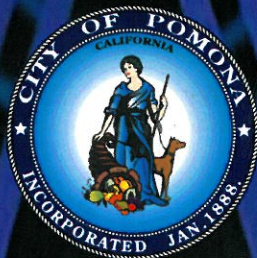


**City of Pomona**  
**California**

**Comprehensive  
Annual  
Financial Report**

**For the Year Ended  
June 30, 2013**



CITY OF POMONA, CALIFORNIA



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended June 30, 2013

Elliott Rothman

Mayor

John Nolte

Councilmember, District 1

Freddie Rodriguez (through 10/10/13)  
Adriana Robledo (started 11/04/13)

Councilmember, District 2  
Councilmember, District 2

Cristina Carrizosa

Councilmember, District 3

Paula Lantz

Councilmember, District 4

Ginna E. Escobar

Councilmember, District 5

Debra Martin

Councilmember, District 6

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

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CITY OF POMONA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2013  
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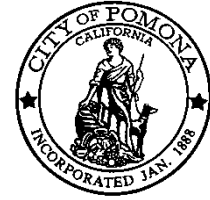
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December 23, 2013



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

The audited Comprehensive Annual Financial Report (CAFR) of the City of Pomona, California (City) for the fiscal year ended June 30, 2013 is hereby submitted.

An independent certified public accounting firm audits the basic financial statements. The purpose of the audit is to ensure that the basic financial statements present fairly, in all material respects, the financial position and the results of operations of the City. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. Lance, Soll & Lunghard, LLP, Certified Public Accountants, have issued an unmodified opinion of the City of Pomona's financial statements for the year ended June 30, 2013. The financial statements have been prepared in accordance with generally accepted accounting principles in the United States. This means that the statements have been prepared using guidelines 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. The independent auditor's report is located on page 1 of the Financial Section. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 as amended and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Information related to this single audit, including a schedule of federal financial assistance, findings and recommendations and auditor's report on the internal control structure and compliance with applicable laws and regulations, is provided in a separate single audit report.

## **REPORTING ENTITY**

The primary unit of the government is the City and its component units are described as follows:

### **The Primary Government**

The City was founded on January 6, 1888 and became a charter city in 1911. The City operates under a Council-Manager form of municipal government.

The accompanying Comprehensive Annual Financial Report includes the activities of the City, the primary government, and its component units, which are the Pomona Public Financing Authority, the City of Pomona Housing Authority, and the Canon Water Company. Financial information for the City and these component units is accounted for in the accompanying financial statements in accordance with principles



defining the reporting entity adopted by the Governmental Accounting Standards Board. The City Council serves as the governing board of the Housing Authority. The City Manager, City Attorney, Finance Director, City Treasurer, City Clerk, and the Deputy City Manager serve as the governing board for the Pomona Public Financing Authority. City employees serve as the governing board of the Canon Water Company. All of these component units are presented on a blended basis.

The former Redevelopment Agency, now Successor Agency, is a separate legal entity, which was formed to hold the assets of the former Redevelopment Agency pursuant to City Council action taken on January 9, 2012 with members of the City Council, sitting as the Successor Agency to the Redevelopment Agency. The activity of the Successor Agency is overseen by an Oversight Board which is comprised of individuals appointed by various government agencies and the City of Pomona.

**The Pomona Public Financing Authority** (the Authority) is a joint exercise of powers agreement organized under Section 6500 of the California Government Code on October 27, 1988 between the City, the Agency, and the Redevelopment Agency of the City of West Covina. The purpose of the Authority is to act as a vehicle for various financing activities of the City and the Agency. The funds of the Authority have been included in the governmental activities in the financial statements. Separate audited statements are also issued for the Authority and are available for review in the Pomona Public Library.

**The Housing Authority of the City of Pomona** (the Housing Authority) was 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. Such plans are 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 major governmental funds. Separate audited statements are also issued for the Housing Authority and are available for review in the Pomona Public Library.

This report includes all funds of the City of Pomona, California, and each of its component units. Component units are legally separate entities for which the primary government is financially accountable. The City provides full services to its residents including public safety, land use planning and zoning, housing and economic development, building and safety regulation and inspection, water, sewer and refuse services, maintenance of parks, streets and related infrastructure, recreational activities and library services.

## **THE CITY OF POMONA**

The City is located at the southeast end of Los Angeles County and borders San Bernardino County's western boundary and is just five miles north of Orange County. The City has a population of 150,942 and covers an area of approximately 23 square miles. The City is a charter city and is governed by a mayor and six council members. Council members are elected by Council district with the mayor elected from the City at large. Each member of the Council is elected to a term of four years.

## **LOCAL ECONOMY**

The City of Pomona continues to enjoy a broadly based diverse economy, albeit one with an emphasis upon government, healthcare, and other service-oriented industries. Among Pomona's large employers are the school district (Pomona USD), the City of Pomona itself, California State Polytechnic University, and the Department of Social Services. Notable private sector employers include Fairplex, Anheuser Busch, First Transit, Hayward Industries, Inland Valley Care and Rehab, Lloyd's Material Supply, Verizon, Walmart and the newly opened Target store. As a regional healthcare hub, Pomona boasts a premier facility in the Pomona Valley Hospital Medical Center, the Lanterman Developmental Center, and the non-profit Casa Colina Centers for Rehabilitation.

Per 2013 estimates published by the Labor Market Information Division of the California Employment Development Department (the most recent such data available), the City's employed civilian labor force presently stands at approximately 59,800 workers.

Retail Sales and Use Tax remains an extremely significant source of revenue, and activity now is clearly on the rebound from levels depressed by the so-called "Great Recession," with annual taxable retail sales of more than \$1.35 billion dollars during Fiscal Year 2012-13. The City of Pomona remains central to the region's building and construction industry, while other business-to-business sales represent a notable share of local sales tax receipts. The October 2013 opening of Target in the southwest portion of the City is expected to bring improved sales tax receipts to Pomona, although the impact for the 2013-14 fiscal year will be relatively small when compared to future prospects.

Current assessed valuation for the City of Pomona is \$4,965,557,682, according to the Office of the Los Angeles County Auditor-Controller. Overall, property tax receipts (secured, unsecured, transfer tax, in-lieu, etc.) are expected to exceed 32.5% of the current fiscal year's General Fund budget, while sales tax and related line items are seen as being just over 19.1% of that same total.

### **LONG-TERM FINANCIAL PLANNING**

Pomona's vigilant ongoing review and control over expenditure growth has been, and will continue as, a critical factor in maintaining and improving the City's overall financial health. As has continued to be true since long before the recent economic downturn, a broad spectrum of expenditures throughout all areas of operation will be reviewed and re-examined in the coming fiscal year and beyond, as the City of Pomona continues to seek further efficiencies and to maximize all available resources.

### **OUTLOOK FOR THE FUTURE**

At this time, a slowly strengthening economy on the national, state, and local levels is helping the State of California in ongoing efforts to address a long-time history of budget shortfalls, with Governor Brown declaring that "California's finances are in very solid shape for the first time in a decade." Some experts, however, continue to contend that the fundamental realignment of State Government policies and practices required to achieve long-term fiscal stability has yet to be achieved. As these issues are addressed, both now and in the future, history has demonstrated that there will almost inevitably be a impacts to the flow of moneys from Sacramento to various local governments, and while Pomona's fiscal health is improving, there are still long-term challenges. The City's current (2013-14) budget was balanced only after extensive – and often painful – deliberations, and while it is anticipated that the coming Fiscal Year 2014-15 will also be balanced, this will only be achieved through continued economies across virtually all aspects of Pomona's operations.

### **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 accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Single Audit.** As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the staff of the City. The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act as amended in 1996 and the United States Office of Management and Budget Circular A-133. The results of the City's single audit for the fiscal year ended June 30, 2013 are published under separate cover.

**Budgetary Controls.** The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual adopted budget approved by the City's governing body. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is at the department level in the General Fund and by fund total for all other funds. For budgeting purposes, the General Fund is composed of several departments while all other budgeted funds are each considered to be a single department. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control, however all operating encumbrances lapse at year-end unless specifically approved by City Council resolution per the City Charter.

## **OTHER INFORMATION**

**Risk Management.** The City maintains a self-insurance program to provide for the general liability, workers compensation and unemployment benefits claims.

**Independent Audit.** The accounting firm of Lance, Soll & Lunghard, LLP was selected to perform the annual independent audit. The annual audit is designed to meet the requirements of generally accepted auditing standards in the United States, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the Federal Single Audit Act of 1996, as amended and related OMB Circular A-133. The auditors' report on the basic 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, 2012. The City of Pomona has received a Certificate of Achievement for the last twenty consecutive years (1993-2012). The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of 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 in the United States and applicable legal requirements.

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

**Additional Information.** For additional information, please refer to the Management's Discussion and Analysis in the Introductory Section of this report. This discussion and analysis of the City's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the basic financial statements and the accompanying notes to the basic financial statements.

**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 all the Accounting division staff and the City's audit firm for their services in the coordination and assistance in the 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,

A handwritten signature in black ink that reads "Paula Chamberlain". The signature is written in a cursive, flowing style.

Paula Chamberlain  
Finance Director

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CITY OF POMONA

# Certificate of Achievement

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Government Finance Officers Association

## Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Pomona  
California**

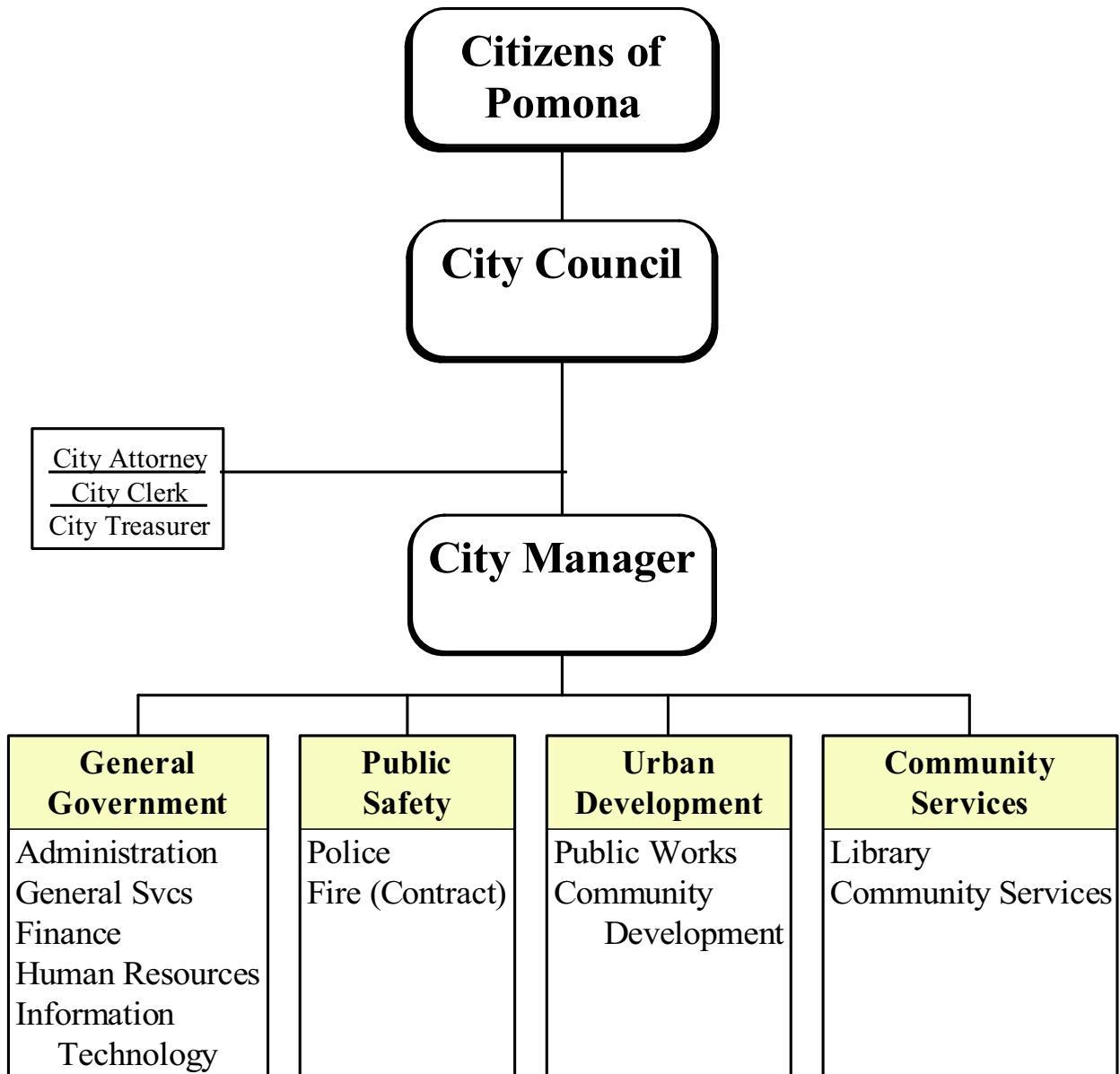
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

A handwritten signature in black ink, reading "Jeffrey R. Enos". The signature is written in a cursive, flowing style.

Executive Director/CEO

# Organizational Chart



CITY OF POMONA  
**DIRECTORY OF CITY OFFICIALS**

at June 30, 2013

**CITY COUNCIL**

**Elliott Rothman**

Mayor

<b>John Nolte</b> Councilmember District 1	<b>Freddie Rodriguez</b> (pre 11/2013) <b>Adriana Robledo</b> (eff 11/2013) Councilmember District 2	<b>Cristina Carrizosa</b> Councilmember District 3
<b>Paula Lantz</b> Councilmember District 4	<b>GINNA E. ESCOBAR</b> Councilmember District 5	<b>Debra Martin</b> Councilmember District 6

**APPOINTED ADMINISTRATIVE OFFICIALS**

City Manager .....	Linda Lowry
City Attorney .....	Arnold Alvarez-Glasman
City Clerk (Interim) .....	Sandra Medina
City Treasurer .....	Douglas Peterson

**DEPARTMENT DIRECTORS**

Finance .....	Paula Chamberlain
Fire Chief (Los Angeles County).....	Daryl L. Osby
Human Resources (Acting).....	Chris Millard
Information Technology .....	John Depolis
Library .....	Mark Gluba
Community Development/Community Services .....	Mark Lazzaretto
Police Chief.....	Dave Keetle
Public Works.....	Rene Salas



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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Pomona, California

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pomona, California, (the City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements as of February 28, 2013 of the Canon Water Company of Pomona, California (Company), a component unit of the City, which represents \$290,917 of assets, \$289,133 of net position and \$39,061 in change in net position of the business-type activities in the government-wide financial statements and proprietary funds financial statements. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Company, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



To the Honorable Mayor and Members of the City Council  
City of Pomona, California

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pomona, California, as of June 30, 2013, and, the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Other Information*

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

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

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



To the Honorable Mayor and Members of the City Council  
City of Pomona, California

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2013 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Lance, Soll & Luyhard, LLP*

Brea, California  
December 20, 2013

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **Fiscal Year Ended June 30, 2013**

This discussion and analysis of the City of Pomona's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

### **FINANCIAL HIGHLIGHTS**

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$370.5 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$68.3 million.
- At the end of the current fiscal year, committed fund balance for fiscal sustainability in the General Fund was \$7.3 million, or approximately 10% of total general fund expenditures.

### **THE FINANCIAL STATEMENTS**

The financial statements presented herein include all of the activities of the City of Pomona (City) and its component units using the integrated approach as prescribed by GASB Statement No. 34.

The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. Economic resources measurement focus considers all of the assets available for the purpose of providing goods and services and reports all inflows, outflows, and balances affecting or reflecting an entity's net position. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the Statement of Net Position. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The fund financial statements include statements for governmental funds, proprietary funds, and fiduciary funds. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach. The fiduciary funds are prepared using the economic resources measurement focus and the accrual basis of accounting.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

#### **Government-Wide Financial Statements**

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

### **The Statement of Net Position and the Statement of Activities**

The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements include *all* assets and liabilities of the City using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in them. Net position is the difference between assets and liabilities, which is one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net position are one indicator of whether its *financial health* is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's roads.

In the Statement of Net Position and the Statement of Activities, City activities are separated as follows:

**Governmental activities** – The majority of the City's basic services are reported in this category, including legislative and supportive services, Police, Fire, Public Works, Community Development, Community Services, and Library. Revenues such as property taxes, sales taxes, utility taxes, franchise fees, development related, grants, and other state and federal funds finance these activities.

**Business-type activities** – The City charges a fee to customers to cover the services it provides within this category. The City's water system, sewer system, and residential refuse operations are reported in this category.

### **FUND FINANCIAL STATEMENTS**

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for certain grants and other money.

**Governmental funds** – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer resources that can be spent in the near future to finance the City's programs. The variances of results in the governmental funds statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental funds financial statements.

**Proprietary funds** – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses three funds to account for its water, residential refuse and sewer entities for the City's enterprises. The City uses internal service funds (the other component of proprietary funds) to report activities that provide services to the City's other programs and activities – such as the City's equipment maintenance fund, self-insurance funds, information technology, printing and mail services. Internal service funds are reported with governmental activities in the government-wide financial statements.

**Fiduciary funds** – The City is the trustee, or *fiduciary*, for certain funds held for construction deposits and to account for the payment of various employee benefits and deductions including, but not limited to, health and dental insurance premiums, federal and state withholding taxes and various other items that are withheld from regular compensation. In addition, the City is the *fiduciary*, for the former Redevelopment Agency now

Successor Agency. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities are excluded from the City's other financial statements since the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### Notes to the Financial Statements

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

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* including budgetary comparison schedules for the general fund and each major special revenue fund.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, the net position for the City as a whole is \$370.5 million at June 30, 2013. Program expenses by function, general revenues by major source, excess and/or deficiency of revenues over expenses before contributions to fund principal, special, and extraordinary items, changes in and total net position are presented in the Statement of Activities.

The City's combined net position (in millions) for fiscal years ended June 30, 2012 and June 30, 2013 are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 139.9	\$ 133.9	\$ 90.3	\$ 92.2	\$ 230.2	\$ 226.1
Capital assets	283.9	288.7	156.1	153.5	440.0	442.2
Total assets	<u>423.8</u>	<u>422.6</u>	<u>246.4</u>	<u>245.7</u>	<u>670.2</u>	<u>668.3</u>
Other liabilities	9.0	11.8	8.3	8.2	17.3	20.0
Long-term liabilities outstanding	142.6	143.3	139.8	137.5	282.4	280.8
Total liabilities	<u>151.6</u>	<u>155.1</u>	<u>148.1</u>	<u>145.7</u>	<u>299.7</u>	<u>300.8</u>
Net position:						
Net investment in capital assets	266.3	272.9	40.8	46.8	307.1	319.7
Restricted	94.9	94.3	14.8	13.6	109.7	107.9
Unrestricted	(89.0)	(99.7)	42.7	39.6	(46.3)	(60.1)
<b>Total net position</b>	<u>\$ 272.2</u>	<u>\$ 267.5</u>	<u>\$ 98.3</u>	<u>\$ 100.0</u>	<u>\$ 370.5</u>	<u>\$ 367.5</u>

The City's net position, including the governmental activities and business-type activities, increased \$3.0 million. A \$4.7 million increase in governmental activities and a \$1.7 million decrease in business-type activities.

## GOVERNMENTAL ACTIVITIES

The City's \$4.7 million increase in net position from governmental activities was primarily due to an increase in revenues (see Financial Analysis of the City's Funds – General Fund for explanation). The cost of all governmental activities this year was \$129.4 million. However, as shown in the Statement of Activities, the amount that the taxpayers ultimately financed for these activities was only \$79.9 million because some of the



cost was paid by those who directly benefited from the programs (\$16.3 million), or by other governments and organizations that subsidized certain programs with operating contributions and grants (\$20.5 million), and capital contributions and grants (\$15.4 million). Overall, the City's program revenues were \$52.2 million. The City paid for the remaining "public benefit" portion of governmental activities with \$79.9 million in taxes (some of which is restricted for certain programs) and with other revenues such as interest.

The City's programs for governmental activities include legislative and support services, Police, Fire, Public Works, Urban Development, Community Services, and Library. The programs for the business-type activities include water utilities, sewer, and residential refuse operations. A comparison of each program's revenues and expenses (in millions) for the current year is presented herein.

CITY OF POMONA

Management's Discussion and Analysis, Continued  
 Year Ended June 30, 2013

	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 16.3	\$ 6.6			\$ 16.3	\$ 6.6
Water	-	-	\$ 30.7	\$ 29.4	30.7	29.4
Sewer	-	-	4.5	4.5	4.5	4.5
Refuse	-	-	9.1	9.3	9.1	9.3
Operating contributions and grants	20.5	18.9	-	-	20.5	18.9
Capital contributions and grants	15.4	18.5	-	0.4	15.4	18.9
General Revenues:						
Taxes:						
Property taxes	32.1	41.8	-	-	32.1	41.8
Sales taxes	12.4	10.8	-	-	12.4	10.8
Motor vehicle licenses	-	-	-	-	-	-
Transient occupancy taxes	1.5	1.4	-	-	1.5	1.4
Property transfer taxes	1.5	1.1	-	-	1.5	1.1
Franchises taxes	5.7	6.0	-	-	5.7	6.0
Utility users taxes	16.9	17.4	-	-	16.9	17.4
Business licenses (nonregulatory)	3.1	3.1	-	-	3.1	3.1
Other taxes	-	-	-	-	-	-
Interest and rentals	4.4	13.4	-	0.1	4.4	13.5
Miscellaneous	2.3	6.7	-	-	2.3	6.7
Gain on sale of capital assets	-	-	0.1	-	0.1	-
Extraordinary gain on RDA dissolution	1.0	149.0	-	-	1.0	149.0
Total revenues	<u>133.1</u>	<u>294.7</u>	<u>44.4</u>	<u>43.7</u>	<u>177.5</u>	<u>338.4</u>
<b>Expenses:</b>						
General government	7.5	5.2	-	-	7.5	5.2
Public safety	62.6	63.5	-	-	62.6	63.5
Urban development	36.4	94.5	-	-	36.4	94.5
Community services	14.9	6.8	-	-	14.9	6.8
Interest on long-term debt	8.0	21.8	-	-	8.0	21.8
Water	-	-	28.2	25.9	28.2	25.9
Sewer	-	-	8.5	5.2	8.5	5.2
Refuse	-	-	8.4	8.7	8.4	8.7
Canon Water Company	-	-	-	-	-	-
Total expenses	<u>129.4</u>	<u>191.8</u>	<u>45.1</u>	<u>39.8</u>	<u>174.5</u>	<u>231.6</u>
Increase in net position before transfers	3.7	102.9	(0.7)	3.9	3.0	106.8
Transfers	1.0	0.7	(1.0)	(0.7)	-	-
Increase (decrease) in net position	<u>4.7</u>	<u>103.6</u>	<u>(1.7)</u>	<u>3.2</u>	<u>3.0</u>	<u>106.8</u>
Net position at beginning of year	267.5	163.9	100.0	96.8	367.5	260.7
Net position at end of year	<u>\$ 272.2</u>	<u>\$ 267.5</u>	<u>\$ 98.3</u>	<u>\$ 100.0</u>	<u>\$ 370.5</u>	<u>\$ 367.5</u>

**BUSINESS-TYPE ACTIVITIES**

The cost of all business-type activities this year was \$45.1 million. As shown in the Statement of Activities and Changes in Net Position, the amounts paid by users of the systems was \$44.4 million.

Total resources available during the year to finance business-type activities were \$144.4 million consisting of Net Position at July 1, 2012 of \$100.0 million and revenues of \$44.4 million; thus net position decreased by \$1.7 million to \$98.3 million. The decrease was primarily due to the transfer of the sewer lift stations to the County Sanitation Districts of Los Angeles County.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The fund balance at year-end for the City's General Fund of \$7.4 million is an overall increase of \$5.3 million. This is the result of revenues exceeding budgeted estimates by \$4.43 million and expenditures falling below appropriations by \$889,019. Although the City budgeted \$750,000 in one-time revenue (Sale of Prop A funds), it received over \$3.5 million in one-time/limited revenues. The primary contributors of the increased amount were the \$1.3 million settlement for property tax administrative fees, \$380,000 from the State Board of Equalization (SBOE) settlement, \$479,000 in a SB211 Pass Thru prior year catch-up payment and \$327,000 of other reimbursements/restoration/settlement payments. Additionally, the City realized significant increases in sales taxes (\$440,000), other taxes (\$632,000), and development related revenues (\$1.06 million). These increases, however, were offset by underachieving of \$1 million in utility tax primarily due to the later than anticipated approval of an energy rate increase, lower natural gas prices, and a change in methodology by a major telecommunication provider.

The Housing Authority Funds show an increase of \$4.2 million primarily due to the consolidation of the Housing Assistance group of funds into the Housing Authority Fund (5.0 million). Consequently, the Other Governmental Funds show a decrease of \$2.4 million primarily due to consolidation of the Housing Assistance Fund into the Housing Authority Fund (5.0 million) and the sale of capital assets in the Vehicle Parking District Fund (3.3 million).

## DEBT ADMINISTRATION

At the end of the current fiscal year, the City and its component units (Pomona Public Financing Authority, and Pomona Housing Authority) had total long-term debt outstanding of \$282.4 million.

	Governmental Activities	Business-Type Activities	Total
Obligations under capital lease	\$ 1,164,337	\$ 4,112,175	\$ 5,276,512
Notes payable	700,000	-	700,000
Revenue bonds	42,446,378	134,415,161	176,861,539
Pension obligation refunding	44,400,752	-	44,400,752
Certificates of participation	12,012,435	-	12,012,435
Compensated absences	7,315,006	1,240,394	8,555,400
Claims payable	19,031,566	-	19,031,566
OPEB obligations	15,523,781	-	15,523,781
Total	<u>\$ 142,594,255</u>	<u>\$ 139,767,730</u>	<u>\$ 282,361,985</u>

Additional information on the City's long-term debt can be found in Note 8 in the Notes to the Basic Financial Statements.

**CASH MANAGEMENT**

To obtain flexibility in cash management, the City employs a pooled cash system (Reference Note 2 in the Notes to the Basic Financial Statements). Under the pooled cash concept, the City invests the cash of all funds with maturities planned to coincide with cash needs. Idle cash is invested in certain eligible securities as constrained by law and further limited by the City's Investment Policy. The goals of the City's Investment Policy are safety, liquidity and yield.

**CAPITAL ASSETS**

The capital assets of the City are those assets, which are used in the performance of the City's functions including infrastructure assets. At June 30, 2013, net capital assets of the governmental activities totaled \$283.9 million and the net capital assets of the business-type activities totaled \$156.1 million. Depreciation on capital assets is recognized in the government-wide financial statements.

Description	Original Cost	Accumulated Depreciation	Book Value
<b>Capital Assets - Governmental Activities</b>			
Land	\$ 80,592,235	\$ -	\$ 80,592,235
Construction in progress	17,225,764	-	17,225,764
Buildings and improvements	14,584,537	11,350,570	3,233,967
Improvements other than buildings	60,003,395	21,563,502	38,439,893
Machinery and equipment	19,108,585	13,937,387	5,171,198
Furniture and fixtures	1,014,456	716,868	297,588
Autos and trucks	11,992,194	9,095,160	2,897,034
Equipment under capital leases	506,032	31,911	474,121
Infrastructure	378,726,778	243,166,057	135,560,721
<b>Total</b>	<b>\$ 583,753,976</b>	<b>\$ 299,861,455</b>	<b>\$ 283,892,521</b>
<b>Capital Assets - Business -Type Activities</b>			
Land	\$ 9,089,782	\$ -	\$ 9,089,782
Construction in progress	18,015,402	-	18,015,402
Buildings and improvements	3,469,883	3,273,553	196,330
Improvements other than buildings	286,638	98,032	188,606
Machinery and equipment	194,558,671	72,025,951	122,532,720
Furniture and fixtures	5,105	5,105	-
Autos and trucks	5,155,387	3,341,986	1,813,401
Equipment under capital leases	4,257,381	-	4,257,381
<b>Total</b>	<b>\$ 234,838,249</b>	<b>\$ 78,744,627</b>	<b>\$ 156,093,622</b>

Additional information on the City of Pomona's capital assets can be found in Note 7 in the Notes to the Basic Financial Statements.

**ECONOMIC FACTORS**

The City of Pomona's total Fiscal Year 2012-13 General Fund revenues grew by over \$5.97 million (roughly 7.75%) versus the prior year actuals. However, after factoring out a combined \$3.5 million in one-time/limited revenues, total revenues actually increased by just over \$4.84 million compared to one year ago. That being said, there were both ups and downs across all revenues, with several in particular worth noting. The Property

Transfer Tax began its recovery, growing by nearly \$365,000 (just under 32.8%) as a reflection of continued improvement in the local real estate market. Further evidence of a hopeful return to economic growth may be seen in Pomona's 0.75% share of Sales and Use Tax receipts, which grew by almost \$900,000, while "triple flip" revenues (which lag by a year, and often vary widely) grew by over \$825,000. Business License receipts – which partially reflect retail activity – increased to record levels, while Transient Occupancy Tax receipts also point to an improving area economic picture. Finally, healthy across-the-board growth in construction related receipts (Building Permits, Job Fees, New Construction Tax, et al) point to a firm foundation for future economic growth.

#### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide Pomona citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report, separate reports of the City's component units or need any additional financial information, contact the City of Pomona Finance Department at 505 S. Garey Avenue (P.O. Box 660), Pomona, California, 91769.

# **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS**

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## CITY OF POMONA

STATEMENT OF NET POSITION  
JUNE 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 43,280,240	\$ 33,802,832	\$ 77,083,072
Receivables (net):			
Accounts	3,495,322	11,691,526	15,186,848
Notes and loans	28,615,478	-	28,615,478
Interest	21,701	21,067	42,768
Internal balances	(5,357,614)	5,357,614	-
Prepaid costs	1,500,831	9,000	1,509,831
Due from other governments	8,278,848	40,292	8,319,140
Inventories	431,629	292,297	723,926
Deferred charges	2,617,150	2,573,167	5,190,317
Land held for resale	7,715,940	-	7,715,940
Pension asset, net	24,181,003	-	24,181,003
Advances to Successor Agency	4,000,000	-	4,000,000
Restricted assets:			
Cash and investments	21,122,513	36,497,234	57,619,747
Capital assets, not being depreciated	97,817,999	27,105,184	124,923,183
Capital assets, net of depreciation	186,074,522	128,988,438	315,062,960
<b>Total Assets</b>	<b>423,795,562</b>	<b>246,378,651</b>	<b>670,174,213</b>
<b>Liabilities:</b>			
Accounts payable	5,700,542	3,760,469	9,461,011
Payroll payable	924,094	191,295	1,115,389
Accrued liabilities	312,716	96,271	408,987
Interest payable	1,727,531	1,026,383	2,753,914
Unearned revenues	321,138	-	321,138
Deposits payable	33,022	3,284,412	3,317,434
Noncurrent liabilities:			
Due within one year	10,309,052	2,934,486	13,243,538
Due in more than one year	132,285,203	136,833,244	269,118,447
<b>Total Liabilities</b>	<b>151,613,298</b>	<b>148,126,560</b>	<b>299,739,858</b>
<b>Net Position:</b>			
Net investment in capital assets	266,340,326	40,774,712	307,115,038
Restricted for:			
Community development projects	18,660,678	-	18,660,678
Special projects	4,837,364	-	4,837,364
Capital projects	20,860,313	-	20,860,313
Debt service	50,439,455	14,805,693	65,245,148
Unrestricted	(88,955,872)	42,671,686	(46,284,186)
<b>Total Net Position</b>	<b>\$ 272,182,264</b>	<b>\$ 98,252,091</b>	<b>\$ 370,434,355</b>

CITY OF POMONA

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 7,499,578	\$ 1,151,235	\$ 569,644	\$ -
Public safety	62,632,820	5,904,522	1,061,392	6,230
Urban development	36,407,420	8,349,471	18,762,564	15,436,206
Community services	14,858,140	926,260	154,519	-
Interest on long-term debt	7,997,227	-	-	-
<b>Total Governmental Activities</b>	<b>129,395,185</b>	<b>16,331,488</b>	<b>20,548,119</b>	<b>15,442,436</b>
Business-Type Activities:				
Water	28,242,875	30,633,205	-	-
Sewer	8,544,029	4,461,575	-	-
Refuse	8,403,397	9,107,603	46,588	-
Canon Water Company - February 28, 2013	25,163	64,221	-	-
<b>Total Business-Type Activities</b>	<b>45,215,464</b>	<b>44,266,604</b>	<b>46,588</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 174,610,649</b>	<b>\$ 60,598,092</b>	<b>\$ 20,594,707</b>	<b>\$ 15,442,436</b>

General Revenues:  
Taxes:  
Property taxes  
Sales taxes  
Motor vehicle licenses  
Transient occupancy taxes  
Property transfer taxes  
Franchise taxes  
Utility users taxes  
Business licenses (nonregulatory)  
Other taxes  
Interest and rentals  
Miscellaneous  
Gain on sale of capital assets  
Extraordinary gain/(loss) on dissolution  
of Redevelopment Agency (Note 17)  
Transfers  
**Total General Revenues,  
Extraordinary Items and Transfers**

Change in Net Position

Net Position at Beginning of Year

**Net Position at End of Year**

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**Net (Expenses) Revenues and Changes in Net Position****Primary Government**

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<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (5,778,699)	\$ -	\$ (5,778,699)
(55,660,676)	-	(55,660,676)
6,140,821	-	6,140,821
(13,777,361)	-	(13,777,361)
(7,997,227)	-	(7,997,227)
<b>(77,073,142)</b>	<b>-</b>	<b>(77,073,142)</b>
-	2,390,330	2,390,330
-	(4,082,454)	(4,082,454)
-	750,794	750,794
-	39,058	39,058
<b>-</b>	<b>(902,272)</b>	<b>(902,272)</b>
<b>(77,073,142)</b>	<b>(902,272)</b>	<b>(77,975,414)</b>
32,143,878	-	32,143,878
12,354,719	-	12,354,719
69,443	-	69,443
1,473,662	-	1,473,662
1,475,856	-	1,475,856
5,671,708	-	5,671,708
16,941,444	-	16,941,444
3,123,120	-	3,123,120
20,966	-	20,966
4,363,428	41,890	4,405,318
2,347,387	31,677	2,379,064
-	79,312	79,312
804,048	-	804,048
954,698	(954,698)	-
<b>81,744,357</b>	<b>(801,819)</b>	<b>80,942,538</b>
4,671,215	(1,704,091)	2,967,124
267,511,049	99,956,182	367,467,231
<b>\$ 272,182,264</b>	<b>\$ 98,252,091</b>	<b>\$ 370,434,355</b>

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# **FUND FINANCIAL STATEMENTS**

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Governmental Fund Financial Statements  
Proprietary Fund Financial Statements  
Fiduciary Fund Financial Statements

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# GOVERNMENTAL FUND FINANCIAL STATEMENTS

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The City has determined the following funds to be major funds:

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

The **Housing Authority Fund** accounts for grant revenues for acquisition, rehabilitation, and administration of properties used to provide affordable rental housing.

The **Miscellaneous Grants Fund** accounts for revenues received and expenditures made for Federal and/ or State approved programs/ projects.

The **General Debt Service Fund** accounts for the payment of interest and principal on debt incurred by the City.

The **Public Financing Authority Debt Service Fund** accounts for the payment of interest and principal on the local agency revenue bonds, notes payable and other debt of the Public Financing Authority.



CITY OF POMONA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	<u>Special Revenue Fund</u>			<u>Debt Service Fund</u>
	<u>General</u>	<u>Housing Authority</u>	<u>Miscellaneous Grants</u>	<u>General Debt Service</u>
<b>Assets:</b>				
Cash and investments	\$ 3,779,783	\$ 3,508,383	\$ 1,450,211	\$ 1,635,638
Receivables (net):				
Accounts	2,327,828	195,001	416,447	-
Notes and loans	-	9,629,648	16,652,638	-
Interest	3,519	2,406	916	804
Prepaid costs	15,850	1,484,981	-	-
Due from other governments	5,697,244	278,184	1,309,671	-
Due from other funds	1,611,737	-	-	-
Advances to other funds	-	-	-	-
Advances to Successor Agency	-	4,000,000	-	-
Inventories	94,099	-	-	-
Land held for resale	-	7,715,940	-	-
Restricted assets:				
Cash and investments	-	6,321,361	-	4,522,611
<b>Total Assets</b>	<b>\$ 13,530,060</b>	<b>\$ 33,135,904</b>	<b>\$ 19,829,883</b>	<b>\$ 6,159,053</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 2,748,159	\$ 5,398	\$ 511,447	\$ -
Payroll payable	733,142	25,299	31,372	-
Accrued liabilities	11,574	99,553	-	-
Deferred revenues	2,306,032	9,629,648	16,968,811	-
Unearned revenues	-	-	321,138	-
Deposits payable	-	24,755	-	-
Due to other funds	-	-	-	1,479,620
Interest payable	-	-	-	1,189,069
Advances from other funds	304,435	-	-	45,080,000
<b>Total Liabilities</b>	<b>6,103,342</b>	<b>9,784,653</b>	<b>17,832,768</b>	<b>47,748,689</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Inventories	94,099	-	-	-
Prepaid costs	15,850	1,484,981	-	-
Land held for resale	-	7,715,940	-	-
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Advances to Successor Agency	-	4,000,000	-	-
<b>Restricted</b>				
Urban development	-	10,150,330	1,940,593	-
Public safety	-	-	122,648	-
Community services	-	-	-	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
Debt service	-	-	-	-
<b>Committed</b>				
Fiscal sustainability	7,316,769	-	-	-
<b>Unassigned</b>				
	-	-	(66,126)	(41,589,636)
<b>Total Fund Balances</b>	<b>7,426,718</b>	<b>23,351,251</b>	<b>1,997,115</b>	<b>(41,589,636)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 13,530,060</b>	<b>\$ 33,135,904</b>	<b>\$ 19,829,883</b>	<b>\$ 6,159,053</b>

CITY OF POMONA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2013**

	<b>Debt Service Fund</b>		
	<b>Public Financing Authority Debt Service</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>			
Cash and investments	\$ 97,118	\$ 21,870,677	\$ 32,341,810
Receivables (net):			
Accounts	-	556,046	3,495,322
Notes and loans	-	2,333,192	28,615,478
Interest	53	11,151	18,849
Prepaid costs	-	-	1,500,831
Due from other governments	-	987,755	8,272,854
Due from other funds	-	-	1,611,737
Advances to other funds	45,080,000	304,435	45,384,435
Advances to Successor Agency	-	-	4,000,000
Inventories	-	-	94,099
Land held for resale	-	-	7,715,940
Restricted assets:			
Cash and investments	5,231,427	5,047,114	21,122,513
<b>Total Assets</b>	<b>\$ 50,408,598</b>	<b>\$ 31,110,370</b>	<b>\$ 154,173,868</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 6,255	\$ 1,733,280	\$ 5,004,539
Payroll payable	1,699	100,526	892,038
Accrued liabilities	-	201,589	312,716
Deferred revenues	-	2,235,976	31,140,467
Unearned revenues	-	-	321,138
Deposits payable	-	8,267	33,022
Due to other funds	-	132,117	1,611,737
Interest payable	-	-	1,189,069
Advances from other funds	-	-	45,384,435
<b>Total Liabilities</b>	<b>7,954</b>	<b>4,411,755</b>	<b>85,889,161</b>
<b>Fund Balances:</b>			
<b>Nonspendable</b>			
Inventories	-	-	94,099
Prepaid costs	-	-	1,500,831
Land held for resale	-	-	7,715,940
Notes and loans	-	375,000	375,000
Advances to other funds	-	304,435	304,435
Advances to Successor Agency	-	-	4,000,000
<b>Restricted</b>			
Urban development	-	14,372,330	26,463,253
Public safety	-	4,748,121	4,870,769
Community services	-	561,874	561,874
Capital projects	-	5,794,093	5,794,093
Assessment district improvement	-	542,762	542,762
Debt service	50,400,644	-	50,400,644
<b>Committed</b>			
Fiscal sustainability	-	-	7,316,769
<b>Unassigned</b>	-	-	(41,655,762)
<b>Total Fund Balances</b>	<b>50,400,644</b>	<b>26,698,615</b>	<b>68,284,707</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 50,408,598</b>	<b>\$ 31,110,370</b>	<b>\$ 154,173,868</b>

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CITY OF POMONA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2013**

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**Fund Balances of Governmental Funds** **\$ 68,284,707**

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

Capital assets net of depreciation have not been included as financial resources. Therefore, they are not reported in governmental funds. 283,722,191

Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net position. 2,617,150

Pension asset is a contribution deferred and subject to capitalization and amortization on the statements of net position. However, pension contribution is an expenditure in the Fund statement in the year of contribution. 24,181,003

Long-term debt and compensated absences that have not been included in the governmental fund activity:

Obligation under capital lease	\$ (1,164,337)	
Notes payable	(700,000)	
Revenue bonds	(42,446,378)	
Pension obligation refunding bonds	(44,400,752)	
Certificates of participation	(12,012,435)	
Compensated Absences	(7,102,298)	(107,826,200)

Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability. (15,523,781)

Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds. (538,462)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 31,140,467

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position. (13,874,811)

**Net Position of Governmental Activities** **\$ 272,182,264**

## CITY OF POMONA

**STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

	Special Revenue Fund			Debt Service Fund
	General	Housing Authority	Miscellaneous Grants	General Debt Service
<b>Revenues:</b>				
Taxes	\$ 71,083,830	\$ -	\$ -	\$ 942,575
Special assessments	-	-	-	-
Licenses and permits	3,980,051	-	-	-
Intergovernmental	967,942	12,033,244	4,782,117	-
Charges for services	2,757,955	-	320,773	-
Interest and rentals	297,471	366,318	281,221	12,235
Fines and forfeitures	1,946,354	-	-	-
Miscellaneous	1,925,999	32,136	127,100	404,073
<b>Total Revenues</b>	<b>82,959,602</b>	<b>12,431,698</b>	<b>5,511,211</b>	<b>1,358,883</b>
<b>Expenditures:</b>				
Current:				
General government	3,515,785	-	31,179	46,499
Public safety	58,592,709	-	1,429,072	-
Urban development	7,292,270	12,840,426	3,718,112	-
Community services	3,534,194	-	347,075	-
Capital outlay	24,141	13,793	431,674	-
Debt service:				
Principal retirement	212,255	-	-	652,000
Interest and fiscal charges	8,655	-	-	4,768,138
<b>Total Expenditures</b>	<b>73,180,009</b>	<b>12,854,219</b>	<b>5,957,112</b>	<b>5,466,637</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,779,593	(422,521)	(445,901)	(4,107,754)
<b>Other Financing Sources (Uses):</b>				
Transfers in	15,704	5,038,431	311,536	5,598,490
Transfers out	(4,551,968)	(214,615)	(21,457)	(30,066)
Capital leases	-	-	-	-
Notes and loans issued	-	-	-	-
Proceeds from sale of capital assets	35,370	-	190,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>(4,500,894)</b>	<b>4,823,816</b>	<b>480,079</b>	<b>5,568,424</b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency (Note 17)	-	(195,359)	-	-
Net Change in Fund Balances	5,278,699	4,205,936	34,178	1,460,670
Fund Balances, Beginning of Year	2,148,019	19,145,315	1,962,937	(43,050,306)
<b>Fund Balances, End of Year</b>	<b>\$ 7,426,718</b>	<b>\$ 23,351,251</b>	<b>\$ 1,997,115</b>	<b>\$ (41,589,636)</b>

## CITY OF POMONA

**STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

	<u>Debt Service Fund</u>		
	<u>Public Financing Authority Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Taxes	\$ -	\$ 37,249	\$ 72,063,654
Special assessments	-	1,229,658	1,229,658
Licenses and permits	-	1,790,432	5,770,483
Intergovernmental	-	17,446,615	35,229,918
Charges for services	-	1,540,352	4,619,080
Interest and rentals	2,678,639	729,075	4,364,959
Fines and forfeitures	-	14,267	1,960,621
Miscellaneous	11,200	2,539,761	5,040,269
<b>Total Revenues</b>	<b><u>2,689,839</u></b>	<b><u>25,327,409</u></b>	<b><u>130,278,642</u></b>
<b>Expenditures:</b>			
Current:			
General government	9,380	786,028	4,388,871
Public safety	-	2,340,561	62,362,342
Urban development	-	21,857,065	45,707,873
Community services	-	1,126,529	5,007,798
Capital outlay	-	1,571,183	2,040,791
Debt service:			
Principal retirement	1,375,000	198,278	2,437,533
Interest and fiscal charges	2,561,202	20,469	7,358,464
<b>Total Expenditures</b>	<b><u>3,945,582</u></b>	<b><u>27,900,113</u></b>	<b><u>129,303,672</u></b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,255,743)</u>	<u>(2,572,704)</u>	<u>974,970</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	5,690,358	16,654,519
Transfers out	(198,233)	(10,683,482)	(15,699,821)
Capital leases	-	695,000	695,000
Notes and loans issued	-	200,000	200,000
Proceeds from sale of capital assets	-	4,304,000	4,529,370
<b>Total Other Financing Sources (Uses)</b>	<b><u>(198,233)</u></b>	<b><u>205,876</u></b>	<b><u>6,379,068</u></b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency (Note 17)	<u>-</u>	<u>-</u>	<u>(195,359)</u>
Net Change in Fund Balances	(1,453,976)	(2,366,828)	7,158,679
Fund Balances, Beginning of Year	<u>51,854,620</u>	<u>29,065,443</u>	<u>61,126,028</u>
<b>Fund Balances, End of Year</b>	<b><u>\$ 50,400,644</u></b>	<b><u>\$ 26,698,615</u></b>	<b><u>\$ 68,284,707</u></b>

**CITY OF POMONA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2013**

**Net Change in Fund Balances - Total Governmental Funds** **\$ 7,158,679**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 2,040,791	
Depreciation	(13,059,005)	
Disposition of capital assets	6,259,371	(4,758,843)

Governmental funds report pension contributions as expenditures, however excess of contributions over the actuarial required contributions (ARC) are capitalized and amortized in the government-wide financial statements.

(664,581)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments		
Obligation under capital lease	285,533	
Notes payable	125,000	
Revenue bonds	1,389,969	
Pension obligation refunding bonds	340,000	
Certificates of participation	320,622	
Debt issued or incurred		
Obligation under capital lease	(695,000)	
Notes payable	(200,000)	
Accreted interest on pension obligation bonds	(441,538)	
Deferred charges amortization	(138,545)	986,041

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

31,903

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

449,398

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense.

(2,514,713)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.

2,027,877

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.

956,047

Extraordinary gains and loss relating to long-term liabilities transferred to the Successor Agency are reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.

Long-term liabilities	999,407	999,407
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**Change in Net Position of Governmental Activities**

**\$ 4,671,215**

# PROPRIETARY FUND FINANCIAL STATEMENTS

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The City has determined the following funds to be major funds:

The **Water Utility Enterprise Fund** accounts for activities associated with the distribution and transmission of potable water to users.

The **Sewer Enterprise Fund** accounts for the operation and maintenance of the City's sewer network.

The **Refuse Enterprise Fund** accounts for activities associated with refuse collection, and curbside collection of recycling materials.

The **Canon Water Company Enterprise Fund** accounts for the activities of the Canon Water Company.



CITY OF POMONA

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2013

	<b>Business-Type Activities - Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Refuse</u>
<b>Assets:</b>			
Current:			
Cash and investments	\$ 24,428,650	\$ 7,556,659	\$ 1,643,621
Receivables (net):			
Accounts	8,285,943	1,148,405	2,171,550
Interest	15,858	4,261	948
Prepaid costs	9,000	-	-
Due from other governments	-	-	40,292
Inventories	292,297	-	-
Restricted:			
Cash and investments	26,599,494	9,897,740	-
<b>Total Current Assets</b>	<b>59,631,242</b>	<b>18,607,065</b>	<b>3,856,411</b>
Noncurrent:			
Advances to other funds	5,000,000	-	-
Deferred charges	1,505,990	1,067,177	-
Capital assets, not being depreciated	25,721,173	1,384,011	-
Capital assets, net of depreciation	98,647,145	25,100,353	5,209,553
<b>Total Noncurrent Assets</b>	<b>130,874,308</b>	<b>27,551,541</b>	<b>5,209,553</b>
<b>Total Assets</b>	<b>\$ 190,505,550</b>	<b>\$ 46,158,606</b>	<b>\$ 9,065,964</b>
<b>Liabilities and Net Position:</b>			
<b>Liabilities:</b>			
Current:			
Accounts payable	\$ 3,380,001	\$ 97,169	\$ 281,515
Payroll payable	138,435	19,721	33,139
Accrued liabilities	96,271	-	-
Interest payable	845,214	104,189	76,980
Deposits payable	3,284,412	-	-
Compensated absences	565,000	86,000	126,000
Claims and judgments	-	-	-
Bonds, notes, and capital leases	1,240,000	370,000	547,486
<b>Total Current Liabilities</b>	<b>9,549,333</b>	<b>677,079</b>	<b>1,065,120</b>
Noncurrent:			
Advances from other funds	-	-	-
Compensated absences	320,434	19,666	123,294
Claims and judgments	-	-	-
Bonds, notes, and capital leases	105,160,161	27,645,000	3,564,689
<b>Total Noncurrent Liabilities</b>	<b>105,480,595</b>	<b>27,664,666</b>	<b>3,687,983</b>
<b>Total Liabilities</b>	<b>115,029,928</b>	<b>28,341,745</b>	<b>4,753,103</b>
<b>Net Position:</b>			
Net Investment in capital assets	26,381,958	13,263,989	1,097,378
Restricted for debt service	14,805,693	-	-
Unrestricted	34,287,971	4,552,872	3,215,483
<b>Total Net Position</b>	<b>75,475,622</b>	<b>17,816,861</b>	<b>4,312,861</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 190,505,550</b>	<b>\$ 46,158,606</b>	<b>\$ 9,065,964</b>

**Reconciliation of Net Position to the  
Statement of Net Position**

Net Position per Statement of Net Position - Proprietary Funds

Prior years' accumulated adjustment to reflect the consolidation of  
internal service funds activities related to the enterprise funds

Current years' adjustments to reflect the consolidation of internal  
service activities related to enterprise funds

**Net Position per Statement of Net Position**

CITY OF POMONA

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2013

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Canon Water Company - February 28, 2013	Total	
<b>Assets:</b>			
Current:			
Cash and investments	\$ 173,902	\$ 33,802,832	\$ 10,938,430
Receivables (net):			
Accounts	85,628	11,691,526	-
Interest	-	21,067	2,852
Prepaid costs	-	9,000	-
Due from other governments	-	40,292	5,994
Inventories	-	292,297	337,530
Restricted:			
Cash and investments	-	36,497,234	-
<b>Total Current Assets</b>	<b>259,530</b>	<b>82,354,248</b>	<b>11,284,806</b>
Noncurrent:			
Advances to other funds	-	5,000,000	-
Deferred charges	-	2,573,167	-
Capital assets, not being depreciated	-	27,105,184	-
Capital assets, net of depreciation	31,387	128,988,438	170,330
<b>Total Noncurrent Assets</b>	<b>31,387</b>	<b>163,666,789</b>	<b>170,330</b>
<b>Total Assets</b>	<b>\$ 290,917</b>	<b>\$ 246,021,037</b>	<b>\$ 11,455,136</b>
<b>Liabilities and Net Position:</b>			
<b>Liabilities:</b>			
Current:			
Accounts payable	\$ 1,784	\$ 3,760,469	\$ 696,003
Payroll payable	-	191,295	32,056
Accrued liabilities	-	96,271	-
Interest payable	-	1,026,383	-
Deposits payable	-	3,284,412	-
Compensated absences	-	777,000	166,000
Claims and judgments	-	-	3,776,000
Bonds, notes, and capital leases	-	2,157,486	-
<b>Total Current Liabilities</b>	<b>1,784</b>	<b>11,293,316</b>	<b>4,670,059</b>
Noncurrent:			
Advances from other funds	-	-	5,000,000
Compensated absences	-	463,394	46,708
Claims and judgments	-	-	15,255,566
Bonds, notes, and capital leases	-	136,369,850	-
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>136,833,244</b>	<b>20,302,274</b>
<b>Total Liabilities</b>	<b>1,784</b>	<b>148,126,560</b>	<b>24,972,333</b>
<b>Net Position:</b>			
Net Investment in capital assets	31,387	40,774,712	170,330
Restricted for debt service	-	14,805,693	-
Unrestricted	257,746	42,314,072	(13,687,527)
<b>Total Net Position</b>	<b>289,133</b>	<b>97,894,477</b>	<b>(13,517,197)</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 290,917</b>	<b>\$ 246,021,037</b>	<b>\$ 11,455,136</b>
		\$ 97,894,477	
		324,770	
		32,844	
		<u>\$ 98,252,091</u>	

## CITY OF POMONA

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 30,633,205	\$ 4,461,575	\$ 9,107,227
Miscellaneous	-	29,658	2,395
<b>Total Operating Revenues</b>	<b>30,633,205</b>	<b>4,491,233</b>	<b>9,109,622</b>
<b>Operating Expenses:</b>			
Personnel services	6,792,182	970,472	1,784,499
Operations	12,924,281	186,664	6,369,958
Claims expense	79,381	108,346	25,933
Insurance	184,163	25,633	46,680
Amortization of issuance costs	123,646	72,158	-
Depreciation	2,747,538	1,073,284	17,527
<b>Total Operating Expenses</b>	<b>22,851,191</b>	<b>2,436,557</b>	<b>8,244,597</b>
Operating Income (Loss)	7,782,014	2,054,676	865,025
<b>Nonoperating Revenues (Expenses):</b>			
Intergovernmental	-	-	46,588
Interest revenue	5,728	36,159	-
Interest expense	(4,995,489)	(1,277,020)	-
Gain (loss) on disposal of capital assets	(409,644)	(4,853,345)	(75,990)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(5,399,405)</b>	<b>(6,094,206)</b>	<b>(29,402)</b>
Income (Loss) Before Transfers	2,382,609	(4,039,530)	835,623
Transfers in	353,947	12,440	-
Transfers out	(839,645)	(481,440)	-
Changes in Net Position	1,896,911	(4,508,530)	835,623
Net Position, Beginning of Year	73,578,711	22,325,391	3,477,238
<b>Net Position, End of Fiscal Year</b>	<b>\$ 75,475,622</b>	<b>\$ 17,816,861</b>	<b>\$ 4,312,861</b>

**Reconciliation of Changes in Net Position to the Statement of Activities:**

Changes in Net Position, per the Statement of Revenues,  
Expenses and Changes in Fund Net Position - Proprietary Funds

Adjustment to reflect the consolidation of current fiscal year  
internal service funds activities related to enterprise funds

**Changes in Net Position of Business-Type Activities per  
Statement of Activities**

## CITY OF POMONA

STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2013

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Service Funds
	Canon Water Company - February 28, 2013	Total	
<b>Operating Revenues:</b>			
Charges for services	\$ 64,221	\$ 44,266,228	\$ 10,145,514
Miscellaneous	-	32,053	113,697
<b>Total Operating Revenues</b>	<b>64,221</b>	<b>44,298,281</b>	<b>10,259,211</b>
<b>Operating Expenses:</b>			
Personnel services	-	9,547,153	1,454,889
Operations	22,491	19,503,394	3,288,619
Claims expense	-	213,660	4,459,479
Insurance	-	256,476	41,493
Amortization of issuance costs	-	195,804	-
Depreciation	2,672	3,841,021	20,828
<b>Total Operating Expenses</b>	<b>25,163</b>	<b>33,557,508</b>	<b>9,265,308</b>
Operating Income (Loss)	39,058	10,740,773	993,903
<b>Nonoperating Revenues (Expenses):</b>			
Intergovernmental	-	46,588	-
Interest revenue	3	41,890	1,135
Interest expense	-	(6,272,509)	-
Gain (loss) on disposal of capital assets	-	(5,338,979)	(6,147)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>3</b>	<b>(11,523,010)</b>	<b>(5,012)</b>
Income (Loss) Before Transfers	39,061	(782,237)	988,891
Transfers in	-	366,387	-
Transfers out	-	(1,321,085)	-
Changes in Net Position	39,061	(1,736,935)	988,891
Net Position, Beginning of Year	250,072	99,631,412	(14,506,088)
<b>Net Position, End of Fiscal Year</b>	<b>\$ 289,133</b>	<b>\$ 97,894,477</b>	<b>\$ (13,517,197)</b>
		\$ (1,736,935)	
		32,844	
		<b>\$ (1,704,091)</b>	

CITY OF POMONA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2013

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and users	\$ 30,680,568	\$ 4,537,816	\$ 9,126,048
Cash received from/(paid for) other	-	29,658	2,395
Cash paid to suppliers for goods and services	(12,466,828)	(251,059)	(6,868,752)
Cash paid for general and administrative expenses	(7,076,180)	(1,015,462)	(1,802,244)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>11,137,560</b>	<b>3,300,953</b>	<b>457,447</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Cash transfers in	353,947	12,440	-
Cash transfers out	(839,645)	(481,440)	-
Amounts received from other funds	1,610,197	-	-
Due from other governments	-	-	-
Grant subsidy	388,000	-	6,296
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>1,512,499</b>	<b>(469,000)</b>	<b>6,296</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from capital debt	-	-	4,112,175
Acquisition and construction of capital assets	(5,441,353)	(1,350,917)	(5,028,792)
Principal paid on capital debt	(1,513,686)	(355,000)	-
Interest paid on capital debt	(5,004,895)	(1,278,180)	76,980
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(11,959,934)</b>	<b>(2,984,097)</b>	<b>(839,637)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	9,830	37,931	608
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>9,830</b>	<b>37,931</b>	<b>608</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>699,955</b>	<b>(114,213)</b>	<b>(375,286)</b>
Cash and Cash Equivalents, Beginning of Year	50,328,189	17,568,612	2,018,907
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 51,028,144</b>	<b>\$ 17,454,399</b>	<b>\$ 1,643,621</b>

CITY OF POMONA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2013

	<b>Business-Type Activities - Enterprise Funds</b>		
	<u>Water</u>	<u>Sewer</u>	<u>Refuse</u>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 7,782,014	\$ 2,054,676	\$ 865,025
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>			
Depreciation	2,747,538	1,073,284	17,527
Amortization	123,646	72,158	-
(Increase) decrease in accounts receivable	47,363	76,241	18,821
(Increase) decrease in inventory	24,669	-	-
Increase (decrease) in accounts payable	1,089,796	53,238	(472,861)
Increase (decrease) in payroll payable	(1,205)	(649)	(1,985)
Increase (decrease) in accrued liabilities	(584,140)	(9,287)	-
Increase (decrease) in deposits payable	6,509	-	-
Increase (decrease) in claims and judgments	-	-	-
Increase (decrease) in compensated absences	(98,630)	(18,708)	30,920
<b>Total Adjustments</b>	<b>3,355,546</b>	<b>1,246,277</b>	<b>(407,578)</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 11,137,560</b>	<b>\$ 3,300,953</b>	<b>\$ 457,447</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Amortization of bond premium/discount	\$ 78,691	\$ -	\$ -
Loss on disposal of capital assets	409,644	4,853,345	75,990

CITY OF POMONA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2013

	<b>Business-Type Activities - Enterprise Funds</b>		<b>Governmental Activities - Internal Service Funds</b>
	<b>Canon Water Company - February 28, 2013</b>	<b>Total</b>	
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and users	\$ -	\$ 44,344,432	\$ 10,145,777
Cash received from/(paid for) other	-	32,053	113,697
Cash paid to suppliers for goods and services	(20,707)	(19,607,346)	(8,053,004)
Cash paid for general and administrative expenses	-	(9,893,886)	(1,411,028)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(20,707)</b>	<b>14,875,253</b>	<b>795,442</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Cash transfers in	-	366,387	-
Cash transfers out	-	(1,321,085)	-
Amounts received from other funds	-	1,610,197	-
Due from other governments	-	-	(5,994)
Grant subsidy	-	394,296	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>-</b>	<b>1,049,795</b>	<b>(5,994)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from capital debt	-	4,112,175	-
Acquisition and construction of capital assets	-	(11,821,062)	(11,126)
Principal paid on capital debt	-	(1,868,686)	-
Interest paid on capital debt	-	(6,206,095)	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>(15,783,668)</b>	<b>(11,126)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	3	48,372	1,686
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>3</b>	<b>48,372</b>	<b>1,686</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(20,704)</b>	<b>189,752</b>	<b>780,008</b>
Cash and Cash Equivalents, Beginning of Year	194,606	70,110,314	10,158,422
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 173,902</b>	<b>\$ 70,300,066</b>	<b>\$ 10,938,430</b>

CITY OF POMONA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2013

	<b>Business-Type Activities - Enterprise Funds</b>		<b>Governmental Activities - Internal Service Funds</b>
	<b>Canon Water Company - February 28, 2013</b>	<b>Total</b>	
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 39,058	\$ 10,740,773	\$ 993,903
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>			
Depreciation	2,672	3,841,021	20,828
Amortization	-	195,804	-
(Increase) decrease in accounts receivable	(64,221)	78,204	263
(Increase) decrease in inventory	-	24,669	13,026
Increase (decrease) in accounts payable	1,784	671,957	349,912
Increase (decrease) in payroll payable	-	(3,839)	7,094
Increase (decrease) in accrued liabilities	-	(593,427)	-
Increase (decrease) in deposits payable	-	6,509	-
Increase (decrease) in claims and judgments	-	-	(626,351)
Increase (decrease) in compensated absences	-	(86,418)	36,767
<b>Total Adjustments</b>	<b>(59,765)</b>	<b>4,134,480</b>	<b>(198,461)</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (20,707)</b>	<b>\$ 14,875,253</b>	<b>\$ 795,442</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Amortization of bond premium/discount	\$ -	\$ 78,691	\$ (6,147)
Loss on disposal of capital assets	-	5,338,979	-



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# FIDUCIARY FUND FINANCIAL STATEMENTS

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The City's fiduciary funds consist of agency funds and one private purpose trust fund. Fiduciary fund types are accounted for according to the nature of the fund.

**Agency Funds** are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Private-Purpose Trust Fund** is used by the City to account for the assets and liabilities of the former Redevelopment Agency and the receipt of funds to make estimated installment payments of enforceable obligations until the obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.

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CITY OF POMONA

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2013

	Agency Funds	Private- Purpose Trust Fund
		Successor Agency of the Former RDA
<b>Assets:</b>		
Cash and investments	\$ 4,774,133	\$ 8,742,678
Receivables (net):		
Accounts	9,542	732,872
Notes and loans	-	9,012,600
Interest	328	1,720
Deposits	-	600
Due from other governments	8,479	-
Land held for resale	-	20,457,009
Deferred charges	-	2,253,808
Restricted assets:		
Cash and investments	-	52,254,911
Capital assets:		
Capital assets, not being depreciated	-	125,423
Capital assets, net of depreciation	-	93,251
<b>Total Assets</b>	<b>\$ 4,792,482</b>	<b>93,674,872</b>
<b>Liabilities:</b>		
Accounts payable	\$ 2,367,504	126,713
Payroll payable	-	7,436
Interest payable	-	3,506,262
Unearned revenues	-	4,012,600
Deposits payable	2,200,233	202,040
Due to external parties/other agencies	224,745	-
Long-term liabilities:		
Due within one year	-	8,636,854
Due in more than one year	-	215,833,435
<b>Total Liabilities</b>	<b>\$ 4,792,482</b>	<b>232,325,340</b>
<b>Net Position:</b>		
Held in trust for other purposes		(138,650,468)
<b>Total Net Position</b>		<b>\$ (138,650,468)</b>

CITY OF POMONA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 YEAR ENDED JUNE 30, 2013

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
<b>Additions:</b>	
Taxes	\$ 12,523,023
Intergovernmental	4,013,959
Interest and rentals	1,343,552
Miscellaneous	5,229,033
Gain on sale of capital assets	317,719
	<u>23,427,286</u>
<b>Total Additions</b>	<b>23,427,286</b>
<b>Deductions:</b>	
Personnel services	417,266
Operations	2,144,657
Interest and fiscal charges	11,915,423
Depreciation expense	11,496
	<u>14,488,842</u>
<b>Total Deductions</b>	<b>14,488,842</b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency (Note 17)	<u>(804,048)</u>
Changes in Net Position	8,134,396
Net Position, Beginning of year	<u>(146,784,864)</u>
<b>Net Position, End of year</b>	<b><u>\$ (138,650,468)</u></b>

# **NOTES TO FINANCIAL STATEMENTS**

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CITY OF POMONA

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 JUNE 30, 2013

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CITY OF POMONA

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

The basic financial statements of the City of Pomona, California (City), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**Financial Reporting Entity**

The City was incorporated in 1888 and became a "Charter Law" City in 1911 under the laws of the State of California. The City operates under the Council-Manager form of governments. The City principally provides general administrative services, public safety services, library, recreational services, street, highway and bridge repairs and maintenance, and water and sanitation services.

As required by GAAP, the accompanying basic financial statements present the City and its component units. Component units are entities for which the City is considered to be financially accountable. The City defines component units as legally separate entities that meet any one of the following tests:

- The City appoints the voting majority of the board of the entity and is able to impose its will on the entity and/or is in a relationship of financial benefit or burden with the entity.
- The entity is fiscally dependent upon the City.
- The financial statements of the City would be misleading if data from the entity were omitted.

Management determined that the following component units should be blended based on the criteria above:

- City of Pomona Housing Authority
- City of Pomona Public Financing Authority
- Canon Water Company

These component units are included in the primary government because of the significance of their financial or operational relationship and the same City governing body. Each of the blended component units in the accompanying basic financial statements of the City are described below:

**City of Pomona Housing Authority**

The City of Pomona Housing Authority (Housing Authority) was organized in 1993 under the California Health and Safety Code. The objectives of the Housing Authority are to aid low-income families in obtaining decent, safe and sanitary housing through Federal assistance programs and low/moderate income housing programs. The Housing Authority was included within the scope of the reporting entity of the City because its governing body is composed in its entirety of council members of the City.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**City of Pomona Public Financing Authority**

The City of Pomona Public Financing Authority (Authority) is a joint exercise of powers authority created by a joint powers agreement between the City, the former Redevelopment Agency of the City of Pomona (Agency) and the former Redevelopment Agency of the City of West Covina, dated October 27, 1988. The purpose of the Authority is to provide, through the issuance of debt, financing necessary for the construction of public improvements. The Authority is not subject to federal or state income taxes. The Authority was included within the scope of the reporting entity of the City because its governing body is composed in its entirety of City staff.

**Canon Water Company**

The Canon Water Company of Pomona (Company) was incorporated on August 6, 1897. The Company owns and maintains a pipeline which transports water to the City. The Company was included within the scope of the reporting entity of the City because it provides services almost entirely to the City and its governing body is composed of City employees.

All component units had a fiscal year ended June 30, 2013, except for Canon Water Company, which had a fiscal year ended February 28, 2013.

Since the governing boards for these entities were composed of either City Council members or City employees, they are considered blended component units. Blended component units, although legally separate entities, are in substance, part of the City's operations and so data from these units are reported with the interfund data of the primary government. The component units listed above issue separate financial statements which can be obtained at City Hall.

**Basis of Accounting and Measurement Focus**

The accounting policies of the City conform to GAAP in the United States for local governmental units. The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose of which they are to be spent and means by which spending activities are controlled.

**Government – Wide and Fund Financial Statements**

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Economic resources measurement focus considers all of the assets available for the purpose of providing goods and services and reports all inflows, outflows, and balances affecting or reflecting an entity's net position. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the

**Note 1: Summary of Significant Accounting Policies (Continued)**

accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column, if any. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to and from other funds
- Advances to and from other funds
- Transfers in and out

The City adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which established accounting and financial reporting standards for financial statements of state and local governments.

**Governmental Fund Financial Statements**

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Housing Authority Fund accounts for grant revenues received for the acquisition, rehabilitation and administration of properties used to provide affordable rental housing.
- The Miscellaneous Grants Fund accounts for revenues received and expenditures made for Federal and/or State approved programs/projects.

**Note 1: Summary of Significant Accounting Policies (Continued)**

- The General Debt Service Fund accounts for the payment of interest and principal on debt incurred by the City.
- The Public Financing Authority Debt Service Fund accounts for the payment of interest and principal on the local agency revenue bonds and other debt of the Authority.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for grant revenue where the government considers revenue to be available if collected within 120 days of the end of current fiscal year. The primary revenue sources, which have been treated as susceptible to accrual by the City, are real and personal property tax, other local taxes, franchise fees, forfeitures and penalties, motor vehicle license fees, rents and concessions, interest revenue, and state and federal grants. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Deferred revenue arises when potential revenues do not meet both the “*measurable*” and “*available*” criteria for recognition in the current period. Unearned revenue arises when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unavailable revenue and unearned revenue are removed from the balance sheet and revenue is recognized.

The reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach of GASB Statement No. 34.

**Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for all proprietary funds. The City reports the following major proprietary funds:

- The Water Utility Enterprise Fund accounts for activities associated with the distribution and transmission of potable water to users.
- The Sewer Enterprise Fund accounts for the operation and maintenance of the City's sewer network.
- The Refuse Enterprise Fund accounts for activities associated with residential refuse collection and curbside collection of recycling materials.

**Note 1: Summary of Significant Accounting Policies (Continued)**

- The Canon Water Company Enterprise Fund accounts for the activities of the Canon Water Company.

The Internal Service Funds account for the maintenance and repair of City vehicles and equipment, risk management, general liability, workers' compensation, information technology and printing/mail service provided to other departments or agencies of the City. Internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

Proprietary funds are accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

**Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds consist of agency funds and one private purpose trust fund. Fiduciary fund types are accounted for according to the nature of the fund.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds account for assets held by the City for governments or individuals. These funds include receipts and disbursements of funds for the debt service activity of the 1911 Act assessment districts, cash deposits collected for street and sidewalk encroachment permits, debt services activity, cash guarantees (deposits) collected by the City for various construction improvement projects, payment of various employee benefits and deductions, including, but not limited to, health and dental insurance premiums, federal and state withholding taxes, life insurance and other withholdings from regular compensation.

The Private-purpose trust fund is accounted for using the "*economic resources*" measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The City uses its private-purpose trust fund to account for the assets and liabilities of the former Redevelopment Agency and the receipt of funds to make installment payments of enforceable obligations until the obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.



**Note 1: Summary of Significant Accounting Policies (Continued)**

**Assets, Liabilities and Net Position or Equity**

**Cash, Cash Equivalents and Investments**

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities which approximated fair value for which market quotations are readily available.

The City participates in an investment pool managed by the State of California titled *Local Agency Investment Fund* (LAIF) which has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to changes in interest rates.

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures (an amendment of GASB No. 3)*, certain disclosure requirements, if applicable, are provided for deposit and investment risk in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentration of Credit Risk
- Foreign Currency Risk

For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

**Interfund Transactions**

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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

**Inventories and Prepaid Items**

Inventories within the various fund types consist of materials and supplies which are valued at cost on a first-in, first-out basis. Reported expenditures reflecting the purchase of supplies have been restated to reflect the consumption method of recognizing inventory-related expenditures.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Capital Assets**

Capital assets, which include land, construction in progress, buildings and improvements, improvements other than buildings, machinery and equipment, autos and trucks, equipment under capitalized lease and infrastructure assets (e.g. roads, bridges, traffic signals, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. City policy has set the capitalization threshold for reporting capital assets at \$5,000 and capital projects at \$250,000.

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at its estimated fair market value on the date donated.

Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-50
Improvements other than buildings	10-75
Machinery and equipment	5-100
Furniture and fixtures	5-10
Autos and trucks	5-10
Equipment under capitalized lease	5-15
Infrastructure	25-75

For infrastructure systems, the City elected to use the "Basic Approach" as defined by GASB Statement No. 34 for infrastructure reporting.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, bridges, sidewalks, drainage systems, and lighting systems, etc. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction-related debt incurred during the period of construction is capitalized as a cost of the constructed assets.

**Note 1: Summary of Significant Accounting Policies (Continued)**

The long-term principal portion of debt on non-proprietary capital assets acquired through lease purchase contracts is accounted for in the government-wide financial statements as "capital lease obligations". Capital assets acquired under capital leases are capitalized at the net present value of the total lease payments in the government-wide financial statements.

**Land Held for Resale**

Land purchased for resale is capitalized as inventory at acquisition costs.

**Pension Asset, Net**

A pension asset is created when an employer pays into a retirement plan amounts in excess of its annual required contribution (ARC). The ARC is an actuarially calculated amount that is sufficient to fund future costs and extinguish any existing unfunded actuarial accrued liability (UAAL).

The net pension asset is being amortized using the same amortization methodology used by PERS to calculate the Annual Required Contribution (ARC) each year. Interest on the Net Pension Asset (NPA) is calculated as a percentage of the NPA's balance at the beginning of each year based on the investment rate of return stated above and is added to the balance of the NPA for that year.

**Long-Term Debt**

Long-term debt and other financed obligations are reported as liabilities in the proprietary fund financial statements and government-wide financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are reported as deferred charges.

**Compensated Absences**

In governmental funds, compensated absences are recorded as expenditures in the years paid, as it is the City's policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. In proprietary funds, compensated absences are expensed to the various funds in the period they are earned, and such fund's share of the unpaid liability is recorded as a long-term liability of the fund. Vested or accumulated compensated absences in proprietary funds are recorded as an expense and liability of those funds as the benefits accrue to employees. The compensated absences liability will generally be liquidated through individual funds.

**Claims Payable**

The City records a liability to reflect an actuarial estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers' compensation claims. The estimated liability for workers' compensation claims and general liability claims includes "incurred but not reported" (IBNR) claims. There is no fixed payment schedule to pay these liabilities.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Unearned and Deferred Revenue**

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Unearned revenue includes monies received in advance from the fiscal agents on the amounts deposited in the reserve funds for various bonds and prepaid charges for services.

Deferred revenue represents money received during the current or previous years that has not been earned or is not considered available to finance expenditures of the current period.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. In the current fiscal year, the government does not have items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government does not have items in the current fiscal year that qualify for reporting in this category.

**Net Position**

In the government-wide financial statements, net position is classified in the following:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

**Net position flow assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Fund Balances**

In the fund financial statements, government funds report the following fund balance classification:

Non-spendable Fund Balance – This includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – This includes amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed Fund Balance – This includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority.

Assigned Fund Balance – This includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The governing board by Resolution No. 2011-63A gave the authority to assign amounts for specific purposes to the Finance Director.

Unassigned Fund Balance – This is the residual amounts that have not been restricted, committed, or assigned to specific purposes.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however the amount can be determined subsequently.

**Fund balance flow assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

An individual governmental fund could include non-spendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 1: Summary of Significant Accounting Policies (Continued)****Property Taxes**

Property taxes attach a legal enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on December 10 and April 10. The County of Los Angeles (County) bills and collects the property taxes and remits it to the City in installments during the year. The City's property tax revenues are recognized when an enforceable legal lien is attached to the property. The County is permitted by State Law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property tax rate not more than 2% per year. The City receives a share of this basic levy proportionate to the amount received prior to the passage of Proposition 13 in 1978.

**Use of Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and the disclosure of contingent assets and liabilities at the date of the basic financial statements and the related reported amounts of revenues and expenses, if applicable, during the reporting period. Actual results could differ from those estimates. Management believes that the estimates are reasonable.

**Note 2: Cash and Investments**

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds. This pooled cash is invested by the City Treasurer to enhance earnings. The pooled interest earned is allocated to the funds based on average month-end cash balances of the various funds.

**Summary of Cash and Investments**

The following is a summary of cash and investments at June 30, 2013:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 43,280,240	\$ 33,802,832	\$ 13,516,811	\$ 90,599,883
Restricted cash and investments	21,122,513	36,497,234	52,254,911	109,874,658
Total	<u>\$ 64,402,753</u>	<u>\$ 70,300,066</u>	<u>\$ 65,771,722</u>	<u>\$ 200,474,541</u>

Cash and investments were comprised of the following at June 30, 2013:

Cash and cash equivalents:	
Petty cash and change funds	\$ 11,428
Demand deposit	554,480
Total cash and cash equivalents	<u>565,908</u>
Investments:	
Local Agency Investment Fund	88,042,139
US Government Securities	1,991,836
Total investments	<u>90,033,975</u>
	<u>\$ 90,599,883</u>

**Note 2: Cash and Investments (Continued)**

**Deposits**

The carrying amounts of the City's cash deposits were \$565,908 at June 30, 2013. Bank balances at June 30, 2013, were \$2,636,993 which were fully insured or collateralized with securities held by the pledging financial institutions in the City's name as discussed below. The \$2,071,085 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name. The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The City has waived the collateralization requirements.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the month-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

**Investments**

Under the provisions of the City's investment policy, and in accordance with California Government Code Section 53601, the City is authorized to invest or deposit in the following:

- Securities issued or guaranteed by the federal government or its agencies
- Bankers' acceptances that are eligible for purchase by the Federal Reserve System
- Commercial paper, rated A-1/P-1, secured by an irrevocable line of credit or government securities
- Certificates of deposits with national and state licensed or chartered banks, federal or state savings and loans associations
- Medium-term corporate notes, rated AAA or AA
- Money market funds

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments are stated at fair value at the year end.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 2: Cash and Investments (Continued)****Investment in Local Agency Investment Funds**

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2013, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2013, the City had \$88,042,139 invested in LAIF, which had invested 1.96% of the pool investment funds in Structured Notes and Asset-Backed Securities. The LAIF fair value factor of 1.000273207 was used to calculate the fair value of the investments in LAIF. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute.

**Interest Rate Risk**

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy (Policy) limits investments to a maximum maturity of five years. The weighted average days to maturity of the total portfolio shall not exceed the City's anticipated liquidity needs for the next six (6) months. The City is in compliance with this provision of the Policy. At June 30, 2013, the City had the following investment maturities:

	1 Year or Less	2 to 3 Years	Total
Investments			
Local Agency Investment Fund	\$ 88,042,139	\$ -	\$ 88,042,139
Freddie Mac	-	1,991,836	1,991,836
	<u>\$ 88,042,139</u>	<u>\$ 1,991,836</u>	<u>\$ 90,033,975</u>

**Credit Risk**

The City's Policy limits investments in commercial paper to the highest grade of stand alone or enhanced (prime) commercial paper as rated by Moody's Investor Service, Standard & Poor's Corporation, or Fitch Financial Services and requires that the management company of mutual funds must have attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations.

Investments in U.S. Treasury securities are not considered to have credit risk; therefore, their credit quality is not disclosed. As of June 30, 2013, the City's investments in external investment pools and money market mutual funds are unrated.



NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

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**Note 2: Cash and Investments (Continued)**

	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
Local Agency Investment Fund	Not Rated	Not Rated
Freddie Mac	Aaa	AA+

**Custodial Credit Risk**

For deposits, custodial credit risk is the risk that, in the event of the failure of a deposit financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the provision for deposits stated in the California Government Code. Bank balances of \$2,386,993 net of FDIC insurance, which was in excess of federal depository insurance limits, was held in collateralized accounts. Of the City's investments held by trustees and fiscal agents, \$109,874,658 of securities was held by the counterparty's trust department, the trustee for the bonds, not in the name of the City as of June 30, 2013.

**Concentration of Credit Risk**

The City's Policy states that not more than 20% of the portfolio shall be invested in any one entity or any one instrument to protect the City from concentration of credit risk, with the following exceptions: U.S. Treasury Obligations, governmental agencies (i.e. GNMA, FFCB, FHLB, FHLMC, FNMA, etc.), and investment pools (LAIF). In addition, purchases of commercial paper from U.S. corporations must not exceed 15% of the value of the portfolio at any time and single issuer holdings to no more than 10 percent per issuer. The City is in compliance with these provisions of the Policy.

In accordance with GASB Statement No. 40, if the City has invested more than 5% of its investments in any one issuer, then it is exposed to credit risk. As of June 30, 2013, none of the City's deposits or investments was exposed to credit risk.

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

**Investment in Bonds**

On February 1, 2005, the Authority issued \$11,370,000 2005 Revenue Bonds, Series AL, to purchase the City's 2005 Reassessment and Refunding Revenue Bonds, Series AM (Series AM Bonds). The Authority holds the Series AM Bonds in the amount of \$4,087,000 as an investment at June 30, 2013. The investment is held by the fiscal agent.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 3: Loans Receivable (Net)**

At June 30, 2013, the City's net loans receivable consisted of the following:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Section 108 Loans	\$ 625,000	\$ 200,000	\$ 250,000	\$ 575,000
Deferred Home Improvement Loans	8,372,106	-	184,133	8,187,973
Prototype Loans	1,147,047	28,423	-	1,175,470
ADDI Loans	57,764	2,432	-	60,196
Rental Rehabilitation Loans	469,870	7,042	-	476,912
CHDO	771,621	-	-	771,621
HOPE 3 Loans	438,142	16,098	19,559	434,681
Shield of Faith	4,232,981	111,450	-	4,344,431
Manufactured Housing Rehabilitation Loans	2,068,146	75,000	37,320	2,105,826
Occupied Rehabilitation Loans	107,248	228,240	-	335,488
MAP Loans, net	4,347,644	52,500	7,750	4,392,394
NIP Loans	3,315,544	80,317	80,358	3,315,503
Owner Participation Agreement (OPA)	-	944,828	-	944,828
First Time Home Buyer Program	9,639	5,700	-	15,339
Multi-Family	720,000	-	-	720,000
Telacu	723,051	36,765	-	759,816
Total	<u>\$ 27,405,803</u>	<u>\$ 1,788,795</u>	<u>\$ 579,120</u>	<u>\$ 28,615,478</u>

**Note 4: Interfund Transactions**

**Government-Wide Financial Statements**

**Internal Balances** - At June 30, 2013, the City had the following internal receivable and payable.

Internal Payable	Internal Receivable Business-Type Activities
Governmental Activities	<u>\$ 5,357,614</u>

The purpose of the internal balance was a \$5 million advance to the Internal Service Fund to establish the Liability Fund and the accumulation of \$357,614 to consolidate the internal service funds activities related to the enterprise funds.

**Transfers** - At June 30, 2013, the City had the following transfers. The purpose of the transfers was for debt service payments and to reimburse a construction project.

Transfers In	Transfers Out Business-Type Activities
Governmental Activities	<u>\$ 954,698</u>

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

Note 4: Interfund Transactions (Continued)

Fund Financial Statements

**Due To/Due From** - At June 30, 2013, the City had the following short-term interfund receivables and payables.

	Transfers In		Total
	Governmental Funds		
Transfers Out	General Debt Service	Non Major Governmental Funds	
Governmental Funds:			
General Fund	\$ 1,479,620	\$ 132,117	\$ 1,611,737

Due from other funds in the General Fund was for Series AR debt service payment in the General Debt Service Fund.

Due from the General Fund to the Non-Major Funds was to cover negative cash deficit at the end of the fiscal year.

**Long-Term Advances** - At June 30, 2013, the City had the following interfund long-term advances:

	Advance from Other Funds			Total
	Governmental Funds	Proprietary		
Advances to Other Funds	General Fund	General Debt Service	Internal Service Funds	
Governmental Funds:				
Public Financing Authority	\$ -	\$ 45,080,000	\$ -	\$ 45,080,000
Non-Major Governmental Funds	304,435	-	-	304,435
Proprietary Funds:				
Water	-	-	5,000,000	5,000,000
Total	\$ 304,435	\$ 45,080,000	\$ 5,000,000	\$ 50,384,435

Long-term advances between the Public Financing Authority and the General Debt Service Fund are loan proceeds used to fund projects.

The Water Utility advanced \$5,000,000 to the Internal Service Fund to establish the Liability Fund in 2010.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 4: Interfund Transactions (Continued)**

**Transfers** - At June 30, 2013, the City had the following transfers:

Transfers Out	Transfers In							Total
	Governmental Funds				Proprietary Funds			
	General Fund	Housing Authority	Miscellaneous Grants	General Debt Service	Non-Major Governmental Funds	Water	Sewer	
<b>Governmental Funds:</b>								
General Fund	\$ -	\$ -	\$ 66,148	\$ 4,203,257	\$ 282,563	\$ -	\$ -	\$ 4,551,968
Housing Authority	-	-	214,615	-	-	-	-	214,615
Miscellaneous Grants	91	21,366	-	-	-	-	-	21,457
General Debt Service	-	-	-	-	30,066	-	-	30,066
Public Financing Authority	-	-	-	198,233	-	-	-	198,233
Non-Major Governmental Funds	15,613	5,017,065	30,773	180,000	5,073,644	353,947	12,440	10,683,482
<b>Total Government Funds</b>	<b>15,704</b>	<b>5,038,431</b>	<b>311,536</b>	<b>4,581,490</b>	<b>5,386,273</b>	<b>353,947</b>	<b>12,440</b>	<b>15,699,821</b>
<b>Proprietary Funds:</b>								
Water	-	-	-	600,000	239,645	-	-	839,645
Sewer	-	-	-	417,000	64,440	-	-	481,440
<b>Total Proprietary Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,017,000</b>	<b>304,085</b>	<b>-</b>	<b>-</b>	<b>1,321,085</b>
<b>Total</b>	<b>\$ 15,704</b>	<b>\$ 5,038,431</b>	<b>\$ 311,536</b>	<b>\$ 5,598,490</b>	<b>\$ 5,690,358</b>	<b>\$ 353,947</b>	<b>\$ 12,440</b>	<b>\$ 17,020,906</b>

The transfer of \$4,203,257 between the General Fund and the General Debt Service Fund was for Series AG, AN / AP, AU / AV, and AR debt service payments.

The transfer of \$5,017,065 from the Non-Major Funds to the Housing Authority Fund was to combine the Housing Assistance group of funds with the Housing Authority.

The transfers between Non-Major Governmental Funds included the following:

- Transfer of \$1,105,570 from the Capital Outlay Fund to the Proposition C Fund for unused funds from a construction project.
- Transfer of \$1,180,155 from the State Gas Tax Fund to the Proposition C Fund for a construction project.

All other transfers were in the normal course of the City's business.

**Note 5: Due from Other Governments**

At June 30, 2013, the City's due from other governments consisted of the following:

	Governmental Activities	Business-Type Activities
Federal government	\$ 1,063,950	\$ -
State of California	4,175,733	40,292
County of Los Angeles	2,100,095	-
Local government entities	939,070	-
<b>Total</b>	<b>\$ 8,278,848</b>	<b>\$ 40,292</b>

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 6: Land Held for Resale**

At June 30, 2013, land held for resale in the amount of \$7,715,940 is recorded at cost in the Housing Authority Fund.

**Note 7: Capital Assets**

**Government-Wide Financial Statements**

At June 30, 2013, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
<b>Non-depreciable assets</b>			
Land	\$ 80,592,235	\$ 9,089,782	\$ 89,682,017
Construction in process	17,225,764	18,015,402	35,241,166
Total non-depreciable assets	<u>97,817,999</u>	<u>27,105,184</u>	<u>124,923,183</u>
<b>Depreciable assets:</b>			
Buildings and improvements	14,584,537	3,469,883	18,054,420
Improvements other than buildings	60,003,395	286,638	60,290,033
Machinery and equipment	19,108,585	194,558,671	213,667,256
Furniture and fixtures	1,014,456	5,105	1,019,561
Autos and trucks	11,992,194	5,155,387	17,147,581
Equipment under capitalized leases	506,032	4,257,381	4,763,413
Infrastructure	378,726,778	-	378,726,778
Total depreciable assets, at cost	<u>485,935,977</u>	<u>207,733,065</u>	<u>693,669,042</u>
<b>Less accumulated depreciation:</b>			
Buildings and improvements	11,350,570	3,273,553	14,624,123
Improvements other than building	21,563,502	98,032	21,661,534
Machinery and equipment	13,937,387	72,025,951	85,963,338
Furniture and fixtures	716,868	5,105	721,973
Autos and trucks	9,095,160	3,341,986	12,437,146
Equipment under capitalized leases	31,911	-	31,911
Infrastructure	243,166,057	-	243,166,057
Total accumulated depreciation	<u>299,861,455</u>	<u>78,744,627</u>	<u>378,606,082</u>
Total depreciable assets, net	<u>186,074,522</u>	<u>128,988,438</u>	<u>315,062,960</u>
Total capital assets	<u>\$ 283,892,521</u>	<u>\$ 156,093,622</u>	<u>\$ 439,986,143</u>

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 7: Capital Assets (Continued)**

The following is a summary of capital assets for governmental activities:

	Balance July 1, 2012	Additions	Deletions	Transfers	Balance June 30, 2013
Non-depreciable assets:					
Land	\$ 81,149,405	\$ -	\$ 557,170	\$ -	\$ 80,592,235
Construction in process	21,460,189	8,464,601	48,113	(12,650,913)	17,225,764
Total non-depreciable assets	<u>102,609,594</u>	<u>8,464,601</u>	<u>605,283</u>	<u>(12,650,913)</u>	<u>97,817,999</u>
Depreciable assets:					
Buildings and improvements	14,851,769	-	267,232	-	14,584,537
Improvements other than buildings	58,458,243	504,189	179,573	1,220,536	60,003,395
Machinery and equipment	18,504,378	621,947	36,660	18,920	19,108,585
Furniture and fixtures	873,576	135,530	-	5,350	1,014,456
Autos and trucks	11,823,126	459,920	414,897	124,045	11,992,194
Equipment under capitalized leases	339,762	216,173	-	(49,903)	506,032
Infrastructure	380,249,311	-	12,854,498	11,331,965	378,726,778
Total depreciable assets, at cost	<u>485,100,165</u>	<u>1,937,759</u>	<u>13,752,860</u>	<u>12,650,913</u>	<u>485,935,977</u>
Less accumulated depreciation:					
Buildings and improvements	11,238,893	293,395	181,718	-	11,350,570
Improvements other than buildings	20,225,831	1,501,485	163,814	-	21,563,502
Machinery and equipment	12,460,569	1,425,283	27,841	(79,376)	13,778,635
Furniture and fixtures	679,547	35,716	-	(1,605)	713,658
Autos and trucks	8,814,286	562,083	379,327	(98,118)	8,998,924
Equipment under capitalized leases	179,100	31,910	-	179,099	390,109
Infrastructure	245,444,320	9,229,961	11,508,224	-	243,166,057
Total accumulated depreciation	<u>299,042,546</u>	<u>13,079,833</u>	<u>12,260,924</u>	<u>-</u>	<u>299,861,455</u>
Total depreciable assets, net	<u>186,057,619</u>	<u>(11,142,074)</u>	<u>1,491,936</u>	<u>12,650,913</u>	<u>186,074,522</u>
Total capital assets	<u>\$ 288,667,213</u>	<u>\$ (2,677,473)</u>	<u>\$ 2,097,219</u>	<u>\$ -</u>	<u>\$ 283,892,521</u>

Depreciation expense for capital assets of the governmental activities for the year ended June 30, 2013, was as follows:

General government	\$ 1,160,845
Public safety	354,719
Urban development	1,686,543
Community services	9,856,898
Internal service funds	20,828
Total	<u>\$ 13,079,833</u>

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

Note 7: Capital Assets (Continued)

The following is a summary of capital assets for business-type activities:

	Balance July 1, 2012	Additions	Deletions	Transfers	Balance June 30, 2013
Non-depreciable assets:					
Land	\$ 9,089,782	\$ -	\$ -	\$ -	\$ 9,089,782
Construction in process	20,717,782	7,014,739	456,979	(9,260,140)	18,015,402
Total non-depreciable assets	<u>29,807,564</u>	<u>7,014,739</u>	<u>456,979</u>	<u>(9,260,140)</u>	<u>27,105,184</u>
Depreciable assets:					
Buildings and improvements	3,418,603	51,280	-	-	3,469,883
Improvements other than buildings	286,638	-	-	-	286,638
Machinery and equipment	191,910,520	179,613	6,791,602	9,260,140	194,558,671
Furniture and fixtures	5,105	-	-	-	5,105
Autos and trucks	7,491,991	910,790	3,247,394	-	5,155,387
Equipment under capitalized lease	-	4,257,381	-	-	4,257,381
Total depreciable assets, at cost	<u>203,112,857</u>	<u>5,399,064</u>	<u>10,038,996</u>	<u>9,260,140</u>	<u>207,733,065</u>
Less accumulated depreciation:					
Buildings and improvements	3,266,506	7,047	-	-	3,273,553
Improvements other than buildings	87,323	10,709	-	-	98,032
Machinery and equipment	69,890,332	3,659,697	1,524,078	-	72,025,951
Furniture and fixtures	5,105	-	-	-	5,105
Autos and trucks	6,218,596	163,568	3,040,178	-	3,341,986
Total accumulated depreciation	<u>79,467,862</u>	<u>3,841,021</u>	<u>4,564,256</u>	<u>-</u>	<u>78,744,627</u>
Total depreciable assets, net	<u>123,644,995</u>	<u>1,558,043</u>	<u>5,474,740</u>	<u>9,260,140</u>	<u>128,988,438</u>
Total capital assets	<u>\$ 153,452,559</u>	<u>\$ 8,572,782</u>	<u>\$ 5,931,719</u>	<u>\$ -</u>	<u>\$ 156,093,622</u>

Depreciation expense for capital assets of the business-type activities for the year ended June 30, 2013, was as follows:

Water	\$ 2,747,538
Sewer	1,073,284
Refuse	17,527
Canon Water Company	2,672
Total	<u>\$ 3,841,021</u>

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 8: Long-Term Debt**

The following is a summary of long-term debt for the year ended June 30, 2013:

	Balance July 1, 2012	Accreted / Accrued Interest	Additions	Deletions	Transfer to Successor Agency *	Balance June 30, 2013	Due Within One Year
<b>Governmental Activities:</b>							
Obligation under capital leases	\$ 754,870	\$ -	\$ 695,000	\$ 285,533	\$ -	\$ 1,164,337	\$ 285,052
Notes payable	1,624,407	-	200,000	125,000	(999,407)	700,000	145,000
Revenue bonds	43,836,347	-	-	1,389,969	-	42,446,378	1,477,000
Pension obligation refunding	44,299,214	441,538	-	340,000	-	44,400,752	430,000
Certificates of participation	12,333,057	-	-	320,622	-	12,012,435	300,000
Subtotal	102,847,895	441,538	895,000	2,461,124	(999,407)	100,723,902	2,637,052
Compensated absences	7,727,637	-	3,895,212	4,307,843	-	7,315,006	3,896,000
Claims payable	19,657,917	-	3,775,784	4,402,135	-	19,031,566	3,776,000
OPEB obligations	13,009,068	-	5,743,900	3,229,187	-	15,523,781	-
<b>Total governmental activities</b>	<b>\$ 143,242,517</b>	<b>\$ 441,538</b>	<b>\$ 14,309,896</b>	<b>\$ 14,400,289</b>	<b>\$ (999,407)</b>	<b>\$ 142,594,255</b>	<b>\$ 10,309,052</b>
<b>Business-Type Activities:</b>							
Obligations under capital lease	\$ 174,904	\$ -	\$ 4,112,175	\$ 174,904	\$ -	\$ 4,112,175	\$ 547,486
Revenue bonds	136,030,252	-	-	1,615,091	-	134,415,161	1,610,000
Subtotal	136,205,156	-	4,112,175	1,789,995	-	138,527,336	2,157,486
Compensated absences	1,326,812	-	775,897	862,315	-	1,240,394	777,000
<b>Total business-type activities</b>	<b>\$ 137,531,968</b>	<b>\$ -</b>	<b>\$ 4,888,072</b>	<b>\$ 2,652,310</b>	<b>\$ -</b>	<b>\$ 139,767,730</b>	<b>\$ 2,934,486</b>

\* As a result of the dissolution of the Redevelopment Agency, indebtedness of the former Redevelopment Agency was transferred to the Successor Agency. See Note 17 for disclosure of indebtedness of the Successor Agency.

**Governmental Activities Long-Term Debt**

**Obligations under Capital Leases**

At June 30, 2013, obligations under capital leases consisted of the following:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
LaSalle #2	\$ 36,244	\$ -	\$ 36,244	\$ -	\$ -
PPF #1	375,445	-	71,484	303,961	73,243
PPF #2	245,415	-	80,039	165,376	81,792
SunTrust #1	97,766	-	97,766	-	-
HCC #2	-	695,000	-	695,000	130,017
<b>Total</b>	<b>\$ 754,870</b>	<b>\$ 695,000</b>	<b>\$ 285,533</b>	<b>\$ 1,164,337</b>	<b>\$ 285,052</b>

The City entered into numerous equipment lease-purchase agreements with a leasing company whereby the lessor acquired certain equipment and leased it to the City with an option to purchase. The related assets have been capitalized in the capital assets account.



CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

The total leased assets by major asset class consisted of the following:

	<u>June 30, 2013</u>
Machinery and equipment	\$ 260,616
Autos and trucks	<u>245,416</u>
Equipment under capitalized lease, at cost	506,032
Accumulated depreciation	<u>(31,911)</u>
Equipment under capitalized lease, net	<u>\$ 474,121</u>

The depreciation expense for equipment under capitalized leases was \$31,911 for the year ended June 30, 2013.

The rates of interest range from 2.19% to 3.30% per annum. The annual debt service requirements outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 285,052	\$ 32,436	\$ 317,488
2014-2015	292,989	24,499	317,488
2015-2016	215,741	16,334	232,075
2016-2017	222,272	9,803	232,075
2017-2018	<u>148,283</u>	<u>3,071</u>	<u>151,354</u>
Total	<u>\$ 1,164,337</u>	<u>\$ 86,143</u>	<u>\$ 1,250,480</u>

**Notes Payable**

At June 30, 2013, notes payable consisted of the following:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfer to Successor Agency *</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
HUD Section 108 Loan	\$ 625,000	\$ 200,000	\$ 125,000	\$ -	\$ 700,000	\$ 145,000
PVEF Note	131,517	-	-	(131,517)	-	-
US Bank Loans	<u>867,890</u>	-	-	<u>(867,890)</u>	-	-
Total	<u>\$ 1,624,407</u>	<u>\$ 200,000</u>	<u>\$ 125,000</u>	<u>\$ (999,407)</u>	<u>\$ 700,000</u>	<u>\$ 145,000</u>

\* As a result of the dissolution of the Redevelopment Agency, indebtedness of the former Redevelopment Agency was transferred to the Successor Agency. See Note 17 for disclosure of indebtedness of the Successor Agency.

**HUD Section 108 Loan**

The City has three notes guaranteed by the United States Department of Housing and Urban Development (HUD) under Section 108 of the Community Development Act and are payable from future Community Development Block Grant (CDBG) entitlements. The notes were made to Casa Herrera (\$2,375,000) on February 1, 1998; Village Car Wash (\$100,000) on September 17, 2012; and Freddie's Auto Repair (\$100,000) on August 20, 2012. On June 30, 2010, the balance of the original loan for Casa Herrera was defeased to refinance the loan at a lower interest rate. The new interest rate for Casa Herrera ranges from 4.96% to 5.77%, with new loan

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 8: Long-Term Debt (Continued)**

terms beginning on February 1, 2011 and maturing August 1, 2016. The interest rate for both Village Car Wash and Freddie's Auto Repair is variable and equal to 20 basis points (0.2%) above the applicable London Interbank Offered Rates (LIBOR), currently at 2.5%, with loan terms beginning on July 1, 2013 and maturing on August 1, 2023. Casa Herrera is responsible for the principal payment on their note and the City is responsible for the interest payment. Village Car Wash and Freddie's Auto Repair are responsible for principal and interest payments on their notes. Again, all notes are guaranteed by CDBG funds; thus, in the event of default, the City's CDBG entitlement funds may be used to cover any outstanding debt.

The annual debt service requirements at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 145,000	\$ 9,163	\$ 154,163
2014-2015	145,000	7,200	152,200
2015-2016	145,000	4,700	149,700
2016-2017	145,000	1,663	146,663
2017-2018	20,000	-	20,000
2018-2023	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Total	<u>\$ 700,000</u>	<u>\$ 22,726</u>	<u>\$ 722,726</u>

**Revenue Bonds**

At June 30, 2013, revenue bonds consisted of the following:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
2005 Subordinate Revenue Bonds, Series AL	\$ 5,240,000	\$ -	\$ 420,000	\$ 4,820,000	\$ 445,000
2005 Reassessment and Refunding Bonds, Series AM	4,399,000	-	312,000	4,087,000	337,000
2005 Lease Revenue Bonds, Series AN	19,600,000	-	60,000	19,540,000	55,000
2005 Taxable Lease Revenue Bonds, Series AP	1,970,000	-	460,000	1,510,000	485,000
2006 Lease Revenue Bonds, Series AU	2,395,000	-	25,000	2,370,000	30,000
Unamortized Deferred Loss on Refunding	(147,653)	-	(7,031)	(140,622)	-
2006 Taxable Lease Revenue Bonds, Series AV	<u>10,380,000</u>	<u>-</u>	<u>120,000</u>	<u>10,260,000</u>	<u>125,000</u>
Total	<u>\$ 43,836,347</u>	<u>\$ -</u>	<u>\$ 1,389,969</u>	<u>\$ 42,446,378</u>	<u>\$ 1,477,000</u>

2005 Subordinate Revenue Bonds, Series AL – Original Issuance \$11,370,000

On February 1, 2005, the Authority issued \$11,370,000 in 2005 Subordinate Revenue Bonds, Series AL to purchase the 2005 Reassessment and Refunding Revenue Bonds, Series AM, to finance certain capital improvements in the City and to fund a reserve account for the Bonds.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**


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**Note 8: Long-Term Debt (Continued)**

Interest on the bonds is payable semiannually on each September 2 and March 2, commencing September 2, 2005. The rates of interest range from 2.50% to 5.10% per annum. Principal on the subordinate revenue bonds is payable in annual installments ranging from \$275,000 to \$955,000.

During 2008, the bonds in the amount of \$1,975,000 were called.

The annual debt service requirements for the 2005 Subordinate Revenue Bonds, Series AL outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 445,000	\$ 222,428	\$ 667,428
2014-2015	460,000	202,288	662,288
2015-2016	480,000	180,658	660,658
2016-2017	505,000	157,385	662,385
2017-2018	530,000	132,672	662,672
2018-2022	<u>2,400,000</u>	<u>249,414</u>	<u>2,649,414</u>
Total	<u>\$ 4,820,000</u>	<u>\$ 1,144,845</u>	<u>\$ 5,964,845</u>

2005 Reassessment and Refunding Revenue Bonds, Series AM – Original Issuance \$9,524,000

On February 1, 2005, the City issued \$9,524,000 in 2005 Reassessment and Refunding Revenue Bonds, Series AM, to provide funds to refund the refunding Improvement Bonds, Assessment District No. 294. Interest on the bonds is payable semiannually on each September 2 and March 2. The rate of interest is 7.22% per annum.

During 2008, the bonds in the amount of \$1,920,000 were called.

The annual debt service requirements for the 2005 Reassessment and Refunding Revenue Bonds, Series AM outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 337,000	\$ 282,916	\$ 619,916
2014-2015	361,000	257,718	618,718
2015-2016	386,000	230,751	616,751
2016-2017	415,000	201,835	616,835
2017-2018	449,000	170,645	619,645
2018-2022	<u>2,139,000</u>	<u>321,976</u>	<u>2,460,976</u>
Total	<u>\$ 4,087,000</u>	<u>\$ 1,465,841</u>	<u>\$ 5,552,841</u>

2005 Lease Revenue Bonds, Series AN – Original Issuance \$19,910,000

On May 1, 2005, the Authority issued \$19,910,000 in 2005 Lease Revenue Bonds, Series AN, to refinance certain obligations of the City in connection with the Authority's 1995 Lease Revenue Bonds, Series P (now retired) and finance certain public improvements of the City.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

Interest on the bonds is payable semiannually on each October 1 and April 1. The rates of interest range from 3.00% to 4.375% per annum. Principal is payable in annual installments ranging from \$45,000 to \$1,460,000. The bonds are secured by certain revenues consisting of certain Lease Payments with respect to the leased property by the City.

The annual debt service requirements for the 2005 Lease Revenue Bonds, Series AN outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 55,000	\$ 911,213	\$ 966,213
2014-2015	65,000	909,140	974,140
2015-2016	65,000	906,800	971,800
2016-2017	625,000	893,723	1,518,723
2017-2018	650,000	869,173	1,519,173
2018-2023	3,660,000	3,917,020	7,577,020
2023-2028	4,520,000	3,053,201	7,573,201
2028-2033	5,725,000	1,787,375	7,512,375
2033-2036	4,175,000	319,875	4,494,875
Total	<u>\$ 19,540,000</u>	<u>\$ 13,567,520</u>	<u>\$ 33,107,520</u>

2005 Taxable Lease Revenue Bonds, Series AP – Original Issuance \$4,385,000

On May 1, 2005, the Authority issued \$4,385,000 in 2005 Taxable Lease Revenue Bonds, Series AP, to refinance certain obligations of the City in connection with the Authority's 1995 Lease Revenue Bonds, Series P (now retired) and finance certain public improvements of the City.

Interest on the bonds is payable semiannually on each October 1 and April 1. The rates of interest range from 4.120% to 4.300% per annum. Principal is payable in annual installments ranging from \$370,000 to \$525,000. The bonds are secured by certain revenues consisting of certain Lease Payments with respect to the leased property by the City.

The annual debt service requirements for the 2005 Taxable Lease Revenue Bonds, Series AP outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 485,000	\$ 61,487	\$ 546,487
2014-2015	500,000	37,781	537,781
2015-2016	525,000	12,797	537,797
Total	<u>\$ 1,510,000</u>	<u>\$ 112,065</u>	<u>\$ 1,622,065</u>

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

2006 Lease Revenue Bonds, Series AU – Original Issuance \$2,540,000

On December 6, 2006, the Authority issued \$2,540,000 in 2006 Lease Revenue Bonds, Series AU to finance certain public improvements of the City.

Interest on the bonds is payable semiannually on each June 1 and December 1. The rates of interest range from 3.250% to 4.375% per annum. Principal is payable in annual installments ranging from \$25,000 to \$310,000. The bonds are secured by certain revenues consisting of certain Lease Payments with respect to the leased property by the City.

The annual debt service requirements for the 2006 Lease Revenue Bonds, Series AU outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 30,000	\$ 100,350	\$ 130,350
2014-2015	30,000	99,330	129,330
2015-2016	35,000	98,280	133,280
2016-2017	30,000	97,056	127,056
2017-2018	35,000	95,976	130,976
2018-2023	195,000	458,988	653,988
2023-2028	235,000	416,072	651,072
2028-2033	325,000	361,068	686,068
2033-2038	455,000	279,564	734,564
2038-2043	565,000	171,282	736,282
2043-2045	435,000	32,594	467,594
Total	<u>\$ 2,370,000</u>	<u>\$ 2,210,560</u>	<u>\$ 4,580,560</u>

The following is a summary of unamortized deferred loss on refunding outstanding at June 30, 2013:

<u>Balance</u>			<u>Balance</u>
July 1, 2012	<u>Additions</u>	<u>Deletions</u>	June 30, 2013
<u>\$ (147,653)</u>	<u>\$ -</u>	<u>\$ (7,031)</u>	<u>\$ (140,622)</u>

Amortization expense was \$7,031 for June 30, 2013.

2006 Taxable Lease Revenue Bonds, Series AV – Original Issuance \$10,790,000

On December 6, 2006, the Authority issued \$10,790,000 in 2006 Taxable Lease Revenue Bonds, Series AV, to refinance certain obligations of the City in connection with the City's Certificates of Participation, 2002 Series AE (Mission Promenade Project) and finance certain public improvements of the City.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 8: Long-Term Debt (Continued)**

Interest on the bonds is payable semiannually on each June 1 and December 1. The rates of interest range from 5.00% to 5.70% per annum. Principal is payable in annual installments ranging from \$95,000 to \$665,000. The bonds are secured by certain revenues consisting of certain Lease Payments with respect to the leased property by the City.

The annual debt service requirements for the 2006 Taxable Lease Revenue Bonds, Series AV outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 125,000	\$ 577,670	\$ 702,670
2014-2015	130,000	571,420	701,420
2015-2016	135,000	564,920	699,920
2016-2017	145,000	558,170	703,170
2017-2018	150,000	550,920	700,920
2018-2023	890,000	2,618,240	3,508,240
2023-2028	1,170,000	2,339,360	3,509,360
2028-2033	1,535,000	1,973,120	3,508,120
2033-2038	2,020,000	1,486,846	3,506,846
2038-2043	2,665,000	841,606	3,506,606
2043-2045	<u>1,295,000</u>	<u>111,722</u>	<u>1,406,722</u>
Total	<u>\$ 10,260,000</u>	<u>\$ 12,193,994</u>	<u>\$ 22,453,994</u>

**Pension Obligation Refunding Bonds**

	<u>Balance July 1, 2012</u>	<u>Accreted Interest</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
2006 Pension Obligation Bonds, Series AR	<u>\$ 44,299,214</u>	<u>\$ 441,538</u>	<u>\$ 340,000</u>	<u>\$ 44,400,752</u>	<u>\$ 430,000</u>

The City is a member of the California Public Employees' Retirement System (PERS), a public employees' defined benefits retirement program. In 2004, the City issued \$32,300,000 and \$5,700,000 in Pension Obligation Bonds, in order to fund the City's unamortized, unfunded actuarial accrued liability and fund the current year general fund contribution with PERS (see Note 10 for more information on the PERS pension plan). In 2006, the City issued \$42,280,684 in Pension Obligation Refunding Bonds, Series AR to refinance the City's outstanding Pension Obligation Refunding Bonds, Series 2004 AJ and Series 2004 AK. The refunding achieved net present value savings of \$868,932, or 2.3% of refunded par.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

2006 Pension Obligation Refunding Bonds, Series AR – Original Issuance \$42,280,684

On February 1, 2006, the City issued \$42,280,684 Pension Obligations Refunding Bonds, Series 2006 AR (Bonds) to refinance the City's outstanding Pension Obligation Refunding Bonds, Series 2004 AJ and its Pension Obligation Refunding Bonds, Series 2004 AK, to capitalize certain interest on the Bonds and to pay the costs of issuing the Bonds. The Bonds were issued as current interest bonds in the principal amount of \$36,205,000 and as capital appreciation bonds in the original issuance amount of \$6,075,684.

Interest on the current interest bonds is payable semiannually on each January 1 and July 1. The rates of interest vary and range from 5.24% to 5.832% per annum. Principal is payable in annual installments ranging from \$71,302 to \$5,140,000. The capital appreciation bonds are payable only at maturity and will not bear interest on a current basis. The accreted value of each capital appreciation bond is equal to its accreted value upon the maturity thereof, being comprised of its initial purchase price and the accreted interest between the delivery date and its respective maturity date. The obligation of the City to make payments with respect to the Bonds is an absolute and unconditional obligation of the City imposed upon the City by the Retirement Law and is not limited to any special source of funds. The City's obligation for the Bonds is any money available in the City's General Fund. The Bonds are not secured or limited as to payment by any special source of funds of the City. The current interest bonds are subject to redemption prior to maturity. The capital appreciation bonds are not subject to redemption prior to maturity.

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	Principal	Interest	Accreted Interest	Total
2013-2014	\$ 430,000	\$ 2,099,240	\$ -	\$ 2,529,240
2014-2015	492,825	2,099,240	27,175	2,619,240
2015-2016	552,073	2,099,240	62,927	2,714,240
2016-2017	660,170	2,089,629	54,830	2,804,629
2017-2018	751,551	2,068,759	83,449	2,903,759
2018-2023	5,185,731	9,906,715	1,059,269	16,151,715
2023-2028	7,787,556	8,760,444	2,637,444	19,185,444
2028-2033	14,455,846	6,458,358	1,669,154	22,583,358
2033-2036	14,085,000	1,283,477	-	15,368,477
Total	<u>\$ 44,400,752</u>	<u>\$ 36,865,102</u>	<u>\$ 5,594,248</u>	<u>\$ 86,860,102</u>

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

Note 8: Long-Term Debt (Continued)

Certificates of Participation

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
2003 Certificate of Participation, Series AG	\$ 11,690,000	\$ -	\$ 290,000	\$ 11,400,000	\$ 300,000
Unamortized Bond Premium	643,057	-	30,622	612,435	-
Total	<u>\$ 12,333,057</u>	<u>\$ -</u>	<u>\$ 320,622</u>	<u>\$ 12,012,435</u>	<u>\$ 300,000</u>

2003 Certificates of Participation, Series AG – Original Issuance \$13,985,000

On July 1, 2003, the Authority issued \$13,985,000 City of Pomona Certificates of Participation, 2003 Series AG, to provide funds to the City to finance certain public improvements, including street improvements throughout the City. Principal payments are made once a year on June 1. The bonds are set to mature on June 1, 2034. The Authority realized an original premium of approximately \$918,655 and incurred cost of issuance of approximately \$725,000.

Interest on the bonds is payable semiannually on each June 1 and December 1. The rates of interest range from 2.800% to 10.000% per annum. Principal is payable in annual installments ranging from \$210,000 to \$880,000.

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 300,000	\$ 627,000	\$ 927,000
2014-2015	315,000	610,500	925,500
2015-2016	335,000	593,176	928,176
2016-2017	355,000	574,750	929,750
2017-2018	375,000	555,226	930,226
2018-2023	2,200,000	2,443,926	4,643,926
2023-2028	2,880,000	1,768,252	4,648,252
2028-2033	3,760,000	884,404	4,644,404
2033-2034	880,000	48,400	928,400
Total	<u>\$ 11,400,000</u>	<u>\$ 8,105,634</u>	<u>\$ 19,505,634</u>

The following is a summary of the 2003 Certificate of Participation, Series AG unamortized premium outstanding at June 30, 2013:

Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
<u>\$ 643,057</u>	<u>\$ -</u>	<u>\$ 30,622</u>	<u>\$ 612,435</u>



CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

Note 8: Long-Term Debt (Continued)

**Compensated Absences**

The following is a summary of compensated absences outstanding as of June 30, 2013:

Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
<u>\$ 7,727,637</u>	<u>\$ 3,895,213</u>	<u>\$ 4,307,844</u>	<u>\$ 7,315,006</u>	<u>\$ 3,896,000</u>

**Claims Payable**

The following is a summary of the claims payable outstanding as of June 30, 2013:

Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
<u>\$ 19,657,917</u>	<u>\$ 3,775,784</u>	<u>\$ 4,402,135</u>	<u>\$ 19,031,566</u>	<u>\$ 3,776,000</u>

**Other Post Employment Benefit Obligations**

The following is a summary of other post employment benefit obligations outstanding as of June 30, 2013:

Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
<u>\$ 13,009,068</u>	<u>\$ 5,743,900</u>	<u>\$ 3,229,187</u>	<u>\$ 15,523,781</u>

**Business-Type Activities**

**Obligations under Capital Leases**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
Sun Trust #1	\$ 174,904	\$ -	\$ 174,904	\$ -	\$ -
HCC #1	-	4,112,175	-	4,112,175	547,486
	<u>\$ 174,904</u>	<u>\$ 4,112,175</u>	<u>\$ 174,904</u>	<u>\$ 4,112,175</u>	<u>\$ 547,486</u>

The City entered into numerous equipment lease-purchase agreements with a leasing company whereby the lessor acquired certain equipment and leased it to the City with an option to purchase. The related assets have been capitalized in the capital assets account.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 8: Long-Term Debt (Continued)**

The total leased assets by major asset class consisted of the following:

	<u>June 30, 2013</u>
Autos and trucks	<u>\$ 4,112,175</u>
Equipment under capitalized lease, at cost	4,112,175
Accumulated depreciation	-
Equipment under capitalized lease, net	<u>\$ 4,112,175</u>

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 547,486	\$ 96,225	\$ 643,711
2014-2015	560,297	83,414	643,711
2015-2016	573,408	70,303	643,711
2016-2017	586,826	56,886	643,712
2017-2018	600,558	43,154	643,712
2018-2020	<u>1,243,600</u>	<u>43,817</u>	<u>1,287,417</u>
Total	<u>\$ 4,112,175</u>	<u>\$ 393,799</u>	<u>\$ 4,505,974</u>

**Revenue Bonds**

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
2002 Sewer Refunding Revenue Bonds, Series AF	\$ 13,180,000	\$ -	\$ 205,000	\$ 12,975,000	\$ 210,000
2007 Revenue Bonds, Series AY	97,565,000	-	955,000	96,610,000	995,000
Unamortized Bond Premium	5,132,992	-	148,782	4,984,210	-
Unamortized Deferred Loss on Refunding	(1,337,740)	-	(78,691)	(1,259,049)	-
2007 Taxable Revenue Refunding Bonds, Series AZ	6,300,000	-	235,000	6,065,000	245,000
2007 Revenue Bonds, Series BA	<u>15,190,000</u>	<u>-</u>	<u>150,000</u>	<u>15,040,000</u>	<u>160,000</u>
Total	<u>\$ 136,030,252</u>	<u>\$ -</u>	<u>\$ 1,615,091</u>	<u>\$ 134,415,161</u>	<u>\$ 1,610,000</u>

**2002 Sewer Refunding Revenue Bonds, Series AF – Original Issuance \$15,205,000**

On October 1, 2002, the Authority issued \$15,205,000 in 2002 Sewer Refunding Revenue Bonds, Series AF, for the purpose of making an advance to the City's Sewer Fund for refunding the 1996 Revenue Bonds, Series Q, as well as provide funds to refinance certain sewer obligations of the City of Pomona and to finance certain improvements to the City's sewer enterprise project.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

Interest is payable on June 1 and December 1 of each year. Interest rates range from 2.0% to 4.2% on serial bonds of \$3,900,000. Principal is payable in annual installments ranging from \$165,000 to \$790,000 through December 2043. Term bonds of \$1,210,000, \$1,075,000, \$2,620,000, \$2,815,000 and \$3,585,000 mature on December 1, 2023, 2026, 2032, 2037, and December 1, 2042, respectively.

This advance refunding has increased the aggregate debt service payments that were required for the Refunded Bonds by approximately \$1,588,000 and provided an economic loss (difference between the present value of the new and old debt service payments) of approximately \$1,500,000.

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 210,000	\$ 601,640	\$ 811,640
2014-2015	220,000	594,110	814,110
2015-2016	225,000	585,988	810,988
2016-2017	240,000	577,176	817,176
2017-2018	245,000	567,626	812,626
2018-2023	1,415,000	2,667,581	4,082,581
2023-2028	1,790,000	2,310,553	4,100,553
2028-2033	2,230,000	1,859,427	4,089,427
2033-2038	2,815,000	1,261,875	4,076,875
2038-2043	3,585,000	465,625	4,050,625
Total	<u>\$ 12,975,000</u>	<u>\$ 11,491,601</u>	<u>\$ 24,466,601</u>

2007 Revenue Bonds, Series AY – Original Issuance \$99,370,000

On January 1, 2007, the Authority issued \$99,370,000 in 2007 Revenue Bonds, Series AY, to provide funds to partially refund the Authority's 1999 Refunding Revenue Bonds, Series AA and the 1999 Revenue Bonds, Series AC, and to finance the acquisition and construction of certain improvements to the Water Enterprise of the City.

Interest on the bonds is payable semiannually on each November 1 and May 1. The rates of interest range from 4.00% to 5.00% per annum. Principal is payable in annual installments ranging from \$885,000 to \$6,040,000. The bonds are secured by an Installment Sale Agreement, dated as of January 1, 2007 between the City and the Authority. The Installment Payments are a special limited obligation of the City, payable from and secured by a pledge of and first lien on all Net Revenues, subject to the parity lien, if any, of any additional obligations as provided for in the Installment Sale Agreement, in the Utility Fund of the City in trust under the Installment Sale Agreement.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 995,000	\$ 4,760,400	\$ 5,755,400
2014-2015	1,035,000	4,720,600	5,755,600
2015-2016	1,075,000	4,679,200	5,754,200
2016-2017	1,130,000	4,625,450	5,755,450
2017-2018	1,175,000	4,580,250	5,755,250
2018-2023	6,695,000	22,080,000	28,775,000
2023-2028	8,450,000	20,322,500	28,772,500
2028-2033	13,305,000	17,806,750	31,111,750
2033-2038	17,695,000	14,003,500	31,698,500
2038-2043	22,575,000	9,116,250	31,691,250
2043-2047	<u>22,480,000</u>	<u>2,878,750</u>	<u>25,358,750</u>
Total	<u>\$ 96,610,000</u>	<u>\$ 109,573,650</u>	<u>\$ 206,183,650</u>

The following is a summary of the 2007 Revenue Bonds, Series AY unamortized premium outstanding at June 30, 2013:

<u>Balance</u>			<u>Balance</u>
July 1, 2012	<u>Additions</u>	<u>Deletions</u>	June 30, 2013
<u>\$ 5,132,992</u>	<u>\$ -</u>	<u>\$ 148,782</u>	<u>\$ 4,984,210</u>

Amortization expense was \$148,782 for June 30, 2013.

The advance refunding resulted in a difference between the reacquisition price (Series AY & AZ) and the net carrying amount of the bonds (Series AA & AC) of \$1,809,884. This difference is considered to be a deferred loss on refunding. The deferred loss on refunding, reported in the basic financial statements as a deduction from long-term debt, is amortized on a straight-line method over 23 years. The following is a summary of unamortized deferred loss on refunding outstanding at June 30, 2013:

<u>Balance</u>			<u>Balance</u>
July 1, 2012	<u>Additions</u>	<u>Deletions</u>	June 30, 2013
<u>\$ (1,337,740)</u>	<u>\$ -</u>	<u>\$ (78,691)</u>	<u>\$ (1,259,049)</u>

Amortization expense was \$78,691 for June 30, 2013.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 8: Long-Term Debt (Continued)**

## 2007 Taxable Revenue Refunding Bonds, Series AZ – Original Issuance \$6,930,000

On January 1, 2007, the Authority issued \$6,930,000 in 2007 Taxable Revenue Refunding Bonds, Series AZ, to provide funds to partially refund the Authority's 1999 Refunding Revenue Bonds, Series AA (now retired) and 1999 Revenue Bonds, Series AC (now retired), and to finance the acquisition and construction of certain improvements to the Water Enterprise of the City.

Interest on the bonds is payable semiannually on each November 1 and May 1. The rates of interest range from 5.267% to 5.650% per annum. Principal is payable in annual installments ranging from \$200,000 to \$555,000. The bonds are secured by an Installment Sale Agreement, dated as of January 1, 2007 between the City and the Authority. The Installment Payments are a special limited obligation of the City, payable from and secured by a pledge of and first lien on all Net Revenues, subject to the parity lien, if any, of any additional obligations as provided for in the Installment Sale Agreement, in the Utility Fund of the City in trust under the Installment Sale Agreement.

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 245,000	\$ 338,594	\$ 583,594
2014-2015	260,000	325,690	585,690
2015-2016	275,000	311,996	586,996
2016-2017	285,000	297,510	582,510
2017-2018	300,000	282,500	582,500
2018-2023	1,790,000	1,136,498	2,926,498
2023-2028	2,355,000	570,652	2,925,652
2028-2029	555,000	31,358	586,358
Total	<u>\$ 6,065,000</u>	<u>\$ 3,294,798</u>	<u>\$ 9,359,798</u>

## 2007 Revenue Bonds, Series BA – Original Issuance \$15,575,000

On March 15, 2007, the Authority issued \$15,575,000 in 2007 Revenue Bonds, Series BA, to provide funds to finance certain improvements to the City's Sewer Enterprise. Interest on the bonds is payable semiannually on each June 1 and December 1. The rates of interest range from 3.625% to 5.000% per annum. Principal is payable in annual installments ranging from \$110,000 to \$1,595,000. The bonds are secured by an Installment Sale Agreement, dated as of January 1, 2007 between the City and the Authority. The Installment Payments are a special limited obligation of the City, payable from and secured by a pledge of and first lien on all Net Revenues, subject to the parity lien securing the Authority's 2002 Refunding Revenue Bonds, Series AF, and of any additional obligations as provided for in the Installment Sale Agreement, in the Sewer Enterprise Fund held by the City in trust under the Installment Sale Agreement.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 160,000	\$ 661,890	\$ 821,890
2014-2015	165,000	653,765	818,765
2015-2016	175,000	645,703	820,703
2016-2017	175,000	638,594	813,594
2017-2018	185,000	631,999	816,999
2018-2023	1,020,000	3,046,276	4,066,276
2023-2028	1,235,000	2,817,677	4,052,677
2028-2033	1,550,000	2,515,503	4,065,503
2033-2038	1,945,000	2,123,439	4,068,439
2038-2043	2,465,000	1,630,016	4,095,016
2043-2047	5,965,000	552,267	6,517,267
Total	<u>\$ 15,040,000</u>	<u>\$ 15,917,129</u>	<u>\$ 30,957,129</u>

**Compensated Absences**

In enterprise funds, the liability for vested and unpaid compensated absences (accrued vacation and sick pay) is reported in the fund as the benefits vest and are earned. The compensated absences accrued in the enterprise funds amounted to \$1,240,394 at June 30, 2013.

<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
<u>\$ 1,326,812</u>	<u>\$ 775,897</u>	<u>\$ 862,315</u>	<u>\$ 1,240,394</u>	<u>\$ 777,000</u>

**Pledged Revenue**

The City has pledged certain tax revenue to the repayment of its Water Utility and Sewer Enterprise Fund bonds through final maturity on May 1, 2047, or earlier. These bonds were issued to refinance Series Q, Series AA/AC and finance certain public improvements of the City. All net revenues are irrevocably pledged by the City to the repayment of the bond's debt services, excluding operation and maintenance costs of these Enterprise Funds. In 2013, the Enterprise Funds have net revenues of \$16,785,819 and total debt service paid was \$7,972,753. The bonds required 52% of net revenue. Annual principal and interest payments on the bonds are expected to require roughly 69% of future net revenue. The total principal and interest remaining to be paid at June 30, 2013, on the Bonds is \$270,967,178.

<u>Debt Issue</u>	<u>Remaining Balance</u>
2002 Series AF Bonds	\$ 24,466,601
2007 Series AY Bonds	206,183,650
2007 Series AZ Bonds	9,359,798
2007 Series BA Bonds	30,957,129
Total	<u>\$ 270,967,178</u>

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 8: Long-Term Debt (Continued)**

<u>Revenue</u>	<u>2012-2013 Revenue</u>
Net revenues, excluding operations and maintenance costs	<u>\$ 16,785,819</u>

**Outstanding Principal on Capital-Related Debt**

The City has acquired capital assets through the issuance of bonds and capital lease obligations. Following is the outstanding balance at June 30, 2013, of capital assets related debt.

**Governmental Activities:**

	<u>Outstanding Principal of Capital Related Debt</u>
2005 Subordinate Revenue Bonds, Series AL	\$ 2,829,058
2005 Reassessment and Refunding Bonds, Series AM	1,030,950
2005 Lease Revenue Bonds, Series AN	10,456,190
2006 Lease Revenue Bonds, Series AU	2,071,660
Capital Lease Obligations	<u>1,164,337</u>
Total	<u>\$ 17,552,195</u>

**Business-Type Activities:**

	<u>Outstanding Principal of Capital Related Debt</u>
Water	
2007 Revenue Bonds, Series AY and	
2007 Taxable Revenue Refunding Bonds, Series AZ	\$ 87,504,913
2007 Revenue Bonds, Series BA	<u>10,481,447</u>
Subtotal	<u>97,986,360</u>
Sewer	
2002 Sewer Refunding Revenue Bonds, Series AF	13,220,375
Capital Lease Obligations	<u>4,112,175</u>
Subtotal	<u>17,332,550</u>
Total	<u>\$ 115,318,910</u>

**Note 9: Non-City Obligations**

The following bond issues are not reflected as City long-term debt because these debts are solely payable from and secured by specific revenue sources described in the official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the Agency, the State of California or any political subdivision thereof, is pledged for payment of these bonds. Accordingly, since this debt does not constitute an obligation of the City, it is not reflected as long-term debt in the accompanying basic financial statements. The City is acting only as an agent.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 9: Non-City Obligations (Continued)**

Mortgage Revenue Bonds

Single family and multifamily housing revenue bonds are issued to provide construction and permanent financing to developers of multifamily residential rental projects located in the City to be partially occupied by persons of low and moderate income. These bonds are secured by first trust deeds and private mortgage insurance. The bonds, together with interest thereon, are payable solely from bond proceeds, revenues and other amounts derived solely from home mortgage and developer loans secured by first deeds of trust, irrevocable letters of credit and irrevocable surety bonds. The mortgage revenue bonds outstanding at June 30, 2013, were as follows:

<u>Mortgage Revenue Bonds</u>	<u>Balance June 30, 2013</u>
Single Family, Series 1983 A (Southwest Project Bonds)	\$ 700,000
Single Family Mortgage Refunding Bonds 90A	34,275,000
Single Family Mortgage Refunding Bonds 90B	14,750,000
	<u>\$ 49,725,000</u>

**Note 10: Retirement Plan**

**Plan Description**

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

**Funding Policy**

Active plan members are required by State statute to contribute 7% for miscellaneous and 9% for safety employees of their annual covered salary. For the year ended June 30, 2013, these amounts were \$1,494,163 and \$1,283,307 respectively.

The City employer is required to contribute for fiscal year 2012-2013 at an actuarially determined rate of 13.359% and 32.894% of annual covered payroll for miscellaneous and safety employees which amounted to \$2,762,068 and \$4,644,854 respectively. Separately funded plans have been established for each employee group. Benefit provisions and all other requirements are established by State statute and City contracts with employee bargaining groups. The contribution requirements of plan members and the City are established by PERS.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 10: Retirement Plan (Continued)****Annual Pension Cost**

For fiscal year 2012-2013, the City's annual pension cost of \$2,762,068 for miscellaneous plan employees was equal to the City's required and actual contribution. For the safety plan, the City's annual pension cost and change in net pension asset were as follows:

Annual required contribution	\$ 4,644,854
Interest on net PERS pension asset	(1,180,165)
Adjustment to annual required contribution	<u>1,844,746</u>
Annual PERS cost (expense)	5,309,435
Contributions made	<u>4,644,854</u>
Decrease in net PERS pension asset	(664,581)
Net PERS pension asset - beginning of year	<u>24,845,584</u>
Net PERS pension asset - end of year	<u><u>\$ 24,181,003</u></u>

The summary of principal assumptions and methods used to determine the annual required contribution is shown below:

Valuation Date	June 30, 2010
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percentage of Payroll
Average Remaining Period	Miscellaneous Plan: 20 years as of the valuation date Safety Plan: 28 years as of the valuation date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	Miscellaneous Plan: 3.55% to 14.45% depending on age, service, and type of employment Safety Plan: 3.55% to 13.15% depending on age, service, and type of employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.00% and an annual production growth of 0.25%

Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percent of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a 30 year rolling period, which results in an amortization of about 6% of unamortized gains and losses each year. If the plan's accrued liability exceeds the actuarial value of plan assets, the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

Note 10: Retirement Plan (Continued)

Miscellaneous Employee's Retirement Plan  
 Schedule of Employer Contributions

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2011	\$ 2,468,853	100%	\$ -
6/30/2012	3,009,467	100%	-
6/30/2013	2,762,068	100%	-

Safety Employee's Retirement Plan  
 Schedule of Employer Contributions

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2011	\$ 3,860,787	119%	\$ 25,480,029
6/30/2012	4,924,002	115%	24,845,584
6/30/2013	5,309,435	114%	24,181,003

A pension asset is created when an employer pays into a retirement plan amounts in excess of its annual required contribution (ARC). The ARC is an actuarially calculated amount that is sufficient to fund future costs and extinguish any existing unfunded actuarial accrued liability (UAAL). On June 29, 2004, the City made a payment of \$27,722,510 to PERS from the proceeds of the issuance of pension obligation bonds to reduce the City's UAAL as calculated at that time. This prepayment has been recorded on the Statement of Net Position as a Net Pension Asset. The prepaid pension asset will be amortized over the average remaining amortization period of the PERS unfunded liability. As of June 30, 2013, the unamortized portion of the pension asset was \$24,181,003. See Note 8 for more detail.

Schedule of Funding Progress for PERS  
 Miscellaneous Employees

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Entry Age Actuarial Accrued Liability	(Unfunded) Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	(Unfunded) Actuarial Liability as Percentage of Covered Payroll
6/30/2010	\$ 194,771,579	\$ 213,632,193	\$ (18,860,614)	91.2%	\$ 25,564,336	73.8%
6/30/2011	200,995,811	224,309,938	(23,314,127)	89.6%	23,667,462	98.5%
6/30/2012	204,106,673	231,289,438	(27,182,765)	88.2%	23,046,877	117.9%

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 10: Retirement Plan (Continued)**

Schedule of Funding Progress for PERS  
 Safety Employees

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Entry Age Actuarial Accrued Liability	(Unfunded) Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	(Unfunded) Actuarial Liability as Percentage of Covered Payroll
6/30/2010	\$ 242,600,504	\$ 273,268,426	\$ (30,667,922)	88.8%	\$ 16,452,595	186.4%
6/30/2011	247,194,400	284,367,753	(37,173,353)	86.9%	14,355,116	259.0%
6/30/2012	246,260,028	289,143,930	(42,883,902)	85.2%	14,559,931	294.5%

In 2004, the City issued \$32,300,000 in Pension Obligation Bonds in order to fund the City's unamortized, unfunded actuarial accrued liability with the California Public Employees Retirement System (PERS). A payment of \$27,722,510 was made to PERS on June 29, 2004. (See Notes 8).

In 2005, the City issued an additional \$5,700,000 in Pension Obligation Bonds in order to make current payments for the retirement contributions to PERS.

In 2006, the City issued \$42,280,684 Pension Obligations Refunding Bonds to refinance the City's outstanding Pension Obligation Refunding Bonds Series 2004 AJ and Series 2004 AK.

**Note 11: Other Post Employment Benefits**

**Plan Description**

Employees of the City who retire through CalPERS, their spouses, and eligible dependents, may receive health plan coverage through the Public Employees' Medical and Hospital Care Program (PEMHCA) Plan (Plan). The Plan is a single employer defined benefit plan which provides the retirees a monthly medical contribution that is not to exceed the cost of the plan selected. The City's contribution for each bargaining group is determined by CalPERS regulations and requirements.

The City pays up to \$700 per month for individual retiree benefits which are based on the bargaining groups listed below:

<b>Bargaining Group</b>	<b>Benefit</b>
Pomona City Council Members	\$ 700
Pomona Executive Management Group	700
Pomona Mid-Management/Confidential Employees' Association	700
Pomona City Employees' Association	700
Pomona Police Managers' Association	700
Pomona Police Officers' Association	700
Firefighters *	465

\* Pre-Los Angeles County Merger

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**
**Note 11: Other Post Employment Benefits (Continued)**

The Police Management retirees with 22 years of City service as a sworn officer receive up to 90% contribution towards the most expensive 2-party PEMHCA premiums. This benefit terminates once the retiree is eligible for Medicare (age 65). The provision has been eliminated for employees hired or promoted to the unit after July 1, 2011.

**Eligibility**

Approximately 472 employees are eligible to receive or are receiving post-employment benefits at June 30, 2013.

**Funding Policy**

The required contribution of the City is based on a pay-as-you-go financing requirement. For fiscal year 2013, the City contributed \$3,229,187 to the retiree health and collateral benefits plans.

**Annual OPEB Cost and Net OPEB Obligation**

The City's annual Other Postemployment Benefit (OPEB) cost (expense) is calculated based on the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excesses) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB Obligation to the Plan:

	<u>Total</u>
Annual required contribution	\$ 5,731,790
Interest on net OPEB obligation	565,723
Adjustment to annual required contribution	<u>(553,613)</u>
Annual OPEB cost (expense)	5,743,900
Contributions made	<u>3,229,187</u>
Increase in net OPEB obligation	2,514,713
Net OPEB obligation - beginning of year	<u>13,009,068</u>
Net OPEB obligation - end of year	<u><u>\$ 15,523,781</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2013 is as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Annual Contribution</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2011	\$ 5,560,063	\$3,115,660	56.0%	\$ 11,020,027
6/30/2012	5,205,707	3,216,666	61.8%	13,009,068
6/30/2013	5,743,900	3,229,187	56.2%	15,523,781

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 11: Other Post Employment Benefits (Continued)**

**Funded Status and Funding Progress**

As of January 1, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The Actuarial Accrued Liability (AAL) for benefits was \$77,168,916 and the actuarial value of assets was \$0 resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$77,168,916. The covered payroll (annual payroll of active employees covered by the plan) was \$36,101,000 and the ratio of UAAL to the covered payroll was 213.8%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll.

Schedule of Funding Progress for OPEB

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Entry Age Actuarial Accrued Liability	(Unfunded) Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	(Unfunded) Actuarial Liability as Percentage of Covered Payroll
1/1/2008	\$ -	\$ 64,974,000	\$ (64,974,000)	0.0%	\$ 44,227,000	146.9%
1/1/2010	-	73,291,000	(73,291,000)	0.0%	38,805,000	188.9%
1/1/2012	-	77,168,916	(77,168,916)	0.0%	36,101,000	213.8%

Actuarial valuation is performed every two years.

**Actuarial Methods and Assumptions**

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

In the January 1, 2012 actuarial valuation, the entry age normal (EAN) cost method was used. The EAN normal cost equals the level annual amount of contribution from the employee's date of hire (entry date) to their retirement date that is sufficient to fund the projected benefit. The actuarial assumptions include a 4.25% investment rate of return which is based on the expected return on funds invested by CalPERS, and an annual healthcare cost trend rate of 7.0% and 6.5% for PPO and HMO respectively and reduced to an ultimate rate of 5.0% thereafter. The actuarial assumption for inflation was 3%. As of the valuation date, there are no eligible plan assets. The UAAL is being amortized over

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

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**Note 11: Other Post Employment Benefits (Continued)**

an initial 30 years using the level percentage-of-pay method on a closed basis. The remaining amortization period at June 30, 2013 was 25 years. As of the actuarial valuation date of January 1, 2012, the City had 531 active eligible participants and 639 eligible retired participants and beneficiaries.

**Note 12: Collateral Benefits Plan**

**Plan Description**

The Collateral Benefits Plan provides a supplemental retirement benefit to City employees upon resigning from the City and concurrently retiring with CalPERS. The supplemental benefit is a monthly benefit of \$100 from the first of the month following retirement from the City until the age of 65 for Tier 1 and Tier 2 employees. Tier 1 employees include Mid-Management and Confidential, Police Officers' Association, City Employees' Association, and Management Group B employees, and are required to have at least 20 years of City service upon retiring after July 1, 1987. Tier 2 employees include Executive Management Group A employees and are required to have at least one year of City service upon retiring after July 1, 1991. Employees hired after July 1, 2011, are not eligible for this plan.

**Eligibility**

<u>Bargaining Group</u>	<u>City Service</u>
Executive Management, Mid-Management/Confidential	
Employees' Association, City Employees' Association, Police Officers' Association	20 Years
Department Directors	1 Year
Police Management	Not Eligible

Approximately 87 participants are receiving collateral benefits at June 30, 2013.

**Funding Policy**

The City's funding policy is to contribute the annual required contribution. The annual required contribution equals the sum of:

- normal cost, and
- amortization of the unfunded actuarial accrued liability.

Government Accounting Standards Board Statement No. 27 (Statement 27) requires that the City determine the plan's annual pension cost based on the most recent actuarial valuation. The annual pension cost equals the plan's annual required contribution, adjusted for historical differences between the annual required contribution and amounts contributed. The actuary has determined the City's annual required contribution equal to the sum of (a) normal cost, and (b) amortization of the unfunded actuarial accrued liability.

**Annual Pension Cost**

For the year ending June 30, 2013, the City's annual pension cost of \$110,032 was equal to the actuarial required contribution.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**
**Note 12: Collateral Benefits Plan (Continued)**

The summary of principal assumptions and methods used to determine the annual required contribution is shown below:

Valuation Date	July 1, 2012
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Dollar
Average Remaining Period	Closed-12.5 Years as of July 1, 2013
Asset Valuation Method	Market Value on Date of Valuation
Actuarial Assumptions	
Investment Rate of Return	7.00%
Inflation	3.00%
Salary Increases	n/a
Cost of Living Adjustment	None

The following table provides 3 years of historical information of the Annual Pension Cost:

<u>Year Ending</u>	<u>Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Obligation (Asset)</u>
6/30/2011	\$ 130,840	100%	-
6/30/2012	92,391	100%	-
6/30/2013	110,032	100%	-

**Funded Status and Funding Progress**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The table below shows an analysis of the actuarial value of assets as a percentage of the actuarial accrued liability and the unfunded actuarial accrued liability as a percentage of the annual covered payroll.

Schedule of Funding Progress PARS Retirement Enhancement Plan						
<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
01/01/2006	\$ -	\$ 1,172,743	\$ 1,172,743	0.0%	n/a	n/a
07/01/2009	179,275	954,779	775,504	18.8%	n/a	n/a
07/01/2012	220,801	976,744	755,943	22.6%	n/a	n/a

Actuarial valuation is performed every three years.

**Note 13: Joint Powers Agreements**

**Alameda Corridor-East Construction Authority**

The City approved and adopted a Joint Exercise of Powers Agreement in November 2012. The Alameda Corridor East Construction Authority (ACE) is a single purpose construction authority created by the San Gabriel Council of Governments in 1998 to mitigate the impacts of significant increases in rail traffic over 70 miles of mainline railroad in the San Gabriel Valley. The ACE Project consists of multiple construction projects to improve safety at 39 rail crossings as well as at 22 grade separations in the San Gabriel Valley.

**California Communities Housing and Finance Agency**

The City joined the California Communities Housing and Finance Agency (CCHFA) in January 2001 as a voting member. By participating in CCHFA, each member city can establish its own Lease-Purchase Home Program for its jurisdiction. Under the Lease-Purchase Home Program, individuals interested in buying a home in Pomona, but have access to a limited down payment, will be able to lease a house of their choice for 38 months, and proceed to take ownership of the home at the end of the lease term.

**California Municipal Finance Authority**

In February 2008, the City Council approved membership in the California Municipal Finance Authority (CMFA). The Authority was created to promote economic, cultural and community development through the financing of economic and charitable activities throughout California. The CMFA assists local governments, non-profit organizations and businesses with the issuance of taxable and tax-exempt bonds aimed at improving the standard of living in California.

**CSAC – Excess Insurance Authority**

The City became a member of CSAC Excess Insurance Authority (Authority) in July 2008. The Authority is a risk sharing pool of California public agencies dedicated to controlling losses and providing effective risk management solutions. Membership is currently comprised of 54 member counties and 218 public entity organizations. The governing board consists of one representative from each member county and seven members elected by the public entity membership.

**Foothill Air Support Team**

The City joined the Foothill Air Support Team (FAST) in January 2011. FAST was developed in 1999 creating a joint helicopter patrol operation that could enhance member agencies ability to deter criminal activity and apprehend offenders. The governing board consists of one representative from each of the seven member agencies.

**Foothill Transit**

The City is a member of the Foothill Transit Joint Powers Agreement. The JPA is comprised of 20 cities and the County of Los Angeles. The purpose of the authority is to provide a more efficient and cost effective local transportation service for the area. Each member city has one representative and three members are appointed by the Board of Supervisors.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**


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**Note 13: Joint Powers Agreements (Continued)**

Below are the most currently available condensed audited financial statements of the JPA as of June 30, 2013. Separate financial statements of Foothill Transit are available from its offices located in West Covina, CA.

	<u>Total</u>
Assets	\$ 234,389,989
Liabilities	60,109,361
Net Position	<u>\$ 174,280,628</u>
Revenues	\$ 19,550,489
Expenses	82,534,239
Operating income	(62,983,750)
Nonoperating revenue (expenses)	44,012,132
Net income	(18,971,618)
Capital contributions	16,494,432
Net Position - July 1, 2012	176,757,814
Net Position - June 30, 2013	<u>\$ 174,280,628</u>

**Gold Line Phase II Construction Authority**

The City participates in the Gold Line Phase II Construction Authority (GLCA) joint venture, which became effective September 3, 2003. The GLCA oversees the planning, funding, designing and construction contracts for the completion of the Los Angeles-Pasadena Metro Blue Line light rail project. The GLCA's governing Board is comprised of an appointed representative from each of the affected cities and agencies, including the cities of Azusa, Claremont, Duarte, Glendora, Arcadia, La Verne, Ontario, Montclair, Irwindale, Pomona, San Dimas, Monrovia, Pasadena, and South Pasadena, and the San Bernardino Associated Governments (SANBAG). Los Angeles County Metropolitan Transportation Agency (LACMTA) will have the responsibility to operate and maintain the rail after its completion. Member agencies will be paid for attending meetings, not to exceed \$1,800 per year, per member agency, plus direct expenses. Member agencies are not allowed to withdraw from the GLCA and each member agency is required to pay \$31,445 in initial dues (first payments were due October 1, 2003) and each member will be held liable for their share of operating costs.

The City paid the joint venture \$3,000 during the year ended June 30, 2013. Assets are divided based on the proportionate equity share at the time the joint venture dissolves, which is currently not significant to the City.

**Interagency Communications Interoperability System**

The City participates in the Interagency Communications Interoperability System (ICIS) joint powers authority which became effective September 2003. The intent of ICIS is to provide public safety agencies with a formalized governance structure through which the participants may share resources to construct and manage a system for wide-area communications interoperability. The governing board is comprised of one member from each of the seven member agencies. The City paid \$40,000 in annual dues for the fiscal year ending June 30, 2013.

**Note 13: Joint Powers Agreements (Continued)**

**Los Angeles Area Regional Agency**

The City became a member of the Los Angeles Area Regional Agency (LARA) in October 2002. LARA was created to achieve Integrated Waste Management Act (AB939) compliance. Currently, there are 17 municipalities who are members of LARA.

**Los Angeles County Area Integrated Waste**

A joint powers agreement was approved by the City Council in October 2002. The purpose of the joint powers is to combine disposal and diversion quantities for determining compliance with AB939, to allow for the efficient operation of diversion programs on a region wide basis and to allow for the development of Regional Integrated Waste Management Plans. AB939 mandates cities to divert at least 50% of their waste away from landfills by the year 2000.

**Los Angeles County Disaster Management Area D**

The City has participated in the Disaster Management Area D joint powers agreement (JPA) since 1958. The JPA is intended to promote the coordination of disaster management, training and preparedness of the Area D member cities under the direction of the Disaster Management Area Board. The governing board includes one representative from each of the 23 member cities. Annual dues at the rate of \$0.05 per capita are paid and totaled \$7,498 for the fiscal year ending June 30, 2013.

**Los Angeles Interagency Metropolitan Police Apprehensive Crime Task Force**

The City joined the Los Angeles Interagency Metropolitan Police Apprehensive Crime Task Force (LA Impact) in March 2011. It is a compilation of numerous federal, state, and local law enforcement agencies in Los Angeles County, whose primary purpose is to investigate major crimes, with an emphasis on dismantling mid-to-major level drug trafficking organizations. Since its inception, LA Impact has grown to 80 Officers from 35 different Los Angeles County law enforcement agencies. The City is solely responsible for the salary and benefits of one (1) Police Sergeant position, currently assigned to this program, which is fully funded within the Police Department's General Fund budget.

**Los Angeles Regional Interoperable Communications System Authority**

The City joined the Los Angeles Regional Interoperable Communications System Authority (LA-RICS) in February 2009. LA-RICS is an advanced, integrated wireless voice and data communications system that will support more than 34,000 first responders and local mission-critical personnel within the Los Angeles County region.

**Pomona Valley Transportation Authority**

The City is a member of the Pomona Valley Transportation Authority (PVTA). The PVTA is comprised of four cities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the PVTA is to study, implement and provide for public transportation that will best serve transit-dependent persons, including handicapped and senior adults residing in the Pomona Valley.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**


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**Note 13: Joint Powers Agreements (Continued)**

Each member city has two representatives on the Board of Directors. Officers of the PVTA are elected annually by the Board of Directors.

The City does not have an equity interest in the PVTA. However, the City does have an ongoing financial interest. The City is able to influence the operations of the PVTA. As a result, the PVTA uses its resources on behalf of the City. Also, an ongoing financial responsibility exists as the PVTA is dependent on continued funding from the City.

Following are the most currently available condensed audited financial statements of the PVTA as of June 30, 2013. Separate financial statements of the PVTA are available from its offices located in La Verne, California.

	<u>Total</u>
Assets	<u>\$ 3,108,290</u>
Liabilities	\$ 1,549,393
Contributed capital	458,473
Retained earnings	<u>1,100,424</u>
Total liabilities and fund equity	<u>\$ 3,108,290</u>
Operating revenues	\$ 276,685
Operating expenses	<u>4,074,502</u>
Operating (income)	(3,797,817)
Non-operating revenue	<u>3,900,674</u>
Net income	102,857
Retained earnings - July 1, 2012	<u>997,567</u>
Retained earnings - June 30, 2013	<u>\$ 1,100,424</u>

**Pomona-Walnut-Rowland (PWR) Joint Water Line Commission**

The City participates in the Pomona-Walnut-Rowland (PWR) Joint Water Line Commission (Commission) joint venture, which provides for the acquisition, construction, maintenance, repair and operation of a water transmission pipeline for the benefit of member agencies. The Pomona-Walnut-Rowland Joint Water Line Commission's governing board is comprised of an appointed representative from each of three member agencies – the City, Walnut Valley Water District, and Rowland Water District.

The cost of providing water to the member agencies is financed through user charges. The Commission purchases water for resale to the member agencies at a price sufficient to provide reserve funds for emergencies. In addition, the member agencies are billed for the costs of maintenance and operation of the pipeline. The City paid the joint venture \$4,470,559 during the year ended June 30, 2013, which is comprised of \$4,210,806 for water use and \$259,753 for capacity charges and other charges. Assets are divided based on the proportionate equity share at the time the joint venture dissolves. The City's share in the equity of the Commission at June 30, 2013, was \$651,272.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 13: Joint Powers Agreements (Continued)**

As of June 30, 2013, the three participants had the following approximate ownership equity interest:

Member	Percentages	Agreement Balance
City of Pomona	28%	\$ 651,272
Walnut Valley Water District	43%	1,000,167
Rowland Water District	28%	651,272
Unallocated	1%	23,259
Total	100%	\$ 2,325,970

The Commission's basic financial statements for the fiscal year ended June 30, 2013 reflect the implementation of GASB 34 and include the following:

Total Assets	\$ 6,339,062
Total Liabilities	4,013,092
Net Position	\$ 2,325,970

The Commission does not recognize income or loss. Net operating expenditures in excess of users' assessments are treated as accounts receivable on the Commission's books and charged to each user's account in the following year. Conversely, user's assessments in excess of net operating expenditures are treated as a liability and credited against each user's account, also in the following year. Under this basis, operating expenses for the Commission totaled \$19,607,676 compared to total operating revenues of \$19,598,764 in fiscal year 2013. Complete financial statements can be obtained from the Pomona-Walnut-Rowland Joint Water Line Commission, P.O. Box 8460, Rowland Heights, CA 91748.

**San Gabriel Valley Council of Governments**

The City is a member of the San Gabriel Valley Council of Governments (Council) which became effective March 1994. The Council provides member agencies a vehicle to voluntarily engage in regional and cooperative planning and coordination of government services and responsibilities to assist member agencies in the conduct of their affairs. The goal and intent of the Council is one of voluntary cooperation among members for the collective benefit of cities and unincorporated areas in the San Gabriel Valley. The governing board is comprised of one member from each of 31 member cities and the San Gabriel Valley Water Districts, except the County of Los Angeles. The County has three members who represent the unincorporated communities of Supervisor Districts 1, 4, and 5. All member agencies pay dues. The City paid \$30,000 in annual dues for the fiscal year ending June 30, 2013.

**Southern California Library Cooperative**

The City became a member of the Southern California Library Cooperative (SCLC) in October 2003. SCLC includes 48 cities, counties and special district public libraries, which have agreed to cooperate in providing library service to the residents of all participating jurisdictions. SCLC members extend loan privileges to residents of other

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2013

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**Note 13: Joint Powers Agreements (Continued)**

member libraries. The governing board consists of one member, generally the library director, from each of the 48 member agencies. The City paid \$0 in annual dues for the fiscal year ending June 30, 2013.

**Tri-City Mental Health Center**

The City is a member of the Tri City Mental Health Center (Center). The Center is a jointly governed organization comprised of three cities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the Center is to develop mental health services and facilities to serve persons residing in the three member cities. The City's contribution to the Center was \$43,675 for the year ended June 30, 2013.

The Board of Director is composed of seven members, two councilmembers from Pomona, one councilmember from each of Claremont and La Verne, and one non-elected member from each city.

Below are the most currently available condensed audited financial statements of the Center as of June 30, 2013. Separate financial statements of the Center are available from its offices located in Pomona, California.

	<u>Total</u>
Assets	\$ 30,859,420
Liabilities	<u>25,824,712</u>
Net Position	<u>\$ 5,034,708</u>
Revenues	\$ 4,765,855
Expenses	<u>14,196,311</u>
Operating income	(9,430,456)
Non-operating revenue (expenses)	<u>11,777,101</u>
Net income	2,346,645
Special items	301,212
Net Position - July 1, 2012	<u>2,386,851</u>
Net Position - June 30, 2013	<u>\$ 5,034,708</u>

**Note 14: Risk Management**

The Self-Insurance Internal Service Fund is part of the City's self-insurance program for unemployment insurance, workers' compensation and general liability. The City is a member of the California State Association of Counties Excess Insurance Authority (CSAC-EIA). Through CSAC-EIA, the City has a program limit of \$25 million dollars with a self-insured retention of \$1 million for its excess liability program and its worker's compensation program. Additionally, the City purchases catastrophic excess liability coverage that provides an additional \$25 million in coverage.

CSAC-EIA is a governmental joint powers authority created by certain California counties and cities to provide a pooled approach to the members' liability and excess workers' compensation coverage as allowed under the California Government Code. The authority manages various types of pooled coverage programs for participating members.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 14: Risk Management (Continued)**

As of June 30, 2013, claims payable amounted to \$19,031,566.

The estimated claims payable reported at June 30, 2013, is based on the requirements of GASB 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 the loss can be reasonably estimated.

The following is a summary of changes in claims liabilities over the past three fiscal years:

	Claims Payable			
	Beginning Balance	Expenses and Changes in Estimates	Claims Payments	Ending Balance
2010-2011	\$ 17,179,847	\$ 7,686,268	\$ 7,970,771	\$ 16,895,344
2011-2012	16,895,344	6,459,291	3,696,718	19,657,917
2012-2013	19,657,917	3,775,783	4,402,134	19,031,566

**Note 15: Commitments and Contingencies****Agency Participation Agreement**

On April 5, 2004, the City entered into a reclaimed water agreement with the Los Angeles County Sanitation District (LACSD). The agreement is for 20 years, beginning on July 1, 2003, and requires the City to sell its interest in the Northside Recycled Water Line, a 20" non-reinforced concrete gravity reclaimed water pipeline to the LACSD for \$441,730. The City will receive discounted rates on water during the first 12 years of the agreement with an estimated value of \$2,800,000.

**Ground Lease and Option to Purchase Agreement**

In September 2003, the City entered into a ground lease and option to purchase agreement for 9.4 acres of undeveloped land located at the northwest corner of East End Avenue and 9th Street. The agreement is for 10 years and requires the City to pay a monthly rent of \$14,500 beginning July 1, 2003. As the result of a lawsuit filed against the City, the conditions of the April, 2007 settlement agreement assigned the ground lease liability to the plaintiff with the condition that the Agency will pay the plaintiff \$2,500 per month for the remaining period of the original ground lease effective May 1, 2007.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 15: Commitments and Contingencies (Continued)**

**Contractual Commitments**

The following schedule summarizes the major contractual commitments of the City as of June 30, 2013:

Major Commitments and Contracts for Professional Services:

Watch Guard	\$ 424,084
Volunteers of America	233,693
Valley Construction Management	205,215
RZL Engineers	181,188
Transtech Engineers	159,720
Tyler Technologies	123,704
All other commitments	<u>2,097,051</u>
Total	<u>\$ 3,424,655</u>

As of June 30, 2013, in the opinion of Agency management, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the Agency.

**Lawsuits**

The City is a defendant in certain other legal actions arising in the normal course of operations. As of June 30, 2013, in the opinion of City management, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the City.

**Pollution Remediation**

The City acquired properties whose soil and groundwater were contaminated. The City is responsible for the investigation, characterization and remediation of the soil and groundwater from the contamination. The City has ordered a remediation study to determine any potential.

**Note 16: Net Position and Fund Balance**

**Government-Wide Financial Statements**

**Net Investment in Capital Assets**

The following is a calculation of net the investment in capital assets at June 30, 2013:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Capital assets, net of accumulated depreciation	\$ 283,892,521	\$ 156,093,622	\$ 439,986,143
Less: Obligation under capital leases	(1,164,337)	(4,112,175)	(5,276,512)
Less: Long-term debt	<u>(16,387,858)</u>	<u>(111,206,735)</u>	<u>(127,594,593)</u>
Net investment in capital assets	<u>\$ 266,340,326</u>	<u>\$ 40,774,712</u>	<u>\$ 307,115,038</u>

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2013**

**Note 16: Net Position and Fund Balance (Continued)**

**Unrestricted Net Position**

The unrestricted net position for governmental activities had a deficit balance of \$88,955,872 at June 30, 2013.

**Fund Financial Statements**

**Net Investment in Capital Assets**

The following is a calculation of net investment in capital assets, for the Proprietary Funds at June 30, 2013:

	Enterprise Funds					Governmental Activities
	Water Utility	Sewer	Refuse	Cannon Water	Total	Internal Service Funds
Capital assets, net of accumulated depreciation	\$ 124,368,318	\$ 26,484,364	\$ 5,209,553	\$ 31,387	\$ 156,093,622	\$ 170,330
Less: Obligations under capital leases	-	-	(4,112,175)	-	(4,112,175)	-
Less: Long-term debt	(97,986,360)	(13,220,375)	-	-	(111,206,735)	-
Net Investment in capital assets	<u>\$ 26,381,958</u>	<u>\$ 13,263,989</u>	<u>\$ 1,097,378</u>	<u>\$ 31,387</u>	<u>\$ 40,774,712</u>	<u>\$ 170,330</u>

**Deficit Fund Balance**

At June 30, 2013, the following funds had fund balance deficits:

General Debt Service	Major Governmental Fund	\$ (41,589,636)
Self-Insurance Funds	Internal Service Fund	(14,384,565)

The General Debt Service Fund deficit is the result of the issuance of bonds and the Self-Insurance Fund deficit is due to unfunded outstanding claim liabilities. The City will eliminate these deficits with future revenue.

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency**

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Pomona that previously had reported a Redevelopment Agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a Redevelopment Agency, either the City or another unit of local government will agree to serve as the “Successor Agency” to hold the assets until they are distributed to other units of state and local government. On January 9, 2011, the City Council elected to become the Successor Agency for the former Redevelopment Agency in accordance with the Bill as part of City resolution number 2012-8.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay



NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

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**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, Successor Agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Redevelopment Agency until all enforceable obligations of the prior Redevelopment Agency have been paid in full and all assets have been liquidated.

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between Redevelopment Agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers was not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller was required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former Redevelopment Agency due to the City are valid enforceable obligations payable by the Successor Agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

During the current fiscal year, land held for resale in the amount of \$195,359, the Pomona Valley Education Foundation note payable (PVEF Note) and the US Bank Loans payable in the amount of \$131,517 and \$867,890 respectively were transferred from the Housing Authority to the Successor Agency due to the prior year dissolution of the Redevelopment Agency. As a result, an extraordinary gain and loss in the amount of \$804,048 was recognized between the Housing Authority and the Successor Agency.

**Cash and Investments**

The following is a summary of cash and investments at June 30, 2013:

Cash and investments	\$ 8,742,678
Restricted cash and investments	<u>52,254,911</u>
Total	<u><u>\$ 60,997,589</u></u>

The Successor Agency's cash and investments are pooled with the City's cash and investment in order to generate optimum interest income. The share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average monthly cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is reported in Note 2.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

**Loans Receivable (Net)**

At June 30, 2013, the Successor Agency's net loans receivable consisted of the following:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Business Assistance Loans	\$ 1,252,000	\$ 100,000	\$ -	\$ 1,352,000
Guadalajara Market	210,600	-	-	210,600
Pomona Fox Theater	1,300,000	-	-	1,300,000
Pomona Fox Theater	1,150,000	-	-	1,150,000
Allstate KIA	40,568	-	40,568	-
Garey Village Complex	5,000,000	-	-	5,000,000
Total	<u>\$ 8,953,168</u>	<u>\$ 100,000</u>	<u>\$ 40,568</u>	<u>\$ 9,012,600</u>

**Land Held for Resale**

At June 30, 2013, land held for resale in the amount of \$20,457,009 is recorded at cost in the Successor Agency Trust Fund.

**Capital Assets**

The following is a summary of capital assets for the Successor Agency as of June 30, 2013:

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013
Non-depreciable assets:				
Land	\$ 125,423	\$ -	\$ -	\$ 125,423
Total non-depreciable assets	<u>125,423</u>	<u>-</u>	<u>-</u>	<u>125,423</u>
Depreciable assets:				
Buildings and improvements	63,126	-	-	63,126
Improvements other than buildings	148,995	-	-	148,995
Machinery and equipment	728,372	-	-	728,372
Furniture and fixtures	8,361	-	-	8,361
Autos and trucks	19,513	-	-	19,513
Total depreciable assets, at cost	<u>968,367</u>	<u>-</u>	<u>-</u>	<u>968,367</u>
Less accumulated depreciation				
Buildings and improvements	(10,100)	(1,263)	-	(11,363)
Improvements other than buildings	(107,277)	(5,960)	-	(113,237)
Machinery and equipment	(723,108)	(1,486)	-	(724,594)
Furniture and fixtures	(7,524)	(836)	-	(8,360)
Autos and trucks	(15,611)	(1,951)	-	(17,562)
Total accumulated depreciation	<u>(863,620)</u>	<u>(11,496)</u>	<u>-</u>	<u>(875,116)</u>
Total depreciable assets, net	<u>104,747</u>	<u>(11,496)</u>	<u>-</u>	<u>93,251</u>
Total capital assets	<u>\$ 230,170</u>	<u>\$ (11,496)</u>	<u>\$ -</u>	<u>\$ 218,674</u>

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2013**

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

**Long-Term Debt**

The following summary of debts of the Successor Agency as of June 30, 2013, follows:

	Balance July 1, 2012	Transfer from City	Accreted/ Accrued Interest	Additions	Deletions	Balance June 30, 2013	Due Within One Year
County deferred tax loans	\$ 38,706,387	\$ -	\$ 2,725,829	\$ 234,037	\$ -	\$ 41,666,253	\$ -
ERAF loan	515,000	-	-	-	165,000	350,000	170,000
Notes payable	2,413,692	999,407	-	-	25,757	3,387,342	2,447,854
Tax allocation bonds	8,990,000	-	-	-	490,000	8,500,000	510,000
Advances from the Public Financing Authority	171,745,000	-	-	-	5,360,000	166,385,000	5,450,000
Advance from the Housing Authority - SERAF loan	4,000,000	-	-	-	-	4,000,000	-
Compensated Absences	185,617	-	-	58,963	62,886	181,694	59,000
<b>Total</b>	<b>\$ 226,555,696</b>	<b>\$ 999,407</b>	<b>\$ 2,725,829</b>	<b>\$ 293,000</b>	<b>\$ 6,103,643</b>	<b>\$ 224,470,289</b>	<b>\$ 8,636,854</b>

**County Deferred Tax Loans**

At June 30, 2013, the County deferred tax loans consisted of the following:

	Balance July 1, 2012	Accreted/ Accrued Interest	Additions	Deletions	Balance June 30, 2013
Southwest Pomona Project Area	\$ 33,549,956	\$ 2,348,496	\$ -	\$ -	\$ 35,898,452
South Garey/Freeway Corridor Project Area	5,156,431	377,333	234,037	-	5,767,801
<b>Total</b>	<b>\$ 38,706,387</b>	<b>\$ 2,725,829</b>	<b>\$ 234,037</b>	<b>\$ -</b>	<b>\$ 41,666,253</b>

The former Redevelopment Agency entered into agreements with the County of Los Angeles whereby a portion of the County's share of tax increment revenues from the Southwest Pomona Project Area and South Garey/Freeway Corridor Project Area are loaned annually to the Successor Agency. Interest on both loans will accrue at 7% per year, compounded annually. The Successor Agency will commence repayment of the loans when excess funds become available.

**ERAF Loan**

	Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
ERAF loan	\$ 515,000	\$ -	\$ 165,000	\$ 350,000	\$ 170,000

In April 2005, the former Redevelopment Agency financed its portion of the state ERAF payment through a bond offering with other former redevelopment agencies. The former Redevelopment Agency's portion of the bonds was \$1,455,000. Interest and principal are payable semiannually on February 1 and August 1 at rates varying from 3.87% to 5.01% per annum. However, the payments of both principal and interest are due to the fiscal

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

agent on November 1 and March 1 annually. Therefore, the outstanding balance of the loan will be paid in full to the fiscal agent before June 30, 2015.

The annual debt service requirements at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 170,000	\$ 17,450	\$ 187,450
2014-2015	180,000	9,018	189,018
Total	<u>\$ 350,000</u>	<u>\$ 26,468</u>	<u>\$ 376,468</u>

**Notes Payable**

	Balance July 1, 2012	Transfer from City	Additions	Deletions	Balance June 30, 2013	Due Within One Year
Mission Promenade, LLC	\$ 2,378,080	\$ -	\$ -	\$ -	\$ 2,378,080	\$ 2,378,080
PVEF Note	35,612	131,517	-	-	167,129	41,783
US Bank Loans	-	867,890	-	25,757	842,133	27,991
Total	<u>\$ 2,413,692</u>	<u>\$ 999,407</u>	<u>\$ -</u>	<u>\$ 25,757</u>	<u>\$ 3,387,342</u>	<u>\$ 2,447,854</u>

**Mission Promenade, LLC Note**

In December 2008, the former Redevelopment Agency partially financed the purchase of the Mission Promenade project (MP 1) with a promissory note and a brokerage obligation of \$150,000. The Promissory Note is an unsecured five-year note bearing 0% interest for the first 5 years. The Successor Agency has the option to extend the Note for one year and it is unknown at this time if the Successor Agency will request an extension. After the maturity date of 5 years, the Note is to bear interest at the LIBOR rate +1% or 6%, whichever is greater. The note may be prepaid at any time. The Successor Agency may sell the retail and office condominium project at any time in whole or in part. Once the \$9 million threshold is received by the Successor Agency, the excess cash flow from the property operations (rental income minus operating expenses) is to be paid to Mission Promenade, LLC to reduce the Note amount. The outstanding balance on the note, which includes the brokerage obligation, at June 30, 2013, is \$2,378,080.

**Pomona Valley Education Foundation Note (PVEF Note)**

In March 2008, the former Redevelopment Agency partially financed the purchase of properties from the Pomona Valley Education Foundation (PVEF) with a promissory note of \$167,129. The note is secured by a Second Trust Deed on the properties. In five years after closing, the Note is to accrue interest at a rate of 5% with the unpaid balance all due and payable in ten years.

CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 41,783	\$ 10,447	\$ 52,230
2014-2015	33,426	8,357	41,783
2015-2016	33,426	8,357	41,783
2016-2017	33,426	8,357	41,783
2017-2018	25,068	6,264	31,332
Total	<u>\$ 167,129</u>	<u>\$ 41,782</u>	<u>\$ 208,911</u>

US Bank Loans

In March 2008, the former Redevelopment Agency partially financed the purchase of properties from the Pomona Valley Education Foundation by assuming existing loans on the properties totaling \$988,730 bearing an adjustable interest rate not to exceed 12.250% from U.S. Bank.

The annual debt service requirements at June 30, 2013, were as follows:

	<u>Principal</u>	<u>* Interest</u>	<u>Total</u>
2013-2014	\$ 27,991	\$ 26,315	\$ 54,306
2014-2015	29,037	25,028	54,065
2015-2016	29,958	24,108	54,066
2016-2017	30,907	23,158	54,065
2017-2018	31,887	22,178	54,065
2018-2023	175,254	95,073	270,327
2023-2028	204,851	65,475	270,326
2028-2033	239,447	30,880	270,327
2033-2035	72,801	1,677	74,478
Total	<u>\$ 842,133</u>	<u>\$ 313,892</u>	<u>\$ 1,156,025</u>

\* Interest rate is adjustable and was calculated using two separate interest rates 3.125% and 3.250% as of December 2013.

**Tax Allocation Bonds**

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
1998 Tax Allocation Bonds Series X	\$ 2,050,000	\$ -	\$ 290,000	\$ 1,760,000	\$ 300,000
1998 Tax Allocation Bonds Series Y	6,940,000	-	200,000	6,740,000	210,000
Total	<u>\$ 8,990,000</u>	<u>\$ -</u>	<u>\$ 490,000</u>	<u>\$ 8,500,000</u>	<u>\$ 510,000</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

1998 Tax Allocation Refunding Bonds, Series X – Original Issuance \$5,055,000

On October 1, 1998, the former Redevelopment Agency issued \$5,055,000 in 1998 Tax Allocation Refunding Bonds, Series X, for the Mountain Meadows Redevelopment Project to refund \$4,360,000 of the loan between the former Redevelopment Agency and the Public Financing Authority related to the Public Financing Authority's 1993 Refunding Revenue Bonds, Series N.

Interest is payable semiannually on June 1 and December 1 at rates varying from 3.0% to 5.1% per annum. \$3,595,000 of bond principal is payable in annual installments ranging from \$95,000 to \$300,000 through December 1, 2013. Term bonds of \$1,000,000 and \$460,000 mature on December 1, 2016 and December 1, 2024, respectively, and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$45,000 to \$350,000, as outlined in the bonds' official statement. A municipal bond insurance policy has been issued that insures the payment of the principal and interest on the bonds when due. During 2007, the bonds in the amount of \$790,000 were refunded by the 2006 Taxable Revenue Bonds, series AT.

The annual debt service requirements outstanding at June 30, 2013 were as follows:

	Principal	Interest	Total
2013-2014	\$ 300,000	\$ 85,990	\$ 385,990
2014-2015	315,000	69,914	384,914
2015-2016	335,000	52,527	387,527
2016-2017	350,000	34,203	384,203
2017-2018	45,000	23,625	68,625
2018-2023	280,000	76,410	356,410
2023-2025	135,000	7,425	142,425
Total	<u>\$ 1,760,000</u>	<u>\$ 350,094</u>	<u>\$ 2,110,094</u>

1998 Tax Allocation Refunding Bonds, Series Y – Original Issuance \$8,980,000

On October 1, 1998, the former Redevelopment Agency issued \$8,980,000 in 1998 Tax Allocation Refunding Bonds, Series Y, for the West Holt Avenue Redevelopment Project to refund \$7,130,000 of the loan between the former Redevelopment Agency and Public Financing Authority related to the Public Financing Authority's 1993 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 at rates varying from 3.0% to 5.0% per annum. \$1,770,000 of bond principal is payable in annual installments ranging from \$115,000 to \$180,000 through May 1, 2011. Terms 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 bonds' official statements. Bonds maturing on May 1, 2009 through 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. A municipal bond

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

insurance policy has been issued that insures the payment of the principal and interest on the bonds when due. During 2007, the bonds in the amount of \$645,000 were refunded by the 2006 Taxable Revenue Bonds, Series AT.

The annual debt service requirements outstanding at June 30, 2013 were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 210,000	\$ 369,520	\$ 579,520
2014-2015	220,000	358,076	578,076
2015-2016	235,000	346,086	581,086
2016-2017	245,000	333,278	578,278
2017-2018	260,000	319,926	579,926
2018-2023	1,530,000	1,370,726	2,900,726
2023-2028	2,005,000	902,000	2,907,000
2028-2032	<u>2,035,000</u>	<u>287,102</u>	<u>2,322,102</u>
Total	<u>\$ 6,740,000</u>	<u>\$ 4,286,714</u>	<u>\$ 11,026,714</u>

**Advances from the Public Financing Authority**

The Public Financing Authority issued various debt instruments and advanced the proceeds to the former Redevelopment Agency, then Successor Agency, for the purposes described below for each debt issued. The Successor Agency is responsible for installment payments to the Public Financing Authority in amount equal to the debt service requirement. The following is a summary of changes for the year ended June 30, 2013, of the long-term debts issued through the Public Financing Authority whose proceeds have been advanced to the Successor Agency:

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2013</u>	<u>Due Within</u> <u>One Year</u>
1998 Revenue Refunding Bonds, Series W	\$ 36,995,000	\$ -	\$ 385,000	\$ 36,610,000	\$ 405,000
2001 Revenue Refunding Bonds, Series AD	36,205,000	-	1,960,000	34,245,000	1,925,000
2003 Revenue Refunding Bonds, Series AH	22,320,000	-	1,175,000	21,145,000	1,275,000
2005 Taxable Housing Tax Revenue Bonds, Series AQ	8,830,000	-	265,000	8,565,000	280,000
2006 Revenue Bonds, Series AS	26,190,000	-	145,000	26,045,000	90,000
2006 Taxable Revenue Bonds, Series AT	8,015,000	-	360,000	7,655,000	380,000
2007 Revenue Bonds, Series AW	8,125,000	-	230,000	7,895,000	255,000
2006 Subordinate Revenue Bonds, Series AX	<u>25,065,000</u>	<u>-</u>	<u>840,000</u>	<u>24,225,000</u>	<u>840,000</u>
	<u>\$ 171,745,000</u>	<u>\$ -</u>	<u>\$ 5,360,000</u>	<u>\$ 166,385,000</u>	<u>\$ 5,450,000</u>

**1998 Revenue Refunding Bonds, Series W – Original Issuance \$52,335,000**

On March 1, 1998, the Public Financing Authority issued \$52,335,000 in 1998 Revenue Refunding Bonds, Series W for the purpose of making an advance to the former Redevelopment Agency for refinancing the 1983 Refunding Southwest Pomona RDA Tax Allocation Bonds, refinancing in whole the 1994 variable Rate Demand Refunding Revenue Bonds, Series M Bonds, and refinancing a portion of the 1993 Local Agency Revenue Bonds, Series L. The prior bonds, now retired, were issued to finance or refinance certain improvements in the Southwest Pomona Redevelopment Area.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 3.8% to 5% per annum. Principal is payable in annual installments ranging from \$30,000 to \$4,105,000. 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. During 2007, the bonds in the amount of \$13,305,000 were refunded by the 2006 Revenue Bonds, Series AS, 2006 Taxable Revenue Bonds, Series AT, and 2006 Subordinate Revenue Bonds, Series AX.

The annual debt service requirements for the 1998 Revenue Bonds, Refunding Series W outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 405,000	\$ 1,830,500	\$ 2,235,500
2014-2015	425,000	1,810,250	2,235,250
2015-2016	450,000	1,789,000	2,239,000
2016-2017	470,000	1,766,500	2,236,500
2017-2018	495,000	1,743,000	2,238,000
2018-2023	9,410,000	8,002,000	17,412,000
2023-2028	16,935,000	4,627,500	21,562,500
2028-2030	8,020,000	606,250	8,626,250
Total	<u>\$ 36,610,000</u>	<u>\$ 22,175,000</u>	<u>\$ 58,785,000</u>

**2001 Revenue Refunding Bonds, Series AD – Original Issuance \$39,165,000**

On April 1, 2001, the Public Financing Authority issued \$39,165,000 in 2001 Revenue Bonds, Series AD for the purpose of making an advance to the former Redevelopment Agency to refinance certain prior bonds and to make an additional advance to the former Redevelopment Agency to provide financing for certain improvements in the merged project area. Tax Allocation Bonds defeased include the 1997 Refunding RDA Series S, the 1997 Refunding Series T, the 1998 Refunding Series U, the 1998 Refunding Subordinate Series V and the 1998 Refunding Series Z; the 1993 Refunding Series L Revenue Bonds were partially defeased.

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 3.50% to 5.39% per annum. Principal is payable in annual installments ranging from \$95,000 to \$2,470,000. Term bonds of \$10,550,000, \$10,115,000 and \$7,525,000 mature on February 1, 2021, February 1, 2027 and February 1, 2033, respectively, and are subject to mandatory redemption from a sinking fund account in amounts ranging from \$445,000 to \$2,470,000, as outlined in the bond's official statement.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**
**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2001 Revenue Bonds, Series AD outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 1,925,000	\$ 1,708,688	\$ 3,633,688
2014-2015	2,020,000	1,617,250	3,637,250
2015-2016	2,110,000	1,516,250	3,626,250
2016-2017	2,120,000	1,409,500	3,529,500
2017-2018	2,350,000	1,303,500	3,653,500
2018-2023	9,155,000	4,891,250	14,046,250
2023-2028	8,895,000	2,773,500	11,668,500
2028-2033	5,670,000	701,500	6,371,500
Total	<u>\$ 34,245,000</u>	<u>\$ 15,921,438</u>	<u>\$ 50,166,438</u>

**2003 Revenue Refunding Bonds, Series AH – Original Issuance \$46,650,000**

On November 1, 2003, the Public Financing Authority issued \$46,650,000 in 2003 Revenue Bonds, Series AH, to provide funds for a loan to the former Redevelopment Agency for certain improvements and to refinance certain former Redevelopment Agency obligations to the Public Financing Authority, including defeasance of 1993 Series L.

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 3.70% to 5.25% per annum. Principal is payable in annual installments ranging from \$370,000 to \$4,870,000. Term bonds of \$2,410,000 and \$10,145,000 mature on February 28, 2028 and 2034, respectively.

During 2007, the bonds in the amount of \$17,110,000 were refunded by the 2006 Revenue Bonds, Series AS, 2006 Taxable Revenue Bonds, Series AT, and 2006 Subordinate Revenue Bonds, Series AX.

The annual debt service requirements for the 2003 Revenue Bonds, Series AH outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 1,275,000	\$ 999,666	\$ 2,274,666
2014-2015	1,325,000	951,852	2,276,852
2015-2016	1,380,000	900,178	2,280,178
2016-2017	1,440,000	844,978	2,284,978
2017-2018	1,520,000	785,938	2,305,938
2018-2023	4,495,000	2,873,858	7,368,858
2023-2028	2,260,000	2,182,224	4,442,224
2028-2033	7,180,000	1,133,800	8,313,800
2033-2034	270,000	13,366	283,366
Total	<u>\$ 21,145,000</u>	<u>\$ 10,685,860</u>	<u>\$ 31,830,860</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

2005 Taxable Housing Tax Revenue Bonds, Series AQ – Original Issuance \$10,065,000

On December 1, 2005, the Public Financing Authority issued \$10,065,000 in 2005 Taxable Housing Tax Revenue Bonds, Series AQ, to provide funds to make a loan to the former Redevelopment Agency for the purpose of financing redevelopment activities with respect to the Merged Redevelopment Project Area.

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 5.23% to 6.25% per annum. Principal is payable in annual installments ranging from \$100,000 to \$750,000. The bonds are secured by the Housing Tax Revenues to be derived from the Merged Redevelopment Project Area.

The annual debt service requirements for the 2005 Taxable Housing Tax Revenue Bonds, Series AQ outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 280,000	\$ 517,898	\$ 797,898
2014-2015	295,000	503,254	798,254
2015-2016	310,000	487,826	797,826
2016-2017	325,000	471,612	796,612
2017-2018	345,000	451,300	796,300
2018-2023	2,075,000	1,904,938	3,979,938
2023-2028	2,805,000	1,172,362	3,977,362
2028-2031	<u>2,130,000</u>	<u>260,400</u>	<u>2,390,400</u>
Total	<u>\$ 8,565,000</u>	<u>\$ 5,769,590</u>	<u>\$ 14,334,590</u>

2006 Revenue Bonds, Series AS – Original Issuance \$26,305,000

On December 18, 2006, the Public Financing Authority issued \$26,305,000 in 2006 Revenue Bonds, Series AS, to make a loan to the former Redevelopment Agency for the purpose of refinancing a portion of the Public Financing Authority's 1998 Refunding Revenue Bonds, Series W, 2003 Revenue Bonds, Series AH, and 2003 Subordinate Revenue Bonds, Series AI (now retired).

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 3.50% to 5.00% per annum. Principal is payable in annual installments ranging from \$65,000 to \$5,400,000. The bonds are secured by certain revenues on the Series AS Loan pursuant to a Loan Agreement, dated as of December 1, 2006 between the Public Financing Authority and the former Redevelopment Agency. The loan payments are limited obligations of the Successor Agency payable solely from and secured by the pledged tax revenues to be derived from the Successor Agency's project area remaining after payment of the Senior Obligations.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2006 Revenue Bonds, Series AS outstanding at June 30, 2013, were as follows:

	Principal	Interest	Total
2013-2014	\$ 90,000	\$ 1,253,508	\$ 1,343,508
2014-2015	80,000	1,250,358	1,330,358
2015-2016	70,000	1,247,478	1,317,478
2016-2017	65,000	1,244,942	1,309,942
2017-2018	105,000	1,242,504	1,347,504
2018-2023	1,520,000	6,085,118	7,605,118
2023-2028	2,375,000	5,770,400	8,145,400
2028-2033	13,295,000	4,317,250	17,612,250
2033-2038	5,750,000	1,326,126	7,076,126
2038-2041	2,695,000	226,126	2,921,126
Total	<u>\$ 26,045,000</u>	<u>\$ 23,963,810</u>	<u>\$ 50,008,810</u>

**2006 Taxable Revenue Bonds, Series AT – Original Issuance \$8,355,000**

On December 18, 2006, the Public Financing Authority issued \$8,355,000 in 2006 Taxable Revenue Bonds, Series AT, to make a loan to the former Redevelopment Agency for the purpose of refinancing a portion of the Public Financing Authority's 1998 Refunding Revenue Bonds, Series W, 2003 Revenue Bonds, Series AH, 1998 Tax Allocation Refunding Bonds, Series X (now retired), and 1998 Tax Allocation Refunding Bonds, Series Y (now retired).

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 5.289% to 5.718% per annum. Principal is payable in annual installments ranging from \$340,000 to \$760,000. The bonds are secured by certain revenues on the Series AT Loan pursuant to a Loan Agreement, dated as of December 1, 2006 between the Public Financing Authority and the former Redevelopment Agency. The loan payments are limited obligations of the Successor Agency payable solely from and secured by the pledged tax revenues to be derived from the Successor Agency's project area remaining after payment of the Senior Obligations.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**
**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2006 Taxable Revenue Bonds, Series AT outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 380,000	\$ 430,678	\$ 810,678
2014-2015	400,000	410,580	810,580
2015-2016	420,000	389,424	809,424
2016-2017	440,000	367,210	807,210
2017-2018	465,000	343,938	808,938
2018-2023	2,745,000	1,289,982	4,034,982
2023-2027	<u>2,805,000</u>	<u>411,980</u>	<u>3,216,980</u>
Total	<u>\$ 7,655,000</u>	<u>\$ 3,643,792</u>	<u>\$ 11,298,792</u>

2007 Subordinate Revenue Bonds, Series AW – Original Issuance \$8,375,000

On July 1, 2007, the Public Financing Authority issued \$8,375,000 in 2007 Subordinate Revenue Bonds, Series AW, to provide funds for a loan to the former Redevelopment Agency for certain improvements, funding a reserve account for the Bonds and paying costs of issuing the Bonds.

Interest on the Bonds is payable semiannually on each February 1 and August 1. The rates of interest range from 4.25% to 5.125% per annum. Principal on \$1,348,000 of the subordinate bonds is payable in annual installments ranging from \$230,000 to \$285,000. Term bonds of \$625,000, \$1,910,000 and \$4,285,000 mature on February 1, 2019, February 1, 2024, and February 1, 2033, respectively.

The annual debt service requirements for the 2007 Subordinate Revenue Bonds, Series AW outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 255,000	\$ 392,590	\$ 647,590
2014-2015	260,000	381,434	641,434
2015-2016	275,000	369,994	644,994
2016-2017	285,000	357,618	642,618
2017-2018	305,000	344,794	649,794
2018-2023	1,780,000	1,486,480	3,266,480
2023-2028	2,190,000	996,250	3,186,250
2028-2033	<u>2,545,000</u>	<u>376,690</u>	<u>2,921,690</u>
Total	<u>\$ 7,895,000</u>	<u>\$ 4,705,850</u>	<u>\$ 12,600,850</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

2006 Subordinate Revenue Bonds, Series AX – Original Issuance \$25,865,000

On December 18, 2006, the Public Financing Authority issued \$25,865,000 in 2006 Subordinate Revenue Bonds, Series AX, to make a loan to the former Redevelopment Agency for the purpose of refinancing a portion of the Public Financing Authority's 1998 Refunding Revenue Bonds, Series W, 2003 Revenue Bonds, Series AH, and 2003 Subordinate Revenue Bonds, Series AI, and financing certain improvements in the former Redevelopment Agency's Merged Redevelopment Project.

Interest on the bonds is payable semiannually on each August 1 and February 1. The rates of interest range from 4.00% to 5.00% per annum. Principal is payable in annual installments ranging from \$145,000 to \$1,515,000. The bonds are secured by certain revenues on the Series AX Loan pursuant to a Loan Agreement, dated as of December 1, 2006 between the Public Financing Authority and the former Redevelopment Agency. The loan payments are limited obligations of the Successor Agency payable solely from and secured by the Subordinate Tax Revenues to be derived from the Successor Agency's project area remaining after payment of the Senior/ Subordinate Obligations.

The annual debt service requirements for the 2006 Subordinate Revenue Bonds, Series AX outstanding at June 30, 2013, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013-2014	\$ 840,000	\$ 1,151,740	\$ 1,991,740
2014-2015	875,000	1,118,140	1,993,140
2015-2016	910,000	1,082,266	1,992,266
2016-2017	920,000	1,044,046	1,964,046
2017-2018	925,000	1,004,486	1,929,486
2018-2023	5,070,000	4,387,120	9,457,120
2023-2028	6,055,000	3,094,250	9,149,250
2028-2033	6,670,000	1,433,750	8,103,750
2033-2038	1,355,000	326,000	1,681,000
2038-2041	605,000	56,500	661,500
Total	<u>\$ 24,225,000</u>	<u>\$ 14,698,298</u>	<u>\$ 38,923,298</u>

**Advances from the Housing Authority**

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
ERAF loan	<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,000,000</u>

On July 24, 2009, Assembly Bill AB4-26 that shifts former Redevelopment Agency funds and established a Supplemental Educational Revenue Augmentation Fund (SERAF) was passed. It was a "budget trailer bill" that was part of the State's legislation to balance their budget. The former Redevelopment Agency of the City of Pomona's share of

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2013

**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

SERAF obligation for Fiscal Year 2009-10 was \$8,264,547 and \$1.7 million in Fiscal Year 2010-11. Health and Safety Code Section 33690(c) provides that a redevelopment agency, which makes a finding that insufficient monies are available to fund its SERAF obligation in Fiscal Years 2009-10 or 2010-11, may borrow funds from its Low and Moderate Income Housing Fund to make the full SERAF payment. On May 3, 2010 City Council authorized a loan of \$5,000,000 from the Low-Mod Fund to make the full SERAF payment. The Successor Agency's outstanding balance on the note as of June 30, 2013, is \$4,000,000.

**Compensated Absences**

The following is a summary of compensated absences outstanding as of June 30, 2013:

Balance July 1, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
\$ 185,617	\$ 58,963	\$ 62,886	\$ 181,694	\$ 59,000

**Pledged Tax Revenues**

The City has pledged, as security for bonds issued, either directly or through the Pomona Public Financing Authority, certain tax revenues to the repayment of certain Successor Agency debts (bonds, loans and advances) through final maturity of bonded debt on February 1, 2047, or earlier retirement, whichever occurs first.

Tax revenues consist of tax increment revenues allocated to the Successor Agency to various project areas pursuant to Section 33670 of the Redevelopment Law. Such Law excludes a portion of tax increment revenues required to be paid under Tax-Sharing Agreements unless the payment of such amounts has been subordinated to the payment of debt service on the Bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to local agency and school entity pursuant to any pass through agreement, then second to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. For the current year, the total property tax revenue recognized by the City was \$10,566,422 and the debt service obligation on the bonds was \$15,043,987.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2013**

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**Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

Remaining balance on the debt at June 30, 2013, was as follows:

<u>Debt Issue</u>	<u>Remaining Balance</u>
County of LA Agreement	\$ 41,666,253
ERAF Loan	376,468
1998 Series W Bonds	58,785,000
1998 Series X Bonds	2,110,094
1998 Series Y Bonds	11,026,714
2001 Series AD Bonds	50,166,438
2003 Series AH Bonds	31,830,860
2005 Series AQ Bonds	14,334,590
2006 Series AS Bonds	50,008,810
2006 Series AT Bonds	11,298,792
2007 Series AW Bonds	12,600,850
2006 Series AX Bonds	38,923,298
Total	<u>\$ 323,128,167</u>

**Insurance**

The Successor Agency is covered under the City of Pomona's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 14.

**Commitments and Contingencies****Agreement for Allocation of Tax Increment Funds**

On December 5, 1988, the former Redevelopment Agency entered into an agreement with the County whereby the County has agreed to provide sufficient allocation of tax increment to allow the Successor Agency to meet its debt service agreements on debt it has incurred in connection with the Southwest Pomona Project Area. Beginning in fiscal year 1988-89 and thereafter for the life of the project, the County will provide a grant to the Successor Agency for any "deficiencies" of tax increment revenues allocated to the Successor Agency as described in the agreement. In accordance with the agreement, during the fiscal year 2012-13, the Successor Agency received a grant in the amount of \$4,591,095, which was recorded as intergovernmental revenue.

**Note 18: Subsequent Events**

On September 25, 2013 Standard and Poor's Rating Services ("S&P") downgraded the Underlying Maturity Long-Term Debt Rating of the Pension Obligation Refunding Bonds, Series 2006 AR from "A" to "A-".

## **REQUIRED SUPPLEMENTARY INFORMATION**



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# **REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF POMONA**

**BUDGETARY INFORMATION  
JUNE 30, 2013**

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**Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles in the United States for all governmental funds, except that encumbrances are shown in the year incurred for budgetary purposes. All annual appropriations lapse at fiscal year end.

On or before the last day in January of each year, all operational units submit requests for appropriations to the City Manager for budget preparation purposes. The City Council holds public hearings and a final budget must be adopted no later than June 30.

The appropriated budget is prepared by fund, function, and department. The City's department directors, with approval of the Finance Director and City Manager, may make transfers of appropriations within a department and between departments within a fund. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The City Council made several supplemental budgetary appropriations throughout the year. The supplementary budgetary appropriations made in the various governmental funds are not detailed in the required supplementary information.

Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Unexpended appropriations lapse at year-end. Following are the budget comparison schedules for the General Fund and all major special revenue funds.

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$2,148,019	\$ 2,148,019	\$ 2,148,019	\$ -
<b>Resources (Inflows):</b>				
Taxes	70,024,679	70,024,679	71,083,830	1,059,151
Licenses and permits	2,910,673	3,021,706	3,980,051	958,345
Intergovernmental	850,000	850,000	967,942	117,942
Charges for services	2,049,707	2,150,014	2,757,955	607,941
Interest and rentals	410,008	270,008	297,471	27,463
Fines and forfeitures	1,878,700	1,878,700	1,946,354	67,654
Miscellaneous	389,800	397,350	1,925,999	1,528,649
Transfers in	-	-	15,704	15,704
Proceeds from sale of capital assets	-	-	35,370	35,370
<b>Amounts Available for Appropriation</b>	<b>80,661,586</b>	<b>80,740,476</b>	<b>85,158,695</b>	<b>4,418,219</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	3,360,350	3,361,270	3,515,785	(154,515)
Public safety	59,235,072	59,196,314	58,592,709	603,605
Urban development	7,364,063	7,345,795	7,292,270	53,525
Community services	3,722,836	3,783,113	3,534,194	248,919
Capital outlay	-	24,143	24,141	2
Debt service:				
Principal retirement	212,255	212,255	212,255	-
Interest and fiscal charges	127,852	127,852	8,655	119,197
Transfers out	4,488,678	4,570,254	4,551,968	18,286
<b>Total Charges to Appropriation</b>	<b>78,511,106</b>	<b>78,620,996</b>	<b>77,731,977</b>	<b>889,019</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$2,150,480</b>	<b>\$ 2,119,480</b>	<b>\$ 7,426,718</b>	<b>\$ 5,307,238</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
HOUSING AUTHORITY  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 19,145,315	\$ 19,145,315	\$ 19,145,315	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	12,588,816	12,588,816	12,033,244	(555,572)
Interest and rentals	195,000	195,000	366,318	171,318
Miscellaneous	37,000	37,000	32,136	(4,864)
Transfers in	-	-	5,038,431	5,038,431
<b>Amounts Available for Appropriation</b>	<b>31,966,131</b>	<b>31,966,131</b>	<b>36,615,444</b>	<b>4,649,313</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	13,009,438	13,009,269	12,840,426	168,843
Capital outlay	22,000	22,169	13,793	8,376
Transfers out	-	-	214,615	(214,615)
Extraordinary gain/loss on dissolution of Redevelopment Agency (Note 17)	-	-	195,359	(195,359)
<b>Total Charges to Appropriation</b>	<b>13,031,438</b>	<b>13,031,438</b>	<b>13,264,193</b>	<b>(232,755)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 18,934,693</b>	<b>\$ 18,934,693</b>	<b>\$ 23,351,251</b>	<b>\$ 4,416,558</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
MISCELLANEOUS GRANTS  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,962,937	\$ 1,962,937	\$ 1,962,937	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	8,224,142	13,175,380	4,782,117	(8,393,263)
Charges for services	48,793	48,793	320,773	271,980
Interest and rentals	-	-	281,221	281,221
Miscellaneous	42,000	42,000	127,100	85,100
Transfers in	75,010	245,010	311,536	66,526
Proceeds from sale of capital assets	765,768	765,768	190,000	(575,768)
<b>Amounts Available for Appropriation</b>	<b>11,118,650</b>	<b>16,239,888</b>	<b>7,975,684</b>	<b>(8,264,204)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	-	10,000	31,179	(21,179)
Public safety	1,419,714	1,826,029	1,429,072	396,957
Urban development	6,774,423	9,848,864	3,718,112	6,130,752
Community services	341,926	341,926	347,075	(5,149)
Capital outlay	646,378	2,322,514	431,674	1,890,840
Transfers out	-	-	21,457	(21,457)
<b>Total Charges to Appropriation</b>	<b>9,182,441</b>	<b>14,349,333</b>	<b>5,978,569</b>	<b>8,370,764</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,936,209</b>	<b>\$ 1,890,555</b>	<b>\$ 1,997,115</b>	<b>\$ 106,560</b>

# **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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# NON-MAJOR GOVERNMENTAL FUNDS

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The **Housing Assistance Programs Fund** offers expended opportunities for rental assistance to very low income families by utilizing existing housing units.

The **Community Development Block Grant Fund** develops viable urban communities by providing decent housing and a suitable environment and expand economic opportunity for persons of low and moderate income.

The **State Gas Tax Fund** accounts 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, 2107.5 of the Street and Highway Code.

The **Proposition "A" Fund** accounts 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.

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

The **Vehicle Parking District Fund** accounts for the operation, maintenance, capital improvements, and administration of parking lots in the downtown business area. Revenues are received from parking fees.

The **Air Quality Improvement Fund** accounts 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.

The **Traffic Congestion Relief Fund** accounts for revenues received and expenditures made for either street pavement, rehabilitation and reconstruction of associated facilities such as drainage and traffic control devices.

The **Landscape Maintenance District Fund** accounts 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.

The **Narcotics Forfeiture Fund** accounts for the City's share and assets seized by law enforcement agencies. The monies are used for law enforcement purposes.

The **Traffic Offender Fund** accounts for the fees collected for the impoundment of vehicles and expenditures shall be for the enforcement, education and prosecution of drivers with a suspended or revoked license as well as unlicensed drivers operating a motor vehicle.

The **Prop "1B" Fund** accounts for the monies received under Proposition 1B.

The **Measure "R" Fund** accounts for street maintenance, traffic signal, street light maintenance, traffic paint and sign services which are funded with 1/2-cent sales tax revenues.

The **General Sanitation Fees Operations Fund** accounts for street sweeping services, graffiti abatement, storm water compliance, landscape median maintenance, and right-of-way clean-ups.

The **Capital Outlay Fund** accounts for the accumulation of the cost of capital projects.

The **Assessment District Improvement Fund** accounts for capital improvements through special charges levied against the properties benefited.

CITY OF POMONA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013

	<b>Special Revenue Funds</b>			
	<b>Housing Assistance Programs</b>	<b>Community Development Block Grant</b>	<b>State Gas Tax</b>	<b>Proposition A</b>
<b>Assets:</b>				
Cash and investments	\$ -	\$ 436,792	\$ 1,926,953	\$ 1,115,618
Receivables (net):				
Accounts	-	19,776	39,574	35,000
Notes and loans	-	2,333,192	-	-
Interest	-	-	1,038	543
Due from other governments	-	273,380	309,879	282,552
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 3,063,140</b>	<b>\$ 2,277,444</b>	<b>\$ 1,433,713</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 130,411	\$ 264,234	\$ 399,739
Payroll payable	-	23,175	17,947	368
Accrued liabilities	-	56,735	-	-
Deferred revenues	-	1,958,192	-	272,474
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>2,168,513</b>	<b>282,181</b>	<b>672,581</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Notes and loans	-	375,000	-	-
Advances to other funds	-	-	-	-
<b>Restricted</b>				
Urban development	-	519,627	1,995,263	761,132
Public safety	-	-	-	-
Community services	-	-	-	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>894,627</b>	<b>1,995,263</b>	<b>761,132</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 3,063,140</b>	<b>\$ 2,277,444</b>	<b>\$ 1,433,713</b>

## CITY OF POMONA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013

(CONTINUED)

	<b>Special Revenue Funds</b>			
	<b>Proposition C</b>	<b>Vehicle Parking District</b>	<b>Air Quality Improvement</b>	<b>Traffic Congestion Relief</b>
<b>Assets:</b>				
Cash and investments	\$ 5,409,868	\$ 3,224,493	\$ 874,383	\$ 20,223
Receivables (net):				
Accounts	-	6,290	-	814
Notes and loans	-	-	-	-
Interest	2,311	1,271	476	1
Due from other governments	-	2,157	47,364	-
Advances to other funds	-	304,435	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b>\$ 5,412,179</b>	<b>\$ 3,538,646</b>	<b>\$ 922,223</b>	<b>\$ 21,038</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 8,757	\$ 11,900	\$ 153,633	\$ 18,391
Payroll payable	2,197	4,962	170	-
Accrued liabilities	-	-	-	-
Deferred revenues	-	5,310	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>10,954</b>	<b>22,172</b>	<b>153,803</b>	<b>18,391</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Notes and loans	-	-	-	-
Advances to other funds	-	304,435	-	-
<b>Restricted</b>				
Urban development	5,401,225	3,212,039	768,420	2,647
Public safety	-	-	-	-
Community services	-	-	-	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
<b>Total Fund Balances</b>	<b>5,401,225</b>	<b>3,516,474</b>	<b>768,420</b>	<b>2,647</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,412,179</b>	<b>\$ 3,538,646</b>	<b>\$ 922,223</b>	<b>\$ 21,038</b>

CITY OF POMONA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013

	<u>Special Revenue Funds</u>			
	<u>Landscape Maintenance District</u>	<u>Narcotics Forfeiture</u>	<u>Traffic Offender</u>	<u>Proposition 1B</u>
<b>Assets:</b>				
Cash and investments	\$ 745,244	\$ 4,585,677	\$ 257,369	\$ -
Receivables (net):				
Accounts	-	-	14,700	-
Notes and loans	-	-	-	-
Interest	418	2,663	132	-
Due from other governments	18,989	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 764,651</u></b>	<b><u>\$ 4,588,340</u></b>	<b><u>\$ 272,201</u></b>	<b><u>\$ -</u></b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 199,164	\$ 86,046	\$ 4,946	\$ -
Payroll payable	3,613	15,724	5,704	-
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b><u>202,777</u></b>	<b><u>101,770</u></b>	<b><u>10,650</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
<b>Restricted</b>				
Urban development	-	-	-	-
Public safety	-	4,486,570	261,551	-
Community services	561,874	-	-	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
<b>Total Fund Balances</b>	<b><u>561,874</u></b>	<b><u>4,486,570</u></b>	<b><u>261,551</u></b>	<b><u>-</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 764,651</u></b>	<b><u>\$ 4,588,340</u></b>	<b><u>\$ 272,201</u></b>	<b><u>\$ -</u></b>

## CITY OF POMONA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2013

(CONTINUED)

	Special Revenue Funds		Capital Projects Funds	
	Measure R	General Sanitation Fees Operations	Capital Outlay	Assessment District Improvement
<b>Assets:</b>				
Cash and investments	\$ 1,715,274	\$ -	\$ 1,251,569	\$ 307,214
Receivables (net):				
Accounts	-	343,263	96,629	-
Notes and loans	-	-	-	-
Interest	809	19	1,269	201
Due from other governments	-	1,736	51,698	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	4,811,377	235,737
<b>Total Assets</b>	<b>\$ 1,716,083</b>	<b>\$ 345,018</b>	<b>\$ 6,212,542</b>	<b>\$ 543,152</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 46,960	\$ 149,250	\$ 259,849	\$ -
Payroll payable	10,751	10,046	5,479	390
Accrued liabilities	-	-	144,854	-
Deferred revenues	-	-	-	-
Deposits payable	-	-	8,267	-
Due to other funds	-	132,117	-	-
<b>Total Liabilities</b>	<b>57,711</b>	<b>291,413</b>	<b>418,449</b>	<b>390</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
<b>Restricted</b>				
Urban development	1,658,372	53,605	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Capital projects	-	-	5,794,093	-
Assessment district improvement	-	-	-	542,762
<b>Total Fund Balances</b>	<b>1,658,372</b>	<b>53,605</b>	<b>5,794,093</b>	<b>542,762</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,716,083</b>	<b>\$ 345,018</b>	<b>\$ 6,212,542</b>	<b>\$ 543,152</b>

CITY OF POMONA

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2013

	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>	
Cash and investments	\$ 21,870,677
Receivables (net):	
Accounts	556,046
Notes and loans	2,333,192
Interest	11,151
Due from other governments	987,755
Advances to other funds	304,435
Restricted assets:	
Cash and investments	5,047,114
<b>Total Assets</b>	<b>\$ 31,110,370</b>
<b>Liabilities and Fund Balances:</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 1,733,280
Payroll payable	100,526
Accrued liabilities	201,589
Deferred revenues	2,235,976
Deposits payable	8,267
Due to other funds	132,117
<b>Total Liabilities</b>	<b>4,411,755</b>
<b>Fund Balances:</b>	
<b>Nonspendable</b>	
Notes and loans	375,000
Advances to other funds	304,435
<b>Restricted</b>	
Urban development	14,372,330
Public safety	4,748,121
Community services	561,874
Capital projects	5,794,093
Assessment district improvement	542,762
<b>Total Fund Balances</b>	<b>26,698,615</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 31,110,370</b>

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## CITY OF POMONA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013

	<b>Special Revenue Funds</b>			
	<b>Housing Assistance Programs</b>	<b>Community Development Block Grant</b>	<b>State Gas Tax</b>	<b>Proposition A</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	3,677,300	3,745,552	2,564,304
Charges for services	-	84,661	-	-
Interest and rentals	-	117,863	-	785
Fines and forfeitures	-	-	-	-
Miscellaneous	-	665	7,861	12,000
<b>Total Revenues</b>	<b>-</b>	<b>3,880,489</b>	<b>3,753,413</b>	<b>2,577,089</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	144,523	-	-
Urban development	-	3,741,277	3,925,876	3,297,982
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	125,000	-	-
Interest and fiscal charges	-	11,202	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>4,022,002</b>	<b>3,925,876</b>	<b>3,297,982</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(141,513)	(172,463)	(720,893)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	18,684	950,152	-
Transfers out	(5,017,065)	(166,595)	(1,694,025)	(125,727)
Capital leases	-	-	-	-
Notes and loans issued	-	200,000	-	-
Proceeds from sale of capital assets	-	-	-	1,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>(5,017,065)</b>	<b>52,089</b>	<b>(743,873)</b>	<b>874,273</b>
Net Change in Fund Balances	(5,017,065)	(89,424)	(916,336)	153,380
Fund Balances, Beginning of Year	5,017,065	984,051	2,911,599	607,752
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ 894,627</b>	<b>\$ 1,995,263</b>	<b>\$ 761,132</b>

## CITY OF POMONA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

(CONTINUED)

	<b>Special Revenue Funds</b>			
	<b>Proposition C</b>	<b>Vehicle Parking District</b>	<b>Air Quality Improvement</b>	<b>Traffic Congestion Relief</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ 16,283	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	2,098,411	-	180,888	1,934,390
Charges for services	-	255,844	-	-
Interest and rentals	300	602,808	80	-
Fines and forfeitures	-	3,484	-	-
Miscellaneous	-	-	-	796
<b>Total Revenues</b>	<b>2,098,711</b>	<b>878,419</b>	<b>180,968</b>	<b>1,935,186</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Urban development	2,131,505	612,551	150,707	2,319,539
Community services	-	-	-	-
Capital outlay	-	500,000	123,204	-
Debt service:				
Principal retirement	-	71,485	-	-
Interest and fiscal charges	-	9,235	-	-
<b>Total Expenditures</b>	<b>2,131,505</b>	<b>1,193,271</b>	<b>273,911</b>	<b>2,319,539</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,794)	(314,852)	(92,943)	(384,353)
<b>Other Financing Sources (Uses):</b>				
Transfers in	3,004,785	-	-	400,731
Transfers out	(1,063,660)	-	(364)	-
Capital leases	-	-	-	-
Notes and loans issued	-	-	-	-
Proceeds from sale of capital assets	-	3,300,000	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>1,941,125</b>	<b>3,300,000</b>	<b>(364)</b>	<b>400,731</b>
Net Change in Fund Balances	1,908,331	2,985,148	(93,307)	16,378
Fund Balances, Beginning of Year	3,492,894	531,326	861,727	(13,731)
<b>Fund Balances, End of Year</b>	<b>\$ 5,401,225</b>	<b>\$ 3,516,474</b>	<b>\$ 768,420</b>	<b>\$ 2,647</b>

## CITY OF POMONA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

	<b>Special Revenue Funds</b>			
	<b>Landscape Maintenance District</b>	<b>Narcotics Forfeiture</b>	<b>Traffic Offender</b>	<b>Proposition 1B</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	1,229,658	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	130,697	413,775	-
Interest and rentals	44	-	202	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	2,092,710	-	-
<b>Total Revenues</b>	<b>1,229,702</b>	<b>2,223,407</b>	<b>413,977</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	1,786,394	187,377	-
Urban development	-	-	-	128,308
Community services	1,126,529	-	-	-
Capital outlay	-	566,328	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>1,126,529</b>	<b>2,352,722</b>	<b>187,377</b>	<b>128,308</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	103,173	(129,315)	226,600	(128,308)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	(92,635)	(960)	(161,382)
Capital leases	-	-	-	-
Notes and loans issued	-	-	-	-
Proceeds from sale of capital assets	-	4,000	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(88,635)</b>	<b>(960)</b>	<b>(161,382)</b>
Net Change in Fund Balances	103,173	(217,950)	225,640	(289,690)
Fund Balances, Beginning of Year	458,701	4,704,520	35,911	289,690
<b>Fund Balances, End of Year</b>	<b>\$ 561,874</b>	<b>\$ 4,486,570</b>	<b>\$ 261,551</b>	<b>\$ -</b>

## CITY OF POMONA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013

(CONTINUED)

	Special Revenue Funds		Capital Projects Funds	
	Measure R	General Sanitation Fees Operations	Capital Outlay	Assessment District Improvement
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ 20,966	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	1,363,674	426,758	-
Intergovernmental	1,571,607	-	1,674,163	-
Charges for services	-	1,736	653,639	-
Interest and rentals	230	32	6,713	18
Fines and forfeitures	-	10,783	-	-
Miscellaneous	-	1,295	424,434	-
<b>Total Revenues</b>	<b>1,571,837</b>	<b>1,377,520</b>	<b>3,206,673</b>	<b>18</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	786,028	-
Public safety	-	-	222,267	-
Urban development	856,757	1,831,624	2,731,595	129,344
Community services	-	-	-	-
Capital outlay	-	-	381,651	-
Debt service:				
Principal retirement	-	1,793	-	-
Interest and fiscal charges	-	32	-	-
<b>Total Expenditures</b>	<b>856,757</b>	<b>1,833,449</b>	<b>4,121,541</b>	<b>129,344</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	715,080	(455,929)	(914,868)	(129,326)
<b>Other Financing Sources (Uses):</b>				
Transfers in	22,207	511,105	782,694	-
Transfers out	(599,752)	(2,000)	(1,759,317)	-
Capital leases	-	-	695,000	-
Notes and loans issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(577,545)</b>	<b>509,105</b>	<b>(281,623)</b>	<b>-</b>
Net Change in Fund Balances	137,535	53,176	(1,196,491)	(129,326)
Fund Balances, Beginning of Year	1,520,837	429	6,990,584	672,088
<b>Fund Balances, End of Year</b>	<b>\$ 1,658,372</b>	<b>\$ 53,605</b>	<b>\$ 5,794,093</b>	<b>\$ 542,762</b>

CITY OF POMONA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2013**

	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>	
Taxes	\$ 37,249
Special assessments	1,229,658
Licenses and permits	1,790,432
Intergovernmental	17,446,615
Charges for services	1,540,352
Interest and rentals	729,075
Fines and forfeitures	14,267
Miscellaneous	2,539,761
	<hr/>
<b>Total Revenues</b>	<b>25,327,409</b>
<b>Expenditures:</b>	
Current:	
General government	786,028
Public safety	2,340,561
Urban development	21,857,065
Community services	1,126,529
Capital outlay	1,571,183
Debt service:	
Principal retirement	198,278
Interest and fiscal charges	20,469
	<hr/>
<b>Total Expenditures</b>	<b>27,900,113</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<hr/> (2,572,704)
<b>Other Financing Sources (Uses):</b>	
Transfers in	5,690,358
Transfers out	(10,683,482)
Capital leases	695,000
Notes and loans issued	200,000
Proceeds from sale of capital assets	4,304,000
	<hr/>
<b>Total Other Financing Sources (Uses)</b>	<b>205,876</b>
Net Change in Fund Balances	(2,366,828)
Fund Balances, Beginning of Year	<hr/> 29,065,443
<b>Fund Balances, End of Year</b>	<b>\$ 26,698,615</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
GENERAL DEBT SERVICE  
YEAR ENDED JUNE 30, 2013**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (43,050,306)	\$ (43,050,306)	\$ (43,050,306)	\$ -
<b>Resources (Inflows):</b>				
Taxes	600,000	600,000	942,575	342,575
Interest and rentals	250	250	12,235	11,985
Miscellaneous	-	-	404,073	404,073
Transfers in	5,780,824	5,780,824	5,598,490	(182,334)
<b>Amounts Available for Appropriation</b>	<b>(36,669,232)</b>	<b>(36,669,232)</b>	<b>(36,092,933)</b>	<b>576,299</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	32,372	32,372	46,499	(14,127)
Debt service:				
Principal retirement	652,000	652,000	652,000	-
Interest and fiscal charges	4,768,138	4,768,138	4,768,138	-
Transfers out	955,000	955,000	30,066	924,934
<b>Total Charges to Appropriation</b>	<b>6,407,510</b>	<b>6,407,510</b>	<b>5,496,703</b>	<b>910,807</b>
<b>Budgetary Fund Balance, June 30</b>	<b><u><u>\$(43,076,742)</u></u></b>	<b><u><u>\$(43,076,742)</u></u></b>	<b><u><u>\$(41,589,636)</u></u></b>	<b><u><u>\$ 1,487,106</u></u></b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
PUBLIC FINANCING AUTHORITY DEBT SERVICE  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 51,854,620	\$ 51,854,620	\$ 51,854,620	\$ -
<b>Resources (Inflows):</b>				
Interest and rentals	19,481,742	19,481,742	2,678,639	(16,803,103)
Miscellaneous	-	-	11,200	11,200
Transfers in	6,315,000	6,315,000	-	(6,315,000)
<b>Amounts Available for Appropriation</b>	<b>77,651,362</b>	<b>77,651,362</b>	<b>54,544,459</b>	<b>(23,106,903)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	5,732	5,732	9,380	(3,648)
Debt service:				
Principal retirement	8,280,000	8,280,000	1,375,000	6,905,000
Interest and fiscal charges	17,511,010	17,511,010	2,561,202	14,949,808
Transfers out	-	-	198,233	(198,233)
<b>Total Charges to Appropriation</b>	<b>25,796,742</b>	<b>25,796,742</b>	<b>4,143,815</b>	<b>21,652,927</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 51,854,620</b>	<b>\$ 51,854,620</b>	<b>\$ 50,400,644</b>	<b>\$ (1,453,976)</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
COMMUNITY DEVELOPMENT BLOCK GRANT  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 984,051	\$ 984,051	\$ 984,051	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	2,310,177	2,913,526	3,677,300	763,774
Charges for services	-	91,729	84,661	(7,068)
Interest and rentals	-	-	117,863	117,863
Miscellaneous	131,200	131,200	665	(130,535)
Transfers in	-	-	18,684	18,684
Notes and loans issued	-	-	200,000	200,000
<b>Amounts Available for Appropriation</b>	<b>3,425,428</b>	<b>4,120,506</b>	<b>5,083,224</b>	<b>962,718</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	201,879	144,523	144,523	-
Urban development	1,493,648	2,246,084	3,741,277	(1,495,193)
Capital outlay	497,242	497,242	-	497,242
Debt service:				
Principal retirement	125,000	125,000	125,000	-
Interest and fiscal charges	10,538	10,538	11,202	(664)
Transfers out	113,070	113,070	166,595	(53,525)
<b>Total Charges to Appropriation</b>	<b>2,441,377</b>	<b>3,136,457</b>	<b>4,188,597</b>	<b>(1,052,140)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 984,051</b>	<b>\$ 984,049</b>	<b>\$ 894,627</b>	<b>\$ (89,422)</b>



CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
STATE GAS TAX  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$2,911,599	\$ 2,911,599	\$ 2,911,599	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	4,300,092	4,650,092	3,745,552	(904,540)
Miscellaneous	-	-	7,861	7,861
Notes and loans issued	-	300,000	-	(300,000)
Transfers in	323,481	628,995	950,152	321,157
<b>Amounts Available for Appropriation</b>	<b>7,535,172</b>	<b>8,490,686</b>	<b>7,615,164</b>	<b>(875,522)</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	2,992,673	2,958,510	3,925,876	(967,366)
Capital outlay	1,453,070	2,515,756	-	2,515,756
Transfers out	740,482	765,482	1,694,025	(928,543)
<b>Total Charges to Appropriation</b>	<b>5,186,225</b>	<b>6,239,748</b>	<b>5,619,901</b>	<b>619,847</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$2,348,947</b>	<b>\$ 2,250,938</b>	<b>\$ 1,995,263</b>	<b>\$ (255,675)</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
PROPOSITION A  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 607,752	\$ 607,752	\$ 607,752	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	2,320,524	2,355,524	2,564,304	208,780
Interest and rentals	-	-	785	785
Miscellaneous	6,000	6,000	12,000	6,000
Proceeds from sale of capital assets	1,000,000	1,000,000	1,000,000	-
<b>Amounts Available for Appropriation</b>	<b>3,934,276</b>	<b>3,969,276</b>	<b>4,184,841</b>	<b>215,565</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	2,875,190	2,915,190	3,297,982	(382,792)
Community services	40,000	-	-	-
Capital outlay	282,000	317,000	-	317,000
Transfers out	-	-	125,727	(125,727)
<b>Total Charges to Appropriation</b>	<b>3,197,190</b>	<b>3,232,190</b>	<b>3,423,709</b>	<b>(191,519)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 737,086</b>	<b>\$ 737,086</b>	<b>\$ 761,132</b>	<b>\$ 24,046</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
PROPOSITION C  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$3,492,894	\$ 3,492,894	\$ 3,492,894	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,924,814	1,924,814	2,098,411	173,597
Interest and rentals	10,000	10,000	300	(9,700)
Transfers in	-	882,519	3,004,785	2,122,266
<b>Amounts Available for Appropriation</b>	<b>5,427,708</b>	<b>6,310,227</b>	<b>8,596,390</b>	<b>2,286,163</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	86,932	86,932	2,131,505	(2,044,573)
Capital outlay	500,000	1,219,061	-	1,219,061
Transfers out	125,000	225,000	1,063,660	(838,660)
<b>Total Charges to Appropriation</b>	<b>711,932</b>	<b>1,530,993</b>	<b>3,195,165</b>	<b>(1,664,172)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$4,715,776</b>	<b>\$ 4,779,234</b>	<b>\$ 5,401,225</b>	<b>\$ 621,991</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
VEHICLE PARKING DISTRICT  
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 531,326	\$ 531,326	\$ 531,326	\$ -
<b>Resources (Inflows):</b>				
Taxes	10,000	10,000	16,283	6,283
Charges for services	241,000	241,000	255,844	14,844
Interest and rentals	672,000	672,000	602,808	(69,192)
Fines and forfeitures	-	-	3,484	3,484
Proceeds from sale of capital assets	-	-	3,300,000	3,300,000
<b>Amounts Available for Appropriation</b>	<b>1,454,326</b>	<b>1,454,326</b>	<b>4,709,745</b>	<b>3,255,419</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	737,845	737,845	612,551	125,294
Capital outlay	100,000	100,000	500,000	(400,000)
Debt service:				
Principal retirement	71,485	71,485	71,485	-
Interest and fiscal charges	9,235	9,235	9,235	-
<b>Total Charges to Appropriation</b>	<b>918,565</b>	<b>918,565</b>	<b>1,193,271</b>	<b>(274,706)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 535,761</b>	<b>\$ 535,761</b>	<b>\$ 3,516,474</b>	<b>\$ 2,980,713</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
AIR QUALITY IMPROVEMENT  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 861,727	\$ 861,727	\$ 861,727	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	186,000	186,000	180,888	(5,112)
Interest and rentals	1,750	1,750	80	(1,670)
Transfers in	70,000	70,000	-	(70,000)
<b>Amounts Available for Appropriation</b>	<b>1,119,477</b>	<b>1,119,477</b>	<b>1,042,695</b>	<b>(76,782)</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	47,732	47,732	150,707	(102,975)
Capital outlay	338,000	381,618	123,204	258,414
Transfers out	-	-	364	(364)
<b>Total Charges to Appropriation</b>	<b>385,732</b>	<b>429,350</b>	<b>274,275</b>	<b>155,075</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 733,745</b>	<b>\$ 690,127</b>	<b>\$ 768,420</b>	<b>\$ 78,293</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
TRAFFIC CONGESTION RELIEF  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (13,731)	\$ (13,731)	\$ (13,731)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	-	1,934,390	1,934,390
Miscellaneous	-	-	796	796
Transfers in	-	-	400,731	400,731
<b>Amounts Available for Appropriation</b>	<b>(13,731)</b>	<b>(13,731)</b>	<b>2,322,186</b>	<b>2,335,917</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	-	-	2,319,539	(2,319,539)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>-</b>	<b>2,319,539</b>	<b>(2,319,539)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (13,731)</b>	<b>\$ (13,731)</b>	<b>\$ 2,647</b>	<b>\$ 16,378</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
LANDSCAPE MAINTENANCE DISTRICT  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 458,701	\$ 458,701	\$ 458,701	\$ -
<b>Resources (Inflows):</b>				
Special assessments	1,210,079	1,210,079	1,229,658	19,579
Interest and rentals	458	458	44	(414)
<b>Amounts Available for Appropriation</b>	<b>1,669,238</b>	<b>1,669,238</b>	<b>1,688,403</b>	<b>19,165</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	1,074,663	1,074,663	1,126,529	(51,866)
<b>Total Charges to Appropriation</b>	<b>1,074,663</b>	<b>1,074,663</b>	<b>1,126,529</b>	<b>(51,866)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 594,575</b>	<b>\$ 594,575</b>	<b>\$ 561,874</b>	<b>\$ (32,701)</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
NARCOTICS FORFEITURE  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$4,704,520	\$ 4,704,520	\$ 4,704,520	\$ -
<b>Resources (Inflows):</b>				
Charges for services	60,000	60,000	130,697	70,697
Interest and rentals	20,000	20,000	-	(20,000)
Miscellaneous	500,000	500,000	2,092,710	1,592,710
Proceeds from sale of capital assets	-	-	4,000	4,000
<b>Amounts Available for Appropriation</b>	<b>5,284,520</b>	<b>5,284,520</b>	<b>6,931,927</b>	<b>1,647,407</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	2,428,281	1,977,848	1,786,394	191,454
Capital outlay	76,271	951,704	566,328	385,376
Transfers out	-	64,000	92,635	(28,635)
<b>Total Charges to Appropriation</b>	<b>2,504,552</b>	<b>2,993,552</b>	<b>2,445,357</b>	<b>548,195</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$2,779,968</b>	<b>\$ 2,290,968</b>	<b>\$ 4,486,570</b>	<b>\$ 2,195,602</b>



CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
TRAFFIC OFFENDER  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 35,911	\$ 35,911	\$ 35,911	\$ -
<b>Resources (Inflows):</b>				
Charges for services	207,100	207,100	413,775	206,675
Interest and rentals	-	-	202	202
<b>Amounts Available for Appropriation</b>	<b>243,011</b>	<b>243,011</b>	<b>449,888</b>	<b>206,877</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	202,558	202,558	187,377	15,181
Transfers out	-	-	960	(960)
<b>Total Charges to Appropriation</b>	<b>202,558</b>	<b>202,558</b>	<b>188,337</b>	<b>14,221</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 40,453</b>	<b>\$ 40,453</b>	<b>\$ 261,551</b>	<b>\$ 221,098</b>

CITY OF POMONA

BUDGETARY COMPARISON SCHEDULE  
 PROPOSITION 1B  
 YEAR ENDED JUNE 30, 2013

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 289,690	\$ 289,690	\$ 289,690	\$ -
<b>Amounts Available for Appropriation</b>	<b>289,690</b>	<b>289,690</b>	<b>289,690</b>	<b>-</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	-	-	128,308	(128,308)
Transfers out	-	5,048	161,382	(156,334)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>5,048</b>	<b>289,690</b>	<b>(284,642)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 289,690</b>	<b>\$ 284,642</b>	<b>\$ -</b>	<b>\$ (284,642)</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
MEASURE R  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,520,837	\$ 1,520,837	\$ 1,520,837	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,443,623	1,443,623	1,571,607	127,984
Interest and rentals	-	-	230	230
Transfers in	25,000	25,000	22,207	(2,793)
<b>Amounts Available for Appropriation</b>	<b>2,989,460</b>	<b>2,989,460</b>	<b>3,114,881</b>	<b>125,421</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	1,000,884	995,335	856,757	138,578
Capital outlay	43,600	164,149	-	164,149
Transfers out	-	1,142,985	599,752	543,233
<b>Total Charges to Appropriation</b>	<b>1,044,484</b>	<b>2,302,469</b>	<b>1,456,509</b>	<b>845,960</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,944,976</b>	<b>\$ 686,991</b>	<b>\$ 1,658,372</b>	<b>\$ 971,381</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
GENERAL SANITATION FEES OPERATIONS  
YEAR ENDED JUNE 30, 2013**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 429	\$ 429	\$ 429	\$ -
<b>Resources (Inflows):</b>				
Licenses and permits	1,384,225	1,384,225	1,363,674	(20,551)
Charges for services	-	-	1,736	1,736
Interest and rentals	-	-	32	32
Fines and forfeitures	13,898	13,898	10,783	(3,115)
Miscellaneous	2,500	2,500	1,295	(1,205)
Transfers in	670,482	695,482	511,105	(184,377)
<b>Amounts Available for Appropriation</b>	<b>2,071,534</b>	<b>2,096,534</b>	<b>1,889,054</b>	<b>(207,480)</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	2,046,624	2,069,624	1,831,624	238,000
Debt service:				
Principal retirement	1,793	1,793	1,793	-
Interest and fiscal charges	784	784	32	752
Transfers out	-	2,000	2,000	-
<b>Total Charges to Appropriation</b>	<b>2,049,201</b>	<b>2,074,201</b>	<b>1,835,449</b>	<b>238,752</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 22,333</b>	<b>\$ 22,333</b>	<b>\$ 53,605</b>	<b>\$ 31,272</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 CAPITAL OUTLAY  
 YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 6,990,584	\$ 6,990,584	\$ 6,990,584	\$ -
<b>Resources (Inflows):</b>				
Taxes	-	-	20,966	20,966
Licenses and permits	-	-	426,758	426,758
Intergovernmental	8,943	8,943	1,674,163	1,665,220
Charges for services	-	50,300	653,639	603,339
Interest and rentals	-	-	6,713	6,713
Miscellaneous	12,884	12,884	424,434	411,550
Transfers in	468,000	721,422	782,694	61,272
Capital leases	-	-	695,000	695,000
<b>Amounts Available for Appropriation</b>	<b>7,480,411</b>	<b>7,784,133</b>	<b>11,674,951</b>	<b>3,890,818</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	-	57,085	786,028	(728,943)
Public safety	-	-	222,267	(222,267)
Urban development	142,073	204,573	2,731,595	(2,527,022)
Capital outlay	1,996,943	711,519	381,651	329,868
Transfers out	523,025	523,025	1,759,317	(1,236,292)
<b>Total Charges to Appropriation</b>	<b>2,662,041</b>	<b>1,496,202</b>	<b>5,880,858</b>	<b>(4,384,656)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 4,818,370</b>	<b>\$ 6,287,931</b>	<b>\$ 5,794,093</b>	<b>\$ (493,838)</b>

CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
ASSESSMENT DISTRICT IMPROVEMENT  
YEAR ENDED JUNE 30, 2013**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 672,088	\$ 672,088	\$ 672,088	\$ -
<b>Resources (Inflows):</b>				
Interest and rentals	-	-	18	18
<b>Amounts Available for Appropriation</b>	<b>672,088</b>	<b>672,088</b>	<b>672,106</b>	<b>18</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	-	-	129,344	(129,344)
Capital outlay	332,000	332,000	-	332,000
<b>Total Charges to Appropriations</b>	<b>332,000</b>	<b>332,000</b>	<b>129,344</b>	<b>202,656</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 340,088</b>	<b>\$ 340,088</b>	<b>\$ 542,762</b>	<b>\$ 202,674</b>

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## **INTERNAL SERVICE FUNDS**

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The **Internal Service Funds** account for the maintenance and repair of City vehicles and equipment, risk management, general liability, workers' compensation, information technology, and printing and mail services provided to other departments or agencies of the City.



## CITY OF POMONA

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2013**

	<b>Self- Insurance Funds</b>	<b>Equipment Maintenance</b>	<b>Information Technology</b>	<b>Printing/Mail Service</b>
<b>Assets:</b>				
Current:				
Cash and investments	\$ 10,136,844	\$ 778,768	\$ 21,591	\$ 1,227
Receivables (net):				
Interest	2,852	-	-	-
Due from other governments	5,848	146	-	-
Inventories	-	337,530	-	-
<b>Total Current Assets</b>	<b>10,145,544</b>	<b>1,116,444</b>	<b>21,591</b>	<b>1,227</b>
Noncurrent:				
Capital assets, net of depreciation	-	170,330	-	-
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>170,330</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>\$ 10,145,544</b>	<b>\$ 1,286,774</b>	<b>\$ 21,591</b>	<b>\$ 1,227</b>
<b>Liabilities and Net Position:</b>				
<b>Liabilities:</b>				
Current:				
Accounts payable	\$ 492,121	\$ 185,686	\$ 16,969	\$ 1,227
Payroll payable	6,422	21,012	4,622	-
Compensated absences	-	166,000	-	-
Claims and judgments	3,776,000	-	-	-
<b>Total Current Liabilities</b>	<b>4,274,543</b>	<b>372,698</b>	<b>21,591</b>	<b>1,227</b>
Noncurrent:				
Advances from other funds	5,000,000	-	-	-
Compensated absences	-	46,708	-	-
Claims and judgments	15,255,566	-	-	-
<b>Total Noncurrent Liabilities</b>	<b>20,255,566</b>	<b>46,708</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities</b>	<b>24,530,109</b>	<b>419,406</b>	<b>21,591</b>	<b>1,227</b>
<b>Net Position:</b>				
Net investment in capital assets	-	170,330	-	-
Unrestricted	(14,384,565)	697,038	-	-
<b>Total Net Position</b>	<b>(14,384,565)</b>	<b>867,368</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 10,145,544</b>	<b>\$ 1,286,774</b>	<b>\$ 21,591</b>	<b>\$ 1,227</b>

CITY OF POMONA

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
JUNE 30, 2013

	<u>Total</u>
<b>Assets:</b>	
Current:	
Cash and investments	\$ 10,938,430
Receivables (net):	
Interest	2,852
Due from other governments	5,994
Inventories	<u>337,530</u>
<b>Total Current Assets</b>	<b><u>11,284,806</u></b>
Noncurrent:	
Capital assets, net of depreciation	<u>170,330</u>
<b>Total Noncurrent Assets</b>	<b><u>170,330</u></b>
<b>Total Assets</b>	<b><u><u>\$ 11,455,136</u></u></b>
<b>Liabilities and Net Position:</b>	
<b>Liabilities:</b>	
Current:	
Accounts payable	\$ 696,003
Payroll payable	32,056
Compensated absences	166,000
Claims and judgments	<u>3,776,000</u>
<b>Total Current Liabilities</b>	<b><u>4,670,059</u></b>
Noncurrent:	
Advances from other funds	5,000,000
Compensated absences	46,708
Claims and judgments	<u>15,255,566</u>
<b>Total Noncurrent Liabilities</b>	<b><u>20,302,274</u></b>
<b>Total Liabilities</b>	<b><u>24,972,333</u></b>
<b>Net Position:</b>	
Net investment in capital assets	170,330
Unrestricted	<u>(13,687,527)</u>
<b>Total Net Position</b>	<b><u>(13,517,197)</u></b>
<b>Total Liabilities and Net Position</b>	<b><u><u>\$ 11,455,136</u></u></b>

CITY OF POMONA

**COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2013**

	<b>Self- Insurance Funds</b>	<b>Equipment Maintenance</b>	<b>Information Technology</b>	<b>Printing/Mail Service</b>
<b>Operating Revenues:</b>				
Charges for services	\$ 4,905,712	\$ 3,838,183	\$ 1,372,608	\$ 29,011
Miscellaneous	113,631	66	-	-
<b>Total Operating Revenues</b>	<b><u>5,019,343</u></b>	<b><u>3,838,249</u></b>	<b><u>1,372,608</u></b>	<b><u>29,011</u></b>
<b>Operating Expenses:</b>				
Personnel services	-	1,220,625	234,264	-
Operations	-	2,129,258	1,130,350	29,011
Claims expense	4,004,733	448,758	5,988	-
Insurance	-	39,487	2,006	-
Depreciation	-	20,828	-	-
<b>Total Operating Expenses</b>	<b><u>4,004,733</u></b>	<b><u>3,858,956</u></b>	<b><u>1,372,608</u></b>	<b><u>29,011</u></b>
Operating Income (Loss)	<u>1,014,610</u>	<u>(20,707)</u>	<u>-</u>	<u>-</u>
<b>Nonoperating Revenues (Expenses):</b>				
Interest revenue	1,135	-	-	-
Gain (loss) on disposal of capital assets	-	(6,147)	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b><u>1,135</u></b>	<b><u>(6,147)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
Changes in Net Position	1,015,745	(26,854)	-	-
<b>Net Position:</b>				
Beginning of Year	<u>(15,400,310)</u>	<u>894,222</u>	<u>-</u>	<u>-</u>
<b>End of Fiscal Year</b>	<b><u><u>\$(14,384,565)</u></u></b>	<b><u><u>\$ 867,368</u></u></b>	<b><u><u>\$ -</u></u></b>	<b><u><u>\$ -</u></u></b>

CITY OF POMONA

**COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2013**

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	<u>Total</u>
<b>Operating Revenues:</b>	
Charges for services	\$ 10,145,514
Miscellaneous	<u>113,697</u>
<b>Total Operating Revenues</b>	<b><u>10,259,211</u></b>
<b>Operating Expenses:</b>	
Personnel services	1,454,889
Operations	3,288,619
Claims expense	4,459,479
Insurance	41,493
Depreciation	<u>20,828</u>
<b>Total Operating Expenses</b>	<b><u>9,265,308</u></b>
Operating Income (Loss)	<u>993,903</u>
<b>Nonoperating Revenues (Expenses):</b>	
Interest revenue	1,135
Gain (loss) on disposal of capital assets	<u>(6,147)</u>
<b>Total Nonoperating Revenues (Expenses)</b>	<b><u>(5,012)</u></b>
Changes in Net Position	988,891
<b>Net Position:</b>	
Beginning of Year	<u>(14,506,088)</u>
<b>End of Fiscal Year</b>	<b><u><u>\$(13,517,197)</u></u></b>

## CITY OF POMONA

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2013**

	<b>Self- Insurance Funds</b>	<b>Equipment Maintenance</b>	<b>Information Technology</b>	<b>Printing/Mail Service</b>
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers and users	\$ 4,905,712	\$ 3,838,446	\$ 1,372,608	\$ 29,011
Cash received from (paid for) other	113,631	66	-	-
Cash paid to suppliers for goods and services	(4,303,921)	(2,599,924)	(1,121,375)	(27,784)
Cash paid for general and administrative expenses	6,422	(1,187,808)	(229,642)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>721,844</b>	<b>50,780</b>	<b>21,591</b>	<b>1,227</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Due from other governments	(5,848)	(146)	-	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(5,848)</b>	<b>(146)</b>	<b>-</b>	<b>-</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition and construction of capital assets	-	(11,126)	-	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>(11,126)</b>	<b>-</b>	<b>-</b>
<b>Cash Flows from Investing Activities:</b>				
Interest received	1,686	-	-	-
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>1,686</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>717,682</b>	<b>39,508</b>	<b>21,591</b>	<b>1,227</b>
Cash and Cash Equivalents, Beginning of Year	9,419,162	739,260	-	-
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 10,136,844</b>	<b>\$ 778,768</b>	<b>\$ 21,591</b>	<b>\$ 1,227</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ 1,014,610	\$ (20,707)	\$ -	\$ -
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>				
Depreciation	-	20,828	-	-
(Increase) decrease in accounts receivable	-	263	-	-
(Increase) decrease in inventories	-	13,026	-	-
Increase (decrease) in accounts payable	327,163	4,553	16,969	1,227
Increase (decrease) in payroll payable	6,422	(3,950)	4,622	-
Increase (decrease) in claims and judgments	(626,351)	-	-	-
Increase (decrease) in compensated absences	-	36,767	-	-
<b>Total Adjustments</b>	<b>(292,766)</b>	<b>71,487</b>	<b>21,591</b>	<b>1,227</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 721,844</b>	<b>\$ 50,780</b>	<b>\$ 21,591</b>	<b>\$ 1,227</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>				
Gain/(Loss) on disposition of capital assets	\$ -	\$ (6,147)	\$ -	\$ -

CITY OF POMONA

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2013**

	<u>Total</u>
<b>Cash Flows from Operating Activities:</b>	
Cash received from customers and users	\$ 10,145,777
Cash received from (paid for) other	113,697
Cash paid to suppliers for goods and services	(8,053,004)
Cash paid for general and administrative expenses	<u>(1,411,028)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b><u>795,442</u></b>
<b>Cash Flows from Non-Capital Financing Activities:</b>	
Due from other governments	<u>(5,994)</u>
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b><u>(5,994)</u></b>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Acquisition and construction of capital assets	<u>(11,126)</u>
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b><u>(11,126)</u></b>
<b>Cash Flows from Investing Activities:</b>	
Interest received	<u>1,686</u>
<b>Net Cash Provided (Used) by Investing Activities</b>	<b><u>1,686</u></b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>780,008</b>
Cash and Cash Equivalents, Beginning of Year	<u>10,158,422</u>
<b>Cash and Cash Equivalents, End of Year</b>	<b><u>\$ 10,938,430</u></b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>	
Operating income (loss)	\$ 993,903
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>	
Depreciation	20,828
(Increase) decrease in accounts receivable	263
(Increase) decrease in inventories	13,026
Increase (decrease) in accounts payable	349,912
Increase (decrease) in payroll payable	7,094
Increase (decrease) in claims and judgments	(626,351)
Increase (decrease) in compensated absences	<u>36,767</u>
<b>Total Adjustments</b>	<b><u>(198,461)</u></b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b><u>\$ 795,442</u></b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>	
Gain/(Loss) on disposition of capital assets	\$ (6,147)

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## FIDUCIARY FUNDS

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The **Agency Funds** account for assets held by the City for other funds, governments or individuals. These funds include receipts and disbursements of funds for the debt service activity of the 1911 Act assessment districts, cash deposits collected for street and sidewalk encroachment permits, debt services activity related to debt without government commitment for various assessment district improvements, cash guarantees (deposits) collected by the City for various construction improvement projects, deposits of miscellaneous, self-supporting City projects, payment of various employee benefits and deductions, including, but not limited to, health and dental insurance premiums, federal and state withholding taxes, life insurance and other withholdings from regular compensation.



CITY OF POMONA

COMBINING BALANCE SHEET  
 ALL AGENCY FUNDS  
 JUNE 30, 2013

	<u>Assessment Districts</u>	<u>Engineers' Revolving</u>	<u>Construction Guarantee</u>	<u>Municipal Revolving</u>
<b>Assets:</b>				
Cash and investments	\$ 250,229	\$ 566,953	\$ 788,545	\$ 850,404
Receivables:				
Accounts	-	-	-	9,542
Interest	125	203	-	-
Due from other governments	4,841	-	-	3,638
<b>Total Assets</b>	<b><u>\$ 255,195</u></b>	<b><u>\$ 567,156</u></b>	<b><u>\$ 788,545</u></b>	<b><u>\$ 863,584</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 25,609	\$ -	\$ -	\$ 23,893
Deposits payable	4,841	567,156	788,545	839,691
Due to external parties/other agencies	224,745	-	-	-
<b>Total Liabilities</b>	<b><u>\$ 255,195</u></b>	<b><u>\$ 567,156</u></b>	<b><u>\$ 788,545</u></b>	<b><u>\$ 863,584</u></b>

CITY OF POMONA

COMBINING BALANCE SHEET  
 ALL AGENCY FUNDS  
 JUNE 30, 2013

	<u>Employee Benefits/ Deductions</u>	<u>Settlement SBOE</u>	<u>Total</u>
<b>Assets:</b>			
Cash and investments	\$ 1,627,901	\$ 690,101	\$ 4,774,133
Receivables:			
Accounts	-	-	9,542
Interest	-	-	328
Due from other governments	-	-	8,479
<b>Total Assets</b>	<b><u>\$ 1,627,901</u></b>	<b><u>\$ 690,101</u></b>	<b><u>\$ 4,792,482</u></b>
<b>Liabilities:</b>			
Accounts payable	\$ 1,627,901	\$ 690,101	\$ 2,367,504
Deposits payable	-	-	2,200,233
Due to external parties/other agencies	-	-	224,745
<b>Total Liabilities</b>	<b><u>\$ 1,627,901</u></b>	<b><u>\$ 690,101</u></b>	<b><u>\$ 4,792,482</u></b>

## CITY OF POMONA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2013**

	<u>Balance 7/1/2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2013</u>
<b><u>Assessment Districts</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 206,697	\$ 924,508	\$ 880,976	\$ 250,229
Receivables:				
Interest	177	126	178	125
Due from other governments	72,101	4,841	72,101	4,841
<b>Total Assets</b>	<b><u>\$ 278,975</u></b>	<b><u>\$ 929,475</u></b>	<b><u>\$ 953,255</u></b>	<b><u>\$ 255,195</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 25,609	\$ -	\$ 25,609
Deposits payable	54,520	-	49,679	4,841
Due to external parties/other agencies	224,455	290	-	224,745
<b>Total Liabilities</b>	<b><u>\$ 278,975</u></b>	<b><u>\$ 25,899</u></b>	<b><u>\$ 49,679</u></b>	<b><u>\$ 255,195</u></b>
<b><u>Engineers' Revolving</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 560,081	\$ 6,872	\$ -	\$ 566,953
Receivables:				
Interest	-	203	-	203
<b>Total Assets</b>	<b><u>\$ 560,081</u></b>	<b><u>\$ 7,075</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 567,156</u></b>
<b>Liabilities:</b>				
Deposits payable	\$ 560,081	\$ 7,075	-	\$ 567,156
<b>Total Liabilities</b>	<b><u>\$ 560,081</u></b>	<b><u>\$ 7,075</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 567,156</u></b>
<b><u>Construction Guarantee</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 810,842	\$ 95,662	\$ 117,959	\$ 788,545
<b>Total Assets</b>	<b><u>\$ 810,842</u></b>	<b><u>\$ 95,662</u></b>	<b><u>\$ 117,959</u></b>	<b><u>\$ 788,545</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 17,940	\$ -	\$ 17,940	\$ -
Deposits payable	792,902	-	4,357	788,545
<b>Total Liabilities</b>	<b><u>\$ 810,842</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 22,297</u></b>	<b><u>\$ 788,545</u></b>
<b><u>Municipal Revolving</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 853,864	\$ 2,035,491	\$ 2,038,951	\$ 850,404
Receivables:				
Accounts	8,378	9,542	8,378	9,542
Due from other governments	1,977	3,638	1,977	3,638
<b>Total Assets</b>	<b><u>\$ 864,219</u></b>	<b><u>\$ 2,048,671</u></b>	<b><u>\$ 2,049,306</u></b>	<b><u>\$ 863,584</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 206,151	\$ 23,893	\$ 206,151	\$ 23,893
Deposits payable	658,068	181,623	-	839,691
<b>Total Liabilities</b>	<b><u>\$ 864,219</u></b>	<b><u>\$ 205,516</u></b>	<b><u>\$ 206,151</u></b>	<b><u>\$ 863,584</u></b>

## CITY OF POMONA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2013**

	<u>Balance 7/1/2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2013</u>
<b><u>Employee Benefits/Deductions</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,935,432	\$ 29,655,518	\$ 29,963,049	\$ 1,627,901
<b>Total Assets</b>	<b>\$ 1,935,432</b>	<b>\$ 29,655,518</b>	<b>\$ 29,963,049</b>	<b>\$ 1,627,901</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,935,432	\$ 30,056,024	\$ 30,363,555	\$ 1,627,901
<b>Total Liabilities</b>	<b>\$ 1,935,432</b>	<b>\$ 30,056,024</b>	<b>\$ 30,363,555</b>	<b>\$ 1,627,901</b>
<b><u>Settlement SBOE</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 1,070,865	\$ 380,764	\$ 690,101
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,070,865</b>	<b>\$ 380,764</b>	<b>\$ 690,101</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 690,101	\$ -	\$ 690,101
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 690,101</b>	<b>\$ -</b>	<b>\$ 690,101</b>
<b><u>Total - All Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 4,366,916	\$ 33,788,916	\$ 33,381,699	\$ 4,774,133
Receivables:				
Accounts	8,378	9,542	8,378	9,542
Interest	177	329	178	328
Due from other governments	74,078	8,479	74,078	8,479
<b>Total Assets</b>	<b>\$ 4,449,549</b>	<b>\$ 33,807,266</b>	<b>\$ 33,464,333</b>	<b>\$ 4,792,482</b>
<b>Liabilities:</b>				
Accounts payable	\$ 2,159,523	\$ 30,795,627	\$ 30,587,646	\$ 2,367,504
Deposits payable	2,065,571	188,698	54,036	2,200,233
Due to external parties/other agencies	224,455	290	-	224,745
<b>Total Liabilities</b>	<b>\$ 4,449,549</b>	<b>\$ 30,984,615</b>	<b>\$ 30,641,682</b>	<b>\$ 4,792,482</b>

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## Statistical Section (Unaudited)

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

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**City of Pomona  
Net Position by Component  
Last Ten Fiscal Years**

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Governmental activities:</b>					
Net investment in capital assets	\$ (4,298,872)	\$ 95,062,872	\$ 271,540,388	\$ 283,153,069	\$ 266,292,700
Restricted	24,233,671	162,563,670	113,101,903	121,330,491	126,440,546
Unrestricted	29,368,859	(198,364,012)	(179,150,706)	(182,279,410)	(188,834,296)
<b>Total governmental activities net position</b>	<b>\$ 49,303,658</b>	<b>\$ 59,262,530</b>	<b>\$ 205,491,585</b>	<b>\$ 222,204,150</b>	<b>\$ 203,898,950</b>
<b>Business-type activities:</b>					
Net investment in capital assets	\$ 49,330,263	\$ 55,380,677	\$ 54,100,219	\$ 52,018,893	\$ 58,437,024
Restricted	-	19,373,600	2,986,079	4,049,389	3,015,084
Unrestricted	33,940,619	10,349,393	27,474,990	28,867,217	32,851,495
<b>Total business-type activities net position</b>	<b>\$ 83,270,882</b>	<b>\$ 85,103,670</b>	<b>\$ 84,561,288</b>	<b>\$ 84,935,499</b>	<b>\$ 94,303,603</b>
<b>Primary government:</b>					
Net investment in capital assets	\$ 45,031,391	\$ 150,443,549	\$ 325,640,607	\$ 335,171,962	\$ 324,729,724
Restricted	24,233,671	181,937,270	116,087,982	125,379,880	129,455,630
Unrestricted	63,309,478	(188,014,619)	(151,675,716)	(153,412,193)	(155,982,801)
<b>Total primary government net position</b>	<b>\$ 132,574,540</b>	<b>\$ 144,366,200</b>	<b>\$ 290,052,873</b>	<b>\$ 307,139,649</b>	<b>\$ 298,202,553</b>

**City of Pomona  
Net Position by Component  
Last Ten Fiscal Years**

**Schedule 1**

	2009	2010	2011	2012	2013
<b>Governmental activities:</b>					
Net investment in capital assets	\$ 266,710,638	\$ 259,501,244	\$ 257,218,882	\$ 272,949,495	\$ 266,340,326
Restricted	130,746,703	134,747,514	138,810,197	94,261,171	94,797,810
Unrestricted	(213,456,367)	(227,480,138)	(232,125,172)	(99,699,617)	(88,955,872)
<b>Total governmental activities net position</b>	<b>\$ 184,000,974</b>	<b>\$ 166,768,620</b>	<b>\$ 163,903,907</b>	<b>\$ 267,511,049</b>	<b>\$ 272,182,264</b>
<b>Business-type activities:</b>					
Net investment in capital assets	\$ 68,860,850	\$ 62,252,632	\$ 53,012,960	\$ 46,811,318	\$ 40,774,712
Restricted	2,940,659	2,225,388	7,660,879	13,544,047	14,805,693
Unrestricted	32,957,936	34,455,240	36,095,478	39,600,817	42,671,686
<b>Total business-type activities net position</b>	<b>\$ 104,759,445</b>	<b>\$ 98,933,260</b>	<b>\$ 96,769,317</b>	<b>\$ 99,956,182</b>	<b>\$ 98,252,091</b>
<b>Primary government:</b>					
Net investment in capital assets	\$ 335,571,488	\$ 321,753,876	\$ 310,231,842	\$ 319,760,813	\$ 307,115,038
Restricted	133,687,362	136,972,902	146,471,076	107,805,218	109,603,503
Unrestricted	(180,498,431)	(193,024,898)	(196,029,694)	(60,098,800)	(46,284,186)
<b>Total primary government net position</b>	<b>\$ 288,760,419</b>	<b>\$ 265,701,880</b>	<b>\$ 260,673,224</b>	<b>\$ 367,467,231</b>	<b>\$ 370,434,355</b>



**City of Pomona  
Changes in Net Position  
Last Ten Fiscal Years**

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Expenses</b>					
Governmental activities:					
General government	\$ 16,877,268	\$ 8,502,072	\$ 4,566,737	\$ 5,374,997	\$ 7,799,411
Public safety	54,409,038	61,493,317	62,314,546	66,368,961	71,782,018
Urban development	43,458,432	39,149,792	68,802,603	70,071,752	58,907,290
Community services	11,752,699	13,511,242	14,817,177	12,761,215	21,517,903
Interest on long-term debt	20,640,447	24,678,827	25,274,237	25,372,308	30,865,822
Total governmental activities	<u>147,137,884</u>	<u>147,335,250</u>	<u>175,775,300</u>	<u>179,949,233</u>	<u>190,872,444</u>
Business-type activities:					
Water	21,939,428	19,210,002	19,172,107	23,845,899	22,807,789
Sewer	2,789,001	2,542,545	2,458,616	3,915,545	2,920,219
Refuse	6,842,583	7,967,320	8,488,309	8,921,093	8,837,471
Canon Water Company	-	48,563	52,345	17,472	96,255
Total business-type activities	<u>31,571,012</u>	<u>29,768,430</u>	<u>30,171,377</u>	<u>36,700,009</u>	<u>34,661,734</u>
<b>Total primary government expenses</b>	<u><b>\$ 178,708,896</b></u>	<u><b>\$ 177,103,680</b></u>	<u><b>\$ 205,946,677</b></u>	<u><b>\$ 216,649,242</b></u>	<u><b>\$ 225,534,178</b></u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
Police revenues	\$ 1,896,386	\$ 2,141,662	\$ 2,423,540	\$ 1,723,534	\$ 2,126,363
Plan check fees	886,327	939,836	988,874	543,317	924,010
Building permits	1,380,789	1,330,168	1,336,527	927,771	1,287,216
Graffiti abatement	566,686	617,619	609,228	530,399	560,006
Street sweeping fees	477,135	520,018	512,819	423,356	471,387
Maintenance assessment fees	1,180,820	1,178,638	1,227,281	1,208,338	1,172,825
All other	15,937,213	9,456,166	9,849,392	9,357,921	6,331,014
Operating contributions and grants	18,844,817	22,516,819	22,656,450	27,319,477	24,171,583
Capital contributions and grants	6,421,422	10,040,740	6,718,223	7,154,035	12,395,251
Total governmental activities program revenues	<u>47,591,595</u>	<u>48,741,666</u>	<u>46,322,334</u>	<u>49,188,148</u>	<u>49,439,655</u>
Business-type activities:					
Charges for services:					
Water	21,080,917	22,454,752	22,689,164	26,210,565	27,155,086
Sewer	2,525,048	2,601,847	2,853,610	3,384,966	4,008,291
Refuse	7,224,218	7,234,940	7,395,141	7,326,324	7,733,411
Canon Water Company	-	-	-	-	-
Operating contributions and grants	122,197	156,781	68,966	145,820	126,471
Capital contributions and grants	-	264,506	23,100	97,420	4,004,312
Total business-type activities program revenues	<u>30,952,380</u>	<u>32,712,826</u>	<u>33,029,981</u>	<u>37,165,095</u>	<u>43,027,571</u>
<b>Total primary government program revenues</b>	<u><b>\$ 78,543,975</b></u>	<u><b>\$ 81,454,492</b></u>	<u><b>\$ 79,352,315</b></u>	<u><b>\$ 86,353,243</b></u>	<u><b>\$ 92,467,226</b></u>

**City of Pomona**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

**Schedule 2**

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (99,546,289)	\$ (98,593,584)	\$ (129,452,966)	\$ (130,761,085)	\$ (141,432,789)
Business-type activities	(618,632)	2,944,396	2,858,604	465,086	8,365,837
<b>Total primary government net expense</b>	<b><u>\$(100,164,921)</u></b>	<b><u>\$ (95,649,188)</u></b>	<b><u>\$(126,594,362)</u></b>	<b><u>\$(130,295,999)</u></b>	<b><u>\$(133,066,952)</u></b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Property taxes	\$ 32,674,483	\$ 46,538,436	\$ 53,239,617	\$ 51,952,231	\$ 56,246,496
Sales taxes	14,483,633	11,683,923	14,710,345	19,072,975	17,200,015
Motor vehicle licenses	7,204,184	1,025,393	1,109,390	874,237	718,936
Transient occupancy taxes	1,482,972	1,473,711	1,865,001	1,727,097	1,718,607
Property transfer taxes	-	-	-	2,152,388	1,189,405
Franchise taxes	4,078,354	4,360,394	5,397,384	5,871,860	5,776,052
Utility users taxes	16,375,211	16,774,747	17,576,969	18,290,416	18,154,259
Business licenses	-	-	-	2,844,503	2,977,865
Other taxes	936,114	786,421	678,897	2,459,714	1,973,674
Investment earnings/(expenses)	12,309,966	16,833,110	17,819,663	19,509,780	19,956,964
Miscellaneous	-	7,748,110	5,832,425	2,240,671	2,568,179
Income (loss) on sale of capital assets	2,482,994	-	-	-	-
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	-	-	-	-	-
Transfers	1,243,732	957,958	1,743,417	716,025	(1,753,920)
<b>Total governmental activities</b>	<b><u>93,271,643</u></b>	<b><u>108,182,203</u></b>	<b><u>119,973,108</u></b>	<b><u>127,711,897</u></b>	<b><u>126,726,532</u></b>
Business-type activities:					
Investment earnings/(expenses)	3,087,898	(1,816,793)	(1,991,603)	108,433	(1,696,056)
Miscellaneous	257,334	289,625	334,034	516,717	944,403
Income (loss) on sale of capital assets	492,080	(14,987)	-	-	-
Transfers	(1,243,732)	(957,958)	(1,743,417)	(716,025)	1,753,920
<b>Total business-type activities</b>	<b><u>2,593,580</u></b>	<b><u>(2,500,113)</u></b>	<b><u>(3,400,986)</u></b>	<b><u>(90,875)</u></b>	<b><u>1,002,267</u></b>
<b>Total primary government</b>	<b><u>\$ 95,865,223</u></b>	<b><u>\$ 105,682,090</u></b>	<b><u>\$ 116,572,122</u></b>	<b><u>\$ 127,621,022</u></b>	<b><u>\$ 127,728,799</u></b>
<b>Changes in Net Position</b>					
Governmental activities	\$ (6,274,646)	\$ 9,588,619	\$ (9,479,858)	\$ (3,049,188)	\$ (14,706,257)
Business-type activities	1,974,948	444,283	(542,382)	374,211	9,368,104
<b>Total primary government</b>	<b><u>\$ (4,299,698)</u></b>	<b><u>\$ 10,032,902</u></b>	<b><u>\$ (10,022,240)</u></b>	<b><u>\$ (2,674,977)</u></b>	<b><u>\$ (5,338,153)</u></b>

**City of Pomona  
Changes in Net Position  
Last Ten Fiscal Years**

(Continued)

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Expenses</b>					
Governmental activities:					
General government	\$ 11,325,897	\$ 6,492,505	\$ 6,064,138	\$ 5,248,291	\$ 7,499,578
Public safety	76,866,332	71,238,620	63,110,539	63,470,704	62,632,820
Urban development	68,405,205	87,717,680	77,538,633	94,480,470	36,407,420
Community services	10,418,491	8,228,099	7,082,135	6,771,751	14,858,140
Interest on long-term debt	27,731,312	29,442,106	29,390,035	21,834,146	7,997,227
Total governmental activities	194,747,237	203,119,010	183,185,480	191,805,362	129,395,185
Business-type activities:					
Water	18,980,506	27,457,755	29,408,125	25,909,880	28,242,875
Sewer	2,963,196	3,838,426	5,733,464	5,192,272	8,544,029
Refuse	9,805,894	8,598,275	8,762,936	8,732,864	8,403,397
Canon Water Company	16,681	11,787	13,927	13,219	25,163
Total business-type activities	31,766,277	39,906,243	43,918,452	39,848,235	45,215,464
<b>Total primary government expenses</b>	<b>\$ 226,513,514</b>	<b>\$ 243,025,253</b>	<b>\$ 227,103,932</b>	<b>\$ 231,653,597</b>	<b>\$ 174,610,649</b>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
Police revenues	\$ 3,046,908	\$ 2,691,660	\$ 2,053,307	\$ 2,493,299	\$ 3,066,121
Plan check fees	410,451	297,073	354,575	408,563	1,017,684
Building permits	730,510	599,818	466,567	687,783	937,070
Graffiti abatement	566,197	561,363	564,531	563,935	552,417
Street sweeping fees	476,351	468,575	473,614	472,717	462,461
Maintenance assessment fees	1,242,240	1,214,568	1,214,829	1,229,707	1,229,659
All other	11,442,772	14,816,018	7,249,221	731,866	9,066,076
Operating contributions and grants	17,838,374	30,034,337	23,115,271	18,896,518	20,548,119
Capital contributions and grants	12,020,471	16,368,968	24,908,628	18,512,640	15,442,436
Total governmental activities program revenues	47,774,274	67,052,380	60,400,543	43,997,028	52,322,043
Business-type activities:					
Charges for services:					
Water	27,857,381	27,084,809	27,898,709	29,405,992	30,633,205
Sewer	4,189,672	4,271,176	4,342,682	4,528,346	4,461,575
Refuse	8,661,142	9,883,142	9,046,619	9,273,301	9,107,603
Canon Water Company	-	-	-	-	64,221
Operating contributions and grants	64,841	65,721	109,165	880	46,588
Capital contributions and grants	850	-	-	388,000	-
Total business-type activities program revenues	40,773,886	41,304,848	41,397,175	43,596,519	44,313,192
<b>Total primary government program revenues</b>	<b>\$ 88,548,160</b>	<b>\$ 108,357,228</b>	<b>\$ 101,797,718</b>	<b>\$ 87,593,547</b>	<b>\$ 96,635,235</b>

**City of Pomona  
Changes in Net Position  
Last Ten Fiscal Years**

**Schedule 2**

**(Continued)**

	2009	2010	2011	2012	2013
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$(146,972,963)	\$(136,066,630)	\$(122,784,937)	\$(147,808,334)	\$ (77,073,142)
Business-type activities	9,007,609	1,398,605	(2,521,277)	3,748,284	(902,272)
<b>Total primary government net expense</b>	<b><u>\$(137,965,354)</u></b>	<b><u>\$(134,668,025)</u></b>	<b><u>\$(125,306,214)</u></b>	<b><u>\$(144,060,050)</u></b>	<b><u>\$ (77,975,414)</u></b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Property taxes	\$ 65,303,064	\$ 60,772,676	\$ 58,116,765	\$ 41,754,679	\$ 32,143,878
Sales taxes	10,628,900	11,224,835	9,507,105	10,804,554	12,354,719
Motor vehicle licenses	555,277	479,477	829,147	83,907	69,443
Transient occupancy taxes	1,450,270	1,300,209	1,266,721	1,359,064	1,473,662
Property transfer taxes	1,020,258	1,114,825	987,363	1,111,530	1,475,856
Franchise taxes	6,861,266	6,094,548	5,910,791	5,961,105	5,671,708
Utility users taxes	17,732,063	17,165,968	17,718,623	17,374,682	16,941,444
Business licenses	3,051,371	2,890,920	2,730,397	3,065,405	3,123,120
Other taxes	17,579	10,356	4,008	69,575	20,966
Investment earnings/(expenses)	17,219,062	14,542,222	23,775,050	13,432,247	4,363,428
Miscellaneous	3,246,127	2,193,630	2,547,071	6,703,775	2,347,387
Income (loss) on sale of capital assets	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	-	-	-	149,004,835	804,048
Transfers	(10,250)	1,044,610	(220,346)	690,118	954,698
<b>Total governmental activities</b>	<b><u>127,074,987</u></b>	<b><u>118,834,276</u></b>	<b><u>123,172,695</u></b>	<b><u>251,415,476</u></b>	<b><u>81,744,357</u></b>
Business-type activities:					
Investment earnings/(expenses)	(563,393)	(6,192,697)	133,255	126,449	41,890
Miscellaneous	2,001,376	12,517	3,733	2,250	31,677
Income (loss) on sale of capital assets	-	-	-	-	79,312
Transfers	10,250	(1,044,610)	220,346	(690,118)	(954,698)
<b>Total business-type activities</b>	<b><u>1,448,233</u></b>	<b><u>(7,224,790)</u></b>	<b><u>357,334</u></b>	<b><u>(561,419)</u></b>	<b><u>(801,819)</u></b>
<b>Total primary government</b>	<b><u>\$ 128,523,220</u></b>	<b><u>\$ 111,609,486</u></b>	<b><u>\$ 123,530,029</u></b>	<b><u>\$ 250,854,057</u></b>	<b><u>\$ 80,942,538</u></b>
<b>Changes in Net Position</b>					
Governmental activities	\$ (19,897,976)	\$ (17,232,354)	\$ 387,758	\$ 103,607,142	\$ 4,671,215
Business-type activities	10,455,842	(5,826,185)	(2,163,943)	3,186,865	(1,704,091)
<b>Total primary government</b>	<b><u>\$ (9,442,134)</u></b>	<b><u>\$ (23,058,539)</u></b>	<b><u>\$ (1,776,185)</u></b>	<b><u>\$ 106,794,007</u></b>	<b><u>\$ 2,967,124</u></b>

**City of Pomona  
Fund Balances - Governmental Funds  
Last Ten Years**

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>General Fund:</b>					
Reserved	\$ 6,198,142	\$ 8,976,671	\$ 7,907,817	\$ 6,888,120	\$ 4,459,873
Unreserved	4,065,766	7,843,760	10,914,430	13,903,948	10,809,579
Non-spendable					
Restricted					
Committed					
Assigned					
Unassigned					
<b>Total General Fund</b>	<b>\$ 10,263,908</b>	<b>\$ 16,820,431</b>	<b>\$ 18,822,247</b>	<b>\$ 20,792,068</b>	<b>\$ 15,269,452</b>
<b>All Other Governmental Funds:</b>					
Reserved	\$275,867,951	\$ 281,404,289	\$ 279,513,977	\$ 329,767,481	\$ 293,334,925
Unreserved, designated	-	-	6,877,406	2,570,640	-
Unreserved, reported in:					
Special revenue funds	21,930,326	31,519,944	18,048,054	21,518,821	12,653,645
Debt service funds	(177,203,920)	(173,774,677)	(182,032,654)	(182,023,917)	(198,469,799)
Capital projects funds	37,561,953	29,471,016	54,561,328	1,421,840	60,383,675
Non-spendable					
Restricted					
Committed					
Assigned					
Unassigned					
<b>Total All Other Governmental Funds</b>	<b>\$158,156,310</b>	<b>\$ 168,620,572</b>	<b>\$ 176,968,111</b>	<b>\$ 173,254,865</b>	<b>\$ 167,902,446</b>

**City of Pomona  
Fund Balances - Governmental Funds  
Last Ten Years**

**Schedule 3**

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>General Fund:</b>					
Reserved	\$ 4,365,820	\$ 4,270,613			
Unreserved	4,430,794	2,265,028			
Non-spendable			\$ 126,089	\$ 140,834	\$ 109,949
Restricted			-	-	-
Committed			5,563,011	2,007,185	7,316,769
Assigned			-	-	-
Unassigned			-	-	-
<b>Total General Fund</b>	<b>\$ 8,796,614</b>	<b>\$ 6,535,641</b>	<b>\$ 5,689,100</b>	<b>\$ 2,148,019</b>	<b>\$ 7,426,718</b>
<b>All Other Governmental Funds:</b>					
Reserved	\$ 305,411,945	\$289,165,426			
Unreserved, designated	-	-			
Unreserved, reported in:					
Special revenue funds	5,729,977	18,753,085			
Debt service funds	(155,935,490)	(160,398,749)			
Capital projects funds	2,288,382	(1,497,507)			
Non-spendable			\$259,577,717	\$ 60,310,838	\$ 13,880,356
Restricted			81,339,275	41,875,382	88,633,395
Committed			-	-	-
Assigned			-	-	-
Unassigned			(202,261,861)	(43,208,211)	(41,655,762)
<b>Total All Other Governmental Funds</b>	<b>\$ 157,494,814</b>	<b>\$146,022,255</b>	<b>\$138,655,131</b>	<b>\$ 58,978,009</b>	<b>\$ 60,857,989</b>

**City of Pomona**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2004	2005	2006	2007	2008
<b>Revenues:</b>					
Taxes	\$ 77,312,806	\$ 82,643,024	\$ 94,577,603	\$ 105,245,421	\$ 113,490,746
Special assessments	1,240,538	1,192,248	1,197,805	1,166,719	1,172,826
Licenses and permits	8,242,904	8,423,121	8,440,517	6,690,241	6,261,842
Intergovernmental	25,266,239	32,557,559	29,364,673	34,431,013	27,091,322
Charges for services	1,690,733	1,483,414	1,989,303	2,296,395	2,755,212
Interest and rentals	11,662,827	16,833,110	17,815,895	19,509,672	19,954,480
Fines and forfeitures	2,693,304	2,657,108	3,280,587	2,647,955	3,364,372
Loans repaid	641,305	618,306	2,039,449	912,428	235,265
Contributions and donations	-	-	-	3,344,179	257,000
Miscellaneous	2,232,458	7,035,771	5,832,425	2,240,671	2,629,419
<b>Total Revenues</b>	<b>130,983,114</b>	<b>153,443,661</b>	<b>164,538,257</b>	<b>178,484,694</b>	<b>177,212,484</b>
<b>Expenditures:</b>					
General government	3,685,285	5,379,898	4,323,332	5,000,827	5,054,617
Public safety	54,409,038	59,866,150	61,675,869	64,735,812	70,637,275
Urban development	38,076,742	50,026,817	59,638,945	58,373,543	59,624,349
Community services	11,752,699	13,001,693	13,122,353	12,120,611	20,816,615
Capital outlay	2,510,205	2,182,578	1,055,369	19,944,715	2,246,951
Debt service:					
Principal	4,668,488	13,749,122	3,357,630	9,251,232	8,078,448
Interest and fiscal charges	25,363,935	21,459,762	22,819,282	27,328,302	27,092,737
Debt issuance costs	3,758,841	1,551,787	2,447,589	1,253,413	241,350
<b>Total Expenditures</b>	<b>144,225,233</b>	<b>167,217,807</b>	<b>168,440,369</b>	<b>198,008,455</b>	<b>193,792,342</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,242,119)	(13,774,146)	(3,902,112)	(19,523,761)	(16,579,858)
<b>Other Financing Sources (Uses):</b>					
Notes and loans issued	117,269,606	28,233,416	76,825,100	74,207,460	8,805,595
Bond premium	2,726,007	980,972	-	1,087,257	57,600
Bond discount	(327,164)	-	-	-	-
Payments to escrow agent	(22,608,271)	-	(53,255,000)	(59,750,000)	-
Proceeds from capital leases	646,123	582,200	1,343,850	1,714,407	304,646
Proceeds from sale of capital assets	5,578	40,385	36,037	110,148	980,368
Special item, pension contribution	(27,722,510)	-	-	-	-
Gain/Loss - sale of land held for resale	-	-	-	(654,961)	(101,238)
Transfers in	92,621,209	29,039,524	47,308,301	71,510,464	35,568,008
Transfers out	(91,377,477)	(28,081,566)	(47,422,755)	(70,794,439)	(39,460,156)
<b>Total Other Financing Sources (Uses)</b>	<b>71,233,101</b>	<b>30,794,931</b>	<b>24,835,533</b>	<b>17,430,336</b>	<b>6,154,823</b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ 57,990,982</b>	<b>\$ 17,020,785</b>	<b>\$ 20,933,421</b>	<b>\$ (2,093,425)</b>	<b>\$ (10,425,035)</b>
Debt service as a percentage of noncapital expenditures	23.84%	22.27%	17.10%	21.25%	18.49%

**City of Pomona**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**

**Schedule 4**

	Fiscal Year				
	2009	2010	2011	2012	2013
<b>Revenues:</b>					
Taxes	\$ 109,044,092	\$ 98,510,896	\$ 95,691,191	\$ 79,677,392	\$ 72,063,654
Special assessments	1,220,222	1,214,569	1,214,829	1,229,707	1,229,658
Licenses and permits	7,350,264	4,297,116	3,333,417	4,234,901	5,770,483
Intergovernmental	25,673,807	48,689,417	50,654,510	38,432,208	35,229,918
Charges for services	2,080,651	8,855,789	3,625,992	3,637,583	4,619,080
Interest and rentals	17,115,029	14,542,222	15,732,587	13,417,141	4,364,959
Fines and forfeitures	4,108,850	2,065,041	1,784,123	1,820,973	1,960,621
Loans repaid	253,064	46,814	-	-	-
Contributions and donations	-	-	-	-	-
Miscellaneous	4,888,034	3,401,802	4,663,782	5,223,877	5,040,269
<b>Total Revenues</b>	<b>171,734,013</b>	<b>181,623,666</b>	<b>176,700,431</b>	<b>147,673,782</b>	<b>130,278,642</b>
<b>Expenditures:</b>					
General government	4,104,160	4,046,274	3,073,323	2,385,778	4,388,871
Public safety	72,729,944	67,888,838	61,574,218	61,362,969	62,362,342
Urban development	69,119,619	88,899,216	83,925,250	59,708,273	45,707,873
Community services	8,823,294	7,121,480	5,889,207	5,577,913	5,007,798
Capital outlay	5,462,154	2,969,473	2,644,383	1,835,062	2,040,791
Debt service:					
Principal	4,127,225	4,338,517	5,480,210	8,123,605	2,437,533
Interest and fiscal charges	26,855,452	27,311,933	26,522,841	25,243,568	7,358,464
Debt issuance costs	-	-	-	-	-
<b>Total Expenditures</b>	<b>191,221,848</b>	<b>202,575,731</b>	<b>189,109,432</b>	<b>164,237,168</b>	<b>129,303,672</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,487,835)	(20,952,065)	(12,409,001)	(16,563,386)	974,970
<b>Other Financing Sources (Uses):</b>					
Notes and loans issued	533,765	533,765	649,425	-	200,000
Bond premium	-	-	-	-	-
Bond discount	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
Proceeds from capital leases	2,048,956	-	-	620,860	695,000
Proceeds from sale of capital assets	34,894	5,640,158	1,764,196	271,938	4,529,370
Special item, pension contribution	-	-	-	-	-
Gain/Loss - sale of land held for resale	-	-	-	-	-
Transfers in	29,592,084	21,194,695	25,487,284	15,766,850	16,654,519
Transfers out	(29,602,334)	(20,150,085)	(29,524,748)	(15,076,732)	(15,699,821)
<b>Total Other Financing Sources (Uses)</b>	<b>2,607,365</b>	<b>7,218,533</b>	<b>(1,623,843)</b>	<b>1,582,916</b>	<b>6,379,068</b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	-	-	-	(68,237,733)	(195,359)
<b>Net Change in Fund Balances</b>	<b>\$ (16,880,470)</b>	<b>\$ (13,733,532)</b>	<b>\$ (14,032,844)</b>	<b>\$ (83,218,203)</b>	<b>\$ 7,158,679</b>
Debt service as a percentage of noncapital expenditures	16.68%	15.86%	17.16%	20.55%	7.70%



**City of Pomona**  
**Governmental Activities Tax Revenue by Source**  
**Last Fiscal Ten Years (in thousands of dollars)**

**Schedule 5**

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Fiscal Year Ended June 30	Property Tax	Sales Tax	Motor Vehicle License	Transient Occupancy	Property Transfer Tax	Franchise	Utility Users Tax	Business Licenses	Other	Total
2004	\$32,674	\$14,484	\$ 7,204	\$ 1,483	\$ -	\$ 4,078	\$16,375	\$ 2,256	\$ 936	\$79,490
2005	46,538	11,684	1,025	1,474	-	4,360	16,775	2,443	786	85,085
2006	53,240	14,710	1,109	1,865	-	5,397	17,577	2,625	679	97,202
2007	51,952	19,073	874	1,727	2,152	5,872	18,290	2,845	2,460	105,245
2008	56,246	17,200	719	1,719	1,189	5,776	18,154	2,978	1,974	105,955
2009	65,303	10,629	555	1,450	1,020	6,861	17,732	3,051	19	106,620
2010	60,773	11,225	479	1,300	1,115	6,095	17,166	2,891	10	101,054
2011	58,117	9,507	829	1,267	987	5,911	17,719	2,730	4	97,071
2012	41,755	10,805	84	1,359	1,112	5,961	17,375	3,065	70	81,586
2013	32,144	12,355	69	1,474	1,476	5,672	16,941	3,123	20	73,274

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years (in thousands of dollars)**

Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Other	Unitary Values	Unsecured Property	Less: Tax Exempt Property *	Total Taxable Assessed Value	Total Direct Tax Rate (1)
2004	\$ 3,939,524	\$ 662,050	\$ 735,782	\$ 521,226	\$ 7,163	\$ 402,393	\$ 309,797	\$ 5,958,341	\$ 1.14814
2005	4,302,735	701,661	797,451	510,119	8,204	379,197	333,693	6,365,674	1.14988
2006	4,871,752	753,876	875,823	548,455	7,077	383,627	359,681	7,080,929	1.15134
2007	5,555,560	850,046	927,732	619,284	5,880	376,178	274,419	8,060,261	1.15214
2008	6,175,439	946,442	1,012,035	690,821	790	372,791	429,662	8,768,656	1.13719
2009	6,486,480	1,019,941	1,104,778	754,630	790	384,081	447,378	9,303,322	1.14340
2010	5,759,284	1,039,418	1,197,842	830,321	788	381,397	459,461	8,749,589	1.17547
2011	5,441,493	1,034,597	1,244,142	885,973	788	352,403	538,120	8,421,276	1.20727
2012	5,571,482	998,040	1,226,077	905,772	655	360,777	750,968	8,311,835	1.20375
2013	5,679,812	1,019,770	1,178,211	884,418	655	350,896	774,766	8,338,996	1.21734

Source: Los Angeles County Assessor data, MuniServices, LLC

Prior Year values have been restated for consistency and compliance with GASB No. 44 guidelines

(1) Total direct tax rate is the city share of the 1% Proposition 13 tax only for TRA 007-790.

**City of Pomona**  
**Property Tax Rates - Direct and Overlapping Governments**  
**(Rate per \$100 of assessed value)**  
**Last Ten Fiscal Years**

**Schedule 7**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>City Direct Rates:</b>										
City basic rate	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
<b>Overlapping Rates:</b>										
City	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
County	0.00100	0.00000	0.00079	0.00066	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Schools	0.12633	0.12910	0.12488	0.12401	0.11379	0.11577	0.14546	0.17721	0.17364	0.18488
Community College	0.01525	0.01473	0.02122	0.02184	0.01750	0.02333	0.02571	0.02636	0.02642	0.02896
Flood Control	0.00046	0.00025	0.00005	0.00005	0.00140	0.00000	0.00000	0.00000	0.00000	0.00000
Metro Water District	0.00610	0.00580	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350
<b>Total Direct Rate</b>	<u>1.14914</u>	<u>1.14988</u>	<u>1.15214</u>	<u>1.15126</u>	<u>1.13719</u>	<u>1.14340</u>	<u>1.17547</u>	<u>1.20727</u>	<u>1.20375</u>	<u>1.21734</u>

Source: Los Angeles County Auditor/Controller data, MuniServices, LLC  
2008-09: TRA 007-790 is represented in this table and has the largest assessed value in Pomona.  
2007-08 and prior: prior year CAFR reports

**City of Pomona  
Principal Property Taxpayers  
Current Fiscal Year and Nine Years Ago**

**Schedule 8**

Taxpayer	2013			2004		
	Taxable Assessed Valuation	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percent of Total City Taxable Assessed Value
Crest Financing LP	\$ 80,157,130	1	0.96%			
Realty Associates	66,325,046	2	0.80%	\$ 31,057,320	2	0.52%
Fairplex	39,970,402	3	0.48%			
KTR Pomona LLC	37,500,000	4	0.45%			
LBA Realty Fund III	29,319,352	5	0.35%			
Ripon Cogeneration LLC	29,115,176	6	0.35%			
Shilo Inn Pomona Hilltop	27,313,955	7	0.33%	26,308,507	5	0.44%
F D S Mfg Co	23,594,110	8	0.28%			
Pine Club Apts LLC	23,569,700	9	0.28%			
CH Realty III Pomona LP	22,000,000	10	0.26%			
Essex Crest LP	-		-	59,553,370	1	1.00%
Pomona Partners	-		-	30,725,460	3	0.52%
Los Angeles County Fair Association			-	29,675,481	4	0.50%
Smurfit Newsprint Corp			-	23,192,781	6	0.39%
Coca Cola Co	-		-	21,574,659	7	0.36%
Devry Inc	-		-	21,401,487	8	0.36%
Rockwell Collins Inc.	-		-	19,707,560	9	0.33%
Vertis Inc	-		-	18,364,932	10	0.31%

Source: Los Angeles County Assessor data, MuniServices, LLC

**City of Pomona  
 Top 25 Sales Tax Generators  
 in Alphabetical Order  
 Current Fiscal Year and Nine Years Ago**

**Schedule 9**

2013	2004
A C S Distributors	Arco AM/PM Mini Marts
Allstar KIA	Barrett's Equine Sales
Arco AM/PM Mini Marts	Car Pros Kia
Chevron Service Stations [1]	Circuit City
Chevron Service Stations [2]	Graphic Distributors
Chevron Service Stations [3]	Grossman's Contractors Warehouse
Cornocopia Foods	Home Depot
CVS Pharmacy	Jammin Chrysler Jeep Dodge
Envirokinetics	Keenan Supply
Ferguson Enterprises	Myers' Tire Supply
Global Rental	Palm Springs Oil
HD Supply Repair & Remodel	Phenix Enterprises
Home Depot	Pomona Arco
Huntington Hardware	Pomona Mitsubishi
Mar-Co Equipment Company	Puma Oil
Mc Mahon's RV	Rancho Valley Chevrolet
Mike Thompson's Recreational	Rio Rancho Buick/Pontiac/GMC
Phenix Enterprises	Rohr Steel
Ralph's Grocery Company	Stator Bros Markets
Richard S Dawson Company	Sylvania Lighting Services
Rohr Steel	Texaco Star
Shell Service Stations	Toys R Us
Superior Duct Fabrication	United Oil
USA Service Stations	Wal-Mart Stores
Wal-Mart Stores	West Coast RV's

Source: MuniServices, LLC and 2004 CAFR

**City of Pomona  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

**Schedule 10**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	\$ 8,702,725	\$ 8,455,522	97.2%	\$ 601,132	\$ 9,056,654	104.1%
2005	9,213,382	9,066,487	98.4%	916,070	9,982,557	108.3%
2006	10,222,688	9,994,413	97.8%	1,369,939	11,364,352	111.2%
2007	11,542,995	11,208,880	97.1%	1,627,684	12,836,564	111.2%
2008	12,434,540	12,278,199	98.7%	1,355,970	13,634,169	109.6%
2009	13,488,955	12,976,085	96.2%	977,302	13,953,387	103.4%
2010	12,344,605	12,099,841	98.0%	608,391	12,708,232	102.9%
2011	11,962,439	11,830,918	98.9%	697,738	12,528,656	104.7%
2012	12,329,907	12,113,998	98.2%	377,392	12,491,390	101.3%
2013	12,528,234	12,434,130	99.2%	349,337	12,783,467	102.0%

Source: Los Angeles County Auditor/Controller, City of Pomona Finance Department

**City of Pomona**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmental Activities					Total Governmental Activities
	Tax Allocation Bonds	Revenue Bonds	Pension Obligation Ref Bonds	Certificates of Participation	Other	
2004	\$ 12,225,000	\$174,560,847	\$ 32,300,000	\$ 22,398,034	\$ 53,775,028	\$295,258,909
2005	11,875,000	195,413,124	38,000,000	22,002,468	46,053,488	313,344,080
2006	11,510,000	216,256,435	42,280,684	18,621,789	37,549,889	326,218,797
2007	9,815,000	227,448,178	42,280,684	13,801,167	32,120,626	325,465,655
2008	9,730,000	229,692,274	42,280,684	13,520,545	33,021,439	328,244,942
2009	9,645,000	227,390,370	42,280,684	13,234,923	36,000,684	328,551,661
2010	9,555,000	224,932,467	42,209,382	12,944,301	37,228,313	326,869,463
2011	9,460,000	222,313,564	44,114,118	12,643,679	43,497,491	332,028,852
2012	-	43,836,347	44,299,214	12,333,057	2,379,277	102,847,895
2013	-	42,446,378	44,400,752	12,012,435	1,864,337	100,723,902

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

(1) These ratios are calculated using personal income and population for the prior year.

**City of Pomona**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

**Schedule 11**

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Business-type Activities			Total Primary Government	Percentage of Personal Income (1)	Debt per Capita (1)
Revenue Bonds	Other	Total Business-type Activities			
\$ 64,815,000	\$ 4,494,808	\$ 69,309,808	\$364,568,717	2.2%	2,302
63,575,000	4,049,424	67,624,424	380,968,504	2.1%	2,369
62,285,000	3,581,475	65,866,475	392,085,272	2.3%	2,423
140,135,710	2,219,551	142,355,261	467,820,916	n/a	2,885
139,885,619	1,744,955	141,630,574	469,875,516	n/a	2,876
139,635,527	1,286,361	140,921,888	469,473,549	n/a	2,873
139,070,435	844,741	139,915,176	466,784,639	n/a	2,857
137,580,343	515,674	138,096,017	470,124,869	n/a	2,877
136,030,252	174,904	136,205,156	239,053,051	n/a	1,468
134,415,161	4,112,175	138,527,336	239,251,238	n/a	1,585



## Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years (dollars in thousands, except per capita)

Fiscal Year Ended June 30	General Bonded Debt Outstanding					Percentage of Actual Value of Property (1)	Per Capita (2)
	Revenue Bonds	Tax Allocation Bonds	Pension Obligation Ref Bonds	Certificates of Participation	Total		
2004	\$ 174,561	\$ 12,225	\$ 32,300	\$ 22,398	\$ 241,484	4.1%	\$ 1,524
2005	195,413	11,875	38,000	22,002	267,290	4.2%	1,662
2006	216,256	11,510	42,281	18,622	288,669	4.1%	1,783
2007	227,448	9,815	42,281	13,802	293,346	3.9%	1,809
2008	229,692	9,730	42,281	13,521	295,224	3.6%	1,795
2009	227,390	9,645	42,281	13,235	292,551	3.1%	1,790
2010	224,932	9,555	42,209	12,944	289,640	3.3%	1,779
2011	222,313	9,460	44,114	12,644	288,531	3.4%	1,933
2012	43,836	-	44,299	12,333	100,468	1.2%	670
2013	42,446	-	44,401	12,012	98,859	1.2%	655

(1) See Schedule 6 for property value data.

(2) Population data can be found in Schedule 16.

**City of Pomona  
Direct and Overlapping Debt  
Current Year and Nine Years Ago**

**Schedule 13**

OVERLAPPING DEBT 06/30/2013:	Total Debt 6/30/2013	% Applicable (1)	City's Share of Debt 06/30/2013
Los Angeles County Flood Control District	\$ 19,770,000	0.819%	\$ 161,916
Metropolitan Water District	165,085,000	0.402%	663,642
Citrus Community College District	77,195,302	1.260%	972,661
Mount San Antonio Community College District	212,076,742	11.912%	25,262,582
Bonita Unified School District	103,877,395	0.133%	138,157
Claremont Unified School District	33,365,000	6.222%	2,075,970
Pomona Unified School District	212,631,870	75.116%	159,720,555
City of Pomona 1915 Act Bonds	4,087,000	100.000%	4,087,000
Los Angeles County Regional Park and Open Space Assessment District	142,870,000	0.775%	1,107,243
<b>TOTAL OVERLAPPING DEBT</b>	<b>\$ 970,958,309</b>		<b>\$ 194,189,726</b>
OVERLAPPING DEBT 06/30/2004:	Total Debt 6/30/2004	% Applicable (1)	City's Share of Debt 06/30/2004
Los Angeles County	\$ 23,470,000	0.662%	\$ 155,371
Los Angeles County Flood Control District	137,945,000	0.668%	921,473
Metropolitan Water District	389,750,000	0.342%	1,332,945
Mount San Antonio Community College District	103,950,000	10.801%	11,227,640
Claremont Unified School District	45,665,000	7.117%	3,249,978
Pomona Unified School District	136,325,000	71.336%	97,248,802
City of Pomona 1915 Act Bonds	11,675,000	100.000%	11,675,000
Los Angeles County Regional Park & Open Space Assessment District	376,210,000	0.662%	2,490,510
<b>TOTAL OVERLAPPING DEBT</b>	<b>\$ 1,224,990,000</b>		<b>\$ 128,301,719</b>

Source: MuniServices, LLC

1) Percentage of overlapping agency's assessed valuation located within the boundaries of the city.

**City of Pomona  
 Legal Debt Margin Information  
 Current Year and Nine Years Ago**

	2004	2005	2006	2007	2008
Debt limit	\$ 893,751	\$ 954,851	\$ 1,061,285	\$ 1,209,039	\$ 1,315,928
Amount of debt applicable to debt limit	-	-	-	-	-
Legal debt margin	<u>\$ 893,751</u>	<u>\$ 954,851</u>	<u>\$ 1,061,285</u>	<u>\$ 1,209,039</u>	<u>\$ 1,315,928</u>
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2013**

Assessed Value	\$ 8,435,483
Debt Limit 15%	1,265,322
Debt applicable to debt limit	-
Legal Debt Margin	<u>\$ 1,265,322</u>

Notes: Under State Finance Law, the City's outstanding general obligation debt should not exceed 15 percent of the total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**City of Pomona**  
**Legal Debt Margin Information**  
**Current Year and Nine Years Ago**

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2009	2010	2011	2012	2013
\$ 1,380,470	\$ 1,312,438	\$ 1,263,191	\$ 1,261,575	\$ 1,265,322
-	-	-	-	-
<u>\$ 1,380,470</u>	<u>\$ 1,312,438</u>	<u>\$ 1,263,191</u>	<u>\$ 1,261,575</u>	<u>\$ 1,265,322</u>
0.00%	0.00%	0.00%	0.00%	0.00%

**City of Pomona  
Pledged Revenue Coverage - Water  
Last Ten Fiscal Years**

**Schedule 15**

Fiscal Year Ended June 30	Water Revenue Bonds						Coverage
	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest	Total	
2004	\$22,425,087	\$18,025,197	\$4,399,890	\$ 935,000	\$2,597,201	\$3,532,201	1.2
2005	21,677,425	17,132,885	4,544,540	1,075,000	2,556,427	3,631,427	1.3
2006	21,782,253	16,950,584	4,831,669	1,125,000	2,508,733	3,633,733	1.3
2007	25,685,604	21,281,622	4,403,982	1,170,000	2,461,363	3,631,363	1.2
2008	28,867,135	20,731,943	8,135,192	-	5,254,954	5,254,954	1.5
2009	31,125,004	21,008,017	10,116,987	-	5,254,954	5,254,954	1.9
2010	26,110,947	20,096,756	6,014,191	200,000	5,254,954	5,454,954	1.1
2011	27,130,112	16,454,784	10,675,328	1,095,000	5,244,420	6,339,420	1.7
2012	29,465,405	15,585,325	13,880,080	1,140,000	5,197,958	6,337,958	2.2
2013	30,638,933	16,169,360	14,469,573	1,190,000	5,149,572	6,339,572	2.3

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

**City of Pomona  
Pledged Revenue Coverage - Sewer  
Last Ten Fiscal Years**

**Schedule 16**

Fiscal Year Ended June 30	Sewer Revenue Bonds						Coverage
	Sewer Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Total	
				Principal	Interest		
2004	\$ 2,720,196	\$ 1,368,068	\$ 1,352,128	\$ 165,000	\$ 648,484	\$ 813,484	1.7
2005	2,837,499	1,656,176	1,181,323	165,000	645,184	810,184	1.5
2006	3,165,662	1,540,864	1,624,798	165,000	641,884	806,884	2.0
2007	4,063,102	2,719,487	1,343,615	175,000	638,484	813,484	1.7
2008	5,684,668	1,987,176	3,697,492	180,000	1,124,650	1,304,650	2.8
2009	5,134,975	2,030,153	3,104,822	180,000	1,319,606	1,499,606	2.1
2010	4,404,773	2,783,986	1,620,787	295,000	1,312,840	1,607,840	1.0
2011	4,403,553	2,070,512	2,333,041	325,000	1,302,662	1,627,662	1.4
2012	4,581,214	2,871,584	1,709,630	340,000	1,291,188	1,631,188	1.0
2013	4,516,713	2,200,467	2,316,246	355,000	1,278,181	1,633,181	1.4

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

Calendar Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Personal Income	Unemployment Rate (3)	School Enrollment**	Median Age
2004	158,360	\$ 1,674,055	\$ 10,571	6.5%	35,412	n/a
2005	160,815	1,729,113	10,752	5.3%	34,657	n/a
2006	161,850	n/a	n/a	4.8%	33,294	26.5
2007	162,140	2,398,683	14,794	5.8%	33,683	26.5
2008	163,405	2,398,683	14,679	5.8%	33,683	26.5
2009	163,408	2,747,869	16,816	8.4%	30,032	28.7
2010	162,817	2,728,162	16,756	12.9%	31,864	28.7
2011	149,243	2,651,969	17,769	14.7%	28,298	28.6
2012	149,950	2,533,677	16,897	13.2%	27,737	28.1
2013	150,942	2,593,902	17,185	12.2%	27,186	29.5

Source: 2008-09, 2009-10, 2011-12 and 2012-13: MuniServices, LLC and 2010-11 and prior: prior year previous CAFR reports.

(1) Source: California Department of Finance Projections

(2) Source: United States Census Data and is adjusted for inflation

(3) Source: EDD, Bureau of Labor Statistics Department

\*\* School enrollment reflects the total number of students enrolled in Pomona Unified School District. Any other school districts within the City are not accounted for in this statistic.

**City of Pomona  
Principal Employers  
Current Year and Seven Years Ago**

**Schedule 18**

Employer	2013			2006		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Pomona Valley Hospital	3,079	1	5.1%	3,089	2	4.7%
Pomona Unified School District	2,800	2	4.7%	3,406	1	5.1%
California State Polytechnic University	2,289	3	3.8%			
Lanterman Developmental Center	796	4	1.3%	1,780	3	2.7%
Casa Colina Rehabilitation Center	736	5	1.2%	600	6	0.9%
City of Pomona	648	6	1.1%	870	4	1.3%
Verizon	596	7	1.0%	596	7	0.9%
County of Los Angeles Department of Social Services	383	8	0.6%	378	9	0.6%
First Transit	346	9	0.6%	311	11	0.5%
Inland Valley Care & Rehab	341	10	0.6%	270	15	0.4%
Lloyd's Material Supply (CAI)	250	11	0.4%			
Hayward Industries Inc	242	12	0.4%	351	10	0.5%
Anheuser Busch	219	13	0.4%			
Walmart Stores Inc	214	14	0.4%	284	13	0.4%
Ferguson Enterprises	180	15	0.3%			
Consolidated Foundries	176	16	0.3%			
Federated Diversified Sales	168	17	0.3%			
Sheraton Suites Fairplex	168	18	0.3%			
Pacific Coast Valuations	150	19	0.3%			
The Home Depot	149	20	0.2%			
California Acrylic Industries				650	5	1.0%
Royal Cabinets				450	8	0.7%
Interstate Brands West Corp				300	12	0.5%
Pioneer Electronics				280	14	0.4%

Nine years of data is not available

Source: Finance Department and Businesses

Total Employment Source: [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)



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**City of Pomona**  
**Authorized Full-Time City Employees by Function**  
**Last Ten Fiscal Years**

**Schedule 19**

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government	25	36	37	36	36	29	26	24	20	19
Support Services	49	47	45	46	52	44	36	33	32	32
Police	330	333	332	345	348	342	335	271	270	269
Public Works	82	77	87	88	87	81	199	184	184	170
Planning & Housing	68	56	40	40	40	40	38	47	40	38
Utility Services	132	132	126	127	128	127	0	0	0	0
Neighborhood Services	79	79	76	78	80	78	32	21	21	11
<b>Total</b>	<b>765</b>	<b>760</b>	<b>743</b>	<b>760</b>	<b>771</b>	<b>741</b>	<b>666</b>	<b>580</b>	<b>567</b>	<b>539</b>

Various departments were consolidated in 2009-2010

Source: City of Pomona Finance Department

**City of Pomona**  
**Taxable Sales by Category**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

	2004	2005	2006	2007	2008
Apparel Stores	\$ 10,676	\$ 6,056	\$ 6,277	\$ 7,929	\$ 9,884
General Merchandise	46,666	48,039	50,144	49,839	49,203
Food Stores	58,574	63,619	69,894	71,838	72,852
Eating and Drinking Places	106,413	115,373	117,108	121,796	124,146
Building Materials	139,659	220,011	306,092	283,287	234,707
Auto Dealers and Supplies	311,431	322,086	251,894	217,924	178,694
Service Stations	151,061	181,428	185,542	194,850	207,178
Other Retail Stores	136,515	130,299	136,855	130,933	148,426
All Other Outlets	388,639	703,916	509,377	544,522	343,162
<b>Total</b>	<b>\$ 1,349,634</b>	<b>\$ 1,790,827</b>	<b>\$ 1,633,183</b>	<b>\$ 1,622,918</b>	<b>\$ 1,368,252</b>

Source: MuniServices, LLC

**City of Pomona**  
**Taxable Sales by Category**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

*Schedule 20*

2009	2010	2011	2012	2013
\$ 8,210	\$ 12,239	\$ 12,339	\$ 12,581	\$ 13,953
48,733	43,655	42,089	41,037	43,478
70,991	71,379	66,041	63,376	65,447
119,631	117,873	115,634	121,730	128,363
189,624	160,244	146,146	163,013	185,123
91,100	77,879	58,177	67,975	75,686
161,684	158,016	196,602	216,063	201,642
115,747	115,538	132,188	137,444	165,937
284,376	263,940	279,060	301,495	316,419
<u>\$ 1,090,096</u>	<u>\$ 1,020,763</u>	<u>\$ 1,048,276</u>	<u>\$ 1,124,714</u>	<u>\$ 1,196,048</u>

**City of Pomona  
Operating Indicators by Function  
Last Nine Fiscal Years**

**Schedule 21**

	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Police:</b>									
Felony Arrests	4,428	4,276	4,234	3,686	3,584	3,150	2,825	2,713	3,145
Misdemeanor Arrests	8,747	8,591	8,886	8,042	7,824	6,686	5,557	5,780	5,821
Parking Citations	12,492	13,000	14,670	24,293	26,223	24,305	22,685	21,462	36,718
Moving Citations	12,510	5,774	18,663	18,470	25,305	18,412	11,554	10,452	9,179
<b>Fire:</b>									
Incidents	11,989	12,892	12,557	12,393	12,171	12,317	12,239	11,807	12,447
<b>Urban development:</b>									
Residential building permits issued	3,052	3,174	3,039	2,111	1,372	1,314	655	720	622
Inspections	12,907	14,585	20,877	23,235	17,278	6,918	5,378	5,645	4,054 *
Asphalt repaired (square feet)	18,000	19,500	16,600	31,862	23,911	26,489	38,842	9,222	19,400
Sidewalk repaired (square feet)	24,500	26,000	16,859	14,977	6,328	12,508	18,700	12,415	7,285
<b>Community services:</b>									
Community Center participants	528,255	556,000	919,153	899,611	409,595	335,931	502,674	572,270	520,157
Senior Program participants	108,250	110,240	185,285	244,000	145,851	101,104	120,095	121,165	108,086
Youth program participants	278,654	280,000	286,925	234,648	263,744	254,827	381,280	403,617	362,217
Other program participants	56,365	66,200	70,329	72,345	47,043	64,574	36,296	42,343	49,854
Sports Teams	250,350	450,300	376,614	348,618	206,853	314,405	254,989	311,201	309,795
Facility rentals	420	466	424	273	220	248	310	547	635
<b>Library:</b>									
Program attendance (all programs)	18,131	17,650	11,514	10,711	12,350	10,855	8,857	8,568	1,770
Literacy instruction (hours)	1,048	1,500	762	639	871	968	709	749	-
<b>Water:</b>									
New connections	121	166	47	152	23	10	5	7	17
Average daily consumption (thousands of gallons)	21,179	19,990	23,028	22,086	20,693	18,487	17,719	17,865	18,670
<b>Refuse:</b>									
Curbside Collection (in tons)	41,279	42,000	42,884	41,638	39,407	37,436	38,068	36,472	37,246
Recycle Collection (in tons)	9,448	9,500	9,380	8,871	8,003	7,512	7,108	6,801	6,896
Greenwaste Collection (in tons)	n/a	n/a	14,687	13,259	13,267	13,975	14,280	13,234	12,510

Source: Various City Departments

Ten years of data is not available.

\* Method for calculating inspections changed in 2009-2010

**City of Pomona  
Capital Asset Statistics by Function  
Last Nine Fiscal Years**

**Schedule 22**

	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Police:</b>									
Stations	1	1	1	1	1	1	1	1	1
Patrol Units	45	45	45	45	44	44	44	42	58
<b>Fire:</b>									
Fire stations	8	8	8	8	8	8	8	8	8
<b>Public works:</b>									
Streets (miles)	n/a	296	297	388	388	388	388	388	388
Streetlights	n/a	9933	9,939	7,645	7,645	7,645	7,645	7,645	7,701
Traffic signals	n/a	n/a	175	175	176	180	180	161	162
<b>Community services:</b>									
Parks	25	25	25	26	26	26	26	26	26
Park Acreage	210	210	210	210	221	221	221	221	221
Baseball fields	14	14	14	14	14	14	14	14	14
Soccer fields	11	11	11	13	17	17	17	17	17
Basketball courts	17	17	18	22	22	22	22	22	22
Tennis courts	9	9	9	9	9	9	9	9	9
Community centers	7	7	12	13	13	13	14	14	14
Libraries	1	1	1	1	1	1	1	1	1
<b>Water:</b>									
Water mains (miles)	435	435	436	439	439	439	467	457	457
<b>Sewer:</b>									
Sanitary sewers (miles)	293	313	313	313	313	313	357	305	305
Storm drains (miles)	120	120	120	120	120	120	120	120	120

Source: Various City Departments

Ten years of data is not available.

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