

**City of Moorpark**  
Moorpark, California

Single Audit Report on Federal Awards

Year Ended June 30, 2017

**City of Moorpark**  
**Single Audit Report on Federal Awards**  
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ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100  
San Bernardino, CA 92408  
909 889 0871 T  
909 889 5361 F  
ramscpa.net

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

### *Independent Auditor's Report*

#### **PARTNERS**

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Kirk A. Franks, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Bradferd A. Welebir, CPA, MBA, CGMA  
Jay H. Zercher, CPA (Partner Emeritus)  
Phillip H. Waller, CPA (Partner Emeritus)

#### **MANAGERS / STAFF**

Jenny Liu, CPA, MST  
Seong-Hyea Lee, CPA, MBA  
Charles De Simoni, CPA  
Gardenya Duran, CPA  
Brianna Schultz, CPA  
Lisa Dongxue Guo, CPA, MSA

To the Honorable City Council  
City of Moorpark, California

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moorpark (the City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 11, 2017.

### ***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



#### **MEMBERS**

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Quality Center*

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Certified Public Accountants

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rogers, Anderson, Malochy & Scott, LLP.*

San Bernardino, California  
December 11, 2017



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909 889 5361 F  
ramscpa.net

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

*Independent Auditor's Report*

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To the Honorable City Council  
City of Moorpark, California

**Report on Compliance for Each Major Federal Program**

We have audited the City of Moorpark's (the City) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2017.

### **Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We have issued our report thereon dated December 11, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Rogers, Anderson, Malochy & Scott, LLP.*

San Bernardino, California

March 29, 2018 (except for our report on the Schedule of Expenditures of Federal Awards, for which the date is December 11, 2017)

**City of Moorpark**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2017**

Federal Grantor / Pass-Through Grantor / Federal Program Title	Federal Domestic Assistance Catalog Number	Program Identification Number	Federal Expenditures	Amount Provided to Subrecipients
<b>U.S. Department of the Interior</b>				
<i>Passed through the State of California, Department of Parks and Recreation</i>				
Outdoor Recreation Acquisition, Development and Planning	15.916*	06-01773	\$ 500,000	\$ -
<b>Total U.S. Department of the Interior</b>			<u>500,000</u>	<u>-</u>
<b>U.S. Department of Transportation</b>				
<i>Passed through the Ventura County Transportation Commission</i>				
Federal Transit Formula Grants	20.507	CA-90-Z151	6,224	-
		CA-95-X196	20,076	-
		CA-2016-060	162,975	-
		CA-FY16-17	<u>73,671</u>	<u>-</u>
<b>Total U.S. Department of Transportation</b>			<u>262,946</u>	<u>-</u>
<b>U.S. Department of Health and Human Services</b>				
<i>Passed through the Ventura County Area Agency on Aging</i>				
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	3500FY17-13, 3C1L17-17	8,650	-
Senior Nutrition	93.045	3500FY17-13, 3C2L17-17	<u>13,201</u>	<u>-</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>21,851</u>	<u>-</u>
<b>U.S. Department of Homeland Security</b>				
<i>Passed through the Ventura County Sheriff Office of Emergency Services</i>				
Emergency Management Performance Grants	97.042	2016-0010-111-00000	<u>15,527</u>	<u>-</u>
<b>Total U.S. Department of Homeland Security</b>			<u>15,527</u>	<u>-</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 800,324</u>	<u>\$ -</u>

\* Major Program

See accompanying notes to the schedule of expenditures of federal awards.

**City of Moorpark**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2017**

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**Note 1: Basic Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) presents the expenditures for all federal award programs received by the City of Moorpark (the City) for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**Note 2: Basis of Accounting and Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**City of Moorpark  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2017**

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**Section I. Summary of Auditor's Results**

***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

Material weaknesses identified?	_____	Yes	<u>  x  </u>	No
Significant deficiencies identified?	_____	Yes	<u>  x  </u>	None Reported
Noncompliance material to financial statements noted?	_____	Yes	<u>  x  </u>	No

***Federal Awards***

Internal control over major programs:

Material weaknesses identified?	_____	Yes	<u>  x  </u>	No
Significant deficiencies identified?	_____	Yes	<u>  x  </u>	None Reported

Type of auditor's report issued on compliance for major federal programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____	Yes	<u>  x  </u>	No
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Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
15.916	Outdoor Recreation Acquisition, Development and Planning

Dollar threshold used to distinguish between type A and type B programs:   \$750,000  

Auditee qualified as low-risk auditee?	_____	Yes	<u>  x  </u>	No
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**City of Moorpark  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2017**

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**Section II. Financial Statement Findings**

No findings to be reported.

**Section III. Federal Award Findings and Questioned Costs**

No findings to be reported.

**City of Moorpark  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2017**

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**Financial Statement Findings**

No prior year findings reported.

**Federal Award Findings and Questioned Costs**

No prior year findings reported.