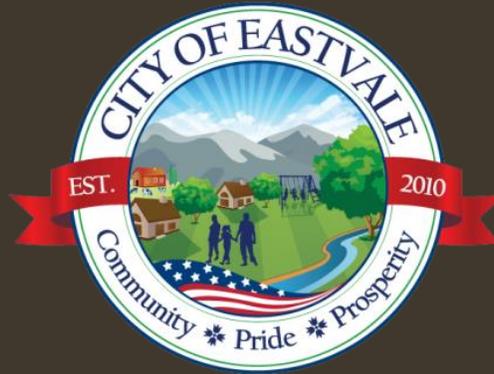


# CITY OF EASTVALE, CALIFORNIA



## Comprehensive Annual Financial Report

Fiscal Year Ending June 30, 2014



**City of Eastvale, California  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
June 30, 2014**

Prepared by:  
Department of Finance and Administration

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**City of Eastvale  
Comprehensive Annual Financial Report  
June 30, 2014**

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**City of Eastvale**  
**Comprehensive Annual Financial Report**  
**June 30, 2014**

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December 18, 2014

Honorable Mayor, City Council,  
And Citizens of the City of Eastvale  
City of Eastvale  
Eastvale, CA 91752

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

Dear Honorable Mayor, Council Members and Eastvale Citizens,

I am pleased to present the 2013-14 Comprehensive Annual Financial Report (CAFR) for the City of Eastvale, California for the fiscal year ended June 30, 2014.

This report consists of management representations concerning the finances of the City of Eastvale in its fourth year of incorporation. 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 of Eastvale continues to establish 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 of Eastvale's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Eastvale's comprehensive framework of internal controls is being designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

State Law and the City's Municipal Code require that an annual financial report is prepared. This report fulfills that obligation. It has been prepared in conformity with generally accepted accounting principles (GAAP) and with the financial reporting requirements prescribed by the Governmental Accounting Standards Board (GASB).

The City of Eastvale's financial statements have been audited by Teaman, Ramirez, & Smith, Inc., a firm of certified public accountants and consultants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Eastvale for the fiscal year ended June 30, 2014, 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's report is presented as the first component of the financial section of this report. GAAP requires that management provide a narrative of introductions, 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 of Eastvale's MD&A can be found immediately following the report of the independent auditors in the financial section of this report.

## **Profile of the Government**

The City of Eastvale is proud to be one of the newest cities in Western Riverside County. The City of Eastvale incorporated on October 1, 2010 and has an ever-growing population of over 59,185 residents and a total area of 13.1 square miles. The City of Eastvale is located in northwestern Riverside County, California, the Inland Empire region of Southern California. The proximity of Los Angeles County approximately 8 miles northwest of Eastvale and Orange County approximately 5 miles to the southwest has made Eastvale something of a commuter town.

Eastvale has a Council-Manager form of government. The City Council consists of 5 Council Members, elected at large on a non-partisan basis and annually select amongst them, a Mayor and Mayor Pro Tem. Biannual elections are held in November. The terms of office are 4 years but are overlapping so that the City is provided with a continuity of knowledge in the City business and legislative matters.

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

The Council is responsible for enacting ordinances, resolutions, and regulations governing the City as well as the appointment of members of various statutory and advisory boards and the City Manager and City Attorney. As Chief Administrative Officer, the City Manager has the responsibility of administering programs in accordance with policies established by the City Council and within the guidelines of the annual budget adopted by the Council.

## **Relevant Financial Policies**

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

## **The Budget Process**

Beginning at incorporation, and continuing each year thereafter, the City embarks on a strategic budget process which begins in the spring with a discussion of the City Council goals and priorities and ends with the adoption of the budget in June. The annual budget serves as the

foundation for the City of Eastvale's financial planning and control. The development of the budget is completed as two separate projects: the development of the governmental activities operating budget, and the development of the capital improvement program (CIP) focusing on longer term capital projects.

## **Local Economy**

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

The City of Eastvale, in its fourth year of incorporation, with a young and growing population, remains one of the bright spots in the local economy. Despite the anemic economic environment throughout Riverside County and the State of California, several housing tracts and commercial projects are under construction, and the pace of housing growth in Eastvale exceeds that of cities several times its size.

The origin and financial projections for this city were based on the Comprehensive Financial Analysis report (CFA). This report projected the proposed city's fiscal stability based on the economic trends and legislative climate of 2008. Since incorporation, the fiscal viability of the city has been challenged by the State's passage of SB89 eliminating the City's annual Vehicle License Fee Revenue of approximately \$3,400,000.

Despite the confiscation of funds by the State, the City has continued to grow its reserves due to higher than projected sales tax revenue and an amended property tax allocation factor to mitigate the loss of State revenues. Retail sales, with the addition of several new stores in the Eastvale Gateway South and the Marketplace at the Enclave, experienced strong growth. Sales tax collections increased from \$5.7 million in fiscal year 2012-13 to \$7.0 million in fiscal year 2013-14. In addition, the City successfully renegotiated the tax allocation factor from which property tax revenues are derived. Property tax revenue increased from \$1.7 million in fiscal year 2012-13 to \$1.9 million in fiscal year 2013-14.

## **Current Year Initiatives**

Despite the various fiscal challenges that the City has faced in recent years, which are outside of our direct control, management has continued to move the City forward with several major initiatives. Many of these initiatives are also identified in the City's Strategic Plan and/or Annual Operations and Capital Improvement Budget for FY 2013-14 as follows:

- Transition from an Acting City Manager to an Interim or Permanent City Manager.
- Continue working with the legislature to seek passage of SB25 for the restoration of Motor Vehicle License Fees (MVLFF).
- Continue with the implementation of the City's goals and objectives as identified in Strategic Plan.
- Conduct and continue with the City's Emergency Operations Plan to coordinate staff and interagency response in the event of an emergency. Provide CERT training courses through Homeland Security Grant funds as available.
- Optimize the City's quality of life as an integral part of the City's Economic Development potential.

- Address the staffing needs of City Hall in order to continue to provide a high level of service to the citizens.

### **Long-term Financial Planning and Initiatives**

The City will continue to focus its emphasis on controlled and fiscally balanced growth. The City believes that with the appropriate policies in place, as approved and revisited each year as part of the budget program, the City's long term financial goals will be met. The City has taken many steps to preserve the City's financial integrity, maintain critical service levels, and sustain a reserve to grow the City into the coming years.

### **Concluding Remarks**

The City, in its fourth year of operation, has achieved a great deal in transitioning from the County support services and establishing its own culture and approach to local governance. This third year provided the City the opportunity to start the implementation of its longer term oriented policies and procedures and making adjustments as needed. Building on these experiences, the forthcoming year of operation is poised to refine and enhance these activities which will provide the needed foundation for future successful operations and service delivery.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Eastvale for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. In order to receive a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) that satisfies both generally accepted accounting principles and applicable legal requirements. We believe the City's current CAFR meets the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for the award.

In closing, I'd like to state that the preparation of this report would not have been possible without the efficient and dedicated service of the Finance Department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and City Council for their support for striving to have the highest standards of professionalism in the management of the City of Eastvale's finances.

Respectfully submitted,

  
Robert Van Nort  
Interim City Manager



Government Finance Officers Association

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

Presented to

**City of Eastvale  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

**CITY OF EASTVALE**

**LIST OF PRINCIPAL OFFICIALS**

**JUNE 30, 2014**

**CITY COUNCIL**

IKE BOOTSMA  
Mayor

ADAM RUSH  
Mayor Pro Tempore

RIC WELCH, Council Member  
JEFF DEGRANDPRE, Council Member  
WILLIAM LINK, Council Member

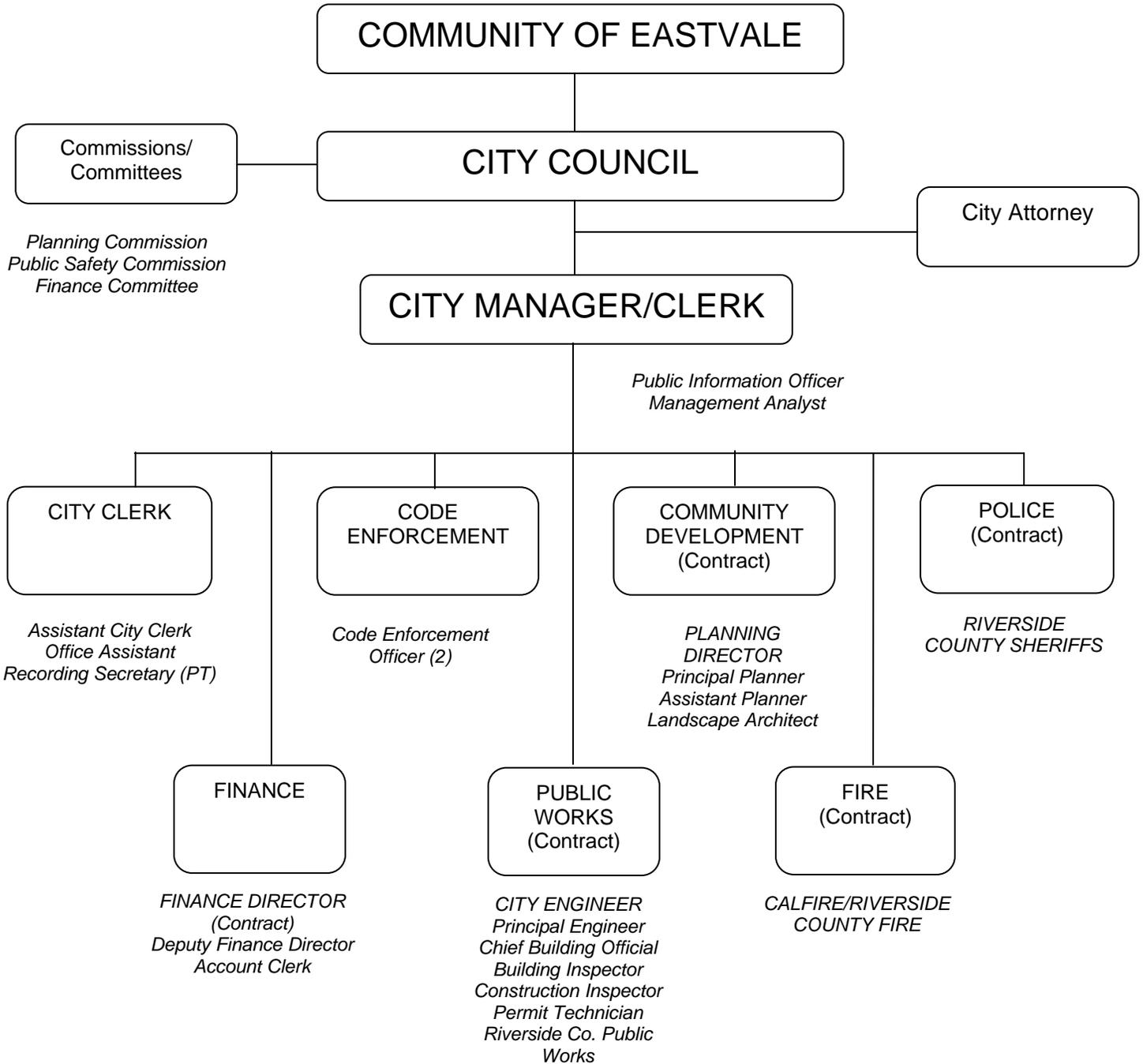
**CITY ADMINISTRATION**

ROBERT VAN NORT  
Interim City Manager

JOHN CAVANAUGH, City Attorney  
TERRY SHEA, Finance Director

JOANN GITMED, Deputy Finance Director

**City of Eastvale  
Organizational Chart  
June 30, 2014**



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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Eastvale  
Eastvale, California

### **Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Eastvale, California (the "City") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

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

### ***Emphasis of Matter***

As described in Note 1 to the financial statements, in 2014, the City adopted new accounting guidance, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to these matters.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information on pages 3 through 11 and 39 through 42 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

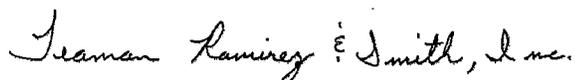
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, supplementary information, and statistical section are presented for purposes of additional analysis and are not a required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

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

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Riverside, California  
December 18, 2014

## **Management's Discussion and Analysis**

As management of the City of Eastvale, California (City), we are pleased to offer to the readers of the City's financial statements this narrative, overview, and analysis of the financial activities of the City for the year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, and with the City's financial statements, which follow this discussion.

### **Financial Highlights**

When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. The relationship between the revenues and expenses can be thought of as the City's operating results. The City's net position, as measured in the Statement of Net Position, is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position, as measured in the Statement of Activities, are another indicator of whether its financial health is improving or deteriorating. However, it is the City's goal to provide services that improve the quality of life of the residents, and not to generate profits like a company.

It is for that reason that readers need to consider many other non-financial factors, such as the condition of roads, in assessing the overall health of the City.

- The assets of the City exceeded its liabilities at the end of fiscal year 2014 by \$238,929,866. The difference between assets and liabilities is referred to as net position. This is a \$25,105,672 increase from the prior year. The increase is mostly attributed to an increase in cash and contributed infrastructure assets.
- As of June 30, 2014, the City's governmental funds reported combined fund balances of \$28,201,135, a \$7,622,801 increase in comparison to the prior year. Approximately 15.33 percent or \$4,322,863 of the total amount of the governmental funds' fund balances are unassigned.
- As of June 30, 2014, unassigned fund balance for the General Fund was \$4,322,863 or 28.40 percent of total General Fund expenditures. The fund balance increased \$3,434,131 from the prior year, mainly due to increases in sales tax and property taxes.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Eastvale's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

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

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

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

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

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

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

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

***Fiduciary funds:*** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not included in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

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

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

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

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

## Government-wide financial analysis

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

For the fiscal year ended June 30, 2014, City assets exceeded liabilities by \$238,929,866 as summarized below:

### City of Eastvale Summary of Net position For the Year Ended June 30, 2014

	Governmental Activities	
	2014	2013
<b>Assets:</b>		
Current and other assets	\$ 31,261,606	\$ 22,536,316
Capital assets (net of depreciation)	210,630,198	194,527,045
Total assets	<u>241,891,804</u>	<u>217,063,361</u>
<b>Liabilities:</b>		
Current and other liabilities	2,914,620	1,957,982
Long-term liabilities	47,318	1,281,185
Total liabilities	<u>2,961,938</u>	<u>3,239,167</u>
<b>Net position:</b>		
Net investment in capital assets	210,630,198	194,527,045
Restricted	16,699,072	11,403,049
Unrestricted	11,600,596	7,894,100
Total net position	<u>\$ 238,929,866</u>	<u>\$ 213,824,194</u>

Total assets increased \$24,828,443 as a result of significant increases in cash of \$8,562,716 and from contributed infrastructure capital assets from developers of \$21,076,012. The increase in cash is further explained by the City experiencing increases in the following revenue accounts, sales tax \$1,267,079, licenses and permits \$507,301, gas tax \$528,521, and intergovernmental reimbursements \$471,843 for fiscal year 2013-2014, coupled with a decrease in capital outlay \$641,011 and an increase in accounts payable at year end of \$956,638.

Current and other liabilities increased by \$956,638 due to the increased costs of police and fire services and the timing of the County of Riverside invoicing for police and fire services. Long-term liabilities primarily decreased due to the payoff of the Revenue Neutrality Agreement.

Net investment in capital assets represents 88.16 percent of the City's net position. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the City's net position, \$16,699,072 or 6.99 percent represents resources that are subject to restrictions on how they may be used. The remaining balance, unrestricted net position, is \$11,600,596.

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

**City of Eastvale  
Summary of Changes in Net Position  
For the Year Ended June 30, 2014**

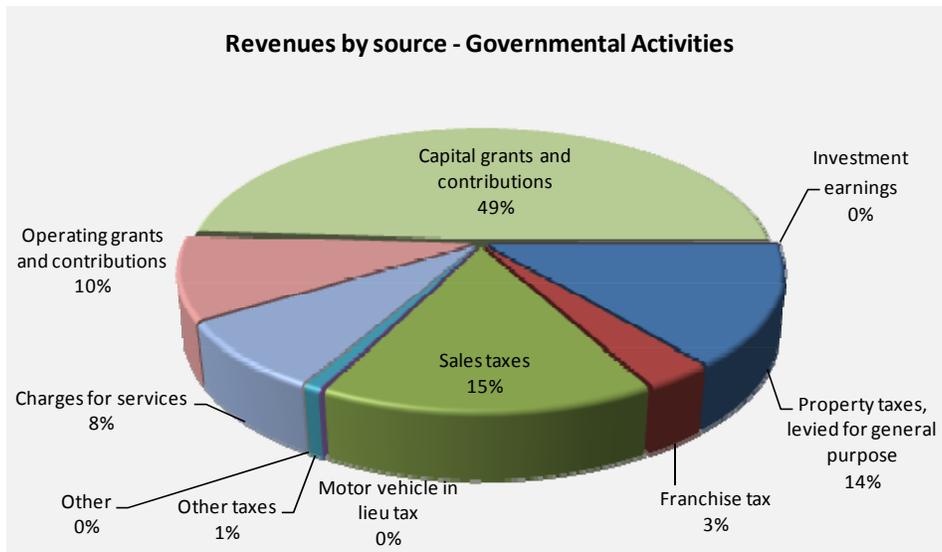
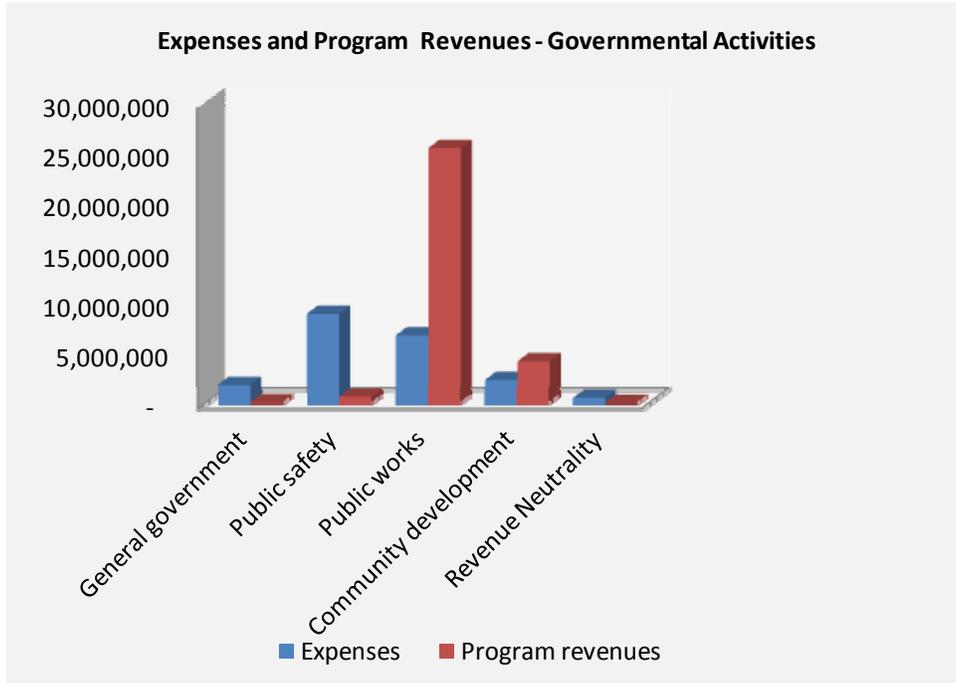
	<b>Governmental Activities</b>	
	<b>2014</b>	<b>2013</b>
<b>Revenues:</b>		
Program Revenues:		
Charges for services	\$ 3,672,503	\$ 2,815,160
Operating grants and contributions	4,337,986	3,570,739
Capital grants and contributions	22,176,634	20,651,112
General revenues	15,142,789	13,749,099
Total revenues	45,329,912	40,786,110
<b>Expenses:</b>		
General government	1,800,913	1,736,378
Public safety	8,888,735	6,688,811
Public works	6,752,416	6,501,310
Community development	2,308,770	2,066,440
Revenue neutrality	462,150	421,430
Interest on long term debt	11,256	-
Total expenses	20,224,240	17,414,369
<b>Increase in net position</b>	25,105,672	23,371,741
Net position beginning	213,824,194	190,452,453
Net position ending	\$ 238,929,866	\$ 213,824,194

The City's total revenues were \$45,329,912, while the total cost of all programs and services was \$20,224,240. Total revenues increased \$4,543,802 from the prior year. The significant increases were due to the following:

- Contribution of capital assets of \$1,652,626, over prior year contributions.
- Sales tax of \$1,267,079 due to continued development of retail and commercial property, and the results of sales tax audits.
- License and permit revenues increase of \$826,528 due to an increase in development and new fees implemented during the year.
- Increase in gas tax revenues of \$528,521.
- Reimbursement from TUMF fees for project costs of \$471,843.

Total expenses increased \$2,809,871 over the prior year. General government expenses increased \$64,635. The increase in public safety expenses of \$2,199,924 is due to increased levels of service as well as an increase in the cost of police and fire protection. The public works increase of \$251,106 is due to an increase in depreciation expense of \$476,612, less a decrease in street maintenance projects. The increase in community development expenses of \$242,330 is due to an increase in planning and building activity during the year.

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



The governmental activities' expense and program revenue chart is designed to reflect expenses associated with each City function and the revenues that are directly attributable to each function. It is important to note that general revenues such as property, sales and other taxes are not directly attributable to specific functions and are therefore used to support program activities citywide. Regarding the revenues by source chart, it shows that 14 percent of governmental activities revenues came from property tax.

### **Financial Analysis of City's Funds**

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

**Governmental Funds:** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's 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.

As of June 30, 2014, the City's General Fund and Gas Tax Fund reported ending fund balances of \$16,773,653 and \$5,017,068, respectively. For the General Fund, \$4,322,863 or 25.77 percent constitutes unassigned fund balance. The Gas Tax fund balance is restricted for the maintenance, rehabilitation, or improvement of the City's streets, as required by the California Streets and Highways Code.

### **General Fund Financial and Budgetary Highlights**

The General Fund is the chief operating fund of the City. At June 30, 2014, unassigned fund balance was \$4,322,863. As a measure of the General Fund's financial condition, it may be useful to compare the unassigned fund balance to total expenditures. Unassigned fund balance represents 28.40 percent of General Fund expenditures.

Overall, General Fund revenues for fiscal year ended June 30, 2014 totaled \$18.7 million, compared to \$16.6 million for the previous year. The major components are property taxes (\$6.3 million), sales taxes (\$7.0 million), and franchise taxes (\$1.4 million).

General Fund expenditures totaled \$15.2 million for the fiscal year ended June 30, 2014, compared to \$10.5 million for the previous year.

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

- General Fund actual revenues were above budget by \$3,781,342.
- Actual expenditures were \$4,714,200 less than the budgeted amount of \$19,937,865.

## Capital Assets and Debt Administration

**Capital Assets:** City investment in capital assets for its governmental type activities as of June 30, 2014, amounted to \$210,630,198 (net of accumulated depreciation). During the year, \$21,919,222 of capital assets were added for the governmental activities.

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

- Purchase of land \$596,513 for construction of a fire station.
- Purchase of equipment \$29,492.
- Infrastructure assets donated by private sources to the City \$21,076,012.
- Additions to construction in progress for various street improvements of \$211,755.

Additional information on the City's capital assets can be found in Note 5 to the financial statements and a summary is provided below.

### City of Eastvale Summary of Capital Assets (net of depreciation)

	Governmental Activities	
	2014	2013
Land	\$ 596,513	\$ -
Construction in progress	830,508	618,753
Leashold improvements	13,486	20,933
Improvements	4,905	-
Machinery, equipment and vehicles	63,662	55,412
Software	237,722	285,934
Infrastructure	208,883,402	193,546,013
Total	<u>\$ 210,630,198</u>	<u>\$ 194,527,045</u>

**Long-term Debt:** At the end of fiscal year 2014, the City's total long-term debt outstanding was \$47,318. This amount was due to compensated absences and the new OPEB liability.

Outstanding long-term debt of the City is summarized below and additional information can be found in Note 6 to the basic financial statements.

### City of Eastvale Summary Outstanding Long-Term Debt

	Governmental Activities	
	2014	2013
Revenue Neutrality	\$ -	\$ 1,240,068
Compensated absences	35,666	41,117
OPEB liability	11,652	-
Total long-term debt	<u>\$ 47,318</u>	<u>\$ 1,281,185</u>

## **Economic Factors and Next Year's Budget**

After the adoption of the City's Fiscal Year 2011-12 Budget, the State of California on June 28, 2011 approved SB 89 which eliminated Vehicle License Fees, which was a subvention collected by the State and allocated to cities based on population. The City of Eastvale lost approximately \$12.6 million for fiscal years 2011-12 through 2014-15 and approximately \$2.6 million per year thereafter. As of the date of this report the funding has not been restored.

The fiscal year 2014-15 City budget was prepared conservatively. Property tax and sales tax estimates were projected with a growth of 4% and 5.9%, respectively, from the previous fiscal year and there were no tax rate or fee increases as part of the preparation of and adoption of the 2014-15 Budget. These were the only revenues with significant budgeted increases over the prior year.

The General Fund budget for fiscal year 2014-15 anticipates a projected surplus of \$728K.

## **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the City Clerk, City of Eastvale, 12363 Limonite Ave. Suite 910, Eastvale, California 91752, or call (951) 361-0900.

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**City of Eastvale  
Statement of Net Position  
June 30, 2014**

	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 28,894,241
Receivables:	
Accounts	280,683
Intergovernmental	2,066,260
Interest	20,422
Capital assets:	
Land and construction in progress	1,427,021
Other capital assets, net of accumulated depreciation	209,203,177
Total assets	241,891,804
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	2,914,620
Noncurrent liabilities:	
Due within one year	26,051
Due in more than one year	21,267
Total liabilities	2,961,938
<b>NET POSITION</b>	
Net investment in capital assets	210,630,198
Restricted:	
Public works	8,848,962
Community development	2,578,520
Public safety	5,271,590
Unrestricted	11,600,596
Total net position	\$ 238,929,866

The accompanying notes are an integral part of these financial statements.

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**City of Eastvale**  
**Statement of Activities**  
**For the year ended June 30, 2014**

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Service	Operating Grants and Contributions		Capital Grants and Contributions
Governmental activities:					
General government	\$ 1,800,913	\$ 55,843	\$ -	\$ -	\$ (1,745,070)
Public safety	8,888,735	478,955	102,743	-	(8,307,037)
Public works	6,752,416	-	4,158,493	21,229,480	18,635,557
Community development	2,308,770	3,137,705	76,750	947,154	1,852,839
Revenue neutrality	462,150	-	-	-	(462,150)
Interest	11,256	-	-	-	(11,256)
<b>Total governmental activities</b>	<b>\$ 20,224,240</b>	<b>\$ 3,672,503</b>	<b>\$ 4,337,986</b>	<b>\$ 22,176,634</b>	<b>9,962,883</b>
General revenues:					
Taxes					
Property tax, levied for general purpose					6,285,426
Franchise tax					1,418,683
Sales tax					6,987,456
Motor vehicle in lieu tax					29,146
Other taxes					354,974
Investment earnings					53,736
Other					13,368
<b>Total general revenues</b>					<b>15,142,789</b>
Change in net position					25,105,672
Net position, beginning of year					213,824,194
Net position, end of year					<b>\$ 238,929,866</b>

The accompanying notes are an integral part of these financial statements.

**City of Eastvale  
Balance Sheet  
Governmental Funds  
June 30, 2014**

	General	Special Revenue Fund Gas Tax	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 18,204,849	\$ 4,471,860	\$ 6,217,532	\$ 28,894,241
Receivables:				
Accounts	280,683	-	-	280,683
Intergovernmental	1,053,109	681,194	331,957	2,066,260
Interest	20,422	-	-	20,422
Due from other funds	111,006	-	-	111,006
 Total assets	 <u>\$ 19,670,069</u>	 <u>\$ 5,153,054</u>	 <u>\$ 6,549,489</u>	 <u>\$ 31,372,612</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 2,714,520	\$ 135,986	\$ 26,759	\$ 2,877,265
Accrued liabilities	37,355	-	-	37,355
Due to other funds	-	-	111,006	111,006
 Total liabilities	 <u>2,751,875</u>	 <u>135,986</u>	 <u>137,765</u>	 <u>3,025,626</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	144,541	-	1,310	145,851
 Total deferred inflows of resources	 <u>144,541</u>	 <u>-</u>	 <u>1,310</u>	 <u>145,851</u>
<b>FUND BALANCES</b>				
Restricted	5,271,590	5,017,068	6,410,414	16,699,072
Committed	7,179,200	-	-	7,179,200
Unassigned	4,322,863	-	-	4,322,863
 Total fund balances	 <u>16,773,653</u>	 <u>5,017,068</u>	 <u>6,410,414</u>	 <u>28,201,135</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 19,670,069</u>	 <u>\$ 5,153,054</u>	 <u>\$ 6,549,489</u>	 <u>\$ 31,372,612</u>

The accompanying notes are an integral part of these financial statements.

**City of Eastvale**  
**Reconciliation of the Balance Sheet of**  
**Governmental Funds to the Statement of Net position**  
**June 30, 2014**

Fund balances of governmental funds	\$ 28,201,135
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	210,630,198
Deferred inflows of resources not available to liquidate liabilities of the current period are not recognized in the funds.	145,851
Long-term liabilities applicable to the City governmental activities are not due and payable in the current period and accordingly are not reported in as fund liabilities. All liabilities, both current and long-term are reported in the statement of net position.	
Compensated absences	(35,666)
OPEB liability	(11,652)
	238,929,866
Net position of governmental activities	\$ 238,929,866

The accompanying notes are an integral part of these financial statements.

**City of Eastvale**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2014**

	General	Special Revenue Fund Gas Tax	Total Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 14,900,688	\$ -	\$ -	\$ 14,900,688
Licenses and permits	3,360,204	-	-	3,360,204
Fines and forfeitures	303,210	-	-	303,210
Intergovernmental	29,146	2,659,755	1,452,181	4,141,082
Development impact fees	-	-	941,110	941,110
Assessments	-	-	207,915	207,915
Investment earnings	53,736	10,128	14,189	78,053
Other	10,812	-	164,975	175,787
Total revenues	<u>18,657,796</u>	<u>2,669,883</u>	<u>2,780,370</u>	<u>24,108,049</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,702,680	-	31,868	1,734,548
Public safety	9,400,165	-	102,743	9,502,908
Public works	98,576	725,252	152,923	976,751
Community development	2,308,770	-	-	2,308,770
Revenue neutrality	462,150	-	-	462,150
Capital outlay	-	26,001	222,796	248,797
Debt service:				
Principal	1,240,068	-	-	1,240,068
Interest	11,256	-	-	11,256
Total expenditures	<u>15,223,665</u>	<u>751,253</u>	<u>510,330</u>	<u>16,485,248</u>
Excess of revenues over expenditures	<u>3,434,131</u>	<u>1,918,630</u>	<u>2,270,040</u>	<u>7,622,801</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	36,329	36,329
Transfers out	-	-	(36,329)	(36,329)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,434,131	1,918,630	2,270,040	7,622,801
Fund balances, beginning of year	<u>13,339,522</u>	<u>3,098,438</u>	<u>4,140,374</u>	<u>20,578,334</u>
Fund balances, end of year	<u>\$ 16,773,653</u>	<u>\$ 5,017,068</u>	<u>\$ 6,410,414</u>	<u>\$ 28,201,135</u>

The accompanying notes are an integral part of these financial statements.

**City of Eastvale**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the year ended June 30, 2014**

Net change in fund balances - total governmental funds	\$	7,622,801
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Earned unavailable revenue and other resources not available to liquidate liabilities of the current period are not recognized in governmental funds. Revenues in the statement of activities is not limited by availability, so certain revenues need to be increased by the amounts that were unavailable at the end of the year.</p>		145,851
<p>Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.</p>		21,076,012
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>		
Cost of assets capitalized		843,210
Depreciation expense		(5,816,069)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Principal payments on long-term debt		1,240,068
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:</p>		
Decrease in accrued compensated absences payable		5,451
Increase in OPEB obligation		(11,652)
		(11,652)
Change in net position of governmental activities	\$	25,105,672

The accompanying notes are an integral part of these financial statements.

**City of Eastvale**  
**Statement of Fiduciary Assets and Liabilities**  
**June 30, 2014**

	<u>Agency Fund</u>
<b>ASSETS</b>	
Cash and investments	<u>\$ 4,173,879</u>
Total assets	<u><u>\$ 4,173,879</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 199,406
Deposits	<u>3,974,473</u>
Total liabilities	<u><u>\$ 4,173,879</u></u>

The accompanying notes are an integral part of these financial statements.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Note 1: Organization and Summary of Significant Accounting Policies**

**a. Description of the reporting entity**

The City of Eastvale was incorporated on October 1, 2010, under the laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The City operates under a council-manager form of government and currently provides a wide variety of services to its citizens, including public safety, public services, community development, general administrative and other services. As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be incomplete. Under this definition, it is determined that there are no component units for this reporting entity, and these financial statements present the financial reporting entity that consisted solely of the City as the primary government.

**b. Government-wide and fund financial statements**

The government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. 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. Currently, the City does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct and indirect 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 revenue are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The City does not have any proprietary funds.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 1: Organization and Summary of Significant Accounting Policies (continued)**

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

The government-wide statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the cash flows. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified-accrual basis of accounting*. Under the modified-accrual basis of accounting, revenues are recognized in these funds when susceptible to accrual (i.e. when they are both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers property taxes collected after year-end as available, if they are collected within 60 days of the end of the current fiscal period. Other revenue susceptible to accrual includes sales tax, state gasoline taxes, investment earnings, and certain other intergovernmental revenues. Expenditures in the governmental funds are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, except for unmatured principal and interest on general long-term debt, as well as compensated absences and claims and judgments, which are recognized when due.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government not accounted and reported in another fund.

The *Special Revenue Fund (Gas Tax)* is used to account for the maintenance, rehabilitation, or improvement of public streets of the City. Financing is through the State Highway Users Tax Sections 2103, 2105, 2106, 2107, and 2107.5 of the California Streets and Highways Code.

Additionally, the City reports the following fund types:

The *Agency Fund* is used to account for the resources held by the City in a fiduciary capacity for developer deposits received for various planning and building projects.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 1:        Organization and Summary of Significant Accounting Policies (continued)**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

**Other Accounting Policies**

***Deposits and investments***

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

Investments are reported at fair value. The City's policy is to hold investments until maturity or until market values equal or exceed cost.

***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 are reported in the governmental-wide financial statements as "internal balances".

***Prepaid cost and deposits***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements, the City uses the consumption method for prepaid items in the governmental funds.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 1:      Organization and Summary of Significant Accounting Policies (continued)**

***Capital assets***

Capital assets, which include property, plant and 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 government as assets with an initial, individual cost of more than or equal to \$5,000 (amount not rounded) and an estimated useful life of at least two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives.

Assets	Years
Leasehold improvements	10
Infrastructure	10 - 65
Vehicles	5 - 10
Office equipment	5 - 10
Computer equipment	5

***Use of estimates***

The financial statements have been prepared in accordance with generally accepted accounting principles accepted in the United States of America and necessarily include amounts based on estimates and assumptions by management. Actual results could differ from those amounts.

***Compensated absences***

The City provides to its employees a comprehensive annual leave program. Leave pay is payable at the time it is taken or upon termination.

The total amount of liability for compensated absences is segregated between short-term and long-term with both portions reflected in the government-wide statements. The short-term portion is determined to be the amount due to employees for future absences which is attributable to services already rendered and which is expected to be paid during the next fiscal year.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 1:        Organization and Summary of Significant Accounting Policies (continued)**

***Long-term obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net position. Bond premiums and discounts 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 expenses in the year incurred.

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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

***Property taxes***

The County of Riverside collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1<sup>st</sup> to June 30<sup>th</sup>. All secured personal property taxes and one-half of the taxes on real property are due November 1<sup>st</sup>, the second installment is due February 1<sup>st</sup>. All taxes are delinquent, if unpaid, on December 10<sup>th</sup> and April 10<sup>th</sup> respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31<sup>st</sup>.

***Unearned revenues***

In the government-wide financial statements and the fund financial statements, unearned revenues represent cash advances by various grantors that have not been spent; therefore no revenue has been recognized.

***Fund equity***

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 1:        Organization and Summary of Significant Accounting Policies (continued)**

Nonspendable – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Restricted – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts constrained to specific purposes by a government itself, using the highest level of decision-making authority, an adoption of an ordinance; to be reported as committed, amounts cannot be used for any other purpose unless the City Council takes the same highest level action (the adoption of another ordinance) to remove or change the constraint.

Assigned – amounts a government intends to use for a specific purpose; the City Council has delegated the authority to assign unrestricted fund balance to the City Manager or the City Manager's designee, per the City Council "Fund Balance Reserve Policy".

Unassigned – amounts that are for any purpose; positive amounts are reported only in a general fund.

The City Council may establish (and modify or rescind) fund balance commitments by passage of an ordinance.

The City has established a General Fund minimum fund balance policy as follows:

At the end of each fiscal year, the General Fund should have a minimum fund balance of 50% of the next year's General Fund annual budgeted operating expenditures, as calculated by the Finance Director. This target amount has been established in order to provide a reasonable level of assurance that the City's day-to-day operations will be able to continue even if circumstances occur where revenues are insufficient to cover expenditures.

When both restricted and unrestricted resources are available for use when an expenditure is incurred, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. It is the City's policy to consider committed amounts as being reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 1:        Organization and Summary of Significant Accounting Policies (continued)**

***Deferred outflows/inflows of resources***

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

***Implementation of new GASB pronouncement***

Effective July 1, 2013, the City adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Note 2: Budgetary Information**

The City prepares its budgets on the basis of estimated actual expenditures and, accordingly, the budget amounts included in the accompanying financial statements are presented on a basis consistent with generally accepted accounting principles.

Each year, the City Manager submits a proposed budget to the City Council during May. The City Council holds budget hearings during May and June. The final budget is adopted by the City Council in June.

No budget expenditures can be disbursed without proper appropriations. Once the budget is adopted, no additional funds can be authorized without the City Council's approval. The level of budgetary control (the level on which expenditures may not legally exceed appropriations) is at the individual fund level. The City Manager can authorize budget transfers between departments without additional appropriations.

Throughout the year, budgeted expenditures are reviewed and projections are made by the City Manager. Therefore, any necessary changes are submitted for approval to the City Council with a recorded action for any budget adjustments.

Formal budgetary integration is employed as a management control device during the year for all the Governmental Type Funds. Budgets for all the Governmental Type Funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted and as further amended by the City Council.

The following funds had expenditures in excess of appropriations:

Fund	Budget	Actual	Variance
AQMD Trust Fund	\$ 500	\$ 6,589	\$ (6,089)

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**III. DETAILED NOTES ON ALL FUNDS**

**Note 3: Cash and Investments**

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

Statement of Net Position	
Cash and investments	\$ 28,894,241
Statement of Fiduciary Assets and Liabilities	
Cash and investments	<u>4,173,879</u>
Total cash and investments	<u><u>\$ 33,068,120</u></u>

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

Cash on hand	\$ 800
Deposits with financial institutions	4,508,767
Investments	<u>28,558,553</u>
	<u><u>\$ 33,068,120</u></u>

The City follows the practice of pooling cash and investments of all funds. Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on cash balances.

The City adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

***Authorized investments***

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

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 3: Cash and Investments (continued)**

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in one Issuer
U. S. Treasuries	5 years	None	None
Money Market Accounts	N/A	10%	5%
Certificates of Deposit	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Federal Agency Securities	5 years	None	None
Bankers Acceptances	180 days	10%	5%
Commercial Paper	270 days	10%	10%
Medium-Term Notes	5 years	15%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Repurchase Agreements	1 year	10%	None

***Disclosures relating to interest rate risk***

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

Investment Type	Totals	12 months or less	13 to 24 months	25 to 60 months
Local Agency Investment Fund	\$ 20,677,513	\$ 20,677,513	\$ -	\$ -
Money market	2,910,040	2,910,040	-	-
Certificates of deposit	4,971,000	498,000	1,741,000	2,732,000
Totals	<u>\$ 28,558,553</u>	<u>\$ 24,085,553</u>	<u>\$ 1,741,000</u>	<u>\$ 2,732,000</u>

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 3: Cash and Investments (continued)**

***Disclosures relating to credit risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Information about the minimum rating required by the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each type of investment held by the City can be found below.

<u>Investment Type</u>	<u>Totals</u>	<u>Minimum legal rating</u>	<u>Ratings as of year end</u>
Local Agency Investment Fund	\$ 20,677,513	N/A	Not rated
Money market	2,910,040	N/A	Not rated
Certificates of deposit	<u>4,971,000</u>	N/A	Not rated
Totals	<u>\$ 28,558,553</u>		

***Concentration of credit risk***

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2014, no investments in any one issuer (other than Mutual Funds and External Investment Pools) represented 5% or more of the City's investments.

***Custodial credit risk***

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2014, the City had deposits of \$8,484,671 with financial institutions in excess of federal depository insurance limits that were held in collateralized accounts.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 3: Cash and Investments (continued)**

***Investment in State Investment Pool***

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at 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. LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provide oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. The maximum investment in LAIF is \$50,000,000.

At June 30, 2014 the LAIF portfolio included Medium-term and Short-term Structured notes and Asset-backed securities as a percent of the portfolio of 1.09% and 0.77%, respectively. The Pool does not invest in Derivative Products.

**Note 4: Interfund Receivables, Payables and Transfers**

**Due to/From Other Funds**

Current interfund balances at June 30, 2014 consisted of the following:

<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	<u>\$ 111,006</u>

The Due to General Fund from the Nonmajor Governmental Funds was a result of temporary cash shortfalls recorded in those funds.

**Transfers**

The following transfers were made during the year ended June 30, 2014:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>\$ 36,329</u>

The above transfer was made to fund eligible capital projects.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 5: Capital Assets**

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

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ -	\$ 596,513	\$ -	\$ 596,513
Construction in progress	618,753	211,755	-	830,508
Total capital assets, not being depreciated	<u>618,753</u>	<u>808,268</u>	<u>-</u>	<u>1,427,021</u>
Capital assets, being depreciated:				
Leasehold improvements	37,235	-	-	37,235
Improvements	-	5,450	-	5,450
Vehicles	54,194	-	-	54,194
Machinery & equipment	26,540	29,492	-	56,032
Software	337,485	-	-	337,485
Infrastructure	207,295,851	21,076,012	-	228,371,863
Total capital assets, being depreciated	<u>207,751,305</u>	<u>21,110,954</u>	<u>-</u>	<u>228,862,259</u>
Less accumulated depreciation for:				
Leasehold improvements	(16,302)	(7,447)	-	(23,749)
Improvements	-	(545)	-	(545)
Vehicles	(15,411)	(10,839)	-	(26,250)
Machinery & equipment	(9,911)	(10,403)	-	(20,314)
Software	(51,551)	(48,212)	-	(99,763)
Infrastructure	(13,749,838)	(5,738,623)	-	(19,488,461)
Total accumulated depreciation	<u>(13,843,013)</u>	<u>(5,816,069)</u>	<u>-</u>	<u>(19,659,082)</u>
Total capital assets, being depreciated, net	<u>193,908,292</u>	<u>15,294,885</u>	<u>-</u>	<u>209,203,177</u>
Governmental activities capital assets, net	<u>\$ 194,527,045</u>	<u>\$ 16,103,153</u>	<u>\$ -</u>	<u>\$ 210,630,198</u>

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

Governmental activities:	
General government	\$ 60,164
Public safety	17,282
Public works	<u>5,738,623</u>
Total depreciation expense - governmental activities	<u>\$ 5,816,069</u>

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 6: Long-Term Liabilities**

Long-term liability activities for the year ended June 30, 2014 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental activities:</i>					
Revenue Neutrality - County of Riverside	\$ 1,240,068	\$ -	\$ 1,240,068	\$ -	\$ -
Compensated absences	41,117	44,032	49,483	35,666	26,051
OPEB liability	-	11,652	-	11,652	-
	<u>-</u>	<u>11,652</u>	<u>-</u>	<u>11,652</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 1,281,185</u>	<u>\$ 55,684</u>	<u>\$ 1,289,551</u>	<u>\$ 47,318</u>	<u>\$ 26,051</u>

Liabilities for compensated absences are typically liquidated by the General Fund.

*Governmental Activities:*

**Revenue Neutrality Agreement – County of Riverside**

As part of the Incorporation process, a Comprehensive Fiscal Analysis was prepared as to determine the fiscal feasibility and for revenue neutrality negotiations between the County of Riverside (County) and the City. It was determined that in the event of incorporation the revenue transferring to the City would be greater than net costs of services to be transferred, and would result in a negative fiscal impact to the County. To mitigate the negative fiscal impact, the City and County entered into a Revenue Neutrality Agreement in which the City shall pay the County a portion of its tax revenues, the Agreement was amended on May 22, 2013. The payments were developed utilizing the net county savings calculated under the revenue neutrality calculation for the base fiscal year 2007/2008. The Base Year County Deficit amount is \$384,351. The annual payment from the City to the County is the Base Year County Deficit amount of \$384,531 increased each year thereafter by the year-over-year Consumer Price Index for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange County region as published by the U.S. Bureau of Labor Statistics in January of each year, but not less than 1% or more than 4%. The annual payments are due on or before June 30<sup>th</sup> of each fiscal year. The term of the agreement is for 30 years and extends to June 30, 2040.

The amount owed for fiscal years 2010-11, 2011-12 and 2012-13 was \$1,240,068. This amount was deferred until fiscal year 2013-14 and then was due in ten annual payments with interest at the effective annual interest rate equal to the 12 month average of the County Treasurer's quarterly interest apportionment ratio, calculated in January of each year. However, the City paid the entire amount owed during the current fiscal year.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 7: Operating Lease**

The City leases a copier/scanner/printer/fax (equipment) under a noncancelable operating lease. Rental costs for the lease were \$3,690 for the fiscal year ended June 30, 2014. The future minimum lease payments as of June 30, 2014 are as follows:

<u>Year</u>	<u>Equipment</u>
2015	\$ 3,690
2016	<u>1,231</u>
	<u>\$ 4,921</u>

On October 1, 2010, the City entered into a twenty two month operating lease agreement to rent its current office suite. The office lease provided for monthly rent of \$2,150 in addition to common area maintenance costs for the first ten months and \$2,215 thereafter. On July 1, 2011, the City Hall relocated and the lease was amended providing for monthly rent starting at \$5,080 per month in addition to common area maintenance costs for the first seventeen months, \$5,232 for months 18-28, and \$5,385 for months 29-41. Effective October 1, 2012 the City leased additional space under the same terms for \$1,000 per month through the end of the lease term. The City has the option to renew the lease upon termination at November 30, 2014. Rental costs including maintenance costs for the year ended June 30, 2014 were \$76,008.

Minimum future rental payments under the operating leases as of June 30, 2014 are as follows (amounts do not include common area maintenance costs):

<u>Year</u>	<u>Office Lease</u>
2015	\$ 31,925
	<u>\$ 31,925</u>

**Note 8: Retirement Plan**

*Plan Description*

The City contributes to the California Public Employees Retirements System (PERS), a cost sharing 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: 400 "P" Street, Sacramento, California 95814.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 8: Retirement Plan (continued)**

*Funding Policy*

Participants in the first tier and PEPRA are required to contribute 7% and 6.25% of their annual covered salary, respectively. The City is required to contribute at an actuarially determined rate; the current rate is 9.442% and 6.25% of annual covered payroll for the first tier and PEPRA, respectively. The contribution requirements of plan members and the City are established by and may be amended by PERS.

*Annual Pension Cost*

For 2014, the City's annual pension cost of \$58,841 for all PERS plans was equal to the City's required contributions. The required contribution was determined as part of the November 2012 actuarial valuation using the entry age normal actuarial cost method.

THREE YEAR TREND INFORMATION FOR PERS		
Fiscal year	Required Contribution	Percentage Contributed
6/30/2012	\$12,958	100%
6/30/2013	\$44,483	100%
6/30/2014	\$58,841	100%

**Note 9: Risk Management**

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

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

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 9: Risk Management (continued)**

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

The auto physical damage insurance program is also group purchased under a master insurance policy with accumulated values from all participants effecting lower rates for members. Auto physical damage coverage is written on an agreed amount basis.

The crime insurance program provides public employee dishonesty, forgery or alteration, and computer fraud coverage under a master insurance policy.

The City is insured with the State Compensation Insurance Fund for workers' compensation claims. There is no deductible requirement for this coverage.

**Note 10: Fund Equity**

The City has established certain fund balance designations to report the amounts in the following funds, which represent available spendable resources restricted, committed or assigned for a specific purpose:

	General Fund	Major Special Revenue Fund Gas Tax Fund	Non-Major Governmental Funds	Total
Fund Balances:				
Restricted for:				
Street maintenance/projects	\$ -	\$ 5,017,068	\$ 2,796,797	\$ 7,813,865
Landscape maintenance	-	-	879,123	879,123
AQMD projects	-	-	155,974	155,974
Capital projects City facilities	-	-	2,578,520	2,578,520
Fire operations/improvements	5,271,590	-	-	5,271,590
Total restricted	<u>5,271,590</u>	<u>5,017,068</u>	<u>6,410,414</u>	<u>16,699,072</u>
Committed for:				
Emergency contingency	6,179,200	-	-	6,179,200
City hall facility	1,000,000	-	-	1,000,000
Total committed	<u>7,179,200</u>	<u>-</u>	<u>-</u>	<u>7,179,200</u>
Unassigned	4,322,863	-	-	4,322,863
	<u>\$ 16,773,653</u>	<u>\$ 5,017,068</u>	<u>\$ 6,410,414</u>	<u>\$ 28,201,135</u>

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 11: Joint Ventures**

The Western Riverside County Regional Conservation Authority (Authority) was created in 2004 to protect 146 native species of plants and animals and preserving a half million acres of their habitat. Resolution 10-28, signed October 1, 2010, authorized the City Manager to pursue membership in the Riverside Conservation Authority, which would also fulfill one of the LAFCO's conditions of incorporation for the City. Resolution 10-48, signed December 8, 2010, authorized the Mayor to sign the Joint Powers Agreement with the Riverside Conservation Authority and the agreement with the U.S. Fish and Wildlife Service and California Department of Fish and Game relating to the implementation of the Western Riverside County Multiple Species Habitat Conservation Plan.

There will also be some additional (and unquantifiable) expenses associated with the City's interaction with the Authority. However, these additional expenses are expected to be relatively minor. There will be staff costs associated with locally implementing the program, which will be borne by the general fund for City projects and for the periodic reports to the Authority, and by landowners and developers through the City's full cost recovery program for private development applications. Copies of the Authority's annual financial report may be obtained from the Western Riverside County Regional Conservation Authority Riverside Centre Building at 3403 10<sup>th</sup> Street, Suite 320, Riverside, CA 92501.

**Note 12: Other Post Employment Benefits**

*Plan Description*

The City administers a single-employer defined benefit healthcare plan. The plan provides medical benefits to eligible retired City employees and their beneficiaries. The healthcare coverage provided by the City meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45.

*Funding Policy*

The contribution requirements of the City are established and may be amended by the City Council. The required contribution is based on pay-as-you-go financing requirements.

*Annual OPEB cost and net OPEB obligation*

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The City has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the City's net OEPB obligation to the plan:

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 12: Other Post Employment Benefits (continued)**

	June 30, 2014
Annual required contribution	\$ 11,652
Interest on net OPEB obligation	-
Adjustments to annual required contribution	-
Annual OPEB cost	11,652
Contributions made	-
Increase in net OPEB obligation	11,652
Net OPEB obligation, beginning of year	-
Net OPEB obligation, end of year	\$ 11,652

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$ 11,652	0%	\$ 11,652

*Funded Status and Funding Progress*

As of June 30, 2014, the actuarial accrued liability for benefits was \$39,586, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$640,555, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 6 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**City of Eastvale**  
**Notes to Financial Statements**  
**June 30, 2014**

**Note 12: Other Post Employment Benefits (continued)**

The following simplifying assumptions were made:

Valuation Date	July 1, 2014
Actuarial Cost Method	Projected Unit Credit
Amortization Method	30 year, open period
Discount Rate	4%
Medical Trend Rate	8% (2014)
Ultimate Trend Rate	5%
Medical Inflation Rate	4%
Percent of Retirees with Spouses	50%

**REQUIRED SUPPLEMENTARY INFORMATION**

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**City of Eastvale**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**General Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 12,460,371	\$ 12,460,371	\$ 14,900,688	\$ 2,440,317
Licenses and permits	2,001,418	2,201,418	3,360,204	1,158,786
Fines and forfeitures	161,600	161,600	303,210	141,610
Intergovernmental	37,000	37,000	29,146	(7,854)
Investment earnings	16,065	16,065	53,736	37,671
Other	-	-	10,812	10,812
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	14,676,454	14,876,454	18,657,796	3,781,342
<b>EXPENDITURES</b>				
Current:				
General government	1,740,632	1,741,282	1,702,680	38,602
Public safety	14,206,758	13,992,408	9,400,165	4,592,243
Public works	110,000	110,000	98,576	11,424
Community development	1,971,175	2,379,175	2,308,770	70,405
Revenue neutrality	287,500	462,150	462,150	-
Debt service:				
Principal	-	1,241,594	1,240,068	1,526
Interest	-	11,256	11,256	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	18,316,065	19,937,865	15,223,665	4,714,200
Net change in fund balance	(3,639,611)	(5,061,411)	3,434,131	8,495,542
Fund balance, beginning of year	13,339,522	13,339,522	13,339,522	-
Fund balance, end of year	<u>\$ 9,699,911</u>	<u>\$ 8,278,111</u>	<u>\$ 16,773,653</u>	<u>\$ 8,495,542</u>

**City of Eastvale**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Gas Tax Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 2,207,688	\$ 2,207,688	\$ 2,659,755	\$ 452,067
Investment earnings	5,000	5,000	10,128	5,128
Other	50,000	50,000	-	(50,000)
Total revenues	<u>2,262,688</u>	<u>2,262,688</u>	<u>2,669,883</u>	<u>407,195</u>
<b>EXPENDITURES</b>				
Current:				
Public works	780,000	780,000	725,252	54,748
Capital outlay	2,096,000	2,567,000	26,001	2,540,999
Total expenditures	<u>2,876,000</u>	<u>3,347,000</u>	<u>751,253</u>	<u>2,595,747</u>
Net change in fund balance	(613,312)	(1,084,312)	1,918,630	3,002,942
Fund balance, beginning of year	<u>3,098,438</u>	<u>3,098,438</u>	<u>3,098,438</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,485,126</u>	<u>\$ 2,014,126</u>	<u>\$ 5,017,068</u>	<u>\$ 3,002,942</u>

**City of Eastvale**  
**Required Supplementary Information**  
**Schedule of Funding Progress for the Retiree Health Plan**  
**June 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAAL as a percentage of covered payroll
07/01/14	\$ -	\$ 39,586	\$ 39,586	0%	\$ 640,555	6%

**City of Eastvale**  
**Notes to Required Supplementary Information**  
**June 30, 2014**

**Note 1:        Budgets and Budgetary Data**

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the fiscal year. Public hearings are conducted prior to the adoption by City Council.

Total appropriations for each fund may only be increased or decreased by the City Council by passage of a resolution amending the budget. During the year, there were no budgetary appropriation increases, and no budgetary revenue increases.

The City Manager has authority to adjust the amounts appropriated between the funds and activities of a fund, provided, however, that the total appropriations for each fund may not exceed the amounts provided in the budget resolution.

The level on which expenditures may not legally exceed appropriations is the fund level.

The City Manager is also authorized to approve continuing appropriations at year-end for capital improvement projects and other expenditures previously approved by the City Council.

Budgets for the various funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets were legally adopted for all governmental funds with the exception of the Special Revenue Fund, Law Enforcement Grants.

**SUPPLEMENTARY INFORMATION**

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## NONMAJOR GOVERNMENTAL FUNDS

### **Special Revenue Funds**

Measure A – This fund is used to account for the construction, reconstruction, alteration, and maintenance of the streets and roads of the City.

AQMD Trust Fund – This fund is used to account for the City's portion of motor vehicle registration fees collected pursuant to AB2766 passed during the 1990 State legislative session. This fee was levied to fund programs to reduce air pollution from mobile sources such as cars, trucks, and buses. It also included funds allocated through a competitive process as a result of this legislation.

Supplemental Law Enforcement Services Fund – This fund is used to account for the receipts and expenditures of funds resulting from the Citizen's Option for Public Safety (COPS) program, a state funded program.

Miscellaneous Grants Fund – This fund is used to account for the receipts and expenditures of miscellaneous grants not accounted for in a separate fund.

Law Enforcement Grants Fund – This fund is used to account for grant funds used for frontline law enforcement services.

Landscape Maintenance Fund – This fund is used to account for the costs of operation, maintenance, landscaping, and lighting district in 89-1 consolidated. Funding is provided by assessments specific to parcels in the district 89-1 consolidated.

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

CDBG Grant Fund – This fund is used to account for the Community Development Block Grant Funds received from U.S. Department of Housing and Urban Development. The funds must be expended to accomplish the elimination of blight or to benefit low and moderate income persons by providing loans or grants for various programs.

### **Capital Projects Funds**

Capital Projects Fund – This fund is used to account for the financial resources to be used for the acquisition or construction of capital facilities.

**City of Eastvale  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014**

	Special Revenue Funds		
	Measure A	AQMD Trust	Supplemental Law Enforcement Services
<b>ASSETS</b>			
Cash and investments	\$ 2,467,207	\$ 137,530	\$ -
Receivables:			
Intergovernmental	168,545	18,444	16,667
Total Assets	\$ 2,635,752	\$ 155,974	\$ 16,667
 <b>LIABILITIES</b>			
Accounts payable	\$ 20,921	\$ -	\$ -
Due to other funds	-	-	16,667
Total Liabilities	20,921	-	16,667
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property tax	-	-	-
Total deferred inflows of resources	-	-	-
 <b>FUND BALANCES</b>			
Restricted for:			
Public works	2,614,831	155,974	-
Community development	-	-	-
Total fund balances	2,614,831	155,974	-
Total liabilities, deferred inflows of resources and fund balances	\$ 2,635,752	\$ 155,974	\$ 16,667

Special Revenue Funds

Miscellaneous Grants	Law Enforcement Grants	Landscape Maintenance	Development Impact Fees	CDBG	Total Special Revenue Funds
\$ -	\$ -	\$ 882,402	\$ 2,577,875	\$ -	\$ 6,065,014
86,328	-	2,815	-	39,158	331,957
<u>\$ 86,328</u>	<u>\$ -</u>	<u>\$ 885,217</u>	<u>\$ 2,577,875</u>	<u>\$ 39,158</u>	<u>\$ 6,396,971</u>
\$ -	\$ -	\$ 4,784	\$ -	\$ 1,054	\$ 26,759
56,880	-	-	-	37,459	111,006
56,880	-	4,784	-	38,513	137,765
-	-	1,310	-	-	1,310
-	-	1,310	-	-	1,310
29,448	-	879,123	-	-	3,679,376
-	-	-	2,577,875	645	2,578,520
29,448	-	879,123	2,577,875	645	6,257,896
<u>\$ 86,328</u>	<u>\$ -</u>	<u>\$ 885,217</u>	<u>\$ 2,577,875</u>	<u>\$ 39,158</u>	<u>\$ 6,396,971</u>

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**City of Eastvale  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2014**

	Capital Projects Fund	Total Nonmajor Governmental Funds
	Capital Projects	Total Nonmajor Governmental Funds
<b>ASSETS</b>		
Cash and investments	\$ 152,518	\$ 6,217,532
Receivables:		
Intergovernmental	-	331,957
Total Assets	\$ 152,518	\$ 6,549,489
 <b>LIABILITIES</b>		
Accounts payable	\$ -	\$ 26,759
Due to other funds	-	111,006
Total Liabilities	-	137,765
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenue - property tax	-	1,310
Total deferred inflows of resources	-	1,310
 <b>FUND BALANCES</b>		
Restricted for:		
Public works	152,518	3,831,894
Community development	-	2,578,520
Total fund balances	152,518	6,410,414
Total liabilities, deferred inflows of resources and fund balances	\$ 152,518	\$ 6,549,489

**City of Eastvale**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the year ended June 30, 2014**

	Special Revenue Funds		
	Measure A	AQMD Trust	Supplemental Law Enforcement Services
<b>REVENUES</b>			
Intergovernmental	\$ 1,014,395	\$ 71,145	\$ 100,000
Development impact fees	-	-	-
Assessments	-	-	-
Investment earnings	5,592	283	-
Other	-	-	-
	<u>1,019,987</u>	<u>71,428</u>	<u>100,000</u>
<b>EXPENDITURES</b>			
Current:			
General government	-	6,589	-
Public safety	-	-	100,000
Public works	34,689	-	-
Capital outlay	67,884	-	-
	<u>102,573</u>	<u>6,589</u>	<u>100,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>917,414</u>	<u>64,839</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	917,414	64,839	-
Fund balances (deficit), beginning of year	<u>1,697,417</u>	<u>91,135</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,614,831</u>	<u>\$ 155,974</u>	<u>\$ -</u>

Special Revenue Funds

Miscellaneous Grants	Law Enforcement Grants	Landscape Maintenance	Development Impact Fees	CDBG	Total Special Revenue Funds
\$ 187,148	\$ 2,743	\$ -	\$ -	\$ 76,750	\$ 1,452,181
-	-	-	941,110	-	941,110
-	-	207,915	-	-	207,915
23	-	2,109	6,044	-	14,051
-	-	-	-	-	-
<u>187,171</u>	<u>2,743</u>	<u>210,024</u>	<u>947,154</u>	<u>76,750</u>	<u>2,615,257</u>
-	-	-	-	25,279	31,868
-	2,743	-	-	-	102,743
48,473	-	69,761	-	-	152,923
96,516	-	-	-	47,442	211,842
<u>144,989</u>	<u>2,743</u>	<u>69,761</u>	<u>-</u>	<u>72,721</u>	<u>499,376</u>
<u>42,182</u>	<u>-</u>	<u>140,263</u>	<u>947,154</u>	<u>4,029</u>	<u>2,115,881</u>
-	-	-	-	-	-
(36,329)	-	-	-	-	(36,329)
<u>(36,329)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36,329)</u>
5,853	-	140,263	947,154	4,029	2,079,552
23,595	-	738,860	1,630,721	(3,384)	4,178,344
<u>\$ 29,448</u>	<u>\$ -</u>	<u>\$ 879,123</u>	<u>\$ 2,577,875</u>	<u>\$ 645</u>	<u>\$ 6,257,896</u>

(continued)

**City of Eastvale**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the year ended June 30, 2014**

	Capital Projects Fund	Total Nonmajor Governmental Funds
	Capital Projects	Funds
<b>REVENUES</b>		
Intergovernmental	\$ -	\$ 1,452,181
Development impact fees	-	941,110
Assessments	-	207,915
Investment earnings	138	14,189
Other	164,975	164,975
	<u>164,975</u>	<u>164,975</u>
 Total Revenues	<u>165,113</u>	<u>2,780,370</u>
 <b>EXPENDITURES</b>		
Current:		
General government	-	31,868
Public safety	-	102,743
Public works	-	152,923
Capital outlay	10,954	222,796
	<u>10,954</u>	<u>222,796</u>
 Total Expenditures	<u>10,954</u>	<u>510,330</u>
 Excess (deficiency) of revenues over (under) expenditures	<u>154,159</u>	<u>2,270,040</u>
 <b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	36,329	36,329
Transfers out	-	(36,329)
	<u>36,329</u>	<u>(36,329)</u>
 Total other financing sources (uses)	<u>36,329</u>	<u>-</u>
 Net change in fund balances	190,488	2,270,040
 Fund balances (deficit), beginning of year	<u>(37,970)</u>	<u>4,140,374</u>
 Fund balance, end of year	<u>\$ 152,518</u>	<u>\$ 6,410,414</u>

**City of Eastvale**  
**Nonmajor Governmental Funds Comparison Schedules**  
**For the year ended June 30, 2014**

Budgetary comparison statements are presented as required supplementary information for the General Fund and all Major Special Revenue Funds as provided for by GASB Statement No. 34. The budgetary comparison schedules for the remaining funds are presented to aid in additional analysis and are not a required part of the basic financial statements. The City did not prepare a budget for the Law Enforcement Grants Special Revenue Fund so no budgetary comparison is presented for this fund.

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Measure A Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 882,000	\$ 882,000	\$ 1,014,395	\$ 132,395
Investment earnings	1,000	1,000	5,592	4,592
Total revenues	<u>883,000</u>	<u>883,000</u>	<u>1,019,987</u>	<u>136,987</u>
<b>EXPENDITURES</b>				
Current:				
Public works	22,000	22,000	34,689	(12,689)
Capital outlay	<u>1,844,917</u>	<u>1,844,917</u>	<u>67,884</u>	<u>1,777,033</u>
Total expenditures	<u>1,866,917</u>	<u>1,866,917</u>	<u>102,573</u>	<u>1,764,344</u>
Net change in fund balance	(983,917)	(983,917)	917,414	1,901,331
Fund balance, beginning of year	<u>1,697,417</u>	<u>1,697,417</u>	<u>1,697,417</u>	<u>-</u>
Fund balance, end of year	<u>\$ 713,500</u>	<u>\$ 713,500</u>	<u>\$ 2,614,831</u>	<u>\$ 1,901,331</u>

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**AQMD Trust Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 64,000	\$ 64,000	\$ 71,145	\$ 7,145
Investment earnings	50	50	283	233
Total revenues	<u>64,050</u>	<u>64,050</u>	<u>71,428</u>	<u>7,378</u>
<b>EXPENDITURES</b>				
Current:				
General government	<u>500</u>	<u>500</u>	<u>6,589</u>	<u>(6,089)</u>
Total expenditures	<u>500</u>	<u>500</u>	<u>6,589</u>	<u>(6,089)</u>
Net change in fund balance	63,550	63,550	64,839	1,289
Fund balance, beginning of year	<u>91,135</u>	<u>91,135</u>	<u>91,135</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 154,685</u></u>	<u><u>\$ 154,685</u></u>	<u><u>\$ 155,974</u></u>	<u><u>\$ 1,289</u></u>

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Supplemental Law Enforcement Services Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Total revenues	100,000	100,000	100,000	-
<b>EXPENDITURES</b>				
Current:				
Public safety	100,000	100,000	100,000	-
Total expenditures	100,000	100,000	100,000	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Miscellaneous Grants Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 230,250	\$ 230,250	\$ 187,148	\$ (43,102)
Investment earnings	-	-	23	23
Total revenues	<u>230,250</u>	<u>230,250</u>	<u>187,171</u>	<u>(43,079)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	7,455	7,455	48,473	(41,018)
Capital outlay	230,250	230,250	96,516	133,734
Total expenditures	<u>237,705</u>	<u>237,705</u>	<u>144,989</u>	<u>92,716</u>
Excess of revenues over expenditures	<u>(7,455)</u>	<u>(7,455)</u>	<u>42,182</u>	<u>49,637</u>
<b>OTHER FINANCING USES</b>				
Transfers out	-	(36,329)	(36,329)	-
Total other financing uses	<u>-</u>	<u>(36,329)</u>	<u>(36,329)</u>	<u>-</u>
Net change in fund balance	(7,455)	(43,784)	5,853	49,637
Fund balance, beginning of year	<u>23,595</u>	<u>23,595</u>	<u>23,595</u>	<u>-</u>
Fund balance, end of year	<u>\$ 16,140</u>	<u>\$ (20,189)</u>	<u>\$ 29,448</u>	<u>\$ 49,637</u>

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Landscape Maintenance Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Assessments	\$ 212,270	\$ 212,270	\$ 207,915	\$ (4,355)
Investment earnings	-	-	2,109	2,109
Total revenues	<u>212,270</u>	<u>212,270</u>	<u>210,024</u>	<u>(2,246)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	<u>212,270</u>	<u>212,270</u>	<u>69,761</u>	<u>142,509</u>
Total expenditures	<u>212,270</u>	<u>212,270</u>	<u>69,761</u>	<u>142,509</u>
Net change in fund balance	-	-	140,263	140,263
Fund balance, beginning of year	<u>738,860</u>	<u>738,860</u>	<u>738,860</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ 738,860</u></u>	<u><u>\$ 738,860</u></u>	<u><u>\$ 879,123</u></u>	<u><u>\$ 140,263</u></u>

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Development Impact Fees Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Development impact fees	\$ 1,012,700	\$ 1,012,700	\$ 941,110	\$ (71,590)
Investment earnings	2,000	2,000	6,044	4,044
Total revenues	<u>1,014,700</u>	<u>1,014,700</u>	<u>947,154</u>	<u>(67,546)</u>
<b>EXPENDITURES</b>				
Current:				
Community development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,014,700	1,014,700	947,154	(67,546)
Fund balance, beginning of year	<u>1,630,721</u>	<u>1,630,721</u>	<u>1,630,721</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,645,421</u>	<u>\$ 2,645,421</u>	<u>\$ 2,577,875</u>	<u>\$ (67,546)</u>

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Community Development Block Grant Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 338,000	\$ 338,000	\$ 76,750	\$ (261,250)
Investment earnings	1,014	1,014	-	(1,014)
Total revenues	<u>339,014</u>	<u>339,014</u>	<u>76,750</u>	<u>(262,264)</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	25,320	25,279	41
Capital outlay	338,000	312,680	47,442	265,238
Total expenditures	<u>338,000</u>	<u>338,000</u>	<u>72,721</u>	<u>265,279</u>
Net change in fund balance	1,014	1,014	4,029	3,015
Fund balance (deficit), beginning of year	<u>(3,384)</u>	<u>(3,384)</u>	<u>(3,384)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (2,370)</u>	<u>\$ (2,370)</u>	<u>\$ 645</u>	<u>\$ 3,015</u>

**City of Eastvale**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual**  
**Capital Projects Fund**  
**For the year ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ 138	\$ 138
Other	-	199,000	164,975	(34,025)
Total revenues	-	199,000	165,113	(33,887)
<b>EXPENDITURES</b>				
Current:				
Capital outlay	-	199,000	10,954	188,046
Total expenditures	-	199,000	10,954	188,046
Excess of revenues over expenditures	-	-	154,159	154,159
<b>OTHER FINANCING SOURCES</b>				
Transfers in	-	36,329	36,329	-
Total other financing sources	-	36,329	36,329	-
Net change in fund balance	-	36,329	190,488	154,159
Fund balance (deficit), beginning of year	(37,970)	(37,970)	(37,970)	-
Fund balance, end of year	\$ (37,970)	\$ (1,641)	\$ 152,518	\$ 154,159

**FIDUCIARY FUND –  
AGENCY FUND**

Agency Fund - To account for developer deposits received for various planning projects.

**City of Eastvale**  
**Statement of Changes in Fiduciary Assets and Liabilities**  
**For the year ended June 30, 2014**

<b>Agency Fund</b>	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
<b>ASSETS</b>				
Cash and investments	\$ 3,255,337	\$ 7,899,698	\$ 6,981,156	\$ 4,173,879
Total assets	<u>\$ 3,255,337</u>	<u>\$ 7,899,698</u>	<u>\$ 6,981,156</u>	<u>\$ 4,173,879</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 51,644	\$ 4,742,746	\$ 4,594,984	\$ 199,406
Deposits	3,203,693	3,156,952	2,386,172	3,974,473
Total liabilities	<u>\$ 3,255,337</u>	<u>\$ 7,899,698</u>	<u>\$ 6,981,156</u>	<u>\$ 4,173,879</u>

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## STATISTICAL SECTION

This part of the City of Eastvale's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page</u>
<u>Financial Trends</u> - These schedules contain trend information to help the reader understand how the city's financial performance and position have changed over time.	62
<u>Revenue Capacity</u> - These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	66
<u>Debt Capacity</u> - These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future. The City maintains no outstanding debt and does not have any pledged revenues to report.	70
<u>Demographic and Economic Information</u> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other government agencies.	75
<u>Operating Information</u> - These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.	77

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City incorporated on October 1, 2010 with a nine month fiscal year ending June 30, 2011 and does not have any historical data beyond that year.

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**City of Eastvale**  
**Net Position by Component**  
**Last Four Fiscal Years**  
(accrual basis of accounting)  
(amount expressed in thousands)

	Fiscal Year			
	2011	2012	2013	2014
Governmental activities				
Net investment in capital assets	\$ 175,187	\$ 179,845	\$ 194,527	\$ 210,630
Restricted	2,098	4,306	11,403	16,699
Unrestricted	3,743	5,316	7,894	11,601
Total governmental activities net position	<u>\$ 181,028</u>	<u>\$ 189,467</u>	<u>\$ 213,824</u>	<u>\$ 238,930</u>

Note: Due to the City's incorporation on October 1, 2010, fiscal year 2010-11 is a nine month transitional fiscal year.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale**  
**Changes in Net Position**  
**Last Four Fiscal Years**  
(accrual basis of accounting)  
(amounts expressed in thousands)

	Fiscal Year			
	2011	2012	2013	2014
<b>Expenses</b>				
Governmental activities:				
General government	\$ 903	\$ 1,391	\$ 1,736	\$ 1,801
Public safety	4,459	6,107	6,689	8,889
Public works	3,928	5,629	6,501	6,752
Community development	1,022	1,991	2,067	2,309
Revenue Neutrality	-	1,804	421	462
Interest expense	-	-	-	11
Total governmental activities expenses	<u>10,312</u>	<u>16,922</u>	<u>17,414</u>	<u>20,224</u>
Total primary government expenses	<u>\$ 10,312</u>	<u>\$ 16,922</u>	<u>\$ 17,414</u>	<u>\$ 20,224</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services				
General government	\$ -	\$ 74	\$ 55	\$ 55
Public safety	22	221	413	479
Community development	893	2,174	2,347	3,138
Operating contributions and grants	1,899	2,940	3,571	4,338
Capital contributions and grants	179,045	9,533	20,651	22,177
Total primary government program revenues	<u>181,859</u>	<u>14,942</u>	<u>27,037</u>	<u>30,187</u>
Total primary government program revenues	<u>\$ 181,859</u>	<u>\$ 14,942</u>	<u>\$ 27,037</u>	<u>\$ 30,187</u>
Total primary government net expense	<u>\$ 171,547</u>	<u>\$ (1,980)</u>	<u>\$ 9,623</u>	<u>\$ 9,963</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Property tax	\$ 3,871	\$ 4,620	\$ 6,189	\$ 6,285
Franchise tax	594	1,346	1,330	1,419
Sales tax	1,487	3,885	5,720	6,988
Motor Vehicle in Lieu tax	3,235	38	37	29
Other taxes	290	310	448	355
Investment earnings	4	9	24	54
Other	-	1	1	13
Total governmental activities	<u>9,481</u>	<u>10,209</u>	<u>13,749</u>	<u>15,143</u>
Total primary government	<u>\$ 9,481</u>	<u>\$ 10,209</u>	<u>\$ 13,749</u>	<u>\$ 15,143</u>
<b>Total Change in Net Position</b>	<u>\$ 181,028</u>	<u>\$ 8,229</u>	<u>\$ 23,372</u>	<u>\$ 25,106</u>

Note: Due to the City's incorporation on October 1, 2010, fiscal year 2010-11 is a nine month transitional fiscal year.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale**  
**Fund Balances of Governmental Funds**  
**Last Four Fiscal Years**  
(modified accrual basis of accounting)  
(amount expressed in thousands)

	Fiscal Year			
	2011	2012	2013	2014
General fund				
Nonspendable	\$ 26	\$ 30	\$ 2	\$ -
Restricted	-	-	4,123	5,272
Committed	-	-	-	7,179
Unassigned	3,932	7,227	9,214	4,323
Total general fund	<u>3,958</u>	<u>7,257</u>	<u>13,339</u>	<u>16,774</u>
All other governmental funds				
Nonspendable	-	-	-	-
Restricted	2,099	4,195	7,280	11,427
Unassigned	-	(4)	(41)	-
Total all other governmental funds	<u>2,099</u>	<u>4,191</u>	<u>7,239</u>	<u>11,427</u>
Total fund balances of governmental funds	<u>\$ 6,057</u>	<u>\$ 11,448</u>	<u>\$ 20,578</u>	<u>\$ 28,201</u>

Note: Due to the City's incorporation on October 1, 2010, fiscal year 2010-11 is a nine month transitional fiscal year.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale**  
**Changes in Fund Balances of Governmental Funds**  
**Last Four Fiscal Years**  
(modified accrual basis of accounting)  
(amount expressed in thousands)

	Fiscal Year			
	2011	2012	2013	2014
<b>Revenues</b>				
Taxes				
Property tax	\$ 3,871	\$ 4,620	\$ 6,189	\$ 6,140
Franchise tax	594	1,346	1,330	1,419
Sales tax	1,487	3,885	5,720	6,987
Other taxes	290	310	448	355
Licenses and permits	893	2,251	2,541	3,360
Fines and forfeitures	22	205	269	303
Intergovernmental	5,132	2,974	2,830	4,141
Special use fees	338	102	1,225	941
Assessments	-	-	769	208
Investment earnings	6	15	35	78
Other	-	13	7	176
Total revenues	<u>12,633</u>	<u>15,721</u>	<u>21,363</u>	<u>24,108</u>
<b>Expenditures</b>				
Current:				
General government	955	1,351	1,823	1,735
Public safety	4,481	6,102	6,681	9,503
Public works	328	710	772	976
Community Development	1,022	1,992	2,066	2,309
Revenue neutrality	-	-	-	462
Debt service				
Principal	-	-	-	1,240
Interest	-	-	-	11
Capital outlay	-	175	890	249
Total expenditures	<u>6,786</u>	<u>10,330</u>	<u>12,232</u>	<u>16,485</u>
Excess of revenues over expenditures	5,847	5,391	9,131	7,623
<b>Other financing sources</b>				
Proceeds of long-term debt	210	-	-	-
Total other financing sources	<u>210</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 6,057</u>	<u>\$ 5,391</u>	<u>\$ 9,131</u>	<u>\$ 7,623</u>
Debt service as a % of noncapital expenditures	0.0%	0.0%	0.0%	0.1%

Note: Due to the City's incorporation on October 1, 2010, fiscal year 2010-11 is a nine month transitional fiscal year.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available

Source: City of Eastvale Finance Department

**City of Eastvale**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Three Fiscal Years**  
(amounts expressed in thousands)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other	Total Assessed Valuation	Less Tax Exempt Property	Total Taxable Assessed Value	Direct Tax Rate (City)
2012	\$ 5,084,826	\$ 207,045	\$ 418,137	\$ 317,720	\$ 6,027,728	\$ (18,826)	\$ 6,008,902	0.02448
2013	5,190,205	225,586	402,370	408,069	6,226,230	(19,753)	6,206,477	0.02402
2014	5,625,726	231,234	406,711	419,587	6,683,258	(21,494)	6,661,764	0.10237

Note: Fiscal Year 2011-12 is the first fiscal year since the incorporation of Eastvale on October 1, 2010. California Revenue and Taxation Code Section 2905 states that taxes on unsecured property are to be taxed at tax rates fixed prior to the lien date (prior year). No unsecured value is included in the report above for the 2011-12 roll year as the County received taxes on the unsecured value in that year. Estimated Actual Value amounts are not available.

Source: County of Riverside, Auditor-Controller/HdL, Coren & Cone

**City of Eastvale**  
**Direct and Overlapping Property Tax Rates**  
**Last Three Fiscal Years**  
(rate per \$100 of assessed value)

City Direct Rates					
Fiscal Year	Basic County, City, and School Levy	Community College District	Water District	School District	Total
2012	1.00000	0.01700	0.00370	0.11541	1.13611
2013	1.00000	0.01702	0.00350	0.11326	1.13378
2014	1.00000	0.01768	0.00350	0.11758	1.13876

Note: Due to the City's incorporation on October 1, 2010, fiscal year 2010-11 is a nine month transitional fiscal year.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: County of Riverside, Auditor-Controller/HdL, Coren & Cone

**City of Eastvale  
Principal Property Tax Payers  
Current Year and Two Years Ago**

Taxpayer	2014		2012	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Homecoming at Eastvale	\$ 127,488,589	1.91%	\$ -	-
LBA Riv Company IV	88,694,098	1.33%	71,860,000	1.20%
Eastvale Gateway	87,227,140	1.31%	-	0.00%
Homecoming III at Eastvale	-	-	52,048,559	0.87%
Homecoming II at Eastvale	-	-	43,375,919	0.72%
Tarpon Property Ownership 2 LLC	85,000,000	1.28%	-	-
AMB Institutional Alliance Fund	60,096,828	0.90%	81,045,851	1.35%
SC Eastvale Development Company	-	-	49,591,287	0.83%
Prologis California I	42,330,000	0.64%	41,282,996	0.69%
Eastvale Gateway II	-	-	52,226,362	0.87%
Hamner Park Associates	36,061,117	0.54%	33,769,695	0.56%
J W Mitchell Company	32,815,491	0.49%	31,541,228	0.52%
WW Grainer Inc.	-	-	28,849,600	0.48%
Wal Mart Stores East LP	26,339,116	0.40%	-	-
Mira Loma SPF	26,236,000	0.39%	-	-
<b>Total</b>	<b>\$ 612,288,379</b>	<b>9.19%</b>	<b>\$ 485,591,497</b>	<b>8.09%</b>

The City was incorporated during fiscal year 2010-2011. No information for that year and prior to that year are available.

Source: HdL, Coren & Cone

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

Fiscal Year	Taxes Levied	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
	For the Fiscal Year	Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 4,981,958	\$ 4,507,953	90.49%	\$ 12,423	\$ 4,520,376	90.73% (1)
2013	5,314,450	5,410,974	101.82%	186,645	5,597,619	105.33% (2)
2014	5,967,172	5,631,617	94.38%	145,851	5,777,468	96.82%

Notes:

(1) Fiscal Year 2011-12 is the first full fiscal year since incorporation of Eastvale on October 1, 2010. California Revenue and Taxation Code Section 2905 states that taxes on unsecured property are to be taxed at rates fixed prior to the lien date (prior year). The City had no collections in prior fiscal year of which taxes were collected in subsequent years.

(2) Fiscal Year 2012-13 collected within the year of levy includes a one-time settlement amount of \$483,426 resulting from renegotiations with the County of Riverside of the Revenue Neutrality Agreement and Property Tax Allocation Factor.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department, Riverside County Auditor-Controller's Office.

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

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Lease Revenue Bonds</b>	<b>Total Governmental Activities</b>	<b>% of Actual Assessed Value of Property (2)</b>	<b>Per Capita</b>
2012	\$ -	\$ -	\$ -	0.000%	\$ -
2013	-	-	-	0.000%	-
2014	-	-	-	0.000%	-

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

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale  
Ratio of General Bonded Debt  
Last Three Fiscal Years**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Tax Allocation Bonds</u>	<u>Certificates of Participation</u>	<u>Total Governmental Activities</u>	<u>Percent of Assessed Value</u>	<u>Debt per Capita</u>
2012	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
2013	-	-	-	-	0.00%	-
2014	-	-	-	-	0.00%	-

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

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale  
Direct and Overlapping Bonded Debt  
June 30, 2014**

2013-14 Assessed Valuation	<u>\$ 6,672,474,168</u>		
	Outstanding Debt	Percent Applicable (1)	Amount Applicable to City
	June 30, 2014		June 30, 2014
<u>Overlapping Tax and Assessment Debt</u>			
Metropolitan Water District	\$ 132,275,000	0.305%	\$ 403,439
Riverside Community College District	230,214,563	8.588%	19,770,827
Corona-Norco Unified School District	260,072,472	20.603%	53,582,731
Jurupa Unified School District	46,687,972	13.341%	6,228,642
Corona-Norco Unified School District Comm Facilities District (2)	87,342,236	100% - 91.724%	83,810,453
Jurupa Community Services District Comm Facilities District (3)	306,150,000	100% - 20.531%	<u>289,926,404</u>
Total Overlapping Tax and Assessment Debt			<u>\$ 453,722,496</u>
<u>Direct and Overlapping General Fund Debt</u>			
Riverside County General Fund Obligations	692,656,315	3.184%	22,054,177
Riverside County Pension Obligations	334,515,000	3.184%	10,650,958
Riverside County Board of Education Certificates of Participation	2,700,000	3.184%	85,968
Corona-Norco Unified School District General Fund Obligations	27,880,000	20.603%	5,744,116
Jurupa Unified School District Certificates of Participation	6,425,000	13.341%	857,159
<b>City of Eastvale</b>	-	<b>100</b>	<u>-</u>
Total Gross Direct and Overlapping General Fund Debt			39,392,378
Less: Riverside County supported obligations			<u>295,582</u>
Total Net Direct and Overlapping General Fund Debt			<u>\$ 39,096,796</u>
<u>Overlapping Tax Increment Debt (Successor Agencies)</u>	\$ 403,037,878	7.236-17.306%	\$ 52,827,803
<b>Total Direct Debt</b>			<b>\$0</b>
Gross Combined Total Debt (4)			\$ 545,942,677
Net Combined Total Debt			\$ 545,647,095
<u>Ratios to 2013-14 Assessed Valuation:</u>			
Direct Debt		0%	
Total Overlapping Tax and Assessment Debt		6.80%	
<u>Ratios to 2013-14 Adjusted Assessed Valuation:</u>			
Gross Combined Total Debt (4)		8.18%	\$ 545,942,677
Net Combined Total Debt		8.18%	\$ 545,647,095
<u>Ratios to Redevelopment Successor Agency Incremental Valuation (\$797,475,088):</u>			
Total Overlapping Tax Increment Debt		6.62%	

**Notes:**

- (1) Percentage of overlapping agency's assessed valuation located within the boundaries of the City.
- (2) It is estimated that CFDs 98-1, 02-1, 03-1, 03-2, 03-4, 04-1, 04-2 I.A.2, and 06-1 are entirely within the City's boundaries.
- (3) CFDs 2, 3, 4, 5, 6, 7, 10, 11, 12, 14, 15, 16, 17, 18, 19, 21, 23, 24, 25, 29, 30, 32, 34, 35, 38 and 39 are entirely within the City's boundaries. It is estimated that 20.531% of CFD 1 is located within the City's boundaries.
- (4) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

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

<b>Fiscal Year</b>	<b>Assessed Valuation</b>	<b>Legal Debt Limit (15% of Assessed Value)</b>	<b>Amount of Debt Applicable to Debt Limit</b>	<b>Legal Debt Margin</b>	<b>Total Debt Applicable to the Limit as a Percentage of the Debt Limit</b>
2012	\$ 6,008,902	\$ 901,335	\$ -	\$ 901,335	0.0%
2013	6,206,477	930,972	-	930,972	0.0%
2014	6,661,764	999,265	-	999,265	0.0%

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

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale  
Pledged Revenue Coverage  
Last Three Fiscal Years**

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

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

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale  
Demographic and Economic Status  
Last Three Fiscal Years**

<b>Calendar Year</b>	(1) <b>Population</b>	(2) <b>Personal Income In Thousands</b>	(2) <b>Per Capita Personal Income</b>	(3) <b>Median Age</b>	(4) <b>Unemployment Rate</b>
2012	55,602	\$ 1,514,209	\$ 27,233	30	(4)
2013	57,251	1,847,089	32,263	31	(4)
2014	59,185	1,728,439	29,204	31	(4)

Note: The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Sources: (1) Population - California Department of Finance  
 (2) Personal/ Per Capita Income - US Census Bureau  
 (3) Median Age - U.S. Census Bureau State of California  
 (4) Unemployment Rate - Information not available

**City of Eastvale  
Employment by Industry  
Current Year**

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

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

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: State of California Employment Development Department

**City of Eastvale  
Full-time City Employees  
by Function  
Last Four Fiscal Years**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works</u>	<u>Community Services</u>	<u>Total</u>
2011	4	-	-	-	4
2012	6	-	-	-	6
2013	6	-	-	-	6
2014	7	2	-	-	9

Notes: The City of Eastvale contracts services for Public Works, Planning, Building & Safety, Police and Fire. Parks and Recreation is provided by the Jurupa Community Services District. Public safety employees are Code Enforcement Officers.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale Finance Department

**City of Eastvale  
Operating Indicators  
by Function  
Last Three Fiscal Years**

	Fiscal Year		
	2012	2013	2014
Finance			
Business license applications	817	920	1,061
Building and Safety			
Construction valuation	\$ 133,358,335	\$ 201,070,031	\$ 168,641,107
Building permits issued	1,509	2,105	2,168
Public Safety			
Total arrests	648	746	953
Calls for service	22,154	27,826	17,630

**Notes:**

(1) Fiscal year 2011-12 is the first fiscal year the City provided the business license program. No business licenses were issued by the City during fiscal year 2010-11.

The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale, Various Departments

**City of Eastvale  
Capital Asset Statistics  
by Function  
Last Three Fiscal Years**

	Fiscal Year		
	2012	2013	2014
Public Works			
Streets (miles)	307	320	334
Traffic signaled Intersections	41	42	44
Bridges	1	1	1

Note: The City was incorporated during fiscal year 2010-2011. No information prior to that year is available.

Source: City of Eastvale, Various Departments