



# **CITY OF POMONA**

**California**

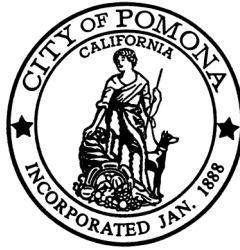
## **Comprehensive Annual Financial Report**



**For the Year Ended June 30, 2016**

CITY OF POMONA, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2016

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CITY OF POMONA, CALIFORNIA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

**Year Ended June 30, 2016**

Elliott Rothman

Mayor

John Nolte

Councilmember, District 1

Adriana Robledo

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  
Onyx Jones, Finance Director

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CITY OF POMONA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2016  
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THE CITY OF  
**POMONA**  
Finance Department

January 26, 2017

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, 2016 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, 2016. 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 complement 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.

In addition to the comprehensive audit, the City is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulation Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. 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 includes component units all of which are described below:

### **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, Senior Accountant, and the Deputy City Manager serve as the governing board for the Pomona Public Financing Authority. The Public Works Director, Deputy Public Works Director, Water/Wastewater Manager, Supervising Water Resources Engineer, and Water Treatment and Quality Supervisor for the City 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 including 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 Redevelopment 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 to ensure sanitary and safe housing exists in the City of Pomona and that such housing is available to persons of low income at affordable rental rates. The City provides management assistance to the Housing Authority, and the members of the City Council also act as the governing body of the Housing Authority. The Housing 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 155,604 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 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 Tom & Glasser Inc., First Transit, Hayward Industries, Inland Valley Care and Rehab, Kittich Corporation, Verizon, Walmart, Los Angeles County Fair Association (Fairplex) and Target. As a regional healthcare hub, Pomona boasts a premier facility in the Pomona Valley Hospital Medical Center and the non-profit Casa Colina Centers for Rehabilitation.

Per 2016 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 64,900 workers.

Retail Sales and Use Tax remains an extremely significant source of revenue, and activity now is still on the rebound from levels depressed by the so-called "Great Recession," with annual taxable retail sales of more than \$1.56 billion dollars during Fiscal Year 2015-16 based on actual revenues received. 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.

Current assessed valuation for the City of Pomona including redevelopment areas is \$9,840,105,629 according to the Office of the Los Angeles County Auditor-Controller. Based on the City assessed valuation, overall property tax receipts (secured, unsecured, transfer tax, in-lieu, etc.) were 31.1% of the 2015-16 General Fund revenues, while sales tax and related line items were 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. To ensure its fiscal health, on May 2, 2011, the City Council adopted resolution number 2011-49 approving the City's Fiscal Sustainability Policy. This policy established guidelines for the City's overall fiscal planning and management and is intended to foster and support continued financial strength and stability of the City. The policy is quite comprehensive and covers areas of Budget, Economic Development, Risk Management, Accounting-Auditing-Financial Reporting, Cash Management and Investments, and Debt Management. The policy also required a separate Fund Balance Policy to ensure fiscal health of the City. Part of the Fund Balance Policy adopted by the City Council on June 20, 2011, requires the General Fund to have a 'Committed Fund Balance' of 17% of operating expenditures by June 30, 2020. The policy provides a scale for reaching the 17% starting with 8% as of June 2012 and ending with the 17% in 2020. Based on 2015-16 General Fund expenditure and fund balance numbers, the General Fund has already exceeded the final goal of 17%.

## **OUTLOOK FOR THE FUTURE**

As the City looks ahead to 2016-17, staff is encouraged by the General Fund reserve balance and indicators that a modest economic recovery is finally underway. However the adopted FY 16/17 budget does include a deficit and the revenues and organizational structure are being reviewed to help future budgets. The City is also fully aware that the rebounds to the tax revenues are slow and the City's financial structure could be challenged in the future. The City of Pomona must identify sustainable resources to address increasing cost such as retirement, continued rise in retiree health costs, debt service requirements, yearly increase for the LA County Fire contract, costs for deferred maintenance of facilities and infrastructure, and a decrease in funding for programs such as Asset Forfeiture.

## 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 Title 2 U.S. Code of Federal Regulation Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The results of the City's single audit for the fiscal year ended June 30, 2016 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 Uniform Guidance. 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, 2015. The City of Pomona has received a Certificate of Achievement for the last twenty-three consecutive years (1993-2015). 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, 2016. 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,



Onyx Jones  
Finance Director



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

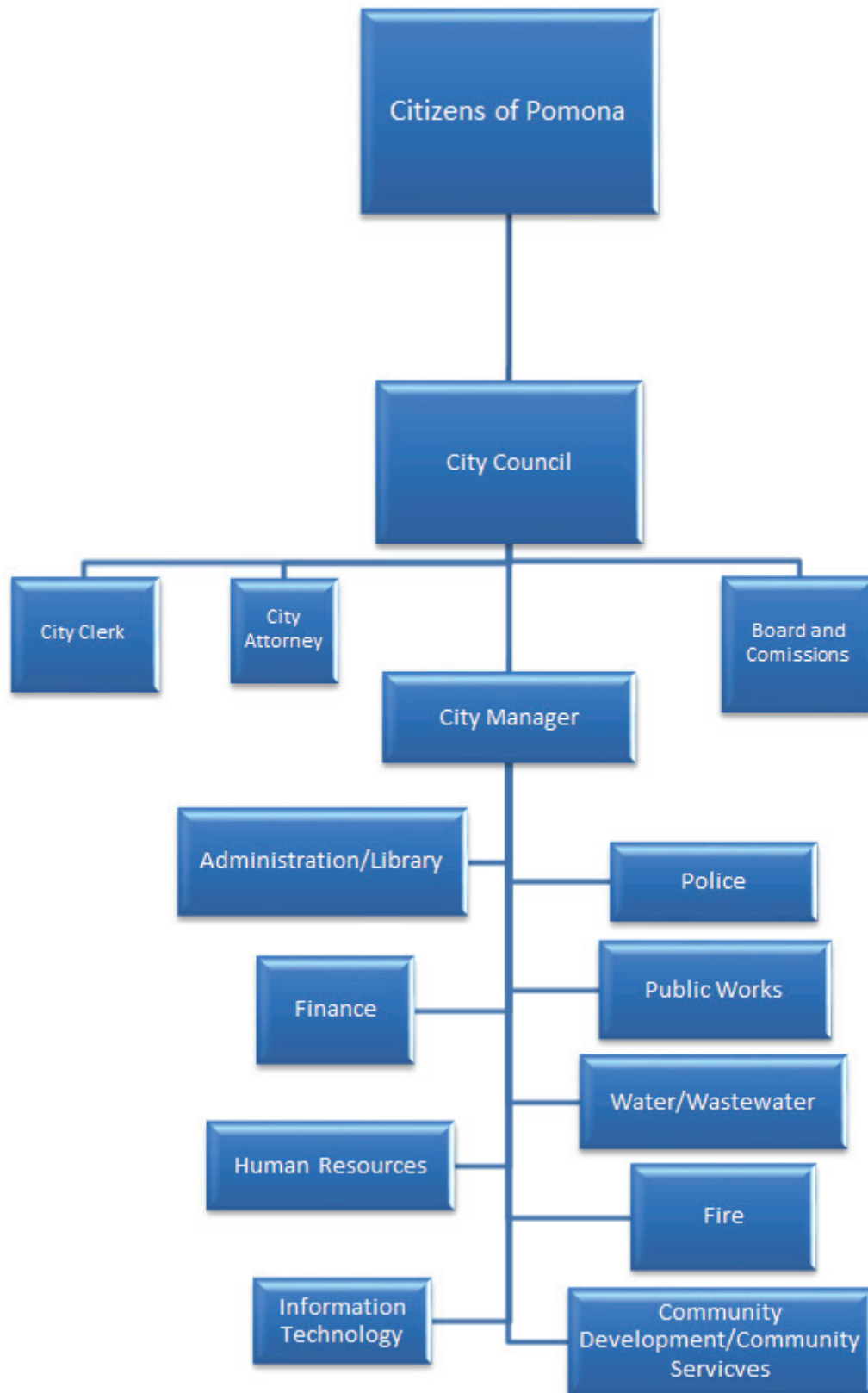
**June 30, 2015**



Executive Director/CEO



# Organizational Chart



CITY OF POMONA

# DIRECTORY OF CITY OFFICIALS

at June 30, 2016

## CITY COUNCIL

**Elliott Rothman**

Mayor

**John Nolte**  
Councilmember  
District 1

**Adriana Robledo**  
Councilmember  
District 2

**Cristina Carrizosa**  
Councilmember  
District 3

**Paula Lantz**  
Councilmember  
District 4

**Ginna E. Escobar**  
Councilmember  
District 5

**Debra Martin**  
Councilmember  
District 6

## APPOINTED ADMINISTRATIVE OFFICIALS

City Manager .....Linda Lowry  
City Attorney ..... Arnold Alvarez-Glasman  
City Clerk ..... Eva M. Buice  
City Treasurer .....Onyx Jones

## DEPARTMENT DIRECTORS

Finance .....Onyx Jones  
Fire (Los Angeles County) ..... Jim Robinson  
Human Resources ..... Linda Matthews  
Information Technology ..... John DePolis  
Library ..... Mark Gluba  
Community Development/Community Services ..... Mark Lazzaretto  
Police Chief..... Paul Capraro  
Public Works.....Rene Salas  
Water/Wastewater..... Darron Poulsen



## INDEPENDENT AUDITORS' REPORT

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

### **Report on the 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 City of Pomona, California, (the City) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance 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, 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, 2016, 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, the budgetary comparison schedules for the General Fund, Housing Authority and Miscellaneous Grant Fund, the schedules of changes in net pension liability and related ratios, and the schedules of plan contributions 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 January 25, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Lance, Soll & Lughard, LLP*

Brea, California  
January 25, 2017

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Fiscal Year Ended June 30, 2016

The following Management's Discussion and Analysis (MD&A) of the City of Pomona's financial performance provides an introduction and overview to the financial activities of the City for the fiscal year ended June 30, 2016. This narrative discussion and analysis focuses on the fiscal year 2015-16 activities, resulting changes and current known facts; therefore, the information presented here should be considered in conjunction with additional information furnished in the transmittal letter and the accompanying basic financial statements.

### FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal year by \$206 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$94.2 million.
- At the end of the current fiscal year, committed fund balance for fiscal sustainability in the General Fund was \$15.7 million, which is 17% of total general fund expenditures, including transfers out.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis portion of the annual financial report is intended to serve as an introduction to, and provide the reader with a fundamental understanding of, the Comprehensive Annual Financial Report (CAFR) for the City of Pomona. The CAFR is divided into four main sections. First is the Introductory Section which provides the letter of transmittal, an organizational chart, and a list of City officials. The Introductory Section is followed by the Financial Section, which contains the independent auditor's report, the management's discussion and analysis, and finally the basic financial statements. These statements contain the "core" financial information for the City of Pomona. The basic financial statements include the government-wide financial statements, followed by the fund financial statements, and finally, the notes to the financial statements. The Financial Section is followed by the Supplemental Data portion of the report, which provides individual fund and combining information that rolls up into the amounts shown in the basic financial statements. The final portion of the CAFR is the Statistical Section. This section presents selected financial and demographic information, generally presented on a multi-year basis.

**Government-wide financial statements.** The government-wide financial statements are designed to provide the reader with a broad overview of the City of Pomona's finances, in a manner similar to a private sector business. Information contained within the government-wide statements includes the entire City government (except fiduciary funds) and the City's component units. These statements use the accrual basis of accounting with the measurement focus on that of economic resources. All assets and liabilities, both financial and capital, short-term and long-term, are included. All revenues and expenses during the year, regardless of when cash is received or disbursed, are reported. The government-wide financial statements include the Statement of Net Position and the Statement of Activities.

The *Statement of Net Position* presents information on all of the City of Pomona's assets and liabilities, with the difference between the two reported as "net position". Increases or decreases in net position may serve as a useful indicator as to whether the financial condition of the City of Pomona is improving or deteriorating over time.



The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event causing the change occurs, regardless of when cash is actually received or disbursed. This means that revenues and expenses in this statement are recorded when earned or a liability is incurred. Thus, items such as the value of earned but unused vacation leave will be recorded as an expense of the current period, even though the actual use of the vacation time may not be until subsequent periods.

Both of the government-wide statements distinguish between functions of the City of Pomona that are principally supported by taxes or intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Pomona include general government, public safety, urban development, neighborhood services, and interest and fiscal charges. The business-type activities of the City of Pomona include water, sewer, refuse and Canon Water Company operations.

**Fund financial statements.** A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Pomona, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. All of the funds of the City of Pomona can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

*Governmental funds* include activities of the City that are not proprietary or fiduciary. These funds are used to account for, essentially, the same functions reported as "governmental activities" in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund financial statements use the modified accrual basis of accounting and focus on near-term inflows and outflows of spendable resources, as well as the balances of spendable resources available at the end of the fiscal year. Only assets expected to be used and liabilities that come due during the year or soon thereafter are reported on the Balance Sheet. No capital assets are included. Revenues for which cash is received during or soon after the end of the year, and expenditures for goods and services that have actually been received during the year, are included within the Statement of Revenues, Expenditures, and Changes in Fund Balance.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds in the fund financial statements with similar information presented for "governmental activities" in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison.

The City of Pomona maintains 19 individual governmental funds. Individual fund information is presented for the "major" funds in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance. The major funds presented include the General Fund, the Housing Authority Fund, the Miscellaneous Grants Fund, the General Debt Service Fund, and the Public Financing Authority Debt Service Fund. Information for the remaining governmental funds is combined into a single "other governmental funds" column on the face of the financial statements. Individual fund data for each of these non-major governmental funds is provided in the form of "combining statements" presented in the Supplemental Data portion of the report.

*Proprietary funds* are used to report two types of funds: enterprise funds and internal service funds. Enterprise funds report the same functions presented as "business-type" activities in the government-wide financial statements. These include activities that the City operates similar to a private business. The City of Pomona uses enterprise funds to account for the operations of the City and Canon Water Company all of which are considered "major" funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Pomona uses internal service funds to account for its self-insurance activities, equipment maintenance activities, information technology activities, and printing/mail service activities. Because these four services predominately benefit governmental rather than business-type functions, the activities have been included within "governmental activities" in the government-

wide financial statements. All internal service funds are combined into a single aggregated column presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements presented in the Supplemental Data portion of the report.

Proprietary funds use the accrual basis of accounting and focus on the accumulation and use of economic resources. 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. All assets and liabilities, both financial and capital, short and long-term are included within these statements. All revenues earned and expenses incurred during the year are also included, regardless of when cash is actually received or paid.

*Fiduciary funds* are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the funds are custodial in nature, and therefore, these resources are not available to fund the City of Pomona programs.

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

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net position.** As mentioned earlier, net position may serve over time as a useful indicator of a government's financial position. Total net position has increased when compared to the prior year, indicating that the City's overall financial position has improved. Below is a summary schedule showing the components that make up the City's net position (in millions) at June 30, 2016 and 2015.

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Current and other assets	\$ 120.7	\$ 117.4	\$ 88.3	\$ 88.2	\$ 209.0	\$ 205.6
Capital assets	265.8	273.5	159.2	156.5	425.0	430.0
Total assets	<u>386.5</u>	<u>390.9</u>	<u>247.5</u>	<u>244.7</u>	<u>634.0</u>	<u>635.6</u>
Deferred outflows of resources						
Deferred charge	0.1	0.1	1.5	1.7	1.6	1.8
Deferred pension related items	27.2	7.9	3.8	1.1	31.0	9.0
Total deferred outflows of resources	<u>27.3</u>	<u>8.0</u>	<u>5.3</u>	<u>2.8</u>	<u>32.6</u>	<u>10.8</u>
Current and other liabilities	24.5	8.5	11.2	6.8	35.7	15.3
Long-term liabilities outstanding	247.0	247.6	145.3	150.0	392.3	397.6
Total liabilities	<u>271.5</u>	<u>256.1</u>	<u>156.5</u>	<u>156.8</u>	<u>428.0</u>	<u>412.9</u>
Deferred inflows of resources						
Deferred pension related items	28.3	27.3	4.3	4.2	32.6	31.5
Total deferred inflows of resources	<u>28.3</u>	<u>27.3</u>	<u>4.3</u>	<u>4.2</u>	<u>32.6</u>	<u>31.5</u>
Net Position:						
Net Investment in capital assets	224.5	232.2	43.0	42.1	267.5	274.3
Restricted	116.5	138.5	24.0	28.9	140.5	167.4
Unrestricted	(227.0)	(255.2)	25.0	15.5	(202.0)	(239.7)
<b>Total net position</b>	<u>\$ 114.0</u>	<u>\$ 115.5</u>	<u>\$ 92.0</u>	<u>\$ 86.5</u>	<u>\$ 206.0</u>	<u>\$ 202.0</u>

## CITY OF POMONA

Management's Discussion and Analysis, Continued  
Year Ended June 30, 2016

For the City of Pomona, total assets deferred outflows exceeded total liabilities and deferred inflows by \$206 million at June 30, 2016. As the table above shows, an amount of \$267.5 million is reported as *net investment in capital assets*. This amount represents those capital assets (land, buildings, improvements, equipment, and work in progress), some of which have been acquired over time and financed by the issuance of long-term debt. The City of Pomona uses these capital assets to provide services to the citizens of the City, and the assets are therefore not available for meeting current financial obligations. Although net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must come from other operating sources, since the capital assets themselves cannot be used to make debt service payments.

An additional portion of net position, in the amount of \$140.5 million, reported as *restricted* net position represents resources that are subject to external restrictions on how it may be used. Restrictions include assets that are legally set aside for future capital development, capital projects, housing-related activities, debt service reserves, and other legally restricted amounts. The remaining balance is *unrestricted* net position of \$(202 million). It is not uncommon in government entities to see an unrestricted net position deficit. There are many reasons why this could occur but the City of Pomona has a deficit due to the issuance of several long term liabilities that were used to slowly invest in City assets over a long period of time rather than all at once in advance. Also the City was required to implement new accounting standards in FY 2014/15, GASB 68 which required the City to record the total unfunded liability relating to Pension plans. This caused the unrestricted net position deficit to increase significantly. In FY 2018, GASB 75 will negatively impact the City's unrestricted Net Position by having to record the unfunded liability for the City's Other Post-Employment Benefits (OPEB).

**Changes in net position.** The statement of net position provides a snapshot at a given point in time of the assets and liabilities of the City. The other citywide statement provided is the *Statement of Activities*. This statement provides the reader with information regarding the revenues, expenses, and changes in net position over the fiscal year. Generally, all changes to the City's net position from one fiscal year to the next flow through the statement of activities. 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. The following is a summary schedule showing the components that make up the City's changes in net position (in millions) for the years ended June 30, 2016 and 2015.

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 17.3	\$ 14.3			\$ 17.3	\$ 14.3
Water	-	-	\$ 28.2	\$ 29.9	28.2	29.9
Sewer	-	-	4.4	4.7	4.4	4.7
Refuse	-	-	9.7	9.6	9.7	9.6
Operating contributions and grants	17.0	17.6	-	-	17.0	17.6
Capital contributions and grants	11.4	12.6	-	-	11.4	12.6
General Revenues:						
Taxes:						
Property taxes	33.7	36.4	-	-	33.7	36.4
Sales taxes	15.2	13.5	-	-	15.2	13.5
Motor vehicle licenses	0.1	0.1	-	-	0.1	0.1
Transient occupancy taxes	1.7	1.6	-	-	1.7	1.6
Property transfer taxes	1.9	1.6	-	-	1.9	1.6
Franchises taxes	6.4	6.6	-	-	6.4	6.6
Utility users taxes	16.4	17.5	-	-	16.4	17.5
Business licenses (nonregulatory)	3.4	3.3	-	-	3.4	3.3
Other taxes	0.1	0.1	-	-	0.1	0.1
Interest and rentals	2.7	2.1	0.3	0.1	3.0	2.2
Miscellaneous	3.3	3.5	1.4	0.1	4.7	3.6
Gain on sale of capital assets	-	-	-	-	-	-
Extraordinary gain (loss) on RDA dissolution	-	0.8	-	-	-	0.8
Total revenues	<u>\$ 130.5</u>	<u>\$ 131.5</u>	<u>\$ 44.0</u>	<u>\$ 44.4</u>	<u>\$ 174.5</u>	<u>\$ 175.9</u>

CITY OF POMONA

Management's Discussion and Analysis, Continued  
Year Ended June 30, 2016

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
<b>Expenses:</b>						
General government	\$ 7.6	\$ 5.6	\$ -	\$ -	\$ 7.6	\$ 5.6
Public safety	68.9	67.6	-	-	68.9	67.6
Urban development	43.5	42.1	-	-	43.5	42.1
Neighborhood services	7.9	6.2	-	-	7.9	6.2
Interest on long-term debt	5.0	5.2	-	-	5.0	5.2
Water	-	-	25.8	27.1	25.8	27.1
Sewer	-	-	4.0	3.9	4.0	3.9
Refuse	-	-	8.0	8.5	8.0	8.5
Canon Water Company	-	-	-	-	-	-
Total expenses	<u>132.9</u>	<u>126.7</u>	<u>37.8</u>	<u>39.5</u>	<u>170.7</u>	<u>166.2</u>
Increase in net position before transfers	(1.9)	4.8	5.7	4.9	3.8	9.7
Transfers	(0.5)	1.0	0.5	(1.0)	-	-
Increase (decrease) in net position	(2.4)	5.8	6.2	3.9	3.8	9.7
Net position at beginning of year	115.6	264.6	86.6	99.7	202.2	364.3
Restatement of Net Position	0.8	(154.8)	(0.8)	(17.0)	-	(171.8)
Net position at end of year	<u>\$ 114.0</u>	<u>\$ 115.6</u>	<u>\$ 92.0</u>	<u>\$ 86.6</u>	<u>\$ 206.0</u>	<u>\$ 202.2</u>

**Governmental Activities** - The City's program revenues totaled \$45.7 million. The City paid for the remaining "public benefit" portion of governmental activities with \$87.2 million in taxes (some of which is restricted for certain programs). The cost of all governmental activities this year was \$132.9 million. However, as shown above in the changes in net position, the amount taxpayers ultimately financed for these activities was \$87.2 million since some of the cost was paid by Charge for Services revenue (\$17.3 million), or by other governments and organizations that subsidized certain programs with operating contributions and grants (\$17 million), and capital contributions and grants (\$11.4 million). The City had a \$2.4 million decrease in net position from governmental activities (see Financial Analysis of the City's Funds – General Fund for explanation) in 2015-16.

**Business Type Activities** - The cost of all business-type activities in 2015-16 was \$37.8 million. As shown above in the changes in net position, the amount of revenue received was \$44.0 million. Total resources available during the year to finance business-type activities were \$129.8 million consisting of Net Position at July 1, 2015 of \$85.8 million, after a restatement of \$(.8 million) due to a capitalization error, revenues of \$44.0 million, expenditures of \$37.8 million and consideration of \$(0.5 million) in transfers; thus net position increased by \$6.2 million. The increase was primarily due to the reduction in expenses in the Water Fund primarily due to the decrease in purchase of water when compared to the prior year. The City and its residents made a conscious effort to reduce water usage due to the drought and imposed water restrictions. The conservation efforts also lead to decreased charges for services revenue for the City.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The City uses governmental fund accounting to ensure compliance with budgetary allocations and to maintain control over resources that are legally, or otherwise, restricted for specific purposes. Following is a discussion of the individual "major" funds as shown on the Balance Sheet for Governmental Funds in the basic financial statements.

**General Fund** - The General Fund is used to account for the general operations of the City. It is used to account for all financial resources, except those required to be accounted for in another fund. The General Fund is always reported as a "major fund". The General Fund reported \$91.7 million in revenues and \$87.1 million in expenditures resulting in revenues over expenditures in the amount of \$4.6 million before accounting for net other financing uses of \$5 million, resulting in the General Fund fund balance to decrease by \$.5 million for the fiscal year. Total fund balance at June 30, 2016 was \$16.8 million, composed of \$23.4 million in assets combined with \$3.6 million in liabilities and \$3 million in deferred inflows and resources. Total fund balance includes \$0.1 million in nonspendable fund balance, which represents that portion of fund balance that is not available for appropriation. Committed fund balance totals \$15.7 million for fiscal sustainability. The City has a

fiscal sustainability policy that was adopted by resolution 2011-49 for the purpose of guiding the City's financial planning to meet financial obligations while providing high quality services. The policy states that 17% of the general fund operating expenditures including transfers out is to be committed for fiscal sustainability. The committed portion of fund balance can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council, and remains in-place unless removed in the same manner. The remaining portion of fund balance is considered unassigned. General fund revenues increased \$1.7 million in the fiscal year when compared to the prior year which was due to an increase in licenses and permits revenues. In total, tax revenues decreased when compared to the prior fiscal year. Two major sources of tax revenue that decreased were Property Tax and Utility Users Tax. The reason for the Property Tax decrease was due to the passing of SB 107 where certain portions of the property tax relating to the old redevelopment agency project area caps that went to the City were kept by the County instead. The Utility Users Tax decreased mainly due to the continued water conservation efforts, decrease in the number of telephone lines in homes, lower cost cell phone plans and increase solar power for homes. General fund expenditures increased by \$7 million (including transfers out) mainly due to the City ending employee furloughs, the various bargaining units receiving merit and Cost of Living increases as well as the increased CalPERS retirement costs. CalPERS changed their actuarial assumptions in July 2011 resulting in rate increases that took effect in FY 2012. The yearly increases have been significant and will continue for FY 2017 and beyond.

*Housing Authority Fund* – The Housing Authority Fund accounts for grant revenues for housing assistance program payments and acquisition, rehabilitation, and administration of properties used to provide affordable rental housing. The Housing Authority fund has historically been a “major” fund based on criterion set forth by GASB 34. For the fiscal year the Housing Authority reported \$13.5 million in revenues and \$13.2 million in expenditures, resulting in a net change in fund balance in the amount of \$0.3 million. The Housing Authority fund is made up of \$29.2 million in assets, combined with \$0.3 million in liabilities and \$1.3 million in deferred inflows and resources resulting in \$27.6 million in fund balance. The \$27.6 million in fund balance is restricted for Urban Development. Housing Authority fund revenues increased by \$3.5 million in the fiscal year when compared to the prior year due to increased funding from the Department of Housing and Urban Development. Housing Authority expenditures decreased .5% when compared to the prior year.

*Miscellaneous Grants Fund* – The Miscellaneous Grants fund accounts for the revenues received and expenditures made for federal, state and or county approved programs and projects. The Miscellaneous Grants fund has historically been a “major” fund based on criterion set forth by GASB 34. For the fiscal year, the Miscellaneous Grants fund reported \$3.3 million in revenues and \$2.9 in expenditures resulting in excess of revenues over expenditures of \$0.3 million. After a total other financing sources of \$0.1, the resulting net change in fund balance totals \$0.4. The fund is made up of \$23.1 million in assets combined with \$0.3 million in liabilities and \$3.9 million in deferred inflows and resources resulting in \$18.9 million in fund balance. The entire fund balance is restricted for specific purposes. Miscellaneous Grants revenue and expenditures decreased 52% and 52% respectively.

*Non-Major Funds* - The Non-Major Governmental Funds show a net decrease of \$1.2 million in fund balance which was the result of a restatement increasing fund balance of \$.8 million due to a capitalization error and a decrease in fund balance of \$2.0 due to revenues being less than expenditures. The primary reason for the decrease in fund balance was due to the increased level of construction costs relating to various projects funded in the Capital Outlay fund.

The following funds were reported as “major” funds on the Statement of Net Position for Proprietary Funds in the basic financial statements:

*Water Fund* – The Water Fund is used to account for all activities associated with the distribution and transmission of potable water as well as reclaimed water to users. The Water Fund reported \$28.2 million in operating revenues and operating expenses of \$20.8 million resulting in operating income of \$7.4 million. After consideration of non-operating revenues, expenses and transfers the total change in net position is \$3.2 million with total revenues in excess of expenses. The beginning net position is \$64.8 million resulting in an ending fund balance of \$68 million. The Water Fund is made up of \$62.8 million in current assets, \$126.6 in non-current assets, \$3.7 million in deferred outflows of resources, \$9.1 million in current liabilities, \$112.9 in non-current liabilities and \$3.1 million in deferred inflow of resources resulting in net position of \$68 million.

*Sewer Fund* – The Sewer Fund is used to account for the operation and maintenance of the City's sewer network. The Sewer Fund reported \$4.5 million in operating revenues and operating expenses of \$2.7 million resulting in operating income of \$1.8 million. After consideration of non-operating revenues, non-operating expenses, and transfers the total change in net position is \$0.9 million with total revenues in excess of expenses. The beginning net position of \$16.6 million was restated to \$15.8 due to a capitalization error thus decreasing the beginning net position. The Sewer Fund is made up of \$16.2 million in current assets, \$28.9 in non-current assets, \$0.9 million in deferred outflows of resources, \$0.7 million in current liabilities, \$28.1 in non-current liabilities and \$0.5 million in deferred inflow of resources resulting in net position of \$16.7 million.

*Refuse Fund* – The Refuse Fund is used to account for all activities associated with residential refuse collection, and curbside collection of recycling materials. The Refuse Fund reported \$9.9 million in operating revenues and operating expenses of \$8.2 million resulting in operating income of \$1.6 million. After consideration of non-operating revenues, non-operating expenses and transfers the total change in net position is \$1.6 million with total revenues in excess of expenses. The beginning net position of \$3.9 million was increased to \$5.5 million. The Refuse Fund is made up of \$7.6 million in current assets, \$3.6 in non-current assets, \$0.7 million in deferred outflows of resources, \$1.4 million in current liabilities, \$4.3 in non-current liabilities and \$0.7 million in deferred inflow of resources resulting in net position of \$5.5 million.

*Canon Water Company* – The Canon Water Company Fund is used to account for the activities of the Canon Water Company. The Canon Water Company was elected as a major fund by the City. The fund reported \$0.06 million in operating revenues and operating expenses of \$0.02 million resulting in operating income of \$0.04 million. After consideration of non-operating revenues the total change in net position is \$0.04 million with total revenues in excess of expenses. The Canon Water Company Fund is made up of \$0.423 million in assets and \$0.007 in liabilities resulting in net position of \$0.416 million.

#### **GENERAL FUND BUDGETARY INFORMATION**

The originally adopted General Fund budget contained \$91.3 million in appropriations to fund operations and services. This amount increased to \$95.4 million by the end of the fiscal year through City Council approved budget amendments. This increase in the amount of \$4.1 million consisted primarily of:

- Increased personnel costs due to Merit increase and Cost of Living increase per the Memorandums of Understanding (MOU's).
- Approximately \$800 thousand for increased costs relating to the Interwest Contract. The City contracts out services to Interwest where Interwest receives a percentage of the revenues. Revenues were anticipated to increase significantly therefore the appropriations increase significantly as well.
- At the mid-year budget review, there were recommendations for various projects to increase appropriations by approximately \$1.48 million

General Fund expenditures as a whole were under budget at the completion of the fiscal year. All General Fund revenue budget category estimates were exceeded by the actual revenues except for Taxes, Charges for Services, and Interest and Rentals for Services. The budget shortfall for taxes was \$4.6 million and the reason for this was the unknown effects of the implementation of SB 107, the triple flip expiring, and decrease in UUT.

**DEBT ADMINISTRATION**

At the end of the fiscal year, the City and its component units (Pomona Public Financing Authority and Pomona Housing Authority) had total long-term debt outstanding of \$410.2 million.

	Governmental Activities	Business-Type Activities	Total
Pollution remediation obligations	\$ 1,345,606	\$ -	\$ 1,345,606
Obligations under capital leases	702,985	2,430,985	3,133,970
Notes payable	435,000	-	435,000
Revenue bonds	37,938,000	130,187,861	168,125,861
Pension obligation refunding bonds	44,152,153	-	44,152,153
Certificates of participation	10,970,569	-	10,970,569
Compensated absences	7,252,814	1,403,610	8,656,424
Claims payable	14,057,215	-	14,057,215
Net pension liability	121,670,922	14,745,588	136,416,510
OPEB obligations	22,923,937	-	22,923,937
Total	<u>\$ 261,449,201</u>	<u>\$ 148,768,044</u>	<u>\$ 410,217,245</u>

Additional information on the City's long-term debt may be found in Note 10 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 3 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, 2016, net capital assets of the governmental activities totaled \$265.8 million and the net capital assets of the business-type activities totaled \$159.1 million. Depreciation on capital assets is recognized in the government-wide financial statements.



CITY OF POMONA

Management's Discussion and Analysis, Continued  
Year Ended June 30, 2016

Description	Original Cost	Accumulated Depreciation	Book Value
<b>Capital Assets - Governmental Activities</b>			
Land	\$ 80,966,521	\$ -	\$ 80,966,521
Construction in progress	22,030,816	-	22,030,816
Buildings and improvements	14,941,552	12,255,957	2,685,595
Improvements other than buildings	60,003,395	26,210,091	33,793,304
Machinery and equipment	21,146,261	17,764,462	3,381,799
Furniture and fixtures	1,014,456	860,742	153,714
Autos and trucks	11,219,732	8,820,685	2,399,047
Equipment under capital leases	1,037,970	470,120	567,850
Infrastructure	382,767,392	262,927,487	119,839,905
<b>Total</b>	<b>\$ 595,128,095</b>	<b>\$ 329,309,544</b>	<b>\$ 265,818,551</b>
<b>Capital Assets - Business -Type Activities</b>			
Land	\$ 9,089,782	\$ -	\$ 9,089,782
Construction in progress	4,405,074	-	4,405,074
Buildings and improvements	3,482,783	3,301,266	181,517
Improvements other than buildings	286,638	130,161	156,477
Machinery and equipment	221,948,295	80,732,207	141,216,088
Furniture and fixtures	5,105	5,105	-
Autos and trucks	4,510,802	3,385,111	1,125,691
Equipment under capital leases	4,257,381	1,277,214	2,980,167
<b>Total</b>	<b>\$ 247,985,860</b>	<b>\$ 88,831,064</b>	<b>\$ 159,154,796</b>

For Government Activities, the largest increase in Capital Assets was in the infrastructure class. \$5.1 million was transferred from Construction in Process to Infrastructure due to three projects that were completed in FY 2015-16. The projects were:

- Project #68547 – Major Street Rehabilitation (\$4 million)
- Project #64709 – Sidewalks (\$1.1)
- Project #51209 – Crimeview Dashboard (\$.05 million)

For Enterprise Activities, the largest increase in Capital Assets was in the infrastructure class. \$18.1 million was transferred from Construction in Process to Machinery & Equipment due to several projects that were completed in FY 2015-16. The main projects were:

- Project #95064 – Treatment – Perchlorate Facility (\$8.3 million)
- Project #95066 – SCADA System (\$3.5)
- Project #95033 – Water Mains – Foothill Blvd. (\$3.5 million)

Additional information on the City of Pomona's capital assets may be found in Note 8 in the Notes to the Basic Financial Statements.

## ECONOMIC FACTORS

The National and Statewide economy played a role in City's financial position at the end of FY 2015-16. Revenues such as property taxes, investment income, development impact fees, and charges for services were still short of anticipated amounts due to impacts of the slowly rebounding housing and financial markets.

However, the City of Pomona's total Fiscal Year 2015-16 General Fund revenues grew by \$1.7 million (approximately 1.9%) versus prior year actuals. That being said, there were both increases and decreases across all revenues, with several in particular worth noting. All tax related revenue decreased by \$1.7 million. Property taxes decrease approximately \$1.5 million as a reflection of passed legislation, specifically SB 107, which affected the allocation of property taxes to local governments. Utility Users Tax decreased \$1 million due to water conservation efforts, decreased number of telephone lines in homes, lower cost cell phone plans and increased solar power usage for homes. Sales and Use Tax increased \$1.6 million also as a reflection of the continued improvement of the local economy in the City. Building permit receipts increased by \$1.3 million as a result on the continued improvement in the local economy. 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.

General Fund expenditures increased by \$7 million (approximately 8.3%) versus the prior year actual including transfers out. The increase is mainly due to increased salary and retirement costs. CalPERS changed their actuarial assumptions in July 2011 resulting in rate increases that took effect in FY 2012. The yearly increases have been significant and will continue for FY 2017 and beyond.

The City has ongoing deferred maintenance and capital improvement expenditures that are essential and unavoidable costs of doing business. Over the past few years, the City has only been able to do minimal capital and maintenance projects with one time money sources. The City's goal is to dedicate at least 1% of General Fund revenues annual to the Capital Improvement Program and to the vehicle/major equipment Replacement Fund.

The City is also suffering a Service Deficit. The economic downturn in 2009 resulted in a reduction in service due to layoffs and regular attrition for the City. As the fiscal implications of the recession begin to stabilize and the economic outlook improves, it is essential for the City to continue to seek innovative, cost effective measures to restore the functions and levels of service to the community.

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

This financial report is designed to provide Pomona residents, 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. Questions about this report, separate reports of the City's component units, or need any additional financial information, should be directed to 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, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 48,534,017	\$ 50,856,204	\$ 99,390,221
Receivables (net):			
Accounts	4,908,253	11,795,536	16,703,789
Notes and loans	32,563,499	-	32,563,499
Interest	72,790	59,558	132,348
Internal balances	(1,281,200)	1,281,200	-
Prepaid costs	44,533	11,870	56,403
Due from other governments	9,076,796	-	9,076,796
Inventories	432,601	321,805	754,406
Land held for resale	4,490,541	-	4,490,541
Advances to Successor Agency	4,000,000	-	4,000,000
Restricted assets:			
Cash	17,284,677	23,984,979	41,269,656
Other investments	600,000	9,000	609,000
Capital assets, not being depreciated	102,997,337	13,494,856	116,492,193
Capital assets, net of depreciation	162,821,214	145,659,940	308,481,154
<b>Total Assets</b>	<b>386,545,058</b>	<b>247,474,948</b>	<b>634,020,006</b>
<b>Deferred Outflows of Resources:</b>			
Deferred charge on refunding	119,529	1,517,634	1,637,163
Deferred pension related items	27,206,139	3,834,731	31,040,870
<b>Total Deferred Outflows of Resources</b>	<b>27,325,668</b>	<b>5,352,365</b>	<b>32,678,033</b>
<b>Liabilities:</b>			
Accounts payable	6,094,321	2,595,125	8,689,446
Payroll payable	2,119,410	382,354	2,501,764
Accrued liabilities	172,381	209,786	382,167
Interest payable	1,664,873	967,602	2,632,475
Deposits payable	100,993	3,590,297	3,691,290
Due to other governments	3,798	-	3,798
Noncurrent liabilities:			
Due within one year	14,488,903	3,470,826	17,959,729
Due in more than one year	102,365,439	130,551,630	232,917,069
Net pension liability	121,670,922	14,745,588	136,416,510
Other post employment benefits liability	22,923,937	-	22,923,937
<b>Total Liabilities</b>	<b>271,604,977</b>	<b>156,513,208</b>	<b>428,118,185</b>
<b>Deferred Inflows of Resources:</b>			
Deferred pension related items	28,307,659	4,318,021	32,625,680
<b>Total Deferred Inflows of Resources</b>	<b>28,307,659</b>	<b>4,318,021</b>	<b>32,625,680</b>
<b>Net Position:</b>			
Net investment in capital assets	224,471,223	42,988,769	267,459,992
Restricted for:			
Community development projects	60,805,429	-	60,805,429
Special projects	2,023,192	-	2,023,192
Capital projects	7,517,956	14,935,185	22,453,141
Debt service	46,247,973	9,049,793	55,297,766
Unrestricted	(227,107,683)	25,022,337	(202,085,346)
<b>Total Net Position</b>	<b>\$ 113,958,090</b>	<b>\$ 91,996,084</b>	<b>\$ 205,954,174</b>



## CITY OF POMONA

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Contributions and Grants	Contributions and Grants
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 7,562,244	\$ 2,695,741	\$ -	\$ -
Public safety	68,882,651	3,942,370	945,448	-
Urban development	43,544,386	10,022,840	15,779,540	11,307,509
Neighborhood services	7,853,695	610,637	269,235	-
Interest on long-term debt	5,027,126	-	-	-
<b>Total Governmental Activities</b>	<b>132,870,102</b>	<b>17,271,588</b>	<b>16,994,223</b>	<b>11,307,509</b>
Business-Type Activities:				
Water	25,763,116	28,189,546	-	-
Sewer	4,026,081	4,425,247	-	-
Refuse	8,028,531	9,692,936	45,841	-
Canon Water Company - February 28, 2016	21,080	64,221	-	-
<b>Total Business-Type Activities</b>	<b>37,838,808</b>	<b>42,371,950</b>	<b>45,841</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 170,708,910</b>	<b>\$ 59,643,538</b>	<b>\$ 17,040,064</b>	<b>\$ 11,307,509</b>

**General Revenues:**

## Taxes:

Property taxes  
Sales taxes  
Motor vehicle licenses  
Transient occupancy taxes  
Property transfer taxes  
Franchise taxes  
Utility users taxes  
Business licenses  
Other taxes  
Interest and rentals  
Miscellaneous

**Transfers****Total General Revenues and Transfers**

Change in Net Position

Net Position, Beginning of Year

Restatement of Net Position

**Net Position, End of Year**

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

---

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (4,866,503)	\$ -	\$ (4,866,503)
(63,994,833)	-	(63,994,833)
(6,434,497)	-	(6,434,497)
(6,973,823)	-	(6,973,823)
(5,027,126)	-	(5,027,126)
<b>(87,296,782)</b>	<b>-</b>	<b>(87,296,782)</b>
-	2,426,430	2,426,430
-	399,166	399,166
-	1,710,246	1,710,246
-	43,141	43,141
<b>-</b>	<b>4,578,983</b>	<b>4,578,983</b>
<b>(87,296,782)</b>	<b>4,578,983</b>	<b>(82,717,799)</b>
33,716,887	-	33,716,887
15,171,472	-	15,171,472
61,498	-	61,498
1,723,719	-	1,723,719
1,859,615	-	1,859,615
6,425,511	-	6,425,511
16,419,345	-	16,419,345
3,408,813	-	3,408,813
139,498	-	139,498
2,665,388	313,933	2,979,321
3,759,791	817,020	4,576,811
(482,001)	482,001	-
<b>84,869,536</b>	<b>1,612,954</b>	<b>86,482,490</b>
(2,427,246)	6,191,937	3,764,691
115,637,057	86,552,426	202,189,483
748,279	(748,279)	-
<b>\$ 113,958,090</b>	<b>\$ 91,996,084</b>	<b>\$ 205,954,174</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, 2016

		Special Revenue Funds		Debt Service Fund
	General	Housing Authority	Miscellaneous Grants	General Debt Service
<b>Assets:</b>				
Cash and investments	\$ 10,448,022	\$ 2,036,678	\$ 2,906,119	\$ 1,328,050
Receivables (net):				
Accounts	4,264,358	-	165	-
Notes and loans	-	11,180,470	19,479,151	-
Interest	21,944	3,852	3,086	1,632
Prepaid costs	32,252	640	-	-
Due from other governments	6,703,926	510,101	689,267	5,480
Due from other funds	1,872,608	-	-	-
Advances to other funds	-	-	-	-
Advances to Successor Agency	-	4,000,000	-	-
Inventories	74,624	-	-	-
Land held for resale	-	4,490,541	-	-
Other investments	-	600,000	-	-
Restricted assets:				
Cash and investments	11,903	6,373,095	-	4,416,135
<b>Total Assets</b>	<b>\$ 23,429,637</b>	<b>\$ 29,195,377</b>	<b>\$ 23,077,788</b>	<b>\$ 5,751,297</b>
<b>Liabilities, Deferred Inflow of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,558,994	\$ 10,953	\$ 224,672	\$ -
Payroll payable	1,721,476	63,043	43,243	-
Accrued liabilities	5,313	167,068	-	-
Deposits payable	-	32,470	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	1,764,620
Interest payable	-	-	-	1,206,990
Advances from other funds	304,435	-	-	41,950,000
<b>Total Liabilities</b>	<b>3,590,218</b>	<b>273,534</b>	<b>267,915</b>	<b>44,921,610</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	2,999,767	1,327,766	3,961,050	-
<b>Total Deferred Inflows of Resources</b>	<b>2,999,767</b>	<b>1,327,766</b>	<b>3,961,050</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Inventories	74,624	-	-	-
Prepaid costs	32,252	640	-	-
<b>Restricted</b>				
Urban development	-	27,593,437	18,574,544	-
Public safety	-	-	274,279	-
Neighborhood services	-	-	-	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
Debt service	-	-	-	-
<b>Committed</b>				
Fiscal sustainability	15,664,972	-	-	-
<b>Unassigned</b>	1,067,804	-	-	(39,170,313)
<b>Total Fund Balances</b>	<b>16,839,652</b>	<b>27,594,077</b>	<b>18,848,823</b>	<b>(39,170,313)</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 23,429,637</b>	<b>\$ 29,195,377</b>	<b>\$ 23,077,788</b>	<b>\$ 5,751,297</b>

## CITY OF POMONA

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2016

	Debt Service Fund Public Financing Authority Debt Service	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Cash and investments	\$ 100,318	\$ 22,294,902	\$ 39,114,089
Receivables (net):			
Accounts	-	643,730	4,908,253
Notes and loans	-	1,903,878	32,563,499
Interest	120	26,818	57,452
Prepaid costs	-	8,441	41,333
Due from other governments	-	1,168,022	9,076,796
Due from other funds	-	-	1,872,608
Advances to other funds	41,950,000	304,435	42,254,435
Advances to Successor Agency	-	-	4,000,000
Inventories	-	-	74,624
Land held for resale	-	-	4,490,541
Other investments	-	-	600,000
Restricted assets:			
Cash and investments	4,201,521	2,282,023	17,284,677
<b>Total Assets</b>	<b>\$ 46,251,959</b>	<b>\$ 28,632,249</b>	<b>\$ 156,338,307</b>
<b>Liabilities, Deferred Inflow of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 2,000	\$ 3,846,606	\$ 5,643,225
Payroll payable	1,986	210,987	2,040,735
Accrued liabilities	-	-	172,381
Deposits payable	-	68,523	100,993
Due to other governments	-	3,798	3,798
Due to other funds	-	69,512	1,834,132
Interest payable	-	-	1,206,990
Advances from other funds	-	-	42,254,435
<b>Total Liabilities</b>	<b>3,986</b>	<b>4,199,426</b>	<b>53,256,689</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	-	529,146	8,817,729
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>529,146</b>	<b>8,817,729</b>
<b>Fund Balances:</b>			
<b>Nonspendable</b>			
Inventories	-	-	74,624
Prepaid costs	-	8,441	41,333
<b>Restricted</b>			
Urban development	-	19,346,520	65,514,501
Public safety	-	1,740,472	2,014,751
Neighborhood services	-	1,662,395	1,662,395
Capital projects	-	917,200	917,200
Assessment district improvement	-	228,649	228,649
Debt service	46,247,973	-	46,247,973
<b>Committed</b>			
Fiscal sustainability	-	-	15,664,972
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>(38,102,509)</b>
<b>Total Fund Balances</b>	<b>46,247,973</b>	<b>23,903,677</b>	<b>94,263,889</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 46,251,959</b>	<b>\$ 28,632,249</b>	<b>\$ 156,338,307</b>



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## CITY OF POMONA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2016**

<b>Fund Balances of Governmental Funds</b>		<b>\$ 94,263,889</b>
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.		265,459,323
Deferred outflows related to pension related items are not included in the governmental fund activity:		
Contributions made subsequent to measurement date	\$ 10,461,999	
Net difference between projected and actual earnings on plan investments	<u>16,744,140</u>	27,206,139
Deferred inflows related to pension related items are not included in the governmental fund activity:		
Contributions made subsequent to measurement date	(10,208,870)	
Change in assumptions	(5,223,445)	
Difference between expected and actual experiences	(2,593,882)	
Net difference between projected and actual earnings on plan investments	<u>(10,281,462)</u>	(28,307,659)
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Pollution remediation	\$ (1,345,606)	
Obligation under capital leases	(702,985)	
Notes payable	(435,000)	
Revenue bonds	(37,938,000)	
Deferred charges on refunding	119,529	
Pension obligation refunding bonds	(44,152,153)	
Certificates of participation	(10,970,569)	
Compensated absences	(7,091,230)	
Net pension liability	<u>(121,670,922)</u>	(224,186,936)
Governmental funds report all OPEB contributions as expenditures, however, in the statement of net position any excess or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability.		(22,923,937)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(457,883)
Revenues reported as unavailable in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		8,817,729
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.		<u>(5,912,575)</u>
<b>Net Position of Governmental Activities</b>		<b><u>\$ 113,958,090</u></b>

## CITY OF POMONA

**STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016**

		Special Revenue Funds		Debt Service Fund
	General	Housing Authority	Miscellaneous Grants	General Debt Service
<b>Revenues:</b>				
Taxes	\$ 76,888,873	\$ -	\$ -	\$ 646,562
Special assessments	-	-	-	-
Licenses and permits	7,122,185	-	-	-
Intergovernmental	205,289	12,297,325	2,576,815	-
Charges for services	3,719,655	117,574	153,521	-
Interest and rentals	731,529	624,169	356,133	7,280
Fines and forfeitures	2,040,214	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	990,701	421,867	185,679	341,168
<b>Total Revenues</b>	<b>91,698,446</b>	<b>13,460,935</b>	<b>3,272,148</b>	<b>995,010</b>
<b>Expenditures:</b>				
Current:				
General government	4,769,534	-	-	226,076
Public safety	69,328,233	-	572,879	-
Urban development	9,244,681	13,094,221	1,909,480	-
Neighborhood services	3,258,082	-	351,729	-
Capital outlay	192,589	98,000	140,002	-
Debt service:				
Principal retirement	281,827	-	-	1,001,000
Interest and fiscal charges	18,783	-	-	4,418,698
<b>Total Expenditures</b>	<b>87,093,729</b>	<b>13,192,221</b>	<b>2,974,090</b>	<b>5,645,774</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,604,717	268,714	298,058	(4,650,764)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	104,588	5,563,641
Transfers out	(5,053,168)	-	-	-
Capital leases	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(5,053,168)</b>	<b>-</b>	<b>104,588</b>	<b>5,563,641</b>
Net Change in Fund Balances	\$ (448,451)	\$ 268,714	\$ 402,646	\$ 912,877
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ 17,288,103	\$ 27,325,363	\$ 18,446,177	\$ (40,083,190)
Restatements	-	-	-	-
Beginning of year, as restated	17,288,103	27,325,363	18,446,177	(40,083,190)
Net change in fund balances	(448,451)	268,714	402,646	912,877
<b>End of Year</b>	<b>\$ 16,839,652</b>	<b>\$ 27,594,077</b>	<b>\$ 18,848,823</b>	<b>\$ (39,170,313)</b>

## CITY OF POMONA

**STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016**

	Debt Service Fund		
	Public		
	Financing	Non-Major	Total
	Authority Debt	Governmental	Governmental
	Service	Funds	Funds
<b>Revenues:</b>			
Taxes	\$ -	\$ 153,375	\$ 77,688,810
Special assessments	-	1,176,050	1,176,050
Licenses and permits	-	2,294,605	9,416,790
Intergovernmental	-	12,645,426	27,724,855
Charges for services	-	643,148	4,633,898
Interest and rentals	231,277	655,238	2,605,626
Fines and forfeitures	-	15,401	2,055,615
Contributions from Successor Agency	-	602,278	602,278
Miscellaneous	10,577	1,316,381	3,266,373
<b>Total Revenues</b>	<b>241,854</b>	<b>19,501,902</b>	<b>129,170,295</b>
<b>Expenditures:</b>			
Current:			
General government	6,734	240	5,002,584
Public safety	-	1,897,341	71,798,453
Urban development	-	10,948,207	35,196,589
Neighborhood services	-	1,027,275	4,637,086
Capital outlay	-	7,236,147	7,666,738
Debt service:			
Principal retirement	1,575,000	221,891	3,079,718
Interest and fiscal charges	180,658	9,559	4,627,698
<b>Total Expenditures</b>	<b>1,762,392</b>	<b>21,340,660</b>	<b>132,008,866</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,520,538)	(1,838,758)	(2,838,571)
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	4,231,644	9,899,873
Transfers out	-	(4,728,706)	(9,781,874)
Capital leases	-	400,408	400,408
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(96,654)</b>	<b>518,407</b>
Net Change in Fund Balances	\$ (1,520,538)	\$ (1,935,412)	\$ (2,320,164)
<b>Fund Balances:</b>			
Beginning of year, as originally reported	\$ 47,768,511	\$ 25,090,810	\$ 95,835,774
Restatements	-	748,279	748,279
Beginning of year, as restated	47,768,511	25,839,089	96,584,053
Net change in fund balances	(1,520,538)	(1,935,412)	(2,320,164)
<b>End of Year</b>	<b>\$ 46,247,973</b>	<b>\$ 23,903,677</b>	<b>\$ 94,263,889</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, 2016**

**Net Change in Fund Balances - Total Governmental Funds** **\$ (2,320,164)**

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	\$ 7,086,151	
Depreciation	(12,385,650)	
Disposition of capital assets	<u>(2,347,403)</u>	(7,646,902)

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		
Pollution remediation	815,203	
Obligation under capital leases	283,718	
Notes payable	220,000	
Revenue bonds	1,618,969	
Pension obligation refunding bonds	615,000	
Certificates of participation	365,622	
Debt issued or incurred		
Pollution remediation	(1,200,000)	
Capital Lease	(400,408)	
Accreted interest on pension obligation bonds	<u>(433,200)</u>	1,884,904

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

10,181

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.

(205,119)

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.

(3,121,709)

Pension obligation expenses is an expenditure in the governmental funds, but reduce the Net Pension Liability in the statement of net position.

8,525,333

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.

1,694,800

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.

(1,248,570)

**Change in Net Position of Governmental Activities**

**\$ (2,427,246)**

# 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, 2016

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Refuse
<b>Assets:</b>			
Current:			
Cash and investments	\$ 36,991,279	\$ 8,342,505	\$ 5,254,426
Receivables (net):			
Accounts	8,194,024	1,123,916	2,349,154
Interest	41,817	11,223	6,518
Prepaid costs	9,000	-	-
Inventories	321,805	-	-
Restricted:			
Cash	17,284,361	6,700,618	-
<b>Total Current Assets</b>	<b>62,842,286</b>	<b>16,178,262</b>	<b>7,610,098</b>
Noncurrent:			
Other Investments	9,000	-	-
Capital assets, not being depreciated	13,242,203	252,653	-
Capital assets, net of depreciation	113,311,458	28,683,903	3,641,206
<b>Total Noncurrent Assets</b>	<b>126,562,661</b>	<b>28,936,556</b>	<b>3,641,206</b>
<b>Total Assets</b>	<b>189,404,947</b>	<b>45,114,818</b>	<b>11,251,304</b>
<b>Deferred Outflows of Resources:</b>			
Deferred charges on refunding	1,022,974	494,660	-
Deferred pension related items	2,717,790	392,062	724,879
<b>Total Deferred Outflows of Resources</b>	<b>3,740,764</b>	<b>886,722</b>	<b>724,879</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 193,145,711</b>	<b>\$ 46,001,540</b>	<b>\$ 11,976,183</b>

## CITY OF POMONA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2016

(CONTINUED)

	Business-Type Activities Enterprise Funds		Governmental Activities
	Canon Water Company - February 28, 2016	Total	Internal Service Funds
<b>Assets:</b>			
Current:			
Cash and investments	\$ 267,994	\$ 50,856,204	\$ 9,419,928
Receivables (net):			
Accounts	128,442	11,795,536	-
Interest	-	59,558	15,338
Prepaid costs	2,870	11,870	3,200
Inventories	-	321,805	357,977
Restricted:			
Cash	-	23,984,979	-
<b>Total Current Assets</b>	<b>399,306</b>	<b>87,029,952</b>	<b>9,796,443</b>
Noncurrent:			
Other Investments	-	9,000	-
Capital assets, not being depreciated	-	13,494,856	-
Capital assets, net of depreciation	23,373	145,659,940	359,228
<b>Total Noncurrent Assets</b>	<b>23,373</b>	<b>159,163,796</b>	<b>359,228</b>
<b>Total Assets</b>	<b>422,679</b>	<b>246,193,748</b>	<b>10,155,671</b>
<b>Deferred Outflows of Resources:</b>			
Deferred charges on refunding	-	1,517,634	-
Deferred pension related items	-	3,834,731	730,180
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>5,352,365</b>	<b>730,180</b>
<b>Total Assets and Deferred     Outflows of Resources</b>	<b>\$ 422,679</b>	<b>\$ 251,546,113</b>	<b>\$ 10,885,851</b>



## CITY OF POMONA

**STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2016**

	<b>Business-Type Activities Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position:</b>			
<b>Liabilities:</b>			
Current:			
Accounts payable	\$ 2,076,113	\$ 5,898	\$ 506,268
Payroll payable	278,810	39,164	64,380
Accrued liabilities	209,786	-	-
Interest payable	816,034	100,294	51,274
Deposits payable	3,590,297	-	-
Due to other funds	-	-	-
Compensated absences	748,000	115,000	191,000
Claims and judgments	-	-	-
Bonds, notes, and capital leases	1,415,000	415,000	586,826
<b>Total Current Liabilities</b>	<b>9,134,040</b>	<b>675,356</b>	<b>1,399,748</b>
Noncurrent:			
Compensated absences	294,837	6,620	48,153
Claims and judgments	-	-	-
Net pension liability	10,679,955	1,624,965	2,440,668
Bonds, notes, and capital leases	101,912,861	26,445,000	1,844,159
<b>Total Noncurrent Liabilities</b>	<b>112,887,653</b>	<b>28,076,585</b>	<b>4,332,980</b>
<b>Total Liabilities</b>	<b>122,021,693</b>	<b>28,751,941</b>	<b>5,732,728</b>
<b>Deferred Inflows of Resources:</b>			
Deferred pension related items	3,136,895	480,675	700,451
<b>Total Deferred Inflows of Resources</b>	<b>3,136,895</b>	<b>480,675</b>	<b>700,451</b>
<b>Net Position:</b>			
Net Investment in capital assets	34,598,821	7,156,354	1,210,221
Restricted for capital projects	10,350,047	4,585,138	-
Restricted for debt service	6,934,314	2,115,479	-
Unrestricted	16,103,941	2,911,953	4,332,783
<b>Total Net Position</b>	<b>67,987,123</b>	<b>16,768,924</b>	<b>5,543,004</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 193,145,711</b>	<b>\$ 46,001,540</b>	<b>\$ 11,976,183</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, 2016**

	<b>Business-Type Activities Enterprise Funds</b>		<b>Governmental Activities</b>
	<b>Canon Water Company - February 28, 2016</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position:</b>			
<b>Liabilities:</b>			
Current:			
Accounts payable	\$ 6,846	\$ 2,595,125	\$ 451,096
Payroll payable	-	382,354	78,675
Accrued liabilities	-	209,786	-
Interest payable	-	967,602	-
Deposits payable	-	3,590,297	-
Due to other funds	-	-	38,476
Compensated absences	-	1,054,000	115,000
Claims and judgments	-	-	5,549,895
Bonds, notes, and capital leases	-	2,416,826	-
<b>Total Current Liabilities</b>	<b>6,846</b>	<b>11,215,990</b>	<b>6,233,142</b>
Noncurrent:			
Compensated absences	-	349,610	46,584
Claims and judgments	-	-	8,507,320
Net pension liability	-	14,745,588	2,705,525
Bonds, notes, and capital leases	-	130,202,020	-
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>145,297,218</b>	<b>11,259,429</b>
<b>Total Liabilities</b>	<b>6,846</b>	<b>156,513,208</b>	<b>17,492,571</b>
<b>Deferred Inflows of Resources:</b>			
Deferred pension related items	-	4,318,021	788,066
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>4,318,021</b>	<b>788,066</b>
<b>Net Position:</b>			
Net Investment in capital assets	23,373	42,988,769	359,228
Restricted for capital projects	-	14,935,185	-
Restricted for debt service	-	9,049,793	-
Unrestricted	392,460	23,741,137	(7,754,014)
<b>Total Net Position</b>	<b>415,833</b>	<b>90,714,884</b>	<b>(7,394,786)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 422,679</b>	<b>\$ 251,546,113</b>	<b>\$ 10,885,851</b>

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

Net Position per Statement of Net Position - Proprietary Funds	\$ 90,714,884
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds	953,677
Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds	327,523
<b>Net Position per Statement of Net Position</b>	<b>\$ 91,996,084</b>

## CITY OF POMONA

**STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2016**

	<b>Business-Type Activities Enterprise Funds</b>		
	<b>Water</b>	<b>Sewer</b>	<b>Refuse</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 28,189,546	\$ 4,425,247	\$ 9,692,936
Miscellaneous	-	65,155	184,365
<b>Total Operating Revenues</b>	<b>28,189,546</b>	<b>4,490,402</b>	<b>9,877,301</b>
<b>Operating Expenses:</b>			
Personnel services	6,367,886	915,887	1,554,064
Operations	11,430,023	1,061,888	5,472,055
Claims expense	12,020	-	-
Insurance	263,536	36,318	71,924
Amortization of deferred loss on refunding	78,691	58,195	-
Franchise Fees	-	-	604,903
Depreciation	2,680,328	600,474	519,621
<b>Total Operating Expenses</b>	<b>20,832,484</b>	<b>2,672,762</b>	<b>8,222,567</b>
Operating Income (Loss)	7,357,062	1,817,640	1,654,734
<b>Nonoperating Revenues (Expenses):</b>			
Intergovernmental	-	-	45,841
Interest revenue	207,032	90,333	16,560
Interest expense	(4,831,103)	(1,230,362)	(58,401)
Sale of surplus water	567,500	-	-
Gain (loss) on disposal of capital assets	(181,079)	(116,493)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(4,237,650)</b>	<b>(1,256,522)</b>	<b>4,000</b>
Income (Loss) Before Transfers	3,119,412	561,118	1,658,734
Transfers in	1,737,051	1,141,178	-
Transfers out	(1,637,561)	(758,667)	-
Changes in Net Position	\$ 3,218,902	\$ 943,629	\$ 1,658,734
<b>Net Position:</b>			
Beginning of year, as originally reported	\$ 64,768,221	\$ 16,573,574	\$ 3,884,270
Restatements	-	(748,279)	-
Beginning of year, as restated	64,768,221	15,825,295	3,884,270
Changes in Net Position	3,218,902	943,629	1,658,734
<b>End of Year</b>	<b>\$ 67,987,123</b>	<b>\$ 16,768,924</b>	<b>\$ 5,543,004</b>
<b>Reconciliation of Changes in Net Position to the Statement of Activities:</b>			
Changes in Net Position, per the Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds			
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds			
<b>Changes in Net Position of Business-Type Activities per Statement of Activities</b>			

## CITY OF POMONA

**STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2016**

	<b>Business-Type Activities Enterprise Funds</b>		<b>Governmental Activities</b>
	<b>Canon Water Company - February 28, 2016</b>	<b>Total</b>	<b>Internal Service Funds</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 64,221	\$ 42,371,950	\$ 9,537,751
Miscellaneous	-	249,520	325,403
<b>Total Operating Revenues</b>	<b>64,221</b>	<b>42,621,470</b>	<b>9,863,154</b>
<b>Operating Expenses:</b>			
Personnel services	-	8,837,837	1,402,146
Operations	18,408	17,982,374	3,279,302
Claims expense	-	12,020	5,465,914
Insurance	-	371,778	54,849
Amortization of deferred loss on refunding	-	136,886	-
Franchise Fees	-	604,903	-
Depreciation	2,672	3,803,095	41,752
<b>Total Operating Expenses</b>	<b>21,080</b>	<b>31,748,893</b>	<b>10,243,963</b>
Operating Income (Loss)	43,141	10,872,577	(380,809)
<b>Nonoperating Revenues (Expenses):</b>			
Intergovernmental	-	45,841	-
Interest revenue	8	313,933	59,762
Interest expense	-	(6,119,866)	-
Sale of surplus water	-	567,500	-
Gain (loss) on disposal of capital assets	-	(297,572)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>8</b>	<b>(5,490,164)</b>	<b>59,762</b>
Income (Loss) Before Transfers	43,149	5,382,413	(321,047)
Transfers in	-	2,878,229	-
Transfers out	-	(2,396,228)	(600,000)
Changes in Net Position	\$ 43,149	\$ 5,864,414	\$ (921,047)
<b>Net Position:</b>			
Beginning of year, as originally reported	\$ 372,684	\$ 85,598,749	\$ (6,473,739)
Restatements	-	(748,279)	-
Beginning of year, as restated	372,684	84,850,470	(6,473,739)
Changes in Net Position	43,149	5,864,414	(921,047)
<b>End of Year</b>	<b>\$ 415,833</b>	<b>\$ 90,714,884</b>	<b>\$ (7,394,786)</b>
<b>Reconciliation of Changes in Net Position to the Statement of Activities:</b>			
Changes in Net Position, per the Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds		\$ 5,864,414	
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds		327,523	
<b>Changes in Net Position of Business-Type Activities per Statement of Activities</b>		<b>\$ 6,191,937</b>	

## CITY OF POMONA

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2016**

	<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	\$ 26,597,212	\$ 4,431,116	\$ 9,663,028
Cash received from/(paid for) other	-	65,155	184,365
Cash paid to suppliers for goods and services	(10,754,409)	(1,079,493)	(5,895,791)
Cash paid for general and administrative expenses	(7,531,060)	(1,102,985)	(1,866,487)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>8,311,743</b>	<b>2,313,793</b>	<b>2,085,115</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Cash transfers in	1,737,051	1,141,178	-
Cash transfers out	(1,637,561)	(758,667)	-
Amounts received from other funds	-	-	-
Amounts paid to other funds	-	-	-
Advance to other funds	5,000,000	-	-
Proceeds from sale of surplus water	567,500	-	-
Grant subsidy	-	-	45,841
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>5,666,990</b>	<b>382,511</b>	<b>45,841</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	(5,456,082)	(2,078,004)	(18,333)
Principal paid on capital debt	(1,350,000)	(400,000)	(573,408)
Interest paid on capital debt	(4,991,197)	(1,231,691)	(70,303)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(11,797,279)</b>	<b>(3,709,695)</b>	<b>(662,044)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	169,792	86,677	13,149
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>169,792</b>	<b>86,677</b>	<b>13,149</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>2,351,246</b>	<b>(926,714)</b>	<b>1,482,061</b>
Cash and Cash Equivalents, Beginning of Year	51,924,394	15,969,837	3,772,365
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 54,275,640</b>	<b>\$ 15,043,123</b>	<b>\$ 5,254,426</b>

## CITY OF POMONA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2016

(CONTINUED)

	Business-Type Activities Enterprise Funds		Governmental Activities
	Canon Water Company - February 28, 2016	Total	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and users	\$ -	\$ 40,691,356	\$ 9,537,842
Cash received from/(paid for) other	-	249,520	325,403
Cash paid to suppliers for goods and services	(10,763)	(17,740,456)	(6,740,890)
Cash paid for general and administrative expenses	-	(10,500,532)	(1,757,045)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(10,763)</b>	<b>12,699,888</b>	<b>1,365,310</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Cash transfers in	-	2,878,229	-
Cash transfers out	-	(2,396,228)	(600,000)
Amounts received from other funds	-	-	34,989
Amounts paid to other funds	-	-	(5,000,000)
Advance to other funds	-	5,000,000	-
Proceeds from sale of surplus water	-	567,500	-
Grant subsidy	-	45,841	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>-</b>	<b>6,095,342</b>	<b>(5,565,011)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	-	(7,552,419)	(13,491)
Principal paid on capital debt	-	(2,323,408)	-
Interest paid on capital debt	-	(6,293,191)	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>(16,169,018)</b>	<b>(13,491)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	8	269,626	50,987
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>8</b>	<b>269,626</b>	<b>50,987</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(10,755)</b>	<b>2,895,838</b>	<b>(4,162,205)</b>
Cash and Cash Equivalents, Beginning of Year	278,749	71,945,345	13,582,133
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 267,994</b>	<b>\$ 74,841,183</b>	<b>\$ 9,419,928</b>

## CITY OF POMONA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2016

	Business-Type Activities Enterprise Funds		
	Water	Sewer	Refuse
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 7,357,062	\$ 1,817,640	\$ 1,654,734
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>			
Depreciation	2,680,328	600,474	519,621
Amortization	78,691	58,195	-
(Increase) decrease in accounts receivable	(1,592,334)	5,869	(29,908)
(Increase) decrease in prepaid expense	2,355	-	-
(Increase) decrease in inventory	(102,981)	-	-
(Increase) decrease in deferred outflows	(1,914,104)	(268,677)	(546,551)
Increase (decrease) in accounts payable	590,875	(17,605)	181,167
Increase (decrease) in payroll payable	52,369	7,900	10,991
Increase (decrease) in accrued liabilities	109,898	-	-
Increase (decrease) in deposits payable	87,487	-	-
Increase (decrease) in compensated absences	85,278	(9,045)	25,170
Increase (decrease) in claims and judgments	-	-	-
Increase (decrease) in net pension liability	778,360	104,838	243,630
Increase (decrease) in deferred inflows	98,459	14,204	26,261
<b>Total Adjustments</b>	<b>954,681</b>	<b>496,153</b>	<b>430,381</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 8,311,743</b>	<b>\$ 2,313,793</b>	<b>\$ 2,085,115</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Amortization of bond premium/discount	\$ 148,783	\$ -	\$ -
Amortization of deferred charges on refunding	78,691	58,195	-
Loss (Gain) on disposal of capital assets	181,079	116,493	-

## CITY OF POMONA

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**YEAR ENDED JUNE 30, 2016**

	<b>Business-Type Activities</b> <b>Enterprise Funds</b>		<b>Governmental</b> <b>Activities</b>
	<b>Canon Water</b> <b>Company -</b> <b>February 28, 2016</b>	<b>Total</b>	<b>Internal</b> <b>Service Funds</b>
<b>Reconciliation of Operating Income to Net Cash</b>			
<b>Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 43,141	\$ 10,872,577	\$ (380,809)
<b>Adjustments to reconcile operating income (loss)</b>			
<b>net cash provided (used) by operating activities:</b>			
Depreciation	2,672	3,803,095	41,752
Amortization	-	136,886	-
(Increase) decrease in accounts receivable	(64,221)	(1,680,594)	91
(Increase) decrease in prepaid expense	800	3,155	1,280
(Increase) decrease in inventory	-	(102,981)	26,141
(Increase) decrease in deferred outflows	-	(2,729,332)	(528,728)
Increase (decrease) in accounts payable	6,845	761,282	70,053
Increase (decrease) in payroll payable	-	71,260	352
Increase (decrease) in accrued liabilities	-	109,898	-
Increase (decrease) in deposits payable	-	87,487	-
Increase (decrease) in compensated absences	-	101,403	(70,531)
Increase (decrease) in claims and judgments	-	-	1,955,667
Increase (decrease) in net pension liability	-	1,126,828	223,590
Increase (decrease) in deferred inflows	-	138,924	26,452
<b>Total Adjustments</b>	<b>(53,904)</b>	<b>1,827,311</b>	<b>1,746,119</b>
<b>Net Cash Provided (Used) by</b>			
<b>Operating Activities</b>	<b>\$ (10,763)</b>	<b>\$ 12,699,888</b>	<b>\$ 1,365,310</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Amortization of bond premium/discount	\$ -	\$ 148,783	\$ -
Amortization of deferred charges on refunding	-	136,886	-
Loss (Gain) on disposal of capital assets	-	297,572	-



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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.

## CITY OF POMONA

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2016

		Private- Purpose Trust Fund
	Agency Funds	Successor Agency of the Former RDA
<b>Assets:</b>		
Cash and investments	\$ 3,886,477	\$ 20,092,586
Receivables (net):		
Accounts	13,460	706,898
Notes and loans	-	4,099,660
Interest	750	9,621
Deposits	-	600
Due from other governments	8,808	-
Land held for resale	-	19,648,669
Restricted assets:		
Cash and investments	-	52,473,582
Capital assets:		
Capital assets, not being depreciated	-	125,423
Capital assets, net of depreciation	-	65,852
<b>Total Assets</b>	<b>\$ 3,909,495</b>	<b>97,222,891</b>
<b>Deferred Outflows of Resources:</b>		
Deferred charge on refunding		808,104
<b>Total Deferred Outflows of Resources</b>		<b>808,104</b>
<b>Liabilities:</b>		
Accounts payable	\$ 1,714,154	132,469
Payroll payable	-	9,852
Interest payable	-	3,645,082
Deposits payable	1,970,578	186,916
Due to other governments	-	6,025,479
Due to external parties/other agencies	224,763	-
Long-term liabilities:		
Due within one year	-	7,347,607
Due in more than one year	-	210,426,194
<b>Total Liabilities</b>	<b>\$ 3,909,495</b>	<b>227,773,599</b>
<b>Net Position:</b>		
Held in trust for other purposes		(129,742,604)
<b>Total Net Position</b>		<b>\$ (129,742,604)</b>

## CITY OF POMONA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 YEAR ENDED JUNE 30, 2016

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	Private-Purpose Trust Fund Successor Agency of the Former RDA
<b>Additions:</b>	
Taxes	\$ 15,962,097
Intergovernmental	3,704,040
Contributions from City	2,173
Charges for services	600
Interest and rentals	1,588,744
Miscellaneous	413,455
<b>Total Additions</b>	<b>21,671,109</b>
<b>Deductions:</b>	
Personnel services	274,006
Operations	7,622,579
Interest and fiscal charges	12,454,433
Contributions to other governments	604,451
<b>Total Deductions</b>	<b>20,955,469</b>
Changes in Net Position	715,640
<b>Net Position:</b>	
Beginning of year	(130,458,244)
<b>Net Position - End of year</b>	<b>\$ (129,742,604)</b>

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## **NOTES TO FINANCIAL STATEMENTS**

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**INDEX TO NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**


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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

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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, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The following blended component units, although legally separate entities, are, in substance, part of the City's operations and data from these units are combined with the data of the City. They are reported as blended for the following reasons: (1) the governing board is substantively the same as the primary government, and there is a financial benefit or burden relationship between the primary government and the component unit; (2) the component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it; and (3) the component unit's total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with the resources of the primary government.

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. 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 objective of the Housing Authority is 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 City 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 staff.

All component units had a fiscal year ended June 30, 2016, except for Canon Water Company, which had a fiscal year ended February 28, 2016.

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 and on line at [www.ci.pomona.us](http://www.ci.pomona.us).

**Basis of Accounting and Measurement Focus**

The accounting policies of the City conform to accounting principles generally accepted in the United States of America 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

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

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**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 regard 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

**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 and the low and moderate income housing functions of the former Redevelopment Agency.
- 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

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

- 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 it is 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 it is 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, 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.

Unavailable 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 it, 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 and recycled water.
- The Sewer Enterprise Fund accounts for the operation and maintenance of the City's sewer network.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

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

- The Refuse Enterprise Fund accounts for activities associated with residential refuse collection, curbside collection of recycling materials, and various related programs.
- 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 and unemployment), 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 the revenue is 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.



NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

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**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 to/from 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, 2016**

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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:

Assets	Years
Buildings and building 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

---

**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.

**Long-Term Debt**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses when incurred.

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

**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 be liquidated through the General Fund for governmental activities and through the proprietary funds for the business-type activities.

**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 Unavailable 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.

Unavailable 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. The City has two items that qualify for reporting in this category. One is deferred charges on refunding reported in the government-wide statement of net position and the proprietary funds statement of net position. Deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item is deferred pension related items reported in the government-wide statement of net position and the proprietary funds statement of net position. The City reports deferred outflows of resources for pension contributions made after the actuarial measurement date, this amount is deferred and will be expensed in the following fiscal year, and deferred outflows of resources for the net difference between projected and actual earning on pension plan, this amount will be amortized over a five-year period on a straight-line basis.

In addition to liabilities, the Statement of Financial Position and Governmental Fund Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from grant revenues. These amounts are deferred and recognized as an inflow of resources in the period when the amounts become available. In addition, the government has deferred inflows of resources relating to the net pension obligation reported in the government-wide statement of net position and the proprietary funds statement of net position. These amounts are the result of the net difference between projected and actual earnings on pension plan investments and are being amortized over a five-year period on a straight-line basis. Deferred pension related items also include differences between expected and actual experience and changes in assumptions. These will be recognized as pension expense over the expected average remaining service lifetime.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

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

**Net Pension Liability**

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

**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.

**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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

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

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. Only the General Fund can report positive unassigned fund balance. All other funds' fund balances have been restricted, committed or assigned for the purpose of those particular funds.

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, committed, and 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.

**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 base 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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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

**Effect of New Accounting Standards**

During the fiscal year ended June 30, 2016, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

**GASB Statement No. 72 – Fair Value Measurement and Application.** This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The City has fully conformed to and implemented GASB Statement No. 72 as of June 30, 2016.

**Note 2: Stewardship, Compliance and Accountability****Deficit Fund Balances or Net Position**

At June 30, 2016, the following funds had the following fund balance deficit:

<b>Governmental Funds</b>	
General Debt Service	\$ (39,170,313)
<b>Internal Services Funds</b>	
Self Insurance	(6,237,884)
Equipment Maintenance	(800,855)
Information Technology	(319,588)
Printing/Mail Services	(17,760)

The General Debt Service Fund deficit is the result of the issuance of bonds and the Self-Insurance Fund deficit is due to outstanding claim liabilities. The Equipment Maintenance Fund and the Information Technology Fund deficits are due to the implementation of GASB 68. The Printing/Mail Services Fund deficit is due to liabilities due to other funds. The City will eliminate the internal service deficits with future revenue.

**Excess of Expenditures Over Appropriations**

Excess expenditures over appropriations were as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Special Fees Fund	\$ 67,780	\$ 55,000	\$ 12,780
Capital Outlay Fund	8,511,843	5,505,238	3,006,605

No budget adopted for the Assessment District Improvement Fund.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 3: 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 quarter-end cash balances of the various funds.

**Summary of Cash and Investments**

The following is a summary of cash and investments at June 30, 2016:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 48,534,017	\$ 50,856,204	\$ 23,979,063	\$ 123,369,284
Restricted cash	17,284,677	23,984,979	52,473,582	93,743,238
Total	<u>\$ 65,818,694</u>	<u>\$ 74,841,183</u>	<u>\$ 76,452,645</u>	<u>\$ 217,112,522</u>

Cash and investments is comprised of the following at June 30, 2016:

Cash and cash equivalents:	
Petty cash and change funds	\$ 9,307
Demand deposit	<u>31,217,667</u>
Total cash and cash equivalents	<u>31,226,974</u>
Investments:	
Local Agency Investment Fund	83,126,983
Federal Home Loan Bank	3,010,410
Freddie Mac	<u>6,004,917</u>
Total investments	<u>92,142,310</u>
	<u>\$ 123,369,284</u>

**Deposits**

The carrying amounts of the City's cash deposits were \$31,217,667 at June 30, 2016. Bank balances at June 30, 2016, were \$32,871,008 which were fully insured or collateralized with securities held by the pledging financial institutions in the City's name as discussed below. The \$1,653,341 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.



NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

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

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 quarter-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
- Local Agency Investment Fund (LAIF)

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.

**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, 2016, 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, 2016, the City had \$83,126,983 invested in LAIF, which had invested 2.08% of the pool investment funds in Structured Notes and Asset-Backed Securities. The LAIF fair value factor of 1.000621222 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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 3: Cash and Investments (Continued)****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, 2016, the City had the following investment maturities:

	1 Year or Less	1 to 3 Years	3 to 5 Years	Total
Investments				
Local Agency Investment Fund	\$ 83,126,983	\$ -	\$ -	\$ 83,126,983
Freddie Mac	-	-	6,004,917	6,004,917
Federal Home Loan Bank	-	3,010,410	-	3,010,410
	<u>\$ 83,126,983</u>	<u>\$ 3,010,410</u>	<u>\$ 6,004,917</u>	<u>\$ 92,142,310</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, 2016, the City's investments in external investment pools and money market mutual funds are unrated.

	Moody's	Standard & Poor's
Local Agency Investment Fund	Not Rated	Not Rated
Federal Home Loan Bank	Aaa	AA+

**Fair Value Hierarchy**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 3: Cash and Investments (Continued)**

The City has the following recurring fair value measurements as of June 30, 2016:

Investments by fair value level	Totals	Level		
		1	2	3
Local Agency Investment Fund	\$ 83,126,983	\$ -	\$ 83,126,983	\$ -
Freddie Mac	6,004,917	-	6,004,917	-
Federal Home Loan Bank	3,010,410	-	3,010,410	-
Totals	<u>\$ 92,142,310</u>	<u>\$ -</u>	<u>\$ 92,142,310</u>	<u>\$ -</u>

Deposits and securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Local Agency Investment Funds classified in Level 2 of the fair value hierarchy are valued using specified fair market value factors. Freddie Mac and Federal Home Loan Bank securities classified in Level 2 of the fair value hierarchy are valued using institutional bond quotes.

**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 \$32,353,014 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, \$93,743,238 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, 2016.

**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, it is exposed to credit risk. As of June 30, 2016, 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.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 4: Loans Receivable (Net)**

At June 30, 2016, the City's net loans receivable consisted of the following:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Section 108 Loans	\$ 440,000	\$ -	\$ 135,000	\$ 305,000
Deferred Home Improvement Loans	7,863,356	215,909	359,280	7,719,985
Prototype Loans	1,232,315	28,423	-	1,260,738
Rental Rehabilitation Loans	491,493	6,772	-	498,265
CHDO	942,145	319,954	-	1,262,099
HOPE 3 Loans	352,740	1,860	6,956	347,644
Shield of Faith	4,499,423	111,450	48,406	4,562,467
Manufactured Housing Rehabilitation Loans	2,138,781	-	119,500	2,019,281
Occupied Rehabilitation Loans	1,441,137	127,095	-	1,568,232
MAP Loans, net	6,419,494	18,043	49,952	6,387,585
NIP Loans	3,010,389	59,697	182,302	2,887,784
Owner Participation Agreement (OPA)	176,716	-	-	176,716
First Time Home Buyer Program	52,450	-	-	52,450
Multi-Family	720,000	-	-	720,000
Holt Ave. Housing Partners LP Loans	1,906,142	19,000	-	1,925,142
Telacu	833,346	36,765	-	870,111
Total	<u>\$ 32,519,927</u>	<u>\$ 944,968</u>	<u>\$ 901,396</u>	<u>\$ 32,563,499</u>

**Note 5: Interfund Transactions**

**Government-Wide Financial Statements**

**Internal Balances** - At June 30, 2016, the City had the following internal receivable and payable.

	Internal Receivable
Internal Payable	Business-Type Activities
Governmental Activities	<u>\$ 1,281,200</u>

The accumulation of the \$1,281,200 balance was to consolidate the internal service funds activities related to the enterprise funds.

**Transfers** - At June 30, 2016, the City had the following transfers. The purpose of the transfers was for debt service payments and to reimburse a construction project.

	Transfers Out
Transfers In	Business-Type Activities
Governmental Activities	<u>\$ 482,001</u>

## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

## Note 5: Interfund Transactions (Continued)

## Fund Financial Statements

**Due To/Due From** - At June 30, 2016, the City had the following short-term interfund receivables and payables.

	Due to Other Funds			Total
	General Debt Service	Non Major Governmental Funds	Internal Service Funds	
<u>Due from Other Funds</u>				
Governmental Funds:				
General Fund	<u>\$ 1,764,620</u>	<u>\$ 69,512</u>	<u>\$ 38,476</u>	<u>\$ 1,872,608</u>

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

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

**Long-Term Advances** - At June 30, 2016, the City had the following interfund long-term advances:

	Advance from Other Funds		
	Governmental Funds		
	General Fund	General Debt Service	Total
Advances to Other Funds			
Governmental Funds:			
Public Financing Authority	\$ -	\$ 41,950,000	\$ 41,950,000
Non-Major Governmental Funds	304,435	-	304,435
Total	\$ 304,435	\$ 41,950,000	\$ 42,254,435

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

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 5: Interfund Transactions (Continued)**

**Transfers** - At June 30, 2016, the City had the following transfers:

Transfers out	Transfers In					
	Governmental Funds			Proprietary Funds		Total
	Miscellaneous Grants	General debt Service	Non-Major Governmental Funds	Water	Sewer	
Governmental Fund						
General Fund	\$ 81,004	\$ 4,339,294	\$ 632,870	\$ -	\$ -	\$ 5,053,168
Non-Major Governmental Funds	23,584	207,297	1,732,557	1,624,090	1,141,178	4,728,706
Total Governmental Funds	104,588	4,546,591	2,365,427	1,624,090	1,141,178	9,781,874
Proprietary Funds						
Water	-	600,000	1,037,561	-	-	1,637,561
Sewer	-	417,050	228,656	112,961	-	758,667
Internal Service Funds	-	-	600,000	-	-	600,000
Total Proprietary Funds	-	1,017,050	1,866,217	112,961	-	2,996,228
Total	\$ 104,588	\$ 5,563,641	\$ 4,231,644	\$ 1,737,051	\$ 1,141,178	\$ 12,778,102

The transfer of \$4,339,294 between the General Fund and the General Debt Service Fund was for Series AG, AN / AP, AU / AV, and AR debt service payments.

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

**Note 6: Due from Other Governments**

At June 30, 2016, the City's due from other governments consisted of the following:

	Governmental Activities
Federal government	\$ 1,694,352
State of California	6,944,731
County of Los Angeles	380,383
Local government entities	57,330
Total	\$ 9,076,796

**Note 7: Land Held for Resale**

At June 30, 2016, land held for resale in the amount of \$4,490,541 is recorded at cost in the Housing Authority Fund.

## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

## Note 8: Capital Assets

## Government-Wide Financial Statements

At June 30, 2016, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets			
Land	\$ 80,966,521	\$ 9,089,782	\$ 90,056,303
Construction in process	22,030,816	4,405,074	26,435,890
Total non-depreciable assets	102,997,337	13,494,856	116,492,193
Depreciable assets:			
Buildings and building improvements	14,941,552	3,482,783	18,424,335
Improvements other than buildings	60,003,395	286,638	60,290,033
Machinery and equipment	21,146,261	221,948,295	243,094,556
Furniture and fixtures	1,014,456	5,105	1,019,561
Autos and trucks	11,219,732	4,510,802	15,730,534
Equipment under capitalized leases	1,037,970	4,257,381	5,295,351
Infrastructure	382,767,392	-	382,767,392
Total depreciable assets, at cost	492,130,758	234,491,004	726,621,762
Less accumulated depreciation:			
Buildings and building improvements	12,255,957	3,301,266	15,557,223
Improvements other than buildings	26,210,091	130,161	26,340,252
Machinery and equipment	17,764,462	80,732,207	98,496,669
Furniture and fixtures	860,742	5,105	865,847
Autos and trucks	8,820,685	3,385,111	12,205,796
Equipment under capitalized leases	470,120	1,277,214	1,747,334
Infrastructure	262,927,487	-	262,927,487
Total accumulated depreciation	329,309,544	88,831,064	418,140,608
Total depreciable assets, net	162,821,214	145,659,940	308,481,154
Total capital assets	\$ 265,818,551	\$ 159,154,796	\$ 424,973,347

## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

## Note 8: Capital Assets (Continued)

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

	Balance July 1, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
Non-depreciable assets:					
Land	\$ 81,168,660	\$ 411,000	\$ 613,139	\$ -	\$ 80,966,521
Construction in process	22,682,709	5,833,903	1,361,585	(5,124,211)	22,030,816
Total non-depreciable assets	103,851,369	6,244,903	1,974,724	(5,124,211)	102,997,337
Depreciable assets:					
Buildings and building improvements	14,941,552	-	-	-	14,941,552
Improvements other than buildings	60,003,395	-	-	-	60,003,395
Machinery and equipment	20,754,160	360,203	-	31,898	21,146,261
Furniture and fixtures	1,014,456	-	-	-	1,014,456
Autos and trucks	10,756,126	478,569	14,963	-	11,219,732
Equipment under capitalized leases	1,037,970	-	-	-	1,037,970
Infrastructure	380,805,974	15,967	3,146,862	5,092,313	382,767,392
Total depreciable assets, at cost	489,313,633	854,739	3,161,825	5,124,211	492,130,758
Less accumulated depreciation:					
Buildings and building improvements	11,968,419	287,538	-	-	12,255,957
Improvements other than buildings	24,683,385	1,526,706	-	-	26,210,091
Machinery and equipment	16,466,672	1,297,790	-	-	17,764,462
Furniture and fixtures	812,785	47,957	-	-	860,742
Autos and trucks	8,283,866	551,782	14,963	-	8,820,685
Equipment under capitalized leases	288,588	181,532	-	-	470,120
Infrastructure	257,167,573	8,534,097	2,774,183	-	262,927,487
Total accumulated depreciation	319,671,288	12,427,402	2,789,146	-	329,309,544
Total depreciable assets, net	169,642,345	(11,572,663)	372,679	5,124,211	162,821,214
Total capital assets	\$ 273,493,714	\$ (5,327,760)	\$ 2,347,403	\$ -	\$ 265,818,551

Depreciation expense for capital assets of the governmental activities for the year ended June 30, 2016, is as follows:

General Government	\$ 216,206
Public safety	1,818,135
Community Services	1,149,169
Urban development	9,202,140
Internal service funds	41,752
Total	<u>\$ 12,427,402</u>



**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 8: Capital Assets (Continued)**

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

	Balance July 1, 2015	Additions	Deletions	Transfers	Balance June 30, 2016
Non-depreciable assets:					
Land	\$ 9,089,782	\$ -	\$ -	\$ -	\$ 9,089,782
Construction in process	19,965,564	2,571,425	-	(18,131,915)	4,405,074
Total non-depreciable assets	29,055,346	2,571,425	-	(18,131,915)	13,494,856
Depreciable assets:					
Buildings and building improvements	3,482,783	-	-	-	3,482,783
Improvements other than buildings	286,638	-	-	-	286,638
Machinery and equipment	200,002,139	4,232,715	418,474	18,131,915	221,948,295
Furniture and fixtures	5,105	-	-	-	5,105
Autos and trucks	4,510,802	-	-	-	4,510,802
Equipment under capitalized leases	4,257,381	-	-	-	4,257,381
Total depreciable assets, at cost	212,544,848	4,232,715	418,474	18,131,915	234,491,004
Less accumulated depreciation:					
Buildings and building improvements	3,291,986	9,280	-	-	3,301,266
Improvements other than buildings	119,452	10,709	-	-	130,161
Machinery and equipment	77,715,074	3,138,037	120,904	-	80,732,207
Furniture and fixtures	5,105	-	-	-	5,105
Autos and trucks	3,165,780	219,331	-	-	3,385,111
Equipment under capitalized lease	851,476	425,738	-	-	1,277,214
Total accumulated depreciation	85,148,873	3,803,095	120,904	-	88,831,064
Total depreciable assets, net	127,395,975	429,620	297,570	18,131,915	145,659,940
Total capital assets	\$ 156,451,321	\$ 3,001,045	\$ 297,570	\$ -	\$ 159,154,796

Depreciation expense for capital assets of the business-type activities for the year ended June 30, 2016, is as follows:

Water	\$ 2,680,328
Sewer	600,474
Refuse	519,621
Canon Water Company	2,672
Total	<u>\$ 3,803,095</u>

**Note 9: Other Investments**

In November 2006, the Housing Authority of the City Pomona acquired a 29.846% membership interest in Mission Promenade I from a member interest holder for a purchase price of \$600,000.

Other investments in the Water Enterprise fund represent one-quarter of share of the San Antonio Water Company for a cost of \$9,000.

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 10: Long-Term Debt**

The following is a summary of long-term debt for the year ended June 30, 2016:

	Balance July 1, 2015	Accreted/ Accrued Interest	Additions	Deletions	Balance June 30, 2016	Due Within One Year
<b>Governmental Activities</b>						
Pollution remediation obligations	\$ 960,809	\$ -	\$ 1,200,000	\$ 815,203	\$ 1,345,606	\$ 630,000
Obligation under capital leases	586,295	-	400,408	283,718	702,985	353,008
Notes payable	655,000	-	-	220,000	435,000	220,000
Revenue bonds	39,564,000	-	-	1,626,000	37,938,000	1,720,000
Pension obligation refunding bonds	44,333,953	433,200	-	615,000	44,152,153	715,000
Certificates of participation	11,336,191	-	-	365,622	10,970,569	355,000
Subtotal	97,436,248	433,200	1,600,408	3,925,543	95,544,313	3,993,008
Compensated absences	7,118,226	-	4,945,134	4,810,546	7,252,814	4,946,000
Claims payable	12,101,548	-	5,581,864	3,626,197	14,057,215	5,549,895
Total governmental activities	<u>\$ 116,656,022</u>	<u>\$ 433,200</u>	<u>\$ 12,127,406</u>	<u>\$ 12,362,286</u>	<u>\$ 116,854,342</u>	<u>\$ 14,488,903</u>
<b>Business-Type Activities</b>						
Obligations under capital leases	\$ 3,004,393	\$ -	\$ -	\$ 573,408	\$ 2,430,985	\$ 586,826
Revenue bonds	132,086,644	-	-	1,898,783	130,187,861	1,830,000
Subtotal	135,091,037	-	-	2,472,191	132,618,846	2,416,826
Compensated absences	1,302,207	-	1,052,183	950,780	1,403,610	1,054,000
Total business-type activities	<u>\$ 136,393,244</u>	<u>\$ -</u>	<u>\$ 1,052,183</u>	<u>\$ 3,422,971</u>	<u>\$ 134,022,456</u>	<u>\$ 3,470,826</u>

**Governmental Activities Long-Term Debt**

**Pollution Remediation Obligations**

The City acquired properties which were determined to have soil and groundwater contamination. The City is responsible for the investigation, characterization and remediation of the soil and groundwater from the contamination. The City had a remediation study performed to determine any potential harm to the surrounding areas. The pollution remediation costs were initially estimated at \$1,781,262. During the current fiscal year, the City spent \$815,203 on clean-up cost. The remaining outstanding cost to complete the clean-up is estimated at \$1,345,606 at June 30, 2016.

**Obligations under Capital Leases**

At June 30, 2016, obligations under capital leases consisted of the following:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
PPF #1	\$ 155,673	\$ -	\$ 76,891	\$ 78,782	\$ 78,782
HCC #2	430,622	-	138,850	291,772	143,489
PNC #1	-	400,408	67,977	332,431	130,737
Total	<u>\$ 586,295</u>	<u>\$ 400,408</u>	<u>\$ 283,718</u>	<u>\$ 702,985</u>	<u>\$ 353,008</u>

The City has 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 as capital assets.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 10: Long-Term Debt (Continued)**

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

	June 30, 2016
Machinery and equipment	\$ 260,616
Autos and trucks	<u>777,354</u>
Equipment under capitalized leases, at cost	1,037,970
Accumulated depreciation	<u>(470,120)</u>
Equipment under capitalized leases, net	<u><u>\$ 567,850</u></u>

The depreciation expense for equipment under capitalized leases was \$181,532 for the year ended June 30, 2016.

The rates of interest on the lease purchase agreements range from 2.19% to 3.30% per annum. The annual debt service requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 353,008	\$ 16,579	\$ 369,587
2017-2018	281,990	6,877	288,867
2018-2019	<u>67,987</u>	<u>768</u>	<u>68,755</u>
Total	<u><u>\$ 702,985</u></u>	<u><u>\$ 24,224</u></u>	<u><u>\$ 727,209</u></u>

**Notes Payable**

At June 30, 2016, notes payable consisted of the following:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
HUD Section 108 Loan	\$ 430,000	\$ -	\$ 145,000	\$ 285,000	\$ 145,000
City of Claremont	<u>225,000</u>	<u>-</u>	<u>75,000</u>	<u>150,000</u>	<u>75,000</u>
	<u><u>\$ 655,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 220,000</u></u>	<u><u>\$ 435,000</u></u>	<u><u>\$ 220,000</u></u>

**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 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

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 10: Long-Term Debt (Continued)**

July 1, 2013 and maturing on August 1, 2023. Casa Herrera is responsible for the principal payment on its 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 its 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 requirement at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 145,000	\$ 5,663	\$ 150,663
2017-2018	20,000	3,500	23,500
2018-2019	20,000	3,000	23,000
2019-2020	20,000	3,000	23,000
2020-2021	20,000	3,000	23,000
2021-2025	60,000	3,000	63,000
Total	<u>\$ 285,000</u>	<u>\$ 21,163</u>	<u>\$ 306,163</u>

**City of Claremont**

On July 2, 2013, the City entered into a loan agreement with the City of Claremont for \$300,000 to improve storm drain facilities within the City of Pomona. The loan requires repayment with 2% interest over a period of four (4) years.

The annual debt service requirement at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 75,000	\$ 3,750	\$ 78,750
2017-2018	75,000	3,750	78,750
Total	<u>\$ 150,000</u>	<u>\$ 7,500</u>	<u>\$ 157,500</u>

**Revenue Bonds**

At June 30, 2016, revenue bonds consisted of the following:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
2005 Subordinate Revenue Bonds, Series AL	\$ 3,915,000	\$ -	\$ 480,000	\$ 3,435,000	\$ 505,000
2005 Reassessment and Refunding Bonds, Series AM	3,389,000	-	386,000	3,003,000	415,000
2005 Lease Revenue Bonds, Series AN	19,420,000	-	65,000	19,355,000	625,000
2005 Taxable Lease Revenue Bonds, Series AP	525,000	-	525,000	-	-
2006 Lease Revenue Bonds, Series AU	2,310,000	-	35,000	2,275,000	30,000
2006 Taxable Lease Revenue Bonds, Series AV	10,005,000	-	135,000	9,870,000	145,000
Total	<u>\$ 39,564,000</u>	<u>\$ -</u>	<u>\$ 1,626,000</u>	<u>\$ 37,938,000</u>	<u>\$ 1,720,000</u>
Unamortized Deferred Loss on Refunding					
2006 Taxable Lease Revenue Bonds, Series AV	<u>\$ (126,560)</u>	<u>\$ -</u>	<u>\$ (7,031)</u>	<u>\$ (119,529)</u>	

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 10: Long-Term Debt (Continued)**

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

On February 1, 2005, the Public Financing 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.

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 requirement for the 2005 Subordinate Revenue Bonds, Series AL outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 505,000	\$ 157,385	\$ 662,385
2017-2018	530,000	132,671	662,671
2018-2019	555,000	106,423	661,423
2019-2020	585,000	78,270	663,270
2020-2021	615,000	48,270	663,270
2021-2022	645,000	16,448	661,448
Total	<u>\$ 3,435,000</u>	<u>\$ 539,467</u>	<u>\$ 3,974,467</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 requirement for the 2005 Reassessment and Refunding Revenue Bonds, Series AM outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 415,000	\$ 201,835	\$ 616,835
2017-2018	449,000	170,645	619,645
2018-2019	482,000	137,036	619,036
2019-2020	516,000	101,008	617,008
2020-2021	549,000	62,561	611,561
2021-2022	592,000	21,371	613,371
Total	<u>\$ 3,003,000</u>	<u>\$ 694,456</u>	<u>\$ 3,697,456</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 10: Long-Term Debt (Continued)**

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

On May 1, 2005, the Public Financing 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.

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 requirement for the 2005 Lease Revenue Bonds, Series AN outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 625,000	\$ 893,723	\$ 1,518,723
2017-2018	650,000	869,173	1,519,173
2018-2019	675,000	842,998	1,517,998
2019-2020	700,000	815,060	1,515,060
2020-2021	730,000	785,110	1,515,110
2021-2026	4,150,000	3,439,676	7,589,676
2026-2031	5,190,000	2,332,750	7,522,750
2031-2036	6,635,000	861,875	7,496,875
Total	<u>\$ 19,355,000</u>	<u>\$ 10,840,365</u>	<u>\$ 30,195,365</u>

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

On May 1, 2005, the Public Financing 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.

At June 30, 2016, these bonds were paid in full.

**CITY OF POMONA****NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

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**Note 10: Long-Term Debt (Continued)****2006 Lease Revenue Bonds, Series AU – Original Issuance \$2,540,000**

On December 6, 2006, the Public Financing 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 requirement for the 2006 Lease Revenue Bonds, Series AU outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 30,000	\$ 97,055	\$ 127,055
2017-2018	35,000	95,975	130,975
2018-2019	35,000	94,680	129,680
2019-2020	35,000	93,350	128,350
2020-2021	40,000	91,985	131,985
2021-2026	220,000	434,379	654,379
2026-2031	270,000	385,081	655,081
2031-2036	415,000	315,806	730,806
2036-2041	520,000	217,875	737,875
2041-2045	675,000	86,406	761,406
Total	<u>\$ 2,275,000</u>	<u>\$ 1,912,593</u>	<u>\$ 4,187,593</u>

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

On December 6, 2006, the Public Financing 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.

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.

## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016**Note 10: Long-Term Debt (Continued)**

The annual debt service requirement for the 2006 Taxable Lease Revenue Bonds, Series AV outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 145,000	\$ 558,170	\$ 703,170
2017-2018	150,000	550,920	700,920
2018-2019	160,000	542,520	702,520
2019-2020	170,000	533,560	703,560
2020-2021	175,000	524,040	699,040
2021-2026	1,050,000	2,460,320	3,510,320
2026-2031	1,375,000	2,131,600	3,506,600
2031-2036	1,810,000	1,698,560	3,508,560
2036-2041	2,385,000	1,121,190	3,506,190
2041-2045	2,450,000	359,100	2,809,100
Total	<u>\$ 9,870,000</u>	<u>\$ 10,479,980</u>	<u>\$ 20,349,980</u>

The following is a summary of unamortized deferred loss on refunding outstanding at June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<u>\$ (126,560)</u>	<u>\$ -</u>	<u>\$ (7,031)</u>	<u>\$ (119,529)</u>

Amortization expense was \$7,031 for June 30, 2016.

**Pension Obligation Refunding Bonds**

	Balance July 1, 2015	Accreted Interest	Deletions	Balance June 30, 2016	Due Within One Year
2006 Pension Obligation Bonds, Series AR	<u>\$ 44,333,953</u>	<u>\$ 433,200</u>	<u>\$ 615,000</u>	<u>\$ 44,152,153</u>	<u>\$ 715,000</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 11 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 and changed the debt structure from variable rate to fixed rate.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 10: 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 requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Accreted Interest	Total
2016-2017	\$ 715,000	\$ 2,089,629	\$ -	\$ 2,804,629
2017-2018	812,552	2,068,759	22,449	2,903,760
2018-2019	913,230	2,044,731	51,770	3,009,731
2019-2020	1,013,725	2,017,271	86,276	3,117,272
2020-2021	1,113,533	1,985,967	126,467	3,225,967
2021-2026	7,161,363	9,293,201	1,458,636	17,913,200
2026-2031	10,972,750	7,701,302	2,532,250	21,206,302
2031-2036	21,450,000	336,522	-	21,786,522
Total	<u>\$ 44,152,153</u>	<u>\$ 27,537,382</u>	<u>\$ 4,277,848</u>	<u>\$ 75,967,383</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 10: Long-Term Debt (Continued)****Certificates of Participation**

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
2003 Certificate of Participation, Series AG	\$ 10,785,000	\$ -	\$ 335,000	\$ 10,450,000	\$ 355,000
Unamortized Bond Premium	551,191	-	30,622	520,569	-
Total	<u>\$ 11,336,191</u>	<u>\$ -</u>	<u>\$ 365,622</u>	<u>\$ 10,970,569</u>	<u>\$ 355,000</u>

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

On July 1, 2003, the City issued \$13,985,000 Certificates of Participation, 2003 Series AG, to provide funds 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 requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 355,000	\$ 574,750	\$ 929,750
2017-2018	375,000	555,225	930,225
2018-2019	395,000	534,600	929,600
2019-2020	415,000	512,875	927,875
2020-2021	440,000	490,050	930,050
2021-2026	2,585,000	2,060,575	4,645,575
2026-2031	3,380,000	1,266,375	4,646,375
2031-2034	2,505,000	280,500	2,785,500
Total	<u>\$ 10,450,000</u>	<u>\$ 6,274,950</u>	<u>\$ 16,724,950</u>

The following is a summary of the 2003 Certificate of Participation, Series AG unamortized premium outstanding at June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<u>\$ 551,191</u>	<u>\$ -</u>	<u>\$ 30,622</u>	<u>\$ 520,569</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 10: Long-Term Debt (Continued)****Compensated Absences**

The following is a summary of compensated absences outstanding as of June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
<u>\$ 7,118,226</u>	<u>\$ 4,945,134</u>	<u>\$ 4,810,546</u>	<u>\$ 7,252,814</u>	<u>\$ 4,946,000</u>

For the governmental activities, the majority of the liability will be paid by the General Fund.

**Claims Payable**

The following is a summary of the claims payable outstanding as of June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
<u>\$ 12,101,548</u>	<u>\$ 5,581,864</u>	<u>\$ 3,626,197</u>	<u>\$ 14,057,215</u>	<u>\$ 5,549,895</u>

Claims payable will be liquidated from the Self-Insurance Fund.

**Business-Type Activities****Obligations under Capital Leases**

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
HCC #1	<u>\$ 3,004,393</u>	<u>\$ -</u>	<u>\$ 573,408</u>	<u>\$ 2,430,985</u>	<u>\$ 586,826</u>

The City has 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.

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

	June 30, 2016
Equipment	<u>\$ 4,257,381</u>
Equipment under capitalized lease, at cost	4,257,381
Accumulated depreciation	<u>(1,277,214)</u>
Equipment under capitalized lease, net	<u>\$ 2,980,167</u>

The depreciation expense for equipment under capitalized leases was \$425,738 for the year ended June 30, 2016.

## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016**Note 10: Long-Term Debt (Continued)**

The annual debt service requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 586,825	\$ 56,885	\$ 643,710
2017-2018	600,557	43,153	643,710
2018-2019	614,610	29,100	643,710
2019-2020	628,993	14,719	643,712
Total	<u>\$ 2,430,985</u>	<u>\$ 143,857</u>	<u>\$ 2,574,842</u>

**Revenue Bonds**

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
2002 Refunding Revenue Bonds, Series AF	\$ 12,545,000	\$ -	\$ 225,000	\$ 12,320,000	\$ 240,000
2007 Revenue Bonds, Series AY	94,580,000	-	1,075,000	93,505,000	1,130,000
Unamortized Bond Premium	4,686,644	-	148,783	4,537,861	-
2007 Taxable Revenue Refunding Bonds, Series AZ	5,560,000	-	275,000	5,285,000	285,000
2007 Revenue Bonds, Series BA	14,715,000	-	175,000	14,540,000	175,000
Total	<u>\$ 132,086,644</u>	<u>\$ -</u>	<u>\$ 1,898,783</u>	<u>\$ 130,187,861</u>	<u>\$ 1,830,000</u>
Unamortized Deferred Loss on Refunding					
2002 Refunding Revenue Bonds, Series AF	\$ (552,855)	\$ -	\$ (58,195)	\$ (494,660)	
2007 Revenue Bonds, Series AY	(1,101,665)	-	(78,691)	(1,022,974)	
Total	<u>\$ (1,654,520)</u>	<u>\$ -</u>	<u>\$ (136,886)</u>	<u>\$ (1,517,634)</u>	

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

On October 1, 2002, the Public Financing 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.

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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 10: Long-Term Debt (Continued)**

The annual debt service requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 240,000	\$ 577,175	\$ 817,175
2017-2018	245,000	567,625	812,625
2018-2019	260,000	557,395	817,395
2019-2020	270,000	546,395	816,395
2020-2021	280,000	534,425	814,425
2021-2026	1,630,000	2,464,450	4,094,450
2026-2031	2,045,000	2,051,688	4,096,688
2031-2036	2,555,000	1,525,325	4,080,325
2036-2041	3,255,000	807,375	4,062,375
2041-2043	1,540,000	78,000	1,618,000
Total	<u>\$ 12,320,000</u>	<u>\$ 9,709,853</u>	<u>\$ 22,029,853</u>

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 following is a summary of unamortized deferred loss on refunding outstanding at June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<u>\$ (552,855)</u>	<u>\$ -</u>	<u>\$ (58,195)</u>	<u>\$ (494,660)</u>

Amortization expense was \$58,195 for June 30, 2016.

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

On January 1, 2007, the Public Financing 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, 2016**Note 10: Long-Term Debt (Continued)**

The annual debt service requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 1,130,000	\$ 4,625,450	\$ 5,755,450
2017-2018	1,175,000	4,580,250	5,755,250
2018-2019	1,235,000	4,521,500	5,756,500
2019-2020	1,280,000	4,472,100	5,752,100
2020-2021	1,335,000	4,420,900	5,755,900
2021-2026	7,665,000	21,108,000	28,773,000
2026-2031	10,980,000	18,961,500	29,941,500
2031-2036	16,055,000	15,649,000	31,704,000
2036-2041	20,475,000	11,215,000	31,690,000
2041-2046	26,135,000	5,557,750	31,692,750
2046-2048	6,040,000	302,000	6,342,000
Total	<u>\$ 93,505,000</u>	<u>\$ 95,413,450</u>	<u>\$ 188,918,450</u>

The following is a summary of the 2007 Revenue Bonds, Series AY unamortized premium outstanding at June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<u>\$ 4,686,644</u>	<u>\$ -</u>	<u>\$ 148,783</u>	<u>\$ 4,537,861</u>

Amortization expense was \$148,783 for June 30, 2016.

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, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
<u>\$ (1,101,665)</u>	<u>\$ -</u>	<u>\$ (78,691)</u>	<u>\$ (1,022,974)</u>

Amortization expense was \$78,691 for June 30, 2016.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 10: Long-Term Debt (Continued)**

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

On January 1, 2007, the Public Financing 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 Water Enterprise Fund of the City in trust under the Installment Sale Agreement.

The annual debt service requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 285,000	\$ 297,511	\$ 582,511
2017-2018	300,000	282,500	582,500
2018-2019	320,000	265,550	585,550
2019-2020	340,000	247,470	587,470
2020-2021	355,000	228,260	583,260
2021-2026	2,110,000	815,860	2,925,860
2026-2030	1,575,000	181,365	1,756,365
Total	<u>\$ 5,285,000</u>	<u>\$ 2,318,516</u>	<u>\$ 7,603,516</u>

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

On January 1, 2007, the Public Financing 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, 2016**Note 10: Long-Term Debt (Continued)**

The annual debt service requirement outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 175,000	\$ 642,148	\$ 817,148
2017-2018	185,000	635,296	820,296
2018-2019	190,000	628,483	818,483
2019-2020	195,000	621,260	816,260
2020-2021	205,000	613,603	818,603
2021-2026	1,140,000	2,938,680	4,078,680
2026-2031	1,410,000	2,677,523	4,087,523
2031-2036	1,780,000	2,330,100	4,110,100
2036-2041	2,240,000	1,890,844	4,130,844
2041-2046	5,425,000	1,211,738	6,636,738
2046-2048	1,595,000	88,931	1,683,931
Total	<u>\$ 14,540,000</u>	<u>\$ 14,278,606</u>	<u>\$ 28,818,606</u>

**Compensated Absences**

In the enterprise funds, the liability for vested and unpaid compensated absences (accrued vacation, sick pay, executive leave, and comp time) is reported in the fund as the benefits are earned and vest. The compensated absences accrued in the enterprise funds amounted to \$1,302,208 at June 30, 2016.

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
<u>\$ 1,302,207</u>	<u>\$ 1,052,183</u>	<u>\$ 950,780</u>	<u>\$ 1,403,610</u>	<u>\$ 1,054,000</u>

For the business-type activities, the liabilities will be paid in future years from the propriety funds.



## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016**Note 10: Long-Term Debt (Continued)****Pledged Revenue**

The City has pledged certain tax revenue to the repayment of its Water 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 available revenues are irrevocably pledged by the City to the repayment of the bond's debt services. In 2016, the Water and Sewer Enterprise Funds have net available revenues of \$10,319,759 and total debt service paid was \$7,976,918. The bonds required 77% of net revenue. Annual principal and interest payments on the bonds are expected to require roughly 92% of future net revenue. The total principal and interest remaining to be paid at June 30, 2016, on the Bonds is as follows:

<u>Debt Issue</u>	<u>Remaining Balance</u>
2002 Series AF Bonds	\$ 22,029,853
2007 Series AY Bonds	188,918,450
2007 Series AZ Bonds	7,603,516
2007 Series BA Bonds	28,818,606
Total	<u>\$ 247,370,425</u>

<u>Revenue</u>	<u>2015-2016 Revenue</u>
Net available revenues; excluding debt service	<u>\$ 10,319,759</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, 2016, of capital assets related debt.

**Governmental Activities:**

	<u>Outstanding Principal on Capital Related Debt</u>
2003 Certificates of Participation, Series AG	\$ 10,897,438
2005 Lease Revenue Bonds, Series AN	19,204,510
2006 Lease Revenue Bonds, Series AU	2,084,282
2006 Taxable Lease Revenue Bonds, Series AV	4,292,694
Capital Lease Obligations	702,985
Total	<u>\$ 37,181,909</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 10: Long-Term Debt (Continued)****Business-Type Activities:**

	Outstanding Principal on Capital Related Debt
Water	
2007 Revenue Bonds, Series AY	\$ 87,920,704
2007 Taxable Revenue Refunding Bonds, Series AZ	4,262,025
Subtotal	<u>92,182,729</u>
Sewer	
2002 Refunding Revenue Bonds, Series AF	9,843,357
2007 Revenue Bonds, Series BA	12,661,735
Subtotal	<u>22,505,092</u>
Refuse	
Capital Lease Obligation	2,430,985
Total	<u><u>\$ 117,118,806</u></u>

**Note 11: 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 Successor 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.

**Mortgage Revenue Bonds**

Single family and multifamily housing revenue bonds were 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, 2016, is as follows:

Mortgage Revenue Bonds	Balance June 30, 2016
Single Family, Series 1983 A (Southwest Project Bonds)	\$ 700,000
Single Family Mortgage Refunding Bonds 90A	26,520,000
Single Family Mortgage Refunding Bonds 90B	11,625,000
	<u><u>\$ 38,845,000</u></u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 12: Defined Benefit Pension Plan Obligations****General Information about the Pension 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.

**Benefits Provided**

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

	<b>Miscellaneous Plan</b>		
	<b>Tier 1 *</b>	<b>Tier 2*</b>	<b>PEPRA</b>
		On or after	
Hire date	Prior to August 14, 2011	August 14, 2011 but prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	1.426% - 2.418%, 50 yrs - 63+ yrs, respectively	1.092% - 2.418%, 50 yrs - 63+ yrs, respectively	1.000% - 2.500%, 52 yrs - 67+ yrs, respectively
Required employee contribution rates	7.000%	7.000%	6.250%
Required employer contribution rates	17.053%	17.053%	17.053%

\* Plan is closed to new entrants

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 12: Defined Benefit Pension Plan Obligations (Continued)**

	<b>Safety Plan</b>		
	<b>Tier 1 *</b>	<b>Tier 2 *</b>	<b>PEPRA</b>
Hire date	Prior to November 21, 2010	On or after November 21, 2010 but prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	3.000%, 50+ yrs	2.400% - 3.000%, 50 yrs - 55+ yrs, respectively	2.000% - 2.700%, 50 yrs - 57+ yrs, respectively
Required employee contribution rates	9.000%	9.000%	12.750%
Required employer contribution rates	40.523%	40.523%	40.523%

\* Plan is closed to new entrants

**Employees Covered**

At June 30, 2016, the following employees were covered by the benefit terms of the plan:

<b>Description</b>	<b>Number of members</b>	
	<b>Miscellaneous Plan</b>	<b>Safety Plan</b>
Active members	356	152
Transferred members	326	24
Terminated members	184	17
Retired members and beneficiaries	852	383
<b>Total</b>	<b>1,718</b>	<b>576</b>

**Contribution Description**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2016, the employer contributions recognized as a reduction to the net pension liability for all the Miscellaneous Plan and Safety Plan were \$3,803,283 and \$5,171,283 respectively.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 12: Defined Benefit Pension Plan Obligations (Continued)****Net Pension Liability**

The City's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

For the measurement period ended June 30, 2015 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2014 total pension liability. The June 30, 2014 and the June 30, 2015 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

**Change of Assumptions**

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate was changed from 7.50 percent (net of administrative expense in 2014) to 7.65 percent as of the June 30, 2015 measurement date to correct the adjustment which previously reduced the discount rate for administrative expense.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 12: Defined Benefit Pension Plan Obligations (Continued)****Discount Rate**

The discount rate used to measure the total pension liability was 7.65% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plan that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plan run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10*</u>	<u>Real Return Years 11+**</u>
Global Equity	51.00%	5.25%	5.71%
Global Debt Securities	19.00%	0.99%	2.43%
Inflation Assets	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%

\* An expected inflation of 2.5% used for this period

\*\*An expected inflation of 3.0% used for this period

## CITY OF POMONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2016

## Note 12: Defined Benefit Pension Plan Obligations (Continued)

## Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
<b>Miscellaneous Plan</b>			
Balance at: 6/30/2014 (Valuation Date) (1)	\$ 254,669,734	\$ 207,812,443	\$ 46,857,291
Changes Recognized for the Measurement Period:			
Service Cost	3,161,189	-	3,161,189
Interest on the Total Pension Liability	18,495,828	-	18,495,828
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual Experience	(3,363,816)	-	(3,363,816)
Changes of Assumptions	(4,427,183)	-	(4,427,183)
Contribution from the Employer	-	3,747,091	(3,747,091)
Contributions from Employees	-	1,766,013	(1,766,013)
Net Investment Income	-	4,578,528	(4,578,528)
Benefit Payments including Refunds of Employee Contributions	(13,367,634)	(13,367,634)	-
Plan to Plan Resource Movement	-	(521)	521
Administrative Expense	-	(235,754)	235,754
Net Changes During 2014-15	498,384	(3,512,277)	4,010,661
Balance at: 6/30/2015 (Measurement Date) (1)	\$ 255,168,118	\$ 204,300,166	\$ 50,867,952
<b>Safety Plan</b>			
Balance at: 6/30/2014 (Valuation Date) (1)	\$ 324,344,654	\$ 245,455,660	\$ 78,888,994
Changes Recognized for the Measurement Period:			
Service Cost	4,785,362	-	4,785,362
Interest on the Total Pension Liability	23,712,742	-	23,712,742
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual Experience	(2,090,216)	-	(2,090,216)
Changes of Assumptions	(5,565,887)	-	(5,565,887)
Contribution from the Employer	-	6,367,577	(6,367,577)
Contributions from Employees	-	2,743,727	(2,743,727)
Net Investment Income	-	5,342,317	(5,342,317)
Benefit Payments including Refunds of Employee Contributions	(18,221,480)	(18,221,480)	-
Plan to Plan Resource Movement	-	521	(521)
Administrative Expense	-	(271,705)	271,705
Net Changes During 2014-15	2,620,521	(4,039,043)	6,659,564
Balance at: 6/30/2015 (Measurement Date) (1)	\$ 326,965,175	\$ 241,416,617	\$ 85,548,558

(1) The fiduciary net position includes receivables for employee service buybacks, deficiency reserves, fiduciary self-insurance and OPEB expense. This may differ from the plan assets reported in the funding actuarial valuation report.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 12: Defined Benefit Pension Plan Obligations (Continued)****Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Discount Rate - 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate + 1% (8.65%)
\$ 211,290,057	\$ 136,416,510	\$ 74,573,728

**Pension Plan Fiduciary Net Position**

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

**Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions**

As of the start of the measurement period (July 1, 2014), the net pension liability was \$125,746,785. For the measurement period ending June 30, 2015 (the measurement date), the City incurred a pension expense/(income) of \$3,996,959 for both the Miscellaneous Plan and Safety Plan.

Note that no adjustments have been made for contributions subsequent to the measurement date. Adequate treatment of any contributions made after the measurement date is the responsibility of the employer.

As of June 30, 2016, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions that occurred after the measurement date of June 30, 2015	\$ 11,791,373	\$ -
Changes of Assumptions	-	(5,897,071)
Differences between Expected and Actual Experiences	-	(3,105,709)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	19,249,497	(23,622,900)
<b>Total</b>	<b>\$ 31,040,870</b>	<b>\$ (32,625,680)</b>



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 12: Defined Benefit Pension Plan Obligations (Continued)**

\$11,791,373 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2016	\$ (9,506,247)
2017	(5,620,383)
2018	(3,061,926)
2019	4,812,373

**Note 13: Other Post-Employment Benefits****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**

Bargaining Group	City Service
Executive Management Group B, Mid-Management/Confidential Employees' Association, City Employees' Association, Police Officers' Association	20 Years
Executive Management Group A	1 Year
Police Management	Not Eligible

There are 88 participants receiving collateral benefits at June 30, 2016.

**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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 13: Other Post-Employment Benefits (Continued)**

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, 2016, the City's annual pension cost for the Collateral Benefits Plan of \$102,949 was equal to the actuarial required contribution.

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 for the Collateral Benefits Plan:

Year Ending	Annual Pension Cost(APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2014	\$ 110,032	100%	\$ -
6/30/2015	110,032	100%	-
6/30/2016	102,949	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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 13: Other Post-Employment Benefits (Continued)**

Schedule of Funding Progress Collateral Benefits Plan						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
7/1/2009	\$ 179,275	\$ 954,779	\$ (775,504)	18.8%	n/a	n/a
7/1/2012	220,801	976,744	(755,943)	22.6%	n/a	n/a
7/1/2014	258,073	905,593	(647,520)	28.5%	n/a	n/a

**Public Employees' Medical and Hospital Care Program (PEMHCA) Plan****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, with the maximum contribution limited for individual retirees based on bargaining groups as 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 (Pre-Merger with Los Angeles County Fire District)	465

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

**Eligibility**

There are 488 employees eligible to receive or are receiving post-employment benefits at June 30, 2016.

**Funding Policy**

The required contribution of the City is based on a pay-as-you-go financing requirement. For fiscal year 2016, the City contributed \$3,393,250 to the retiree health plan.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 13: Other Post-Employment Benefits (Continued)****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 30 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:

	Total
Annual required contribution	\$ 6,736,902
Interest on net OPEB obligation	792,089
Adjustment to annual required contribution	<u>(1,014,032)</u>
Annual OPEB cost (expense)	6,514,959
Contributions made	<u>3,393,250</u>
Increase in net OPEB obligation	3,121,709
Net OPEB obligation - beginning of year	<u>19,802,228</u>
Net OPEB obligation - end of year	<u><u>\$ 22,923,937</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual Contribution	% of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2014	\$ 5,252,076	\$ 3,107,605	59.2%	\$ 17,668,252
6/30/2015	5,479,146	3,345,170	61.1%	19,802,228
6/30/2016	6,514,959	3,393,250	52.1%	22,923,937

**Funded Status and Funding Progress**

As of January 1, 2016, the most recent actuarial valuation date, the plan was zero percent funded. The Actuarial Accrued Liability (AAL) for benefits was \$88,492,843 and the actuarial value of assets was \$0 resulting in an Unfunded Actuarial Accrued Liability (UAAL) of \$88,492,843. The covered payroll (annual payroll of active employees covered by the plan) was \$39,293,795 and the ratio of UAAL to the covered payroll was 225.2%.

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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 13: Other Post-Employment Benefits (Continued)**

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 Public Employees' Medical and Hospital Care Program Plan						
Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Entry Age Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percentage of Covered Payroll
1/1/2012	\$ -	\$ 77,168,916	\$ (77,168,916)	0.0%	\$ 36,101,000	213.8%
1/1/2014	-	76,618,515	(76,618,515)	0.0%	40,318,000	190.0%
1/1/2016	-	88,492,843	(88,492,843)	0.0%	39,293,795	225.2%

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, 2016, 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 4.0% 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 5.0% for PPO and HMO respectively and reduced to an ultimate rate of 5.0% thereafter. The actuarial assumption for inflation was 2.75%. As of the valuation date, there are no eligible plan assets. The UAAL is being amortized over an initial 30 years using the level percentage-of-pay method on a closed basis. The remaining amortization period at June 30, 2016, was 22 years. As of the actuarial valuation date of January 1, 2016, the City had 508 active eligible participants and 693 eligible retired participants and beneficiaries.

**Note 14: 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 various rail crossings as well as at various grade separations in the San Gabriel Valley.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 14: Joint Powers Agreements (Continued)****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 various member counties and various 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.

Below are the most currently available condensed audited financial statements of the JPA as of June 30, 2016. Separate financial statements of Foothill Transit are available from its offices located in West Covina, California.

	Total
Assets	\$ 323,376,245
Liabilities	85,238,408
Net Position	<u>\$ 238,137,837</u>
Revenues	\$ 18,531,384
Expenses	101,711,307
Operating income	(83,179,923)
Nonoperating revenue (expenses)	62,643,667
Net income	(20,536,256)
Capital contributions	27,386,888
Net Position - July 1, 2015	231,287,205
Net Position - June 30, 2016	<u>\$ 238,137,837</u>

**Note 14: Joint Powers Agreements (Continued)**

**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 its share of operating costs.

The City paid the joint venture \$0 during the year ended June 30, 2016. 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 \$46,000 in annual dues for the fiscal year ending June 30, 2016.

**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, 2016.

**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.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 14: Joint Powers Agreements (Continued)****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.

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. Because the City also has an ongoing financial responsibility for continued funding of the PVTA, the City is able to influence operations. As a result, the PVTA uses its resources on behalf of the City.

Following are the most currently available condensed audited financial statements of the PVTA as of June 30, 2016. Separate financial statements of the PVTA are available from its offices located in La Verne, California.

	Total
Assets	<u>\$ 3,203,422</u>
Liabilities	\$ 1,753,828
Contributed capital	280,499
Retained earnings	<u>1,169,095</u>
Total liabilities and fund equity	<u>\$ 3,203,422</u>
Operating revenues	\$ 298,577
Operating expenses	<u>4,347,374</u>
Operating (income)	(4,048,797)
Non-operating revenue	<u>4,150,873</u>
Net income	102,076
Retained earnings - July 1, 2015	<u>1,067,019</u>
Retained earnings - June 30, 2016	<u>\$ 1,169,095</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 \$3,550,577 during the year ended June 30, 2016, which is comprised of \$3,244,020 for



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 14: Joint Powers Agreements (Continued)**

water use and \$306,557 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, 2016, was \$686,767.

As of June 30, 2016, the three participants had the following approximate ownership equity interest:

Member	Percentages	Agreement Balance
City of Pomona	28%	\$ 686,767
Walnut Valley Water District	43%	1,054,676
Rowland Water District	28%	686,767
Unallocated	1%	24,527
Total	100%	\$ 2,452,737

The Commission's basic financial statements for the fiscal year ended June 30, 2016, reflect the implementation of GASB 34 and include the following:

Total Assets	\$ 5,473,079
Total Liabilities	<u>3,020,343</u>
Net Position	<u>\$ 2,452,736</u>

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 \$16,415,037 compared to total operating revenues of \$16,418,204 in fiscal year 2016. 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 \$31,200 in annual dues for the fiscal year ending June 30, 2016.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 14: Joint Powers Agreements (Continued)****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, 2016.

The Board of Directors is comprised of seven members, two councilmembers from Pomona, one councilmember each from the cities of Claremont and La Verne, and one non-elected member from each of the three cities.

Below are the most currently available condensed audited financial statements of the Center as of June 30, 2016. Separate financial statements of the Center are available from its offices located in Pomona, California.

	Total
Assets	\$ 34,483,936
Deferred outflows of resources	1,251,844
Liabilities	14,166,881
Deferred inflows of resources	7,470,262
Net Position	<u>\$ 14,098,637</u>
Revenues	\$ 6,274,947
Expenses	15,862,691
Operating income	(9,587,744)
Non-operating revenue (expenses)	13,489,224
Net income	3,901,480
Special items	636,581
Net Position - July 1, 2015 (as restated)	9,560,576
Net Position - June 30, 2016	<u>\$ 14,098,637</u>

**Note 15: Risk Management**

The Self-Insurance Internal Service Fund is part of the City's self-insurance program for general liability, workers compensation, and unemployment insurance. 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.

As of June 30, 2016, estimated claims payable amounted to \$14,057,215.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 15: Risk Management (Continued)**

The estimated claims payable reported at June 30, 2016, 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
2013-2014	\$ 19,031,566	\$ 2,024,844	\$ 4,876,966	\$ 16,179,444
2014-2015	16,179,444	2,029,341	6,107,237	12,101,548
2015-2016	12,101,548	5,581,864	3,626,197	14,057,215

**Note 16: 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. Additionally, the contract provides the City with up to 2/3 of the supply of water from the plant which can then be sold by the City to other customers. The City receives discounted rates on water during the first 12 years of the agreement.

**Contractual Commitments**

The following schedule summarizes the major capital project contractual commitments of the City as of June 30, 2016:

Vendor	Remaining Commitments
Gentry Brothers	\$ 11,314,352
Troy Acoustics	1,893,792
AMB Electric	565,134
Ferreira Construction Co.	509,122
General Pump Co.	368,955
Wildan Associates	188,259
Stantec Consulting Services	186,287
RKA	181,551
Albert A. Webb Associates	125,699
Leighton Consulting Inc.	125,384
Dudek & Associates	124,065
VA Consulting	120,366
Gonzales Goodale Architects	116,000
Civil Source, Inc.	115,077
Fehr & Peers Kaku Associates	112,714
E2 Managet	105,527
All Other Commitment	435,545
<b>Total</b>	<b>\$ 16,587,829</b>

**CITY OF POMONA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

**Note 16: Commitments and Contingencies (Continued)**

**Lawsuits**

The City is a defendant in certain other legal actions arising in the normal course of operations. As of June 30, 2016, 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.

**Note 17: 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, 2016:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Capital assets, net of accumulated depreciation	\$ 265,818,551	\$ 159,154,796	\$ 424,973,347
Less: Outstanding principal on capital related debt	(41,347,328)	(116,166,027)	(157,513,355)
Net investment in capital assets	<u>\$ 224,471,223</u>	<u>\$ 42,988,769</u>	<u>\$ 267,459,992</u>

**Unrestricted Net Position**

The unrestricted net position for governmental activities has a deficit balance of \$227,001,243 at June 30, 2016.

**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, 2016:

	Enterprise Funds					Internal Service Funds
	Water	Sewer	Refuse	Canon Water	Total	
Capital assets, net of accumulated depreciation	\$ 126,553,661	\$ 28,936,556	\$ 3,641,206	\$ 23,373	\$ 159,154,796	\$ 359,228
Less: outstanding principal on capital related debt	(91,954,840)	(21,780,202)	(2,430,985)	-	(116,166,027)	-
	<u>\$ 34,598,821</u>	<u>\$ 7,156,354</u>	<u>\$ 1,210,221</u>	<u>\$ 23,373</u>	<u>\$ 42,988,769</u>	<u>\$ 359,228</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**

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**Note 17: Net Position and Fund Balance (Continued)****Net Position and Fund Balances Restatement**

Beginning net position and fund balances have been restated as follows:

**Governmental Funds**

## Capital Outlay

To correct prior period capital outlay expenditures	\$	748,279
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**Enterprise Funds**

## Sewer Fund

To correct prior period capital outlay expenditures	\$	(748,279)
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**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency**

On June 28, 2011, Governor Jerry Brown signed into law two bills that amended California Community Redevelopment Law in order to address the state's ongoing budget deficit. ABx1 26 ("the Bill") dissolved all California redevelopment agencies (RDAs) effective October 1, 2011. This legislation prevented RDAs from engaging in new activities and outlined a process for winding down the RDA's financial affairs. It also set forth a process for distributing funds from the former RDAs to other local taxing entities. A companion bill, ABx1 27, was also passed, which allowed individual RDAs to avoid dissolution if they agreed to make substantial annual payments into a Special District Allocation Fund and Educational Revenue Augmentation Fund.

In response, the California Redevelopment Association, the League of California Cities and other parties filed petitions with the California Supreme Court challenging the constitutionality of both ABx1 26 and ABx1 27. On December 29, 2011, the California Supreme Court upheld the constitutionality of ABx1 26, while striking down ABx1 27 as unconstitutional. The ruling in California Redevelopment Association v. Matosantos also extended some of the deadlines stipulated in ABx1 26 due to delays caused by the litigation. As a result, approximately 400 RDAs were dissolved on February 1, 2012, with the assets and liabilities transferred to Successor Agencies and Successor Housing Agencies pursuant to ABx1 26. The California State Legislature made additional changes to the dissolution process when Governor Jerry Brown signed AB 1484 into law on June 27, 2012. This legislation made a variety of substantive amendments to the original Dissolution Act. These actions 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 would agree to serve as the "successor agency" to hold the assets until the assets were distributed to other units of state and local government. On January 9, 2012, the City Council adopted resolution number 2012-8 electing to assume the responsibility of Successor Agency for the former Pomona Redevelopment Agency.

After enactment of the law, redevelopment agencies in the State of California could not enter into new projects, obligations or commitments. Subject to the control of an established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution.

Subsequent to the dissolution, Successor Agencies are only allocated revenue up to the amount necessary to pay the estimated annual installment payments on enforceable obligation of the former redevelopment agency until all enforceable obligations have been paid in full and all assets have been liquidated.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

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. The State completed its required audit and provided the Successor Agency its report on November 26, 2014.

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.

**Cash and Investments**

The following is a summary of cash and investments of the Successor Agency at June 30, 2016:

Cash and investments	\$ 20,092,586
Restricted cash	<u>52,473,582</u>
Total	<u><u>\$ 72,566,168</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 average quarterly 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.

**Loans Receivable (Net)**

At June 30, 2016, the Successor Agency's net loans receivable consisted of the following:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Business Assistance Loans	\$ 1,450,000	\$ -	\$ -	\$ 1,450,000
Guadalajara Market	210,600	-	-	210,600
Pomona Fox Theater	1,289,060	-	-	1,289,060
Pomona Fox Theater	1,150,000	-	-	1,150,000
Garey Village Complex	5,000,000	-	5,000,000	-
Total	<u>\$ 9,099,660</u>	<u>\$ -</u>	<u>\$ 5,000,000</u>	<u>\$ 4,099,660</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**
**Land Held for Resale**

At June 30, 2016, land held for resale in the amount of \$19,648,669 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, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Non-depreciable assets:				
Land	\$ 125,423	\$ -	\$ -	\$ 125,423
Total non-depreciable assets	125,423	-	-	125,423
Depreciable assets:				
Buildings and building improvements	63,126	-	-	63,126
Improvements other than buildings	148,995	-	-	148,995
Machinery and equipment	429,179	-	-	429,179
Furniture and fixtures	8,361	-	-	8,361
Autos and trucks	19,513	-	-	19,513
Total depreciable assets, at cost	669,174	-	-	669,174
Less accumulated depreciation				
Buildings and building improvements	13,889	1,263	-	15,152
Improvements other than buildings	125,157	5,962	-	131,119
Machinery and equipment	429,178	-	-	429,178
Furniture and fixtures	8,360	-	-	8,360
Autos and trucks	19,513	-	-	19,513
Total accumulated depreciation	596,097	7,225	-	603,322
Total depreciable assets, net	73,077	(7,225)	-	65,852
Total capital assets	\$ 198,500	\$ (7,225)	\$ -	\$ 191,275

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: 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, 2016, follows:

	Balance July 1, 2015	Accreted/ Accrued Interest	Additions	Deletions	Balance June 30, 2016	Due Within One Year
Pollution remediation obligations	\$ 1,700,000	\$ -	\$ -	\$ -	\$ 1,700,000	\$ 630,000
County deferred tax loans	48,488,194	4,040,497	-	-	52,528,691	-
Notes payable	3,330,366	-	-	29,209	3,301,157	29,607
Tax allocation bonds	7,455,000	-	-	570,000	6,885,000	595,000
Advances from the Public Financing Authority	155,255,000	-	-	5,925,000	149,330,000	6,065,000
Advance from the Housing Authority - SERAF loan	4,000,000	-	-	-	4,000,000	-
Compensated absences	104,515	-	31,468	107,030	28,953	28,000
Total	<u>\$ 220,333,075</u>	<u>\$ 4,040,497</u>	<u>\$ 31,468</u>	<u>\$ 6,631,239</u>	<u>\$ 217,773,801</u>	<u>\$ 7,347,607</u>

**Pollution Remediation Obligations**

The dissolution law that eliminated all redevelopment agencies in the State requires that all assets of the former Redevelopment Agency be sold, following State approval of the Long Range Property Management Plan (LRPMP). On October 7, 2014, the Successor Agency received State approval for the sale of a property. The property was the location of a former landfill and is subject to remedial action. As of June 30, 2016, the remediation cost is estimated at \$1,700,000. Sale of the property is contingent upon the completion of the remediation.

**County Deferred Tax Loans**

At June 30, 2016, the County deferred tax loans consisted of the following:

	Balance July 1, 2015	Accrued Interest	Additions	Deletions	Balance June 30, 2016
Southwest Pomona Project Area	\$ 41,100,138	\$ 2,877,010	\$ -	\$ -	\$ 43,977,148
South Garey/Freeway Corridor Project Area	7,388,056	1,163,487	-	-	8,551,543
Total	<u>\$ 48,488,194</u>	<u>\$ 4,040,497</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,528,691</u>

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 accrue at 7% per year, compounded annually. The Successor Agency will commence repayment of the loans when excess funds become available.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**
**Notes Payable**

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
Mission Promenade, LLC	\$ 2,378,080	\$ -	\$ -	\$ 2,378,080	\$ -
PVEF Note	167,129	-	-	167,129	-
US Bank Loans	785,157	-	29,209	755,948	29,607
Total	<u>\$ 3,330,366</u>	<u>\$ -</u>	<u>\$ 29,209</u>	<u>\$ 3,301,157</u>	<u>\$ 29,607</u>

**Mission Promenade, LLC**

In December 2008, the former Redevelopment Agency partially financed the purchase of the Mission Promenade project (MP 1) with a promissory unsecured note bearing 0% interest for the first 5 years. 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, 2016, is \$2,378,080. Due to insufficient Successor Agency funds available and thus the inability to pay the note, the Successor Agency will not report a due within one year.

**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. Due to insufficient Successor Agency funds available and thus the inability to pay the note, the Successor Agency will not report a due within one year.

The annual debt service requirements outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 108,634	\$ 27,161	\$ 135,795
2017-2018	33,426	8,357	41,783
2018-2019	25,069	6,264	31,333
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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements at June 30, 2016, is as follows:

	Principal	* Interest	Total
2016-2017	\$ 29,577	\$ 26,681	\$ 56,258
2017-2018	30,481	26,066	56,547
2018-2019	31,615	24,932	56,547
2019-2020	32,791	23,756	56,547
2020-2021	34,011	22,536	56,547
2021-2026	189,998	92,735	282,733
2026-2031	228,065	54,667	282,732
2031-2036	179,410	11,600	191,010
Total	<u>\$ 755,948</u>	<u>\$ 282,973</u>	<u>\$ 1,038,921</u>

\* Interest rate is adjustable and was calculated using two separate interest rates as of June 30, 2016.

**Tax Allocation Bonds**

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
1998 Tax Allocation Bonds, Series X	\$ 1,145,000	\$ -	\$ 335,000	\$ 810,000	\$ 350,000
1998 Tax Allocation Bonds, Series Y	6,310,000	-	235,000	6,075,000	245,000
Total	<u>\$ 7,455,000</u>	<u>\$ -</u>	<u>\$ 570,000</u>	<u>\$ 6,885,000</u>	<u>\$ 595,000</u>

**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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 350,000	\$ 34,203	\$ 384,203
2017-2018	45,000	23,625	68,625
2018-2019	50,000	21,060	71,060
2019-2020	50,000	18,360	68,360
2020-2021	55,000	15,525	70,525
2021-2025	260,000	28,890	288,890
Total	<u>\$ 810,000</u>	<u>\$ 141,663</u>	<u>\$ 951,663</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 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, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 245,000	\$ 333,278	\$ 578,278
2017-2018	260,000	319,925	579,925
2018-2019	275,000	305,755	580,755
2019-2020	290,000	290,768	580,768
2020-2021	305,000	274,963	579,963
2021-2026	1,800,000	1,105,340	2,905,340
2026-2031	2,350,000	552,750	2,902,750
2031-2032	550,000	30,250	580,250
Total	<u>\$ 6,075,000</u>	<u>\$ 3,213,029</u>	<u>\$ 9,288,029</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**
**Advances from the Public Financing Authority**

The Public Financing Authority issued various debt instruments and advanced the proceeds to the former Redevelopment Agency, subsequently the 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 amounts equal to the debt service requirement. The following is a summary of changes for the year ended June 30, 2016, of the long-term debts issued through the Public Financing Authority with proceeds advanced to the Successor Agency:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
1998 Revenue Refunding Bonds, Series W	\$ 35,780,000	\$ -	\$ 450,000	\$ 35,330,000	\$ 470,000
2001 Revenue Refunding Bonds, Series AD	30,300,000	-	2,110,000	28,190,000	2,120,000
2003 Revenue Refunding Bonds, Series AH	18,545,000	-	1,380,000	17,165,000	1,440,000
2005 Taxable Housing Tax Revenue Bonds, Series AQ	7,990,000	-	310,000	7,680,000	325,000
2006 Revenue Bonds, Series AS	25,875,000	-	70,000	25,805,000	65,000
2006 Taxable Revenue Bonds, Series AT	6,875,000	-	420,000	6,455,000	440,000
2007 Subordinate Revenue Bonds, Series AW	7,380,000	-	275,000	7,105,000	285,000
2006 Subordinate Revenue Bonds, Series AX	22,510,000	-	910,000	21,600,000	920,000
	<u>\$ 155,255,000</u>	<u>\$ -</u>	<u>\$ 5,925,000</u>	<u>\$ 149,330,000</u>	<u>\$ 6,065,000</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.

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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 1998 Revenue Bonds, Refunding Series W outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 470,000	\$ 1,766,500	\$ 2,236,500
2017-2018	495,000	1,743,000	2,238,000
2018-2019	520,000	1,718,250	2,238,250
2019-2020	545,000	1,692,250	2,237,250
2020-2021	2,645,000	1,665,000	4,310,000
2021-2026	15,365,000	6,202,250	21,567,250
2026-2030	15,290,000	1,958,000	17,248,000
Total	<u>\$ 35,330,000</u>	<u>\$ 16,745,250</u>	<u>\$ 52,075,250</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.

The annual debt service requirements for the 2001 Revenue Bonds, Series AD outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 2,120,000	\$ 1,409,500	\$ 3,529,500
2017-2018	2,350,000	1,303,500	3,653,500
2018-2019	2,470,000	1,186,000	3,656,000
2019-2020	2,175,000	1,062,500	3,237,500
2020-2021	1,435,000	953,750	2,388,750
2021-2026	8,345,000	3,621,500	11,966,500
2026-2031	7,945,000	1,452,750	9,397,750
2031-2034	1,350,000	89,750	1,439,750
Total	<u>\$ 28,190,000</u>	<u>\$ 11,079,250</u>	<u>\$ 39,269,250</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**
**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, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 1,440,000	\$ 844,978	\$ 2,284,978
2017-2018	1,520,000	785,938	2,305,938
2018-2019	1,540,000	706,138	2,246,138
2019-2020	1,805,000	625,288	2,430,288
2020-2021	370,000	530,525	900,525
2021-2026	2,070,000	2,388,465	4,458,465
2026-2031	6,990,000	1,820,410	8,810,410
2031-2035	1,430,000	132,413	1,562,413
Total	<u>\$ 17,165,000</u>	<u>\$ 7,834,155</u>	<u>\$ 24,999,155</u>

**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 monies in the Redevelopment Property Tax Trust Fund (RPTTF) monies for the Recognized Obligation Payment Schedules (ROPS).

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2005 Taxable Housing Tax Revenue Bonds, Series AQ outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 325,000	\$ 471,613	\$ 796,613
2017-2018	345,000	451,300	796,300
2018-2019	365,000	429,738	794,738
2019-2020	390,000	406,925	796,925
2020-2021	415,000	382,550	797,550
2021-2026	2,485,000	1,491,188	3,976,188
2026-2031	3,355,000	627,300	3,982,300
Total	<u>\$ 7,680,000</u>	<u>\$ 4,260,614</u>	<u>\$ 11,940,614</u>

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

On December 1, 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.

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.

The annual debt service requirements for the 2006 Revenue Bonds, Series AS outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 65,000	\$ 1,246,210	\$ 1,311,210
2017-2018	105,000	1,243,723	1,348,723
2018-2019	165,000	1,240,469	1,405,469
2019-2020	235,000	1,235,218	1,470,218
2020-2021	450,000	1,227,300	1,677,300
2021-2026	1,440,000	5,925,344	7,365,344
2026-2031	6,730,000	5,247,813	11,977,813
2031-2036	12,035,000	2,301,250	14,336,250
2036-2041	4,580,000	596,700	5,176,700
Total	<u>\$ 25,805,000</u>	<u>\$ 20,264,027</u>	<u>\$ 46,069,027</u>



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**
**2006 Taxable Revenue Bonds, Series AT – Original Issuance \$8,355,000**

On December 1, 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.

The annual debt service requirements for the 2006 Taxable Revenue Bonds, Series AT outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 440,000	\$ 355,574	\$ 795,574
2017-2018	465,000	330,643	795,643
2018-2019	490,000	303,340	793,340
2019-2020	520,000	274,464	794,464
2020-2021	545,000	244,016	789,016
2021-2026	3,235,000	699,740	3,934,740
2026-2029	760,000	21,728	781,728
Total	<u>\$ 6,455,000</u>	<u>\$ 2,229,505</u>	<u>\$ 8,684,505</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.



**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2007 Subordinate Revenue Bonds, Series AW outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 285,000	\$ 351,206	\$ 636,206
2017-2018	305,000	337,550	642,550
2018-2019	320,000	322,706	642,706
2019-2020	335,000	306,731	641,731
2020-2021	345,000	289,731	634,731
2021-2026	2,030,000	1,154,075	3,184,075
2026-2031	2,540,000	580,406	3,120,406
2031-2034	945,000	40,616	985,616
Total	<u>\$ 7,105,000</u>	<u>\$ 3,383,021</u>	<u>\$ 10,488,021</u>

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

On December 1, 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 (now retired), 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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**
**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

The annual debt service requirements for the 2006 Subordinate Revenue Bonds, Series AX outstanding at June 30, 2016, is as follows:

	Principal	Interest	Total
2016-2017	\$ 920,000	\$ 1,024,265	\$ 1,944,265
2017-2018	925,000	984,598	1,909,598
2018-2019	970,000	943,370	1,913,370
2019-2020	975,000	900,580	1,875,580
2020-2021	1,020,000	856,690	1,876,690
2021-2026	5,565,000	3,519,750	9,084,750
2026-2031	6,955,000	1,967,875	8,922,875
2031-2036	3,240,000	503,750	3,743,750
2036-2041	1,030,000	123,250	1,153,250
Total	<u>\$ 21,600,000</u>	<u>\$ 10,824,128</u>	<u>\$ 32,424,128</u>

**Advances from the Housing Authority**

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
SERAF loan	<u>\$ 4,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,000,000</u>	<u>\$ -</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 its budget. The former Redevelopment Agency of the City of Pomona's share of SERAF obligation was \$8,264,547 in Fiscal Year 2009-10 and \$1.7 million in Fiscal Year 2010-11. Health and Safety Code Section 33690(c) provides that a redevelopment agency, which made a finding that insufficient monies were 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, the Redevelopment Agency Board authorized a loan of \$5,000,000 from the Low-Mod Fund to provide partial funding for the balance of the SERAF payment due. The Successor Agency's outstanding balance on the note as of June 30, 2016, is \$4,000,000.

**Compensated Absences**

The following is a summary of compensated absences outstanding as of June 30, 2016:

Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
<u>\$ 104,515</u>	<u>\$ 31,468</u>	<u>\$ 107,030</u>	<u>\$ 28,953</u>	<u>\$ 28,000</u>

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2016**


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**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**
**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 \$15,962,097 and the debt service obligation on the bonds was \$14,676,025.

Remaining balance on the debt at June 30, 2016, is as follows:

Debt Issue	Remaining Balance
County of LA Agreement	\$ 52,528,691
1998 Series W Bonds	52,075,250
1998 Series X Bonds	951,663
1998 Series Y Bonds	9,288,029
2001 Series AD Bonds	39,269,250
2003 Series AH Bonds	24,999,155
2005 Series AQ Bonds	11,940,614
2006 Series AS Bonds	46,069,027
2006 Series AT Bonds	8,684,505
2007 Series AW Bonds	10,488,021
2006 Series AX Bonds	32,424,128
Total	<u>\$ 288,718,333</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.

**Note 18: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)**

**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 2015-16, the Successor Agency received a grant in the amount of \$3,100,000, which was recorded as intergovernmental revenue.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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## **REQUIRED SUPPLEMENTARY INFORMATION**



**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 regardless of encumbrances. 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, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 17,288,103	\$ 17,288,103	\$ 17,288,103	\$ -
<b>Resources (Inflows):</b>				
Taxes	80,429,226	81,519,226	76,888,873	(4,630,353)
Licenses and permits	4,963,260	6,229,151	7,122,185	893,034
Intergovernmental	202,900	202,900	205,289	2,389
Charges for services	3,053,648	4,137,732	3,719,655	(418,077)
Interest and rentals	666,108	966,108	731,529	(234,579)
Fines and forfeitures	1,812,000	1,812,000	2,040,214	228,214
Miscellaneous	217,800	667,388	990,701	323,313
Proceeds from sale of capital assets	-	-	-	-
<b>Amounts Available for Appropriations</b>	<b>108,633,045</b>	<b>112,822,608</b>	<b>108,986,549</b>	<b>(3,836,059)</b>
<b>Charges to Appropriations (Outflows):</b>				
General government	4,389,592	4,787,027	4,769,534	17,493
Public safety	69,844,192	69,993,526	69,328,233	665,293
Urban development	8,669,178	9,915,530	9,244,681	670,849
Neighborhood services	3,618,386	3,725,072	3,258,082	466,990
Capital outlay	47,000	717,050	192,589	524,461
Debt service:				
Principal retirement	226,354	296,861	281,827	15,034
Interest and fiscal charges	3,750	3,750	18,783	(15,033)
Transfers out	4,546,057	5,919,177	5,053,168	866,009
<b>Total Charges to Appropriations</b>	<b>91,344,509</b>	<b>95,357,993</b>	<b>92,146,897</b>	<b>3,211,096</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 17,288,536</b>	<b>\$ 17,464,615</b>	<b>\$ 16,839,652</b>	<b>\$ (624,963)</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
HOUSING AUTHORITY  
YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1, as restated	\$ 27,325,363	\$ 27,325,363	\$ 27,325,363	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	12,144,426	12,174,088	12,297,325	123,237
Charges for services	30,000	30,000	117,574	87,574
Interest and rentals	384,273	384,273	624,169	239,896
Miscellaneous	422,000	422,000	421,867	(133)
<b>Amounts Available for Appropriations</b>	<b>40,306,062</b>	<b>40,335,724</b>	<b>40,786,298</b>	<b>450,574</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	13,378,743	13,405,905	13,094,221	311,684
Capital outlay	-	2,500	98,000	(95,500)
<b>Total Charges to Appropriations</b>	<b>13,378,743</b>	<b>13,408,405</b>	<b>13,192,221</b>	<b>216,184</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 26,927,319</b>	<b>\$ 26,927,319</b>	<b>\$ 27,594,077</b>	<b>\$ 666,758</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**MISCELLANEOUS GRANTS**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 18,446,177	\$ 18,446,177	\$ 18,446,177	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	5,424,432	8,320,572	2,576,815	(5,743,757)
Charges for services	51,000	116,017	153,521	37,504
Interest and rentals	-	-	356,133	356,133
Miscellaneous	526,947	584,104	185,679	(398,425)
Transfers in	75,010	75,010	104,588	29,578
<b>Amounts Available for Appropriations</b>	<b>24,523,566</b>	<b>27,541,880</b>	<b>21,822,913</b>	<b>(5,718,967)</b>
<b>Charges to Appropriations (Outflows):</b>				
Public safety	291,011	1,073,778	572,879	500,899
Urban development	5,405,571	7,525,959	1,909,480	5,616,479
Neighborhood services	375,134	375,134	351,729	23,405
Capital outlay	144,000	310,254	140,002	170,252
<b>Total Charges to Appropriations</b>	<b>6,215,716</b>	<b>9,285,125</b>	<b>2,974,090</b>	<b>6,311,035</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 18,307,850</b>	<b>\$ 18,256,755</b>	<b>\$ 18,848,823</b>	<b>\$ 592,068</b>

## CITY OF POMONA

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**MISCELLANEOUS PLAN - AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PLAN**  
**AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

MEASUREMENT PERIOD	2015	2016
<b>TOTAL PENSION LIABILITY</b>		
Service Cost	\$ 3,310,829	\$ 3,161,189
Interest	18,086,982	18,495,828
Difference Between expected and Actual Experience	-	(3,363,816)
Changes in Assumptions	-	(4,427,183)
Benefit Payments, Including Refunds of employee Contributions	(12,464,852)	(13,367,634)
<b>Net Change in Total Pension Liability</b>	<b>\$ 8,932,959</b>	<b>\$ 498,384</b>
<b>Total Pension Liability - Beginning</b>	<b>245,736,775</b>	<b>254,669,734</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 254,669,734</b>	<b>\$ 255,168,118</b>
<b>PLAN FIDUCIARY NET POSITION</b>		
Contribution - Employer	\$ 3,048,502	\$ 3,747,091
Contribution - Employee	1,640,223	1,766,013
Net Investment Income	31,444,609	4,578,528
Benefit Payments, Including Refunds of Employee Contributions	(12,464,852)	(13,367,634)
Other Changes in Fiduciary Net Position	-	(236,275)
<b>Net Change in Fiduciary Net Position</b>	<b>\$ 23,668,482</b>	<b>\$ (3,512,277)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>184,143,961</b>	<b>207,812,443</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 207,812,443</b>	<b>\$ 204,300,166</b>
<b>Plan Net Pension Liability/(Assets) - Ending (a) - (b)</b>	<b>\$ 46,857,291</b>	<b>\$ 50,867,952</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>81.60%</b>	<b>80.06%</b>
<b>Covered-Employee Payroll</b>	<b>\$ 21,843,562</b>	<b>\$ 22,874,123</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered-Employee Payroll</b>	<b>214.51%</b>	<b>222.38%</b>

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

(2) Net of administrative expenses.

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

## CITY OF POMONA

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**SAFETY PLAN - AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PLAN**  
**AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

MEASUREMENT PERIOD	2015	2016
<b>TOTAL PENSION LIABILITY</b>		
Service Cost	\$ 4,880,486	\$ 4,785,362
Interest	23,069,282	23,712,742
Difference Between expected and Actual Experience	-	(2,090,216)
Changes in Assumptions	-	(5,565,887)
Benefit Payments, Including Refunds of employee Contributions	(17,510,572)	(18,221,480)
<b>Net Change in Total Pension Liability</b>	<b>\$ 10,439,196</b>	<b>\$ 2,620,521</b>
<b>Total Pension Liability - Beginning</b>	<b>313,905,458</b>	<b>324,344,654</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 324,344,654</b>	<b>\$ 326,965,175</b>
<b>PLAN FIDUCIARY NET POSITION</b>		
Contribution - Employer	\$ 4,480,201	\$ 6,367,577
Contribution - Employee	1,402,077	2,743,727
Net Investment Income	37,455,889	5,342,317
Benefit Payments, Including Refunds of Employee Contributions	(17,510,572)	(18,221,480)
Other Changes in Fiduciary Net Position	-	(271,184)
<b>Net Change in Fiduciary Net Position</b>	<b>\$ 25,827,595</b>	<b>\$ (4,039,043)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>219,628,065</b>	<b>245,455,660</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 245,455,660</b>	<b>\$ 241,416,617</b>
<b>Plan Net Pension Liability/(Assets) - Ending (a) - (b)</b>	<b>\$ 78,888,994</b>	<b>\$ 85,548,558</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total</b>	<b>75.68%</b>	<b>73.84%</b>
<b>Covered-Employee Payroll</b>	<b>\$ 15,182,720</b>	<b>\$ 16,419,672</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered-</b>	<b>519.60%</b>	<b>521.01%</b>

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

(2) Net of administrative expenses.

**Notes to Schedule:**

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no changes in assumptions.

**CITY OF POMONA**

**SCHEDULE OF PLAN CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<b>2015</b>	<b>2016</b>
<b><u>Miscellaneous Plan</u></b>		
Actuarially Determined Contribution	\$ 3,803,283	\$ 4,653,491
Contribution in Relation to the Actuarially Determined Contribution	(3,803,283)	(4,653,491)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll (3) (4)	\$ 21,843,562	\$ 22,874,123
Contributions as a Percentage of Covered-Employee Payroll (3)	17.41%	20.34%
<b><u>Safety Plan</u></b>		
Actuarially Determined Contribution	\$ 5,171,283	\$ 7,137,882
Contribution in Relation to the Actuarially Determined Contribution	(5,171,283)	(7,137,882)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll (3) (4)	\$ 15,182,720	\$ 16,419,672
Contributions as a Percentage of Covered-Employee Payroll (3)	34.06%	43.47%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only two years are shown.

**Note to Schedule:**

Valuation Date:	June 30, 2013
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry age normal cost method
Amortization method	Level percent payroll / closed period
Assets valuation method	Market Value
Discount rate	7.50% (net of administrative expenses)
Projected salary increases	3.30% to 14.20% depending on age, service, and type of employment
Inflation	2.75%
Payroll growth	3.00%
Individual salary growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth rate of 2.75% and an annual
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

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

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## NON-MAJOR GOVERNMENTAL FUNDS

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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 **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 **Asset Forfeiture Fund** accounts for the City's share of 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 **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 **Special Fees Fund** accounts for fee analysis rate review and Public Arts fees.

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, 2016**

	<b>Special Revenue Funds</b>			
	<b>Community Development Block Grant</b>	<b>State Gas Tax</b>	<b>Proposition A</b>	<b>Proposition C</b>
<b>Assets:</b>				
Cash and investments	\$ 67	\$ 1,508,079	\$ 2,325,710	\$ 7,787,601
Receivables (net):				
Accounts	-	22,168	2,000	-
Notes and loans	1,903,878	-	-	-
Interest	-	910	2,869	9,629
Prepaid costs	-	-	-	-
Due from other governments	717,782	-	295,281	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,621,727</b>	<b>\$ 1,531,157</b>	<b>\$ 2,625,860</b>	<b>\$ 7,797,230</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 71,468	\$ 184,122	\$ 157,149	\$ 261
Payroll payable	41,167	33,477	4,854	3,066
Deposits payable	-	-	-	-
Due to other governments	3,798	-	-	-
Due to other funds	63,675	-	-	-
<b>Total Liabilities</b>	<b>180,108</b>	<b>217,599</b>	<b>162,003</b>	<b>3,327</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	131,455	-	295,281	-
<b>Total Deferred Inflows of Resources</b>	<b>131,455</b>	<b>-</b>	<b>295,281</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Prepaid costs	-	-	-	-
<b>Restricted</b>				
Urban development	2,310,164	1,313,558	2,168,576	7,793,903
Public safety	-	-	-	-
Neighborhood services	-	-	-	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
<b>Total Fund Balances</b>	<b>2,310,164</b>	<b>1,313,558</b>	<b>2,168,576</b>	<b>7,793,903</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,621,727</b>	<b>\$ 1,531,157</b>	<b>\$ 2,625,860</b>	<b>\$ 7,797,230</b>

## CITY OF POMONA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016

(CONTINUED)

	Special Revenue Funds			
	Vehicle Parking District	Air Quality Improvement	Landscape Maintenance District	Asset Forfeiture
<b>Assets:</b>				
Cash and investments	\$ 2,389,069	\$ 639,272	\$ 810,148	\$ 1,385,315
Receivables (net):				
Accounts	92,120	-	-	-
Notes and loans	-	-	-	-
Interest	3,068	753	1,067	1,928
Prepaid costs	-	-	-	8,441
Due from other governments	327	52,149	25,267	5,080
Advances to other funds	304,435	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,789,019</b>	<b>\$ 692,174</b>	<b>\$ 836,482</b>	<b>\$ 1,400,764</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 15,757	\$ 29,553	\$ 87,844	\$ 74,594
Payroll payable	10,606	1,752	6,288	19,461
Deposits payable	2,334	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>28,697</b>	<b>31,305</b>	<b>94,132</b>	<b>94,055</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	30,274	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>30,274</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Prepaid costs	-	-	-	8,441
<b>Restricted</b>				
Urban development	2,730,048	660,869	-	-
Public safety	-	-	-	1,298,268
Neighborhood services	-	-	742,350	-
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
<b>Total Fund Balances</b>	<b>2,730,048</b>	<b>660,869</b>	<b>742,350</b>	<b>1,306,709</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,789,019</b>	<b>\$ 692,174</b>	<b>\$ 836,482</b>	<b>\$ 1,400,764</b>

## CITY OF POMONA

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	Special Revenue Funds			
	Traffic Offender	Measure R	General Sanitation Fees Operations	Special Fees Fund
<b>Assets:</b>				
Cash and investments	\$ 611,930	\$ 2,376,609	\$ -	\$ 920,045
Receivables (net):				
Accounts	-	-	345,191	-
Notes and loans	-	-	-	-
Interest	754	3,134	553	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
<b>Total Assets</b>	<b>\$ 612,684</b>	<b>\$ 2,379,743</b>	<b>\$ 345,744</b>	<b>\$ 920,045</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 160,159	\$ 50,417	\$ 251,530	\$ -
Payroll payable	10,321	21,243	27,058	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	5,837	-
<b>Total Liabilities</b>	<b>170,480</b>	<b>71,660</b>	<b>284,425</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable</b>				
Prepaid costs	-	-	-	-
<b>Restricted</b>				
Urban development	-	2,308,083	61,319	-
Public safety	442,204	-	-	-
Neighborhood services	-	-	-	920,045
Capital projects	-	-	-	-
Assessment district improvement	-	-	-	-
<b>Total Fund Balances</b>	<b>442,204</b>	<b>2,308,083</b>	<b>61,319</b>	<b>920,045</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 612,684</b>	<b>\$ 2,379,743</b>	<b>\$ 345,744</b>	<b>\$ 920,045</b>

## CITY OF POMONA

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	<b>Capital Projects Funds</b>		
	<b>Capital Outlay</b>	<b>Assessment District Improvement</b>	<b>Total Non-Major Governmental Funds</b>
<b>Assets:</b>			
Cash and investments	\$ 1,486,566	\$ 54,491	\$ 22,294,902
Receivables (net):			
Accounts	182,251	-	643,730
Notes and loans	-	-	1,903,878
Interest	2,035	118	26,818
Prepaid costs	-	-	8,441
Due from other governments	72,136	-	1,168,022
Advances to other funds	-	-	304,435
Restricted assets:			
Cash and investments	2,107,120	174,903	2,282,023
<b>Total Assets</b>	<b>\$ 3,850,108</b>	<b>\$ 229,512</b>	<b>\$ 28,632,249</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 2,763,752	\$ -	\$ 3,846,606
Payroll payable	30,831	863	210,987
Deposits payable	66,189	-	68,523
Due to other governments	-	-	3,798
Due to other funds	-	-	69,512
<b>Total Liabilities</b>	<b>2,860,772</b>	<b>863</b>	<b>4,199,426</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues	72,136	-	529,146
<b>Total Deferred Inflows of Resources</b>	<b>72,136</b>	<b>-</b>	<b>529,146</b>
<b>Fund Balances:</b>			
<b>Nonspendable</b>			
Prepaid costs	-	-	8,441
<b>Restricted</b>			
Urban development	-	-	19,346,520
Public safety	-	-	1,740,472
Neighborhood services	-	-	1,662,395
Capital projects	917,200	-	917,200
Assessment district improvement	-	228,649	228,649
<b>Total Fund Balances</b>	<b>917,200</b>	<b>228,649</b>	<b>23,903,677</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 3,850,108</b>	<b>\$ 229,512</b>	<b>\$ 28,632,249</b>

## CITY OF POMONA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds			
	Community Development Block Grant	State Gas Tax	Proposition A	Proposition C
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	1,930,834	3,291,861	2,738,458	2,276,663
Charges for services	31,887	1,079	-	-
Interest and rentals	2,001	5,066	12,506	42,085
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	10,681	71,030	26,280	-
<b>Total Revenues</b>	<b>1,975,403</b>	<b>3,369,036</b>	<b>2,777,244</b>	<b>2,318,748</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	111,991	-	-	-
Urban development	1,659,639	2,790,865	2,245,902	100,589
Neighborhood services	-	-	-	-
Capital outlay	-	-	44,752	-
Debt service:				
Principal retirement	145,000	-	-	-
Interest and fiscal charges	5,730	-	-	-
<b>Total Expenditures</b>	<b>1,922,360</b>	<b>2,790,865</b>	<b>2,290,654</b>	<b>100,589</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,043	578,171	486,590	2,218,159
<b>Other Financing Sources (Uses):</b>				
Transfers in	18,000	131,750	-	-
Transfers out	(253,664)	(1,292,161)	-	(348,300)
Capital leases	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(235,664)</b>	<b>(1,160,411)</b>	<b>-</b>	<b>(348,300)</b>
Net Change in Fund Balances	\$ (182,621)	\$ (582,240)	\$ 486,590	\$ 1,869,859
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ 2,492,785	\$ 1,895,798	\$ 1,681,986	\$ 5,924,044
Restatements	-	-	-	-
Beginning of year, as restated	2,492,785	1,895,798	1,681,986	5,924,044
Net change in fund balances	(182,621)	(582,240)	486,590	1,869,859
<b>End of Year</b>	<b>\$ 2,310,164</b>	<b>\$ 1,313,558</b>	<b>\$ 2,168,576</b>	<b>\$ 7,793,903</b>

## CITY OF POMONA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016

(CONTINUED)

	Special Revenue Funds			
	Vehicle Parking District	Air Quality Improvement	Landscape Maintenance District	Asset Forfeiture
<b>Revenues:</b>				
Taxes	\$ 13,877	\$ -	\$ -	\$ -
Special assessments	-	-	1,176,050	-
Licenses and permits	-	-	-	-
Intergovernmental	-	188,273	-	-
Charges for services	194,089	-	819	29,645
Interest and rentals	542,325	3,290	4,139	9,419
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	98,001	-	-	1,101,641
<b>Total Revenues</b>	<b>848,292</b>	<b>191,563</b>	<b>1,181,008</b>	<b>1,140,705</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	1,587,940
Urban development	796,715	63,938	-	-
Neighborhood services	-	-	1,027,275	-
Capital outlay	313,000	-	-	198,385
Debt service:				
Principal retirement	76,891	-	-	-
Interest and fiscal charges	3,829	-	-	-
<b>Total Expenditures</b>	<b>1,190,435</b>	<b>63,938</b>	<b>1,027,275</b>	<b>1,786,325</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(342,143)	127,625	153,733	(645,620)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	1,308
Transfers out	-	(5,054)	-	-
Capital leases	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(5,054)</b>	<b>-</b>	<b>1,308</b>
Net Change in Fund Balances	\$ (342,143)	\$ 122,571	\$ 153,733	\$ (644,312)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ 3,072,191	\$ 538,298	\$ 588,617	\$ 1,951,021
Restatements	-	-	-	-
Beginning of year, as restated	3,072,191	538,298	588,617	1,951,021
Net change in fund balances	(342,143)	122,571	153,733	(644,312)
<b>End of Year</b>	<b>\$ 2,730,048</b>	<b>\$ 660,869</b>	<b>\$ 742,350</b>	<b>\$ 1,306,709</b>



## CITY OF POMONA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds			
	Traffic Offender	Measure R	General Sanitation Fees Operations	Special Fees Fund
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	1,418,501	500,376
Intergovernmental	-	1,704,639	-	-
Charges for services	305,375	-	-	-
Interest and rentals	3,321	14,303	2,093	625
Fines and forfeitures	-	-	15,401	-
Contributions	-	-	-	-
Miscellaneous	-	-	599	-
<b>Total Revenues</b>	<b>308,696</b>	<b>1,718,942</b>	<b>1,436,594</b>	<b>501,001</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	197,410	-	-	-
Urban development	-	903,598	2,319,182	67,779
Neighborhood services	-	-	-	-
Capital outlay	275,116	15,538	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>472,526</b>	<b>919,136</b>	<b>2,319,182</b>	<b>67,779</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(163,830)	799,806	(882,588)	433,222
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	2,240	934,182	-
Transfers out	-	(677,926)	-	-
Capital leases	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(675,686)</b>	<b>934,182</b>	<b>-</b>
Net Change in Fund Balances	\$ (163,830)	\$ 124,120	\$ 51,594	\$ 433,222
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ 606,034	\$ 2,183,963	\$ 9,725	\$ 486,823
Restatements	-	-	-	-
Beginning of year, as restated	606,034	2,183,963	9,725	486,823
Net change in fund balances	(163,830)	124,120	51,594	433,222
<b>End of Year</b>	<b>\$ 442,204</b>	<b>\$ 2,308,083</b>	<b>\$ 61,319</b>	<b>\$ 920,045</b>

## CITY OF POMONA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016**

	<b>Capital Projects Funds</b>		
	<b>Capital Outlay</b>	<b>Assessment District Improvement</b>	<b>Total Non-Major Governmental Funds</b>
<b>Revenues:</b>			
Taxes	\$ 139,498	\$ -	\$ 153,375
Special assessments	-	-	1,176,050
Licenses and permits	375,728	-	2,294,605
Intergovernmental	514,698	-	12,645,426
Charges for services	80,254	-	643,148
Interest and rentals	13,554	511	655,238
Fines and forfeitures	-	-	15,401
Contributions	602,278	-	602,278
Miscellaneous	8,149	-	1,316,381
<b>Total Revenues</b>	<b>1,734,159</b>	<b>511</b>	<b>19,501,902</b>
<b>Expenditures:</b>			
Current:			
General government	240	-	240
Public safety	-	-	1,897,341
Urban development	-	-	10,948,207
Neighborhood services	-	-	1,027,275
Capital outlay	6,360,002	29,354	7,236,147
Debt service:			
Principal retirement	-	-	221,891
Interest and fiscal charges	-	-	9,559
<b>Total Expenditures</b>	<b>6,360,242</b>	<b>29,354</b>	<b>21,340,660</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,626,083)	(28,843)	(1,838,758)
<b>Other Financing Sources (Uses):</b>			
Transfers in	3,144,164	-	4,231,644
Transfers out	(2,151,601)	-	(4,728,706)
Capital leases	400,408	-	400,408
<b>Total Other Financing Sources (Uses)</b>	<b>1,392,971</b>	<b>-</b>	<b>(96,654)</b>
Net Change in Fund Balances	\$ (3,233,112)	\$ (28,843)	\$ (1,935,412)
<b>Fund Balances:</b>			
Beginning of year, as originally reported	\$ 3,402,033	\$ 257,492	\$ 25,090,810
Restatements	748,279	-	748,279
Beginning of year, as restated	4,150,312	257,492	25,839,089
Net change in fund balances	(3,233,112)	(28,843)	(1,935,412)
<b>End of Year</b>	<b>\$ 917,200</b>	<b>\$ 228,649</b>	<b>\$ 23,903,677</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL DEBT SERVICE**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ (40,083,190)	\$ (40,083,190)	\$ (40,083,190)	\$ -
<b>Resources (Inflows):</b>				
Taxes	547,106	547,106	646,562	99,456
Interest and rentals	1,615	1,615	7,280	5,665
Miscellaneous	334,053	334,053	341,168	7,115
Transfers in	5,572,772	5,572,772	5,563,641	(9,131)
<b>Amounts Available for Appropriations</b>	<b>(33,627,644)</b>	<b>(33,627,644)</b>	<b>(33,524,539)</b>	<b>103,105</b>
<b>Charges to Appropriation (Outflows):</b>				
General government	39,739	39,739	226,076	(186,337)
Debt service:				
Principal retirement	756,365	756,365	1,001,000	(244,635)
Interest and fiscal charges	4,663,332	4,663,332	4,418,698	244,634
Transfers out	1,095,000	1,095,000	-	1,095,000
<b>Total Charges to Appropriations</b>	<b>6,554,436</b>	<b>6,554,436</b>	<b>5,645,774</b>	<b>908,662</b>
<b>Budgetary Fund Balance, June 30</b>	<b><u><u>\$ (40,182,080)</u></u></b>	<b><u><u>\$ (40,182,080)</u></u></b>	<b><u><u>\$ (39,170,313)</u></u></b>	<b><u><u>\$ 1,011,767</u></u></b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**PUBLIC FINANCING AUTHORITY DEBT SERVICE**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 47,768,511	\$ 47,768,511	\$ 47,768,511	\$ -
<b>Resources (Inflows):</b>				
Interest and rentals	305,489	305,489	231,277	(74,212)
Miscellaneous	-	-	10,577	10,577
Transfers in	1,095,000	1,095,000	-	(1,095,000)
<b>Amounts Available for Appropriations</b>	<b>49,169,000</b>	<b>49,169,000</b>	<b>48,010,365</b>	<b>(1,158,635)</b>
<b>Charges to Appropriation (Outflows):</b>				
General government	6,734	6,734	6,734	-
Debt service:				
Principal retirement	1,575,000	1,575,000	1,575,000	-
Interest and fiscal charges	180,658	180,658	180,658	-
<b>Total Charges to Appropriations</b>	<b>1,762,392</b>	<b>1,762,392</b>	<b>1,762,392</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 47,406,608</b>	<b>\$ 47,406,608</b>	<b>\$ 46,247,973</b>	<b>\$ (1,158,635)</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 COMMUNITY DEVELOPMENT BLOCK GRANT  
 YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 2,492,785	\$ 2,492,785	\$ 2,492,785	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	2,211,307	2,255,857	1,930,834	(325,023)
Charges for services	-	40,976	31,887	(9,089)
Interest and rentals	-	-	2,001	2,001
Miscellaneous	145,800	145,800	10,681	(135,119)
Transfers in	-	-	18,000	18,000
<b>Amounts Available for Appropriations</b>	<b>4,849,892</b>	<b>4,935,418</b>	<b>4,486,188</b>	<b>(449,230)</b>
<b>Charges to Appropriations (Outflows):</b>				
Public safety	168,208	111,991	111,991	-
Urban development	2,098,401	2,096,358	1,659,639	436,719
Debt service:				
Principal retirement	145,800	145,800	145,000	800
Interest and fiscal charges	15,100	15,100	5,730	9,370
Transfers out	-	-	253,664	(253,664)
<b>Total Charges to Appropriations</b>	<b>2,427,509</b>	<b>2,369,249</b>	<b>2,176,024</b>	<b>193,225</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 2,422,383</b>	<b>\$ 2,566,169</b>	<b>\$ 2,310,164</b>	<b>\$ (256,005)</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**STATE GAS TAX**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 1,895,798	\$ 1,895,798	\$ 1,895,798	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	3,452,038	3,452,038	3,291,861	(160,177)
Charges for services	-	-	1,079	1,079
Interest and rentals	1,870	1,870	5,066	3,196
Miscellaneous	-	-	71,030	71,030
Transfers in	256,750	256,750	131,750	(125,000)
<b>Amounts Available for Appropriations</b>	<b>5,606,456</b>	<b>5,606,456</b>	<b>5,396,584</b>	<b>(209,872)</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	2,943,589	2,943,589	2,790,865	152,724
Capital outlay	125,000	125,000	-	125,000
Transfers out	1,426,879	1,426,879	1,292,161	134,718
<b>Total Charges to Appropriations</b>	<b>4,495,468</b>	<b>4,495,468</b>	<b>4,083,026</b>	<b>412,442</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,110,988</b>	<b>\$ 1,110,988</b>	<b>\$ 1,313,558</b>	<b>\$ 202,570</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 PROPOSITION A  
 YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 1,681,986	\$ 1,681,986	\$ 1,681,986	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	2,739,580	2,774,580	2,738,458	(36,122)
Interest and rentals	1,592	1,592	12,506	10,914
Miscellaneous	12,000	26,280	26,280	-
<b>Amounts Available for Appropriations</b>	<b>4,435,158</b>	<b>4,484,438</b>	<b>4,459,230</b>	<b>(25,208)</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	2,289,237	2,351,790	2,245,902	105,888
Capital outlay	86,400	135,680	44,752	90,928
Transfers out	730,000	730,000	-	730,000
<b>Total Charges to Appropriations</b>	<b>3,105,637</b>	<b>3,217,470</b>	<b>2,290,654</b>	<b>926,816</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,329,521</b>	<b>\$ 1,266,968</b>	<b>\$ 2,168,576</b>	<b>\$ 901,608</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**PROPOSITION C**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 5,924,044	\$ 5,924,044	\$ 5,924,044	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	2,272,410	2,272,410	2,276,663	4,253
Interest and rentals	4,603	4,603	42,085	37,482
Transfers in	-	-	-	-
<b>Amounts Available for Appropriations</b>	<b>8,201,057</b>	<b>8,201,057</b>	<b>8,242,792</b>	<b>41,735</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	131,860	131,860	100,589	31,271
Capital outlay	-	(365,062)	-	(365,062)
Transfers out	2,495,535	2,848,535	348,300	2,500,235
<b>Total Charges to Appropriations</b>	<b>2,627,395</b>	<b>2,615,333</b>	<b>448,889</b>	<b>2,166,444</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 5,573,662</b>	<b>\$ 5,585,724</b>	<b>\$ 7,793,903</b>	<b>\$ 2,208,179</b>



## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 VEHICLE PARKING DISTRICT  
 YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$3,072,191	\$ 3,072,191	\$ 3,072,191	\$ -
<b>Resources (Inflows):</b>				
Taxes	12,758	12,758	13,877	1,119
Charges for services	205,904	205,904	194,089	(11,815)
Interest and rentals	565,030	565,030	542,325	(22,705)
Miscellaneous	-	-	98,001	98,001
Transfers in	-	-	-	-
Proceeds from sale of capital assets	301,475	301,475	-	(301,475)
<b>Amounts Available for Appropriations</b>	<b>4,157,358</b>	<b>4,157,358</b>	<b>3,920,483</b>	<b>(236,875)</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	823,934	879,214	796,715	82,499
Capital outlay	-	313,000	313,000	-
Debt service:				
Principal retirement	80,720	80,720	76,891	3,829
Interest and fiscal charges	-	-	3,829	(3,829)
<b>Total Charges to Appropriations</b>	<b>904,654</b>	<b>1,272,934</b>	<b>1,190,435</b>	<b>82,499</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$3,252,704</b>	<b>\$ 2,884,424</b>	<b>\$ 2,730,048</b>	<b>\$ (154,376)</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 AIR QUALITY IMPROVEMENT  
 YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 538,298	\$ 538,298	\$ 538,298	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	188,400	628,400	188,273	(440,127)
Interest and rentals	-	-	3,290	3,290
Transfers in	-	50,000	-	(50,000)
<b>Amounts Available for Appropriations</b>	<b>726,698</b>	<b>1,216,698</b>	<b>729,861</b>	<b>(486,837)</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	347,305	837,305	63,938	773,367
Transfers out	85,000	85,000	5,054	79,946
<b>Total Charges to Appropriations</b>	<b>432,305</b>	<b>922,305</b>	<b>68,992</b>	<b>853,313</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 294,393</b>	<b>\$ 294,393</b>	<b>\$ 660,869</b>	<b>\$ 366,476</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 LANDSCAPE MAINTENANCE DISTRICT  
 YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 588,617	\$ 588,617	\$ 588,617	\$ -
<b>Resources (Inflows):</b>				
Special assessments	1,196,401	1,196,401	1,176,050	(20,351)
Charges for services	-	-	819	819
Interest and rentals	757	757	4,139	3,382
<b>Amounts Available for Appropriations</b>	<b>1,785,775</b>	<b>1,785,775</b>	<b>1,769,625</b>	<b>(16,150)</b>
<b>Charges to Appropriations (Outflows):</b>				
Neighborhood services	1,276,592	1,276,592	1,027,275	249,317
<b>Total Charges to Appropriations</b>	<b>1,276,592</b>	<b>1,276,592</b>	<b>1,027,275</b>	<b>249,317</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 509,183</b>	<b>\$ 509,183</b>	<b>\$ 742,350</b>	<b>\$ 233,167</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**ASSET FORFEITURE**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 1,951,021	\$ 1,951,021	\$ 1,951,021	\$ -
<b>Resources (Inflows):</b>				
Charges for services	-	-	29,645	29,645
Interest and rentals	-	-	9,419	9,419
Miscellaneous	1,368,000	1,368,000	1,101,641	(266,359)
Transfers in	-	-	1,308	1,308
<b>Amounts Available for Appropriations</b>	<b>3,319,021</b>	<b>3,319,021</b>	<b>3,093,034</b>	<b>(225,987)</b>
<b>Charges to Appropriations (Outflows):</b>				
Public safety	2,110,933	1,973,891	1,587,940	385,951
Capital outlay	78,580	215,622	198,385	17,237
<b>Total Charges to Appropriations</b>	<b>2,189,513</b>	<b>2,189,513</b>	<b>1,786,325</b>	<b>403,188</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,129,508</b>	<b>\$ 1,129,508</b>	<b>\$ 1,306,709</b>	<b>\$ 177,201</b>

## CITY OF POMONA

BUDGETARY COMPARISON SCHEDULE  
 TRAFFIC OFFENDER  
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 606,034	\$ 606,034	\$ 606,034	\$ -
<b>Resources (Inflows):</b>				
Charges for services	325,000	325,000	305,375	(19,625)
Interest and rentals	-	-	3,321	3,321
<b>Amounts Available for Appropriations</b>	<b>931,034</b>	<b>931,034</b>	<b>914,730</b>	<b>(16,304)</b>
<b>Charges to Appropriations (Outflows):</b>				
Public safety	220,593	220,593	197,410	23,183
Capital outlay	298,000	413,000	275,116	137,884
<b>Total Charges to Appropriations</b>	<b>518,593</b>	<b>633,593</b>	<b>472,526</b>	<b>161,067</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 412,441</b>	<b>\$ 297,441</b>	<b>\$ 442,204</b>	<b>\$ 144,763</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**MEASURE R**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 2,183,963	\$ 2,183,963	\$ 2,183,963	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,704,328	1,704,328	1,704,639	311
Interest and rentals	-	-	14,303	14,303
Transfers in	-	-	2,240	2,240
<b>Amounts Available for Appropriations</b>	<b>3,888,291</b>	<b>3,888,291</b>	<b>3,905,145</b>	<b>16,854</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	986,981	971,049	903,598	67,451
Capital outlay	-	15,932	15,538	394
Transfers out	728,000	728,000	677,926	50,074
<b>Total Charges to Appropriations</b>	<b>1,714,981</b>	<b>1,714,981</b>	<b>1,597,062</b>	<b>117,919</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 2,173,310</b>	<b>\$ 2,173,310</b>	<b>\$ 2,308,083</b>	<b>\$ 134,773</b>

## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE  
 GENERAL SANITATION FEES OPERATIONS  
 YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1	\$ 9,725	\$ 9,725	\$ 9,725	\$ -
<b>Resources (Inflows):</b>				
Licenses and permits	1,392,531	1,392,531	1,418,501	25,970
Interest and rentals	-	-	2,093	2,093
Fines and forfeitures	8,218	8,218	15,401	7,183
Miscellaneous	800	800	599	(201)
Transfers in	1,426,879	1,426,879	934,182	(492,697)
<b>Amounts Available for Appropriations</b>	<b>2,838,153</b>	<b>2,838,153</b>	<b>2,380,501</b>	<b>(457,652)</b>
<b>Charges to Appropriations (Outflows):</b>				
Urban development	2,828,429	2,828,429	2,319,182	509,247
<b>Total Charges to Appropriations</b>	<b>2,828,429</b>	<b>2,828,429</b>	<b>2,319,182</b>	<b>509,247</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 9,724</b>	<b>\$ 9,724</b>	<b>\$ 61,319</b>	<b>\$ 51,595</b>

## CITY OF POMONA

BUDGETARY COMPARISON SCHEDULE  
 SPECIAL FEES FUND  
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 486,823	\$ 486,823	\$ 486,823	\$ -
<b>Resources (Inflows):</b>				
Licenses and permits	321,200	321,200	500,376	179,176
Use of money and property	-	-	625	625
<b>Amounts Available for Appropriation</b>	<b>808,023</b>	<b>808,023</b>	<b>987,824</b>	<b>179,801</b>
<b>Charges to Appropriation (Outflow):</b>				
Urban development	-	55,000	67,779	(12,779)
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>55,000</b>	<b>67,779</b>	<b>(12,779)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 808,023</b>	<b>\$ 753,023</b>	<b>\$ 920,045</b>	<b>\$ 167,022</b>



## CITY OF POMONA

**BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL OUTLAY**  
**YEAR ENDED JUNE 30, 2016**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
				<b>Positive</b>
				<b>(Negative)</b>
Budgetary Fund Balance, July 1, as restated	\$ 4,150,312	\$ 4,150,312	\$ 4,150,312	\$ -
<b>Resources (Inflows):</b>				
Taxes	-	-	139,498	139,498
Licenses and permits	12,000	12,000	375,728	363,728
Intergovernmental	-	13,214	514,698	501,484
Charges for services	-	-	80,254	80,254
Interest and rentals	-	-	13,554	13,554
Contributions from Successor Agency	-	3,841,535	602,278	(3,239,257)
Miscellaneous	-	120,000	8,149	(111,851)
Transfers in	4,568,535	26,701,728	3,144,164	(23,557,564)
Capital leases	-	-	400,408	400,408
<b>Amounts Available for Appropriations</b>	<b>8,730,847</b>	<b>34,838,789</b>	<b>9,429,043</b>	<b>(25,409,746)</b>
<b>Charges to Appropriation (Outflows):</b>				
General government	-	-	240	(240)
Capital outlay	4,218,535	5,033,763	6,360,002	(1,326,239)
Transfers out	356,475	520,475	2,151,601	(1,631,126)
<b>Total Charges to Appropriations</b>	<b>4,575,010</b>	<b>5,554,238</b>	<b>8,511,843</b>	<b>(2,957,605)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 4,155,837</b>	<b>\$29,284,551</b>	<b>\$ 917,200</b>	<b>\$ (28,367,351)</b>

## 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.

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## CITY OF POMONA

**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2016**

	Self- Insurance Funds	Equipment Maintenance	Information Technology	Printing/Mail Services	Total
<b>Assets:</b>					
Current:					
Cash and investments	\$ 8,619,505	\$ 800,423	\$ -	\$ -	\$ 9,419,928
Receivables (net):					
Interest	15,338	-	-	-	15,338
Prepaid costs	3,200	-	-	-	3,200
Inventories	-	357,977	-	-	357,977
<b>Total Current Assets</b>	<b>8,638,043</b>	<b>1,158,400</b>	<b>-</b>	<b>-</b>	<b>9,796,443</b>
Noncurrent:					
Capital assets, net of depreciation	-	143,781	215,447	-	359,228
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>143,781</b>	<b>215,447</b>	<b>-</b>	<b>359,228</b>
<b>Total Assets</b>	<b>8,638,043</b>	<b>1,302,181</b>	<b>215,447</b>	<b>-</b>	<b>10,155,671</b>
<b>Deferred Outflows of Resources:</b>					
Deferred pension related items	142,188	426,563	161,429	-	730,180
<b>Total Deferred Outflows of Resources</b>	<b>142,188</b>	<b>426,563</b>	<b>161,429</b>	<b>-</b>	<b>730,180</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 8,780,231</b>	<b>\$ 1,728,744</b>	<b>\$ 376,876</b>	<b>\$ -</b>	<b>\$ 10,885,851</b>
<b>Liabilities:</b>					
Current:					
Accounts payable	\$ 270,928	\$ 138,427	\$ 41,741	\$ -	\$ 451,096
Payroll payable	17,917	45,113	15,445	200	78,675
Due to other funds	-	-	20,916	17,560	38,476
Compensated absences	-	115,000	-	-	115,000
Claims and judgments	5,549,895	-	-	-	5,549,895
<b>Total Current Liabilities</b>	<b>5,838,740</b>	<b>298,540</b>	<b>78,102</b>	<b>17,760</b>	<b>6,233,142</b>
Noncurrent:					
Compensated absences	-	46,584	-	-	46,584
Claims and judgments	8,507,320	-	-	-	8,507,320
Net pension liability	520,661	1,685,350	499,514	-	2,705,525
<b>Total Noncurrent Liabilities</b>	<b>9,027,981</b>	<b>1,731,934</b>	<b>499,514</b>	<b>-</b>	<b>11,259,429</b>
<b>Total Liabilities</b>	<b>14,866,721</b>	<b>2,030,474</b>	<b>577,616</b>	<b>17,760</b>	<b>17,492,571</b>
<b>Deferred Inflows of Resources:</b>					
Deferred pension related items	151,394	495,384	141,288	-	788,066
<b>Total Deferred Inflows of Resources</b>	<b>151,394</b>	<b>495,384</b>	<b>141,288</b>	<b>-</b>	<b>788,066</b>
<b>Net Position:</b>					
Net investment in capital assets	-	143,781	215,447	-	359,228
Unrestricted	(6,237,884)	(940,895)	(557,475)	(17,760)	(7,754,014)
<b>Total Net Position</b>	<b>(6,237,884)</b>	<b>(797,114)</b>	<b>(342,028)</b>	<b>(17,760)</b>	<b>(7,394,786)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 8,780,231</b>	<b>\$ 1,728,744</b>	<b>\$ 376,876</b>	<b>\$ -</b>	<b>\$ 10,885,851</b>

## CITY OF POMONA

COMBINING STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2016

	Self- Insurance Funds	Equipment Maintenance	Information Technology	Printing/Mail Services	Total
<b>Operating Revenues:</b>					
Charges for services	\$ 4,019,950	\$ 3,959,530	\$ 1,532,334	\$ 25,937	\$ 9,537,751
Miscellaneous	325,403	-	-	-	325,403
<b>Total Operating Revenues</b>	<b>4,345,353</b>	<b>3,959,530</b>	<b>1,532,334</b>	<b>25,937</b>	<b>9,863,154</b>
<b>Operating Expenses:</b>					
Personnel services	-	1,043,677	358,469	-	1,402,146
Operations	-	2,115,894	1,119,711	43,697	3,279,302
Claims expense	5,465,914	-	-	-	5,465,914
Insurance	-	43,743	11,106	-	54,849
Depreciation	-	19,312	22,440	-	41,752
<b>Total Operating Expenses</b>	<b>5,465,914</b>	<b>3,222,626</b>	<b>1,511,726</b>	<b>43,697</b>	<b>10,243,963</b>
Operating Income (Loss)	(1,120,561)	736,904	20,608	(17,760)	(380,809)
<b>Nonoperating Revenues (Expenses):</b>					
Interest revenue	59,762	-	-	-	59,762
<b>Total Nonoperating Revenues (Expenses)</b>	<b>59,762</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,762</b>
Income (Loss) Before Transfers	(1,060,799)	736,904	20,608	(17,760)	(321,047)
Transfers out	-	(600,000)	-	-	(600,000)
Changes in Net Position	(1,060,799)	136,904	20,608	(17,760)	(921,047)
<b>Net Position:</b>					
Beginning of Year	(5,177,085)	(934,018)	(362,636)	-	(6,473,739)
<b>End of Year</b>	<b>\$ (6,237,884)</b>	<b>\$ (797,114)</b>	<b>\$ (342,028)</b>	<b>\$ (17,760)</b>	<b>\$ (7,394,786)</b>

## CITY OF POMONA

**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2016**

	Self- Insurance Funds	Equipment Maintenance	Information Technology	Printing/Mail Services	Total
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers and users	\$ 4,019,950	\$ 3,959,621	\$ 1,532,334	\$ 25,937	\$ 9,537,842
Cash received from (paid for) other	325,403	-	-	-	325,403
Cash paid to suppliers for goods and services	(3,305,987)	(2,128,246)	(1,266,626)	(40,031)	(6,740,890)
Cash paid for general and administrative expenses	(54,269)	(1,287,764)	(415,012)	-	(1,757,045)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>985,097</b>	<b>543,611</b>	<b>(149,304)</b>	<b>(14,094)</b>	<b>1,365,310</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Cash transfers out	-	(600,000)	-	-	(600,000)
Amounts received from other funds	-	-	20,916	14,073	34,989
Amounts paid to other funds	(5,000,000)	-	-	-	(5,000,000)
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>(5,000,000)</b>	<b>(600,000)</b>	<b>20,916</b>	<b>14,073</b>	<b>(5,565,011)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Acquisition and construction of capital assets	-	-	(13,491)	-	(13,491)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>-</b>	<b>(13,491)</b>	<b>-</b>	<b>(13,491)</b>
<b>Cash Flows from Investing Activities:</b>					
Interest received	50,987	-	-	-	50,987
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>50,987</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,987</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(3,963,916)</b>	<b>(56,389)</b>	<b>(141,879)</b>	<b>(21)</b>	<b>(4,162,205)</b>
Cash and Cash Equivalents, Beginning of Year	12,583,421	856,812	141,879	21	13,582,133
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 8,619,505</b>	<b>\$ 800,423</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,419,928</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>					
Operating income (loss)	\$ (1,120,561)	\$ 736,904	\$ 20,608	\$ (17,760)	\$ (380,809)
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>					
Depreciation	-	19,312	22,440	-	41,752
(Increase) decrease in accounts receivable	-	91	-	-	91
(Increase) decrease in prepaid expense	(3,200)	-	-	4,480	1,280
(Increase) decrease in inventories	-	26,141	-	-	26,141
(Increase) decrease in deferred outflows	(103,506)	(299,618)	(125,604)	-	(528,728)
Increase (decrease) in deferred inflows	5,151	15,453	5,848	-	26,452
Increase (decrease) in accounts payable	201,461	5,250	(135,809)	(849)	70,053
Increase (decrease) in payroll payable	5,999	(10,751)	5,069	35	352
Increase (decrease) in claims and judgments	1,955,667	-	-	-	1,955,667
Increase (decrease) in net pension liability	44,086	121,360	58,144	-	223,590
Increase (decrease) in compensated absences	-	(70,531)	-	-	(70,531)
<b>Total Adjustments</b>	<b>2,105,658</b>	<b>(193,293)</b>	<b>(169,912)</b>	<b>3,666</b>	<b>1,746,119</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 985,097</b>	<b>\$ 543,611</b>	<b>\$ (149,304)</b>	<b>\$ (14,094)</b>	<b>\$ 1,365,310</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>					
During fiscal year 2015-2016, there was no non-cash investing, capital and financing activities.					

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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**  
**AGENCY FUNDS**  
**JUNE 30, 2016**

	<b>Assessment Districts</b>	<b>Engineers' Revolving</b>	<b>Construction Guarantee</b>	<b>Municipal Revolving</b>
<b>Assets:</b>				
Cash and investments	\$ 224,478	\$ 420,113	\$ 720,779	\$ 1,244,551
Receivables:				
Accounts	-	-	-	13,460
Interest	285	465	-	-
Due from other governments	6,183	-	-	2,625
<b>Total Assets</b>	<b>\$ 230,946</b>	<b>\$ 420,578</b>	<b>\$ 720,779</b>	<b>\$ 1,260,636</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 2,660	\$ 434,938
Deposits payable	6,183	420,578	718,119	825,698
Due to external parties/other agencies	224,763	-	-	-
<b>Total Liabilities</b>	<b>\$ 230,946</b>	<b>\$ 420,578</b>	<b>\$ 720,779</b>	<b>\$ 1,260,636</b>

## CITY OF POMONA

**COMBINING BALANCE SHEET**  
**AGENCY FUNDS**  
**JUNE 30, 2016**

	<b>Employee Benefits/ Deductions</b>	<b>Total</b>
<b>Assets:</b>		
Cash and investments	\$ 1,276,556	\$ 3,886,477
Receivables:		
Accounts	-	13,460
Interest	-	750
Due from other governments	-	8,808
<b>Total Assets</b>	<b>\$ 1,276,556</b>	<b>\$ 3,909,495</b>
<b>Liabilities:</b>		
Accounts payable	\$ 1,276,556	\$ 1,714,154
Deposits payable	-	1,970,578
Due to external parties/other agencies	-	224,763
<b>Total Liabilities</b>	<b>\$ 1,276,556</b>	<b>\$ 3,909,495</b>

## CITY OF POMONA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2016

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
<b><u>Assessment Districts</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 223,449	\$ 1,181	\$ 152	\$ 224,478
Receivables:				
Interest	196	285	196	285
Due from other governments	37,389	6,183	37,389	6,183
<b>Total Assets</b>	<b>\$ 261,034</b>	<b>\$ 7,649</b>	<b>\$ 37,737</b>	<b>\$ 230,946</b>
<b>Liabilities:</b>				
Deposits payable	\$ 37,389	\$ 6,183	\$ 37,389	\$ 6,183
Due to external parties/other agencies	223,645	1,415	297	224,763
<b>Total Liabilities</b>	<b>\$ 261,034</b>	<b>\$ 7,598</b>	<b>\$ 37,686</b>	<b>\$ 230,946</b>
<b><u>Engineers' Revolving</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 570,868	\$ -	\$ 150,755	\$ 420,113
Receivables:				
Interest	319	465	319	465
<b>Total Assets</b>	<b>\$ 571,187</b>	<b>\$ 465</b>	<b>\$ 151,074</b>	<b>\$ 420,578</b>
<b>Liabilities:</b>				
Deposits payable	\$ 571,187	\$ 582	\$ 151,191	\$ 420,578
<b>Total Liabilities</b>	<b>\$ 571,187</b>	<b>\$ 582</b>	<b>\$ 151,191</b>	<b>\$ 420,578</b>
<b><u>Construction Guarantee</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 920,014	\$ -	\$ 199,235	\$ 720,779
<b>Total Assets</b>	<b>\$ 920,014</b>	<b>\$ -</b>	<b>\$ 199,235</b>	<b>\$ 720,779</b>
<b>Liabilities:</b>				
Accounts payable	\$ 4,409	\$ 69,315	\$ 71,064	\$ 2,660
Deposits payable	915,605	48,003	245,489	718,119
<b>Total Liabilities</b>	<b>\$ 920,014</b>	<b>\$ 117,318</b>	<b>\$ 316,553</b>	<b>\$ 720,779</b>
<b><u>Municipal Revolving</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 901,655	\$ 1,682,281	\$ 1,339,385	\$ 1,244,551
Receivables:				
Accounts	10,037	40,733	37,310	13,460
Due from other governments	3,834	2,625	3,834	2,625
<b>Total Assets</b>	<b>\$ 915,526</b>	<b>\$ 1,725,639</b>	<b>\$ 1,380,529</b>	<b>\$ 1,260,636</b>
<b>Liabilities:</b>				
Accounts payable	\$ 238,272	\$ 1,361,093	\$ 1,164,427	\$ 434,938
Deposits payable	677,254	148,444	-	825,698
<b>Total Liabilities</b>	<b>\$ 915,526</b>	<b>\$ 1,509,537</b>	<b>\$ 1,164,427</b>	<b>\$ 1,260,636</b>

## CITY OF POMONA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2016

	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016
<b><u>Employee Benefits/Deductions</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,680,299	\$ 36,641,436	\$ 37,045,179	\$ 1,276,556
<b>Total Assets</b>	<b>\$ 1,680,299</b>	<b>\$ 36,641,436</b>	<b>\$ 37,045,179</b>	<b>\$ 1,276,556</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,680,299	\$ 36,641,436	\$ 37,045,179	\$ 1,276,556
<b>Total Liabilities</b>	<b>\$ 1,680,299</b>	<b>\$ 36,641,436</b>	<b>\$ 37,045,179</b>	<b>\$ 1,276,556</b>
<b><u>Total - All Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 4,296,285	\$ 38,324,898	\$ 38,734,706	\$ 3,886,477
Receivables:				
Accounts	10,037	40,733	37,310	13,460
Interest	515	750	515	750
Due from other governments	41,223	8,808	41,223	8,808
<b>Total Assets</b>	<b>\$ 4,348,060</b>	<b>\$ 38,375,189</b>	<b>\$ 38,813,754</b>	<b>\$ 3,909,495</b>
<b>Liabilities:</b>				
Accounts payable	\$ 1,922,980	\$ 38,071,844	\$ 38,280,670	\$ 1,714,154
Deposits payable	2,201,435	203,212	434,069	1,970,578
Due to external parties/other agencies	223,645	1,415	297	224,763
<b>Total Liabilities</b>	<b>\$ 4,348,060</b>	<b>\$ 38,276,471</b>	<b>\$ 38,715,036</b>	<b>\$ 3,909,495</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				
	2007	2008	2009	2010	2011
<b>Governmental activities:</b>					
Net investment in					
capital assets	\$ 283,153,069	\$ 266,292,700	\$ 266,710,638	\$ 259,501,244	\$ 257,218,882
Restricted	121,330,491	126,440,546	130,746,703	134,747,514	138,810,197
Unrestricted	(182,279,410)	(188,834,296)	(213,456,367)	(227,480,138)	(232,125,172)
<b>Total governmental activities net position</b>	<u>\$ 222,204,150</u>	<u>\$ 203,898,950</u>	<u>\$ 184,000,974</u>	<u>\$ 166,768,620</u>	<u>\$ 163,903,907</u>
<b>Business-type activities:</b>					
Net investment in					
capital assets	\$ 52,018,893	\$ 58,437,024	\$ 68,860,850	\$ 62,252,632	\$ 53,012,960
Restricted	4,049,389	3,015,084	2,940,659	2,225,388	7,660,879
Unrestricted	28,867,217	32,851,495	32,957,936	34,455,240	36,095,478
<b>Total business-type activities net position</b>	<u>\$ 84,935,499</u>	<u>\$ 94,303,603</u>	<u>\$ 104,759,445</u>	<u>\$ 98,933,260</u>	<u>\$ 96,769,317</u>
<b>Primary government:</b>					
Net investment in					
capital assets	\$ 335,171,962	\$ 324,729,724	\$ 335,571,488	\$ 321,753,876	\$ 310,231,842
Restricted	125,379,880	129,455,630	133,687,362	136,972,902	146,471,076
Unrestricted	(153,412,193)	(155,982,801)	(180,498,431)	(193,024,898)	(196,029,694)
<b>Total primary government net position</b>	<u>\$ 307,139,649</u>	<u>\$ 298,202,553</u>	<u>\$ 288,760,419</u>	<u>\$ 265,701,880</u>	<u>\$ 260,673,224</u>

City of Pomona  
Net Position by Component  
Last Ten Fiscal Years

Schedule 1

	2012	2013	2014	2015	2016
<b>Governmental activities:</b>					
Net investment in					
capital assets	\$ 272,949,495	\$ 266,340,326	\$ 239,862,742	\$ 232,263,791	\$ 224,471,223
Restricted	94,261,171	94,797,810	91,110,197	138,440,707	116,594,550
Unrestricted	(99,699,617)	(88,955,872)	(66,485,308)	(255,237,644)	(227,001,243)
<b>Total governmental activities net position</b>	<u>\$ 267,511,049</u>	<u>\$ 272,182,264</u>	<u>\$ 264,487,631</u>	<u>\$ 115,466,854</u>	<u>\$ 114,064,530</u>
<b>Business-type activities:</b>					
Net investment in					
capital assets	\$ 46,811,318	\$ 40,774,712	\$ 43,825,224	\$ 42,086,156	\$ 42,988,769
Restricted	13,544,047	14,805,693	32,725,153	28,900,238	23,984,978
Unrestricted	39,600,817	42,671,686	23,144,683	15,566,032	25,022,337
<b>Total business-type activities net position</b>	<u>\$ 99,956,182</u>	<u>\$ 98,252,091</u>	<u>\$ 99,695,060</u>	<u>\$ 86,552,426</u>	<u>\$ 91,996,084</u>
<b>Primary government:</b>					
Net investment in					
capital assets	\$ 319,760,813	\$ 307,115,038	\$ 283,687,966	\$ 274,349,947	\$ 267,459,992
Restricted	107,805,218	109,603,503	123,835,350	167,340,945	140,579,528
Unrestricted	(60,098,800)	(46,284,186)	(43,340,625)	(239,671,612)	(201,978,906)
<b>Total primary government net position</b>	<u>\$ 367,467,231</u>	<u>\$ 370,434,355</u>	<u>\$ 364,182,691</u>	<u>\$ 202,019,280</u>	<u>\$ 206,060,614</u>



**City of Pomona**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2007	2008	2009	2010	2011
<b>Expenses</b>					
Governmental activities:					
General government	\$ 5,374,997	\$ 7,799,411	\$ 11,325,897	\$ 6,492,505	\$ 6,064,138
Public safety	66,368,961	71,782,018	76,866,332	71,238,620	63,110,539
Urban development	70,071,752	58,907,290	68,405,205	87,717,680	77,538,633
Neighborhood services	12,761,215	21,517,903	10,418,491	8,228,099	7,082,135
Interest on long-term debt	25,372,308	30,865,822	27,731,312	29,442,106	29,390,035
Total governmental activities	179,949,233	190,872,444	194,747,237	203,119,010	183,185,480
Business-type activities:					
Water	23,845,899	22,807,789	18,980,506	27,457,755	29,408,125
Sewer	3,915,545	2,920,219	2,963,196	3,838,426	5,733,464
Refuse	8,921,093	8,837,471	9,805,894	8,598,275	8,762,936
Canon Water Company	17,472	96,255	16,681	11,787	13,927
Total business-type activities	36,700,009	34,661,734	31,766,277	39,906,243	43,918,452
<b>Total primary government expenses</b>	<b>\$ 216,649,242</b>	<b>\$ 225,534,178</b>	<b>\$ 226,513,514</b>	<b>\$ 243,025,253</b>	<b>\$ 227,103,932</b>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
Police revenues	\$ 1,723,534	\$ 2,126,363	\$ 3,046,908	\$ 2,691,660	\$ 2,053,307
Plan check fees	543,317	924,010	410,451	297,073	354,575
Building permits	927,771	1,287,216	730,510	599,818	466,567
Graffiti abatement	530,399	560,006	566,197	561,363	564,531
Street sweeping fees	423,356	471,387	476,351	468,575	473,614
Maintenance assessment fees	1,208,338	1,172,825	1,242,240	1,214,568	1,214,829
All other	9,357,921	6,331,014	11,442,772	14,816,018	7,249,221
Operating contributions and grants	27,319,477	24,171,583	17,838,374	30,034,337	23,115,271
Capital contributions and grants	7,154,035	12,395,251	12,020,471	16,368,968	24,908,628
Total governmental activities program revenues	49,188,148	49,439,655	47,774,274	67,052,380	60,400,543
Business-type activities:					
Charges for services:					
Water	26,210,565	27,155,086	27,857,381	27,084,809	27,898,709
Sewer	3,384,966	4,008,291	4,189,672	4,271,176	4,342,682
Refuse	7,326,324	7,733,411	8,661,142	9,883,142	9,046,619
Canon Water Company	-	-	-	-	-
Operating contributions and grants	145,820	126,471	64,841	65,721	109,165
Capital contributions and grants	97,420	4,004,312	850	-	-
Total business-type activities program revenues	37,165,095	43,027,571	40,773,886	41,304,848	41,397,175
<b>Total primary government program revenues</b>	<b>\$ 86,353,243</b>	<b>\$ 92,467,226</b>	<b>\$ 88,548,160</b>	<b>\$ 108,357,228</b>	<b>\$ 101,797,718</b>

**City of Pomona**  
**Changes in Net Position**  
**Last Ten Fiscal Years**

**Schedule 2**

	2012	2013	2014	2015	2016
<b>Expenses</b>					
Governmental activities:					
General government	\$ 5,248,291	\$ 7,499,578	\$ 5,583,709	\$ 5,559,844	\$ 7,562,244
Public safety	63,470,704	62,632,820	66,570,974	67,614,853	68,882,651
Urban development	94,480,470	36,407,420	47,913,493	42,134,924	43,544,386
Neighborhood services	6,771,751	14,858,140	6,181,264	6,151,817	7,853,695
Interest on long-term debt	21,834,146	7,997,227	5,364,960	5,252,517	5,027,126
Total governmental activities	191,805,362	129,395,185	131,614,400	126,713,955	132,870,102
Business-type activities:					
Water	25,909,880	28,242,875	29,585,491	27,125,628	25,763,116
Sewer	5,192,272	8,544,029	4,164,990	3,962,091	4,026,081
Refuse	8,732,864	8,403,397	8,562,818	8,467,884	8,028,531
Canon Water Company	13,219	25,163	18,154	26,747	21,080
Total business-type activities	39,848,235	45,215,464	42,331,453	39,582,350	37,838,808
<b>Total primary government expenses</b>	<b>\$ 231,653,597</b>	<b>\$ 174,610,649</b>	<b>\$ 173,945,853</b>	<b>\$ 166,296,305</b>	<b>\$ 170,708,910</b>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
Police revenues	\$ 2,493,299	\$ 3,066,121	\$ 3,316,768	\$ 3,488,416	\$ 3,376,174
Plan check fees	408,563	1,017,684	816,046	778,349	1,219,738
Building permits	687,783	937,070	1,107,049	1,093,143	2,353,704
Graffiti abatement	563,935	552,417	567,499	566,547	568,757
Street sweeping fees	472,717	462,461	475,665	474,722	476,646
Maintenance assessment fees	1,229,707	1,229,659	1,193,066	1,213,094	1,176,050
All other	731,866	9,066,076	6,014,243	6,708,617	8,100,519
Operating contributions and grants	18,896,518	20,548,119	19,501,511	17,564,805	16,994,223
Capital contributions and grants	18,512,640	15,442,436	12,758,089	12,627,464	11,413,949
Total governmental activities program revenues	43,997,028	52,322,043	45,749,936	44,515,157	45,679,760
Business-type activities:					
Charges for services:					
Water	29,405,992	30,633,205	31,611,142	29,888,243	28,189,546
Sewer	4,528,346	4,461,575	4,684,934	4,733,661	4,425,247
Refuse	9,273,301	9,107,603	9,561,681	9,523,134	9,692,936
Canon Water Company	-	64,221	64,221	64,221	64,221
Operating contributions and grants	880	46,588	42,833	42,052	45,841
Capital contributions and grants	388,000	-	-	-	-
Total business-type activities program revenues	43,596,519	44,313,192	45,964,811	44,251,311	42,417,791
<b>Total primary government program revenues</b>	<b>\$ 87,593,547</b>	<b>\$ 96,635,235</b>	<b>\$ 91,714,747</b>	<b>\$ 88,766,468</b>	<b>\$ 88,097,551</b>

**City of Pomona**  
**Changes in Net Position, Continued**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2007	2008	2009	2010	2011
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (130,761,085)	\$ (141,432,789)	\$ (146,972,963)	\$ (136,066,630)	\$ (122,784,937)
Business-type activities	465,086	8,365,837	9,007,609	1,398,605	(2,521,277)
<b>Total primary government net expense</b>	<u>\$ (130,295,999)</u>	<u>\$ (133,066,952)</u>	<u>\$ (137,965,354)</u>	<u>\$ (134,668,025)</u>	<u>\$ (125,306,214)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Property taxes	\$ 51,952,231	\$ 56,246,496	\$ 65,303,064	\$ 60,772,676	\$ 58,116,765
Sales taxes	19,072,975	17,200,015	10,628,900	11,224,835	9,507,105
Motor vehicle licenses	874,237	718,936	555,277	479,477	829,147
Transient occupancy taxes	1,727,097	1,718,607	1,450,270	1,300,209	1,266,721
Property transfer taxes	2,152,388	1,189,405	1,020,258	1,114,825	987,363
Franchise taxes	5,871,860	5,776,052	6,861,266	6,094,548	5,910,791
Utility users taxes	18,290,416	18,154,259	17,732,063	17,165,968	17,718,623
Business licenses	2,844,503	2,977,865	3,051,371	2,890,920	2,730,397
Other taxes	2,459,714	1,973,674	17,579	10,356	4,008
Investment earnings/(expenses)	19,509,780	19,956,964	17,219,062	14,542,222	23,775,050
Miscellaneous	2,240,671	2,568,179	3,246,127	2,193,630	2,547,071
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	-	-	-	-	-
Transfers	716,025	(1,753,920)	(10,250)	1,044,610	(220,346)
Total governmental activities	<u>127,711,897</u>	<u>126,726,532</u>	<u>127,074,987</u>	<u>118,834,276</u>	<u>123,172,695</u>
Business-type activities:					
Investment earnings/(expenses)	108,433	(1,696,056)	(563,393)	(6,192,697)	133,255
Miscellaneous	516,717	944,403	2,001,376	12,517	3,733
Income (loss) on sale of capital assets	-	-	-	-	-
Transfers	(716,025)	1,753,920	10,250	(1,044,610)	220,346
Total business-type activities	<u>(90,875)</u>	<u>1,002,267</u>	<u>1,448,233</u>	<u>(7,224,790)</u>	<u>357,334</u>
<b>Total primary government</b>	<u>\$ 127,621,022</u>	<u>\$ 127,728,799</u>	<u>\$ 128,523,220</u>	<u>\$ 111,609,486</u>	<u>\$ 123,530,029</u>
<b>Changes in Net Position</b>					
Governmental activities	\$ (3,049,188)	\$ (14,706,257)	\$ (19,897,976)	\$ (17,232,354)	\$ 387,758
Business-type activities	374,211	9,368,104	10,455,842	(5,826,185)	(2,163,943)
<b>Total primary government</b>	<u>\$ (2,674,977)</u>	<u>\$ (5,338,153)</u>	<u>\$ (9,442,134)</u>	<u>\$ (23,058,539)</u>	<u>\$ (1,776,185)</u>

**City of Pomona**  
**Changes in Net Position, Continued**  
**Last Ten Fiscal Years**

**Schedule 2**

	2012	2013	2014	2015	2016
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (147,808,334)	\$ (77,073,142)	\$ (85,864,464)	\$ (82,198,798)	\$ (87,190,342)
Business-type activities	3,748,284	(902,272)	3,633,358	4,668,961	4,578,983
<b>Total primary government net expense</b>	<u>\$ (144,060,050)</u>	<u>\$ (77,975,414)</u>	<u>\$ (82,231,106)</u>	<u>\$ (77,529,837)</u>	<u>\$ (82,611,359)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes:					
Property taxes	\$ 41,754,679	\$ 32,143,878	\$ 33,630,550	\$ 36,408,806	\$ 33,716,887
Sales taxes	10,804,554	12,354,719	12,040,357	13,544,946	15,171,472
Motor vehicle licenses	83,907	69,443	-	67,079	61,498
Transient occupancy taxes	1,359,064	1,473,662	1,560,682	1,568,387	1,723,719
Property transfer taxes	1,111,530	1,475,856	1,430,195	1,581,039	1,859,615
Franchise taxes	5,961,105	5,671,708	6,029,371	6,563,245	6,425,511
Utility users taxes	17,374,682	16,941,444	17,311,594	17,465,816	16,419,345
Business licenses	3,065,405	3,123,120	3,171,919	3,346,851	3,408,813
Other taxes	69,575	20,966	12,963	59,221	139,498
Investment earnings/(expenses)	13,432,247	4,363,428	2,304,604	2,109,521	2,665,388
Miscellaneous	6,703,775	2,347,387	2,900,772	3,461,493	3,759,791
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	149,004,835	804,048	(144,397)	808,340	-
Transfers	690,118	954,698	538,371	1,011,800	(482,001)
<b>Total governmental activities</b>	<u>251,415,476</u>	<u>81,744,357</u>	<u>80,786,981</u>	<u>87,996,544</u>	<u>84,869,536</u>
Business-type activities:					
Investment earnings/(expenses)	126,449	41,890	125,696	92,349	313,933
Miscellaneous	2,250	31,677	117,000	121,408	817,020
Income (loss) on sale of capital assets	-	79,312	9,205	1,965	-
Transfers	(690,118)	(954,698)	(538,371)	(1,011,800)	482,001
<b>Total business-type activities</b>	<u>(561,419)</u>	<u>(801,819)</u>	<u>(286,470)</u>	<u>(796,078)</u>	<u>1,612,954</u>
<b>Total primary government</b>	<u>\$ 250,854,057</u>	<u>\$ 80,942,538</u>	<u>\$ 80,500,511</u>	<u>\$ 87,200,466</u>	<u>\$ 86,482,490</u>
<b>Changes in Net Position</b>					
Governmental activities	\$ 103,607,142	\$ 4,671,215	\$ (5,077,483)	\$ 5,797,746	\$ (2,320,806)
Business-type activities	3,186,865	(1,704,091)	3,346,888	3,872,883	6,191,937
<b>Total primary government</b>	<u>\$ 106,794,007</u>	<u>\$ 2,967,124</u>	<u>\$ (1,730,595)</u>	<u>\$ 9,670,629</u>	<u>\$ 3,871,131</u>

**City of Pomona**  
**Fund Balances - Governmental Funds**  
**Last Ten Years**

	Fiscal Year				
	2007	2008	2009	2010	2011
<b>General Fund:</b>					
Reserved	\$ 6,888,120	\$ 4,459,873	\$ 4,365,820	\$ 4,270,613	\$ -
Unreserved	13,903,948	10,809,579	4,430,794	2,265,028	-
Non-spendable	-	-	-	-	126,089
Restricted	-	-	-	-	-
Committed	-	-	-	-	5,563,011
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total General Fund</b>	<b>\$ 20,792,068</b>	<b>\$ 15,269,452</b>	<b>\$ 8,796,614</b>	<b>\$ 6,535,641</b>	<b>\$ 5,689,100</b>
<b>All Other Governmental Funds:</b>					
Reserved	\$ 329,767,481	\$ 293,334,925	\$ 305,411,945	\$ 289,165,426	\$ -
Unreserved, designated	2,570,640	-	-	-	-
Unreserved, reported in:					
Special revenue funds	21,518,821	12,653,645	5,729,977	18,753,085	-
Debt service funds	(182,023,917)	(198,469,799)	(155,935,490)	(160,398,749)	-
Capital projects funds	1,421,840	60,383,675	2,288,382	(1,497,507)	-
Non-spendable	-	-	-	-	259,577,717
Restricted	-	-	-	-	81,339,275
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(202,261,861)
<b>Total All Other Governmental Funds</b>	<b>\$ 173,254,865</b>	<b>\$ 167,902,446</b>	<b>\$ 157,494,814</b>	<b>\$ 146,022,255</b>	<b>\$ 138,655,131</b>

City of Pomona  
Fund Balances - Governmental Funds  
Last Ten Years

Schedule 3

	2012	2013	2014	2015	2016
<b>General Fund:</b>					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Non-spendable	140,834	109,949	112,436	102,280	106,876
Restricted	-	-	-	-	-
Committed	2,007,185	7,316,769	12,260,809	14,467,914	15,664,972
Assigned	-	-	-	-	-
Unassigned	-	-	-	2,717,909	1,067,804
<b>Total General Fund</b>	<b>\$ 2,148,019</b>	<b>\$ 7,426,718</b>	<b>\$ 12,373,245</b>	<b>\$ 17,288,103</b>	<b>\$ 16,839,652</b>
<b>All Other Governmental Funds:</b>					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Non-spendable	60,310,838	13,880,356	11,996,916	84,397,170	9,081
Restricted	41,875,382	88,633,395	86,119,256	54,043,537	116,585,469
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(43,208,211)	(41,655,762)	(41,134,968)	(59,893,036)	(39,170,313)
<b>Total All Other Governmental Funds</b>	<b>\$ 58,978,009</b>	<b>\$ 60,857,989</b>	<b>\$ 56,981,204</b>	<b>\$ 78,547,671</b>	<b>\$ 77,424,237</b>

**City of Pomona**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2007	2008	2009	2010	2011
<b>Revenues:</b>					
Taxes	\$ 105,245,421	\$ 113,490,746	\$ 109,044,092	\$ 98,510,896	\$ 95,691,191
Special assessments	1,166,719	1,172,826	1,220,222	1,214,569	1,214,829
Licenses and permits	6,690,241	6,261,842	7,350,264	4,297,116	3,333,417
Intergovernmental	34,431,013	27,091,322	25,673,807	48,689,417	50,654,510
Charges for services	2,296,395	2,755,212	2,080,651	8,855,789	3,625,992
Interest and rentals	19,509,672	19,954,480	17,115,029	14,542,222	15,732,587
Fines and forfeitures	2,647,955	3,364,372	4,108,850	2,065,041	1,784,123
Loans repaid	912,428	235,265	253,064	46,814	-
Contributions and donations	3,344,179	257,000	-	-	-
Miscellaneous	2,240,671	2,629,419	4,888,034	3,401,802	4,663,782
<b>Total Revenues</b>	<b>178,484,694</b>	<b>177,212,484</b>	<b>171,734,013</b>	<b>181,623,666</b>	<b>176,700,431</b>
<b>Expenditures:</b>					
General government	5,000,827	5,054,617	4,104,160	4,046,274	3,073,323
Public safety	64,735,812	70,637,275	72,729,944	67,888,838	61,574,218
Urban development	58,373,543	59,624,349	69,119,619	88,899,216	83,925,250
Neighborhood services	12,120,611	20,816,615	8,823,294	7,121,480	5,889,207
Capital outlay	19,944,715	2,246,951	5,462,154	2,969,473	2,644,383
Debt service:					
Principal retirement	9,251,232	8,078,448	4,127,225	4,338,517	5,480,210
Interest and fiscal charges	27,328,302	27,092,737	26,855,452	27,311,933	26,522,841
Debt issuance costs	1,253,413	241,350	-	-	-
<b>Total Expenditures</b>	<b>198,008,455</b>	<b>193,792,342</b>	<b>191,221,848</b>	<b>202,575,731</b>	<b>189,109,432</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,523,761)	(16,579,858)	(19,487,835)	(20,952,065)	(12,409,001)
<b>Other Financing Sources (Uses):</b>					
Notes and loans issued	74,207,460	8,805,595	533,765	533,765	649,425
Bond premium	1,087,257	57,600	-	-	-
Payments to escrow agent	(59,750,000)	-	-	-	-
Proceeds from capital leases	1,714,407	304,646	2,048,956	-	-
Proceeds from sale of capital assets	110,148	980,368	34,894	5,640,158	1,764,196
Gain/Loss - sale of land held for resale	(654,961)	(101,238)	-	-	-
Transfers in	71,510,464	35,568,008	29,592,084	21,194,695	25,487,284
Transfers out	(70,794,439)	(39,460,156)	(29,602,334)	(20,150,085)	(29,524,748)
<b>Total Other Financing Sources (Uses)</b>	<b>17,430,336</b>	<b>6,154,823</b>	<b>2,607,365</b>	<b>7,218,533</b>	<b>(1,623,843)</b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ (2,093,425)</b>	<b>\$ (10,425,035)</b>	<b>\$ (16,880,470)</b>	<b>\$ (13,733,532)</b>	<b>\$ (14,032,844)</b>
Debt service as a percentage of noncapital expenditures	21.25%	18.49%	16.68%	15.86%	17.16%

**City of Pomona**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**

**Schedule 4**

	2012	2013	2014	2015	2016
<b>Revenues:</b>					
Taxes	\$ 79,677,392	\$ 72,063,654	\$ 74,894,452	\$ 79,325,218	\$ 77,688,810
Special assessments	1,229,707	1,229,658	1,193,067	1,213,093	1,176,050
Licenses and permits	4,234,901	5,770,483	6,637,168	6,569,523	9,416,790
Intergovernmental	38,432,208	35,229,918	32,189,819	30,287,748	27,724,855
Charges for services	3,637,583	4,619,080	4,145,014	4,009,626	4,633,898
Interest and rentals	13,417,141	4,364,959	2,294,343	2,098,902	2,605,626
Fines and forfeitures	1,820,973	1,960,621	2,119,972	2,063,417	2,055,615
Loans repaid	-	-	-	-	-
Contributions and donations	-	-	-	51,581	602,278
Miscellaneous	5,223,877	5,040,269	2,329,091	3,175,185	3,266,373
<b>Total Revenues</b>	<b>147,673,782</b>	<b>130,278,642</b>	<b>125,802,926</b>	<b>128,794,293</b>	<b>129,170,295</b>
<b>Expenditures:</b>					
General government	2,385,778	4,388,871	3,569,806	4,037,452	5,002,584
Public safety	61,362,969	62,362,342	65,349,307	68,400,434	71,798,453
Urban development	59,708,273	45,707,873	43,679,402	43,859,126	35,196,589
Neighborhood services	5,577,913	5,007,798	4,748,939	4,702,795	4,637,086
Capital outlay	1,835,062	2,040,791	1,660,811	993,126	7,666,738
Debt service:					
Principal retirement	8,123,605	2,437,533	2,817,951	2,916,051	3,079,718
Interest and fiscal charges	25,243,568	7,358,464	4,974,045	4,855,160	4,627,698
Debt issuance costs	-	-	-	-	-
<b>Total Expenditures</b>	<b>164,237,168</b>	<b>129,303,672</b>	<b>126,800,261</b>	<b>129,764,144</b>	<b>132,008,866</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,563,386)	974,970	(997,335)	(969,851)	(2,838,571)
<b>Other Financing Sources (Uses):</b>					
Notes and loans issued	-	200,000	300,000	-	-
Bond premium	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
Proceeds from capital leases	620,860	695,000	-	-	400,408
Proceeds from sale of capital assets	271,938	4,529,370	1,047,249	35,530	-
Gain/Loss - sale of land held for resale	-	-	-	-	-
Transfers in	15,766,850	16,654,519	8,628,509	9,379,865	9,899,873
Transfers out	(15,076,732)	(15,699,821)	(7,764,284)	(8,368,065)	(9,781,874)
<b>Total Other Financing Sources (Uses)</b>	<b>1,582,916</b>	<b>6,379,068</b>	<b>2,211,474</b>	<b>1,047,330</b>	<b>518,407</b>
Extraordinary gain/(loss) on dissolution of Redevelopment Agency	(68,237,733)	(195,359)	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ (83,218,203)</b>	<b>\$ 7,158,679</b>	<b>\$ 1,214,139</b>	<b>\$ 77,479</b>	<b>\$ (2,320,164)</b>
Debt service as a percentage of noncapital expenditures	20.55%	7.70%	6.23%	6.03%	6.20%



**City of Pomona**  
**Governmental Activities Tax Revenue by Source**  
**Last Fiscal Ten Years (in thousands of dollars)**

**Schedule 5**

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
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
2014	33,631	12,040	-	1,561	1,430	6,029	17,312	3,172	13	75,188
2015	36,409	13,545	68	1,568	1,581	6,563	17,466	3,347	59	80,606
2016	33,717	15,171	61	1,724	1,860	6,426	16,419	3,409	139	78,926

**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 (1)	Total Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value (3)	Factor of Taxable Assessed Value (3)
2007	\$ 5,555,560	\$ 850,046	\$ 927,732	\$ 619,284	\$ 5,880	\$ 376,178	\$ 274,419	\$ 8,060,261	\$ 1	\$ -	\$ -
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	0.14340	8,726,237	0.937970
2010	5,759,284	1,039,418	1,197,842	830,321	788	381,397	459,461	8,749,589	0.17547	8,691,272	1.004839
2011	5,441,493	1,034,597	1,244,142	885,973	788	352,403	538,120	8,421,276	0.20728	8,288,686	0.984255
2012	5,571,482	998,040	1,226,077	905,772	655	360,777	652,301	8,410,502	0.20375	8,637,468	1.026986
2013	5,679,812	1,019,770	1,178,211	884,418	655	350,896	678,279	8,435,483	0.21734	9,148,296	1.084502
2014	5,932,623	1,059,762	1,233,924	869,787	374	372,621	647,264	8,821,827	0.18781	11,575,340	1.312125
2015	6,396,012	1,070,267	1,261,918	942,134	-	379,640	814,565	9,235,406	0.19079	12,340,257	1.336190
2016	6,713,231	1,111,554	1,325,414	305,936	-	383,971	818,224	9,840,106	0.22197	10,658,330	1.339440

Source: Los Angeles County Assessor data, MuniServices, LLC (for years 2007 to 2015), HdL for the 2016 year.

Prior Year values have been restated for consistency and compliance with GASB No. 44 guidelines

(1) Exemptions are exclusive of home owner exemptions.

(2) Total direct tax rate is the voter approved taxes over and above the 1% Proposition 13 tax for TRA 007-790.

(3) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

**City of Pomona**  
**Property Tax Rates - Direct and Overlapping Governments**  
**(Rate per \$100 of assessed value)**  
**Last Ten Fiscal Years**

**Schedule 7**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Basic City and County Levy:										
City of Pomona	0.000000	0.000000	0.233504	0.310821	0.233504	0.233504	0.233504	0.233504	0.233504	0.233504
Other taxing agencies	0.000000	0.000000	0.766496	0.689179	0.766496	0.766496	0.766496	0.766496	0.766496	0.766496
Total	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments:										
County	0.000660	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Unified Schools	0.124010	0.113790	0.115771	0.145455	0.177212	0.173636	0.184882	0.164074	0.165993	0.297990
Community College	0.021840	0.017500	0.023326	0.025710	0.026363	0.026415	0.028957	0.020231	0.021294	0.037950
Flood Control	0.000050	0.001400	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Metro Water District	0.004700	0.004500	0.004300	0.004300	0.003700	0.003700	0.003500	0.003500	0.003500	0.003500
Total	0.151260	0.137190	0.143397	0.175465	0.207275	0.203751	0.217339	0.187805	0.190787	0.339440
Total Tax Rate	<u>1.151260</u>	<u>1.137190</u>	<u>1.143397</u>	<u>1.175465</u>	<u>1.207275</u>	<u>1.203751</u>	<u>1.217339</u>	<u>1.187805</u>	<u>1.190787</u>	<u>1.339440</u>

Source: Los Angeles County Auditor/Controller data, MuniServices, LLC (for years 2007 to 2015), HdL for the 2016 year.  
2007-08 and prior: prior year CAFR reports  
For presentation purposes, TRA 007-790 is represented

City of Pomona  
Principal Property Taxpayers  
Current Fiscal Year and Nine Years Ago

Schedule 8

Taxpayer	2016			2007		
	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	\$ 83,535,719	1	0.85%			
Los Angeles County Fair Assoc	46,592,577	2	0.47%	\$ 32,998,297	4	0.41%
Rexford Industrial Realty LP	39,412,025	3	0.40%			
KTR Pomona LLC	37,004,717	4	0.38%			
Monterey Station LLC	35,515,060	5	0.36%			
LBA Realty Fund III - Company VII LLC	30,666,314	6	0.31%			
CMC Dragon LP	29,112,221	7	0.30%			
Pomona II LLC	28,858,509	8	0.29%			
PI Properties	25,739,538	9	0.26%			
Bre Paragon MF Olive Ridge	24,624,203	10	0.25%			
Pomona Valley Hospital Medical Center				89,532,866	1	1.11%
Udr Crest Lp				61,860,611	2	0.77%
Casa Colina Hospital				43,889,801	3	0.54%
West 2nd Street Storage Ptrs				31,992,300	5	0.40%
Ripon Cogeneration LLC				30,917,652	6	0.38%
Realty Associates				24,645,474	7	0.31%
Rockwell Collins Inc.				23,441,869	8	0.29%
Topanga Owensmouth 7 LLC				23,114,984	9	0.29%
Devry Inc.				21,268,678	10	0.26%

Source: Los Angeles County Assessor data, HdL, Coren & Cone

**City of Pomona**  
**Top 25 Sales Tax Generators**  
**in Alphabetical Order**  
**Current Fiscal Year and Nine Years Ago**

**Schedule 9**

2016	2007
ACS Distributors	Arco AM/PM Mini Marts
Alstar Kia	Barretts Equine Sales
Arco AM/PM Mini Marts	Car Pros Kia
Bastian Material Handling	Chevron Service Stations
Cornucopia Foods	Circuit City
DD's Discounts	Contractors Warehouse
Ferguson Enterprises	Ferguson Enterprises
Giant RV Center	GTE Communication Systems Corp
Global Rental Company	Home Depot
HD Supply Repair & Remodel	Huntington Hardware
Home Depot	Mike Thompson's Recreational
Huntington Hardware	Myers Tire Supply
Hyundai Lease Titling Trust	Puma Oil
Mar-Co Equipment Company	Rancho Valley Chevrolet/Geo
Mike Thompson's Recreational	Redhill Forest Products Inc
Phenix Enterprises	Rio Rancho Buick/Pontiac/GMC
Ralph's Grocery Company	Rio Rancho Chrysler Jeep & Dod
Richard S. Dawson Company	Rohr Steel
Rohr Steel	Shell Service Stations
Ryder Vehicle Sales	Siemens Energy & Automation
Sheraton Hotel	Sylvania Lighting Services
Superior Duct Fabrication	Texaco Service Stations
Target Stores	Toys R Us
USA Service Stations	Wal Mart Stores
Wal Mart Stores	West Coast RV's

Source: MuniServices, LLC

**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
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%
2014	13,596,705	13,442,112	98.9%	637,832	14,079,944	103.6%
2015	14,612,641	14,510,121	99.3%	613,771	15,123,892	103.5%
2016	13,843,856	13,691,612	98.9%	230,228	13,921,840	100.6%

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	
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
2014	-	41,110,000	44,414,040	11,681,813	1,754,285	98,960,138
2015	-	39,564,000	44,333,953	11,336,191	1,241,295	96,475,439
2016	-	37,938,000	44,152,153	10,970,569	1,137,985	94,198,707

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.

Business-type Activities			Total Primary Government	Percentage of Personal Income (1)	Debt per Capita (1)
Revenue Bonds	Other	Total Business-type Activities			
\$ 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
135,674,210	4,112,175	139,786,385	240,510,287	n/a	1,593
133,915,426	3,564,689	137,480,115	236,440,253	n/a	1,558
132,086,642	3,004,392	135,091,034	231,566,473	n/a	1,519
130,187,861	2,430,985	132,618,846	226,817,553	n/a	1,458



City of Pomona  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years (dollars in thousands, except per capita)

Schedule 12

Fiscal Year Ended June 30	General Bonded Debt Outstanding					Restricted for Debt Service *	Net Bonded Debt	Percentage of Actual Value of Property (1)	Per Capita (2)
	Revenue Bonds	Tax Allocation Bonds	Pension Obligation Ref Bonds	Certificates of Participation	Total				
2007	\$ 227,448	\$ 9,815	\$ 42,281	\$ 13,802	\$ 293,346	\$ 7,031	\$ 286,315	3.9%	\$ 1,809
2008	229,692	9,730	42,281	13,521	295,224	14,073	281,151	3.6%	1,807
2009	227,390	9,645	42,281	13,235	292,551	13,233	279,318	3.1%	1,790
2010	224,932	9,555	42,209	12,944	289,640	17,589	272,051	3.3%	1,779
2011	222,313	9,460	44,114	12,644	288,531	29,115	259,416	3.4%	1,933
2012	43,836	-	44,299	12,333	100,468	51,855	48,613	1.2%	670
2013	42,446	-	44,401	12,012	98,859	50,439	48,420	1.2%	655
2014	41,110	-	44,414	11,682	97,206	49,229	47,977	1.1%	640
2015	39,564	-	44,334	11,336	95,234	47,845	47,389	1.0%	625
2016	37,938	-	44,152	10,971	93,061	46,248	46,813	0.9%	598

\* Includes bond reserves and unspent bond proceeds.

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

(1) See Schedule 6 for property value data.

(2) Population data can be found in Schedule 17.

**City of Pomona**  
**Direct and Overlapping Debt**  
**Current Year and Nine Years Ago**

**Schedule 13**

OVERLAPPING DEBT 06/30/2016:	Total Debt 6/30/2016	% Applicable (1)	City's Share of Debt 06/30/2016
Los Angeles County Flood Control District	\$ -	0.000%	\$ -
Metropolitan Water District	44,916,916	0.619%	277,825
Citrus Community College District	96,907,553	1.229%	1,191,254
Mount San Antonio Community College District	367,992,615	12.047%	44,331,779
Bonita Unified School District	128,484,790	0.254%	326,984
Claremont Unified School District	29,070,000	6.077%	1,766,684
Pomona Unified School District	240,584,892	75.786%	182,329,896
Total Overlapping Debt	907,956,766		230,224,422
City of Pomona 1915 Act Bonds	3,915,000	100.000%	3,915,000
Obligations Under Capital Leases	702,958	100.000%	702,958
Notes Payable	435,000	100.000%	435,000
Revenue Bonds	37,938,000	100.000%	37,938,000
Pension Obligation Refunding Bonds	44,152,153	100.000%	44,152,153
Certificates of Participation	10,970,569	100.000%	10,970,569
Total Direct Debt	98,113,680		98,113,680
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 1,006,070,446		\$ 328,338,102

OVERLAPPING DEBT 06/30/2007:	Total Debt 6/30/2007	% Applicable (1)	City's Share of Debt 06/30/2007
Los Angeles County	\$ 8,395,000	0.685%	\$ 57,471
Los Angeles County Flood Control District	370,000	0.672%	2,487
Metropolitan Water District	165,681,509	0.757%	1,253,815
Citrus Community College District	57,100,000	1.335%	762,289
Mount San Antonio Community College District	176,917,046	12.915%	22,849,244
Bonita Unified School District	54,539,790	0.144%	78,666
Claremont Unified School District	42,665,000	6.766%	2,886,576
Pomona Unified School District	153,632,278	76.916%	118,168,231
Total Overlapping Debt	659,300,623		146,058,779
City of Pomona 1915 Act Bonds	9,485,000	100.000%	9,485,000
Participation Agreement	-	100.000%	-
County Deferred Tax Loan	25,475,833	100.000%	25,475,833
Obligations Under Capital Leases	4,169,793	100.000%	4,169,793
Notes Payable	2,475,000	100.000%	2,475,000
Revenue Bonds	227,448,178	100.000%	227,448,178
Tax Allocation Bonds	9,815,000	100.000%	9,815,000
Pension Obligation Refunding Bonds	42,280,684	100.000%	42,280,684
Certificates of Participation	13,801,167	100.000%	13,801,167
Total Direct Debt	334,950,655		334,950,655
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 994,251,278		\$ 481,009,434

Source: HdL, and prior year CAFR

1) Percentage of overlapping agency's assessed valuation located within the boundaries of the city.

City of Pomona  
Legal Debt Margin Information  
Last Ten Fiscal Years (in thousands of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed valuation	\$8,060,261	\$8,768,656	\$9,303,322	\$8,749,589	\$8,421,276	\$8,410,502	\$8,435,483	\$8,821,827	\$9,840,106	\$9,840,106
Debt limit percentage	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Debt limit	\$1,209,039	\$1,315,298	\$1,395,498	\$1,312,438	\$1,263,191	\$1,261,575	\$1,265,322	\$1,323,274	\$1,476,016	\$1,476,016
Amount of debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$1,209,039	\$1,315,298	\$1,395,498	\$1,312,438	\$1,263,191	\$1,261,575	\$1,265,322	\$1,323,274	\$1,476,016	\$1,476,016
Total debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Value	\$9,840,106
Debt Limit 15%	1,476,016
Debt applicable to debt limit	-
Legal Debt Margin	<u>\$1,476,016</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**  
**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		Total	
				Principal	Interest		
2007	32,745,372	30,868,171	1,877,201	-	616,981	616,981	3.0
2008	26,282,806	21,557,482	4,725,324	-	-	-	N/A
2009	27,750,167	22,229,863	5,520,304	-	5,106,170	5,106,170	1.1
2010	27,071,134	20,970,174	6,100,960	200,000	5,099,665	5,299,665	1.2
2011	27,087,846	19,041,122	8,046,724	1,095,000	5,087,935	6,182,935	1.3
2012	27,735,841	18,961,467	8,774,374	1,140,000	5,041,155	6,181,155	1.4
2013	28,794,435	20,836,902	7,957,533	1,190,000	4,992,405	6,182,405	1.3
2014	29,734,402	22,343,608	7,390,794	1,240,000	4,941,475	6,181,475	1.2
2015	29,076,093	20,837,368	8,238,725	1,295,000	4,888,376	6,183,376	1.3
2016	28,189,546	18,073,465	10,116,081	1,350,000	4,991,195	6,341,195	1.6

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

Prior Year information has been restated for consistency and compliance with GASB No. 44 guidelines.

No ratio calculation for 2008 due to bond refunding.

**City of Pomona**  
**Pledged Revenue Coverage - Sewer**  
**Last Ten Fiscal Years**

**Schedule 16**

Fiscal Year Ended June 30	Sewer Revenue Bonds						
	Sewer Revenue	Less Operating Expenses	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2007	3,745,389	2,671,343	1,074,046	175,000	827,787	1,002,787	1.1
2008	4,368,532	2,356,508	2,012,024	180,000	1,295,540	1,475,540	1.4
2009	4,424,826	2,426,368	1,998,458	180,000	1,302,305	1,482,305	1.3
2010	4,348,448	2,530,093	1,818,355	295,000	1,310,465	1,605,465	1.1
2011	4,400,436	2,444,519	1,955,917	325,000	1,301,753	1,626,753	1.2
2012	4,570,662	2,445,349	2,125,313	340,000	1,290,216	1,630,216	1.3
2013	4,497,533	2,511,043	1,986,490	355,000	1,277,020	1,632,020	1.2
2014	4,736,852	2,800,219	1,936,633	370,000	1,262,289	1,632,289	1.2
2015	4,783,591	2,777,759	2,005,832	385,000	1,247,875	1,632,875	1.2
2016	4,490,402	2,014,093	2,476,309	400,000	1,231,690	1,631,690	1.5

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

Prior Year information has been restated for consistency and compliance with GASB No. 44 guidelines.

**City of Pomona**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

**Schedule 17**

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<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2) (in thousands)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age</u>	<u>Public School Enrollment (3)</u>	<u>Unemployment Rate (4)</u>
2007	162,140	2,398,683	14,794	26.5	33,683	5.8%
2008	163,405	2,398,683	14,679	26.5	33,683	5.8%
2009	163,408	2,747,869	16,816	28.7	30,032	8.4%
2010	162,817	2,728,162	16,756	28.7	31,864	12.9%
2011	149,243	2,651,969	17,769	28.6	28,298	14.7%
2012	149,950	2,533,677	16,897	28.1	27,737	13.2%
2013	150,942	2,593,902	17,185	29.5	27,186	12.2%
2014	151,713	2,392,059	15,767	30.2	26,264	11.0%
2015	152,419	2,659,712	17,450	29.9	25,311	7.9%
2016	155,604	2,575,663	16,552	30.4	24,673	7.5%

Source: 2008-09, 2009-10, 2011-12, 2012-13, 2013-14, and 2014-15: MuniServices, LLC

Source: 2010-11, 2008-09 and prior: prior year previous CAFR reports.

Source: 2015-16, HdL

(1) Population Projections are provided by California Department of Finance Projections.

(2) Income Data is provided by the United States Census Data and is adjusted for inflation.

(3) Public School Enrollment reflects the total number of students enrolled in Pomona Unified School District only, per schc

(4) Unemployment rates are provided by the Employment Development Department, Bureau of Labor and Statistics Depar

**City of Pomona  
Principal Employers  
Current Year and Nine Years Ago**

**Schedule 18**

Employer	2016			2007		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Pomona Valley Hospital	3,270	1	5.0%	3,080	2	4.6%
Pomona Unified School District	2,926	2	4.5%	3,406	1	5.1%
California State Polytechnic University Fairplex	2,612	3	4.0%			
Casa Colina Rehabilitation Center	954	4	1.5%			
City of Pomona	938	5	1.4%	600	6	0.9%
Verizon	685	6	1.1%	708	4	1.1%
County of Los Angeles Department of Social Services	596	7	0.9%	596	7	0.9%
First Transit	400	8	0.6%	378	9	0.6%
Inland Valley Care & Rehab	348	9	0.5%	311	11	0.5%
Kittrich Corporation	341	10	0.5%	270	15	0.4%
Torn & Glasser Inc.	256	11	0.4%			
Hayward Industries Inc	242	12	0.4%			
Walmart Stores Inc	230	13	0.4%	351	10	0.5%
Anheuser Busch Sales Pomona	207	14	0.3%	284	13	0.4%
Lanternman Developmental Center	204	15	0.3%			
California Acrylic Industries				1,780	3	2.6%
Royal Cabinets				650	5	1.0%
Interstate Brands West Corp				450	8	0.7%
Pioneer Electronics				300	12	0.4%
				280	14	0.4%

Source: City of Pomona business license data and Businesses; 2007 CAFR  
Total Employment Source: [www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

**City of Pomona**  
**Authorized Full-Time City Employees by Function**  
**Last Ten Fiscal Years**

**Schedule 19**

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	36	36	29	26	24	20	19	19	20	20
Support Services	46	52	44	36	33	32	32	32	31	32
Police	345	348	342	335	271	270	269	270	268	270
Public Works	88	87	81	199	184	184	170	169	170	106
Water/Wastewater	0	0	0	0	0	0	0	0	0	68
Community Development	40	40	40	38	47	40	38	40	0	0
Dev & Neighborhood Svcs	0	0	0	0	0	0	0	0	47	47
Utility Services	127	128	127	0	0	0	0	0	0	0
Community Services and Library	78	80	78	32	21	21	11	9	2	2
<b>Total</b>	<b>760</b>	<b>771</b>	<b>741</b>	<b>666</b>	<b>580</b>	<b>567</b>	<b>539</b>	<b>539</b>	<b>538</b>	<b>545</b>

Various departments were consolidated in 2009-2010

Source: City of Pomona Finance Department



**City of Pomona**  
**Taxable Sales by Category**  
**Last Ten Calendar Years**  
**(in thousands of dollars)**

	2007	2008	2009	2010	2011
Apparel Stores	\$ 7,929	\$ 9,884	\$ 8,210	\$ 12,239	\$ 12,339
General Merchandise	49,839	49,203	48,733	43,655	42,089
Food Stores	71,838	72,852	70,991	71,379	66,041
Eating and Drinking Places	121,796	124,146	119,631	117,873	115,634
Building Materials	283,287	234,707	189,624	160,244	146,146
Auto Dealers and Supplies	217,924	178,694	91,100	77,879	58,177
Service Stations	194,850	207,178	161,684	158,016	196,602
Other Retail Stores	130,933	148,426	115,747	115,538	132,188
All Other Outlets	544,522	343,162	284,376	263,940	279,060
Drug Stores	-	-	-	-	-
Home Furnishing	-	-	-	-	-
Packaged Liquor Store	-	-	-	-	-
Total	<u>\$ 1,622,918</u>	<u>\$ 1,368,252</u>	<u>\$ 1,090,096</u>	<u>\$ 1,020,763</u>	<u>\$ 1,048,276</u>

Source: MuniServices, LLC

2012	2013	2014	2015	2016
\$ 12,581	\$ 13,953	\$ 15,277	\$ 22,874	\$ 22,621
41,037	43,478	52,726	62,148	67,799
63,376	65,447	68,432	74,104	77,912
121,730	128,363	135,882	149,074	179,655
163,013	185,123	207,681	242,612	269,847
67,975	75,686	78,793	78,672	97,748
216,063	201,642	195,460	180,021	143,687
137,444	165,937	127,969	142,246	130,415
301,495	316,419	308,980	360,476	333,147
-	-	14,704	14,696	14,521
-	-	16,848	13,418	26,194
-	-	7,321	7,677	8,220
<u>\$ 1,124,714</u>	<u>\$ 1,196,048</u>	<u>\$ 1,230,073</u>	<u>\$ 1,348,018</u>	<u>\$ 1,371,766</u>

**City of Pomona**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

**Schedule 21**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police:										
Felony Arrests	4,234	3,686	3,584	3,150	2,825	2,713	3,145	3,105	2,726	2,441
Misdemeanor Arrests	8,886	8,042	7,824	6,686	5,557	5,780	5,821	5,876	6,424	7,446
Parking Citations	14,670	24,293	26,223	24,305	22,685	21,462	36,718	30,145	30,788	31,807
Moving Citations	18,663	18,470	25,305	18,412	11,554	10,452	9,179	9,791	9,153	8,898
Fire:										
Incidents	12,557	12,393	12,171	12,317	12,239	11,807	12,447	13,675	15,289	16,381
Urban development:										
Residential building permits issued	3,039	2,111	1,372	1,314	655	720	622	722	925	294
Inspections	20,877	23,235	17,278	6,918	5,378	5,645	4,054	6,050	5,536	6,236
Asphalt repaired (square feet)	16,600	31,862	23,911	26,489	38,842	9,222	19,400	36,068	84,879	84,649
Sidewalk repaired (square feet)	16,859	14,977	6,328	12,508	18,700	12,415	7,285	1,500	1,750	2,279
Community services:*										
Community Center participants	919,153	899,611	409,595	335,931	502,674	572,270	520,157	501,727	-	-
Senior Program participants	185,285	244,000	145,851	101,104	120,095	121,165	108,086	100,703	44,768	44,228
Youth program participants	286,925	234,648	263,744	254,827	381,280	403,617	362,217	337,180	56,728	52,075
Other program participants	70,329	72,345	47,043	64,574	36,296	42,343	49,854	66,743	32,480	26,126
Sports participants	376,614	348,618	206,853	314,405	254,989	311,201	309,795	366,978	168,034	182,529
Facility rentals	424	273	220	248	310	547	635	687	2,090	1,815
Library:										
Program attendance (all programs)	11,514	10,711	12,350	10,855	8,857	8,568	1,770	2,578	2,940	3,077
Literacy instruction (hours)	762	639	871	968	709	749	-	-	-	-
Water:										
New connections	47	152	23	10	5	7	17	9	12	21
Average daily consumption (thousands of gallons)	23,028	22,086	20,693	18,487	17,719	17,865	18,670	19,615	17,905	14,450
Refuse:										
Curbside Collection (in tons)	42,884	41,638	39,407	37,436	38,068	36,472	37,246	36,593	35,474	36,682
Recycle Collection (in tons)	9,380	8,871	8,003	7,512	7,108	6,801	6,896	6,907	7,218	6,544
Greenwaste Collection (in tons)	14,687	13,259	13,267	13,975	14,280	13,234	12,510	11,934	11,904	13,480

Source: Various City Departments

\*Due to staffing changes in Community Services, the methodology for counting service delivery was changed beginning 2015.

**City of Pomona**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

**Schedule 22**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	45	45	44	44	44	42	58	51	51	46
Fire:										
Fire stations	8	8	8	8	8	8	8	8	8	8
Public works:										
Streets (miles)	297	388	388	388	388	388	388	388	388	388
Streetlights	9,939	7,645	7,645	7,645	7,645	7,645	7,701	7,721	7,725	7,725
Traffic signals	175	175	176	180	180	161	162	164	164	169
Community services:										
Parks	25	26	26	26	26	26	26	26	26	26
Park Acreage	210	210	221	221	221	221	221	221	221	221
Baseball fields	14	14	14	14	14	14	14	14	14	14
Soccer fields	11	13	17	17	17	17	17	17	17	17
Basketball courts	18	22	22	22	22	22	22	22	22	22
Tennis courts	9	9	9	9	9	9	9	9	9	9
Community centers	12	13	13	13	14	14	14	14	14	14
Libraries	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	436	439	439	439	467	457	457	457	457	457
Sewer:										
Sanitary sewers (miles)	313	313	313	313	357	305	305	305	305	305
Storm drains (miles)	120	120	120	120	120	120	120	120	120	120

Source: Various City Departments

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