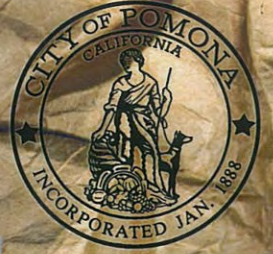
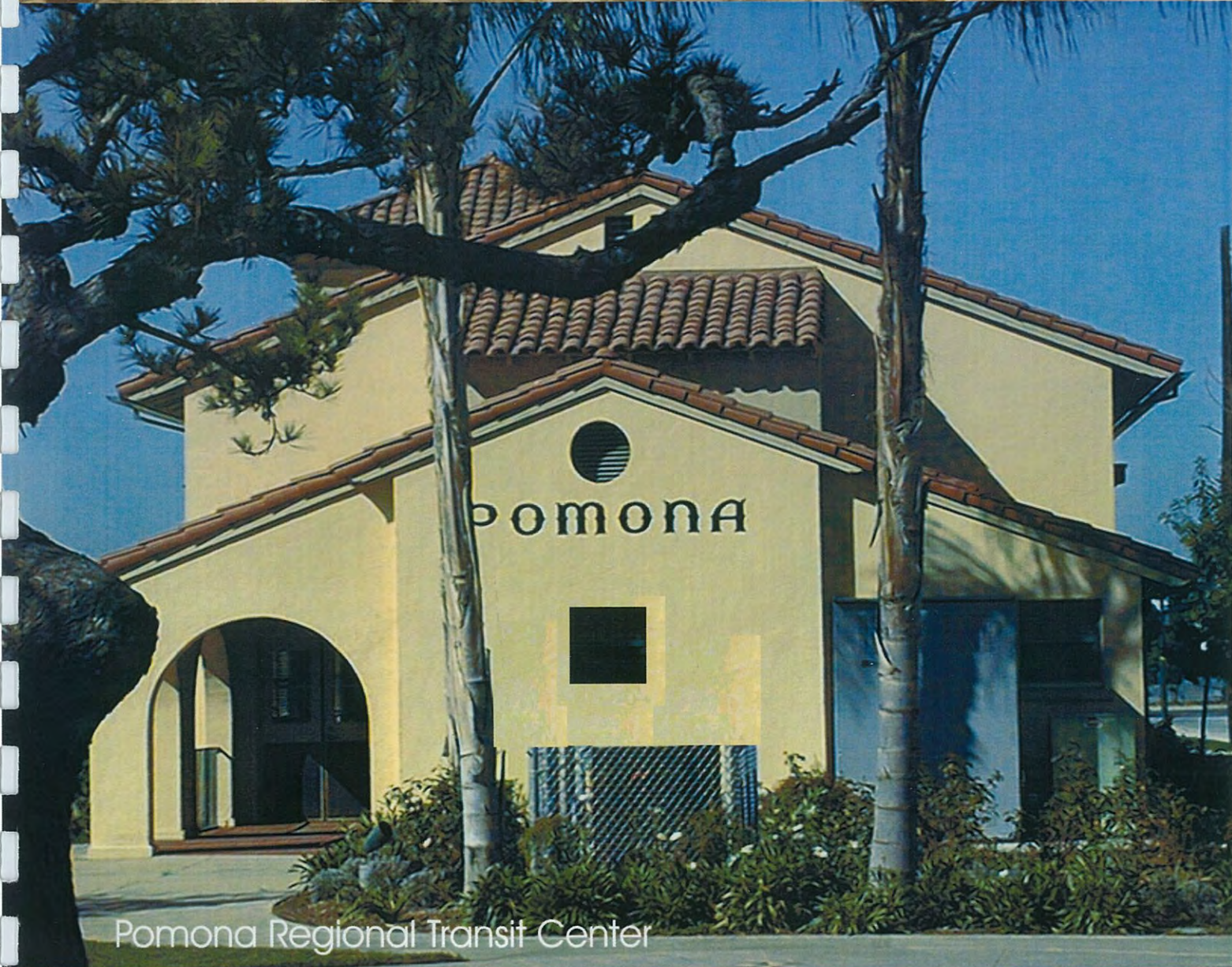


CITY OF POMONA
CALIFORNIA



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



Pomona Regional Transit Center

**YEAR ENDED
JUNE 30, 1999**



CITY OF POMONA, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Edward S. Cortez
Mayor



Year ended June 30, 1999

George Hunter
District 1



Marco Robles
Councilmember
District 2



Cristina Carrizosa
Councilmember
District 3



Paula Lantz
Councilmember
District 4



Elliott Rothman
Councilmember
District 5



Willie White
Councilmember
District 6



Prepared by the City of Pomona Finance Department
Paula Chamberlain, Director of Finance

CITY OF POMONA
Comprehensive Annual Financial Report
June 30, 1999

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June 30, 1999

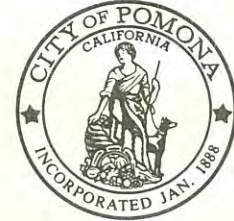
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THE CITY OF POMONA

PAULA CHAMBERLAIN
Finance Director

Finance Department



December 7, 1999

Honorable Mayor and City Council
and Citizens of the City of Pomona

The comprehensive annual financial report of the City of Pomona for the fiscal year ended June 30, 1999 is hereby submitted.

The Comprehensive Annual Financial Report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). GASB has primary responsibility for determining current accounting and financial reporting standards for activities and transactions of state and local government entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge, the data enclosed is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds and account groups; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included. The comprehensive annual financial report is presented in three sections:

- Introductory section -** includes this transmittal letter; a list of principal officials, the City's organizational chart, the Government Finance Officers Association of the United States (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ending June 30, 1998, and the California Society of Municipal Finance Officers (CSMFO) Certificate of Award for Outstanding Financial Reporting for the fiscal year ending June 30, 1998.
- Financial section -** includes the independent auditor's report; the general purpose financial statements; notes to the financial statements, the combining and individual fund and account group financial statements and schedules, required supplementary information (unaudited) and supplemental data.
- Statistical section -** includes a number of tables depicting selected financial and demographic information, generally presented on a multi-year basis.

the Federal Reserve to slow the present expansion appears to be having an effect, the tendency of Southern California to lag behind the rest of the nation in "feeling the pinch" should ensure a reasonably healthy year to come.

In keeping with that outlook, and in view of new development projected to come online in the next twelve months, we expect the City's share of Retail Sales Tax to exceed \$11 million for the first time in history during fiscal 1999/2000. Motor Vehicle In-Lieu Fees, reflecting automobile registrations, should also continue to grow, although the prospect of tighter consumer credit may somewhat slow the rate of growth in this area. Additionally, Documentary Transfer Tax, which mirrors activity in the housing sector, will also tend to be strongly influenced by interest rates and should grow accordingly.

With respect to revenue derived from the City's share of Property Taxes, there is a mixed bag of news to report. While aforementioned local growth throughout the City should generate a modest increase in receipts, there has been slow progress in efforts to recapture funds lost by the "allocation shifts" (cuts) imposed by the State of California in recent years, although a one-time apportionment of nearly \$400,000 will be forthcoming later this year. In short, we continue to maintain "guarded optimism" about the prospects for revenue growth in Fiscal Year 1999/2000.

KEY ACCOMPLISHMENTS

With the start of the new millennium nearly upon us, the continued leadership and vision of Pomona's residents, given form by the City Council, has resulted in an impressive list of highlights for the past year. The ongoing partnership between City Council and staff has produced significant accomplishments in the areas of revenue enhancement and job development, public safety, library services and literacy training, and recreational/athletic activities. Here, and on the following pages, we will detail some of the more noteworthy efforts which ultimately result in an improved quality of life for those who live and work within the City of Pomona.

In November of 1998, the City of Pomona submitted to the electorate a revised City Charter, which was approved by the voters. Adoption of this document establishes the framework within which the City will strive to meet its many and diverse objectives in the coming years.

Continued success in Economic Development brought to the citizens of Pomona the twin benefits of enhanced local employment and shopping opportunities, while generating Sales Tax revenues to be used for a variety of purposes.

Probably the "highest-profile" achievement in the past year was the successful conclusion of efforts to attract the U. S. Census Bureau to occupy 216,000 square feet of the TechSystems building at the former General Dynamics site. A County Fire Plan review has been completed for the structure, which will undergo over \$5,000,000 in renovations to house the Western Regional Data Capture Center for the Year 2000 Census, resulting in employment for over 2,000 area residents, and a state-of-the-art facility with future high-technology business potential.

The First-Time Homebuyers' Program approved and processed 75 loans totaling over \$400,000, while efforts to streamline the Home Rehabilitation Loan Program resulted in the processing of the entire waiting list, portions of which had existed since 1984. A total of 25 homes were rehabilitated and an additional 80 houses were prepared for work specs or contractor selection. The City Council also approved participation in two new programs; the County of Los Angeles Mortgage Credit Certificate, and the Independent Cities Lease-Finance Authority "Fresh Rate Program."

In compliance with HUD's paperless government policy, the Grants Division went "live" on HUD's national financial network in July, with all required reporting now prepared and mailed electronically. Combined, there are over 300 CDBG, EHG, SHP, and HOME projects managed online. Finally, the Section Eight program provided and processed assistance to over 900 units during the year, including an average port-in of 123, and an average port-out of 61.

One of the year's key accomplishments was the opening of a new community center at the University Plaza, located at Temple and Pomona Blvd. The community center provides an excellent police presence to the far west side of the City, as well as a facility for community meetings and programs, resulting in a better means of access to the Police Department for area citizens. In April of 1998, the department's Property/Evidence Unit moved into a new warehouse facility, providing a modern approach to the task of storing evidence for later submission to the courts. The acquisition of a Pawn Shop Computer Tracking Program enhanced our abilities to track and recover stolen property, with over \$17,000 worth of stolen goods recovered to date. High-tech crimes were also targeted in a cooperative effort with Microsoft Corporation, with over \$190,000 worth of counterfeit computer parts recovered through a combination of search warrants and undercover operations at computer shows.

The department was awarded a state Alcoholic Beverage Commission enforcement grant, enabling the department to conduct various enforcement programs at state-licensed stores and restaurants in the City. The purchase of an automated parking enforcement system will eliminate much hand-processing of citation data, leading to a more timely and efficient collection of fines and late fees generated by the parking citation program. Completion of a traffic safety grant resulted in the distribution of thousands of bicycle helmets to children in Pomona elementary schools. The long-term effect of such a program will be the reduction of bicycle-related traffic accidents and fatalities in the City.

Finally, with the assistance of the City's Economic Development Department, the Police Department helped to make the third annual Carnaval, which drew approximately 20,000 people to downtown Pomona over a two-day period. With the visible use of mounted patrol units, bicycle and motor units, and crime prevention personnel throughout the event, there was not one call for service during the entire period.

The City Council elected to remain with Los Angeles County for fire protection services. A Staff Report comparing the cost of current fire protection, compared to returning to a City fire department determined that the City consistently saved \$2,000,000 per year since contracting with Los Angeles County. The fire department implemented two new Community support and safety programs, including a smoke detector give-away and installation program, and the

Within the past year, the City participated in 23 neighborhood cleaning projects which resulted in the removal of 500 tons of debris, as well as four household hazardous waste roundups, which eliminated 500 gallons of hazardous materials. Approximately one million square feet of graffiti were eliminated throughout the City.

Extending to areas of fiscal responsibility, the City maintained an overall investment portfolio yield of approximately 5.85% for the calendar year within a declining interest rate environment. This level represented only a 0.15% drop in average earned yield, contrasted with a decline in benchmark five-year U. S. Treasury Note yields of 1.20% in the same period. Bond refinancings of Series W, X, Y, and Z took further advantage of the historically low interest rates, by reducing future debt service obligations, and/or freeing cash for immediate use.

The "Y2K problem" was addressed through the outsourcing of the Information Systems division to ACS Enterprise Solutions, ensuring that City services will not be disrupted by the highly publicized "millennium bug," and also replacing the City's antiquated mainframe computer system with a desktop-driven network of PCs. These changes will result in continued efficiencies in the years to come, and will provide access to the growing information infrastructure that will be crucial to municipal operations in the 21st century.

The City's ongoing commitment to excellence in financial operations was recognized through a number of awards in the past year, including an Excellence in Budgeting award for the budget document from the California Society of Municipal Finance Officers (CSMFO), as well as, from the Government Finance Officers Association. Additionally, a Certificate of Achievement in Financial Reporting was received for the City's Comprehensive Annual Financial Report (awarded by the Government Finance Officers' Association), for the sixth consecutive year, and was also recognized with a further award by the CSMFO.

For the Future

The City has adopted a balanced budget for fiscal year 1999/2000. This budget, once again, offers little opportunity for new or expanding programs. It is basically a no-growth budget prudently prepared to match expenditures with anticipated revenues in order to maintain the City's fiscal integrity.

The Redevelopment Agency continues its efforts to promote economic development activities to attract, retain and expand industrial and/or manufacturing businesses around the City.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are

| Revenue Source | Amount | Percent of Total | Increase (Decrease) from 1998 | Percent of Increase (Decrease) |
|----------------------|----------------------|------------------|-------------------------------|--------------------------------|
| Taxes | \$50,940,632 | 50.09% | \$564,438 | 1.12% |
| Special Assessments | 2,360,530 | 2.32% | 546,460 | 30.12% |
| Licenses & Permits | 3,116,575 | 3.06% | (824,024) | (20.91%) |
| Fines & Forfeitures | 2,700,233 | 2.66% | 1,819,988 | 106.76% |
| Investment Earnings | 5,184,614 | 5.10% | (2,068,144) | (28.52%) |
| Charges for Services | 2,838,057 | 2.79% | 323,508 | 12.87% |
| Intergovernmental | 31,687,088 | 31.16% | (1,323,901) | (4.01%) |
| Miscellaneous | 2,869,655 | 2.82% | (1,704,795) | (37.27%) |
| Total | \$101,697,384 | 100.00% | (\$2,666,470) | 11.14% |

The increase in the category "Taxes" was primarily the result of a reclassification of motor vehicle in-lieu from the intergovernmental category.

The "Special Assessments" category experienced a large increase due to a one-time residual equity transfer that reduced the amount of revenue collected in the prior year.

"Licenses and Permits" experienced a decrease due to the transfer of building related revenues to the new Development Services Fund, which is an enterprise fund.

The increase in "Fines and Forfeitures" was partially due to an increase in asset forfeiture activity. There was also an increase in the Traffic Safety Fund due an adjustment in the formula used for distribution of these revenues.

The "Investment Earnings" category experienced a decrease primarily due to low interest rates through much of the year. The prior year also realized a one-time infusion of revenue from the sale of interest rights.

The increase in "Charges for Services" was due to an increase in the rate used to charge other funds for administrative services provided by the General Fund.

The "Intergovernmental" category decrease was primarily due to revenues received in the prior year for a capital project, which did not repeat in the current year.

The "Miscellaneous" category decrease was due to land sales in prior year that did not reoccur in fiscal year 1998/99.

Expenditures. The following schedule presents a summary of general governmental funds (general, special revenue, debt service, and capital project funds) expenditures for the fiscal year ended June 30, 1999 and the amount and the percentage of increases and decreases in relation to prior amounts.

activities: Water, Sanitation, Development Services and Ganesha Pool Funds. Enterprise funds are used to finance and account for the acquisition, operation, and maintenance of City facilities and services that are entirely, or predominantly, self-supporting from user charges. The operations of an enterprise fund are accounted for in such a manner as to show a profit or loss similar to comparable private enterprise operations.

Water Fund. The water system currently serves 27,995 customers. Operating revenues for the water system were \$13,405,725 or 10.99% above fiscal year 1997/98. Operating expenses were \$13,167,584, an increase of \$1,345,638 or 11.38% above fiscal year 1997/98. Nonoperating revenues net of nonoperating expenses were \$1,603,217. Net income for fiscal year ended June 30, 1999 was \$1,793,751.

Sanitation Fund. The Sanitation fund provides refuse service to residential customers within the City. Operating revenues for the fund were \$8,301,960, a decrease of \$464,746 or 5.3% over fiscal year 1997/98. Operating expenses were \$9,108,643, an increase of \$1,674,897 or 22.85% over fiscal year 1997/98. Nonoperating revenues net of nonoperating expenses were \$463,753. Net income (loss) for fiscal year ended June 30, 1999 was \$656,296.

Ganesha Pool Fund. The Ganesha Pool fund accounts for activities associated with the operation of the City's swimming pool at Ganesha Park. Operating revenues for the fund were \$67,259, an increase of \$9,733 or 16.91% over fiscal year 1997/98. Operating expenses were \$161,900, an increase of \$134 or 0.08% over fiscal year 1997/98. Nonoperating revenues net of nonoperating expenses were \$0.

Development Services Fund. The Development Services fund accounts for building and planning activities as well as transportation and development. Fiscal year 1998/99 was its first year of operation. Operating revenues for the fund were \$1,689,014 and operating expenses were \$1,539,041. Nonoperating revenues net of nonoperating expenses were \$0.

Internal Service Operations. The City utilizes internal service funds to account for goods and/or services provided by one department of the City to other departments of the City. This allows for more accurate allocation of the cost of providing certain goods and/or services to user departments.

Internal service funds are proprietary in nature and are accounted for in a manner similar to Enterprise funds. Funds are obtained from the user departments on a cost-reimbursement basis with the long-term intent of not producing any significant profit. The funds received by the internal service funds are recorded as expenditures of the user departments. During the fiscal year ended June 30, 1999, the City maintained four internal service funds. The Self Insurance fund provides for the liability, workers compensation and unemployment insurance programs. The Equipment Maintenance fund is used to account for the maintenance of all automobiles, trucks, etc. The Contribution/Reimbursement fund provides funding for future Public Employee Retirement System rate increases related to safety disability retirements. The Information Systems fund provides for computer and information services to all departments.

Debt Administration. A summary of outstanding general long-term indebtedness is as follows:

the general purpose financial statements is included in the financial section of this report. The auditors' report related specifically to the single audit is included in a separate Single Audit Report.

Certificate of Achievement. 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 Pomona for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1998. The City of Pomona has received a Certificate of Achievement for the last six consecutive years (1993-1998). The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

The City also received a Certificate of Award for Outstanding Financial Reporting from the California Society of Municipal Finance Officers (CSMFO) for its Comprehensive Annual Financial Report for the year ended June 30, 1998. This was the first year the City of Pomona received the CSMFO award.

The Certificate of Achievement and the Certificate of Award are valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement and the Certificate of Award program requirements, and we are submitting it to GFOA and CSMFO for consideration.

Acknowledgments. The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire Finance Department staff. Special recognition is given to Karen Zane, Accounting Manager, all the Accounting division staff, and our City auditors for their services in the coordination and preparation of this year's report.

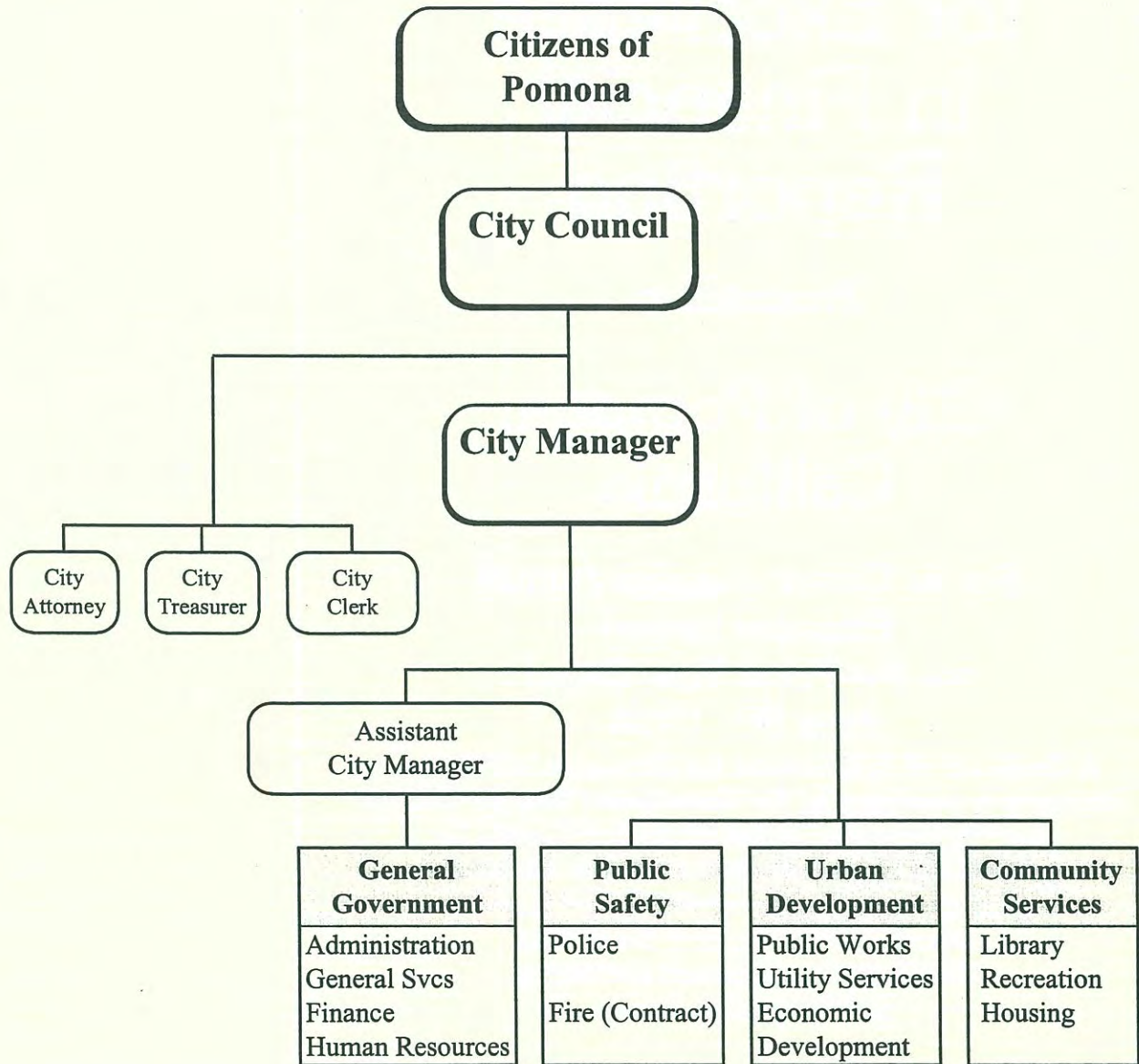
In closing, without the leadership and support of the City Council, preparation of this report would not have been possible.

Respectfully submitted,



Paula Chamberlain
Finance Director

Organizational Chart



*California Society of
Municipal Finance Officers*

Certificate of Award

Outstanding Financial Reporting 1997-98

Presented to the

City of Pomona

*This certificate is issued in recognition of meeting professional standards and criteria in reporting
which reflect a high level of quality in the annual financial statements
and in the underlying accounting system from which the reports were prepared.*

March 1, 1999



[Signature]
Chair, Professional & Technical Standards Committee

Dedicated to Excellence in Municipal Financial Management

November 4, 1999

The Honorable City Council of
the City of Pomona, California

Independent Auditors' Report

We have audited the accompanying general purpose financial statements of the City of Pomona, California as of and for the year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Pomona management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Pomona as of June 30, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 17 to the financial statements, the City has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the City of Pomona taken as a whole.

The year 2000 supplementary information on page 64 is not a required part of the general purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it. In addition, we do not provide assurance that the City is or will become year 2000 compliant, that the City's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City does business are or will become year 2000 compliant.

The accompanying combining, individual fund and account group financial statements and schedules listed as supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. The information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects, in relation to the general purpose financial statements taken as a whole. The statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

In accordance with Government Auditing Standards, we have also issued our report dated November 4, 1999 on our consideration of the City of Pomona's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

| Proprietary Fund Types | | Fiduciary Fund Types | Account Groups | | Totals (Memorandum Only) | |
|------------------------|-------------------|----------------------|----------------------|------------------------|-----------------------------|-----------------------|
| Enterprise | Internal Service | Agency | General Fixed Assets | General Long-Term Debt | 1999 | 1998 |
| \$ 8,881,009 | \$ 255,355 | \$ 8,404,007 | | | \$ 51,156,449 | \$ 62,077,347 |
| 31,806,401 | 33,816 | | | | 56,010,828 | 67,244,868 |
| 6,621,898 | | 4,732 | | | 7,851,476 | 6,916,709 |
| 96,365 | | 62,717 | | | 691,172 | 639,667 |
| 2,104,280 | | | | | 64,133,523 | 48,669,465 |
| 187,497 | 307,352 | | | | 680,334 | 657,891 |
| | | | | | 517,296 | 404,721 |
| | | | | | 785,700 | |
| 1,448,698 | | | | | 1,448,698 | 793,120 |
| 1,651,038 | | | | | 3,808,112 | 3,029,261 |
| | | 538,791 | | | 11,668,069 | 11,842,971 |
| | | | | | 10,570,047 | 10,863,680 |
| | | | | | 3,758,765 | 3,739,516 |
| 50,764,185 | 43,144 | | \$ 42,624,037 | | 93,431,366 | 91,406,917 |
| | | | | | 33,989,097 | 35,121,377 |
| | | 10,987 | | | 10,987 | |
| | | | | \$ 43,232,075 | 43,232,075 | 28,607,052 |
| | | | | 177,279,474 | 177,279,474 | 190,721,792 |
| <u>\$ 103,561,371</u> | <u>\$ 639,667</u> | <u>\$ 9,021,234</u> | <u>\$ 42,624,037</u> | <u>\$ 220,511,549</u> | <u>\$ 561,023,468</u> | <u>\$ 562,736,354</u> |

(Continued)

| Proprietary Fund Types | | Fiduciary Fund Types | Account Groups | | Totals (Memorandum Only) | |
|------------------------|--------------------|----------------------|----------------------|------------------------|-----------------------------|-----------------------|
| Enterprise | Internal Service | Trust and Agency | General Fixed Assets | General Long-Term Debt | 1999 | 1998 |
| \$ 2,164,263 | \$ 94,918 | \$ 1,229,458 | | | \$ 5,072,375 | \$ 3,712,422 |
| 682,378 | 91,266 | 2,008 | | | 2,686,596 | 2,822,493 |
| 1,658,235 | 857,916 | | | | 3,808,112 | 3,029,261 |
| 1,947 | | 4,490,534 | | | 5,749,686 | 4,644,697 |
| | | | | | 20,829,018 | 20,074,865 |
| 1,763,383 | | 1,990,088 | | | 3,756,671 | 3,346,291 |
| | | | | | | 20,822,619 |
| | | 1,309,146 | | | 1,309,146 | 617,118 |
| 117,917 | | | | | 1,263,315 | 868,112 |
| | | | | \$ 1,294,533 | 1,294,533 | 1,381,951 |
| 2,104,280 | | | | 58,158,616 | 63,006,971 | 50,099,675 |
| 152,917 | | | | | 3,758,765 | 3,739,516 |
| | | | | | | |
| 1,692,115 | | | | 4,341,428 | 6,033,543 | 3,561,140 |
| 862,609 | 167,513 | | | 6,689,101 | 7,719,223 | 7,915,759 |
| | 5,443,825 | | | 51,712 | 5,495,537 | 6,706,618 |
| | | | | 8,686,159 | 8,686,159 | 10,402,519 |
| 37,051,644 | | | | 104,210,000 | 141,261,644 | 146,255,000 |
| | | | | 24,850,000 | 24,850,000 | 11,385,000 |
| | | | | | | |
| | | | | 12,230,000 | 12,230,000 | 12,445,000 |
| | | | | | | 8,700,000 |
| <u>48,251,688</u> | <u>6,655,438</u> | <u>9,021,234</u> | | <u>220,511,549</u> | <u>318,811,294</u> | <u>322,530,056</u> |
| | | | | | | |
| 20,591,465 | | | | | 20,591,465 | 20,955,217 |
| | | | \$ 42,624,037 | | 42,624,037 | 40,578,781 |
| | | | | | | |
| 2,635,214 | | | | | 2,635,214 | 1,559,496 |
| 32,083,004 | (6,015,771) | | | | 26,067,233 | 26,547,668 |
| | | | | | | |
| | | | | | 115,188,760 | 115,022,879 |
| | | | | | 34,003,754 | 34,304,642 |
| | | | | | 1,101,711 | 1,237,615 |
| <u>55,309,683</u> | <u>(6,015,771)</u> | | <u>42,624,037</u> | | <u>242,212,174</u> | <u>240,206,298</u> |
| | | | | | | |
| <u>\$ 103,561,371</u> | <u>\$ 639,667</u> | <u>\$ 9,021,234</u> | <u>\$ 42,624,037</u> | <u>\$ 220,511,549</u> | <u>\$ 561,023,468</u> | <u>\$ 562,736,354</u> |

| Debt Service | Capital Projects | Totals (Memorandum Only) | |
|----------------------|----------------------|-----------------------------|-----------------------|
| | | 1999 | 1998 |
| | | | |
| \$ 12,788,349 | \$ 2,099,898 | \$ 50,940,632 | \$ 50,376,194 |
| 1,135,304 | | 2,360,530 | 1,814,070 |
| | 257,414 | 3,116,575 | 3,940,599 |
| 1,968,748 | 1,863,059 | 2,700,233 | 880,245 |
| | | 5,184,614 | 7,252,758 |
| 5,521,325 | 1,136,413 | 2,838,057 | 2,514,549 |
| | | 31,687,088 | 33,010,989 |
| 177,161 | 1,272,139 | 2,541,773 | 1,003,767 |
| | 401,351 | 327,882 | 1,139,776 |
| <u>21,590,887</u> | <u>7,030,274</u> | <u>101,697,384</u> | <u>104,363,854</u> |
| 1,157,489 | 3,050,796 | 7,843,758 | 9,265,507 |
| | | 42,220,062 | 41,164,031 |
| | 3,737,305 | 17,905,578 | 12,883,594 |
| | | 13,937,663 | 15,200,737 |
| | 3,786,005 | 4,141,047 | 9,184,079 |
| 32,137,418 | 20,439,184 | 52,753,779 | 29,842,915 |
| 9,693,116 | 1,471,161 | 11,379,478 | 15,539,912 |
| 507,108 | | 507,108 | |
| 208,100 | | 208,100 | |
| 5,510,325 | 517,745 | 6,028,070 | 6,481,013 |
| 1,116,199 | | 1,116,199 | 3,292,578 |
| <u>50,329,755</u> | <u>33,002,196</u> | <u>158,040,842</u> | <u>142,854,366</u> |
| <u>(28,738,868)</u> | <u>(25,971,922)</u> | <u>(56,343,458)</u> | <u>(38,490,512)</u> |
| 25,835,000 | 23,335,000 | 49,170,000 | 1,509,282 |
| | | | 10,203,490 |
| | 3,772,250 | 3,772,250 | |
| 14,750,746 | | 14,750,746 | 61,175,081 |
| (12,637,079) | | (12,637,079) | (30,166,248) |
| | 9,340 | 9,340 | 84,909 |
| 2,901,802 | 4,566,643 | 13,982,925 | 30,346,933 |
| (6,386,578) | (2,397,336) | (12,975,635) | (26,457,573) |
| <u>24,463,891</u> | <u>29,285,897</u> | <u>56,072,547</u> | <u>46,695,874</u> |
| (4,274,977) | 3,313,975 | (270,911) | 8,205,362 |
| <u>47,507,052</u> | <u>69,488,021</u> | <u>150,565,136</u> | <u>142,359,774</u> |
| <u>\$ 43,232,075</u> | <u>\$ 72,801,996</u> | <u>\$ 150,294,225</u> | <u>\$ 150,565,136</u> |

| Special Revenue Funds | | | Debt Service | | |
|-----------------------|----------------------|----------------------------------|----------------------|----------------------|----------------------------------|
| Budget | Actual | Variance Favorable (Unfavorable) | Budget | Actual | Variance Favorable (Unfavorable) |
| \$ 1,165,510 | \$ 1,225,226 | \$ 59,716 | \$ 13,477,587 | \$ 12,788,349 | \$ (689,238) |
| 266,000 | 2,066,299 | 1,800,299 | | 1,135,304 | 1,135,304 |
| 1,078,033 | 998,686 | (79,347) | 862,000 | 1,968,748 | 1,106,748 |
| 18,420,100 | 18,203,455 | (216,645) | 5,260,507 | 5,521,325 | 260,818 |
| 380,994 | 732,068 | 351,074 | | 177,161 | 177,161 |
| | (878,469) | (878,469) | | | |
| <u>21,310,637</u> | <u>22,347,265</u> | <u>1,036,628</u> | <u>19,600,094</u> | <u>21,590,887</u> | <u>1,990,793</u> |
| | | | 1,393,029 | 1,157,489 | 235,540 |
| 1,465,790 | 1,794,100 | (328,310) | | | |
| 9,040,049 | 8,378,288 | 661,761 | | | |
| 12,333,188 | 10,639,766 | 1,693,422 | | | |
| 662,623 | 355,042 | 307,581 | | | |
| 11,243 | 177,177 | (165,934) | 23,630,030 | 32,137,418 | (8,507,388) |
| 176,451 | 203,396 | (26,945) | 7,615,562 | 9,693,116 | (2,077,554) |
| | | | | 507,108 | (507,108) |
| | | | | 208,100 | (208,100) |
| | | | 5,908,682 | 5,510,325 | 398,357 |
| | | | | 1,116,199 | (1,116,199) |
| <u>23,689,344</u> | <u>21,547,769</u> | <u>2,141,575</u> | <u>38,547,303</u> | <u>50,329,755</u> | <u>(11,782,452)</u> |
| <u>(2,378,707)</u> | <u>799,496</u> | <u>3,178,203</u> | <u>(18,947,209)</u> | <u>(28,738,868)</u> | <u>(9,791,659)</u> |
| | | | 23,020,000 | 25,835,000 | 2,815,000 |
| | | | | 14,750,746 | 14,750,746 |
| | | | | (12,637,079) | (12,637,079) |
| 3,047,253 | 3,317,708 | 270,455 | 3,105,684 | 2,901,802 | (203,882) |
| (3,765,845) | (3,736,061) | 29,784 | (5,227,343) | (6,386,578) | (1,159,235) |
| <u>(718,592)</u> | <u>(418,353)</u> | <u>300,239</u> | <u>20,898,341</u> | <u>24,463,891</u> | <u>3,565,550</u> |
| (3,097,299) | 381,143 | 3,478,442 | 1,951,132 | (4,274,977) | (6,226,109) |
| 26,840,485 | 26,840,485 | | 47,507,052 | 47,507,052 | |
| <u>\$ 23,743,186</u> | <u>\$ 27,221,628</u> | <u>\$ 3,478,442</u> | <u>\$ 49,458,184</u> | <u>\$ 43,232,075</u> | <u>\$ (6,226,109)</u> |

(Continued)

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| Totals (Memorandum Only) | |
|-----------------------------|----------------------|
| 1999 | 1998 |
| \$ 31,863,308 | \$ 28,674,116 |
| <u>77,357</u> | <u>98,518</u> |
| <u>31,940,665</u> | <u>28,772,634</u> |
| 9,531,950 | 7,926,894 |
| 17,005,375 | 13,263,740 |
| 2,635,507 | 4,747,333 |
| 2,100,250 | 1,958,080 |
| 17,156 | 32,065 |
| <u>619,823</u> | <u>573,260</u> |
| <u>31,910,061</u> | <u>28,501,372</u> |
| <u>30,604</u> | <u>271,262</u> |
| 1,417,774 | 1,359,376 |
| (1,351,545) | (1,286,709) |
| 59,941 | (44,372) |
| <u>1,943,882</u> | <u>1,008,000</u> |
| <u>2,070,052</u> | <u>1,036,295</u> |
| 2,100,656 | 1,307,557 |
| 652,391 | 14,738 |
| <u>(1,659,681)</u> | <u>(3,904,098)</u> |
| 1,093,366 | (2,581,803) |
| 70,558 | 69,762 |
| (568,641) | |
| <u>28,107,164</u> | <u>30,619,205</u> |
| <u>\$ 28,702,447</u> | <u>\$ 28,107,164</u> |

Totals
(Memorandum Only)

| 1999 | 1998 |
|---------------|---------------|
| \$ 22,947,955 | \$ 21,088,701 |
| 8,464,389 | 7,819,696 |
| (19,909,409) | (18,829,685) |
| (9,393,573) | (7,892,155) |
| 678,733 | 767,725 |
| (69,587) | (790,175) |
| 2,718,508 | 2,164,107 |
| | 600,000 |
| | 3,086,542 |
| | 307,445 |
| (1,209,681) | (4,154,098) |
| (307,288) | (160,111) |
| (2,087,080) | (5,826,526) |
| 133,094 | |
| 17,480,551 | |
| 19,249 | |
| 69,309 | 82,665 |
| (942,405) | (950,256) |
| (380,000) | (360,000) |
| (1,351,545) | (1,298,302) |
| 12,941,173 | (8,352,419) |
| 624,209 | |
| 1,415,206 | 1,378,327 |
| 1,943,882 | |
| 3,983,297 | 1,378,327 |
| 19,335,690 | (4,970,096) |
| 10,821,791 | 15,791,887 |
| \$ 30,157,481 | \$ 10,821,791 |

(Continued)

Totals

(Memorandum Only)

| 1999 | 1998 |
|---------------|---------------|
| \$ 9,136,364 | 8,667,861 |
| 31,840,217 | 13,597,239 |
| (10,819,100) | (11,443,309) |
| \$ 30,157,481 | \$ 10,821,791 |
| | |
| \$ 30,604 | \$ 271,262 |
| | |
| 2,100,250 | 1,958,080 |
| 68,762 | 156,763 |
| (45,309) | - |
| 3,105 | 9,912 |
| (655,578) | - |
| 43,511 | (43,511) |
| 1,462,869 | (1,544,219) |
| 136,121 | 3,820 |
| 577,098 | 49,796 |
| 125,757 | 77,518 |
| (1,108,893) | 1,489,874 |
| (22,044) | (125,343) |
| 2,255 | 30,919 |
| 2,687,904 | 1,892,845 |
| \$ 2,718,508 | \$ 2,164,107 |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Agency. The Agency's financial data and transactions are blended with the special revenue fund type, the debt service fund type, the capital projects fund type, and the general long-term debt account group.

The Pomona Public Financing Authority is a joint powers authority organized under Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, as amended. The Authority exists pursuant to a Joint Exercise of Powers Agreement dated October 26, 1988, between the City of Pomona, the Redevelopment Agency of the City of West Covina, and the Redevelopment Agency of the City of Pomona. Its purpose is to borrow money for financing the acquisition of bonds, notes, and other obligations of, or for making loans to, any members of the Authority in order to provide financing for public capital improvements or for working capital requirements of such members. Currently, the Authority has no financing arrangements with the City of West Covina and intends to provide financing services solely to the City of Pomona. The Authority's financial data and transactions are blended with the debt service fund type and the general long-term debt account group.

The Housing Authority of the City of Pomona is an authority organized pursuant to the State of California Health and Safety Code, Section 34242. The Authority exists pursuant to adopted resolution No. 93-114 adopted June 7, 1993. Its purpose is to prepare and carry out plans for improvement to the unsanitary and unsafe inhabited dwelling accommodations that exist in the City of Pomona and the shortage of safe and sanitary dwelling accommodations in the City of Pomona available to persons of low income at rentals they can afford. The City provides management assistance to the Authority, and the members of the City Council also act as the governing body of the Authority. The Authority's financial data and transactions are blended with the special revenue fund type.

Complete financial statements are only prepared for the Redevelopment Agency of the City of Pomona and the Pomona Public Financing Authority. Copies of these component unit financial statements can be obtained from the Finance Department of the City of Pomona, 505 South Garey, Pomona, California 91769.

(b) Fund Accounting

The basic accounting and reporting entity is a "fund". A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording resources, related liabilities, obligations, reserves, and equities segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The accounting records of the City are recognized on the basis of funds and account groups classified for reporting purposes as follows:

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Internal Service Funds

The Internal Service Funds are used to account for the cost of providing insurance coverage, retirement benefits, vehicle maintenance and information system services to the various departments. The costs accumulated in these funds are allocated as interfund user charges to other City departments in proportion to the benefit received.

FIDUCIARY FUND

Agency Funds

The Agency Funds are used to account for assets held by the City in an agency capacity for individuals, private businesses, and other governmental agencies.

ACCOUNT GROUPS

General Fixed Assets Account Group

The General Fixed Assets Account Group is used to account for the cost of fixed assets acquired to perform general government functions.

Assets purchased are recorded as expenditures in the governmental funds and capitalized at cost in the general fixed assets account group. Fixed asset records include estimates of original historical cost as determined by knowledgeable individuals in the City. Contributed fixed assets are recorded in general fixed assets at fair market value at the time received. Fixed assets acquired under a capital lease are recorded at the net present value of future lease payments.

Fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, have not been capitalized. Such assets normally are immovable and of value only to the City. Therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

No depreciation has been provided on general fixed assets.

General Long-Term Debt Account Group

The General Long-Term Debt Account Group is used to account for all long-term debt of the City except that accounted for in the proprietary funds.

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

(d) Budgetary Data

The budget is prepared by the City Manager in accordance with Municipal Code Sections 1103 through 1107 and is adopted by the City Council. Public hearings are held prior to its adoption. All appropriations lapse at fiscal year end. The City Council has the legal authority to amend the budget at any time during the fiscal year. The City Manager is authorized to make budget transfers within departments. There were no significant budget amendments during the fiscal year.

Budgets are legally adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds. The budgets are adopted on a basis which does not differ materially from generally accepted accounting principles (GAAP).

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is the department level. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds are each considered to be a single department.

(e) Encumbrances

Encumbrance accounting, in which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the fund balance, is employed in the governmental funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities.

(f) Investments

Investments are reported in the accompanying balance sheet at fair value, except for certain certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, rentals, leases and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

(j) Advances to Other Funds

Long-term interfund advances are recorded as a receivable and as reserved fund balance by the advancing governmental fund.

(k) Property Held for Resale

Property held for resale represents land, structures, and their related improvements that were acquired for resale. These costs will be charged to current year project expenditures when the related land and structures are sold. Property held for resale is valued at cost. A portion of fund balance is reserved for property held for resale to indicate that a portion of fund balance is not available for future expenditures.

(l) Fixed Assets – Proprietary Funds

Fixed assets of proprietary funds are capitalized at historical cost. Depreciation is charged to operations using the straight-line method, based on the average useful life of the asset. No depreciation is recorded on assets acquired during the second half of the year. The estimated useful lives of the assets are as follows:

| | |
|--|------------|
| Structures and improvements | 50 years |
| Transmission and distribution mains and hydrants | 40 years |
| Meters | 20 years |
| Equipment | 5-14 years |
| Pools | 20 years |

Contributed fixed assets are recorded in the proprietary funds at fair market value at the time received. Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund fixed assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

(m) Employee Leave Benefits

Upon separation, employees are paid for all of their unused vacation leave subject to maximums ranging from 470 hours to the amount of a three year accrual.

Generally, employees are paid upon separation for up to 50% of their unpaid sick leave balance depending on date of hire, number of hours accumulated, number of years of service, which employee group they belong to, etc. The maximum number of hours that can be accumulated ranges from 1,000 hours to 2,000 hours depending on the employee's labor group.

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

(q) Property Taxes

The assessment, levy and collection of property taxes are the responsibility of the County of Los Angeles. The City records property taxes as revenue when received from the county, except at year end, when property taxes received within 60 days are accrued as revenue.

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

| | |
|------------|---|
| Lien | January 1 |
| Levy | July 1 to June 30 |
| Due | November 1 – 1 st installment |
| | February 1 – 2 nd installment |
| Collection | December 10 – 1 st installment |
| | April 10 – 2 nd installment |

(r) Comparative Data

Comparative total data from the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, a complete presentation of prior year data (i.e., presentation of prior year totals by fund type) has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

(s) Memorandum Only Totals

Columns in the accompanying financial statements captioned "Totals (Memorandum Only)" are not necessary for a fair presentation of the financial statements in accordance with generally accepted accounting principles, but are presented as additional analytical data. Interfund balances and transactions have not been eliminated and the columns do not present consolidated financial information.

2. CASH AND INVESTMENTS

Cash and investments at June 30, 1999 consisted of the following:

| | |
|---|----------------------|
| Pooled deposits | \$ (267,752) |
| Pooled investments | <u>51,424,201</u> |
| Subtotal | 51,156,449 |
| Cash and Investments with fiscal agents | <u>56,010,828</u> |
| Total Cash and Investments | <u>\$107,167,277</u> |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

As of June 30, 1999, the deposit balances were categorized as follows:

| <u>Deposits</u> | <u>Category</u> | | | <u>Carrying Amount</u> |
|-------------------------------------|-----------------|------------------|----------------|----------------------------|
| | <u>1</u> | <u>2</u> | <u>3</u> | |
| Pooled Demand Deposits | \$100,000 | \$1,548,501 | | \$1,648,501 |
| Deposits with Fiscal Agents | <u>435,995</u> | <u>1,130,161</u> | <u>\$2,017</u> | <u>1,568,173</u> |
| Subtotal Deposits – Bank Balance | | | | 3,216,674 |
| Add: Deposits in Transit | | | | 818,884 |
| Add: Petty Cash | | | | 9,251 |
| Less: Outstanding Warrants | | | | <u>(2,744,388)</u> |
| Total Deposits | | | | <u>\$1,300,421</u> |

Investments of cities and other state or local governments are classified in three categories to give an indication of the level of custodial risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or the City's custodial agent (which must be a different institution other than the party through which the City purchased the securities) in the City's name. Investments held "in the City's name" include securities held in a separate custodial or fiduciary account and identified as owned by the City in the custodian's internal accounting records. Category 2 includes uninsured and unregistered investments for which the securities are held by the dealer's agent (or by the trust department of the dealer if the dealer was a financial institution and another department of the institution purchased the securities for the City). Category 3 includes uninsured and unregistered investments for which the securities are held by the dealer's agent, but not in the City's name. Category 3 also includes all securities held by the broker-dealer agent of the City (the party that purchased the securities for the City) regardless of whether or not the securities are being held in the City's name.

At June 30, 1999 the City's investments were categorized as follows:

| <u>Investments:</u> | <u>Category</u> | | | <u>Fair Value</u> |
|----------------------------|-----------------|----------|----------|-------------------|
| | <u>1</u> | <u>2</u> | <u>3</u> | |
| Pooled Investments | | | | |
| U.S. Government Securities | | | | |
| FHL Bank Notes | \$11,000,000 | | | \$11,000,000 |
| FHL Mortgage Corp | 8,985,625 | | | 8,985,625 |
| FNMA's | 7,490,128 | | | 7,490,128 |
| Medium-term Corporate Note | 5,000,000 | | | 5,000,000 |
| Municipal Government Bond | 585,000 | | | 585,000 |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Outstanding at
June 30, 1999

Rental Rehabilitation Loans

The City uses Rental Rehabilitation grant funds to provide below market interest rate loans to eligible owners of rental units to rehabilitate the units and have them remain available to low/moderate income tenants. The outstanding loans have been offset by deferred revenue.

1,548,903

Low Moderate/HOPE III/HOME Loans

Down payments for homes were financed by low interest loans made by the Low and Moderate Income Housing fund (\$2,145,353), HOPE III funds (\$940,745) and HOME funds (\$1,020,223). The outstanding loans have been offset by deferred revenue.

4,106,321

HOME Loans

The City uses HOME grant funds to loan monies to developers to provide for the construction of affordable housing to low/moderate income tenants. Deferred loans are payable upon sale or transfer of the property. The outstanding loans have been offset by deferred revenue.

253,046

Other Loans

The City has entered into two other loan agreements with local businesses and developers for rehabilitation and expansion of a local business and low/moderate income housing.

672,000

Debt Service Pomona Public Financing Authority Fund

Redevelopment Agency Loan

The Pomona Public Financing Authority loaned monies to certain project areas of the Redevelopment Agency of the City of Pomona (see Note 7).

23,335,000

In April 1999, the Pomona Public Financing Authority loaned \$2,500,000 to the South Garey/Freeway Corridor Redevelopment Project area; bearing interest at 4% per annum. The loan was paid upon issuance of Certificates of Participation in July 1999 (see Note 28).

2,500,000

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

4. DUE FROM AND TO OTHER FUNDS

Current interfund receivable and payable balances at June 30, 1999 are as follows:

| | <u>Current Interfund Receivables</u> | <u>Current Interfund Payables</u> |
|-----------------------------------|--|---|
| General Fund | \$1,744,586 | \$ 192,347 |
| Special Revenue Funds: | | |
| Community Development Block Grant | | 490,502 |
| Miscellaneous Grants | | 12,527 |
| Traffic Safety | | 184,098 |
| Low and Moderate Income Housing | 412,485 | |
| Debt Service Fund: | | |
| Redevelopment Agency | 3 | 241,887 |
| Capital Projects Fund: | | |
| Redevelopment Agency | | 170,600 |
| Enterprise Funds: | | |
| Water Utility | 211,823 | 1,638,759 |
| Sanitation | 1,439,215 | 19,476 |
| Internal Service Fund: | | |
| Self Insurance | _____ | <u>857,916</u> |
| Totals | <u>\$3,808,112</u> | <u>\$3,808,112</u> |

5. ADVANCES TO AND FROM OTHER FUNDS

Long-term interfund receivable and payable balances at June 30, 1999 are as follows:

| | <u>Long-Term Interfund Receivables</u> | <u>Long-Term Interfund Payables</u> |
|---------------------------------|--|---|
| General Fund | \$2,645,765 | |
| Special Revenue Fund: | | |
| Low and Moderate Income Housing | 1,113,000 | |
| Capital Projects Fund: | | |
| Redevelopment Agency | | \$3,605,848 |
| Enterprise Fund: | | |
| Ganesha Pool | _____ | <u>152,917</u> |
| Totals | <u>\$3,758,765</u> | <u>\$3,758,765</u> |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

A summary of proprietary fund type property, plant and equipment at June 30, 1999 is as follows:

| | <u>Enterprise</u> | | | <u>Totals</u> |
|--------------------------------------|----------------------------------|----------------------------|--------------------------------|----------------------------|
| | <u>Water Utility</u> | <u>Sanitation</u> | <u>Ganesha Pool</u> | |
| Land and water rights | \$ 3,743,158 | \$ 8,800 | | \$ 3,751,958 |
| Transmission and distributions | 36,713,240 | | | 36,713,240 |
| Source of supply | 4,824,794 | 2,964,808 | | 7,789,602 |
| Pumping and treatment | 16,548,585 | | | 16,548,585 |
| General plant | 249,070 | | | 249,070 |
| Equipment | 2,654,167 | 339,978 | | 2,994,145 |
| Equipment under capitalized lease | 383,551 | 3,129,701 | | 3,513,252 |
| Other improvements | 1,367,435 | | | 1,367,435 |
| Work in progress | 4,997,979 | | | 4,997,979 |
| Autos and trucks | 1,171,917 | 2,336,603 | | 3,508,520 |
| Site improvements | | | <u>\$1,395,247</u> | <u>1,395,247</u> |
| Total | 72,653,896 | 8,779,890 | 1,395,247 | 82,829,033 |
| Less accumulated depreciation | <u>(24,344,317)</u> | <u>(7,022,908)</u> | <u>(697,623)</u> | <u>(32,064,848)</u> |
| Net fixed assets | <u>\$48,309,579</u> | <u>\$1,756,982</u> | <u>\$ 697,624</u> | <u>\$50,764,185</u> |
| | <u>Internal Service</u> | | | |
| | <u>Equipment Maintenance</u> | <u>Self- Insurance</u> | <u>Information Systems</u> | <u>Totals</u> |
| General plant | \$ 22,106 | | | \$ 22,106 |
| Equipment | 74,138 | \$3,316 | | 77,454 |
| Equipment under capitalized lease | 4,006 | | | 4,006 |
| Autos and trucks | <u>30,550</u> | | | <u>30,550</u> |
| Total | 130,800 | 3,316 | | 134,116 |
| Less accumulated depreciation | <u>(90,146)</u> | <u>(826)</u> | | <u>(90,972)</u> |
| Net fixed assets | <u>\$ 40,654</u> | <u>\$2,490</u> | <u>\$ -</u> | <u>\$ 43,144</u> |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

| | <u>Balance</u> <u>July 1, 1998</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 1999</u> |
|---|---------------------------------------|----------------------------|------------------------------|--|
| 1998 Refunding Downtown No. 2 RDA, Series U | 3,535,000 | | (85,000) | 3,450,000 |
| 1998 Refunding Downtown No. 2 RDA, Subordinate Series V | 620,000 | | (35,000) | 585,000 |
| 1998 Refunding Mountain Meadows, Series X | | 5,055,000 | (95,000) | 4,960,000 |
| 1998 Refunding West Holt, Series Y | | 8,980,000 | (125,000) | 8,855,000 |
| 1998 Refunding Downtown No. 1, Series Z | | 790,000 | (15,000) | 775,000 |
| Special assessment debt with government commitment | <u>12,445,000</u> | | <u>(215,000)</u> | <u>12,230,000</u> |
| Total General Long-Term Debt | <u>\$219,328,844</u> | <u>\$66,904,955</u> | <u>\$(65,722,250)</u> | <u>\$220,511,549</u> |

Outstanding at
June 30, 1999

Participation Agreement

The Redevelopment Agency of the City of Pomona has entered into a participation agreement dated April 1, 1989 with the Los Angeles County Fair Association whereby the Agency has agreed to provide financial assistance to the Association. The participation agreement was amended on April 15, 1994 which resulted in the Redevelopment Agency of the City of Pomona assuming an obligation of \$1,600,000 plus interest of approximately 10% per annum. The Redevelopment Agency of the City of Pomona has pledged tax increment of the Mountain Meadows Project Area as the source of repayment. Payment to the Association is required under the terms of the agreement when tax increment is received by the Redevelopment Agency of the City of Pomona for the Mountain Meadows Project Area.

\$1,294,533

Loans Payable:

County Deferred Loan

The Redevelopment Agency of the City of Pomona entered into an agreement with the County of Los Angeles whereby a portion of the County's share of tax increment revenues from the Southwest Pomona Project Area is loaned annually to the Agency. Interest on the Southwest Pomona Project Area loan will accrue at 7% per year,

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

| <u>Year Ending</u> <u>June 30,</u> | <u>Amount</u> |
|--|--------------------|
| 2000 | \$1,150,947 |
| 2001 | 1,055,053 |
| 2002 | 938,512 |
| 2003 | 867,403 |
| 2004 | <u>849,851</u> |
| Total minimum lease payments | 4,861,766 |
| Less: amount representing interest | <u>(520,338)</u> |
| Present value of future minimum lease payments | <u>\$4,341,428</u> |

Outstanding at
June 30, 1999

Compensated Absences:

The City's policies relating to compensated absences are described in note 1(m) of the Notes to General Purpose Financial Statements. This liability will be paid in future years from future resources.

\$6,689,101

Aerospace Sales Tax Rebate Claims Payable:

The City has been notified of its liability as a result of the decision in the *Aerospace Corporation vs. State Board of Equalization* case. The State Board of Equalization has provided an estimate of the City's liability. The liability is recorded as claims payable and is payable as a reduction in the City's quarterly sales tax remittance through the fourth quarter 1999.

\$51,712

Notes Payable:

The Erskine note was entered into by the Redevelopment Agency of the City of Pomona on August 9, 1976 for \$425,000 with an 8% interest rate. The note is being repaid in monthly payments of \$3,000, including interest, over 36 years.

\$ 291,853

The Redevelopment Agency of the City of Pomona entered into a note with the State of California Land's Commission on November 12, 1997. The terms of the note are interest only at a rate of 6.5% annually with the outstanding balance due in seven years. During the year, a payment was made in the amount of \$1,539,184 as a result of the sale of a parcel within the West Holt Redevelopment Project Area.

5,719,306

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Outstanding at
June 30, 1999

of interest range from 3.80% to 5.00% per annum. Principal is payable in annual installments ranging from \$100,000 to \$515,000. Term bonds of \$3,005,000, \$16,690,000 and \$29,285,000 mature on February 1, 2018, February 1, 2024 and February 1, 2030, respectively, and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$545,000 to \$5,495,000, as outlined in the bond's official statement. MBIA has issued a municipal bond insurance policy that insures the payment of the principal and interest on the bonds when due. The legal reserve requirement in conjunction with the remaining 1993 Local Agency Revenue Bonds, Series L, is \$5,771,500. The balance held in the reserve account for Series L and Series W at June 30, 1999 was \$5,937,896.

52,030,000

Total Revenue Bonds

\$104,210,000

Tax Allocation Bonds:

Holt Avenue-Indian Hill Redevelopment Project 1997 (Refunding) Tax Allocation Bonds, Series S, original amount of \$3,150,000, bearing interest at rates varying from 4.20% to 5.75% per annum, interest payable semiannually on June 1 and December 1, commencing June 1, 1998, principal maturing from 1998 to 2007 in annual installments of \$50,000 to \$160,000 with term bonds of \$1,875,000 maturing June 1, 2016. The term bonds are subject to mandatory redemption from a sinking fund account in amounts ranging from \$170,000 to \$250,000, as outlined in the bond's official statement. The proceeds of these bonds were issued to retire the 1986 Holt Avenue-Indian Hill Redevelopment Project Tax Allocation Bonds. The legal reserve requirement is \$288,373. The balance held in the reserve account as of June 30, 1999 was \$288,814.

\$ 2,985,000

Reservoir Street Industrial Redevelopment Project 1997 (Refunding) Tax Allocation Bonds, Series T, original amount of \$3,485,000, bearing interest at rates varying from 4.20% to 5.75% per annum, interest payable semiannually on June 1 and December 1, commencing June 1, 1998, principal maturing from 1998 to 2007 in annual installments of \$85,000 to \$230,000 with term bonds of \$1,675,000 maturing June 1, 2013. The term bonds are subject to mandatory redemption from a sinking fund account in amounts ranging from \$240,000 to \$320,000, as outlined in the bond's official statement. The proceeds of these bonds were issued to retire the 1986 Reservoir Street Industrial Redevelopment Project Tax Allocation Bonds. The legal reserve requirement is \$340,938. The balance held in the reserve account as of June 30, 1999 was \$340,970.

3,240,000

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Outstanding at
June 30, 1999

The net proceeds of \$4,483,731 (after payment of \$189,251 in underwriting fees, insurance and other issuance costs and funding of an initial reserve fund of \$382,018) plus an additional \$415,229 of 1994 Series N reserve fund monies were used to purchase U.S. Government securities and were deposited in an irrevocable trust with an escrow agent to provide for all future payments when the 1994 Series N bonds are called for redemption. As a result the 1994 Series N bonds have been removed from the General Long-Term Debt Account Group. As of June 30, 1999, the 1994 Series N bonds attributable to the Mountain Meadows Redevelopment Project have an outstanding balance of \$4,220,000.

The refunding resulted in an increase of total debt service payments over the next 26 years of \$161,659 and an economic gain (difference between the present values of debt service payments on the old and new debt) of \$27,458.

4,960,000

On November 12, 1998, the Agency issued \$8,980,000 1998 Tax Allocation Refunding Bonds, Series Y, for the West Holt Avenue Redevelopment Project to refund \$7,130,000 of the Authority's 1994 Refunding Revenue Bonds, Series N, and to finance certain redevelopment activities within the West Holt Avenue Project Area. Interest on the bonds is payable semiannually on November 1, and May 1, commencing May 1, 1999. The rate of interest varies from 4.4% to 5.0% per annum. Principal is payable in annual installments commencing May 1, 1999 and ending May 1, 2011. Term bonds of \$390,000, \$2,360,000, and \$4,380,000 mature on May 1, 2013, May 1, 2022, and May 1, 2032, respectively, and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$190,000 to \$550,000, as outlined in the bond's official statement. Bonds maturing on May 1, 2009 through and including May 1, 2011 are subject to redemption prior to maturity as a whole or in part, at the option of the Agency, on any date on or after May 1, 2008 at redemption prices ranging from 100% to 101% of principal. MBIA has issued a municipal bond insurance policy that insures the payment of the principal and interest on the bonds when due. The legal reserve requirement is \$583,088. The balance held in the reserve account as of June 30, 1999 was \$583,923.

The net proceeds of \$7,498,860 (after payment of \$243,769 in underwriting fees, insurance and other issuance costs and funding of an initial reserve fund of \$583,213 and a redevelopment account of \$654,158) plus an additional \$615,030 of 1994 Series N reserve fund

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Outstanding at
June 30, 1999

The refunding resulted in a reduction of total debt service payments over the next 21 years of \$34,405 and an economic gain (difference between the present values of debt service payments on the old and new debt) of \$85,665.

775,000

Total Tax Allocation Bonds

\$24,850,000

Special Assessment Debt with Government Commitment:

In July 1996, the City of Pomona issued \$12,453,214 of Refunding Improvement Bonds on behalf of Assessment District No. 294. The proceeds of the refunding bonds were used to refund two of the Assessment District's outstanding bonds that were originally issued to finance public infrastructure improvements within the District. The old refunded debt was without government commitment and was recorded in the Assessment District fund Agency fund type. The new refunding debt is with government commitment and the debt service activity is recorded in the General Debt Service Fund.

The bonds bear interest at 7.39% per annum, payable semiannually on March 2 and September 2, commencing March 2, 1997 and the principal matures from 1997 to 2021 in annual installments of \$250,000 to \$1,045,000. The legal reserve requirement is \$622,661. The balance held in the reserve account as of June 30, 1999 was \$736,629.

\$12,230,000

8. DEBT SERVICE REQUIREMENTS TO MATURITY

The annual requirements to amortize certain outstanding general long-term debt of the City as of June 30, 1999, are as follows:

| Year Ending June 30, | Certain Loans Payable | Notes Payable | Revenue Bonds | Tax Allocation Bonds | Assessment District No. 294 | Totals |
|----------------------------|-----------------------------|------------------|------------------|----------------------------|-----------------------------------|---------------|
| 2000 | \$48,536,800 | \$ 847,413 | \$ 7,302,221 | \$ 2,047,305 | \$ 1,123,140 | \$ 59,856,879 |
| 2001 | | 837,102 | 7,294,764 | 2,037,283 | 1,124,640 | 11,293,789 |
| 2002 | | 826,630 | 7,296,038 | 2,044,435 | 1,120,240 | 11,287,343 |
| 2003 | | 820,900 | 7,294,733 | 2,474,172 | 1,127,240 | 11,717,045 |
| 2004 | | 814,770 | 7,286,514 | 1,965,670 | 1,122,440 | 11,189,394 |
| 2005 | | 7,825,970 | 7,292,001 | 1,961,833 | 1,121,560 | 18,201,364 |
| 2006 | | 324,914 | 7,289,895 | 1,960,342 | 1,129,240 | 10,704,391 |
| 2007 | | 322,685 | 7,289,580 | 1,956,133 | 1,124,760 | 10,693,158 |
| 2008 | | 242,331 | 7,284,530 | 1,944,170 | 1,123,840 | 10,594,871 |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

9. PROPRIETARY FUNDS LONG-TERM DEBT

Enterprise Funds Long-Term Debt

Changes in Enterprise Funds long-term debt for the year ended June 30, 1999, were as follows:

| | <u>Balance</u> <u>July 1, 1998</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 1999</u> |
|-------------------------------------|---------------------------------------|---------------------|----------------------|--|
| Loans payable | \$ 2,354,280 | | \$ (250,000) | \$ 2,104,280 |
| Obligation under capital leases | 2,630,559 | | (938,444) | 1,692,115 |
| Compensated absences | 854,362 | \$ 8,247 | | 862,609 |
| Revenue bonds payable | 18,250,000 | 26,555,000 | (7,295,000) | 37,510,000 |
| Deferral on refunding revenue bonds | | <u>(458,356)</u> | | <u>(458,356)</u> |
| Total | <u>\$24,089,201</u> | <u>\$26,104,891</u> | <u>\$(8,483,444)</u> | <u>\$41,710,648</u> |

Outstanding at
June 30, 1999

Loans Payable:

Ganesha Pool

The Water Utility Enterprise Fund has loaned monies to the Ganesha Pool Enterprise fund for the cost of improvements to the City pool facilities. No repayment schedule has been developed.

\$ 104,280

Water Utility Fund

On April 7, 1997, the City approved a \$2,500,000 loan from the Sanitation Enterprise Fund to the Water Utility Enterprise Fund to finance the construction of Reservoir 3A. Loan repayment is scheduled over ten years with equal annual principal payments of \$250,000. Semi-annual interest payments will vary monthly throughout the life of the loan based on the California Local Agency Investment Fund interest rate.

2,000,000

\$2,104,280

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Outstanding at
June 30, 1999

Revenue Bonds:

On May 12, 1999, the Authority issued \$26,555,000 1999 Refunding Revenue Bonds, Series AA, for the purpose of refunding the 1992 Revenue Bonds, Series A in aggregate principal amount of \$6,915,000, as well as to provide financing for construction of certain water system improvements and related facilities located within the City of Pomona. Interest on the bonds is payable semiannually on each May 1 and November 1, commencing November 1, 1999. The rates of interest range from 3.30% to 5.00% per annum. Principal is payable in annual installments ranging from \$455,000 to \$780,000 beginning May 1, 2000. Term bonds of \$4,515,000 and \$13,100,000 mature on May 1, 2019 and May 1, 2029, respectively, and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$815,000 to \$1,615,000, as outlined in the bond's official statement. Bonds maturing after May 1, 2009 are subject to redemption prior to maturity as a whole or in part, at the option of the Agency, on any date on or after May 1, 2009 at redemption prices ranging from 100% to 101% of principal. Financial Security Assurance, Inc. has issued a municipal bond insurance policy that insures the payment of the principal and interest on the bonds when due. As of June 30, 1999, the legal reserve requirement of Series AA was \$1,700,000. The balance held in the reserve account as of June 30, 1999 was \$1,700,000.

The net proceeds of \$6,697,002 (after payment of \$573,702 in underwriting fees, insurance, and other issuance costs, on the funding of an initial reserve fund of \$1,700,000 and funding of a project funds of \$17,584,296) plus an additional \$658,163 of 1990 Series A reserve funds were used to purchase U.S. government securities that were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the \$6,915,000 outstanding 1992 Revenue Bonds, Series A. As a result, the Series A bonds are considered defeased and the liability has been removed from the Water Enterprise Fund. As of June 30, 1999, the Series A bonds have an outstanding balance of \$6,915,000. Series AA has been recorded in the Water Enterprise Fund net of deferral on refunding (the difference between the reacquisition price and the net carrying amount of the old debt) of \$458,356 which is being amortized over 19 years, the remaining life of Series A. This advance refunding resulted in an increase of total debt payments over the next 32 years by approximately \$35,000,000 and an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$289,606.

26,555,000

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

| <u>Year Ending June 30,</u> | <u>Series Q</u> | <u>Series AA</u> | <u>Totals</u> |
|--|---------------------|---------------------|---------------------|
| 2023 | 804,713 | 1,695,750 | 2,500,463 |
| 2024 | 804,888 | 1,695,500 | 2,500,388 |
| 2025 | 802,703 | 1,697,250 | 2,499,953 |
| 2026 | 803,010 | 1,695,750 | 2,498,760 |
| 2027 | | 1,696,000 | 1,696,000 |
| 2028 | | 1,697,750 | 1,697,750 |
| 2029 | | 1,695,750 | 1,695,750 |
| | 21,679,312 | 50,918,885 | 72,598,197 |
| Less amount Representing interest Outstanding principal balance | <u>(10,724,312)</u> | <u>(24,363,885)</u> | <u>(35,088,197)</u> |
| | <u>\$10,955,000</u> | <u>\$26,555,000</u> | <u>\$37,510,000</u> |

Internal Service Funds Long-Term Debt

Changes in Internal Service Funds long-term debt for the year ended June 30, 1999 were as follows:

| | <u>Balance July 1, 1998</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 1999</u> |
|---------------------------------|---------------------------------|------------------|-------------------|----------------------------------|
| Obligation under capital leases | \$ 8,395 | | \$ (8,395) | |
| Compensated absences | <u>173,504</u> | | <u>(5,991)</u> | <u>\$167,513</u> |
| Total | <u>\$181,899</u> | <u>\$ -</u> | <u>\$(14,386)</u> | <u>\$167,513</u> |

Outstanding at
June 30, 1999

Compensated Absences:

The City's policies relating to compensated absences are described in note 1(m) of the Notes to General Purpose Financial Statements. This liability will be paid in future years from future resources.

\$167,513

10. FUND BALANCES

Fund balances at June 30, 1999 consisted of the following reserves and designations:

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

12. ACCUMULATED FUND DEFICIT

The following funds reported a deficit in retained earnings at June 30, 1999.

| | <u>Accumulated Deficit</u> |
|------------------------|----------------------------|
| Enterprise Fund: | |
| Ganesha Pool | \$ (107,443) |
| Internal Service Fund: | |
| Self-Insurance | (6,331,445) |

Management's explanations for the resolution of accumulated fund deficits are summarized as follows:

The Ganesha Pool fund deficit of \$107,443 will eventually be covered by a more aggressive marketing program to increase fee revenue.

The Self Insurance fund deficit of \$6,331,445 is a result of an accumulation of large workers' compensation and general liability settlements and judgements as well as high reserves for existing claims and incurred but not yet reported claims which will be relieved in the future from charges for services.

13. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following funds reported excesses of expenditures over appropriations in individual funds at June 30, 1999:

| | <u>Budget</u> | <u>Actual</u> | <u>Variance- Favorable (Unfavorable)</u> |
|---|---------------|---------------|--|
| General Fund: | | | |
| General government: | | | |
| City attorney | \$ 416,760 | \$ 495,968 | \$ (79,208) |
| Human resources | 525,249 | 567,070 | (41,821) |
| Public safety: | | | |
| Police | 27,073,844 | 27,253,341 | (179,497) |
| Urban development: | | | |
| Public works | 5,538,695 | 5,550,215 | (11,520) |
| Economic development | 235,004 | 239,770 | (4,766) |
| Special Revenue Funds: | | | |
| Community Development | | | |
| Block Grant | 3,383,384 | 3,581,204 | (197,820) |
| State Gas Tax | 2,592,610 | 3,097,048 | (504,438) |
| Proposition C | 388,322 | 1,077,809 | (689,487) |
| Mall Maintenance, Repair And Improvement | | 2,000 | (2,000) |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

member of the BICEP, a risk-management pool for property coverage, workers compensation excess coverage and general liability claims. Under this program, BICEP's general liability pool provides coverage up to \$25,000,000 per claim. Settled claims have not exceeded these coverages in any of the past three fiscal years.

The BICEP was formed under a joint exercise of powers agreement between local governments for the purpose of jointly funding an insurance program. The BICEP is composed of five cities with equal governing powers and no management authority. In December, 1988, the City of Pomona initiated BICEP, with the other four member cities in order to achieve long-term premium stability for general liability insurance.

The claims liability reported in the Self Insurance Internal Service Fund is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated, including incurred but not yet reported claims. As of June 30, 1999, claims payable amounted to \$5,443,825.

Changes in the claims payable amounts in the past two fiscal years for the Self Insurance Internal Service Fund are as follows:

| | Beginning of Fiscal Year Liability | Current Year Claims and Prior Year Changes In Estimates | Claim Payments | Balance at Fiscal Year End |
|---------|--|---|-------------------|-------------------------------|
| 1997-98 | \$5,062,844 | \$4,747,333 | \$3,257,459 | \$6,552,718 |
| 1998-99 | 6,552,718 | 1,543,770 | 2,652,663 | 5,443,825 |

Summarized financial information of BICEP at June 30, 1999 is as follows:

| | |
|------------------------------------|---------------------|
| Total Assets | <u>\$24,919,063</u> |
| Revenue bonds payable, net | \$ 9,881,793 |
| Other liabilities | <u>234,545</u> |
| Total Liabilities | 10,116,338 |
| Fund Balance | <u>14,802,725</u> |
| Total Liabilities and Fund Balance | <u>\$24,919,063</u> |
| Total revenues | \$4,247,099 |
| Total expenses | <u>(3,506,047)</u> |
| Excess of Revenues Over Expense | <u>\$ 741,052</u> |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

17. DEFERRED COMPENSATION PLANS

The City offers its employees various deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all full-time City employees, permit them to defer up to \$8,000 in 1999 annually of their salary until future years. In addition, on July 1, 1991, the City began offering a similar plan to non-regular part-time employees in lieu of providing social security benefits. Non-regular employees participate in the City's part time employee retirement plan (see note 18). The funds in deferred compensation are not available to employees until termination, retirement, death or unforeseeable emergency.

During the year ended June 30, 1999, the plans were amended so that the assets of the plans are now held in trust for the exclusive benefit of the participants and their beneficiaries. Since the plans assets are administered by outside parties and are no longer subject to the claims of the City's general creditors, in accordance with GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code, Section 457 Deferred Compensation Plans, these assets have been removed from the financial statements of the City by deleting the assets and related liabilities of the Deferred Compensation Agency Fund totaling \$20,822,619 at July 1, 1998.

18. CITY EMPLOYEES RETIREMENT PLAN (DEFINED PENSION BENEFIT PLAN)

Plan Description

The City of Pomona contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined pension benefit plan. PERS provides retirement, disability benefits, 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. Copies of PERS' annual financial report may be obtained from its executive office at 400 "P" Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. For the year ended June 30, 1999, the amount contributed by the City on behalf of the employees was \$2,305,469. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The employer contribution rate for the year ended June 30, 1999 was 4.480% for nonsafety employees and 25.657% for safety employees. Separately funded plans have been established for each employee group. Benefit provisions and all other requirements are established by state statute and City contract with employee bargaining groups.

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

Miscellaneous Employees

Three-Year Trend Information

| <u>Fiscal Year</u> | <u>Annual Pension Cost (Employer Contribution)</u> | <u>Percentage of APC Contributed</u> | <u>Net Pension Obligation</u> |
|--------------------|--|--|-----------------------------------|
| 6/30/97 | \$1,275,526 | 100% | \$0 |
| 6/30/98 | 1,179,574 | 100% | 0 |
| 6/30/99 | 867,231 | 100% | 0 |

| <u>Valuation Date</u> | <u>Entry Age Normal Accrued Liability</u> | <u>Actuarial Value of Assets</u> | <u>Unfunded Liability/ (Excess) Assets</u> | <u>Funded Status</u> | <u>Annual Covered Payroll</u> | <u>UAAL As % of Payroll</u> |
|-----------------------|---|--|--|--------------------------|---------------------------------------|-------------------------------------|
| 6/30/95 | \$76,293,390 | \$ 78,531,623 | \$ (2,238,233) | 102.9% | \$18,543,498 | (12.070%) |
| 6/30/96 | 83,266,701 | 88,049,715 | (4,783,014) | 105.7% | 18,574,944 | (25.750%) |
| 6/30/97 | 82,813,311 | 100,930,388 | (18,117,077) | 121.9% | 18,718,513 | (96.787%) |

Part-Time Employee Retirement Plans

The City provides pension benefits for all of its non-regular employees either through an arrangement with PERS described above or through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan is administered as part of the City's Section 457 plan. All non-regular employees are eligible to participate from the date of employment. Federal legislation requires contributions of at least 7.5 percent to a retirement plan. Employees contribute 100 percent of this requirement. All contributions vest immediately.

For the year ended June 30, 1999, the City's covered payroll was \$1,142,599. The employees contributed \$85,695 (7.5 percent of current covered payroll). These amounts are now held in trust for the exclusive benefit of the participants and their beneficiaries.

19. POST EMPLOYMENT BENEFITS

Approximately 313 employees are eligible to receive postemployment benefits at June 30, 1999. Retirees are eligible for one type of benefit if they retire after July 1, 1987 with at least 20 years of service with the City of Pomona. This benefit terminates when the affected retiree becomes eligible for Medicare insurance at age 65. An additional benefit provides funding for a portion of health insurance premiums. These premiums are paid directly to the health insurance provider and do not terminate until the retiree is deceased.

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

22. SPECIAL ASSESSMENT DEBT WITHOUT GOVERNMENT COMMITMENT

Bonds issued for improvements in certain special assessment districts in accordance with the provisions of the Municipal Improvement Acts of 1911, 1913 and 1915 are liabilities of the property owners and are secured by liens against the assessed property. The City is in no way liable for repayment of the debt but the City Treasurer, acts as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings, if applicable. Since these debts do not constitute an obligation of the City, they are not reflected in the General Long-Term Debt Account Group in the accompanying financial statements.

| <u>AD No.</u> | <u>Special Assessment Bonds</u> | <u>Amount of Issue</u> | <u>Outstanding June 30, 1999</u> |
|---------------|---------------------------------|----------------------------|--------------------------------------|
| 285 | Parking Lot Assessment | \$ 74,380 | \$ 17,000 |
| 297 | University Corporation Center | 4,756,621 | <u>2,940,000</u> |
| | Total Outstanding | | <u>\$2,957,000</u> |

23. MORTGAGE REVENUE BONDS

The City has issued mortgage revenue bonds for low income single and multi-family dwellings. These bonds are secured by first trust deeds and private mortgage insurance. Although the City has arranged this financing program, this debt is not payable from any revenues or assets of the City. Generally, the bond or loan holders may look only to assets held by trustees for security on the indebtedness. Accordingly, since this debt does not constitute an obligation of the City, it is not reflected in the General Long-Term Debt Account Group. They are as follows:

| | <u>Original Issue Amount</u> | <u>Outstanding Balance at June 30, 1999</u> |
|---|----------------------------------|---|
| City of Pomona Single Family Refunding Bonds, Series 1990 B | \$ 24,505,000 | \$22,940,000 |
| City of Pomona Single Family Refunding Bonds, Series 1990 A | 58,395,000 | 54,360,000 |
| City of Pomona RDA Variable/Fixed Rate Demand Multi-Family Housing Bonds 1985, Series A | 17,850,000 | 4,200,000 |
| City of Pomona RDA Southwest Project Bonds, Single Family, Series 1983A | 62,750,000 | 3,408,986 |
| City of Pomona RDA Multi-Family Housing Bonds 1998 Series A | <u>11,500,000</u> | <u>11,500,000</u> |
| Total Mortgage Revenue Bonds | <u>\$175,000,000</u> | <u>\$96,408,986</u> |

CITY OF POMONA
Notes to General Purpose Financial Statements (Continued)
June 30, 1999

to finance the services for which the taxes, assessments and fees were imposed could be significantly impaired. Significant taxes, fees, and assessments that may be subject to the provisions of Proposition 218 which the government currently imposes for its own benefit or as an agent for a special district, or receives from other governmental agencies, potentially include taxes, business license fees, community facilities districts special taxes, landscape and lighting district assessments, street-sweeping assessments, water utility fees, sewer utility fees, and refuse disposal fees. At this time, management has determined that all current fees, taxes and assessments are in compliance with Proposition 218. However, it is unclear as to the extent Proposition 218 is impacted by a 1995 California Supreme Court ruling (the *Guardino* case) that upheld the voter approval requirements of a previously enacted state initiative (Proposition 62), particularly with regard to taxes imposed or increased between November 5, 1986 and December 11, 1995.

28. SUBSEQUENT EVENTS

Capital Lease

In October 1999, the City entered into a \$3,937,068 obligation under a capital lease to finance the acquisition of police cars and a geographical information system. This lease qualifies as a capital lease for accounting purposes (title transfers at the end of the lease term). The lease matures over the next five years.

Issuance of Debt

In July 1999, the City issued \$3,295,000 City of Pomona Certificates of Participation, 1999 Series AB. The proceeds of the certificates were used to make an advance to the Redevelopment Agency of the City of Pomona to finance certain redevelopment activities.

In September 1999, the Pomona Public Financing Authority issued \$27,615,000, 1999 Revenue Bonds, Series AC. The proceeds of the bonds were used to construct certain improvements to the City's water system.

GENERAL FUND

To account for all of the general revenue of the City not specifically levied or collected for the other City funds and for expenditures related to the rendering of general services by the City.

CITY OF POMONA
 General Fund
 Comparative Statement of Revenues, Expenditures
 and Changes in Fund Balance
 For the Years Ended June 30, 1999 and 1998

| | <u>1999</u> | <u>1998</u> |
|--|---------------------|---------------------|
| Revenues: | | |
| Taxes | \$ 36,052,385 | \$ 35,131,639 |
| Licenses and permits | 2,859,161 | 3,754,183 |
| Fines and forfeitures | 633,934 | 396,834 |
| Investment income | 354,121 | 1,386,454 |
| Charges for services | 2,838,057 | 2,514,549 |
| Intergovernmental | 6,825,895 | 7,174,371 |
| Miscellaneous | 360,405 | 352,870 |
| Gain on sale of land | 805,000 | |
| Total Revenues | <u>50,728,958</u> | <u>50,710,900</u> |
| Expenditures: | | |
| Current: | | |
| General government | 3,635,473 | 4,190,669 |
| Public safety | 40,425,962 | 40,368,040 |
| Urban development | 5,789,985 | 7,228,757 |
| Community services | 3,297,897 | 3,416,628 |
| Debt service: | | |
| Principal retirement | | 15,577 |
| Interest and fiscal charges | 11,805 | 23,591 |
| Total Expenditures | <u>53,161,122</u> | <u>55,243,262</u> |
| Deficiency of Revenues Over Expenditures | <u>(2,432,164)</u> | <u>(4,532,362)</u> |
| Other Financing Sources (Uses): | | |
| Operating transfers in | 3,196,772 | 4,731,998 |
| Operating transfers out | <u>(455,660)</u> | <u>(464,740)</u> |
| Total Other Financing Sources (Uses) | <u>2,741,112</u> | <u>4,267,258</u> |
| Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses | 308,948 | (265,104) |
| Fund Balance, Beginning | <u>6,729,578</u> | <u>6,994,682</u> |
| Fund Balance, Ending | <u>\$ 7,038,526</u> | <u>\$ 6,729,578</u> |

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

The City of Pomona has thirteen Special Revenue Funds:

Housing Assistance Programs Fund – To account for revenues received and expenditures made for the Housing and Urban Development (HUD) grants. The City provides subsidies through HUD administered Section 8 programs, Certificate, Housing Voucher and Moderate Rehabilitation. The basic purpose of the Section 8 Program is to offer expanded opportunities for rental assistance to very low income families by utilizing existing housing units.

Community Development Block Grant Fund – To account for revenues received and expenditures made for the Community Development Block Grant. The purpose of Community Development Block Grants (CDBG) is to develop viable urban communities by providing decent housing and a suitable environment and expand economic opportunity for persons of low and moderate income.

Miscellaneous Grants Fund – To account for revenues received and expenditures made for Federal and/or State approved projects. Financing is provided by Federal and/or State grants. The following are grants accounted for within this fund:

1. Housing Rehabilitation and Preservation. These programs are designed to prevent the general deterioration of the housing inventory, to eliminate code violations, hazardous conditions and overcrowding in both residential and rental units throughout the City, with emphasis in designated Neighborhood Strategy Areas (NSA).
2. Home Investment Partnership Act. The City of Pomona's HOME program description reflects the grant's emphasis upon rehabilitation as an appropriate means to provide affordable housing for low income persons. The program goal is to implement and administer a first-time home buyers program in conjunction with a qualified local Community Housing Development organization.
3. Shelter Care Plus Grant. This grant provides services and shelter to homeless women and children in substance abuse programs.
4. Emergency Shelter Grants. Authorized by Title VII to assist the homeless by improving the quality of existing emergency shelters, establishing new facilities, and/or implementing essential services and homeless preventative assistance.

Traffic Safety Fund – To account for the revenues received and expenditures made for traffic safety enforcement. The revenues include receipts from tickets written by the California Highway Patrol within the City limits and by the Police Department.

State Gas Tax Fund – To account for revenues received and expenditures made for general street improvement and maintenance. The revenues consist of the City's share of state gasoline taxes collected under Sections 2105, 2106, 2107, and 2107.5 of the Street and Highway Code.

SPECIAL REVENUE FUNDS (Continued)

Proposition "A" Fund - To account for the receipt and disbursement of funds derived from the one-half cent sales tax imposed by the Proposition "A" ordinance of the Los Angeles County Transportation Commission. The funds are used to finance public transportation projects.

Proposition "C" Fund - To account for receipt and disbursement of funds derived from 1990-91 increase in County sales tax. The funds are used to finance transit or transit-related projects.

Vehicle Parking Districts Fund - To account for revenues received and expenditures made for the operation, maintenance, capital improvements, and administration of parking lots in the downtown business area. Revenues are received from parking fees.

Mall Maintenance, Repair and Improvement Fund - To account for revenues received and expenditures made for the maintenance of the City's "Pedestrian Mall." Financing is provided by assessments applied to the properties within the Mall boundaries.

Air Quality Improvement Fund - To account for the revenues and expenditures made for air quality improvement projects. The revenues consist of funds received from the South Coast Air Quality Management District (SCAQMD) in accordance with AB2766.

Landscape Maintenance District Fund - To account for revenues received and expenditures made for landscape and lighting maintenance in various areas of the City. Revenues consist of assessments received from property owners.

Narcotics Forfeiture Fund - To account for the City's share of assets seized by law enforcement agencies. The monies are used for law enforcement purposes.

Low and Moderate Income Housing Fund - To account for the City's share of assets seized by law enforcement agencies. The monies are used for law enforcement purposes.

| Vehicle Parking Districts | Mall Maintenance, Repair and Improvement | Air Quality Improvement | Landscape Maintenance District | Narcotics Forfeiture | Low and Moderate Income Housing | Totals | |
|---------------------------------|---|----------------------------|--------------------------------------|-------------------------|--|----------------------|----------------------|
| | | | | | | 1999 | 1998 |
| \$ 853,671 | | \$ 624,476 | \$ 1,113,488 | \$ 1,005,824 | \$ 3,115,692 | \$ 16,669,318 | \$ 19,341,212 |
| | | | | | 3,088,491 | 3,379,335 | 193,461 |
| | | | | | 555 | 876,051 | 55,934 |
| 8,513 | | 6,340 | 11,556 | 7,529 | 83,577 | 223,987 | 211,422 |
| | | | | | 2,832,098 | 9,588,768 | 8,374,510 |
| | | | | | | 501,489 | 297,784 |
| | | | | | 412,485 | 412,485 | 417,015 |
| 326 | | 40,227 | 32,295 | | | 619,586 | 992,745 |
| | | | | | 1,113,000 | 1,113,000 | 1,113,000 |
| | | | | | 3,652,141 | 5,902,141 | 6,337,611 |
| <u>\$ 862,510</u> | <u>\$ -</u> | <u>\$ 671,043</u> | <u>\$ 1,157,339</u> | <u>\$ 1,013,353</u> | <u>\$ 14,298,039</u> | <u>\$ 39,286,160</u> | <u>\$ 37,334,694</u> |
| \$ 3,817 | | \$ 1,010 | \$ 72,749 | \$ 13,980 | \$ 4,747 | \$ 858,786 | \$ 1,067,567 |
| 5,352 | | 1,345 | 7,816 | 4,065 | 39,472 | 213,688 | 169,456 |
| | | | | | | 687,127 | 437,093 |
| 461 | | | | | | 1,257,205 | 546,155 |
| | | | | | 2,625,098 | 8,942,902 | 7,895,116 |
| | | 50 | | | | 3,200 | 100,613 |
| | | | | | | 101,624 | 278,209 |
| <u>9,630</u> | | <u>2,405</u> | <u>80,565</u> | <u>18,045</u> | <u>2,669,317</u> | <u>12,064,532</u> | <u>10,494,209</u> |
| | | | | | | | 1,786,345 |
| | | | | | | 501,489 | 297,784 |
| | | | | | | 465,000 | 505,000 |
| | | | | | 1,113,000 | 1,113,000 | 1,113,000 |
| | | | | | 3,652,141 | 5,902,141 | 6,337,611 |
| | | | | | 6,863,581 | 6,863,581 | 7,122,128 |
| 852,880 | | 668,638 | 1,076,774 | 995,308 | | 12,621,754 | 10,553,947 |
| | | | | | | (245,337) | (875,330) |
| <u>852,880</u> | | <u>668,638</u> | <u>1,076,774</u> | <u>995,308</u> | <u>11,628,722</u> | <u>27,221,628</u> | <u>26,840,485</u> |
| <u>\$ 862,510</u> | <u>\$ -</u> | <u>\$ 671,043</u> | <u>\$ 1,157,339</u> | <u>\$ 1,013,353</u> | <u>\$ 14,298,039</u> | <u>\$ 39,286,160</u> | <u>\$ 37,334,694</u> |

| Vehicle Parking Districts | Mall Maintenance, Repair and Improvement | Air Quality Improvement | Landscape Maintenance District | Narcotics Forfeiture | Low and Moderate Income Housing | Totals | |
|---------------------------------|---|----------------------------|--------------------------------------|-------------------------|--|----------------------|----------------------|
| | | | | | | 1999 | 1998 |
| \$ 13,749 | \$ 1,287 | | \$ 1,210,190 | | | \$ 1,225,226 | \$ 1,297,973 |
| 20,571 | | | | \$ 1,099,578 | | 2,066,299 | 483,411 |
| 34,917 | 567 | \$ 26,865 | 40,517 | 30,120 | \$ 342,556 | 998,686 | 1,156,890 |
| | | 153,701 | | 537 | | 18,203,455 | 18,233,938 |
| 230,796 | | 8,122 | 20 | | | 732,068 | 353,265 |
| | | | | | (878,469) | (878,469) | 63,229 |
| <u>300,033</u> | <u>1,854</u> | <u>188,688</u> | <u>1,250,727</u> | <u>1,130,235</u> | <u>(398,422)</u> | <u>22,347,265</u> | <u>21,588,706</u> |
| | | | | | | | 652,142 |
| | | | | 393,915 | | 1,794,100 | 730,379 |
| 181,448 | 2,000 | 146,980 | 1,036,726 | | 1,670,641 | 8,378,288 | 5,243,601 |
| | | | | | | 10,639,766 | 11,784,109 |
| 3,406 | | | | 100,574 | | 355,042 | 3,609,905 |
| | | | | | 12,177 | 177,177 | 380,294 |
| | | | | | 23,824 | 203,396 | 177,204 |
| <u>184,854</u> | <u>2,000</u> | <u>146,980</u> | <u>1,036,726</u> | <u>494,489</u> | <u>1,706,642</u> | <u>21,547,769</u> | <u>22,577,634</u> |
| <u>115,179</u> | <u>(146)</u> | <u>41,708</u> | <u>214,001</u> | <u>635,746</u> | <u>(2,105,064)</u> | <u>799,496</u> | <u>(988,928)</u> |
| | | | | | | | 2,945,000 |
| | (13,190) | | (12,000) | (46,543) | 3,037,755 | 3,317,708 | 6,022,609 |
| | | | | | (1,478,323) | (3,736,061) | (3,389,948) |
| | (13,190) | | (12,000) | (46,543) | 1,559,432 | (418,353) | 5,577,661 |
| 115,179 | (13,336) | 41,708 | 202,001 | 589,203 | (545,632) | 381,143 | 4,588,733 |
| <u>737,701</u> | <u>13,336</u> | <u>626,930</u> | <u>874,773</u> | <u>406,105</u> | <u>12,174,354</u> | <u>26,840,485</u> | <u>22,251,752</u> |
| <u>\$ 852,880</u> | <u>\$ -</u> | <u>\$ 668,638</u> | <u>\$ 1,076,774</u> | <u>\$ 995,308</u> | <u>\$ 11,628,722</u> | <u>\$ 27,221,628</u> | <u>\$ 26,840,485</u> |

CITY OF POMONA
Community Development Block Grant Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|--|---------------------|---------------------|--|---------------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Investment income | \$ 170,000 | \$ 105,569 | \$ (64,431) | \$ 206,749 |
| Intergovernmental | 3,213,384 | 3,423,895 | 210,511 | 2,967,051 |
| Miscellaneous | | 176 | 176 | |
| Total Revenues | <u>3,383,384</u> | <u>3,529,640</u> | <u>146,256</u> | <u>3,173,800</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety | 424,188 | 662,334 | (238,146) | |
| Community services | 2,783,860 | 2,535,020 | 248,840 | 2,290,517 |
| Capital outlay | 23,642 | 39,278 | (15,636) | 617,200 |
| Debt Service: | | | | |
| Principal retirement | | 165,000 | (165,000) | 105,000 |
| Interest and fiscal charges | 151,694 | 179,572 | (27,878) | 132,128 |
| Total Expenditures | <u>3,383,384</u> | <u>3,581,204</u> | <u>(197,820)</u> | <u>3,144,845</u> |
| Excess (Deficiency) of Revenues Over Expenditures | | (51,564) | (51,564) | 28,955 |
| Other Financing Sources: | | | | |
| Proceeds of notes | | | | 2,945,000 |
| Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures | | (51,564) | (51,564) | 2,973,955 |
| Fund Balance (Deficit) at Beginning of Year | <u>2,521,227</u> | <u>2,521,227</u> | | <u>(452,728)</u> |
| Fund Balance at End of Year | <u>\$ 2,521,227</u> | <u>\$ 2,469,663</u> | <u>\$ (51,564)</u> | <u>\$ 2,521,227</u> |

CITY OF POMONA
 Traffic Safety Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|---|---------------------|-------------|--|-------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Fines and forfeitures | \$ 266,000 | \$ 946,150 | \$ 680,150 | \$ 294,994 |
| Other Financing Uses: | | | | |
| Operating transfers out | (946,150) | (946,150) | | (294,994) |
| Deficiency of Revenues Over Other Financing Uses | (680,150) | | 680,150 | |
| Fund Balance, Beginning | | | | |
| Fund Balance, Ending | <u>\$ (680,150)</u> | <u>\$ -</u> | <u>\$ 680,150</u> | <u>\$ -</u> |

CITY OF POMONA
Proposition A Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|---|-------------------|-------------------|--|------------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Investment income | \$ 36,173 | \$ 11,211 | \$ (24,962) | \$ 1,769 |
| Intergovernmental | 1,415,050 | 1,591,950 | 176,900 | 1,552,391 |
| Miscellaneous | 12,000 | 8,411 | (3,589) | 15,570 |
| Total Revenues | <u>1,463,223</u> | <u>1,611,572</u> | <u>148,349</u> | <u>1,569,730</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Urban development | 1,366,725 | 1,165,636 | 201,089 | 1,151,067 |
| Community services | | | | 54,226 |
| Capital outlay | | | | 222,389 |
| Debt Service: | | | | |
| Principal retirement | | | | 260,000 |
| Interest and fiscal charges | | | | 17,469 |
| Total Expenditures | <u>1,366,725</u> | <u>1,165,636</u> | <u>201,089</u> | <u>1,705,151</u> |
| Excess (Deficiency) of Revenues Over Expenditures | 96,498 | 445,936 | 349,438 | (135,421) |
| Fund Balance, Beginning | <u>48,965</u> | <u>48,965</u> | | <u>184,386</u> |
| Fund Balance, Ending | <u>\$ 145,463</u> | <u>\$ 494,901</u> | <u>\$ 349,438</u> | <u>\$ 48,965</u> |

CITY OF POMONA
 Vehicle Parking Districts Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|---|-------------------|-------------------|--|-------------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Special assessments | \$ 34,040 | \$ 13,749 | \$ (20,291) | \$ 87,132 |
| Fines and forfeitures | | 20,571 | 20,571 | |
| Investment income | 31,536 | 34,917 | 3,381 | 38,094 |
| Miscellaneous | 149,920 | 230,796 | 80,876 | 112,610 |
| Total Revenues | <u>215,496</u> | <u>300,033</u> | <u>84,537</u> | <u>237,836</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Urban development | 236,195 | 181,448 | 54,747 | 189,310 |
| Capital outlay | 12,500 | 3,406 | 9,094 | 31,884 |
| Debt Service: | | | | |
| Principal retirement | | | | 3,153 |
| Interest and fiscal charges | | | | 747 |
| Total Expenditures | <u>248,695</u> | <u>184,854</u> | <u>63,841</u> | <u>225,094</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (33,199) | 115,179 | 148,378 | 12,742 |
| Fund Balance, Beginning | <u>737,701</u> | <u>737,701</u> | | <u>724,959</u> |
| Fund Balance, Ending | <u>\$ 704,502</u> | <u>\$ 852,880</u> | <u>\$ 148,378</u> | <u>\$ 737,701</u> |

CITY OF POMONA
 Air Quality Improvement Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|---|--------------------------|--------------------------|--|--------------------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Investment income | \$ 18,265 | \$ 26,865 | \$ 8,600 | \$ 26,758 |
| Intergovernmental | 148,965 | 153,701 | 4,736 | 152,586 |
| Miscellaneous | 7,290 | 8,122 | 832 | 4,057 |
| Total Revenues | <u>174,520</u> | <u>188,688</u> | <u>14,168</u> | <u>183,401</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Urban development | 171,889 | 146,980 | 24,909 | 114,026 |
| Capital outlay | | | | |
| Total Expenditures | <u>171,889</u> | <u>146,980</u> | <u>24,909</u> | <u>114,026</u> |
| Excess of Revenues Over Expenditures | 2,631 | 41,708 | 39,077 | 69,375 |
| Fund Balance, Beginning | <u>626,930</u> | <u>626,930</u> | | <u>557,555</u> |
| Fund Balance, Ending | <u><u>\$ 629,561</u></u> | <u><u>\$ 668,638</u></u> | <u><u>\$ 39,077</u></u> | <u><u>\$ 626,930</u></u> |

CITY OF POMONA
Narcotics Forfeiture Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|---|--------------|--------------|--|------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Fines and forfeitures | | \$ 1,099,578 | \$ 1,099,578 | \$ 188,417 |
| Investment income | \$ 26,000 | 30,120 | 4,120 | 20,810 |
| Intergovernmental | | 537 | 537 | 8,805 |
| Total Revenues | 26,000 | 1,130,235 | 1,104,235 | 218,032 |
| Expenditures: | | | | |
| Current: | | | | |
| Public safety | 465,147 | 393,915 | 71,232 | 480,567 |
| Capital outlay | 75,886 | 100,574 | (24,688) | 60,593 |
| Total Expenditures | 541,033 | 494,489 | 46,544 | 541,160 |
| Excess (Deficiency) of Revenues Over Expenditures | (515,033) | 635,746 | 1,150,779 | (323,128) |
| Other Financing Uses: | | | | |
| Operating transfers out | | (46,543) | (46,543) | (53,327) |
| Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses | (515,033) | 589,203 | 1,104,236 | (376,455) |
| Fund Balance, Beginning | 406,105 | 406,105 | | 782,560 |
| Fund Balance, Ending | \$ (108,928) | \$ 995,308 | \$ 1,104,236 | \$ 406,105 |

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, the City's general long-term debt principal and interest.

The City of Pomona has three Debt Service Funds:

General Debt Service Fund - To account for the payment of interest and principal on debt incurred by the City.

Pomona Public Financing Authority Fund - To account for the payment of interest and principal on the local agency revenue bonds, notes payable, and other debt of the Pomona Public Financing Authority.

Redevelopment Agency Fund - To account for tax increment and investment revenue and for the payment of interest and principal on the tax allocation bonds, loans payable, participation agreements, and other debt of the Redevelopment Agency.

| Totals | |
|----------------------|----------------------|
| <u>1999</u> | <u>1998</u> |
| \$ 2,247,897 | \$ 2,327,073 |
| 10,204,654 | 20,875,827 |
| 32,954 | 50,043 |
| 25,835,000 | 18,900,000 |
| 5,159,686 | 5,740,381 |
| 3 | |
| <u>10,570,047</u> | <u>10,863,680</u> |
| <u>\$ 54,050,241</u> | <u>\$ 58,757,004</u> |

| | |
|-------------------|-------------------|
| \$ 4,215 | |
| 2,017 | \$ 2,018 |
| 241,887 | 384,254 |
| <u>10,570,047</u> | <u>10,863,680</u> |
| <u>10,818,166</u> | <u>11,249,952</u> |

| | |
|----------------------|----------------------|
| 25,835,000 | 18,900,000 |
| <u>17,397,075</u> | <u>28,607,052</u> |
| <u>43,232,075</u> | <u>47,507,052</u> |
| <u>\$ 54,050,241</u> | <u>\$ 58,757,004</u> |

| <u>Totals</u> | |
|----------------------|----------------------|
| <u>1999</u> | <u>1998</u> |
| \$ 12,788,349 | \$ 13,961,139 |
| 1,135,304 | 516,097 |
| 1,968,748 | 2,297,718 |
| 5,521,325 | 4,051,295 |
| 177,161 | |
| <u>21,590,887</u> | <u>20,826,249</u> |
| 1,157,489 | 1,207,524 |
| 32,137,418 | 24,982,223 |
| 9,693,116 | 13,688,302 |
| 507,108 | |
| 208,100 | |
| 5,510,325 | 5,969,971 |
| 1,116,199 | 3,292,578 |
| <u>50,329,755</u> | <u>49,140,598</u> |
| <u>(28,738,868)</u> | <u>(28,314,349)</u> |
| 25,835,000 | 1,509,282 |
| 14,750,746 | 61,175,081 |
| (12,637,079) | (30,166,248) |
| 2,901,802 | 3,282,417 |
| (6,386,578) | (21,681,147) |
| <u>24,463,891</u> | <u>14,119,385</u> |
| (4,274,977) | (14,194,964) |
| <u>47,507,052</u> | <u>61,702,016</u> |
| <u>\$ 43,232,075</u> | <u>\$ 47,507,052</u> |

CITY OF POMONA
Pomona Public Financing Authority Debt Service Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|--|----------------------|----------------------|--|----------------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Investment income | | \$ 757,761 | \$ 757,761 | \$ 937,312 |
| Intergovernmental | \$ 769,573 | 977,673 | 208,100 | 951,295 |
| Total Revenues | <u>769,573</u> | <u>1,735,434</u> | <u>965,861</u> | <u>1,888,607</u> |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 4,500 | 6,003 | (1,503) | 2,500 |
| Debt Service: | | | | |
| Principal retirement | 21,060,030 | 29,305,000 | (8,244,970) | 7,373,279 |
| Interest and fiscal charges | 769,573 | 1,525,573 | (756,000) | 1,865,227 |
| Premium on early redemption | | 208,100 | (208,100) | |
| Total Expenditures | <u>21,834,103</u> | <u>31,044,676</u> | <u>(9,210,573)</u> | <u>9,241,006</u> |
| Deficiency of Revenues Expenditures | <u>(21,064,530)</u> | <u>(29,309,242)</u> | <u>(8,244,712)</u> | <u>(7,352,399)</u> |
| Other Financing Sources (Uses): | | | | |
| Proceeds of loans | 23,020,000 | 25,835,000 | 2,815,000 | |
| Operating transfers out | | | | (300,000) |
| Total Other Financing Sources (Uses) | <u>23,020,000</u> | <u>25,835,000</u> | <u>2,815,000</u> | <u>(300,000)</u> |
| Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses | 1,955,470 | (3,474,242) | (5,429,712) | (7,652,399) |
| Fund Balance, Beginning | <u>29,422,064</u> | <u>29,422,064</u> | | <u>37,074,463</u> |
| Fund Balance, Ending | <u>\$ 31,377,534</u> | <u>\$ 25,947,822</u> | <u>\$ (5,429,712)</u> | <u>\$ 29,422,064</u> |

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities which are not financed by proprietary funds.

The City of Pomona has three Capital Projects Funds:

Capital Outlay Fund - To account for all City public improvement projects funded by general and special revenue funds.

Assessment District Improvement Fund - To account for capital improvements through special charges levied against properties benefitted. Initial funding is obtained by the sale of bonds. Property owners are then assessed through County tax rolls with proceeds used to repay bonds.

Redevelopment Agency Fund - To account for the redevelopment and public improvement projects of all the Redevelopment Agency project areas.

| Totals | |
|----------------------|----------------------|
| <u>1999</u> | <u>1998</u> |
| \$ 13,545,463 | \$ 14,315,961 |
| 10,586,622 | 11,755,722 |
| 161,051 | |
| 246,364 | 134,051 |
| 26,574,453 | 19,040,675 |
| 2,662 | 51,089 |
| 785,700 | |
| 797,691 | 217,180 |
| <u>28,086,956</u> | <u>28,783,766</u> |
| <u>\$ 80,786,962</u> | <u>\$ 74,298,444</u> |

| | |
|------------------|------------------|
| \$ 315,115 | \$ 628,271 |
| 105,554 | 93,601 |
| 170,600 | 32,761 |
| 1,043,774 | 449,942 |
| 2,744,075 | |
| <u>3,605,848</u> | <u>3,605,848</u> |
| <u>7,984,966</u> | <u>4,810,423</u> |

| | |
|----------------------|----------------------|
| | 861,796 |
| 2,662 | 51,089 |
| 26,330,378 | 19,040,675 |
| <u>28,086,956</u> | <u>28,783,766</u> |
| <u>18,382,000</u> | <u>20,750,695</u> |
| <u>72,801,996</u> | <u>69,488,021</u> |
| <u>\$ 80,786,962</u> | <u>\$ 74,298,444</u> |

| Totals | |
|----------------------|----------------------|
| 1999 | 1998 |
| \$ 2,099,898 | \$ 1,283,416 |
| 257,414 | 186,416 |
| 1,863,059 | 2,411,696 |
| 1,136,413 | 3,551,385 |
| | 1,003,767 |
| 1,272,139 | 433,641 |
| 401,351 | 2,367,678 |
| <u>7,030,274</u> | <u>11,237,999</u> |
| 3,050,796 | 3,215,172 |
| | 65,612 |
| 3,737,305 | 411,236 |
| 3,786,005 | 5,574,174 |
| 20,439,184 | 4,464,821 |
| 1,471,161 | 1,650,815 |
| 517,745 | 511,042 |
| <u>33,002,196</u> | <u>15,892,872</u> |
| <u>(25,971,922)</u> | <u>(4,654,873)</u> |
| 23,335,000 | 7,258,490 |
| 3,772,250 | 84,909 |
| 9,340 | 16,309,909 |
| 4,566,643 | (921,738) |
| (2,397,336) | |
| <u>29,285,897</u> | <u>22,731,570</u> |
| 3,313,975 | 18,076,697 |
| 69,488,021 | 51,411,324 |
| <u>\$ 72,801,996</u> | <u>\$ 69,488,021</u> |

CITY OF POMONA
 Assessment District Improvement Capital Projects Fund
 Statement of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual
 For the Year Ended June 30, 1999

| | 1999 | | Variance Favorable (Unfavorable) | 1998 |
|--|---------------------|-------------------|--|---------------------|
| | Budget | Actual | | Actual |
| Revenues: | | | | |
| Investment income | \$ 75,000 | \$ 92,036 | \$ 17,036 | \$ 84,978 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | 702 |
| Urban development | 160,000 | 1,610,308 | (1,450,308) | 1,534 |
| Capital outlay | | | | 1,263 |
| Total Expenditures | 160,000 | 1,610,308 | (1,450,308) | 3,499 |
| Excess (Deficiency) of Revenues Over Expenditures | (85,000) | (1,518,272) | (1,433,272) | 81,479 |
| Other Financing Sources (Uses): | | | | |
| Operating transfers in | | 340,950 | 340,950 | |
| Operating transfers out | | (340,950) | (340,950) | |
| Total Other Financing Sources (Uses) | | | | |
| Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses | (85,000) | (1,518,272) | (1,433,272) | 81,479 |
| Fund Balance, Beginning | 1,975,584 | 1,975,584 | | 1,894,105 |
| Fund Balance, Ending | <u>\$ 1,890,584</u> | <u>\$ 457,312</u> | <u>\$ (1,433,272)</u> | <u>\$ 1,975,584</u> |

ENTERPRISE FUNDS

Enterprise Funds are used to account for City operations that are financed and operated in a manner similar to private business enterprises. The costs of providing these services to the general public on a continuing basis are financed or recovered primarily through user charges.

The City of Pomona has four Enterprise Funds:

Water Utility Fund – To account for activities associated with the distribution and transmission of potable water to users.

Sanitation Fund – To account for activities associated with refuse collection, curbside collection of recycling materials, sweeping of streets, abatement of weeds, maintenance of the City's sewer network, and the removal of graffiti.

Development Services Fund – To account for activities associated with providing planning, building, transportation and development services on a full cost recovery basis.

Ganesha Pool Fund – To account for activities associated with the operation of the Ganesha Pool.

| Ganesha Pool | Totals | |
|-------------------|-----------------------|----------------------|
| | 1999 | 1998 |
| | \$ 8,881,009 | \$ 7,603,746 |
| \$ 2,289 | 6,621,898 | 6,690,662 |
| | 96,365 | 84,295 |
| | 2,104,280 | 2,354,280 |
| | 187,497 | 206,518 |
| | | 43,511 |
| | 1,448,698 | 793,120 |
| | 1,651,038 | 1,605,728 |
| <u>2,289</u> | <u>20,990,785</u> | <u>19,381,860</u> |
| | 31,806,401 | 13,558,168 |
| 1,395,247 | 82,829,033 | 80,136,799 |
| (697,623) | (32,064,848) | (30,292,641) |
| <u>697,624</u> | <u>50,764,185</u> | <u>49,844,158</u> |
| <u>\$ 699,913</u> | <u>\$ 103,561,371</u> | <u>\$ 82,784,186</u> |

(Continued)

| Ganesha Pool | Totals | |
|-------------------|-----------------------|----------------------|
| | 1999 | 1998 |
| \$ 4,986 | \$ 2,164,263 | \$ 667,679 |
| 4,549 | 682,378 | 539,454 |
| | 1,658,235 | 1,527,062 |
| | 1,947 | 1,947 |
| | 1,763,383 | 1,637,626 |
| | 117,917 | 139,961 |
| 104,280 | 354,280 | 354,280 |
| 152,917 | 152,917 | 133,668 |
| | 1,064,086 | 945,865 |
| | 862,609 | 854,362 |
| | 640,000 | 380,000 |
| <u>266,732</u> | <u>9,462,015</u> | <u>7,181,904</u> |
| | 1,750,000 | 2,000,000 |
| | 628,029 | 1,684,694 |
| | 36,411,644 | 17,870,000 |
| | <u>38,789,673</u> | <u>21,554,694</u> |
| <u>266,732</u> | <u>48,251,688</u> | <u>28,736,598</u> |
| <u>540,624</u> | <u>20,591,465</u> | <u>20,591,919</u> |
| | 2,504,888 | 1,429,170 |
| | 15,000 | 15,000 |
| | 115,326 | 115,326 |
| (107,443) | 32,083,004 | 31,896,173 |
| <u>(107,443)</u> | <u>34,718,218</u> | <u>33,455,669</u> |
| <u>433,181</u> | <u>55,309,683</u> | <u>54,047,588</u> |
| <u>\$ 699,913</u> | <u>\$ 103,561,371</u> | <u>\$ 82,784,186</u> |

| Ganesha Pool | Totals | |
|---------------------|----------------------|----------------------|
| | 1999 | 1998 |
| \$ 65,244 | \$ 23,398,919 | \$ 20,854,420 |
| 2,015 | 65,041 | 47,700 |
| <u>67,259</u> | <u>23,463,960</u> | <u>20,902,120</u> |
| 45,376 | 7,581,352 | 6,041,210 |
| 46,762 | 14,198,508 | 11,399,175 |
| 69,763 | 2,093,675 | 1,873,439 |
| <u>161,901</u> | <u>23,873,535</u> | <u>19,313,824</u> |
| <u>(94,642)</u> | <u>(409,575)</u> | <u>1,588,296</u> |
| | 1,414,692 | 1,342,128 |
| | (1,351,545) | (1,286,173) |
| | 59,941 | (44,372) |
| | <u>1,943,882</u> | <u>1,008,000</u> |
| | <u>2,066,970</u> | <u>1,019,583</u> |
| <u>(94,642)</u> | <u>1,657,395</u> | <u>2,607,879</u> |
| | 652,391 | (1,024,451) |
| | <u>(1,117,000)</u> | <u>(1,024,451)</u> |
| | <u>(464,609)</u> | <u>(1,024,451)</u> |
| <u>(94,642)</u> | <u>1,192,786</u> | <u>1,583,428</u> |
| 69,763 | 69,763 | 69,762 |
| <u>(82,564)</u> | <u>33,455,669</u> | <u>31,802,479</u> |
| <u>\$ (107,443)</u> | <u>\$ 34,718,218</u> | <u>\$ 33,455,669</u> |

| Development Services | Ganesha Pool | Totals | |
|-------------------------|-----------------|----------------------|---------------------|
| | | 1999 | 1998 |
| \$ 1,689,014 | \$ 68,782 | \$ 22,947,955 | \$ 21,088,701 |
| (491,849) | (44,836) | (12,671,532) | (13,137,988) |
| (826,853) | (45,210) | (7,430,181) | (6,040,196) |
| | 2,015 | 220,492 | 324,396 |
| | | (69,587) | (214,760) |
| <u>370,312</u> | <u>(19,249)</u> | <u>2,997,147</u> | <u>2,020,153</u> |
| | | 902,393 | 292,707 |
| | | <u>(667,000)</u> | <u>(1,274,451)</u> |
| | | 235,393 | (981,744) |
| | | (2,081,800) | (5,820,848) |
| | | 133,094 | |
| | | 17,480,551 | |
| | 19,249 | 19,249 | |
| | | 69,309 | 82,665 |
| | | (942,405) | (905,832) |
| | | (380,000) | (360,000) |
| | | <u>(1,351,545)</u> | <u>(1,297,766)</u> |
| | <u>19,249</u> | <u>12,946,453</u> | <u>(8,301,781)</u> |
| | | 624,209 | |
| | | 1,402,621 | 1,364,191 |
| | | <u>1,943,882</u> | |
| | | 3,970,712 | 1,364,191 |
| <u>370,312</u> | | <u>20,149,705</u> | <u>(5,899,181)</u> |
| | | 9,718,605 | 15,617,786 |
| <u>\$ 370,312</u> | <u>\$ -</u> | <u>\$ 29,868,310</u> | <u>\$ 9,718,605</u> |
| \$ 370,312 | | \$ 8,881,009 | \$ 7,603,746 |
| | | 31,806,401 | 13,558,168 |
| | | (10,819,100) | (11,443,309) |
| <u>\$ 370,312</u> | <u>\$ -</u> | <u>\$ 29,868,310</u> | <u>\$ 9,718,605</u> |

(Continued)

| Development Services | Ganesha Pool | Totals | |
|-------------------------|--------------------|---------------------|---------------------|
| | | 1999 | 1998 |
| <u>\$ 149,973</u> | <u>\$ (94,642)</u> | <u>\$ (409,575)</u> | <u>\$ 1,588,296</u> |
| | 69,763 | 2,093,675 | 1,873,439 |
| | 3,539 | 68,762 | 156,763 |
| | | (45,309) | (170,764) |
| | | 19,021 | 4,102 |
| | | (655,578) | |
| | | 43,511 | (43,511) |
| 72,820 | 1,925 | 1,496,583 | (1,574,061) |
| 60,038 | 166 | 142,924 | (4,162) |
| | | 131,173 | 232,700 |
| | | 125,757 | 77,518 |
| | | (22,044) | (125,343) |
| <u>87,481</u> | | <u>8,247</u> | <u>5,176</u> |
| <u>220,339</u> | <u>75,393</u> | <u>3,406,722</u> | <u>431,857</u> |
| <u>\$ 370,312</u> | <u>\$ (19,249)</u> | <u>\$ 2,997,147</u> | <u>\$ 2,020,153</u> |

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for financing of goods and services provided by one department to other departments of the City on a cost reimbursement basis.

The City of Pomona has four Internal Service Funds:

Contribution Reimbursement Fund - To account for the funding of future Public Employee Retirement System rate increases related to safety disability retirements. Financing is from the General Fund and from PERS credits.

Equipment Maintenance Fund - To account for the maintenance and repair of city vehicles and equipment. Expenses are offset by charges to City departments.

Self-Insurance Fund - To account for the disbursement of self-insured related expenditures and approved payments to individuals in settlement of general liability and workers' compensation claims against the City.

Information Systems Fund - To account for information processing services such as systems analysis, development, operating maintenance, training and installation of computer based systems. In FY98-99, this fund was closed and the assets were transferred to the General Fixed Assets Account Group.

| Information Systems | Totals | |
|------------------------|-------------|--------------|
| | 1999 | 1998 |
| | \$ 255,355 | \$ 1,064,115 |
| | 33,816 | 39,071 |
| | | 9,503 |
| | 307,352 | 291,436 |
| | 596,523 | 1,404,125 |
| | 134,116 | 1,342,994 |
| | (90,972) | (359,016) |
| | 43,144 | 983,978 |
| \$ - | \$ 639,667 | \$ 2,388,103 |
| | \$ 94,918 | \$ 128,633 |
| | 91,266 | 98,069 |
| | 857,916 | 411,991 |
| | | 3,229 |
| | 167,513 | 173,504 |
| | 2,200,000 | 3,257,459 |
| | 3,411,613 | 4,072,885 |
| | | 5,166 |
| | 3,243,825 | 3,295,259 |
| | 3,243,825 | 3,300,425 |
| | 6,655,438 | 7,373,310 |
| | | 363,298 |
| | (6,015,771) | (5,348,505) |
| | (6,015,771) | (4,985,207) |
| \$ - | \$ 639,667 | \$ 2,388,103 |

| Information Systems | Totals | |
|------------------------|-----------------------|-----------------------|
| | 1999 | 1998 |
| \$ 1,246,875 | \$ 8,464,389 | \$ 7,819,696 |
| | 12,316 | 50,818 |
| <u>1,246,875</u> | <u>8,476,705</u> | <u>7,870,514</u> |
| 522,831 | 1,950,598 | 1,885,684 |
| 1,078,915 | 2,806,867 | 1,864,565 |
| | 2,635,507 | 4,747,333 |
| | 6,575 | 84,641 |
| | 17,156 | 32,065 |
| 15,304 | 619,823 | 573,260 |
| <u>1,617,050</u> | <u>8,036,526</u> | <u>9,187,548</u> |
| <u>(370,175)</u> | <u>440,179</u> | <u>(1,317,034)</u> |
| 2,286 | 3,082 | 17,248 |
| | | (536) |
| <u>2,286</u> | <u>3,082</u> | <u>16,712</u> |
| <u>(367,889)</u> | <u>443,261</u> | <u>(1,300,322)</u> |
| | | 14,738 |
| <u>(28,467)</u> | <u>(542,681)</u> | <u>(2,879,647)</u> |
| <u>(28,467)</u> | <u>(542,681)</u> | <u>(2,864,909)</u> |
| (396,356) | (99,420) | (4,165,231) |
| | 795 | |
| (568,641) | (568,641) | |
| <u>964,997</u> | <u>(5,348,505)</u> | <u>(1,183,274)</u> |
| <u>\$ -</u> | <u>\$ (6,015,771)</u> | <u>\$ (5,348,505)</u> |

| Self - Insurance | Information Systems | Totals | |
|---------------------|------------------------|-------------------|---------------------|
| | | 1999 | 1998 |
| \$ 4,578,666 | \$ 1,246,875 | \$ 8,464,389 | \$ 7,819,696 |
| (4,709,520) | (1,102,963) | (7,237,877) | (5,691,697) |
| (337,218) | (550,938) | (1,963,392) | (1,851,959) |
| 456,186 | | 458,241 | 443,329 |
| | | | (575,415) |
| <u>(11,886)</u> | <u>(407,026)</u> | <u>(278,639)</u> | <u>143,954</u> |
| | | | 600,000 |
| | | | 3,086,542 |
| | | | 14,738 |
| | (28,467) | (542,681) | (2,879,647) |
| | <u>(28,467)</u> | <u>(542,681)</u> | <u>821,633</u> |
| | | (5,280) | (5,678) |
| | | | (44,424) |
| | | | (536) |
| | | <u>(5,280)</u> | <u>(50,638)</u> |
| <u>6,631</u> | <u>5,158</u> | <u>12,585</u> | <u>14,136</u> |
| (5,255) | (430,335) | (814,015) | 929,085 |
| <u>39,071</u> | <u>430,335</u> | <u>1,103,186</u> | <u>174,101</u> |
| <u>\$ 33,816</u> | <u>\$ -</u> | <u>\$ 289,171</u> | <u>\$ 1,103,186</u> |
| | | \$ 255,355 | \$ 1,064,115 |
| <u>\$ 33,816</u> | | <u>33,816</u> | <u>39,071</u> |
| <u>\$ 33,816</u> | <u>\$ -</u> | <u>\$ 289,171</u> | <u>\$ 1,103,186</u> |

(Continued)

| Self - Insurance | Information Systems | Totals | |
|---------------------|------------------------|---------------------|-----------------------|
| | | 1999 | 1998 |
| <u>\$ 681,968</u> | <u>\$ (370,175)</u> | <u>\$ 440,179</u> | <u>\$ (1,317,034)</u> |
| 331 | | 6,575 | 84,641 |
| | | (15,916) | 5,810 |
| (29,746) | (8,744) | (33,714) | 29,842 |
| 13,663 | (28,107) | (6,803) | 7,982 |
| 445,925 | | 445,925 | (182,904) |
| (1,108,893) | | (1,108,893) | 1,489,874 |
| <u>(15,134)</u> | | <u>(5,992)</u> | <u>25,743</u> |
| <u>(693,854)</u> | <u>(36,851)</u> | <u>(718,818)</u> | <u>1,460,988</u> |
| <u>\$ (11,886)</u> | <u>\$ (407,026)</u> | <u>\$ (278,639)</u> | <u>\$ 143,954</u> |

AGENCY FUNDS

Agency funds are used to account for assets held by the City as an agent for individuals and other governmental units.

The City of Pomona has seven Agency Funds:

Assessment Districts Fund - To account for receipt and disbursement of funds for the debt service activity related to the 1911 Act assessment districts.

Superintendent of Streets Fund - To account for cash deposits collected by the City for street and sidewalk encroachment permits. Funds are refunded upon satisfactory completion of street/sidewalk work.

Engineers' Revolving Fund - To account for the debt service activity related to debt without government commitment for various assessment district improvements. Resources are derived from assessments collected from property owners.

Construction Guarantee Fund - To account for cash guarantees (deposits) collected by the City for various construction improvement projects. Funds are refunded upon satisfactory completion of the improvement project.

Municipal Revolving Fund - To account for the activity of miscellaneous, self-supporting City projects.

Deferred Compensation Fund - To account for resources earned by present and former City employees that have been placed into a trust for the benefit of the participants and accordingly removed from the financial statements pursuant to Government Accounting Standards Board Statement No. 32.

LA Impact Fund - To account for the activity of a police force consortium comprised of various units in Los Angeles.

| <u>Municipal Revolving</u> | <u>Deferred Compensation</u> | <u>L.A. Impact</u> | <u>Totals</u> | |
|--------------------------------|----------------------------------|------------------------|---------------------|----------------------|
| | | | <u>1999</u> | <u>1998</u> |
| \$ 1,013,246 | | \$ 4,840,022 | \$ 8,404,007 | \$ 5,847,591 |
| | | | | 20,822,619 |
| 4,732 | | | 4,732 | 582 |
| | | 45,616 | 62,717 | 58,116 |
| 385 | | 513,925 | 538,791 | 818,881 |
| 10,987 | | | 10,987 | |
| <u>\$ 1,029,350</u> | <u>\$ -</u> | <u>\$ 5,399,563</u> | <u>\$ 9,021,234</u> | <u>\$ 27,547,789</u> |
| \$ 295,937 | | \$ 909,029 | \$ 1,229,458 | \$ 402,637 |
| 2,008 | | | 2,008 | 768 |
| | | 4,490,534 | 4,490,534 | 4,096,595 |
| 731,405 | | | 1,990,088 | 1,608,052 |
| | | | | 20,822,619 |
| | | | 1,309,146 | 617,118 |
| <u>\$ 1,029,350</u> | <u>\$ -</u> | <u>\$ 5,399,563</u> | <u>\$ 9,021,234</u> | <u>\$ 27,547,789</u> |

CITY OF POMONA
All Agency Funds
Combining Statement of Changes in Assets and Liabilities (Continued)
For the Year Ended June 30, 1999

| | <u>Balance July 1, 1998</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 1999</u> |
|--|---------------------------------|----------------------------|-----------------------------|----------------------------------|
| <u>MUNICIPAL REVOLVING FUND</u> | | | | |
| Assets | | | | |
| Cash and investments | \$ 520,516 | \$ 1,849,477 | \$ 1,356,747 | \$ 1,013,246 |
| Accounts receivable | | 4,732 | | 4,732 |
| Due from other governments | 1,640 | 385 | 1,640 | 385 |
| Other assets | | 10,987 | | 10,987 |
| Total Assets | <u>\$ 522,156</u> | <u>\$ 1,865,581</u> | <u>\$ 1,358,387</u> | <u>\$ 1,029,350</u> |
| Liabilities | | | | |
| Accounts payable | \$ 26,359 | \$ 269,578 | | \$ 295,937 |
| Accrued liabilities | 768 | 2,008 | \$ 768 | 2,008 |
| Deposits payable | 495,029 | 1,149,521 | 913,145 | 731,405 |
| Total Liabilities | <u>\$ 522,156</u> | <u>\$ 1,421,107</u> | <u>\$ 913,913</u> | <u>\$ 1,029,350</u> |
| <u>DEFERRED COMPENSATION FUND</u> | | | | |
| Assets | | | | |
| Cash and investments | \$ 251 | | \$ 251 | |
| Cash and investments with fiscal agents | 20,822,619 | | 20,822,619 | |
| Total Assets | <u>\$ 20,822,870</u> | <u>\$ -</u> | <u>\$ 20,822,870</u> | <u>\$ -</u> |
| Liabilities | | | | |
| Accounts payable | \$ 251 | | \$ 251 | |
| Deferred compensation payable | 20,822,619 | | 20,822,619 | |
| Total Liabilities | <u>\$ 20,822,870</u> | <u>\$ -</u> | <u>\$ 20,822,870</u> | <u>\$ -</u> |

(Continued)

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for the cost of fixed assets of the City that are used in the performance of general government functions and that are not accounted for in the Enterprise or Internal Service Funds of the City.

CITY OF POMONA
General Fixed Assets Account Group
Schedule of General Fixed Assets - By Source
June 30, 1999

| | <u>1999</u> |
|---|-----------------------------|
| General Fixed Assets: | |
| Land | \$ 11,084,734 |
| Buildings and improvements | 11,917,853 |
| Leasehold improvements | 352,635 |
| Machinery, equipment and furniture | 9,359,838 |
| Autos and trucks | 4,622,895 |
| Equipment under capitalized lease | <u>5,286,082</u> |
| Total General Fixed Assets | <u><u>\$ 42,624,037</u></u> |
| | |
| Investments in General Fixed Assets: | |
| Federal grants | \$ 2,350,904 |
| State grants | 691,305 |
| Gifts | 3,128 |
| General revenue sharing | 1,527,118 |
| Special revenue | 1,106,378 |
| General City revenue | 33,655,441 |
| Vehicle parking district | <u>3,289,763</u> |
| Total Investment in General Fixed Assets | <u><u>\$ 42,624,037</u></u> |

| <u>Furniture</u> | <u>Autos and Trucks</u> | <u>Lease Purchase Equipment</u> | <u>Totals</u> |
|-------------------|---------------------------------|---|----------------------|
| \$ 48,781 | \$ 1,170,419 | \$ 3,047,136 | \$ 28,079,419 |
| 19,827 | 35,589 | | 91,755 |
| 645 | | | 8,204 |
| 8,167 | 8,536 | | 29,851 |
| 5,862 | | 94,484 | 146,522 |
| 8,107 | | | 15,206 |
| 9,670 | | | 48,929 |
| 36,787 | 1,200 | 97,684 | 285,074 |
| 58,876 | 193,130 | 21,928 | 353,563 |
| 3,129 | | | 52,399 |
| 129,596 | 1,306,157 | 1,486,700 | 6,066,149 |
| 6,019 | 17,077 | 2,173 | 104,327 |
| 1,034 | 18,574 | | 54,823 |
| 181,575 | 750,268 | 443,408 | 4,142,675 |
| 21,002 | 1,105,516 | 92,569 | 2,047,519 |
| 75,078 | 16,429 | | 336,426 |
| 271,592 | | | 761,196 |
| <u>\$ 885,747</u> | <u>\$ 4,622,895</u> | <u>\$ 5,286,082</u> | <u>\$ 42,624,037</u> |

CITY OF POMONA

General Governmental Expenditures by Function (1)

Last Ten Fiscal Years

| <u>Fiscal Year</u> | <u>General Government</u> | <u>Public Safety</u> | <u>Urban Development</u> | <u>Community Services</u> | <u>Capital Outlay</u> | <u>Debt Service</u> | <u>Total</u> |
|--------------------|---------------------------|----------------------|--------------------------|---------------------------|-----------------------|---------------------|----------------|
| 1990 | \$ 4,367,442 | \$ 31,212,028 | \$ 25,830,277 | \$ 2,834,787 | \$ 892,016 | \$ 61,855,178 | \$ 126,991,728 |
| 1991 | 5,307,224 | 32,691,611 | 26,765,750 | 3,662,807 | 3,657,049 | 55,831,088 | 127,915,529 |
| 1992 | 5,732,007 | 34,035,311 | 24,966,681 | 3,111,035 | 7,571,377 | 80,033,961 | 155,450,372 |
| 1993 | 6,844,548 | 34,088,100 | 24,961,936 | 3,068,210 | 5,823,559 | 18,200,468 | 92,986,821 |
| 1994 | 5,709,566 | 35,352,360 | 25,077,388 | 3,516,463 | 3,685,466 | 112,653,753 | 185,994,996 |
| 1995 | 8,678,125 | 37,866,935 | 24,599,604 | 9,326,382 | 2,343,418 | 49,068,530 | 131,882,994 |
| 1996 | 8,447,097 | 39,942,519 | 21,438,715 | 14,841,954 | 5,077,322 | 46,753,315 | 136,500,922 |
| 1997 | 12,668,793 | 38,965,280 | 20,609,982 | 14,450,763 | 3,576,848 | 51,584,822 | 141,856,488 |
| 1998 | 9,265,507 | 41,164,031 | 12,883,594 | 15,200,737 | 9,184,079 | 55,156,418 | 142,854,366 |
| 1999 | 7,843,758 | 42,220,062 | 17,905,578 | 13,937,663 | 4,141,047 | 71,992,734 | 158,040,842 |

(1) All governmental fund types, including General, Special Revenue, Debt Service, and Capital Projects Funds.

Source: City of Pomona Finance Department.

CITY OF POMONA

Property Tax Levies and Collections

Ten Year Historical

| <u>Fiscal Year</u> | <u>Levies</u> | <u>Collections</u> | <u>% of Collections</u> |
|------------------------|---------------|--------------------|-----------------------------|
| 1990 | \$ 8,387,189 | \$ 8,122,539 | 96.8% |
| 1991 | 8,269,650 | 8,231,495 | 99.5% |
| 1992 | 9,274,795 | 9,054,947 | 97.6% |
| 1993 | 8,972,863 | 8,892,617 | 99.1% |
| 1994 | 7,254,375 | 7,150,044 | 98.6% |
| 1995 | 6,708,675 | 6,309,869 | 94.1% |
| 1996 | 6,622,475 | 6,403,104 | 96.7% |
| 1997 | 6,828,973 | 6,480,774 | 94.9% |
| 1998 | 6,706,616 | 6,500,933 | 96.9% |
| 1999 | 6,934,772 | 6,786,865 | 97.9% |

CITY OF POMONA

Property Tax Rates-All Direct & Overlapping Governments**(Per \$100 of Assessed Value)**

Last Ten Fiscal Years

| Fiscal Year | County General | City | School | Flood Control | Metro Water District | Sanitation District #21 | Other Districts | Total |
|-------------|----------------|------------|------------|---------------|----------------------|-------------------------|-----------------|------------|
| 1990 | \$ 1.000000 | \$0.008695 | \$0.002434 | \$0.006944 | \$0.012100 | \$0.000871 | \$ - | \$1.031044 |
| 1991 | 1.000000 | 0.007080 | 0.002434 | 0.005786 | 0.009700 | 0.002140 | - | 1.027140 |
| 1992 | 1.000000 | 0.005725 | 0.009608 | 0.005376 | 0.008900 | 0.000209 | 0.001880 | 1.031698 |
| 1993 | 1.000000 | 0.005526 | 0.029327 | 0.003397 | 0.008900 | 0.000206 | 0.001409 | 1.048765 |
| 1994 | 1.000000 | 0.000000 | 0.056170 | 0.004212 | 0.008900 | 0.000000 | 0.001713 | 1.070995 |
| 1995 | 1.000000 | 0.000000 | 0.056598 | 0.006041 | 0.008900 | 0.000000 | 0.001993 | 1.073532 |
| 1996 | 1.000000 | 0.000000 | 0.057972 | 0.000963 | 0.008900 | 0.000000 | 0.001814 | 1.069649 |
| 1997 | 1.000000 | 0.000000 | 0.063000 | 0.001991 | 0.008900 | 0.000000 | 0.001604 | 1.075495 |
| 1998 | 1.000000 | 0.000000 | 0.078245 | 0.002197 | 0.008900 | 0.000000 | 0.001584 | 1.090926 |
| 1999 | 1.000000 | 0.000000 | 0.105068 | 0.001765 | 0.008900 | 0.000000 | 0.001422 | 1.117155 |

Source: County of Los Angeles Auditor-Controller's Office.

CITY OF POMONA
Computation of Legal Debt Margin
June 30, 1999

| | |
|---|------------------------------|
| Total assessed value of all real and personal property | \$ 4,731,867,567 |
| Debt limit percentage | <u>15.00%</u> |
| | |
| Total debt limit | 709,780,135 |
| Amount of debt applicable to debt limit | <u>-</u> |
| | |
| Legal debt margin | <u><u>\$ 709,780,135</u></u> |

Source: City of Pomona Finance Department.

CITY OF POMONA
**Ratio of Annual Debt Service Expenditures for General
Obligation Debt to Total General Governmental Expenditures**
Last Ten Fiscal Years

| Fiscal Year | Principal | Interest and Fiscal Charges | Total Debt Service | Total General Expenditures ⁽¹⁾ | Ratio of Debt Service To General Governmental Expenditures |
|----------------|------------|-----------------------------------|--------------------------|---|--|
| 1990 | \$ 210,000 | \$ 29,630 | \$ 239,630 | \$ 126,991,728 | 0.1887% |
| 1991 | 170,000 | 22,351 | 192,351 | 127,915,529 | 0.1504% |
| 1992 | 190,000 | 16,245 | 206,245 | 155,450,372 | 0.1327% |
| 1993 | 195,000 | 9,680 | 204,680 | 92,986,821 | 0.2201% |
| 1994 | 135,000 | 4,091 | 139,091 | 185,994,996 | 0.0748% |
| 1995 | 55,000 | 935 | 55,935 | 131,882,994 | 0.0424% |
| 1996 | - | - | - | 136,500,922 | 0.0000% |
| 1997 | - | - | - | 141,856,488 | 0.0000% |
| 1998 | - | - | - | 142,854,366 | 0.0000% |
| 1999 | - | - | - | 158,826,542 | 0.0000% |

⁽¹⁾ Includes General, Special Revenue, Debt Service, and Capital Projects Funds

Source: City of Pomona Finance Department.

CITY OF POMONA

Schedule of Water Fund Revenue Bond Coverage

Last Ten Fiscal Years

| Fiscal Year | Gross Revenue ⁽¹⁾ | Gross Expense ⁽²⁾ | Net Revenue Available for Debt Service | Debt Service Requirements ⁽³⁾ | | | Coverage |
|-------------|------------------------------|------------------------------|--|--|----------|---------|----------|
| | | | | Principal | Interest | Total | |
| 1990 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0.000 |
| 1991 | - | - | - | - | - | - | 0.000 |
| 1992 | - | - | - | - | - | - | 0.000 |
| 1993 | 11,081,970 | 9,931,919 | 1,150,051 | - | 228,540 | 228,540 | 5.032 |
| 1994 | 13,114,597 | 9,940,698 | 3,173,899 | 165,000 | 452,130 | 617,130 | 5.143 |
| 1995 | 12,043,484 | 11,024,014 | 1,019,470 | 170,000 | 446,180 | 616,180 | 1.655 |
| 1996 | 13,201,274 | 11,023,196 | 2,178,078 | 175,000 | 438,742 | 613,742 | 3.549 |
| 1997 | 14,801,770 | 13,174,589 | 1,627,181 | 185,000 | 434,580 | 619,580 | 2.626 |
| 1998 | 12,347,904 | 10,464,489 | 1,883,415 | 190,000 | 417,230 | 607,230 | 3.102 |
| 1999 | 13,688,393 | 11,689,626 | 1,998,767 | 200,000 | 416,392 | 616,392 | 3.243 |

⁽¹⁾ Total operating revenues including interest.

⁽²⁾ Total operating expenses exclusive of depreciation.

⁽³⁾ The first revenue bonds for the water fund were issued in July 1992, with debt service requirements beginning during the fiscal year 1992-1993. Requirements are reported on the cash basis, excluding premiums.

Source: City of Pomona Finance Department.

City of Pomona
Population Statistics
 Since Incorporation Including
 the Last 10 Years

| <u>Fiscal Year</u> | <u>Population</u> | <u>% Change</u> |
|--------------------|-------------------|-----------------|
| 1888 | 2,500 | |
| 1890 | 3,634 | 45.36% |
| 1900 | 5,526 | 52.06% |
| 1910 | 10,207 | 84.71% |
| 1920 | 13,505 | 32.31% |
| 1930 | 20,695 | 53.24% |
| 1940 | 23,472 | 13.42% |
| 1950 | 35,405 | 50.84% |
| 1960 | 67,157 | 89.68% |
| 1970 | 87,384 | 30.12% |
| 1980 | 92,360 | 5.69% |
| 1990 | 121,643 | 1.42% |
| 1991 | 133,778 | 9.98% |
| 1992 | 138,525 | 3.55% |
| 1993 | 137,284 | (0.90)% |
| 1994 | 138,624 | 0.98% |
| 1995 | 138,018 | (0.44)% |
| 1996 | 139,792 | 1.29% |
| 1997 | 141,385 | 1.14% |
| 1998 | 143,152 | 1.25% |
| 1999 | 145,400 | 1.57% |

CITY OF POMONA
Bank Deposits
Last Ten Fiscal Years

| <u>Year</u> | <u>Bank Deposits (\$000)</u> |
|-------------|----------------------------------|
| 1989 | 3,457,617 |
| 1990 | 5,461,657 |
| 1991 | 7,420,486 |
| 1992 | 10,136,280 |
| 1993 | 2,721,830 |
| 1994 | 1,622,354 |
| 1995 | 1,474,973 |
| 1996 | 1,648,270 |
| 1997 | 2,246,288 |
| 1998 | 3,366,801 |

Source: The Findley Reports