capital assets, being depreciated, net	<u>50,401,789</u>	<u>522,683</u>	<u>(117,066)</u>	<u>50,807,406</u>
Business-type activities capital assets, net	<u>\$ 66,493,449</u>	<u>\$ 8,441,951</u>	<u>\$ (2,460,094)</u>	<u>\$ 72,475,306</u>

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

<b>Governmental activities:</b>	
General Government	\$ 1,097,573
Community Services	19,362
Planning (ES)	26,931
Public Ways & Facilities (PW)	1,155,509
Public Safety	835,265
Total depreciation expense-governmental activities	<u>\$ 3,134,640</u>
<b>Business-type activities:</b>	
Sanitation	\$ 2,279,247
Waterworks	759,685
Transit	842,137
Total depreciation expense-business-type activities	<u>\$ 3,881,069</u>

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**E. Construction commitments**

The City has active construction projects as of June 30, 2005. The commitments for governmental fund projects are included in the reserved fund balances. The project commitments for enterprise funds at year end are as follows:

Water tank construction and improvements projects	\$2,303,266
Sanitation plant nitrification / denitrification upgrade project	978,214
Manhole rehabilitation project	279,862
Hansen work order system	193,892
Water master plan update	155,000
Monitoring and mitigation of fuel tanks	96,465
Compressed natural gas fuelling stations	42,868
Sewerline upgrade and repair	45,910
Total construction commitments	\$4,095,477

**F. Interfund receivables, payables, and transfers**

**Due to / from other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Simi Valley transit system	\$ 2,294,478
	Nonmajor governmental funds	1,932,603
CDA housing administration	Nonmajor governmental funds	19,486
Total		\$ 4,246,567

**Advances from / to other funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General	Merged Tapo Canyon and West End Tax Increment	\$ 9,620,211
	Public Facility Improvements	3,348,380
	Nonmajor governmental funds	174,207
	Internal Service funds	4,688,000
Nonmajor governmental funds	Merged Tapo Canyon and West End Tax Increment	2,500,000
Total		\$ 20,330,798

The interfund amounts between the General fund and the Simi Valley Transit enterprise fund, and nonmajor governmental funds are for short-term loans to cover operations. The interfund amount between the Community Development Agency Housing Administration and nonmajor governmental funds are also for short-term loans to cover operations.

The advances from the General fund to the Merged Tapo Canyon and West End Tax Increment funds, and nonmajor governmental funds (Madera Royal Tax Increment fund) are to fund various CDA projects. This advance will be repaid from available tax increment revenues. The advance from the General fund to the Public Facility Improvements fund is to accumulate funds for future facility improvements, and the advance to the Internal Service funds is to maintain required

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reserves in accordance with actuarial valuations. The advance from nonmajor governmental funds (Lighting Maintenance District) to the Merged Tapo Canyon and West End Tax Increment fund is to fund the purchase of land for the mall site and will also be repaid from available tax increment revenues.

The composition of interfund receivable and payable balances as of June 30, 2005 is as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Purpose</u>
General	Streets and roads	\$ 212,385	Fund street widening, landscaping, and bike facility
	Simi Valley transit system	2,167,837	Subsidy for transit operations
	Nonmajor governmental funds	<u>1,913,720</u>	Fund 2-way radio project, regional mall, and GIS
		<u>4,293,942</u>	
CDA housing administration	Nonmajor governmental funds	<u>13,800</u>	Contributions to replacement funds and pension fund
Merged Tapo Canyon and West End tax increment	CDA housing administration	2,109,124	Fund 20% low and moderate income set-aside
	2004 Certificates of Participation	211,405	For scheduled debt service
	Streets and roads	1,010,387	Fund streets projects
	Nonmajor governmental funds	<u>4,038,092</u>	Fund CDA admin costs, debt service, and Tapo Street façade renovation grant
		<u>7,369,008</u>	
2004 Certificates of Participation	Public facility improvements	<u>3,695,107</u>	Transfer bond proceeds for senior center expansion
Development related fees funds	2004 Certificates of Participation	387,160	For scheduled debt service
	Streets and roads	972,560	Fund street projects
	Nonmajor governmental funds	<u>398,700</u>	For CDA projects
		<u>1,758,420</u>	
Streets and Roads	General fund	<u>145,023</u>	Return previously transferred funds
Nonmajor governmental funds	General fund	6,028,970	Fund transportation needs
	CDA housing administration	12,549	Fund 20% low and moderate income set-aside
	Streets and roads	635,288	Fund street projects
	Nonmajor governmental funds	<u>148,218</u>	Fund police projects, equipment replacement, and housing set-aside
		<u>6,825,025</u>	
Total governmental funds		<u>24,100,325</u>	
Proprietary funds	Nonmajor governmental funds	610,100	Contributions to replacement funds and pension fund
Internal service activities	Nonmajor governmental funds	5,200	Contribution to replacement fund
Total		<u>\$24,715,625</u>	

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**G. Long-term debt**

The Simi Valley Public Financing Authority (SVPFA), a blended component unit of the City, issues bonded debt on behalf of the City for certain types of financing structures, such as lease revenue bonds and certificates of participation. The Community Development Agency (CDA), also a blended component unit of the City, issues tax allocation bonds on behalf of the City. The City does not have any general obligation bonded indebtedness. At year-end outstanding long-term bonded debt was comprised of the following:

- **Simi Valley Public Financing Authority 1995 Fixed Rate Lease Revenue Bonds:**  
Original issue amount \$16,620,000; interest rates at 4.00% to 5.75%; maturing September 1, 2000-2015. The bonds are payable in annual installments ranging from \$260,000 to \$920,000. These bonds were issued to finance certain capital improvements, including the Police Facility and are secured by the Police Facility. The balance as of June 30, 2005 was \$7,805,000.
  
- **Community Development Agency 2003 Tax Allocation Bonds:**  
Original issue amount \$31,795,000; interest rates at 2.0% to 5.0%; maturing September 1, 2003-2030. The bonds are payable in annual installments ranging from \$360,000 to \$2,000,000. These bonds were issued to fully refund the 1993 Revenue Bond issue with a carrying amount of \$30,245,000. They were issued at a premium, which has been added to the new debt and is being amortized over the life of the bonds. The excess reacquisition price has been netted against the new debt and is being amortized over the remaining life of the refunded debt. Issuance costs are shown as deferred charges and are being amortized over the life of the bonds. The 2003 Tax Allocation Bonds are secured by a lien on tax increment revenues net of low- and moderate-income housing set-asides and tax sharing agreements. The balance as of June 30, 2005 was \$30,745,000.
  
- **City of Simi Valley 2004 Certificates of Participation (COP):**  
Original issue amount \$25,955,000; interest rates at 3.75% to 5.0%; maturing September 1, 2006-2034. The COP are payable in annual installments ranging from \$460,000 to \$1,615,000. They were issued at a premium, which has been added to the new debt and is being amortized over the life of the bonds. Issuance costs are shown as deferred charges and are being amortized over the life of the bonds. These COP were issued to provide financing for improvements to and expansion of the Senior Citizens' Center and public capital improvements relating to the construction of a shopping mall. The annual lease/debt service payments will be supported by contributions from various City funds based on the benefit received. The identified funds have the long-term financial capacity to support the required payments. To meet the conditions of the COP financing structure and to avoid costly capitalized interest costs during the construction period, the City's Wastewater Treatment Plant, which has an estimated value in excess of \$50 million, is the leased asset during the construction period. The balance outstanding as of June 30, 2005 was \$25,955,000.

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Other long-term debt of the City is comprised of:

- Claims and legal services payable of \$11,444,576, consisting of general liability and workers' compensation liability. These liabilities are estimated based on the requirements of Governmental Accounting Standards Board Statement No. 10, and include estimated claims incurred but not yet reported as of June 30, 2005.
- Compensated absences liability of \$5,310,821 at fiscal year end. This liability consists of accumulated earned but unused annual leave of employees charged to the General fund, certain Special Revenue funds, Enterprise funds and the Workers' Compensation – Internal Service fund.

**Annual debt service requirements to maturity**

Annual debt service requirements to maturity, including interest, for the outstanding debt are as follows:

Year Ending June 30:	2003 Tax Allocation Refunding Bond		Year Ending June 30:	1995 Lease Revenue Bonds	
	Principal	Interest		Principal	Interest
2006	705,000	1,388,844	2006	545,000	415,098
2007	720,000	1,374,594	2007	570,000	388,610
2008	730,000	1,359,181	2008	595,000	360,352
2009	750,000	1,335,969	2009	625,000	330,150
2010	780,000	1,305,369	2010	655,000	295,694
2011-2015	4,345,000	6,074,300	2011-2015	3,895,000	849,419
2016-2020	5,295,000	5,079,147	2016	920,000	26,450
2021-2025	6,765,000	3,557,906		<u>\$ 7,805,000</u>	<u>\$ 2,665,773</u>
2026-2030	8,655,000	1,624,375			
2031	2,000,000	50,000			
	<u>\$ 30,745,000</u>	<u>\$ 23,149,685</u>			

Year Ending June 30:	2004 Certificates of Participation	
	Principal	Interest
2006	-	1,203,969
2007	460,000	1,194,769
2008	480,000	1,175,969
2009	495,000	1,156,469
2010	520,000	1,136,169
2011-2015	2,930,000	5,345,444
2016-2020	3,565,000	4,701,637
2021-2025	4,455,000	3,809,728
2026-2030	5,715,000	2,556,687
2031-2035	7,335,000	935,206
	<u>\$ 25,955,000</u>	<u>\$ 23,216,047</u>

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**Changes in long-term liabilities**

Long-term liability activity for the year ended June 30, 2005, was as follows:

	<u>Balances</u> <u>July 1, 2004</u>	<u>Debt</u> <u>Incurred</u>	<u>Debt</u> <u>Retired</u>	<u>Balances</u> <u>June 30, 2005</u>	<u>Due Within</u> <u>One Year</u>
<b>Governmental activities:</b>					
1995 lease revenue bonds	\$ 8,325,000	\$ -	\$ (520,000)	\$ 7,805,000	\$ 545,000
2003 tax allocation bonds	31,435,000	-	(690,000)	30,745,000	705,000
Add (less) deferred amounts:					
Bond premium	434,418	-	(16,306)	418,112	-
Deferred on refunding	(559,417)	-	28,482	(530,935)	-
2004 certificates of participation		25,955,000	-	25,955,000	-
Add (less) deferred amounts:					
Bond premium		386,593	(10,662)	375,931	-
Total bonds payable	39,635,001	26,341,593	(1,208,486)	64,768,108	1,250,000
Claims and legal services	12,324,065	1,575,550	(2,455,039)	11,444,576	4,010,818
Compensated absences	4,287,539	1,113,338	(941,842)	4,459,035	453,220
Governmental activity long-term liabilities	<u>\$ 56,246,605</u>	<u>\$ 29,030,481</u>	<u>\$(4,605,367)</u>	<u>\$ 80,671,719</u>	<u>\$ 5,714,038</u>
<b>Business-type activities:</b>					
Compensated absences	799,185	225,507	(172,906)	851,786	52,601
Business-type activity long-term liabilities	<u>\$ 799,185</u>	<u>\$ 225,507</u>	<u>\$ (172,906)</u>	<u>\$ 851,786</u>	<u>\$ 52,601</u>

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**H. Fund balance reserves and designations**

The following is a summary of reserved and unreserved fund balances. Reserved fund balances are not available for spending for the subsequent year's budget. The unreserved fund balances are further categorized into designated and undesignated. Designated fund balances represent amounts set aside for management's intended future use of resources. Undesignated fund balance amounts are available for current spending.

	Special Revenue Funds			Debt Service	Capital Projects Funds		Nonmajor Govern- mental Funds	Total Govern- mental Funds	
	Community Development Agency Housing Administration	Merged Tapo Canyon & West End Tax Increment	Development Related Fees Funds	2004 Certificates of Participation	Streets & Roads	Public Facility Improvements			
General Fund									
<b>FUND BALANCES</b>									
Reserved:									
Encumbrances	\$ 727,541	\$ 646,750	\$ 1,000	\$ 38,112		\$ 525,283	\$ 5,188,245	\$ 1,011,548	\$ 8,138,479
Loans receivable	447,695							233,810	681,505
Advances	17,830,798							2,500,000	20,330,798
Debt service								4,503,935	4,503,935
<b>Total reserved</b>	<b>19,006,034</b>	<b>646,750</b>	<b>1,000</b>	<b>38,112</b>	<b>-</b>	<b>525,283</b>	<b>5,188,245</b>	<b>8,249,293</b>	<b>33,654,717</b>
Unreserved, designated:									
Cashflow	1,000,000							650,000	1,650,000
Capital projects	10,605,397			16,369,824	22,264,306	3,540,730		7,799,974	60,580,231
Public Improvements								4,033,455	4,033,455
Law enforcement								686,529	686,529
Special programs								1,208,564	1,208,564
Housing programs		3,492,813						-	3,492,813
<b>Total unreserved</b>	<b>11,605,397</b>	<b>3,492,813</b>	<b>-</b>	<b>16,369,824</b>	<b>22,264,306</b>	<b>3,540,730</b>	<b>-</b>	<b>14,378,522</b>	<b>71,651,592</b>
Unreserved, undesignated:	6,829,563	-	(12,121,209)	-	-	-	(2,179,943)	(1,008,968)	(8,480,557)
<b>Total fund balances</b>	<b>\$ 37,440,994</b>	<b>\$ 4,139,563</b>	<b>\$ (12,120,209)</b>	<b>\$ 16,407,936</b>	<b>\$ 22,264,306</b>	<b>\$ 4,066,013</b>	<b>\$ 3,008,302</b>	<b>\$ 21,618,847</b>	<b>\$ 96,825,752</b>

**I. Assessment district bonds**

The City has formed several special assessment districts and subsequently issued bonds for the construction of public improvements within these districts. The City acts as an agent for the property owners in collecting assessments for the payment of principal and interest amounts due by the property owners to the assessment district bondholders, and initiating foreclosure proceedings, if appropriate. However, the City is not obligated in any manner for repayment of these special assessment bonds, and the bonds are not reported in the accompanying financial statements.

The Community Facilities District No. 2004-1 was formed during Fiscal Year 2004-05 and special tax bonds were issued in the amount of \$8,800,000. These bonds will finance public improvements within the District.

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The outstanding assessment district bonds at June 30, 2005, consisted of the following:

Community Facilities District (District No. 04-1)	\$ 8,800,000
Sycamore Village/Wood Ranch Improvements (District No. 94-1R)	2,670,000
Royal Corto Improvements (District No. 89-1)	1,530,000
Madera Royal (District No. 98-1)	4,405,000

**J. Conduit debt obligations**

The City has been associated with the issuance of several housing, mortgage and commercial development debt issues. These debt obligations were issued under provisions of State and Federal laws that explicitly state that they do not constitute any indebtedness of the City. The total amount of conduit debt outstanding at June 30, 2005 was \$191,554,850. The City is not involved with these bonds in any manner, as such the conduit debt obligations are not reflected in the accompanying financial statements. Listed below is a brief description of the bonds outstanding at year end:

- Variable Rate Multifamily Revenue Demand Bonds, 1985 Issue A, in the amount of \$15,500,000 were issued to finance the Mayer Indian Oaks Project; the outstanding principal at June 30, 2005, is \$15,500,000.
- Variable Rate Demand Multifamily Housing Revenue Bonds, Series 1989, were issued in the amount of \$25,000,000 to finance the Shadowridge Apartments Project; the outstanding principal at June 30, 2005, is \$24,800,000.
- Variable Rate Demand Multifamily Housing Revenue Refunding Bonds, 1993 Series A, were issued in the amount of \$22,070,000 to refund Multifamily Housing Revenue Bonds, 1984 Series A to finance the Creekside Village Apartments Project; the outstanding principal at June 30, 2005, is \$19,070,000.
- 1995 Remarketing of the Variable Rate Demand Multifamily Housing Revenue Refunding Bonds, Series 1990, in the amount of \$37,000,000 to finance the Lincoln Wood Ranch Project; the outstanding principal at June 30, 2005, is \$36,000,000.
- Multifamily Housing Revenue Refunding Bonds, Issue A of 1996, were issued in the amount of \$17,900,000 to refund the Multifamily Housing Revenue Bonds, 1985 Issue A to finance the Cochran Street Project/Meadowood Village Apartments Project; the outstanding principal at June 30, 2005, is \$15,520,000.
- Multifamily Housing Revenue Refunding Bonds, Series 1996 A, and Taxable Multifamily Housing Revenue Refunding Bonds, Series 1996 B, were issued in the amount of \$16,844,850 to refund the Multifamily Housing Revenue Bonds, 1985 Issue C to finance the Rancho Corrales Apartments Project; the outstanding principal at June 30, 2005, is \$16,844,850.
- Multifamily Housing Revenue Bonds, Series 1998A, were issued in the amount of \$6,165,000 to finance the Sorrento Villas Apartments Project; the outstanding principal at June 30, 2005, is \$5,745,000.

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- 1998 Commercial Mortgage Revenue Refunding Bonds were issued in the amount of \$7,325,000 to refund 1981 and 1984, and refinance 1988 Commercial Mortgage revenue Bonds (Sycamore Plaza II); the outstanding principal at June 30, 2005, is \$5,525,000.
- Multifamily Housing Revenue Refunding Bonds, 2002 Series A, were issued in the amount of \$3,650,000 to refinance Multifamily Housing Revenue Bonds, 1987, Series A, which financed the Ashlee Manor Apartments Project; the outstanding principal at June 30, 2005, is \$3,650,000.
- Subordinate Multifamily Housing Revenue Bonds, Subordinate Series 2002B were issued in the amount of \$3,000,000 to finance the Vintage Paseo Senior Apartments; the outstanding principal at June 30, 2005, is \$3,000,000.
- Multifamily Housing Revenue Bonds, Series 2002A were issued in the amount of \$12,000,000 to finance the Vintage Paseo Senior Apartments; the outstanding principal at June 30, 2005, is \$12,000,000.
- Variable Rate Demand Multifamily Housing Revenue Bonds, Series 2002A were issued in the amount of \$30,000,000 to finance the Parker Ranch Project; the outstanding principal at June 30, 2005, is \$30,000,000.
- Variable Rate Demand Multifamily Housing Revenue Bonds, Taxable Series 2002A-T were issued in the amount of \$3,900,000 to finance the Parker Ranch Project; the outstanding principal at June 30, 2005, is \$3,900,000.

**IV. Other information**

**A. Arbitrage rebate liability**

The City is required to rebate to the federal government the excess investment earnings on bond proceeds if the yield on those earnings exceeds the effective yield on the related bonds issued. Rebates are payable every five years or upon the maturity of the bonds, whichever is earlier. At June 30, 2005, no such amounts were due.

**B. Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains two Internal Service Funds, General Liability and Workers' Compensation, to account for and finance its uninsured risks of loss.

Under this program, the City is self-insured for up to \$1 million for each general liability claim and up to \$500,000 for each workers' compensation claim. The City purchases commercial insurance for property loss, as well as for claims in excess of the preceding coverage amounts.

All operating funds of the City participate in the program and make payments to the General Liability and Workers' Compensation funds based on actuarial estimates of the amounts needed to pay prior and current-year claims and legal expenses.

See independent auditors' report.

**CITY OF SIMI VALLEY • NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2005**

Liabilities are estimated when a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an amount for claims that have been incurred, but not reported as of the end of the year. Changes in the combined balances of General Liability and Workers' Compensation funds' claims and legal liability during the past two years are as follows:

	<u>Year ended</u> <u>June 30, 2005</u>	<u>Year ended</u> <u>June 30, 2004</u>
Unpaid claims beginning of fiscal year	\$12,324,065	\$ 9,788,351
Incurred claims (including IBNRs)	1,575,550	5,154,999
Claims payments	<u>(2,455,039)</u>	<u>(2,619,285)</u>
Unpaid claims, end of fiscal year	<u>\$11,444,576</u>	<u>\$12,324,065</u>

**C. Other post employment benefits**

The City provides post-retirement health benefits to all management and sworn (police) employees per resolution numbers 2005-46 and 2005-47, respectively. The benefits vary depending upon a retiree's years of service and bargaining unit. The City pays 100 percent of premiums for health care coverage for these two groups. Additionally, the City provides health benefits to general unit employees per resolution number 2002-55. The City pays an amount equal to the premium of the lowest cost health care plan for this group.

	<u>Number of Years Covered</u>		
	<u>Less Than</u> <u>10 Years</u>	<u>More Than</u> <u>10 Years</u>	<u>More Than</u> <u>20 Years</u>
<b>Management employees:</b>			
Employee only	4	10	1 additional year for each year over 20
Employee plus one dependent	2	5	
<b>Sworn (police) employees:</b>			
			20-25 <u>Years*</u>
Employee only	2	10	up to 20 years
Employee plus one dependent	1	5	up to 20 years
			<u>More Than</u> <u>25 Years*</u>
			life -time coverage
			life -time coverage
<b>General unit employees:</b>			
	<u>10 Years</u>	<u>More Than</u> <u>10 Years</u>	
Employee only	2	8	4 months for each additional year over 10
Employee plus one dependent	1	4	2 months for each additional year over 10

\* Police captains and lieutenants are also eligible for these benefits.

As of year-end, there were 60 retirees who met the eligibility requirements and were receiving health care benefits. The City finances the plans on a pay-as-you-go basis. For the year ended June 30, 2005, the City paid \$299,363 for these benefits. However, the City is accumulating funds to pay future benefits. Assets in the amount of \$853,022 have been set aside as of the end of the fiscal year.

CITY OF SIMI VALLEY • NOTES TO THE BASIC FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2005

**D. Deferred compensation plans**

The City offers its employees deferred compensation plans in accordance with Internal Revenue Code Sections 401(k) and 457 (as amended on August 20, 1996 per additional subsection (g)). The plans permit participants to defer a portion of their current salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or the occurrence of an unforeseeable emergency. Since the City neither owns the funds nor has any administrative involvement and does not perform the investing function for these plans, the assets and related liabilities are not recorded in the City's Financial Statements.

**E. Pension plans**

The City participates in the statewide Public Employees' Retirement System (PERS) that covers all employees, and the Public Agency Retirement System (PARS) for executive management employees.

**California Public Employees' Retirement System**

Plan Description - The City contributes to the PERS, an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office located at 400 P Street, Sacramento, CA 95814.

Funding Policy - Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate: the rate is 8.493% for non-safety employees and 24.070% for police employees of annual covered payroll for the year ended June 30, 2005. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost - For fiscal year 2004-05, the City's annual pension cost of \$4,806,508 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2002, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included: (a) 8.25% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary from 3.75% to 14.20% by category and duration of service, (for safety members, rates are also dependent on entry age) and (c) 2% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.5%. The actuarial value of PERS assets was determined using a technique that smooths the effect of short-term volatility in the market value of investments over a three-year period. PERS unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed period basis. The remaining amortization period at June 30, 2002, was 10 years for miscellaneous employees and 21 years for safety employees.

CITY OF SIMI VALLEY • NOTES TO THE BASIC FINANCIAL STATEMENTS  
FISCAL YEAR ENDED JUNE 30, 2005

<u>Miscellaneous Employees</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
<u>Fiscal Year</u>			
6/30/2003	\$ -	100%	\$ -
6/30/2004	747,570	100%	-
6/30/2005	2,315,965	100%	-

<u>Safety Employees</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
<u>Fiscal Year</u>			
6/30/2003	\$ 415,407	100%	\$ -
6/30/2004	1,598,084	100%	-
6/30/2005	2,490,543	100%	-

**Public Agency Retirement System, Retirement Enhancement Plan (PARS-REP)**

Plan Description - The City established a Public Agency Retirement System, Retirement Enhancement Plan (PARS-REP) for executive management employees, effective July 1, 2001. PARS is a defined benefit 401(a) tax-qualified multiple agency trust. It meets the requirements of a pension trust under California Government code. The plan provides supplemental retirement benefits in addition to PERS. Phase II Systems is the PARS Trust Administrator. Upon meeting the eligibility requirements, plan members receive a monthly lifetime benefit of one-twelfth the sum of: 0.004 times their final average compensation multiplied by their years of City service prior to July 1, 2001, and .005 times their final average compensation multiplied by their years of City service after June 30, 2002. The City has full discretionary authority to control, amend, modify or terminate this plan at any time.

Funding Policy - The City contributes 5.77% of eligible employee gross wages. The annual covered payroll for the year ended June 30, 2005 was \$1,203,840. The City's annual pension cost of \$69,462 for PARS was equal to the City's required and actual contribution. Plan assets held in trust at June 30, 2005 were \$268,146.

REQUIRED SUPPLEMENTARY INFORMATION

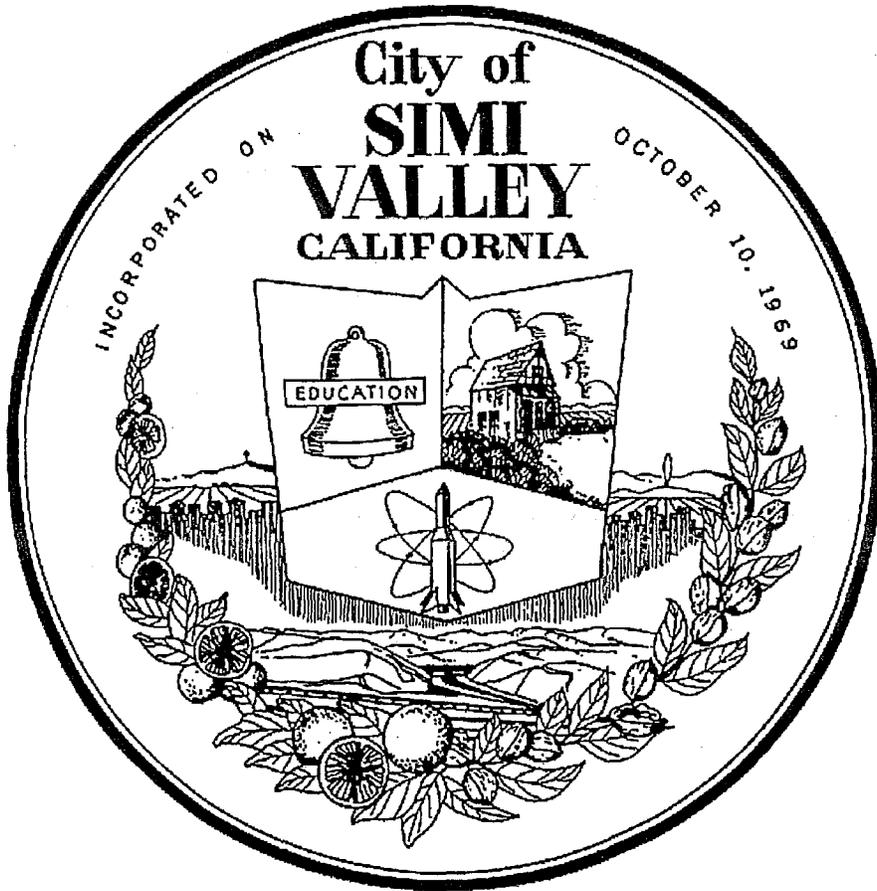
**Schedule of Funding Progress  
California Public Employees' Retirement System**

Actuarial Valuation Date	Actuarial Asset Value	Entry Age Actuarial Accrual Liability	Unfunded Liability/ (Excess Assets)	Unfunded Ratio	Covered Payroll	Unfunded Actuarial Liability as Percentage of Covered Payroll
6/30/02	\$75,705,431 <sup>1</sup>	\$74,866,283	\$(839,148)	101.1%	\$24,023,055	-3.5%
	50,578,817 <sup>2</sup>	57,165,005	6,586,188	88.5%	8,690,720	75.8%
6/30/03	78,786,816 <sup>1</sup>	90,799,939	12,013,123	86.8%	25,413,586	47.3%
	51,984,940 <sup>2</sup>	63,929,099	11,944,159	81.3%	9,278,957	128.7%
6/30/04	85,706,404 <sup>1</sup>	102,338,399	16,631,995	83.7%	26,366,490	63.1%
	56,597,438 <sup>2</sup>	70,618,337	14,020,899	80.1%	10,075,924	139.2%

<sup>1</sup> Miscellaneous

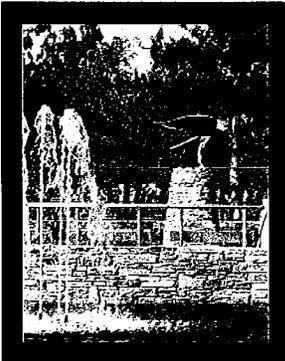
<sup>2</sup> Sworn

See independent auditors' report.



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# Nonmajor Governmental Funds





## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

*Community Development Agency Administration fund* accounts for those financial activities of the Simi Valley Community Development Agency that are not directly related to debt service, capital projects, or designated low- and moderate-income housing program transactions.

*Madera Royal Tax Increment fund* accounts for tax increment revenues related to the Madera Royal project area, which are restricted by State statute for debt service requirements.

*HOME Grant fund* accounts for allocation of Federal funds, administered by the State of California, for low- and moderate-income housing programs.

*Gasoline Tax fund* - Portions of the tax per gallon levied by the State of California on all gasoline purchases are allocated to cities throughout the State on a population basis. These revenues are restricted to expenditures for street-related purposes.

*Transportation funds* account for Article 3, Article 8 and AB 2928 - Traffic Congestion Relief funds received pursuant to State of California, Transportation Development Act and Senate Bill 1662. These funds are restricted for the improvement and maintenance of street systems, and State allocations for street and mass transit improvements.

*Lighting Maintenance District fund* accounts for street lighting services and is financed primarily through property taxes levied specifically for this purpose.

*Police Grants funds* account for funding received from various governmental entities for police activities. Current programs and funding sources include:

- Reimbursement for City's participation in joint agency drug enforcement efforts from the U.S. Department of Justice, Drug Enforcement Administration, and the State of California,
- State funding for front-line municipal police services, including anti-gang and community crime prevention programs, and
- Local Law Enforcement Block Grant funding from the Bureau of Justice Assistance, U.S. Department of Justice for purchasing police equipment, or expanding existing capabilities.

*Community Development Block Grant (CDBG) fund* accounts for the receipt and expenditure of CDBG funds allocated to the City by the U.S. Department of Housing and Urban Development.

*Retiree Benefits fund* accounts for post employment retirement benefits.

*Landscape Maintenance District No. 1 fund* accounts for benefit assessments, primarily perimeter landscaping in the public rights-of-way. The general fund finances landscape maintenance costs not associated with specific neighborhoods.

### Debt Service Funds

*1995 Lease Revenue Bonds fund* was established to account for the debt service transactions related to the sale of variable rate lease revenue bonds issued to finance the cost of certain public capital improvements, including a replacement police facility.

*2003 Tax Allocation Refunding Bonds fund* was established to account for the debt service transactions related to this issuance.

### **Capital Project Funds**

*CDA Projects funds* account for capital improvements in the Community Development Agency project areas, financed by CDA bond issues.

*Cultural Arts Facility fund* was established to account for the acquisition and renovation for historical preservation of the Old Methodist Church for the purpose of providing a Cultural Arts Facility.

*Equipment Replacement funds* account for the replacement of personal computers, terminals, and printers; and establish a reserve for the replacement of vehicles.

*Geographic Information System (GIS) fund* accounts for geographic based information related to economic development, land use, demographic information, mapping for crime analysis, traffic safety management, permit issuance, and work order administration.

*Integrated Police System (IPS) fund* accounts for a computer aided dispatch system, improved records management capability and a mobile data computer system for police vehicles.

*Financial Information System (FIS) fund* was established to replace the City's legacy Financial Management Information System with a new Financial Information System, and is used to maintain and optimize the FIS system.

*Stormwater Detention Basins fund* accounts for the construction of several stormwater detention basins.

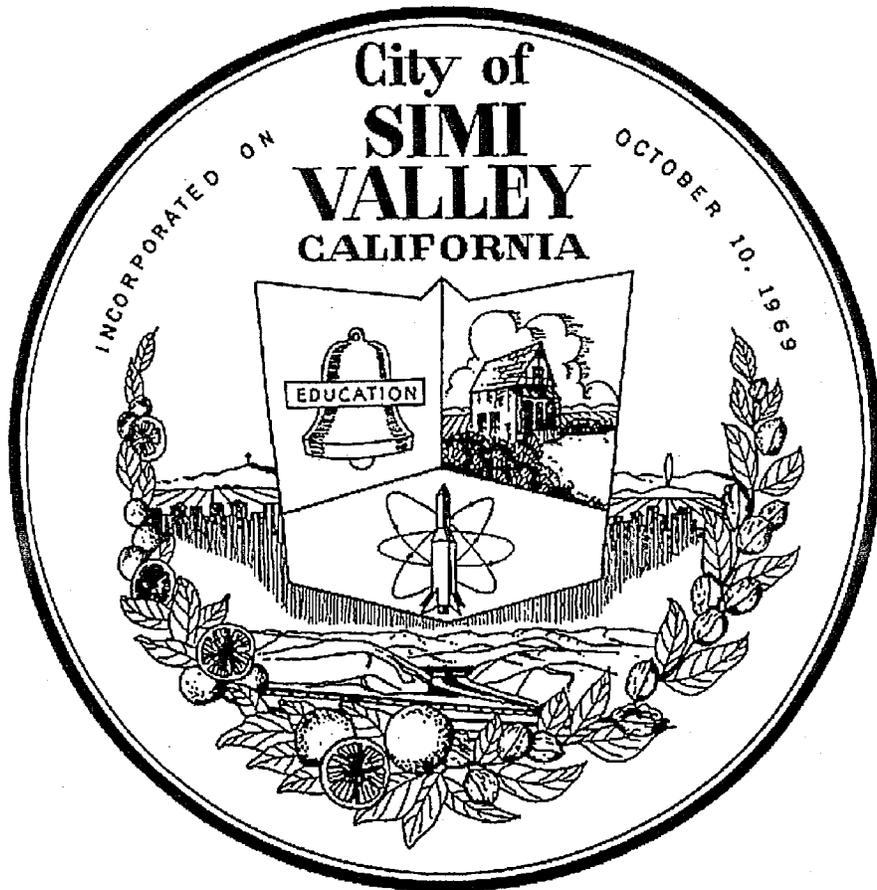
*Madera Royal Improvements fund* accounts for the proceeds of the Madera Royal Assessment Bonds, issued to fund public improvements.

*Police Facility fund* accounts for the construction of a replacement police facility funded by proceeds from lease revenue bonds.

*Police Capital Projects fund* accounts for capital projects related to the police department.

*Unified Two-Way Radio System fund* accounts for the replacement of the City's various two-way radio systems with a new unified two-way radio system.

*Regional Mall fund* accounts for the development of a regional mall.



**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

	<b>Special Revenue</b>		
	<b>Community Development Agency Administration</b>	<b>Madera Royal Tax Increment</b>	<b>HOME Grant</b>
<b><u>ASSETS</u></b>			
Cash and investments:			
Held by city	\$ -	\$ 741	\$ 765,326
Held by fiscal agents	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-
Taxes receivable	-	-	-
Grants receivable	-	-	-
Interest receivable	-	202	-
Due from other funds	-	-	-
Loans receivable (net of allowance for uncollectibles)	233,810	-	1,817,878
Advances to other funds	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 233,810</b>	<b>\$ 943</b>	<b>\$ 2,583,204</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b><u>LIABILITIES</u></b>			
Accounts payable	\$ 16,383	\$ 943	\$ 72
Salaries and benefits payable	29,170	-	-
Due to other funds	188,257	-	19,486
Advances from other funds	-	174,207	-
Deferred revenues	-	-	1,817,878
<b>TOTAL LIABILITIES</b>	<b>233,810</b>	<b>175,150</b>	<b>1,837,436</b>
<b><u>FUND BALANCES</u></b>			
Reserved for encumbrances	8,597	-	-
Reserved for loans receivable	233,810	-	-
Reserved for advances to other funds	-	-	-
Reserved for debt service	-	-	-
Unreserved:			
Designated for cash flow	-	-	-
Designated for capital projects	-	-	-
Designated for public improvements	-	-	-
Designated for law enforcement	-	-	-
Designated for special programs	-	-	745,768
Undesignated	(242,407)	(174,207)	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>-</b>	<b>(174,207)</b>	<b>745,768</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 233,810</b>	<b>\$ 943</b>	<b>\$ 2,583,204</b>

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

**Special Revenue**

Gasoline Tax	Transportation Funds	Lighting Maintenance District	Police Grants	
\$ -	\$ 57,785	\$ 3,700,853	\$ 736,323	<b>ASSETS</b>
-	-	-	-	Cash and investments:
-	-	-	-	Held by city
-	-	-	-	Held by fiscal agents
-	-	77,995	-	Accounts receivable (net of allowance for uncollectibles)
-	-	-	-	Taxes receivable
-	1,110	28,825	6,795	Grants receivable
-	-	-	-	Interest receivable
-	-	-	-	Due from other funds
-	-	-	-	Loans receivable (net of allowance for uncollectibles)
-	-	2,500,000	-	Advances to other funds
<b>\$ -</b>	<b>\$ 58,895</b>	<b>\$ 6,307,673</b>	<b>\$ 743,118</b>	<b>TOTAL ASSETS</b>
				<b>LIABILITIES AND FUND BALANCES</b>
\$ -	-	\$ 106,193	\$ 18,426	<b>LIABILITIES</b>
-	-	-	35,763	Accounts payable
-	-	-	-	Salaries and benefits payable
-	-	-	-	Due to other funds
-	-	-	-	Advances from other funds
-	-	-	-	Deferred revenues
-	-	106,193	54,189	<b>TOTAL LIABILITIES</b>
-	-	71	2,400	<b>FUND BALANCES</b>
-	-	-	-	Reserved for encumbrances
-	-	-	-	Reserved for loans receivable
-	-	2,500,000	-	Reserved for advances to other funds
-	-	-	-	Reserved for debt service
-	-	400,000	-	Unreserved:
-	-	-	-	Designated for cash flow
-	-	-	-	Designated for capital projects
-	-	3,301,409	-	Designated for public improvements
-	-	-	686,529	Designated for law enforcement
-	58,895	-	-	Designated for special programs
-	-	-	-	Undesignated
-	58,895	6,201,480	688,929	<b>TOTAL FUND BALANCES (DEFICITS)</b>
<b>\$ -</b>	<b>\$ 58,895</b>	<b>\$ 6,307,673</b>	<b>\$ 743,118</b>	<b>TOTAL LIABILITIES AND FUND BALANCES</b>

(continued)

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

	<b>Special Revenue</b>			
	<b>Community Development Block Grant</b>	<b>Retiree Benefits</b>	<b>Landscape Maintenance District No. 1</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b><u>ASSETS</u></b>				
Cash and investments:				
Held by city	\$ 685,223	\$ 846,515	\$ 1,071,699	\$ 7,864,465
Held by fiscal agents	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-
Taxes receivable	-	-	-	77,995
Grants receivable	24,092	-	-	24,092
Interest receivable	3,357	6,507	9,082	55,878
Due from other funds	-	-	-	-
Loans receivable (net of allowance for uncollectibles)	452,735	-	-	2,504,423
Advances to other funds	-	-	-	2,500,000
<b>TOTAL ASSETS</b>	<b>\$ 1,165,407</b>	<b>\$ 853,022</b>	<b>\$ 1,080,781</b>	<b>\$ 13,026,853</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ 66,073	\$ -	\$ 98,735	\$ 306,825
Salaries and benefits payable	-	-	-	64,933
Due to other funds	-	-	-	207,743
Advances from other funds	-	-	-	174,207
Deferred revenues	452,735	-	-	2,270,613
<b>TOTAL LIABILITIES</b>	<b>518,808</b>	<b>-</b>	<b>98,735</b>	<b>3,024,321</b>
<b><u>FUND BALANCES</u></b>				
Reserved for encumbrances	242,698	-	-	253,766
Reserved for loans receivable	-	-	-	233,810
Reserved for advances to other funds	-	-	-	2,500,000
Reserved for debt service	-	-	-	-
Unreserved:				
Designated for cash flow	-	-	250,000	650,000
Designated for capital projects	-	-	-	-
Designated for public improvements	-	-	732,046	4,033,455
Designated for law enforcement	-	-	-	686,529
Designated for special programs	403,901	-	-	1,208,564
Undesignated	-	853,022	-	436,408
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>646,599</b>	<b>853,022</b>	<b>982,046</b>	<b>10,002,532</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,165,407</b>	<b>\$ 853,022</b>	<b>\$ 1,080,781</b>	<b>\$ 13,026,853</b>

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

<b>Debt Service</b>			
<b>1995 Lease Revenue Bonds</b>	<b>2003 Tax Allocation Refunding Bonds</b>	<b>Total Nonmajor Debt Service</b>	
\$ -	\$ 1,395,249	\$ 1,395,249	<b>ASSETS</b>
978,156	2,114,207	3,092,363	Cash and investments:
-	-	-	Held by city
-	-	-	Held by fiscal agents
-	-	-	Accounts receivable (net of allowance for uncollectibles)
-	-	-	Taxes receivable
-	-	-	Grants receivable
-	16,387	16,387	Interest receivable
-	-	-	Due from other funds
-	-	-	Loans receivable (net of allowance for uncollectibles)
-	-	-	Advances to other funds
<b>\$ 978,156</b>	<b>\$ 3,525,843</b>	<b>\$ 4,503,999</b>	<b>TOTAL ASSETS</b>
			<b>LIABILITIES AND FUND BALANCES</b>
\$ -	\$ -	\$ -	<b>LIABILITIES</b>
-	-	-	Accounts payable
-	-	-	Salaries and benefits payable
-	-	-	Due to other funds
-	-	-	Advances from other funds
-	-	-	Deferred revenues
-	-	-	<b>TOTAL LIABILITIES</b>
64	-	64	<b>FUND BALANCES</b>
-	-	-	Reserved for encumbrances
-	-	-	Reserved for loans receivable
-	-	-	Reserved for advances to other funds
978,092	3,525,843	4,503,935	Reserved for debt service
-	-	-	Unreserved:
-	-	-	Designated for cash flow
-	-	-	Designated for capital projects
-	-	-	Designated for public improvements
-	-	-	Designated for law enforcement
-	-	-	Designated for special programs
-	-	-	Undesignated
<b>978,156</b>	<b>3,525,843</b>	<b>4,503,999</b>	<b>TOTAL FUND BALANCES (DEFICITS)</b>
<b>\$ 978,156</b>	<b>\$ 3,525,843</b>	<b>\$ 4,503,999</b>	<b>TOTAL LIABILITIES AND FUND BALANCES</b>

(continued)

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

	<u>Capital Projects</u>			
	<u>CDA Projects</u>	<u>Cultural Arts Facility</u>	<u>Equipment Replacement</u>	<u>Geographic Information System (GIS)</u>
<b><u>ASSETS</u></b>				
Cash and investments:				
Held by city	\$ 3,444,720	\$ 24,115	\$ 4,390,804	\$ 65,082
Held by fiscal agents	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-
Taxes receivable	-	-	-	-
Grants receivable	-	-	-	-
Interest receivable	23,760	189	5,754	596
Due from other funds	-	-	-	-
Loans receivable (net of allowance for uncollectibles)	-	-	-	-
Advances to other funds	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 3,468,480</b>	<b>\$ 24,304</b>	<b>\$ 4,396,558</b>	<b>\$ 65,678</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ -	\$ -	\$ 23,513	\$ 6,970
Salaries and benefits payable	-	-	-	1,420
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Deferred revenues	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>23,513</b>	<b>8,390</b>
<b><u>FUND BALANCES</u></b>				
Reserved for encumbrances	48,473	-	173,431	1,685
Reserved for loans receivable	-	-	-	-
Reserved for advances to other funds	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved:				
Designated for cash flow	-	-	-	-
Designated for capital projects	3,420,007	24,304	4,199,614	55,603
Designated for public improvements	-	-	-	-
Designated for law enforcement	-	-	-	-
Designated for special programs	-	-	-	-
Undesignated	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>3,468,480</b>	<b>24,304</b>	<b>4,373,045</b>	<b>57,288</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 3,468,480</b>	<b>\$ 24,304</b>	<b>\$ 4,396,558</b>	<b>\$ 65,678</b>

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

**Capital Projects**

Integrated Police System (IPS)	Financial Information System (FIS)	Stormwater Detention Basins	Madera Royal Improvements	
\$ 27,302	\$ 301,623	\$ -	\$ -	<b>ASSETS</b>
-	-	-	-	Cash and investments:
-	-	-	-	- Held by city
-	-	-	-	- Held by fiscal agents
16,105	-	-	-	- Accounts receivable (net of allowance for uncollectibles)
-	-	-	-	- Taxes receivable
-	-	-	-	- Grants receivable
-	-	-	-	- Interest receivable
-	-	-	-	- Due from other funds
-	-	-	-	- Loans receivable (net of allowance for uncollectibles)
-	-	-	-	- Advances to other funds
<b>\$ 43,407</b>	<b>\$ 301,623</b>	<b>\$ -</b>	<b>\$ -</b>	<b>TOTAL ASSETS</b>
				<b>LIABILITIES AND FUND BALANCES</b>
\$ 4,685	\$ 2,400	\$ -	\$ -	<b>LIABILITIES</b>
-	-	-	-	- Accounts payable
-	-	33,907	-	- Salaries and benefits payable
-	-	-	-	- Due to other funds
-	-	-	-	- Advances from other funds
-	-	-	-	- Deferred revenues
<b>4,685</b>	<b>2,400</b>	<b>33,907</b>	<b>-</b>	<b>TOTAL LIABILITIES</b>
21,366	-	16,588	-	<b>FUND BALANCES</b>
-	-	-	-	- Reserved for encumbrances
-	-	-	-	- Reserved for loans receivable
-	-	-	-	- Reserved for advances to other funds
-	-	-	-	- Reserved for debt service
-	-	-	-	Unreserved:
-	-	-	-	- Designated for cash flow
-	-	-	-	- Designated for capital projects
-	-	-	-	- Designated for public improvements
-	-	-	-	- Designated for law enforcement
-	-	-	-	- Designated for special programs
17,356	299,223	(50,495)	-	- Undesignated
<b>38,722</b>	<b>299,223</b>	<b>(33,907)</b>	<b>-</b>	<b>TOTAL FUND BALANCES (DEFICITS)</b>
<b>\$ 43,407</b>	<b>\$ 301,623</b>	<b>\$ -</b>	<b>\$ -</b>	<b>TOTAL LIABILITIES AND FUND BALANCES</b>

(continued)

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

	<b>Capital Projects</b>		
	<b>Police Facility</b>	<b>Police Capital Projects</b>	<b>Unified Two-Way Radio System</b>
<b><u>ASSETS</u></b>			
Cash and investments:			
Held by city	\$ 4,278	\$ 25,788	\$ 570,238
Held by fiscal agents	-	-	-
Accounts receivable (net of allowance for uncollectibles)	-	-	-
Taxes receivable	-	-	-
Grants receivable	-	-	22,443
Interest receivable	34	202	-
Due from other funds	-	-	-
Loans receivable (net of allowance for uncollectibles)	-	-	-
Advances to other funds	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 4,312</b>	<b>\$ 25,990</b>	<b>\$ 592,681</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b><u>LIABILITIES</u></b>			
Accounts payable	-	-	807
Salaries and benefits payable	-	-	-
Due to other funds	1,657,992	-	-
Advances from other funds	-	-	-
Deferred revenues	-	-	22,443
<b>TOTAL LIABILITIES</b>	<b>1,657,992</b>	<b>-</b>	<b>23,250</b>
<b><u>FUND BALANCES</u></b>			
Reserved for encumbrances	1,200	-	494,975
Reserved for loans receivable	-	-	-
Reserved for advances to other funds	-	-	-
Reserved for debt service	-	-	-
Unreserved:			
Designated for cash flow	-	-	-
Designated for capital projects	-	25,990	74,456
Designated for public improvements	-	-	-
Designated for law enforcement	-	-	-
Designated for special programs	-	-	-
Undesignated	(1,654,880)	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>(1,653,680)</b>	<b>25,990</b>	<b>569,431</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,312</b>	<b>\$ 25,990</b>	<b>\$ 592,681</b>

**CITY OF SIMI VALLEY  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005**

<u>Capital Projects</u>			
Regional Mall	Total Nonmajor Capital Projects	Total Nonmajor Funds	
\$ -	\$ 8,853,950	\$ 18,113,664	<b>ASSETS</b>
-	-	3,092,363	Cash and investments:
-	-	-	Held by city
-	-	-	Held by fiscal agents
-	-	-	Accounts receivable (net of allowance for uncollectibles)
-	-	77,995	Taxes receivable
-	38,548	62,640	Grants receivable
-	30,535	102,800	Interest receivable
-	-	-	Due from other funds
-	-	2,504,423	Loans receivable (net of allowance for uncollectibles)
-	-	2,500,000	Advances to other funds
\$ -	\$ 8,923,033	\$ 26,453,885	<b>TOTAL ASSETS</b>
<b>LIABILITIES AND FUND BALANCES</b>			
\$ 4,133	\$ 42,508	\$ 349,333	<b>LIABILITIES</b>
-	1,420	66,353	Accounts payable
52,447	1,744,346	1,952,089	Salaries and benefits payable
-	-	174,207	Due to other funds
-	22,443	2,293,056	Advances from other funds
56,580	1,810,717	4,835,038	Deferred revenues
<b>TOTAL LIABILITIES</b>			
-	757,718	1,011,548	<b>FUND BALANCES</b>
-	-	233,810	Reserved for encumbrances
-	-	2,500,000	Reserved for loans receivable
-	-	4,503,935	Reserved for advances to other funds
-	-	650,000	Reserved for debt service
-	-	650,000	Unreserved:
-	7,799,974	7,799,974	Designated for cash flow
-	-	4,033,455	Designated for capital projects
-	-	686,529	Designated for public improvements
-	-	1,208,564	Designated for law enforcement
-	-	1,208,564	Designated for special programs
(56,580)	(1,445,376)	(1,008,968)	Undesignated
(56,580)	7,112,316	21,618,847	<b>TOTAL FUND BALANCES (DEFICITS)</b>
\$ -	\$ 8,923,033	\$ 26,453,885	<b>TOTAL LIABILITIES AND FUND BALANCES</b>

(concluded)

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Special Revenue		
	Community Development Agency Administration	Madera Royal Tax Increment	HOME Grant
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Tax increment revenues	-	62,745	-
Use of money and property	-	404	328,238
From other governments	-	-	-
Grants	-	-	333,974
Service charges	-	-	-
Other revenues	-	-	-
Total revenues	-	63,149	662,212
<b>EXPENDITURES</b>			
Current:			
General government	430,600	806	19,486
Community services (CS)	-	-	-
Planning (ES)	728,890	-	459,385
Public ways and facilities (PW)	-	-	-
Public safety (PD)	-	-	-
Total current expenditures	1,159,490	806	478,871
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	4,928	-
Other	-	-	-
Total debt service	-	4,928	-
Intergovernmental	-	22,882	-
Total expenditures	1,159,490	28,616	478,871
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,159,490)	34,533	183,341
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,163,590	-	-
Transfers out	(4,100)	(12,549)	-
Total other financing sources (uses)	1,159,490	(12,549)	-
<b>NET CHANGE IN FUND BALANCES</b>	-	21,984	183,341
<b>FUND BALANCES (DEFICITS)-BEGINNING</b>	-	(196,191)	562,427
<b>FUND BALANCES (DEFICITS)-ENDING</b>	\$ -	\$ (174,207)	\$ 745,768

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

**Special Revenue**

Gasoline Tax	Transportation Funds	Lighting Maintenance District	Police Grants	
\$ -	\$ -	\$ 1,911,204	\$ -	
-	-	-	-	
-	3,150	156,235	25,477	
2,238,844	3,779,839	24,626	-	
-	-	-	564,151	
-	-	7,460	-	
-	-	-	-	
<u>2,238,844</u>	<u>3,782,989</u>	<u>2,099,525</u>	<u>589,628</u>	
-	-	369,100	-	
-	-	-	-	
-	-	-	-	
-	-	1,240,435	-	
-	-	-	786,825	
-	-	<u>1,609,535</u>	<u>786,825</u>	
-	-	-	51,468	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	-	-	
-	-	<u>1,609,535</u>	<u>838,293</u>	
<u>2,238,844</u>	<u>3,782,989</u>	<u>489,990</u>	<u>(248,665)</u>	
-	-	-	-	
(2,238,844)	(3,824,914)	(613,300)	(131,318)	
<u>(2,238,844)</u>	<u>(3,824,914)</u>	<u>(613,300)</u>	<u>(131,318)</u>	
-	(41,925)	(123,310)	(379,983)	
-	100,820	6,324,790	1,068,912	
<u>\$ -</u>	<u>\$ 58,895</u>	<u>\$ 6,201,480</u>	<u>\$ 688,929</u>	

**REVENUES**

Taxes  
 Tax increment revenues  
 Use of money and property  
 From other governments  
 Grants  
 Service charges  
 Other revenues  
 Total revenues

**EXPENDITURES**

Current:  
 General government  
 Community services (CS)  
 Planning (ES)  
 Public ways and facilities (PW)  
 Public safety (PD)  
 Total current expenditures  
 Capital outlay  
 Debt service:  
 Principal  
 Interest  
 Other  
 Total debt service  
 Intergovernmental  
 Total expenditures

**EXCESS (DEFICIENCY) OF REVENUES  
 OVER EXPENDITURES**

**OTHER FINANCING SOURCES (USES)**

Transfers in  
 Transfers out  
 Total other financing sources (uses)

**NET CHANGE IN FUND BALANCES**

**FUND BALANCES (DEFICITS)-BEGINNING**

**FUND BALANCES (DEFICITS)-ENDING**

(continued)

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Special Revenue			Total Nonmajor Special Revenue Funds
	Community Development Block Grant	Retiree Benefits	Landscape Maintenance District No. 1	
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ 1,911,204
Tax increment revenues	-	-	-	62,745
Use of money and property	186,215	22,654	28,025	750,398
From other governments	-	-	-	6,043,309
Grants	751,875	-	-	1,650,000
Service charges	-	-	785,451	792,911
Other revenues	-	13,600	-	13,600
Total revenues	938,090	36,254	813,476	11,224,167
<b>EXPENDITURES</b>				
Current:				
General government	93,500	43,242	51,549	1,008,283
Community services (CS)	13,043	-	-	13,043
Planning (ES)	333,706	-	-	1,521,981
Public ways and facilities (PW)	527,134	-	899,846	2,667,415
Public safety (PD)	-	-	-	786,825
Total current expenditures	967,383	43,242	951,395	5,997,547
Capital outlay	-	-	-	51,468
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	4,928
Other	-	-	-	-
Total debt service	-	-	-	4,928
Intergovernmental	-	-	-	22,882
Total expenditures	967,383	43,242	951,395	6,076,825
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(29,293)</b>	<b>(6,988)</b>	<b>(137,919)</b>	<b>5,147,342</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	78,500	-	1,242,090
Transfers out	-	-	-	(6,825,025)
Total other financing sources (uses)	-	78,500	-	(5,582,935)
<b>NET CHANGE IN FUND BALANCES</b>	<b>(29,293)</b>	<b>71,512</b>	<b>(137,919)</b>	<b>(435,593)</b>
<b>FUND BALANCES (DEFICITS)-BEGINNING</b>	<b>675,892</b>	<b>781,510</b>	<b>1,119,965</b>	<b>10,438,125</b>
<b>FUND BALANCES (DEFICITS)-ENDING</b>	<b>\$ 646,599</b>	<b>\$ 853,022</b>	<b>\$ 982,046</b>	<b>\$ 10,002,532</b>

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

<b>Debt Service</b>			
<b>1995</b>	<b>2003</b>	<b>Total</b>	
<b>Lease</b>	<b>Tax Allocation</b>	<b>Nonmajor</b>	
<b>Revenue</b>	<b>Refunding</b>	<b>Debt</b>	
<b>Bonds</b>	<b>Bonds</b>	<b>Service</b>	
\$	\$	\$	
-	-	-	<b>REVENUES</b>
-	-	-	Taxes
5,712	60,033	65,745	Tax increment revenues
-	-	-	Use of money and property
-	-	-	From other governments
-	-	-	Grants
-	-	-	Service charges
-	-	-	Other revenues
<u>5,712</u>	<u>60,033</u>	<u>65,745</u>	Total revenues
			<b>EXPENDITURES</b>
			Current:
-	-	-	General government
-	-	-	Community services (CS)
-	-	-	Planning (ES)
-	-	-	Public ways and facilities (PW)
-	-	-	Public safety (PD)
<u>-</u>	<u>-</u>	<u>-</u>	Total current expenditures
<u>-</u>	<u>-</u>	<u>-</u>	Capital outlay
			Debt service:
520,000	690,000	1,210,000	Principal
439,865	1,402,794	1,842,659	Interest
4,595	3,325	7,920	Other
<u>964,460</u>	<u>2,096,119</u>	<u>3,060,579</u>	Total debt service
<u>-</u>	<u>-</u>	<u>-</u>	Intergovernmental
<u>964,460</u>	<u>2,096,119</u>	<u>3,060,579</u>	Total expenditures
<u>(958,748)</u>	<u>(2,036,086)</u>	<u>(2,994,834)</u>	<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>
			<b>OTHER FINANCING SOURCES (USES)</b>
826,351	2,013,151	2,839,502	Transfers in
-	-	-	Transfers out
<u>826,351</u>	<u>2,013,151</u>	<u>2,839,502</u>	Total other financing sources (uses)
<u>(132,397)</u>	<u>(22,935)</u>	<u>(155,332)</u>	<b>NET CHANGE IN FUND BALANCES</b>
<u>1,110,553</u>	<u>3,548,778</u>	<u>4,659,331</u>	<b>FUND BALANCES (DEFICITS)-BEGINNING</b>
<u>\$ 978,156</u>	<u>\$ 3,525,843</u>	<u>\$ 4,503,999</u>	<b>FUND BALANCES (DEFICITS)-ENDING</b>

(continued)

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Capital Projects</u>			
	CDA Projects	Cultural Arts Facility	Equipment Replacement	Geographic Information System (GIS)
<b><u>REVENUES</u></b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Tax increment revenues	-	-	-	-
Use of money and property	76,158	601	21,577	1,954
From other governments	-	-	-	-
Grants	-	-	-	-
Service charges	-	-	-	-
Other revenues	-	-	-	-
Total revenues	<u>76,158</u>	<u>601</u>	<u>21,577</u>	<u>1,954</u>
<b><u>EXPENDITURES</u></b>				
Current:				
General government	-	-	-	81,866
Community services (CS)	-	-	-	-
Planning (ES)	-	-	-	-
Public ways and facilities (PW)	-	-	-	-
Public safety (PD)	-	-	-	-
Total current expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,866</u>
Capital outlay	<u>115,163</u>	<u>-</u>	<u>689,575</u>	<u>21,584</u>
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Intergovernmental	-	-	-	-
Total expenditures	<u>115,163</u>	<u>-</u>	<u>689,575</u>	<u>103,450</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(39,005)</u>	<u>601</u>	<u>(667,998)</u>	<u>(101,496)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Transfers in	35,000	-	88,400	53,800
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>35,000</u>	<u>-</u>	<u>88,400</u>	<u>53,800</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(4,005)</u>	<u>601</u>	<u>(579,598)</u>	<u>(47,696)</u>
<b>FUND BALANCES (DEFICITS)-BEGINNING</b>	<u>3,472,485</u>	<u>23,703</u>	<u>4,952,643</u>	<u>104,984</u>
<b>FUND BALANCES (DEFICITS)-ENDING</b>	<u>\$ 3,468,480</u>	<u>\$ 24,304</u>	<u>\$ 4,373,045</u>	<u>\$ 57,288</u>

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

**Capital Projects**

Integrated Police System (IPS)	Financial Information System (FIS)	Stormwater Detention Basins	Madera Royal Improvements	
\$ -	\$ -	\$ -	\$ -	<b>REVENUES</b>
-	-	-	-	Taxes
-	-	-	-	Tax increment revenues
-	-	-	3,800	Use of money and property
111,424	-	-	-	From other governments
-	-	-	-	Grants
-	-	-	-	Service charges
-	33,800	-	-	Other revenues
111,424	33,800	-	3,800	Total revenues
35,193	-	-	-	<b>EXPENDITURES</b>
-	-	-	-	Current:
-	-	-	-	General government
-	-	-	-	Community services (CS)
-	-	-	-	Planning (ES)
-	-	-	-	Public ways and facilities (PW)
-	-	-	-	Public safety (PD)
35,193	-	-	-	Total current expenditures
232,126	2,400	47,347	-	Capital outlay
-	-	-	-	Debt service:
-	-	-	-	Principal
-	-	-	-	Interest
-	-	-	320,583	Other
-	-	-	320,583	Total debt service
-	-	-	-	Intergovernmental
267,319	2,400	47,347	320,583	Total expenditures
(155,895)	31,400	(47,347)	(316,783)	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
110,818	-	-	-	<b>OTHER FINANCING SOURCES (USES)</b>
-	-	-	-	Transfers in
-	-	-	-	Transfers out
110,818	-	-	-	Total other financing sources (uses)
(45,077)	31,400	(47,347)	(316,783)	NET CHANGE IN FUND BALANCES
83,799	267,823	13,440	316,783	FUND BALANCES (DEFICITS)-BEGINNING
\$ 38,722	\$ 299,223	\$ (33,907)	\$ -	FUND BALANCES (DEFICITS)-ENDING

(continued)

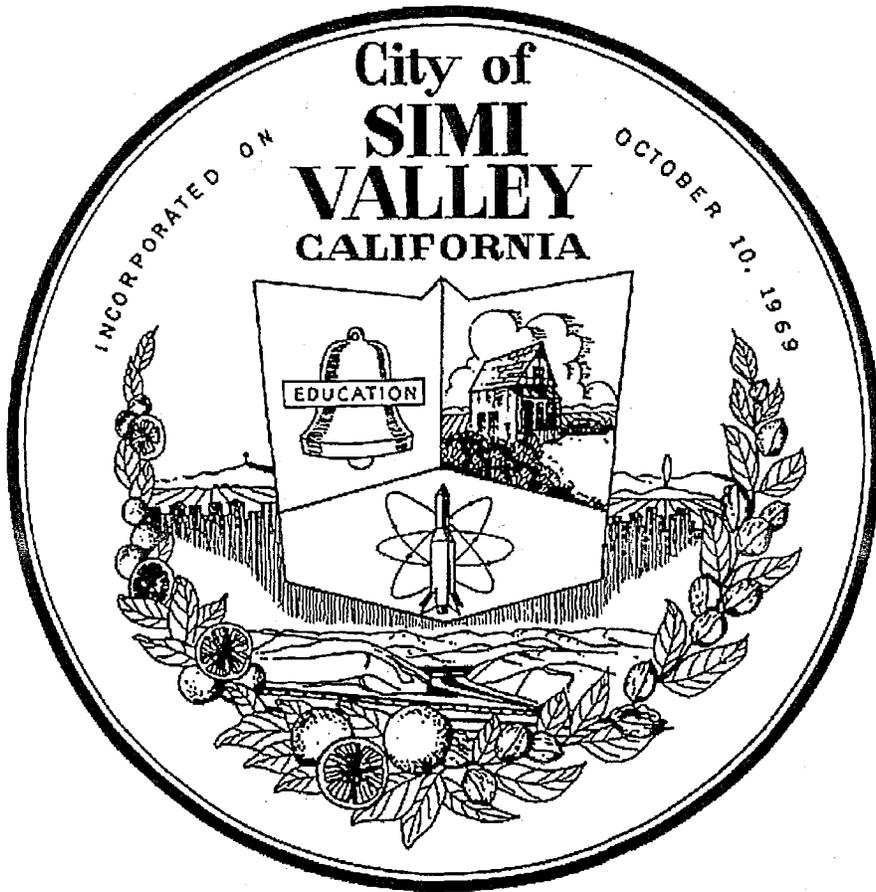
**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	<u>Capital Projects</u>		
	<u>Police Facility</u>	<u>Police Capital Projects</u>	<u>Unified Two-Way Radio System</u>
<b><u>REVENUES</u></b>			
Taxes	\$ -	\$ -	\$ -
Tax increment revenues	-	-	-
Use of money and property	107	769	-
From other governments	-	-	-
Grants	-	-	32,690
Service charges	-	-	-
Other revenues	-	-	-
Total revenues	<u>107</u>	<u>769</u>	<u>32,690</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government	-	-	-
Community services (CS)	-	-	-
Planning (ES)	-	-	-
Public ways and facilities (PW)	-	-	-
Public safety (PD)	-	-	-
Total current expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	-	-	3,289,659
Debt service:			
Principal	-	-	-
Interest	-	-	-
Other	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>
Intergovernmental	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>3,289,659</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>107</u>	<u>769</u>	<u>(3,256,969)</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	-	-	2,720,400
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,720,400</u>
<b>NET CHANGE IN FUND BALANCES</b>	107	769	(536,569)
<b>FUND BALANCES (DEFICITS)-BEGINNING</b>	<u>(1,653,787)</u>	<u>25,221</u>	<u>1,106,000</u>
<b>FUND BALANCES (DEFICITS)-ENDING</b>	<u>\$ (1,653,680)</u>	<u>\$ 25,990</u>	<u>\$ 569,431</u>

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

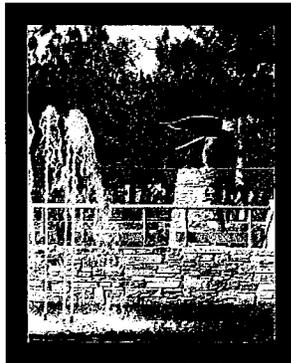
<u>Capital Projects</u>			
Regional Mall	Total Nonmajor Capital Project Funds	Total Nonmajor Funds	
\$ -	\$ -	\$ 1,911,204	<b>REVENUES</b>
-	-	62,745	Taxes
-	104,966	921,109	Tax increment revenues
-	-	6,043,309	Use of money and property
-	144,114	1,794,114	From other governments
-	-	792,911	Grants
13,000	46,800	60,400	Service charges
13,000	295,880	11,585,792	Other revenues
			Total revenues
			<b>EXPENDITURES</b>
			Current:
-	117,059	1,125,342	General government
-	-	13,043	Community services (CS)
-	-	1,521,981	Planning (ES)
-	-	2,667,415	Public ways and facilities (PW)
-	-	786,825	Public safety (PD)
-	117,059	6,114,606	Total current expenditures
107,057	4,504,911	4,556,379	Capital outlay
			Debt service:
-	-	1,210,000	Principal
-	-	1,847,587	Interest
-	320,583	328,503	Other
-	320,583	3,386,090	Total debt service
-	-	22,882	Intergovernmental
107,057	4,942,553	14,079,957	Total expenditures
(94,057)	(4,646,673)	(2,494,165)	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
			<b>OTHER FINANCING SOURCES (USES)</b>
37,820	3,046,238	7,127,830	Transfers in
-	-	(6,825,025)	Transfers out
37,820	3,046,238	302,805	Total other financing sources (uses)
(56,237)	(1,600,435)	(2,191,360)	NET CHANGE IN FUND BALANCES
(343)	8,712,751	23,810,207	FUND BALANCES (DEFICITS)-BEGINNING
\$ (56,580)	\$ 7,112,316	\$ 21,618,847	FUND BALANCES (DEFICITS)-ENDING

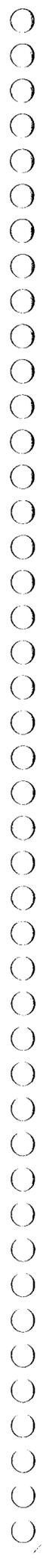
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# Schedules-Budget and Actual-Individual Funds





**CITY OF SIMI VALLEY  
COMMUNITY DEVELOPMENT AGENCY ADMINISTRATION  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Other revenues	\$ -	\$ -	\$ -
<b><u>EXPENDITURES</u></b>			
Current:			
General government:			
Reimbursement to general fund	430,600	430,600	-
Environmental services:			
Personnel	491,900	505,534	(13,634)
Materials, supplies and services	278,300	223,356	54,944
Total environmental services	770,200	728,890	41,310
Total expenditures	1,200,800	1,159,490	41,310
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,200,800)	(1,159,490)	41,310
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	1,184,900	1,163,590	(21,310)
Transfers out	(4,100)	(4,100)	-
Total other financing sources (uses)	1,180,800	1,159,490	(21,310)
NET CHANGE IN FUND BALANCES	(20,000)	-	20,000
FUND BALANCES (DEFICITS)-BEGINNING	-	-	-
FUND BALANCES (DEFICITS)-ENDING	\$ (20,000)	\$ -	\$ 20,000

**CITY OF SIMI VALLEY  
MADERA ROYAL TAX INCREMENT  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Tax increment revenues	\$ 60,900	\$ 62,745	\$ 1,845
Use of money and property	100	404	304
Total revenues	<u>61,000</u>	<u>63,149</u>	<u>2,149</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government:			
Materials, supplies, and services	<u>700</u>	<u>806</u>	<u>(106)</u>
Debt service:			
Interest	<u>4,500</u>	<u>4,928</u>	<u>(428)</u>
Intergovernmental	<u>22,300</u>	<u>22,882</u>	<u>(582)</u>
Total expenditures	<u>27,500</u>	<u>28,616</u>	<u>(1,116)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>33,500</u>	<u>34,533</u>	<u>1,033</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers out	<u>(12,200)</u>	<u>(12,549)</u>	<u>(349)</u>
NET CHANGE IN FUND BALANCES	21,300	21,984	684
FUND BALANCES (DEFICITS)-BEGINNING	<u>(196,191)</u>	<u>(196,191)</u>	-
FUND BALANCES (DEFICITS)-ENDING	<u>\$ (174,891)</u>	<u>\$ (174,207)</u>	<u>\$ 684</u>

**CITY OF SIMI VALLEY  
HOME GRANT  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Use of money and property	\$ 192,300	\$ 328,238	\$ 135,938
Grants	600,000	333,974	(266,026)
Total revenues	<u>792,300</u>	<u>662,212</u>	<u>(130,088)</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government:			
Reimbursement to housing fund	100,000	19,486	80,514
Environmental services	600,000	459,385	140,615
Total expenditures	<u>700,000</u>	<u>478,871</u>	<u>221,129</u>
 NET CHANGE IN FUND BALANCES	 92,300	 183,341	 91,041
FUND BALANCES (DEFICITS)-BEGINNING	<u>562,427</u>	<u>562,427</u>	<u>-</u>
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 654,727</u>	<u>\$ 745,768</u>	<u>\$ 91,041</u>

**CITY OF SIMI VALLEY**  
**GASOLINE TAX**  
**SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
From other governments	\$ 2,218,000	\$ 2,238,844	\$ 20,844
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers out	(2,218,000)	(2,238,844)	(20,844)
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES (DEFICITS)-BEGINNING	-	-	-
FUND BALANCES (DEFICITS)-ENDING	\$ -	\$ -	\$ -

**CITY OF SIMI VALLEY**  
**TRANSPORTATION FUNDS**  
**SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Use of money and property	\$ -	\$ 3,150	\$ 3,150
From other governments	3,700,000	3,779,839	79,839
Total revenues	<u>3,700,000</u>	<u>3,782,989</u>	<u>82,989</u>
<b><u>OTHER FINANCING (USES)</u></b>			
Transfers out	<u>(3,617,500)</u>	<u>(3,824,914)</u>	<u>(207,414)</u>
NET CHANGE IN FUND BALANCES	82,500	(41,925)	(124,425)
FUND BALANCES (DEFICITS)-BEGINNING	<u>100,820</u>	<u>100,820</u>	-
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 183,320</u>	<u>\$ 58,895</u>	<u>\$ (124,425)</u>

**CITY OF SIMI VALLEY  
LIGHTING MAINTENANCE DISTRICT  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Taxes	\$ 1,766,700	\$ 1,911,204	\$ 144,504
Use of money and property	100,000	156,235	56,235
From other governments	24,500	24,626	126
Service charges	2,600	7,460	4,860
Total revenues	<u>1,893,800</u>	<u>2,099,525</u>	<u>205,725</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government:			
Reimbursement to general fund	<u>369,100</u>	<u>369,100</u>	-
Public works:			
Utilities	800,000	763,665	36,335
Services	549,600	476,770	72,830
Total public works	<u>1,349,600</u>	<u>1,240,435</u>	<u>109,165</u>
Total expenditures	<u>1,718,700</u>	<u>1,609,535</u>	<u>109,165</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	175,100	489,990	314,890
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers out	<u>(613,300)</u>	<u>(613,300)</u>	-
NET CHANGE IN FUND BALANCES	(438,200)	(123,310)	314,890
FUND BALANCES (DEFICITS)-BEGINNING	<u>6,324,790</u>	<u>6,324,790</u>	-
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 5,886,590</u>	<u>\$ 6,201,480</u>	<u>\$ 314,890</u>

**CITY OF SIMI VALLEY  
POLICE GRANTS  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Use of money and property	\$ 10,500	\$ 25,477	\$ 14,977
Grants	514,898	564,151	49,253
Total revenues	<u>525,398</u>	<u>589,628</u>	<u>64,230</u>
<b><u>EXPENDITURES</u></b>			
Current:			
Public safety:			
Personnel	797,600	673,624	123,976
Material, supplies and services	135,000	113,201	21,799
Total public safety	<u>932,600</u>	<u>786,825</u>	<u>145,775</u>
Capital outlay	<u>73,900</u>	<u>51,468</u>	<u>22,432</u>
Total expenditures	<u>1,006,500</u>	<u>838,293</u>	<u>168,207</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(481,102)</u>	<u>(248,665)</u>	<u>232,437</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	23,066	-	(23,066)
Transfers out	(138,330)	(131,318)	7,012
Total other financing sources (uses)	<u>(115,264)</u>	<u>(131,318)</u>	<u>(16,054)</u>
NET CHANGE IN FUND BALANCES	(596,366)	(379,983)	216,383
FUND BALANCES (DEFICITS)-BEGINNING	<u>1,068,912</u>	<u>1,068,912</u>	<u>-</u>
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 472,546</u>	<u>\$ 688,929</u>	<u>\$ 216,383</u>

**CITY OF SIMI VALLEY  
COMMUNITY DEVELOPMENT BLOCK GRANT  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b>REVENUES</b>			
Use of money and property	\$ -	\$ 186,215	\$ 186,215
Grants	1,010,400	751,875	(258,525)
Total revenues	<u>1,010,400</u>	<u>938,090</u>	<u>(72,310)</u>
<b>EXPENDITURES</b>			
General government:			
Reimbursement to general fund	83,500	83,500	-
Public facility improvements	10,000	10,000	-
Total general government	<u>93,500</u>	<u>93,500</u>	<u>-</u>
Community services:			
Senior programs	3,688	3,688	-
Other programs	9,355	9,355	-
Total community services	<u>13,043</u>	<u>13,043</u>	<u>-</u>
Environmental services:			
Reimbursement to housing fund	104,300	104,300	-
Social programs	92,087	92,087	-
Housing programs	34,150	34,150	-
Other programs	34,000	103,169	(69,169)
Total environmental services	<u>264,537</u>	<u>333,706</u>	<u>(69,169)</u>
Public works:			
Curbs, gutters, sidewalks, and street repair	513,744	513,744	-
Other repairs	1,166,190	13,390	1,152,800
Total public works	<u>1,679,934</u>	<u>527,134</u>	<u>1,152,800</u>
Total expenditures	<u>2,051,014</u>	<u>967,383</u>	<u>1,083,631</u>
NET CHANGE IN FUND BALANCES	(1,040,614)	(29,293)	1,011,321
FUND BALANCES (DEFICITS)-BEGINNING	<u>675,892</u>	<u>675,892</u>	<u>-</u>
FUND BALANCES (DEFICITS)-ENDING	<u>\$ (364,722)</u>	<u>\$ 646,599</u>	<u>\$ 1,011,321</u>

**CITY OF SIMI VALLEY  
RETIREE BENEFITS  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

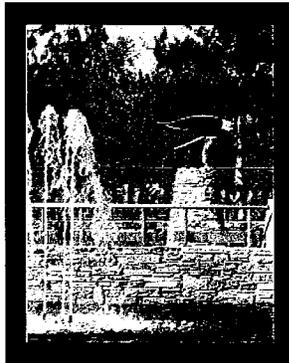
	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Use of money and property	\$ 15,700	\$ 22,654	\$ 6,954
Other revenues	13,600	13,600	-
Total revenues	<u>29,300</u>	<u>36,254</u>	<u>6,954</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government:			
Retiree benefits	<u>314,400</u>	<u>43,242</u>	<u>271,158</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(285,100)	(6,988)	278,112
<b><u>OTHER FINANCING SOURCES (USES)</u></b>			
Transfers in	<u>78,500</u>	<u>78,500</u>	-
NET CHANGE IN FUND BALANCES	(206,600)	71,512	278,112
FUND BALANCES (DEFICITS)-BEGINNING	<u>781,510</u>	<u>781,510</u>	-
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 574,910</u>	<u>\$ 853,022</u>	<u>\$ 278,112</u>

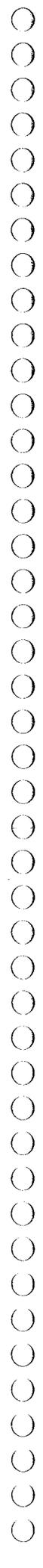
**CITY OF SIMI VALLEY  
LANDSCAPE MAINTENANCE DISTRICT NO. 1  
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Budget	Actual	Variance with Budget Positive (Negative)
<b><u>REVENUES</u></b>			
Use of money and property	\$ 27,199	\$ 28,025	\$ 826
Service charges	758,811	785,451	26,640
Total revenues	<u>786,010</u>	<u>813,476</u>	<u>27,466</u>
<b><u>EXPENDITURES</u></b>			
Current:			
General government:			
Reimbursement to general fund	<u>53,955</u>	<u>51,549</u>	<u>2,406</u>
Public works:			
Utilities	326,329	309,137	17,192
Landscape maintenance contract	581,525	551,732	29,793
Other contract services	37,700	38,977	(1,277)
Total public works	<u>945,554</u>	<u>899,846</u>	<u>45,708</u>
Total expenditures	<u>999,509</u>	<u>951,395</u>	<u>48,114</u>
NET CHANGE IN FUND BALANCES	(213,499)	(137,919)	75,580
FUND BALANCES (DEFICITS)-BEGINNING	<u>1,119,965</u>	<u>1,119,965</u>	-
FUND BALANCES (DEFICITS)-ENDING	<u>\$ 906,466</u>	<u>\$ 982,046</u>	<u>\$ 75,580</u>

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# Internal Service and Fiduciary Funds





**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF NET ASSETS  
 INTERNAL SERVICE FUNDS  
 JUNE 30, 2005**

	Liability Insurance	Workers' Compensation Insurance	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 8,638,811	\$ 8,374,583	\$ 17,013,394
Interest receivable	49,698	37,972	87,670
<b>TOTAL ASSETS</b>	<b>8,688,509</b>	<b>8,412,555</b>	<b>17,101,064</b>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	22,873	52,762	75,635
Salaries and benefits payable	-	15,276	15,276
Compensated absences	-	10,055	10,055
Claims and legal services payable	978,660	3,032,158	4,010,818
Total current liabilities	1,001,533	3,110,251	4,111,784
Noncurrent liabilities:			
Advances from other funds	2,344,000	2,344,000	4,688,000
Compensated absences	-	17,326	17,326
Claims and legal services payable	814,510	6,619,248	7,433,758
Total noncurrent liabilities	3,158,510	8,980,574	12,139,084
<b>TOTAL LIABILITIES</b>	<b>4,160,043</b>	<b>12,090,825</b>	<b>16,250,868</b>
<b><u>NET ASSETS</u></b>			
Unrestricted	4,528,466	(3,678,270)	850,196
<b>TOTAL NET ASSETS</b>	<b>\$ 4,528,466</b>	<b>\$ (3,678,270)</b>	<b>\$ 850,196</b>

**CITY OF SIMI VALLEY**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Liability Insurance	Workers' Compensation Insurance	Total
<b><u>OPERATING REVENUES</u></b>			
Charges for sales and services	\$ 1,693,700	\$ 4,829,800	\$ 6,523,500
Deposit refunds	53,973		53,973
Total operating revenues	<u>1,747,673</u>	<u>4,829,800</u>	<u>6,577,473</u>
<b><u>OPERATING EXPENSES</u></b>			
Salaries and benefits	-	246,285	246,285
Excess insurance premiums	304,894	272,381	577,275
Claims and legal expenses	131,497	1,468,752	1,600,249
General administration	982,500	118,700	1,101,200
Other	3,813	7,269	11,082
Total operating expenses	<u>1,422,704</u>	<u>2,113,387</u>	<u>3,536,091</u>
OPERATING INCOME (LOSS)	<u>324,969</u>	<u>2,716,413</u>	<u>3,041,382</u>
<b>NONOPERATING REVENUES AND EXPENSES:</b>			
Interest	<u>167,030</u>	<u>116,330</u>	<u>283,360</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	491,999	2,832,743	3,324,742
<b><u>TRANSFERS</u></b>			
Transfers out	<u>(1,600)</u>	<u>(3,600)</u>	<u>(5,200)</u>
CHANGE IN NET ASSETS	490,399	2,829,143	3,319,542
TOTAL NET ASSETS-BEGINNING	<u>4,038,067</u>	<u>(6,507,413)</u>	<u>(2,469,346)</u>
TOTAL NET ASSETS-ENDING	<u>\$ 4,528,466</u>	<u>\$ (3,678,270)</u>	<u>\$ 850,196</u>

**CITY OF SIMI VALLEY  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Liability Insurance	Workers' Compensation Insurance	Totals
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>			
Cash received from service charges and other revenues (net of refunds)	\$ 1,747,673	\$ 4,829,800	\$ 6,577,473
Cash paid for general administration	(982,500)	(118,700)	(1,101,200)
Cash paid for services	-	(231,801)	(231,801)
Cash paid for insurance premiums and claims	(1,309,939)	(1,864,900)	(3,174,839)
Cash paid for insurance services	(3,813)	(7,269)	(11,082)
Net cash provided (used) by operating activities	<u>(548,579)</u>	<u>2,607,130</u>	<u>2,058,551</u>
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u></b>			
Transfers to other funds	(1,600)	(3,600)	(5,200)
Net cash provided (used) by noncapital financing activities	<u>(1,600)</u>	<u>(3,600)</u>	<u>(5,200)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>			
Interest on investments	150,499	89,717	240,216
Net cash provided (used) by investing activities	<u>150,499</u>	<u>89,717</u>	<u>240,216</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(399,680)	2,693,247	2,293,567
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	9,038,491	5,681,336	14,719,827
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 8,638,811</u>	<u>\$ 8,374,583</u>	<u>\$ 17,013,394</u>
<b><u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u></b>			
Operating income (loss)	\$ 324,969	\$ 2,716,413	\$ 3,041,382
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Increase (decrease) in accounts payable	(114,627)	11,285	(103,342)
Increase (decrease) in claims and legal services payable	(758,921)	(120,568)	(879,489)
Total adjustments	<u>(873,548)</u>	<u>(109,283)</u>	<u>(982,831)</u>
Net cash provided (used) by operating activities	<u>\$ (548,579)</u>	<u>\$ 2,607,130</u>	<u>\$ 2,058,551</u>

**CITY OF SIMI VALLEY  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 FIDUCIARY FUNDS  
 JUNE 30, 2005**

	Assessment Districts - City of Simi Valley	Tax Increment Pass-Through Simi Valley Unified School District	Tax Increment Pass-Through Ventura County Community College District	Total Current Year
<b><u>ASSETS</u></b>				
Current assets:				
Cash and investments:				
Held by city	\$ 2,626,675	\$ 145,534	\$ 124,246	\$ 2,896,455
Held by fiscal agents	6,965,104	-	-	6,965,104
Accounts receivable	18,184	1,787	827	20,798
Prepays	3,000,000	-	-	3,000,000
<b>TOTAL ASSETS</b>	<b>\$ 12,609,963</b>	<b>\$ 147,321</b>	<b>\$ 125,073</b>	<b>\$ 12,882,357</b>
<b><u>LIABILITIES</u></b>				
Current liabilities:				
Intergovernmental payable	12,609,963	147,321	125,073	12,882,357
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 12,609,963</b>	<b>\$ 147,321</b>	<b>\$ 125,073</b>	<b>\$ 12,882,357</b>

**CITY OF SIMI VALLEY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

	Balance at June 30, 2004	Additions	Deletions	Balance at June 30, 2005
<b>ASSESSMENT DISTRICT - CITY OF SIMI VALLEY</b>				
<b>ASSETS:</b>				
Cash and investments held by city	\$ 2,656,957	\$ 1,326,828	\$ 1,357,110	\$ 2,626,675
Cash and investments held by fiscal agents	1,415,889	24,279,749	18,730,534	6,965,104
Accounts receivable	12,327	18,184	12,327	18,184
Prepays	-	3,000,000	-	3,000,000
<b>TOTAL ASSETS</b>	<b>\$ 4,085,173</b>	<b>\$ 28,624,761</b>	<b>\$ 20,099,971</b>	<b>\$ 12,609,963</b>
<b>LIABILITIES:</b>				
Intergovernmental payable	\$ 4,085,173	\$ 28,624,761	\$ 20,099,971	\$ 12,609,963
<b>TOTAL LIABILITIES</b>	<b>\$ 4,085,173</b>	<b>\$ 28,624,761</b>	<b>\$ 20,099,971</b>	<b>\$ 12,609,963</b>
<b>SIMI VALLEY UNIFIED SCHOOL DISTRICT</b>				
<b>ASSETS:</b>				
Cash and investments held by city	\$ 86,928	\$ 553,908	\$ 495,302	\$ 145,534
Accounts receivable	860	1,787	860	1,787
<b>TOTAL ASSETS</b>	<b>\$ 87,788</b>	<b>\$ 555,695</b>	<b>\$ 496,162</b>	<b>\$ 147,321</b>
<b>LIABILITIES:</b>				
Intergovernmental payable	\$ 87,788	\$ 555,695	\$ 496,162	\$ 147,321
<b>TOTAL LIABILITIES</b>	<b>\$ 87,788</b>	<b>\$ 555,695</b>	<b>\$ 496,162</b>	<b>\$ 147,321</b>
<b>VENTURA COUNTY COMMUNITY COLLEGE DISTRICT</b>				
<b>ASSETS:</b>				
Cash and investments held by city	\$ 121,654	\$ 127,132	\$ 124,540	\$ 124,246
Accounts receivable	523	827	523	827
<b>TOTAL ASSETS</b>	<b>\$ 122,177</b>	<b>\$ 127,959</b>	<b>\$ 125,063</b>	<b>\$ 125,073</b>
<b>LIABILITIES:</b>				
Intergovernmental payable	\$ 122,177	\$ 127,959	\$ 125,063	\$ 125,073
<b>TOTAL LIABILITIES</b>	<b>\$ 122,177</b>	<b>\$ 127,959</b>	<b>\$ 125,063</b>	<b>\$ 125,073</b>
<b>TOTAL AGENCY FUNDS</b>				
<b>ASSETS:</b>				
Cash and investments held by city	\$ 2,865,539	\$ 2,007,868	\$ 1,976,952	\$ 2,896,455
Cash and investments held by fiscal agents	1,415,889	24,279,749	18,730,534	6,965,104
Accounts receivable	13,710	20,798	13,710	20,798
Prepays	-	3,000,000	-	3,000,000
<b>TOTAL ASSETS</b>	<b>\$ 4,295,138</b>	<b>\$ 29,308,415</b>	<b>\$ 20,721,196</b>	<b>\$ 12,882,357</b>
<b>LIABILITIES:</b>				
Intergovernmental payable	\$ 4,295,138	\$ 29,308,415	\$ 20,721,196	\$ 12,882,357
<b>TOTAL LIABILITIES</b>	<b>\$ 4,295,138</b>	<b>\$ 29,308,415</b>	<b>\$ 20,721,196</b>	<b>\$ 12,882,357</b>



**CITY OF SIMI VALLEY  
STATISTICAL OVERVIEW  
FISCAL YEAR ENDED JUNE 30, 2005**

**LOCATION:** Southeastern Ventura County, 40 Miles Northwest of Downtown Los Angeles  
**INCORPORATED:** October 10, 1969  
**FORM OF GOVERNMENT:** Council / Manager  
Mayor/Four Member City Council Elected-at-Large

**POPULATION (July 1, 2005):**  
City Residents..... 121,286                      Growth Area Residents..... 123,734

**PHYSICAL SIZE - SQUARE MILES:**  
Incorporated Area..... 38.9                      Growth Area..... 100.0

**STREETS:**  
Estimated Miles of Paved Streets..... 307.67  
Number of Street Lights..... 7,551

**BUILDING PERMITS:**  
Permits Issued..... 2,738  
Approximate Value (In Thousands of Dollars)..... \$415,846

**BUSINESS TAX RECEIPTS:**  
Applications/Renewals Processed..... 8,696  
Receipts Issued..... 7,514  
Business Tax Revenues..... \$1,355,601

**SANITATION SERVICES (Waste Water Collection and Treatment):**  
Customer Accounts..... 35,059                      Plant Capacity..... 12.5 MGD  
Miles of Sewerline..... 500                      Average Daily Plant Flows. 8.84 MGD

<b>WATER SERVICES (Retail Sale of Water):</b>	Number of	Water Delivered
	Accounts	(Million Gallons)
Customers.....	23,755	7,665.6
Sales To Other Agencies.....	2	460.0
Total.....	<u>23,757</u>	<u>8,125.6</u>

Note: Balance of community (approximately 14,500 customers) serviced by Southern California Water Co.

<b>AUTHORIZED POSITIONS:</b> (Excluding Temporary Employees)			Total	
	General	Special Funds and Districts	2005	2004
General Government.....	65	13	78	77
Community Services.....	39	50	89	85
Environmental Services .....	58	8	66	67
Police.....	197	5	202	192
Public Works.....	129	93	222	222
Total.....	<u>488</u>	<u>169</u>	<u>657</u>	<u>643</u>

Authorized Number of Sworn Police Personnel..... 130  
Ratio of Sworn Police Personnel per 1,000 Population..... 1.072

SOURCES: City of Simi Valley, Southern California Edison, Southern California Water Company.

**CITY OF SIMI VALLEY  
GOVERNMENTAL REVENUES & NET OTHER FINANCING SOURCES  
LAST TEN FISCAL YEARS (Note 1)**

**Revenues**

<b>Fiscal Year</b>	<b>Property Taxes</b>	<b>Sales Taxes</b>	<b>Other Taxes</b>	<b>Licenses and Permits</b>	<b>Fines and Forfeitures</b>	<b>Use of Money and Property</b>	<b>From Other Gov't's</b>
1995-96	\$10,493,079	\$7,523,998	\$4,035,933	\$1,677,776	\$ 184,552	\$4,120,067	\$8,192,192
1996-97	11,018,800	8,644,433	4,089,201	2,112,957	213,651	4,152,681	8,862,833
1997-98	11,826,311	8,483,344	4,572,733	3,893,592	216,620	3,290,813	9,200,874
1998-99	12,377,023	9,303,124	5,049,560	5,374,911	439,538	4,006,134	9,851,690
1999-00	13,437,709	10,629,416	6,747,708	4,433,952	499,286	4,188,541	10,932,877
2000-01	16,528,655	11,774,505	5,586,143	2,933,635	662,042	4,976,977	12,380,349
2001-02	17,410,850	12,683,123	6,267,648	2,611,829	747,781	2,964,359	13,169,562
2002-03	19,295,434	12,830,405	6,319,487	3,000,142	759,786	2,455,014	13,094,236
2003-04	20,981,163	13,878,702	7,002,008	3,910,943	692,871	2,966,909	12,072,537
2004-05	27,899,227	14,829,984	7,462,521	5,761,949	744,172	4,668,436	9,228,523

NOTE: 1. Includes all Governmental Fund Types.

Continued

**CITY OF SIMI VALLEY  
GOVERNMENTAL REVENUES & NET OTHER FINANCING SOURCES  
LAST TEN FISCAL YEARS (Note 1)**

**Revenues**

<b>Grants</b>	<b>Service Charges</b>	<b>Other Revenues</b>	<b>Total Revenues</b>	<b>Net Other Financing Sources</b>	<b>Total</b>	<b>Fiscal Year</b>
\$6,783,057	\$3,620,107	\$1,035,494	\$47,666,255	\$17,743,314	\$65,409,569	1995-96
3,584,733	4,564,986	733,470	47,977,745	697,680	48,675,425	1996-97
7,691,643	6,379,594	896,243	56,451,767	787,441	57,239,208	1997-98
4,539,949	7,405,749	1,441,800	59,789,478	2,158,877	61,948,355	1998-99
2,936,444	4,903,711	5,972,621	64,682,265	2,150,377	66,832,642	1999-00
4,516,394	3,840,862	1,192,439	64,392,001	426,234	64,818,235	2000-01
4,727,219	3,574,203	2,075,997	66,232,571	368,109	66,600,680	2001-02
3,595,929	3,380,322	1,548,029	66,278,784	1,649,959	67,928,743	2002-03
4,662,677	5,482,337	1,530,971	73,181,118	(1,654,019)	71,527,099	2003-04
3,000,993	4,123,659	6,844,687	84,564,151	24,789,056	109,353,207	2004-05

Concluded

SOURCE: City of Simi Valley

**CITY OF SIMI VALLEY  
GOVERNMENTAL EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS (Note 1)**

**Current Expenditures**

Fiscal Year	General Government	Community Services	Environmental Services	Public Works	Police Department
1995-96	\$ 5,133,570	-	\$ 5,890,617	\$ 12,035,962	\$ 12,872,431
1996-97	5,088,289	2,294,638	5,024,756	10,394,226	14,023,538
1997-98	4,751,880	2,330,782	5,640,296	10,906,437	14,783,720
1998-99	5,322,519	2,474,621	4,576,395	12,370,788	15,106,774
1999-00	3,676,924	2,775,374	5,574,574	10,660,175	16,030,718
2000-01	4,764,663	2,953,456	6,939,661	11,601,786	17,277,973
2001-02	4,739,066	3,022,864	5,851,490	12,293,447	18,643,300
2002-03	6,656,623	4,481,811	5,576,295	12,464,375	19,828,550
2003-04	5,360,370	3,233,192	11,432,418	13,847,391	23,086,299
2004-05	5,705,571	3,327,916	10,409,949	14,674,133	25,427,341

NOTE: 1. Includes all Governmental Fund Types.

Continued

SOURCE: City of Simi Valley

**CITY OF SIMI VALLEY  
GOVERNMENTAL EXPENDITURES BY FUNCTION  
LAST TEN FISCAL YEARS (Note 1)**

	<b>Total Current Expenditures</b>	<b>Capital Projects</b>	<b>Debt Service</b>	<b>Inter-governmental</b>	<b>Total Expenditures</b>	<b>Fiscal Year</b>
\$	35,932,580	\$ 8,852,575	\$ 5,176,299	\$ 1,689,092	\$ 51,650,546	1995-96
	36,825,447	4,164,576	4,896,162	1,682,408	47,568,593	1996-97
	38,413,115	10,717,282	4,637,948	1,779,799	55,548,144	1997-98
	39,851,097	10,767,241	8,875,831	1,886,084	61,380,253	1998-99
	38,717,765	10,365,422	6,102,486	2,383,287	57,568,960	1999-00
	43,537,539	8,884,332	5,533,625	2,601,450	60,556,946	2000-01
	44,550,167	12,576,967	6,339,232	2,771,780	66,238,146	2001-02
	49,007,654	5,545,599	6,406,184	3,132,557	64,091,994	2002-03
	56,959,670	4,916,881	3,040,287	3,628,878	68,545,716	2003-04
	59,544,910	12,400,928	4,954,606	4,126,132	81,026,576	2004-05

Concluded

SOURCE: City of Simi Valley

**CITY OF SIMI VALLEY  
GOVERNMENT-WIDE REVENUES BY SOURCE  
LAST THREE FISCAL YEARS**

Fiscal Year	Program Revenues			General Revenues			Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Unrestricted Investment Earnings	Capital Contributions and Misc.	
2002-03	\$37,128,723	\$ 8,935,873	\$ 2,863,349	\$44,996,853	\$ 3,363,909	\$20,915,737	\$118,204,444
2003-04	44,575,298	12,724,448	2,072,082	47,548,587	1,580,676	2,147,862	110,648,953
2004-05	51,544,739	11,995,384	2,279,752	53,122,217	3,255,780	9,250,756	131,448,628

This is the third year reporting the government-wide revenues by source. Current year totals will continue to be added to this schedule until ten years are listed.

**CITY OF SIMI VALLEY  
GOVERNMENT-WIDE EXPENSES BY PROGRAM  
LAST THREE FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Government</b>	<b>Community Services</b>	<b>Planning</b>	<b>Public Ways &amp; Facilities</b>	<b>Public Safety</b>	<b>Interest on Long-Term Debt</b>	<b>Sanitation</b>	<b>Waterworks Dist No. 8</b>	<b>Transit</b>	<b>Total</b>
2002-03	\$16,213,555	\$4,196,666	\$5,695,344	\$13,501,151	\$22,380,396	\$2,487,785	\$9,649,662	\$17,235,501	\$3,455,148	\$94,815,208
2003-04	15,145,488	3,306,481	10,819,148	15,228,178	24,888,781	2,089,477	10,276,065	19,793,965	4,128,283	105,675,866
2004-05	16,247,298	3,339,200	8,961,596	14,480,308	24,910,100	2,766,273	10,715,924	19,373,481	4,206,360	105,000,540

This is the third year reporting the government-wide expenses by program. Current year totals will continue to be added to this schedule until ten years are listed.

**CITY OF SIMI VALLEY  
 ASSESSED VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS (Note 1)**

Fiscal Year	Gross Assessed Valuation (Note 2)				Percentage Change
	Secured	Utility	Unsecured	Total	
1995-96.....	5,510,443,834	5,736,023	233,031,687	5,749,211,544	-3.4%
1996-97.....	5,569,048,383	5,754,999	236,759,341	5,811,562,723	1.1%
1997-98.....	5,742,072,685	4,739,718	247,874,934	5,994,687,337	3.2%
1998-99.....	6,121,314,502	5,041,906	267,403,389	6,393,759,797	6.7%
1999-00.....	6,804,211,563	4,521,505	263,487,140	7,072,220,208	10.6%
2000-01.....	7,652,960,223	4,436,680	314,152,975	7,971,549,878	12.7%
2001-02.....	8,338,284,943	4,535,050	319,123,415	8,661,943,408	8.7%
2002-03.....	9,001,962,570	4,738,971	309,184,285	9,315,885,826	7.5%
2003-04.....	9,674,185,767	4,137,416	311,473,006	9,989,796,189	7.2%
2004-05.....	10,657,955,181	4,468,429	300,722,955	10,963,146,565	9.7%

**NOTES:**

1. Valuations are established by the County Assessor of the County of Ventura, except for property owned by private utility companies, which is valued by the State of California.
2. For comparison purposes, gross assessed valuations includes homeowners' exemption. Although this exemption reduces property tax collections, a portion of the revenue loss is reimbursed by the State of California. As such, gross assessed valuation is the revenue base used in establishing property tax-related revenues.

**CITY OF SIMI VALLEY  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS (Note 1)**

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
CITY OF SIMI VALLEY...\$	--	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
County of Ventura:										
General.....	--	--	--	--	--	--	--	--	--	--
Library District.....	--	--	--	--	--	--	--	--	--	--
Fire District.....	--	--	--	--	--	--	--	--	--	--
Flood Control District....	--	--	--	--	--	--	--	--	--	--
Schools - All Agencies										
Combined.....	--	--	--	--	--	--	--	--	--	--
Rancho Simi Recreation & Park District.....	--	--	--	--	--	--	--	--	--	--
Simi Valley County										
Sanitation District.....	--	--	--	--	--	--	--	--	--	--
Simi Valley Lighting										
Maintenance District.....	--	--	--	--	--	--	--	--	--	--
All Other Agencies.....	--	--	--	--	--	--	--	--	--	--
Bonded Debt Tax Rates										
All Agencies Combined.	0.105675	0.056557	0.055209	0.052284	0.047239	0.040618	0.036032	0.050824	0.047697	0.084600
Proposition 13										
Maximum Tax Rate .....	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
<b>Total.....</b>	<b>\$1.105675</b>	<b>\$1.056557</b>	<b>\$1.055209</b>	<b>\$1.052284</b>	<b>\$1.047239</b>	<b>\$1.040618</b>	<b>\$1.036032</b>	<b>\$1.050824</b>	<b>\$1.047697</b>	<b>\$1.084600</b>

NOTE: 1. Property tax rates are levied per \$100 of assessed valuation. The tax rate information provided is for Tax Rate Area 09006, which is the largest tax rate area in the City.

**CITY OF SIMI VALLEY  
SECURED PROPERTY TAX ROLL LEVIES AND COLLECTIONS (Note 1)  
TOTAL CHARGES WITHIN THE CITY OF SIMI VALLEY (Note 2)  
LAST TEN FISCAL YEARS**

Fiscal Year	Total Secured Tax Levy	Current Year Collections	Current Year Delinquencies	Percent Delinquent
1995-96.....	71,952,255	70,409,225	1,543,030	2.1%
1996-97.....	69,151,624	67,651,062	1,500,562	2.2%
1997-98.....	71,153,843	69,933,781	1,220,062	1.7%
1998-99.....	72,416,397	71,199,814	1,216,583	1.7%
1999-00.....	79,350,486	77,904,659	1,445,827	1.8%
2000-01.....	89,282,371	87,675,785	1,606,586	1.8%
2001-02.....	96,624,697	94,486,989	2,137,708	2.2%
2002-03.....	104,460,998	102,875,792	1,585,206	1.5%
2003-04.....	113,380,764	111,280,050	2,100,714	1.9%
2004-05.....	128,172,093	125,407,288	2,764,805	2.2%

1. The secured property tax roll is composed of ad valorem taxes, as well as special assessments, and is calculated by the Ventura County Auditor-Controller. The Ventura County Tax Collector is responsible for all property tax roll collections within the City of Simi Valley.
  
2. The passage of Proposition 13 on June 6, 1978, established a maximum County-wide levy for general revenue purposes of 1% of market value. Voter-approved tax rates for the retirement of long-term debt were excluded from this levy limit as well as assessments based on benefit rather than property valuation. Due to the County-wide nature of this maximum levy and subsequent allocation formula as derived for its distribution, it is no longer possible to identify general purpose tax rates for specific taxing entities. As such, data is provided for the total secured levy and collections within the boundaries of the City of Simi Valley rather than individual taxing entities. In addition, as noted previously, the City did not levy a general purpose property tax subsequent to the passage of Proposition 13.

SOURCE: California Municipal Statistics, Inc.

**CITY OF SIMI VALLEY  
COMPUTATION OF LEGAL DEBT MARGIN  
FISCAL YEAR ENDED JUNE 30, 2005**

Gross Assessed Valuation.....	\$10,963,146,565
Legal Debt Limit - 3.75% of Gross Assessed Valuation.....	<u>411,117,996</u>

General Obligation Bonded Debt.....	<u>\$0</u>
-------------------------------------	------------

**Other Long-Term Debt:**

Advances Payable.....	12,294,418
SVPFA 1995 Lease Revenue Bonds.....	7,805,000
2003 Tax Allocation Refunding Bonds.....	30,745,000
2004 Certificates of Participation.....	25,955,000
Compensated Absences.....	<u>5,310,821</u>
Total General Long-term Debt.....	<u>82,110,239</u>

**LESS DEDUCTIONS ALLOWED BY LAW:**

Advanced Payables.....	12,294,418
Bonded Debt Exempted by Law.....	64,505,000
Compensated Absences.....	<u>5,310,821</u>
Total Deductions Allowed by Law.....	<u>82,110,239</u>

<b>TOTAL DEBT APPLICABLE TO COMPUTED LIMIT.....</b>	<u><b>\$0</b></u>
-----------------------------------------------------	-------------------

NOTE: The general laws of the State of California for municipalities actually provide for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was established based on 25% of market value. Effective with FY 1981-82, taxable property is assessed at 100% of market value. Although the debt limit provision has not been amended by the State since this change, the percentage has been proportionately modified to 3.75% for the purposes of this calculation for consistency with the original intent of the State's debt limit.

**CITY OF SIMI VALLEY  
DIRECT AND OVERLAPPING BONDED DEBT  
JUNE 30, 2005 (See Note)**

<b>BONDED DEBT BY AGENCY:</b>	<b>Percentage Applicable to the City of Simi Valley</b>	<b>Amount Applicable to the City of Simi Valley</b>
Ventura County General Fund Obligations.....	13.782 %	\$13,640,735
Ventura County Pension Obligations.....	13.782	7,649,010
Ventura County Superintendent of Schools Certificates.....	13.782	1,909,496
Metropolitan Water District.....	0.750	3,145,425
Ventura County Community College District.....	13.786	9,539,912
Simi Valley Unified School District.....	96.609	77,820,217
Simi Valley Unified School District Certificates.....	96.609	13,129,163
Rancho Simi Recreation & Park District Authority.....	81.216	1,238,544
Ventura County Community College District Certificates.....	13.786	894,711
City of Simi Valley 1915 Act Bonds.....	100.000	8,605,000
City of Simi Valley Community Facilities District No. 2004-1.....	100.000	8,800,000
City of Simi Valley General Fund Obligations.....	100.000	33,760,000
<b>TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT.....</b>		<b>180,132,213</b>
<b>LESS SELF-SUPPORTING ISSUES:</b>		
Lease-Revenue Bonds.....		49,693,370
1915 Act Bonds.....		8,605,000
Community Facilities District No. 2004-1.....		8,800,000
<b>TOTAL SELF-SUPPORTING ISSUES.....</b>		<b>67,098,370</b>
<b>TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT.....</b>		<b>\$113,033,843</b>

**RATIO OF BONDED DEBT TO ASSESSED VALUATION AND POPULATION:**

Gross Assessed Valuation.....	\$10,963,146,565
Population.....	121,286

	<b>Amount</b>	<b>Percentage of Gross Assessed Valuation</b>	<b>Per Capita Bonded Debt</b>
<b>Direct and Overlapping Bonded Debt:</b>			
Gross.....	\$180,132,213	1.64%	\$1,485
Net.....	113,033,843	1.03%	932
<b>Overlapping Bonded Debt:</b>			
Gross.....	\$128,967,213	1.18%	\$1,063
Net.....	79,273,843	0.72%	654
<b>Direct Bonded Debt:</b>			
Gross.....	51,165,000	0.47%	422
Net.....	33,760,000	0.31%	278

NOTE: Includes certificates of participation. Excludes tax and revenue anticipation notes, revenue and tax allocation bonds, and non-bonded capital lease obligations.

**CITY OF SIMI VALLEY  
POPULATION AND HOUSING  
CITY OF SIMI VALLEY AND GROWTH AREA (Note 1)**

**Population and Housing of City of Simi Valley of Last Ten Calendar Years**

Year	Population	Annual Increase	Annual Percentage Increase	Housing Units	Annual Increase	Annual Percentage Increase
1996	103,859	1,456	1.4%	34,502	516	1.5%
1997	105,249	1,390	1.3%	34,947	445	1.3%
1998	106,320	1,071	1.0%	35,290	343	1.0%
1999	109,546	3,226	3.0%	36,429	1,139	3.2%
2000	112,428	2,882	2.6%	37,452	1,023	2.8%
2001	115,719	3,291	2.9%	38,359	907	2.4%
2002	117,432	1,713	1.5%	38,906	547	1.4%
2003	118,090	658	0.6%	39,116	210	0.5%
2004	119,590	1,500	1.3%	39,666	550	1.4%
2005	121,286	1,696	1.4%	40,257	591	1.5%

**Housing Characteristics of City of Simi Valley of 2005**

	Number	Percentage
Single Family Units.....	31,757	78.89%
2-4 Unit Structures.....	1,681	4.18%
5 or more Unit Structures.....	5,945	14.77%
Mobile Homes.....	874	2.16%
<b>Total.....</b>	<b>40,257</b>	<b>100.00%</b>

**Population Data of Simi Valley Growth Area (Note 2)**

Actual		Projected	
1960.....	8,000	2010.....	133,653
1965.....	43,000	2015.....	138,276
1970.....	60,000	2020.....	140,452
1975.....	73,000		
1980.....	79,400		
1985.....	90,640		
1990.....	103,220		
1995.....	112,650		
2000.....	114,876		
2005.....	123,734		

- NOTES: 1. Population and housing data is provided as of July 1 of each year.
2. The Simi Valley Growth Area includes the population within the City limits as well as surrounding unincorporated areas. The population projections provided are the official estimates adopted by the City of Simi Valley.

SOURCE: Department of Environmental Services, City of Simi Valley

**CITY OF SIMI VALLEY**  
**MAJOR SOURCES OF EMPLOYMENT - FULL AND PART TIME**  
**FISCAL YEAR ENDED JUNE 30, 2005**

<b>Manufacturing</b>	<b>Number of Employees</b>	<b>Principal Product</b>
Milgard Manufacturing Inc .....	485	Windows and Doors
Meggitt Safety Systems Inc .....	293	Aerospace Fire Protection Systems
AeroVironment Inc .....	215	Unmanned Aircraft
Polytainer Inc .....	212	Plastic Containers
Telair International .....	171	Aerospace Flight Controls
Standard Abrasives .....	144	Specialty Abrasive Products
Freedom Designs .....	139	Wheelchairs and Components
PSI Bearings .....	139	Aerospace Bearings
Hitachi Koki Imaging Systems .....	112	Imaging Supplies
Qualstar Corp .....	99	Data Storage Libraries
It's All Greek to Me .....	95	Promotional Products
Datron Advance Technologies Inc .....	93	Satellite Communications Systems

<b>Services and Retail</b>	<b>Number of Employees</b>	<b>Principal Service</b>
Countrywide Funding Corp .....	5,216	Financing
Simi Valley Unified School District .....	2,395	Education
Farmers Insurance Group .....	2,050	Regional Insurance Service Center
Simi Valley Hospital & Health Care .....	859	Healthcare Services
City of Simi Valley .....	644	City Government
Vons .....	440	Grocery Stores
Albertsons Grocery Store .....	375	Grocery Stores
Rancho Simi Recreation & Park District .....	303	Parks Services
Home Depot .....	275	Home Improvement Store
Costco .....	230	Warehouse Store
Wal-Mart .....	221	Department Store
Nexicore .....	213	Computer Service and Support
Target Department Store .....	180	Department Store
Adventist Media Center .....	150	Radio & Television Studio
First Automotive Group .....	135	Auto Sales & Service
Ralphs Grocery Store .....	120	Grocery Stores
Alcoa Fasteners .....	117	Aerospace Fasteners
Cinram .....	100	Distribution of Multimedia Products
Grand Vista Hotel of Simi Valley .....	99	Full Service Hotel
Mervyn's Department Store .....	90	Department Store

SOURCE: Department of Administrative Services, City of Simi Valley

**CITY OF SIMI VALLEY  
SCHEDULE OF BUILDING PERMITS AND VALUATIONS  
LAST TEN FISCAL YEARS (See Note)**

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
<b>BUILDING PERMITS ISSUED:</b>										
Single-Family Residential.....	378	383	761	1,001	927	469	364	262	204	619
Multi-Family Residential.....	9	10	13	17	10	-	-	43	162	3
Mobile Homes.....	16	14	20	25	13	7	7	8	9	0
Relocation & Demolitions.....	6	10	3	18	4	7	11	6	5	6
Subtotal: Residential.....	409	417	797	1,061	954	483	382	319	380	628
Industrial.....	2	3	6	15	3	4	9	1	12	2
Commercial.....	3	4	6	24	32	35	26	46	7	13
Institutional.....	-	3	1	8	1	-	1	4	-	2
Subtotal: Non-Residential..	5	10	13	47	36	39	36	51	19	17
Additions & Conversions.....	1,637	1,467	1,446	1,557	1,531	1,509	1,725	1,721	1,700	1,497
Swimming Pools.....	104	142	128	240	268	293	296	263	343	374
Other Improvements.....	177	129	194	235	347	227	215	178	251	222
Subtotal: Other Permits....	1,918	1,738	1,768	2,032	2,146	2,029	2,236	2,162	2,294	2,093
Total Permits Issued....	2,332	2,165	2,578	3,140	3,136	2,551	2,654	2,532	2,693	2,738

**BUILDING PERMIT VALUATIONS: (In Thousands of Dollars)**

Single-Family Residential.....	\$67,050	\$77,978	\$181,988	\$235,270	\$227,143	\$116,062	\$88,345	\$82,536	\$100,465	\$282,066
Multi-Family Residential.....	4,084	5,210	6,434	11,037	3,427	-	-	33,790	43,961	12,974
Mobile Homes.....	-	-	-	-	-	-	-	-	-	-
Relocations & Demolitions.....	81	-	-	-	-	-	-	-	-	-
Subtotal: Residential.....	71,215	83,188	188,422	246,307	230,570	116,062	88,345	116,326	144,426	295,040
Industrial.....	532	4,567	20,066	6,815	2,021	5,359	9,701	534	7,587	931
Commercial.....	7,440	1,531	6,111	35,392	12,718	1,460	7,757	25,987	19,211	74,170
Institutional.....	-	-	1,024	6,011	1,127	-	32	3,103	-	597
Subtotal: Non-Residential..	7,972	6,098	27,201	48,218	15,866	6,818	17,490	29,624	26,798	75,698
Additions & Conversions.....	17,570	14,640	21,939	39,848	26,314	20,725	23,580	25,275	31,131	20,608
Swimming Pools.....	1,139	1,938	1,850	4,786	6,528	9,304	9,265	8,998	12,144	13,075
Other Improvements.....	2,343	1,128	3,324	4,898	5,502	3,337	3,154	2,729	1,943	11,425
Subtotal: Other Permits....	21,052	17,706	27,113	49,532	38,344	33,365	35,999	37,002	45,218	45,108
Total Permit Valuations	\$100,239	\$106,992	\$242,736	\$344,057	\$284,780	\$156,246	\$141,834	\$182,952	\$216,442	\$415,846

NOTE: Excludes special permits (plumbing, mechanical, electrical, grading, etc.), as well as plan check permits.

**CITY OF SIMI VALLEY  
SCHEDULE OF TAXABLE SALES AND PERMITS BY CATEGORY  
LAST TEN CALENDAR YEARS**

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>SALES (in Thousands of Dollars)</b>										
Apparel Stores.....	\$20,027	\$17,787	\$16,876	\$17,099	\$14,537	\$14,046	\$16,040	\$15,539	\$15,378	\$24,138
General Merchandise.....	75,181	73,412	96,028	123,655	133,093	162,873	190,809	207,699	216,897	225,064
Drug Stores.....	20,770	15,090	15,488	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Food Stores.....	67,636	64,237	61,824	61,248	63,426	67,584	68,980	71,223	70,667	69,152
Packaged Liquor Stores.....	5,115	4,479	4,430	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eating & Drinking Places.....	79,343	78,524	79,783	82,566	85,290	93,140	106,138	111,258	114,815	126,341
Home Furnishings & Appliances...	12,028	10,252	9,602	10,499	10,887	15,400	17,713	18,964	20,120	23,894
Building Materials & Farm Tools...	52,434	51,817	50,789	53,936	60,960	91,303	102,487	117,440	112,673	116,614
Auto Dealers & Supplies.....	81,580	99,194	98,944	115,622	127,065	137,943	159,907	186,499	200,293	222,341
Service Stations.....	62,728	62,586	61,377	64,836	59,013	65,945	75,893	79,450	79,589	96,082
Other Retail Stores.....	65,486	65,700	69,067	78,896	79,076	90,848	100,202	102,925	109,345	114,171
Subtotal: Retail Stores.....	542,328	543,078	564,208	608,357	633,347	739,082	838,169	910,997	939,777	1,017,797
All Other Outlets.....	152,859	148,793	168,595	183,373	194,654	194,618	204,365	216,992	222,642	234,067
Total: All Outlets.....	\$695,187	\$691,871	\$732,803	\$791,730	\$828,001	\$933,700	\$1,042,534	\$1,127,989	\$1,162,419	\$1,251,864

**PERMITS**

Apparel Stores.....	52	47	41	34	34	40	38	45	47	42
General Merchandise.....	14	15	15	30	29	33	31	32	31	33
Drug Stores.....	13	13	13	N/A						
Food Stores.....	58	56	54	56	61	62	60	62	60	55
Packaged Liquor Stores.....	21	18	20	N/A						
Eating & Drinking Places.....	182	186	189	185	182	195	206	216	212	225
Home Furnishings & Appliances...	53	47	49	53	51	57	53	56	51	63
Building Materials & Farm Tools...	26	27	25	27	23	25	27	28	29	32
Auto Dealers & Supplies.....	34	33	33	34	35	42	41	39	43	48
Service Stations.....	37	33	29	26	26	26	25	30	30	32
Other Retail Stores.....	271	283	284	301	308	371	392	431	466	481
Subtotal: Retail Stores.....	761	758	752	746	749	851	873	939	969	1011
All Other Outlets.....	2,525	2,464	2,458	2,380	2,425	2,269	2,121	2,086	2,071	2,098
Total: All Outlets.....	3,286	3,222	3,210	3,126	3,174	3,120	2,994	3,025	3,040	3,109

**CITY OF SIMI VALLEY  
SCHEDULE OF BUSINESS TAX CERTIFICATES ISSUED  
FISCAL YEAR ENDED JUNE 30, 2005**

	No. of Businesses	Percent	
		Simi Valley Businesses Excluding Home Occupations	Total
<b>Located Within City Limits:</b>			
Services.....	1,294	52.2%	17.2%
Retail Trade.....	712	28.7%	9.5%
Finance, Insurance, and Real Estate.....	192	7.8%	2.6%
Manufacturing.....	129	5.2%	1.7%
Construction.....	98	4.0%	1.3%
Wholesale Trade.....	50	2.1%	0.7%
Transportation and Public Utilities.....	1	0.0%	0.0%
Agriculture, Forestry and Fishing.....	1	0.0%	0.0%
<b>Total (excluding home occupations).....</b>	<b>2,477</b>	<b>100.0%</b>	<b>33.0%</b>
Home Occupations.....	3,092		41.1%
<b>Total Simi Valley Businesses.....</b>	<b>5,569</b>		<b>74.1%</b>
<b>Located In Surrounding Unincorporated Areas:</b>			
Home Occupations.....	643		8.6%
Other Businesses.....	1,302		17.3%
<b>Total Businesses Outside Simi Valley..</b>	<b>1,945</b>		<b>25.9%</b>
<b>TOTAL.....</b>	<b>7,514</b>		<b>100.0%</b>

SOURCE: City of Simi Valley

**CITY OF SIMI VALLEY  
SCHEDULE OF BANK DEPOSITS  
LAST TEN FISCAL YEARS**

	Banking Institutions	Savings & Loan Institutions	Credit Unions	Total
<b>DEPOSIT AMOUNTS (In Thousands of Dollars):</b>				
1995-1996.....	334,668	377,879	-	712,547
1996-1997.....	356,511	371,587	-	728,098
1997-1998.....	379,712	385,740	-	765,452
1998-1999.....	431,438	373,212	-	804,650
1999-2000.....	470,837	362,863	-	833,700
2000-2001.....	516,423	392,333	-	908,756
2001-2002.....	642,517	354,313	-	996,830
2002-2003.....	718,369	389,493	-	1,107,862
2003-2004.....	818,791	407,412	-	1,226,203
2004-2005.....	889,647	448,924	-	1,338,571

**NUMBER OF INSTITUTIONS/BRANCHES:**

1995-1996.....	11	5	-	16
1996-1997.....	10	7	-	17
1997-1998.....	10	6	-	16
1998-1999.....	9	5	-	14
1999-2000.....	9	5	-	14
2000-2001.....	9	5	-	14
2001-2002.....	12	5	-	17
2002-2003.....	12	7	-	19
2003-2004.....	13	6	-	19
2004-2005.....	15	7	-	22

SOURCE: Federal Department Insurance Corporation (FDIC)

**CITY OF SIMI VALLEY  
MUNICIPAL SERVICES PROVIDED BY OTHER AGENCIES OR PRIVATE COMPANIES  
FISCAL YEARS ENDED JUNE 30, 2005 AND 2004**

ANIMAL REGULATION: County of Ventura, Animal Regulation Department  
 MOORPARK COMMUNITY COLLEGE: Ventura County Community College District  
 RESIDENTIAL REFUSE COLLECTION: Private Companies Operating Under City Franchise

**PUBLIC ELEMENTARY AND SECONDARY SCHOOLS: Simi Valley Unified School District**

	No. of Schools	2004-2005 Enrollment	No. of Schools	2003-2004 Enrollment
Elementary (K-6).....	21	10,586	21	10,712
Middle School (6-8).....	3	3,627	3	3,731
Senior High (9-12).....	3	5,927	3	5,764
Continuation (9-12).....	1	308	1	273
Special Education.....	-	711	-	741
Independent Study.....	1	170	1	156
<b>TOTAL.....</b>	<b>29</b>	<b>21,329</b>	<b>29</b>	<b>21,377</b>

**SIMI VALLEY LIBRARY: County of Ventura, Library Services Agency**

	2005	2004
Building Square Footage.....	36,000	36,000
No. of Volumes (Estimate).....	135,000	135,000

**FIRE PROTECTION: County of Ventura, Fire Protection District**

2005: 5 Fire Stations with 57 Firefighters, 6 Firefighter Paramedics and 3 Battalion Chiefs  
 8 Fire Engines, 2 Utility Vehicles, 1 Ladder Truck, 1 Water Tender, 1 Foam Trailer  
 1 Brush Engine, 1 Paramedic Squad Car, 2 Battalion Chief Vehicles

2004: 5 Fire Stations with 57 Firefighters, 6 Firefighter Paramedics and 3 Battalion Chiefs  
 7 Fire Engines, 2 Utility Vehicles, 1 Ladder Truck, 1 Water Tender, 1 Foam Trailer  
 1 Brush Engine, 1 Paramedic Squad Car, 2 Battalion Chief Vehicles

(Continued)

**CITY OF SIMI VALLEY**  
**MUNICIPAL SERVICES PROVIDED BY OTHER AGENCIES OR PRIVATE COMPANIES (Continued)**  
**FISCAL YEARS ENDED JUNE 30, 2005 AND 2004**

**ELECTIONS: County of Ventura, County Clerk and Recorder**

Last Two State-Wide Elections	November 2, 2004	March 2, 2004
Number of Registered Voters in Ventura County	398,652	366,486
Voter Turn-Out:		
Number of Ballots Cast.....	316,132	171,875
Percentage Voter Turn-Out.....	79.3%	46.9%

**WATER SERVICES: Regional Wholesaler (Primary Source of Supply for Community)**  
**Calleguas Municipal Water District**

Retail Sale of Water	2005	2004
Southern California Water Company (Estimate).....	14,500	14,300
Balance of Community Serviced by the City.....	23,755	23,290

**RECREATION AND PARKS: Rancho Simi Recreation and Park District**

	2005				2004	
	Developed		Undeveloped		Total Acres	Total Acres
	Sites	Acres	Sites	Acres		
Community Parks-Urban.....	4.0	102.1	4.0	22.3	124.4	124.4
Community Parks-Theme:						
Golf Courses.....	2.0	180.2	2.0	24.4	204.6	204.6
Other Uses.....	3.0	22.5	4.0	209.1	231.6	231.6
Neighborhood Parks.....	22.0	125.7	8.0	26.0	151.7	151.7
Natural Parks.....	1.0	3.0	3.0	381.1	384.1	358.7
Open Space.....	0.0	0.0	15.0	3,189.7	3,189.7	3,189.7
<b>TOTAL SIMI VALLEY.....</b>	<b>32.0</b>	<b>433.5</b>	<b>36.0</b>	<b>3,852.6</b>	<b>4,286.1</b>	<b>4,260.7</b>
Oakpark/Agoura Area.....	11.0	195.0	4.0	1,316.0	1,511.0	1,511.0
<b>TOTAL.....</b>	<b>43.0</b>	<b>628.5</b>	<b>40.0</b>	<b>5,168.6</b>	<b>5,797.1</b>	<b>5,771.7</b>

(Concluded)

**CITY OF SIMI VALLEY  
PRINCIPAL PROPERTY TAXPAYERS  
FISCAL YEAR ENDED JUNE 30, 2005**

<b>Taxpayer</b>	<b>Assessed Value</b>	<b>Percent</b>
Countrywide Funding Corporation	92,463,782	0.76%
Shea Homes Ltd	88,715,569	0.73%
Fountains Apt Ltd	69,487,867	0.57%
Big Sky Country Club LLC	44,703,401	0.37%
DR Horton LA Holding Co	43,360,552	0.36%
Western Pacific Housing Inc	37,549,928	0.31%
Stone Creek Investors	37,437,135	0.31%
ESG Properties LLC	37,016,390	0.30%
Simi Entertainment Plaza LP	32,293,476	0.27%
Davidon Homes	29,051,789	0.24%
<b>Total Taxable Assessed Value Ten Largest Taxpayers</b>	<b>512,079,889</b>	<b>4.20%</b>
<b>Total Taxable Assessed Value Other Taxpayers</b>	<b>11,671,193,538</b>	<b>95.80%</b>
<b>Total Taxable Assessed Value All Taxpayers</b>	<b>\$12,183,273,427</b>	<b>100.00%</b>

SOURCE: Ventura County Auditor-Controller

## DEMOGRAPHIC CHARACTERISTICS · 2000 U.S. CENSUS · OVERVIEW

The following statistical summaries of selected demographic information regarding the City of Simi Valley are based on data generated from the 2000 U.S. Census and have been included in the Statistical Tables section of the City's Comprehensive Annual Financial Report:

### Population and Household Characteristics

- Population and Housing By Household Type
- Population By Age and Sex

### Housing Characteristics

- Age of Year-Round Housing Stock
- Housing Valuations
- Tenure of Householder

### Education and Employment Characteristics

- Years of School Completed
- Labor Force Status
- Class of Worker

### Labor Force Characteristics

- Employment By Occupation
- Employment By Industry

### Income and Transportation Characteristics

- Household and Family Income (1999)
- Median, Mean, and Per Capita Income for Households and Families (1999)
- Family Workers and Income (1999)
- Means of Transportation to Work

All census data is provided as of April 1, 2000 unless otherwise indicated. Additional 2000 U.S. Census information is available upon request from the City of Simi Valley, Department of Environmental Services, for the City in its entirety as well as by each of the 40 neighborhood areas within the City.

POPULATION AND HOUSEHOLD CHARACTERISTICS · 2000 U.S. CENSUS

Population and Housing by Household Type

	<u>Population</u>	<u>Units</u>
Family Households:		
Householder	28,952	*
Spouse .....	23,258	*
Children and other relatives.....	44,295	*
Total families .....	<u>96,505</u>	<u>28,952</u>
Non-relatives.....	<u>3,534</u>	*
Total family households .....	<u>100,039</u>	<u>28,952</u>
Non-Family Households:		
Male .....	3,540	*
Female .....	3,929	*
Non-Relatives.....	<u>3,043</u>	*
Total Non-Family households .....	<u>10,512</u>	<u>7,469</u>
Total Households .....	<u>110,551</u>	<u>36,421</u>
Group Quarters .....	<u>800</u>	*
Vacant Units:		
For sale .....	*	263
For rent .....	*	320
Rented or sold, not occupied.....	*	114
Seasonal Units .....	*	50
Total Vacant Units .....	<u>*</u>	<u>851</u>
Total.....	<u>111,351</u>	<u>37,272</u>

POPULATION AND HOUSEHOLD CHARACTERISTICS · 2000 U.S. CENSUS

Population by Age and Sex

	Male	Female	Total	Percent of Total
Under 5 years	4,248	3,915	8,163	7.3%
5 - 9 years.	4,823	4,716	9,539	8.6
10 - 14 years	4,565	4,472	9,037	8.1
15 - 19 years	3,969	3,778	7,747	7.0
20 - 24 years	3,080	2,899	5,979	5.4
25 - 29 years	3,315	3,481	6,796	6.1
30 - 34 years	4,378	4,580	8,958	8.0
35 - 39 years	5,186	5,282	10,468	9.4
40 - 44 years	5,214	5,191	10,405	9.3
45 - 49 years	4,291	4,432	8,723	7.8
50 - 54 years	3,804	3,879	7,683	6.9
55 - 59 years	2,734	2,778	5,512	5.0
60 - 64 years.	1,938	1,899	3,837	3.5
65 - 74 years	2,320	2,709	5,029	4.5
75 - 84 years	1,003	1,666	2,669	2.4
85 years or older	230	576	806	0.7
Total Population	<u>55,098</u>	<u>56,253</u>	<u>111,351</u>	<u>100.0%</u>

## HOUSING CHARACTERISTICS · 2000 U.S. CENSUS

### Age of Year-Round Housing Stock

Year Structure Built	Number	Percent
1999 to March 2000 .....	1,667	4.5%
1995 to 1998 .....	2,249	6.0
1990 to 1994 .....	2,097	5.6
1980 to 1989 .....	8,974	24.0
1970 to 1979 .....	8,583	23.0
1960 to 1969 .....	11,984	32.1
1950 to 1959 .....	1,301	3.5
1940 to 1949 .....	271	0.7
1939 or earlier .....	204	0.6
<b>Total year-round housing stock.....</b>	<b>37,330</b>	<b>100.0%</b>
 Median Year Built.....	 1976	

### Housing Valuations · Specified Owner-Occupied Housing

	Number	Percent
Less than \$50,000.....	67	0.3%
50,000 to 99,999 .....	108	0.4
100,000 to 149,999 .....	873	3.4
150,000 to 199,999 .....	5,072	19.8
200,000 to 249,999 .....	8,344	32.7
250,000 to 299,999 .....	5,034	19.7
300,000 to 399,999 .....	3,438	13.5
400,000 to 499,999 .....	1,539	6.0
500,000 to 749,999 .....	945	3.7
750,000 to 999,999 .....	93	0.4
1,000,000 or more .....	35	0.1
<b>Total.....</b>	<b>25,548</b>	<b>100.0%</b>
 Median value.....	 \$239,900	

**HOUSING CHARACTERISTICS · 2000 U.S. CENSUS**

**Tenure of Householder**

Year Householder Moved Into Unit	Owner-Occupied Housing		Renter-Occupied Housing		Total	
	Number	Percent	Number	Percent	Number	Percent
1999 to March 2000 .....	3,906	13.8%	2,901	5.5%	6,807	18.7%
1995 to 1998 .....	7,834	27.7	3,615	44.2	11,449	31.4
1990 to 1994 .....	4,774	16.9	1,076	13.2	5,850	16.0
1980 to 1989 .....	6,671	23.5	445	5.4	7,116	19.5
1970 to 1979 .....	3,293	11.6	117	1.4	3,410	9.3
1969 or earlier .....	1,828	6.5	18	0.3	1,846	5.1
<b>Total Occupied Housing</b>	<b>28,306</b>	<b>100.0%</b>	<b>8,172</b>	<b>100.0%</b>	<b>36,478</b>	<b>100.0%</b>
Median Year .....	1992		1998			

EDUCATION AND EMPLOYMENT CHARACTERISTICS · 2000 U.S. CENSUS

Education · Individuals 25 Years and Over

<u>Years of School Completed</u>	<u>Individuals</u>	<u>Percent</u>
Less than 9th grade .....	<u>2,904</u>	<u>4.1%</u>
High School:		
9th to 12th grade, no diploma .....	6,403	9.0
High school graduate .....	<u>16,773</u>	<u>3.6</u>
	<u>23,176</u>	<u>32.6</u>
College:		
Some college, no degree .....	21,043	29.6
Associates degree .....	6,275	8.8
Bachelors degree .....	12,685	7.8
Graduate or Professional degree .....	<u>5,047</u>	<u>7.1</u>
	<u>45,050</u>	<u>63.3</u>
Total.....	<u>71,130</u>	<u>100.0%</u>

**LABOR FORCE CHARACTERISTICS · 2000 U.S. CENSUS**

**Labor Force Status · Person 16 Years and Over**

	<u>Number</u>	<u>Percent of Labor Force</u>	<u>Percent of Total</u>
Labor force:			
Employed.....	57,001	95.8%	68.4%
Unemployed.....	2,509	4.2	3.0
	<hr/>		
Total labor force.....	59,510	100.0%	71.4
	<hr/>		
Armed Forces.....	63	*	0.1
Not in labor force.....	23,761	*	28.5
	<hr/>		
Total.....	83,334	*	100.0%
	<hr/>		

**Class of Worker · Employed Persons 16 Years and Older**

	<u>Number</u>	<u>Percent</u>
Private wage and salary workers (Profit).....	42,845	75.2%
Private wage and salary workers (Non-profit).....	2,781	4.9
Local government workers.....	4,571	8.0
State government workers.....	1,048	1.8
Federal government workers.....	850	1.5
Self-employed workers.....	4,776	8.4
Unpaid family workers.....	130	0.2
	<hr/>	
Total.....	57,001	100.0%
	<hr/>	

**LABOR FORCE CHARACTERISTICS · 2000 U.S. CENSUS**

**Employment by Occupation · Employed Persons 16 Years and Older**

	<u>Number</u>	<u>Percent</u>
Management, business and financial operations:		
Management occupations .....	6,903	12.1%
Business and financial operations .....	3,511	6.2
Professional and related occupations:		
Computer and mathematical occupations .....	1,905	3.3
Architecture and engineering occupations .....	1,689	3.0
Education, training and library occupations.....	2,784	4.9
Arts, design, entertainment, sports and media occupations	1,335	2.3
Healthcare practitioners and technical occupations .....	2,070	3.6
Other professional and related occupations.....	1,591	2.8
Sales and office occupations:		
Sales and related occupations .....	7,408	13.0
Office and administrative support occupations .....	10,097	17.7
Service Occupations:		
Protective service .....	1,357	2.4
Food preparation and serving related occupations .....	1,886	3.3
Building and grounds maintenance .....	1,267	2.2
Healthcare support, Personal care and service occupations	2,541	4.5
Farming, forestry, and fishing .....	98	0.2
Production, transportation, and material moving occupations		
Production .....	3,572	6.3
Transportation and material moving occupations .....	2,175	3.8
Construction and maintenance occupations		
Construction and extraction occupations .....	2,787	4.9
Installation, maintenance, and repair occupations.....	2,025	3.5
 TOTAL .....	 <u>57,001</u>	 <u>100.0%</u>

LABOR FORCE CHARACTERISTICS · 2000 U.S. CENSUS

Employment by Industry · Employed Persons 16 Years and Older

	<u>Number</u>	<u>Percent</u>
Agriculture, forestry, fisheries, and mining .....	260	0.5%
Construction.....	3,909	6.9
Manufacturing .....	8,602	15.1
Wholesale trade.....	2,016	3.5
Retail trade .....	6,924	12.1
Transportation and warehousing, and utilities .....	1,919	3.4
Information.....	3,306	5.8
Finance, insurance and real estate.....	7,129	12.5
Professional, scientific, and waste management services:		
Professional, scientific, and technical services .....	3,646	6.4
Management, administrative and support services.....	2,066	3.6
Arts, entertainment, recreation, accommodation and food services	3,527	6.2
Education, health, and social services:		
Educational services .....	4,039	7.1
Health care and social assistance .....	4,866	8.5
Public administration .....	2,050	3.6
Other services.....	2,742	4.8
	<hr/>	
Total.....	<u>57,001</u>	<u>100.0%</u>

**INCOME AND TRANSPORTATION CHARACTERISTICS · 2000 U.S. CENSUS**

**Household and Family Income · 1999**

	<u>Households</u>		<u>Families</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$ 10,000 .....	1,246	3.4%	657	2.3%
10,000 - 14,999 .....	1,040	2.9	566	1.9
15,000 - 19,999 .....	847	2.3	543	.9
20,000 - 29,999 .....	2,199	6.0	1,477	5.1
30,000 - 39,999 .....	2,975	8.1	2,248	7.7
40,000 - 49,999 .....	3,266	8.9	2,619	9.0
50,000 - 59,999 .....	3,266	8.9	2,619	9.0
60,000 - 74,999 .....	4,831	13.2	3,975	13.6
75,000 - 99,999 .....	7,306	20.0	6,330	21.7
100,000 - 124,999 .....	4,336	11.9	3,697	12.6
125,000 - 149,999 .....	2,059	5.6	1,711	5.9
150,000 - 199,999 .....	2,027	5.6	1,778	6.1
200,000 or more .....	1,238	3.4	1,109	3.8
Total.....	<u>36,543</u>	<u>100.0%</u>	<u>29,164</u>	<u>100.0%</u>

**Median and Per Capita Incomes · Households and Families · 1999**

	<u>Household</u>	<u>Families</u>
Median income .....	\$ 70,370	\$75,140
Mean income.....	\$ 80,925	\$85,585
Per Capita income.....	\$ 26,586	

**Family Workers · 1999**

	<u>Families</u>		<u>Income</u>
	<u>Number</u>	<u>Percent</u>	
No worker .....	1,897	6.5%	\$32,049
1 worker .....	8,267	28.3	71,630
2 workers .....	14,214	48.8	93,777
3 or more workers .....	4,786	16.4	106,579
Total reported.....	<u>29,164</u>	<u>100.0%</u>	<u>\$85,585</u>

INCOME AND TRANSPORTATION CHARACTERISTICS · 2000 U.S. CENSUS

Means of Transportation to Work · Worker 16 Years or Older

	<u>Number</u>	<u>Percent</u>
Car, truck, or van:		
Drive alone.....	44,615	79.6%
Carpool .....	7,258	12.9
Public transportation.....	804	1.4
Motorcycle .....	183	0.3
Bicycle .....	314	0.6
Walk.....	550	1.0
Other means.....	<u>252</u>	<u>0.5</u>
Total requiring transportation.....	<u>53,967</u>	<u>96.3</u>
Work at home.....	<u>2,098</u>	<u>3.7</u>
Total .....	<u>56,074</u>	<u>100.0%</u>