

City of Rancho Cucamonga
Comprehensive Annual Financial Report
June 30, 2011

Financial Section

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Rancho Cucamonga, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Rancho Cucamonga, California, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Rancho Cucamonga's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 Rancho Cucamonga as of June 30, 2011, and the respective changes in financial position and cash flows where applicable thereof, and the respective budgetary comparison for the General Fund and Fire District Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 15 – "California Redevelopment Agency Uncertainty". The note provides information on two bills passed, AB1X26 and 27 which dissolve redevelopment agencies effective October 1, 2011 and provide an option to avoid dissolution by making certain defined payments

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2011, on our consideration of the City of Rancho Cucamonga's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



To the Honorable Mayor and Members of the City Council
City of Rancho Cucamonga, California

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.

Lance, Soll & Lughard, LLP

Brea, California
December 21, 2011

CITY OF RANCHO CUCAMONGA MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Rancho Cucamonga ("City"), we provide for the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2011. Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, we encourage the readers to consider the information presented here in conjunction with additional information furnished in the Letter of Transmittal and the accompanying basic financial statements. This is the eighth consecutive year that the City has issued financial statements pursuant to Statement No. 34 of the Governmental Accounting Standards Board (GASB 34). Comparative data on the government-wide financial statements are only presented in the MD&A.

Overview of the Financial Statements

The City is required to present its financial statements in accordance with Generally Accepted Accounting Principles (GAAP), which includes complying with the Governmental Accounting Standards Board (GASB) pronouncements. In 2003, the City was required to implement GASB Statement No. 34 (GASB 34) which required the City to add new financial reports with a new format to the existing published Comprehensive Annual Financial Report (CAFR). The new financial reporting format includes the Government-wide Financial Statements, which are comprised of the Statement of Net Assets and the Statement of Activities (explained below), and the original reporting format, which is the Fund Financial Statements (explained on page 4), combined into a single unified format. These two statements combined with the notes to the financial statements comprise the City's basic financial statements. This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. This report also contains certain supplementary information to the basic financial statements.

Government-wide Financial Statements

Government-wide financial statements include the City and its component units. As stated in Note 1.a. of the notes to the financial statements, the inclusion of an organization within the scope of the reporting entity of the City of Rancho Cucamonga, as either blended or separately shown, is based on the provisions of GASB Statement No. 14 *The Financial Reporting Entity*. Although legally separate, component units function for all practical purposes as departments of the City and, therefore, have been blended as part of the primary government. The City's component units are the Rancho Cucamonga Redevelopment Agency, the Rancho Cucamonga Public Improvement Corporation, the Rancho Cucamonga Fire Protection District, the Rancho Cucamonga Library, and the Rancho Cucamonga Public Financing Authority.

These statements are designed to provide information about the activities of the City as a whole and present a longer-term view of the City's finances. This longer-term view is intended to illustrate the City's ability to continue functioning as a viable entity well beyond the next fiscal year's operations. The statements are prepared using the accrual basis of accounting. The accrual basis of accounting considers money available when earned and considers money spent when a liability is incurred. As such, this basis of accounting focuses on measuring economic resources that are available to the City regardless of the timing of the availability of those resources. For example, grant revenue may have been earned as of fiscal year end but may not be received until several months subsequent to fiscal year end. Under the accrual basis of accounting, this revenue would be recognized as a resource available to the City as of fiscal year end, even though the actual cash is not received for several months. An example related to expenditures would be the City's accrued interest liability. This liability is recognized as a usage of the City's resources as of fiscal year end, even though the actual cash payment will occur over an extended period of time. The accrual basis of accounting is similar to that used by most private sector companies. Accordingly, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Additionally, these statements reflect the capitalization and depreciation of infrastructure and other capital assets (e.g., buildings, vehicles, furniture and fixtures, etc.) as well as the recognition of various long-term liabilities (e.g., bonds payable, accrued employee benefits, claims and judgments payable, etc.).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes, intergovernmental and use of money and property 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 include general government, public safety - police, public safety - fire protection, public safety – animal center, community development, community services, and engineering and public works. The City's business-type activities include the Sports Complex and Municipal Utility operations.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the excess of assets over liabilities reported as net assets. This statement includes changes in "capitalized and depreciated" capital assets. The purpose behind the statement of net assets is that, over time, increases or decreases in the net assets are one potential useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows (both positive and negative) in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the governmental activities and the business-type activities are presented on the accrual basis of accounting. Proprietary funds, discussed below, also follow the accrual basis of accounting.

The government-wide financial statements can be found on pages 15 through 17 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. Some funds are required by state law and by bond covenants. In addition, in order to meet legal responsibilities for using certain taxes, grants, and other resources, prudent fiscal management requires the establishment of other funds to help control and manage money. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

By contrast to the government-wide financial statements, the governmental fund financial statements, a part of the Fund Financial Statements, use the modified accrual basis of accounting which considers money available when it is collectible within the current period or soon enough thereafter (60 days after the end of the current fiscal period) to pay liabilities of the current period. Expenses are recorded when a liability is incurred. Debt service, claims and judgments, and accrued employee leave benefits are not recorded as liabilities, they are expensed at the time a payment is due. Note 1.c. of the notes to the Financial Statements more fully describes each basis of accounting.

Governmental funds. Most of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between the results in the governmental fund financial statements and those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement (see pages 23 and 26 of this report).

The City maintains 64 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Fire District Special Revenue Fund, the Redevelopment Agency Capital Project Fund, and the Redevelopment Agency Debt Service Fund, all of which are

considered major funds. Major funds determination is based on guidelines established by GASB 34. Data for the other 60 governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 18 through 26 of this report. Individual fund data for each of the non-major governmental funds is provided in the form of *combining statements* and can be found on pages 80 through 111 in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided to demonstrate compliance with this budget. This comparison can be found on page 27 of this report.

Proprietary funds. When the City charges customers fees to cover the cost of the services it provides, these services are generally reported in proprietary funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as *business-type* activities in the government-wide financial statements. “*Enterprise*” refers to the fund type while “*business-type*” refers to the activity type. The City uses enterprise funds to account for its Sports Complex and Municipal Utility operations.

Internal service funds by contrast are an accounting mechanism used to accumulate and allocate costs internally among the City’s various functions. The City uses internal service funds to account for vehicle/equipment replacement and computer equipment/technology replacement. Because these services predominantly involve governmental rather than business-type activities, this fund type has been included within *governmental activities* in the government-wide financial statements. Internal service funds are presented as proprietary funds because both enterprise and internal service funds follow the accrual basis of accounting.

In the fund financial statements section, proprietary funds provide similar information to that contained in the *business-type activities* in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Sports Complex and Municipal Utility operations, both of which are considered to be major funds of the City. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements and can be found on pages 168 through 170 in this report.

The basic proprietary fund financial statements can be found on pages 29 through 31 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. In these cases, the City has a fiduciary responsibility and is acting as a *trustee*. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of these funds are *not* available to support the City’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Assets on page 32 of this report.

The fiduciary fund type that the City maintains is an agency fund. An agency fund is a fund used to account for assets held by the City as trustee or agent for individuals, private organizations, or other governmental units, and/or other funds. Individual fund data for each of these agency funds is provided in the form of *combining statements* found on pages 174 through 188 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 33 of this report.

Government-wide Financial Analysis

Our analysis focuses on the City's net assets (Table 1) and the changes in net assets (Table 2) as a result of the City's activities. Comparative total data for the prior year has been presented. An analysis of the significant increases/decreases from the prior year is provided after each table.

TABLE 1
NET ASSETS
(IN THOUSANDS)
 As of June 30, 2011

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Current and other assets	\$ 747,119	\$ 739,189	\$ 4,368	\$ 4,489	\$ 751,487	\$ 743,678
Capital assets, net	<u>730,624</u>	<u>721,567</u>	<u>28,436</u>	<u>29,733</u>	<u>759,060</u>	<u>751,300</u>
TOTAL ASSETS	<u>1,477,743</u>	<u>1,460,756</u>	<u>32,804</u>	<u>34,222</u>	<u>1,510,547</u>	<u>1,494,978</u>
Long-term liabilities						
outstanding	430,209	439,835	-	-	430,209	439,835
Other liabilities	<u>22,055</u>	<u>23,439</u>	<u>918</u>	<u>1,038</u>	<u>22,973</u>	<u>24,477</u>
TOTAL LIABILITIES	<u>452,264</u>	<u>463,274</u>	<u>918</u>	<u>1,038</u>	<u>453,182</u>	<u>464,312</u>
Net assets:						
Invested in capital assets, net of related debt	392,183	402,124	28,436	29,733	420,619	431,857
Restricted	551,039	473,381	19	1,318	551,058	474,699
Unrestricted	<u>82,257</u>	<u>121,977</u>	<u>3,431</u>	<u>2,134</u>	<u>85,688</u>	<u>124,111</u>
TOTAL NET ASSETS	<u>\$ 1,025,479</u>	<u>\$ 997,482</u>	<u>\$ 31,886</u>	<u>\$ 33,185</u>	<u>\$ 1,057,365</u>	<u>\$ 1,030,667</u>

Net assets, the difference between a government's assets and its liabilities, may serve over time as one potential useful indicator of a government's financial position. Net assets includes the City's capital assets, cash balances, amounts receivable from other entities, and other similar resources offset by payments due to vendors, interest payable, long-term debt, and other similar obligations. In the case of the City, total assets (of which 50% represents capital assets of the City, including infrastructure) exceeded total liabilities by \$1,057,365,401 at the close of the most recent fiscal year. The assets of both the governmental and the business-type activities at year end exceeded liabilities. A more detailed discussion of these results will be discussed in the following sections for both governmental and business-type activities.

The government's total net assets increased by \$26,698,756, or 2.6%, during the current fiscal year, reflecting positive change in the governmental activities of \$27,997,338 and a negative change in the business-type activities of \$1,298,582. The following is an explanation of the major changes:

- Capital assets (e.g., infrastructure and other capital assets such as buildings, vehicles, furniture and fixtures, etc.) increased by \$7,760,207, net of accumulated depreciation. The increase in capital assets is due to the addition of capital construction project and infrastructure improvement to City's trail, road and storm drain systems. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.
- Current and other assets (e.g., cash and investments, receivables, prepaid costs, cash with fiscal agent, etc.) increased by \$7,808,193. This increase is due to an increase in notes and loans receivable of approximately \$10.4 million to finance new and continuing redevelopment area projects and the accrual of interest for the various loan agreements entered into by the Redevelopment Agency to provide funding for affordable housing. The City also fully paid its unfunded actuarial accrued liability for the PARS retirement enhancement plan, resulting in an \$8.7 million prepaid asset as of June 30, 2011 (additional information can be found in Note 10 in the financial statements). Both of these increases were offset with corresponding decreases in cash and investments of \$7.2 million (primarily due to the prepayment noted above), combined with the accounts and grants receivable of \$5.6 million from the receipt on previous outstanding accounts.
- Long-term debt outstanding (e.g., bonds, Agency loans, claims and judgments payable, and accrued employee benefits) decreased by \$9,626,372. This decrease was due primarily to principal payments on outstanding debt in the amount of \$10,538,219. This decrease was offset by additional accrued interest for a developer loan and other deferred payment in the amount of \$827,803, a net increase in claims and judgments in the amount of \$332,757, and a net decrease in accrued employee benefits in the amount of \$44,081. The remaining change is due to the amortization of bond premiums.
- Other liabilities (e.g., accounts payable, accrued interest, due to other governments, etc.) decreased by \$1,503,984, primarily in accrued liabilities, due to timing of payments at year end.

TABLE 2
CHANGES IN NET ASSETS
(IN THOUSANDS)
Year ended June 30, 2011

	Governmental Activities		Business-Type Activity		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
REVENUES:						
Program Revenues:						
Charges for services	\$ 13,167	\$ 14,628	\$ 11,903	\$ 11,518	\$ 25,070	\$ 26,146
Operating grants and contributions	7,865	6,276	-	-	7,865	6,276
Capital grants and contributions	6,121	59,877	-	-	6,121	59,877
General Revenues:						
Taxes:						
Property taxes	143,094	152,193	-	-	143,094	152,193
Admissions taxes			7	12	7	12
Transient occupancy taxes	1,827	1,587	-	-	1,827	1,587
Sales taxes	22,751	21,586	-	-	22,751	21,586
Franchise taxes	5,643	5,708	-	-	5,643	5,708
Intergovernmental	813	522	-	-	813	522
Use of money and property	17,024	21,379	334	384	17,358	21,763
Other	5,094	5,054	9	33	5,103	5,087
TOTAL REVENUES	<u>223,399</u>	<u>288,810</u>	<u>12,253</u>	<u>11,947</u>	<u>235,652</u>	<u>300,757</u>
EXPENSES:						
General government	49,581	81,893	-	-	49,581	81,893
Public safety - police	28,028	27,425	-	-	28,028	27,425
Public safety - fire protection	24,550	26,526	-	-	24,550	26,526
Public safety - animal center	2,493	2,476	-	-	2,493	2,476
Community development	19,132	22,444	-	-	19,132	22,444
Community services	12,703	13,066	-	-	12,703	13,066
Engineering and public works	30,427	33,091	-	-	30,427	33,091
Interest on long term debt	28,465	28,387	-	-	28,465	28,387
Sports Complex	-	-	2,253	2,088	2,253	2,088
Municipal Utility	-	-	11,388	9,778	11,388	9,778
TOTAL EXPENSES	<u>195,379</u>	<u>235,308</u>	<u>13,641</u>	<u>11,866</u>	<u>209,020</u>	<u>247,174</u>
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFERS	28,020	53,502	(1,388)	81	26,632	53,583
TRANSFERS	<u>(23)</u>	<u>67</u>	<u>23</u>	<u>(67)</u>	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN NET ASSETS	<u>27,997</u>	<u>53,569</u>	<u>(1,365)</u>	<u>14</u>	<u>26,632</u>	<u>53,583</u>
Restatement of Net Assets (See Note 12)	<u>-</u>	<u>476</u>	<u>-</u>	<u>476</u>	<u>-</u>	<u>952</u>
Change in Net Assets from Prior Year	<u>\$ 27,997</u>	<u>\$ 54,045</u>	<u>\$ (1,365)</u>	<u>\$ 490</u>	<u>\$ 26,632</u>	<u>\$ 54,535</u>

The above condensed statement of activities of the City's governmental and business-type operations for the period ended June 30, 2011 shows total net assets increased by \$26,632,094. Governmental activities increased the City of Rancho Cucamonga's net assets by \$27,997,338, accounting for 105.7% of the total growth in net assets. This increase is offset by the decrease of \$1,365,244 in the Business-Type activities' net assets.

In order of total dollar amount of change, the most significant changes in revenue were in the categories of capital grants and contributions; property taxes; and use of money and property.

- The decrease in capital contributions and grants of \$54,986,472 is primarily due to various non-recurring activities which occurred in the prior fiscal year: the capitalization of infrastructure in the amount of approximately \$23.36 million contributed by developers; a \$13.86 million intergovernmental reimbursement received for the Haven Avenue Grade Separation project with an additional \$2.56 million being recognized for other infrastructure improvements; also revenues in the amount of \$10.08 million were recognized to move funds to be utilized for undergrounding utilities from an agency fund to a special revenue fund. No similar transaction occurred in the current fiscal year.
- The decrease in property taxes of \$9,098,918 is due primarily to property tax assessments adjusting to the broader real estate market decline. Almost all the decrease in general property taxes is property tax increment revenue which is received by the Redevelopment Agency and is restricted as to its use because 20% must pay for affordable housing and 80% must pay for debt service.
- The decrease in use of money and property of \$4,403,899 is a continued result of the economic downturn which began in December 2008. Interest rates have continued to decline and many of the City's higher yielding longer-term investments have either matured or have been called. Additionally, as noted above, the City's cash and investments decreased by \$7.2 million from the prior year which further contributed to the decrease in interest earnings.

The most significant change in expenses was in general government.

- General government expenses decreased \$32,418,209 because in the prior fiscal year, the City paid \$32 million to the County of San Bernardino (County) Supplemental Educational Revenue Augmentation Fund (SERAF) in accordance with SB 26. The current year SERAF payment is \$6,610,857 which is about a \$25.4 million decrease from the prior year.

The following presents the cost of each of the City's seven governmental activities— general government, public safety – police, public safety – fire protection, public safety – animal center, community development, community services, engineering and public works, and interest on long-term debt. Revenue generated by these programs consists of charges for services, operating contributions and grants, and capital contributions and grants. Expenses consist of the total expenses for the governmental activities which include expenses unrelated to program revenues. The net cost of services (total cost less revenues generated by the activities) is the amount that was paid from general revenues, i.e., revenues not related to a specific function or program.

	Governmental Activities (In Thousands)			
	Total Cost of Services		Net Cost of Services	
	2011	2010	2011	2010
General government	\$ 49,581	\$ 81,999	\$ (45,769)	\$ (78,944)
Public safety - police	28,036	27,425	(26,573)	(25,919)
Public safety - fire protection	24,550	26,525	(23,523)	(25,020)
Public safety - animal center	2,493	2,476	(2,282)	(2,024)
Community development	19,073	22,444	(15,665)	(18,493)
Community services	12,715	13,066	(8,402)	(8,752)
Engineering and public works	30,466	32,985	(17,547)	33,013
Interest on long-term debt	28,465	28,387	(28,465)	(28,387)
Total	<u>\$ 195,379</u>	<u>\$ 235,307</u>	<u>\$ (168,226)</u>	<u>\$ (154,526)</u>

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following financial analysis is performed only for the governmental and proprietary funds. The fiduciary funds are excluded from this analysis as they do not represent resources available to the City.

Governmental Funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

On pages 18 - 21, the governmental funds balance sheet is shown. The combined fund balance of \$619,492,068 increased \$5,918,154 or 0.96%. The combined fund balance of represents the beginning point for the reconciliation of the balance sheet of governmental funds to the statement of net assets detailed on page 15 of this report. This total includes the General Fund balance of \$72,010,054, which decreased by \$1,353,413 from the prior year. Of the total General Fund balance, \$10,409,332 or 14.46% constitutes nonspendable reserves, which means that these reserves must be maintained intact; \$4,743,201 or 6.59% are restricted fund balances which are the result of external limitations on spending; \$52,252,923 or 72.56% are committed fund balances which have resulted in internally-imposed limitations placed upon the funds by the City Council; the assigned reserves of \$4,604,598 or 6.39% are intended by the City Council for specific purposes, but are neither restricted nor committed, in accordance with City's policy.

The committed fund balances noted above are in accordance with the City's Fund Balance Policy. This policy ensures a prudent level of protection for the finances of the City in times of emergencies, revenue declines, and other unforeseen events. Certain committed funds enable the organization to operate in a business-like structure to address future liabilities while certain other committed funds help to support the

City's credit rating which is also important to promote fiscal excellence. A brief description of the committed fund balances follows:

- **Committed for changes in economic circumstances:** The fund balance committed for changes in economic circumstances is *the reserve* that is often referred to by the general public when a reference is made as to the amount of a City's reserve. This is the "savings account" of non-recurring revenue that would be utilized should an economic downturn or an emergency occur, and it is one of the major factors that rating agencies consider when rating a city's fiscal health.
- **Committed for City facilities' capital repair:** The City facilities' capital repair funding goal mirrors the industry standard of 15% of capital asset value. All capital repairs for all City facilities and buildings are funded independently of the General Fund, which only pays for routine annual operational maintenance.
- **Committed for self-insurance:** The fund balance commitment for self-insurance is for payment of general liability claims primarily through the use of interest earnings on the reserve but not limited to such in the event of an unfavorable interest rate environment.
- **Committed for working capital:** The fund balance committed for working capital is intended to provide sufficient liquidity for the City's day-to-day operations so that fluctuations in revenue receipts throughout the year will not disrupt the City's investment portfolio. Thus, the City is able to avoid having to borrow for operations. The funding level for this commitment has been established by the City Council at 5% of the City's General Fund budget for the upcoming fiscal year.
- **Committed for employee leave payouts:** This commitment sets aside funding for future employee leave payouts such as sick leave, vacation, etc., and is separate from recurring personnel costs.
- **Committed for law enforcement:** This commitment represents Police Department fund balance used to facilitate unexpected equipment, facilities, or other law enforcement needs within the community.
- **Committed for booking fees:** This commitment is to provide funding for an increase in the fees that the County of San Bernardino charges the City for the booking of prisoners. The amount of the increase was not readily determinable at the time of budget adoption due to the delay in the adoption of the State of California's budget.

The balance sheet presents three other major funds, the Fire District Special Revenue Fund, the Redevelopment Agency Capital Project Fund and the Redevelopment Agency Debt Service Fund.

The Fire District Special Revenue Fund (inclusive of the Fire District's General Fund, Community Facilities District (CFD) 85-1 Fund, and Community Facilities District (CFD) 88-1 Fund) has a fund balance of \$14,085,277 which decreased by \$2,363,287 from the prior year. This was primarily due to the Fire District beginning the construction of a new fire station, which increased the current year expenditures and at the same time decreased the fund balance by \$2 million. The Fire District has nonspendable reserves of \$61,341. The remaining fund balance is committed or assigned for specific purposes.

The Redevelopment Agency's Capital Project Fund has a fund balance of \$285,343,315 which decreased by \$4,473,644 from the prior year. The decrease is mainly due to a decline in the Agency's property tax revenue which is the result of the economic downturn. The Redevelopment Agency's capital project fund balance has nonspendable reserves of \$138,960,819. The remaining fund balance is restricted to fund community development projects.

The Redevelopment Agency's Debt Service Fund has a fund balance of \$148,689,804, which has increased by \$6,426,450 from the prior year. The increase is due to the elimination of the SERAF payment to the County, offset with the decline in Agency's cash and investment and property taxes revenue. The Redevelopment Agency's debt service fund balance is fully restricted to fund future debt service payments.

The other governmental funds are what make up the remainder of the combined fund balance for all governmental funds. These funds consist of the City's 47 special revenue funds and 13 capital project funds.

These funds have a combined fund balance of \$99,363,618, which has increased by \$7,682,048 from the prior year, primarily due to the City receiving more pre-funded grant revenue than expensing the funds in the current fiscal year. Of the total combined fund balance, \$1,127,327 is nonspendable, \$81,997,843 is restricted and \$20,871,807 is assigned for specific purposes. The remaining fund balance is unassigned.

Proprietary Funds. The City's proprietary funds consist of two major enterprise funds and two internal service funds. The two major enterprise funds are the Sports Complex Fund, which accounts for the activities of the Sports Complex, and the Municipal Utility Fund, which accounts for the City's electric utility operations. The internal service funds are the Vehicle and Equipment Replacement Fund and the Computer Equipment/Technology Replacement Fund.

Net assets for the enterprise funds are \$31,886,069 of which \$28,435,630 represents the amount invested in capital assets and \$18,984 is restricted for the purpose of public benefit. Unrestricted net assets amount to \$3,431,455. The decrease in net assets for the enterprise funds is \$1,365,244, due mainly to a one-time payment for departing load charges in the current fiscal year.

Net assets for the internal service funds are \$14,626,644, of which \$4,257,764 represents the amount invested in capital assets. Unrestricted net assets amount to \$10,368,880, which will be used to cover future vehicle and equipment and computer equipment/technology replacements. Total net assets decreased for these funds by \$2,276,866 due to replacement needs exceeding current year user charges.

General Fund Budgetary Highlights

During the year, with the recommendation from the City's staff, the City Council may revise the City's budget as needed. Adjustments were made periodically as additional appropriations were necessary to cover the cost of projects that either had required change orders for additional work, or the estimated cost at the beginning of the project changed due to external factors. Adjustments were also made through increases or decreases to budgets in order to maintain the current level of services. For example, increased development activity may result in the need to utilize additional contract inspector services to handle the additional workload. All amendments that either increase or decrease appropriations are approved by the City Council.

For the City's General Fund, ending revenues of \$70,125,487 were \$7,229,637 more than the final budgeted revenues of \$62,895,850. This positive variance was due to a one-time partial repayment of a long-term loan from the City to the Redevelopment Agency. While this transaction occurs on an annual basis with a corresponding reborrowing from the Agency, the City's need to reduce its unfunded pension liabilities was a higher priority than the Agency's need to incur debt as of fiscal year end.

The General Fund's actual ending expenditures of \$75,820,624 were \$3,550,666 less than the final budget of \$79,371,290. The main contributor to the savings across the departments was the City's attrition management program combined with 40 furlough hours for all City employees. This combined approach rendered salary and benefits savings among all departments, yet ensured the least amount of internal organizational disruption. There was also savings of \$375,987 in public safety – police, primarily due to vacancies not being filled at the County Sheriff level which resulted in contract savings to the City. Community development – planning had a positive budget variance of \$431,977 due to delay or postponement of certain projects in the current fiscal year. Other savings occurred in areas of contract services and part-time salaries across most General Fund departments.

Capital Assets and Debt Administration

Capital Assets

As stated in the *Overview of the Financial Statements*, the new financial statement format required by GASB 34 reflects the capitalization and depreciation of infrastructure and other capital assets (e.g., buildings, vehicles, furniture and fixtures, etc.).

At the end of the fiscal year, the City had \$759,060,097 invested in a broad range of capital assets (see Table 3 below). This amount represents a net increase (including additions and deductions) of \$37,492,742.

TABLE 3
CAPITAL ASSETS AT YEAR-END
(NET OF DEPRECIATION, IN THOUSANDS)

For the year ended June 30, 2011

	Governmental Activities		Business-Type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Land	\$ 83,646	\$ 83,403	\$ 5,451	\$ 5,451	\$ 89,097	\$ 88,854
Right-of-way	231,932	223,219	-	-	231,932	223,219
Construction in progress	32,641	33,695	-	-	32,641	33,695
Buildings and improvements	119,793	122,701	9,750	10,370	129,543	133,071
Equipment and vehicles	9,149	10,268	30	38	9,179	10,306
Furniture and fixtures	913	1,372	45	45	958	1,417
Infrastructure	251,807	246,297	13,149	13,814	264,956	260,111
Intangible	743	612	11	14	754	626
TOTALS	<u>\$ 730,624</u>	<u>\$ 721,567</u>	<u>\$ 28,436</u>	<u>\$ 29,732</u>	<u>\$ 759,060</u>	<u>\$ 751,299</u>

The most significant change in capital assets for governmental activities is the increase in infrastructure of \$21,877,187. The increases in infrastructure related to the acquisition of right of ways for streets and horse trails throughout the City, improvements to the City's streets and storm drains, traffic signal controller replacement, and library material additions. The most significant change for business-type activities is the depreciation of the various fixed assets.

Additional information on the City's capital assets can be found Note 5 to in the financial statements.

Debt Administration

At year end, the City's governmental activities had total debt outstanding in the amount of \$430,208,513 for bonds (RDA), loans (RDA), capital lease, claims and judgments payable, and accrued employee benefits compared to \$439,834,885 in the prior year, a decrease of \$9,626,372. (See Table 4 below). The decrease was primarily due to principal payments on outstanding debt and the amortization of bond premiums. This decrease was partially offset by an increase in the City's claims and judgments payable and its employee benefits liability.

TABLE 4

OUTSTANDING DEBT, AT YEAR END
(IN THOUSANDS)

For the year ended June 30, 2011

	Governmental Activities		Business-Type Activities		Total	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Tax Allocation Bonds	\$ 395,920	\$ 404,990	\$ -	\$ -	\$ 395,920	\$ 404,990
Developer Loans	19,239	20,005	-	-	19,239	20,005
Capital Lease	10	29	-	-	10	29
CVWD - Payment Deferral	162	17	-	-	162	17
Claims and Judgments Payable	2,842	2,509	-	-	2,842	2,509
Accrued Employee Benefits	7,606	7,650	-	-	7,606	7,650
Unamortized Bond Premium	4,430	4,634	-	-	4,430	4,634
TOTALS	\$ 430,209	\$ 439,834	\$ -	\$ -	\$ 430,209	\$ 439,834

Standard & Poor's Corporation and Moody's Investors Service have assigned, respectively, the tax allocation bonds ratings of "AAA" and "Aaa" upon their issuance.

Additional information on the City's outstanding debts can be found in the financial statements note 7 of this report.

Economic Factors and Next Year's Budgets

In its third quarterly report of 2014, the UCLA Anderson Forecast calls for economic growth to gradually rebound in mid-2012 with the economy advancing at a modest 2.5% to 3% rate. Employment growth will become more meaningful with gains averaging about 150 thousand jobs per month and the unemployment rate falling to 8.6% by the end of 2013. The California forecast calls for slow growth until the end of 2012. The forecast sees virtually no growth in employment, with employment growth of 0.7% and 2.1% expected in 2012 and 2013, respectively. Locally, Rancho Cucamonga is experiencing growth; however, a stagnant housing market and high unemployment rates will continue to be a drag on growth experienced statewide as well as locally.

The Fiscal Year 2011/12 General Fund Budget of \$63,507,030 was adopted without the use of reserves to fund recurring operations. It represents a slight increase from the prior year of 1.14%, principally as a result of projected growth in property taxes, sales tax, and development fees. The FY 2011/12 Budget includes the continued implementation of furloughs for City staff in order to sustain core services while eliminating the need to use reserves. The City's fiscal discipline and team approach to solving its budget crisis will enable the City to continue to thrive into the future.

Questions or requests for information regarding the City of Rancho Cucamonga's Fiscal Year 2011/12 budget should be directed to the Finance Department at the address below.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Rancho Cucamonga's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at the City of Rancho Cucamonga, 10500 Civic Center Drive, Rancho Cucamonga, CA 91730.

CITY OF RANCHO CUCAMONGA

STATEMENT OF NET ASSETS
JUNE 30, 2011

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 521,177,536	\$ 2,949,218	\$ 524,126,754
Receivables:			
Accounts	13,260,732	1,407,390	14,668,122
Taxes	8,742,205	-	8,742,205
Notes and loans	140,282,660	10,264	140,292,924
Accrued interest	462,151	1,767	463,918
Deferred loans	726,378	-	726,378
Grants	1,657,062	-	1,657,062
Prepaid costs	674,834	-	674,834
Deposits	41,568	-	41,568
Due to external parties/outside agencies	100,258	-	100,258
Deferred charges	5,476,294	-	5,476,294
Prepaid other post employment benefits	16,893,419	-	16,893,419
Prepaid PARS retirement enhancement plan	8,747,342	-	8,747,342
Land held for resale	5,488,040	-	5,488,040
Restricted assets:			
Cash with fiscal agent	23,388,037	-	23,388,037
Capital assets not being depreciated	348,218,683	5,451,015	353,669,698
Capital assets, net of depreciation	382,405,784	22,984,615	405,390,399
Total Assets	1,477,742,983	32,804,269	1,510,547,252
Liabilities:			
Accounts payable	12,436,364	724,720	13,161,084
Accrued liabilities	1,656,441	26,120	1,682,561
Accrued interest	6,750,090	-	6,750,090
Unearned revenue	442,906	-	442,906
Deposits payable	42,959	167,360	210,319
Due to other governments	726,378	-	726,378
Noncurrent liabilities:			
Due within one year	15,670,045	-	15,670,045
Due in more than one year	414,538,469	-	414,538,469
Total Liabilities	452,263,652	918,200	453,181,852
Net Assets:			
Invested in capital assets, net of related debt	392,183,411	28,435,630	420,619,041
Restricted for:			
Community development projects	16,690,657	-	16,690,657
Public safety	778,193	-	778,193
Fire protection	14,026,438	-	14,026,438
Community services	12,586,903	-	12,586,903
Capital projects	338,037,998	-	338,037,998
Debt service	148,689,804	-	148,689,804
Other 7	752,469	-	752,469
Other 8	3,641,903	-	3,641,903
Other 9	363,751	-	363,751
Public benefit - Municipal Utility	-	18,984	18,984
Unrestricted	82,767,656	3,431,455	86,199,111
Total Net Assets	\$ 1,025,479,331	\$ 31,886,069	\$ 1,057,365,400

CITY OF RANCHO CUCAMONGA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 49,581,126	\$ 3,588,085	\$ 223,555	\$ -
Public safety - police	28,035,606	1,131,794	253,652	77,395
Public safety - fire protection	24,550,466	1,000,930	300	26,279
Public safety - animal center	2,492,725	210,948	-	-
Community development	19,073,512	150,473	2,707,776	550,041
Community services	12,715,076	3,248,668	214,334	850,189
Engineering and public works	30,466,021	3,836,372	4,465,363	4,617,488
Interest on long-term debt	28,464,744	-	-	-
Total Governmental Activities	195,379,276	13,167,270	7,864,980	6,121,392
Business-Type Activities:				
Sports Complex	2,253,407	362,708	-	-
Municipal Utility	11,387,582	11,540,183	-	-
Total Business-Type Activities	13,640,989	11,902,891	-	-
Total Primary Government	\$ 209,020,265	\$ 25,070,161	\$ 7,864,980	\$ 6,121,392

General Revenues:

Taxes:

- Property taxes, levied for general purpose
- Admission tax
- Transient occupancy taxes
- Sales taxes
- Franchise taxes

Motor vehicle in lieu - unrestricted

Use of money and property

Other

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets at Beginning of Year

Net Assets at End of Year

Net (Expenses) Revenues and Changes in Net Assets

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (45,769,486)	\$ -	\$ (45,769,486)
(26,572,765)	-	(26,572,765)
(23,522,957)	-	(23,522,957)
(2,281,777)	-	(2,281,777)
(15,665,222)	-	(15,665,222)
(8,401,885)	-	(8,401,885)
(17,546,798)	-	(17,546,798)
(28,464,744)	-	(28,464,744)
(168,225,634)	-	(168,225,634)
-	(1,890,699)	(1,890,699)
-	152,601	152,601
-	(1,738,098)	(1,738,098)
(168,225,634)	(1,738,098)	(169,963,732)
143,094,069	-	143,094,069
-	6,594	6,594
1,827,439	-	1,827,439
22,750,935	-	22,750,935
5,642,811	-	5,642,811
812,616	-	812,616
17,024,238	334,044	17,358,282
5,093,895	9,184	5,103,079
(23,032)	23,032	-
196,222,971	372,854	196,595,825
27,997,337	(1,365,244)	26,632,093
997,481,994	33,251,313	1,030,733,307
\$ 1,025,479,331	\$ 31,886,069	\$ 1,057,365,400

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

	<u>General</u>	<u>Special Revenue Fund</u>	<u>Capital Project Fund</u>
		<u>Fire District</u>	<u>Redevelopment Agency</u>
Assets:			
Cash and investments	\$ 56,886,085	\$ 14,455,557	\$ 203,670,262
Receivables:			
Accounts	1,538,408	226,498	1,221
Taxes	5,892,188	297,440	158,449
Notes	-	-	140,282,660
Accrued interest	32,758	9,559	300,572
Deferred loans	-	-	-
Grants	-	-	-
Prepaid costs	556,599	61,341	16,040
Deposits	31,306	-	-
Due from other funds	1,895,260	-	230,051
Advances to other funds	56,482,527	-	3,953,624
Due from external parties/outside agencies	100,258	-	-
Land and buildings held for resale	-	-	4,411,829
Restricted assets:			
Cash and investments with fiscal agents	-	-	60
Total Assets	<u>\$ 123,415,389</u>	<u>\$ 15,050,395</u>	<u>\$ 353,024,768</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 1,341,914	\$ 328,702	\$ 1,449,008
Accrued liabilities	974,265	317,988	33,530
Deferred revenues	49,046,197	-	9,703,334
Unearned revenues	-	-	-
Deposits payable	42,959	-	-
Due to other governments	-	-	-
Due to other funds	-	318,428	313,054
Advances from other funds	-	-	56,182,527
Total Liabilities	<u>51,405,335</u>	<u>965,118</u>	<u>67,681,453</u>

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

(Continued)

	Debt Service Funds		Total Governmental Funds
	Redevelopment Agency	Other Governmental Funds	
Assets:			
Cash and investments	\$ 133,953,843	\$ 101,721,301	\$ 510,687,048
Receivables:		-	
Accounts	-	11,494,605	13,260,732
Taxes	612,952	1,781,176	8,742,205
Notes	-	-	140,282,660
Accrued interest	57,360	55,651	455,900
Deferred loans	-	726,378	726,378
Grants	-	1,657,062	1,657,062
Prepaid costs	-	40,854	674,834
Deposits	-	10,262	41,568
Due from other funds	-	244,994	2,370,305
Advances to other funds	-	-	60,436,151
Due from external parties/outside agencies	-	-	100,258
Land and buildings held for resale	-	1,076,211	5,488,040
Restricted assets:			
Cash and investments with fiscal agents	20,316,739	3,071,238	23,388,037
Total Assets	\$ 154,940,894	\$ 121,879,732	\$ 768,311,178
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 6,251,090	\$ 2,937,791	\$ 12,308,505
Accrued liabilities	-	330,658	1,656,441
Deferred revenues	-	12,085,934	70,835,465
Unearned revenues	-	442,906	442,906
Deposits payable	-	-	42,959
Due to other governments	-	726,378	726,378
Due to other funds	-	1,738,823	2,370,305
Advances from other funds	-	4,253,624	60,436,151
Total Liabilities	6,251,090	22,516,114	148,819,110

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

	<u>General</u>	<u>Special Revenue Fund Fire District</u>	<u>Capital Project Fund Redevelopment Agency</u>
Fund Balances:			
Nonspendable			
Prepaid costs	556,599	61,341	16,040
Deposits	31,306	-	-
Notes and loans	-	-	130,579,326
Land held for resale	-	-	4,411,829
Advances to other funds	9,821,227	-	3,953,624
Restricted			
Public safety - police	-	-	-
Community development projects	-	-	146,382,496
Parks and recreation	-	-	-
Engineering and public works	-	-	-
Capital improvement projects	-	1,672,271	-
Debt service	-	-	-
Street lighting	-	-	-
Landscape maintenance	-	-	-
Library services	-	-	-
Underground utilities	-	-	-
Information technology	349,234	-	-
General plan update	58,434	-	-
Contractual obligation	693,630	58,839	-
Capital improvement projects	3,641,903	-	-
Committed			
Capital improvement projects	-	-	-
Employee leave payouts	5,338,341	2,268,079	-
Vehicle and equipment replacement	-	1,234,213	-
PERS rate stabilization	-	2,606,569	-
Capital facilities repair	-	1,696,679	-
Working capital	3,175,352	2,580,781	-
Self insurance	7,583,333	-	-
Booking fees	1,391,059	-	-
City facilities' capital repair	16,600,600	-	-
Changes in economic circumstances	13,745,456	-	-
Law enforcement	4,418,782	-	-
Assigned			
Radio system acquisition	361,722	-	-
Communications	-	150,000	-
Dispatch system acquisition	-	322,395	-
Capital projects	1,550,000	1,417,383	-
Contract development services	1,143,475	-	-
Sphere of influence	695,710	-	-
Multi-Species Habitat Plan	200,000	-	-
Spay/neuter program	249,332	-	-
Mobile home park program	40,808	-	-
Continuing operations	363,751	16,727	-
Unassigned	-	-	-
Total Fund Balances	72,010,054	14,085,277	285,343,315
Total Liabilities and Fund Balances	\$ 123,415,389	\$ 15,050,395	\$ 353,024,768

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

(Continued)

	<u>Debt Service Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Redevelopment Agency</u>			
Fund Balances:				
Nonspendable				
Prepaid costs	-	40,854	674,834	
Deposits	-	10,262	41,568	
Notes and loans	-	-	130,579,326	
Land held for resale	-	1,076,211	5,488,040	
Advances to other funds	-	-	13,774,851	
Restricted				
Public safety - police	-	778,193	778,193	
Community development projects	-	13,427,253	159,809,749	
Parks and recreation	-	1,710,426	1,710,426	
Engineering and public works	-	40,539,446	40,539,446	
Capital improvement projects	-	5,091,040	6,763,311	
Debt service	148,689,804	-	148,689,804	
Street lighting	-	6,137,366	6,137,366	
Landscape maintenance	-	12,140,072	12,140,072	
Library services	-	6,990,328	6,990,328	
Underground utilities	-	10,143,867	10,143,867	
Information technology	-	-	349,234	
General plan update	-	-	58,434	
Contractual obligation	-	-	752,469	
Capital improvement projects	-	-	3,641,903	
Committed				
Capital improvement projects	-	5,911,659	5,911,659	
Employee leave payouts	-	-	7,606,420	
Vehicle and equipment replacement	-	-	1,234,213	
PERS rate stabilization	-	-	2,606,569	
Capital facilities repair	-	-	1,696,679	
Working capital	-	-	5,756,133	
Self insurance	-	-	7,583,333	
Booking fees	-	-	1,391,059	
City facilities' capital repair	-	-	16,600,600	
Changes in economic circumstances	-	-	13,745,456	
Law enforcement	-	-	4,418,782	
Assigned				
Radio system acquisition	-	-	361,722	
Communications	-	-	150,000	
Dispatch system acquisition	-	-	322,395	
Capital projects	-	-	2,967,383	
Contract development services	-	-	1,143,475	
Sphere of influence	-	-	695,710	
Multi-Species Habitat Plan	-	-	200,000	
Spay/neuter program	-	-	249,332	
Mobile home park program	-	-	40,808	
Continuing operations	-	-	380,478	
Unassigned	-	(4,633,359)	(4,633,359)	
Total Fund Balances	148,689,804	99,363,618	619,492,068	
Total Liabilities and Fund Balances	\$ 154,940,894	\$ 121,879,732	\$ 768,311,178	

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CITY OF RANCHO CUCAMONGA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

Fund balances of governmental funds	\$ 619,492,068
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity	726,366,703
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets	5,476,294
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Long-term liabilities	(422,602,094)
Compensated Absences	(7,606,420)
Governmental funds report pension contributions as expenditure, however in the Statement of Net Assets, any excesses of contributions over the annual required contribution (ARC) are recorded as an asset.	
Other post employment benefits	16,893,419
PARS retirement enhancement plan	8,747,342
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds	(6,750,090)
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.	70,835,465
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 assets	<u>14,626,644</u>
Net assets of governmental activities	<u><u>\$1,025,479,331</u></u>

CITY OF RANCHO CUCAMONGA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

		Special Revenue Fund	Capital Projects Fund
	General	Fire District	Redevelopment Agency
Revenues:			
Taxes	\$ 48,328,889	\$ 21,047,793	\$ 17,560,825
Licenses and permits	3,035,648	694,084	-
Intergovernmental	1,283,219	-	79,597
Charges for services	2,819,732	58,576	-
Use of money and property	8,322,596	191,837	4,887,710
Fines and forfeitures	1,135,861	19,855	-
Contributions	22,019	300	-
Developer participation	-	-	-
Miscellaneous	4,089,271	175,195	17,814
Total Revenues	69,037,235	22,187,640	22,545,946
Expenditures:			
Current:			
General government	21,211,226	-	3,742,067
Public safety - police	27,201,778	-	-
Public safety - fire protection	-	24,047,022	-
Public safety - animal center	2,492,725	-	-
Community development	4,617,206	-	830,366
Community services	4,059,984	-	-
Engineering and public works	10,605,414	-	-
Capital outlay	195,580	2,630,455	10,868,008
Debt service:			
Principal retirement	-	-	3,021,803
Interest and fiscal charges	-	-	16,015,576
Total Expenditures	70,383,913	26,677,477	34,477,820
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,346,678)	(4,489,837)	(11,931,874)
Other Financing Sources (Uses):			
Transfers in	942,400	2,105,090	7,535,810
Transfers out	(1,094,987)	-	(77,580)
Other debts issued	-	-	-
Proceeds from sale of capital assets	145,852	21,460	-
Total Other Financing Sources (Uses)	(6,735)	2,126,550	7,458,230
Net Change in Fund Balances	(1,353,413)	(2,363,287)	(4,473,644)
Fund Balances			
Beginning of year	73,363,467	16,448,564	289,816,959
End of year	\$ 72,010,054	\$ 14,085,277	\$ 285,343,315

CITY OF RANCHO CUCAMONGA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Debt Service Fund</u>		
	<u>Redevelopment Agency</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:			
Taxes	\$ 70,243,299	\$ 15,699,116	\$ 172,879,922
Licenses and permits	-	-	3,729,732
Intergovernmental	-	16,442,770	17,805,586
Charges for services	-	4,394,054	7,272,362
Use of money and property	565,180	2,096,407	16,063,730
Fines and forfeitures	-	-	1,155,716
Contributions	-	839,587	861,906
Developer participation	-	2,233,351	2,233,351
Miscellaneous	-	1,043,355	5,325,635
Total Revenues	70,808,479	42,748,640	227,327,940
Expenditures:			
Current:			
General government	26,580,609	3,980,783	55,514,685
Public safety - police	-	343,906	27,545,684
Public safety - fire protection	-	28,733	24,075,755
Public safety - animal center	-	-	2,492,725
Community development	-	11,558,189	17,005,761
Community services	-	8,119,598	12,179,582
Engineering and public works	-	7,834,624	18,440,038
Capital outlay	8,886,504	3,305,971	25,886,518
Debt service:			
Principal retirement	7,479,887	19,290	10,520,980
Interest and fiscal charges	12,632,271	1,186	28,649,033
Total Expenditures	55,579,271	35,192,280	222,310,761
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,229,208	7,556,360	5,017,179
Other Financing Sources (Uses):			
Transfers in	-	183,748	10,767,048
Transfers out	(9,468,060)	(58,060)	(10,698,687)
Other debts issued	665,302	-	665,302
Proceeds from sale of capital assets	-	-	167,312
Total Other Financing Sources (Uses)	(8,802,758)	125,688	900,975
Net Change in Fund Balances	6,426,450	7,682,048	5,918,154
Fund Balances			
Beginning of year	142,263,354	91,681,570	613,573,914
End of year	\$ 148,689,804	\$ 99,363,618	\$ 619,492,068

CITY OF RANCHO CUCAMONGA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011**

Net change in fund balances - total governmental funds	\$ 5,918,154
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	9,719,194
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	9,332,272
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.	229,676
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	44,080
Governmental funds report pension contributions as expenditures, however excess of contributions over the actuarial required contributions (ARC) are capitalized and amortized in the government-wide financial statement.	
Other post employment benefits	400,610
PARS retirement enhancement plan	8,747,342
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.	(4,050,462)
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	<u>(2,343,528)</u>
Change in net assets of governmental activities	<u>\$ 27,997,338</u>

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON STATEMENT (BUDGETARY BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 73,363,467	\$ 73,363,467	\$ 73,363,467	\$ -
Resources (Inflows):				
Taxes	47,604,810	48,160,620	48,328,889	168,269
Licenses and permits	3,406,600	3,124,020	3,035,648	(88,372)
Intergovernmental	996,910	1,153,860	1,283,219	129,359
Charges for services	2,767,410	3,070,600	2,819,732	(250,868)
Use of money and property	1,075,650	1,060,880	8,322,596	7,261,716
Fines and forfeitures	1,089,100	1,109,120	1,135,861	26,741
Contributions	30,000	35,000	22,019	(12,981)
Miscellaneous	4,048,390	4,096,130	4,089,271	(6,859)
Transfers in	1,341,230	942,400	942,400	-
Proceeds from sale of capital asset	20,000	143,220	145,852	2,632
Amounts Available for Appropriation	135,743,567	136,259,317	143,488,954	7,229,637
Charges to Appropriation (Outflow):				
General government				
General overhead	3,169,270	11,886,150	11,772,678	113,472
Personnel overhead	415,600	1,151,470	723,951	427,519
City council	145,270	137,910	130,928	6,982
City manager	1,097,860	1,129,600	1,099,602	29,998
City clerk	2,810	2,830	2,665	165
Administrative services	208,330	208,240	205,704	2,536
Business licenses	339,160	342,820	335,610	7,210
City facilities	2,201,120	2,133,380	1,975,775	157,605
Finance	950,970	955,380	953,948	1,432
Geographic information systems	304,490	304,640	302,376	2,264
Management information services	2,642,210	2,713,160	2,588,045	125,115
Personnel	371,620	340,070	309,608	30,462
Purchasing	519,850	529,240	466,462	62,778
Risk Management	196,160	203,400	188,828	14,572
Treasury management	6,050	6,230	5,035	1,195
Records Management	591,530	519,640	503,568	16,072
Public safety - police				
Sheriff contract services	27,597,070	27,578,450	27,202,463	375,987
Public safety - animal control				
Animal control	2,517,710	2,570,020	2,505,877	64,143
Community development				
Planning	1,924,200	1,940,390	1,508,413	431,977
Planning commission	11,070	11,140	9,355	1,785
Code enforcement	863,540	876,000	834,654	41,346
Administration	207,460	581,330	507,927	73,403
Building and Safety	2,096,260	2,098,420	1,998,230	100,190
Parks and recreation				
Administration	4,436,210	4,347,010	4,057,216	289,794
Park and recreation commission	3,030	3,030	2,768	262
Public works				
Engineering - Construction Mgmt	654,810	594,960	562,247	32,713
Development management	731,720	734,680	677,397	57,283
Engineering - NPDES	504,560	507,300	441,500	65,800
Project management	126,790	115,840	90,051	25,789
Traffic management	236,620	217,910	196,032	21,878
Street and park maintenance	4,281,170	4,214,320	3,973,325	240,995
Vehicle and equipment maintenance	1,206,920	1,181,870	1,057,850	124,020
Facilities Maintenance	3,870,450	3,958,860	3,698,066	260,794
Capital outlay	4,073,310	4,038,510	3,837,483	201,027
Transfers out	959,850	1,237,090	1,094,987	142,103
Total Charges to Appropriations	69,465,050	79,371,290	75,820,624	3,550,666
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 66,278,517	\$ 56,888,027	67,668,330	\$ 10,780,303
Encumbrances			4,341,724	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 72,010,054	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON STATEMENT (BUDGETARY BASIS)
FIRE DISTRICT
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 16,448,564	\$ 16,448,564	\$ 16,448,564	\$ -
Resources (Inflows):				
Taxes	21,268,610	21,081,460	21,047,793	(33,667)
Licenses and permits	333,970	627,170	694,084	66,914
Charges for services	77,550	42,540	58,576	16,036
Use of money and property	274,130	221,900	191,837	(30,063)
Fines and forfeitures	6,300	24,110	19,855	(4,255)
Contributions	3,500	1,750	300	(1,450)
Miscellaneous	83,500	179,330	175,195	(4,135)
Transfers in	2,105,090	2,105,090	2,105,090	-
Proceeds from sale of capital asset	-	-	21,460	21,460
Amounts Available for Appropriation	40,601,214	40,731,914	40,762,754	30,840
Charges to Appropriation (Outflow):				
Public safety - fire protection	24,641,630	24,864,570	24,150,015	714,555
Capital outlay	384,800	4,293,810	4,264,666	29,144
Total Charges to Appropriations	25,026,430	29,158,380	28,414,681	743,699
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 15,574,784	\$ 11,573,534	12,348,073	\$ 774,539
Encumbrances			1,737,204	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 14,085,277	

CITY OF RANCHO CUCAMONGA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Funds</u>
	<u>Sports Complex</u>	<u>Municipal Utility</u>	<u>Total</u>	
Assets:				
Current:				
Cash and investments	\$ 7,408	\$ 2,941,810	\$ 2,949,218	\$ 10,490,488
Receivables:				
Accounts	30,577	1,376,813	1,407,390	-
Notes and loans	-	10,264	10,264	-
Accrued interest	-	1,767	1,767	6,251
Total Current Assets	37,985	4,330,654	4,368,639	10,496,739
Noncurrent:				
Capital assets - net of accumulated depreciation	15,207,598	13,228,032	28,435,630	4,257,764
Total Noncurrent Assets	15,207,598	13,228,032	28,435,630	4,257,764
Total Assets	\$ 15,245,583	\$ 17,558,686	\$ 32,804,269	\$ 14,754,503
Liabilities and Net Assets:				
Liabilities:				
Current:				
Accounts payable	\$ 61,097	\$ 663,623	\$ 724,720	\$ 127,859
Accrued liabilities	18,540	7,580	26,120	-
Deposits payable	-	167,360	167,360	-
Total Current Liabilities	79,637	838,563	918,200	127,859
Total Liabilities	79,637	838,563	918,200	127,859
Net Assets:				
Invested in capital assets, net of related debt	15,207,598	13,228,032	28,435,630	4,257,764
Restricted for public benefit - Municipal Utility	-	18,984	18,984	-
Unrestricted	(41,652)	3,473,107	3,431,455	10,368,880
Total Net Assets	15,165,946	16,720,123	31,886,069	14,626,644
Total Liabilities and Net Assets	\$ 15,245,583	\$ 17,558,686	\$ 32,804,269	\$ 14,754,503

CITY OF RANCHO CUCAMONGA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Funds</u>
	<u>Sports Complex</u>	<u>Municipal Utility</u>	<u>Total</u>	
Operating Revenues:				
Sales and service charges	\$ 362,708	\$ 11,540,183	\$ 11,902,891	\$ 590
Rent	287,399	-	287,399	-
Miscellaneous	9,184	-	9,184	10,216
Total Operating Revenues	659,291	11,540,183	12,199,474	10,806
Operating Expenses:				
Salaries and benefits	854,065	279,413	1,133,478	-
Maintenance and operations	474,448	10,004,571	10,479,019	586,109
Contractual services	233,917	426,011	659,928	-
Depreciation expense	624,315	677,587	1,301,902	1,781,562
Total Operating Expenses	2,186,745	11,387,582	13,574,327	2,367,671
Operating Income (Loss)	(1,527,454)	152,601	(1,374,853)	(2,356,865)
Nonoperating Revenues (Expenses):				
Admission tax	6,594	-	6,594	-
Interest revenue	(380)	47,025	46,645	122,167
Gain (loss) on disposal of capital assets	-	-	-	(17,437)
Total Nonoperating Revenues (Expenses)	6,214	47,025	53,239	104,730
Income (Loss) Before Transfers	(1,521,240)	199,626	(1,321,614)	(2,252,135)
Transfers in	898,770	-	898,770	-
Transfers out	-	(942,400)	(942,400)	(24,731)
Changes in Net Assets	(622,470)	(742,774)	(1,365,244)	(2,276,866)
Net Assets:				
Beginning of Year	15,788,416	17,462,897	33,251,313	16,903,510
End of Fiscal Year	\$ 15,165,946	\$ 16,720,123	\$ 31,886,069	\$ 14,626,644

CITY OF RANCHO CUCAMONGA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2011

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Sports Complex</u>	<u>Municipal Utility</u>	<u>Total</u>	<u>Activities - Internal Service Funds</u>
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 658,885	\$ 11,763,109	\$ 12,421,994	\$ 10,806
Cash paid to suppliers for goods and services	(716,893)	(10,528,131)	(11,245,024)	(779,058)
Cash paid to employees for services	(868,679)	(278,337)	(1,147,016)	-
Net Cash Provided (Used) by Operating Activities	(926,687)	956,641	29,954	(768,252)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers in	898,770	-	898,770	-
Cash transfers out	-	(942,400)	(942,400)	(24,731)
Admission tax received	6,594	-	6,594	-
Net Cash Provided (Used) by Non-Capital Financing Activities	905,364	(942,400)	(37,036)	(24,731)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	(4,998)	(4,998)	(1,136,917)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(4,998)	(4,998)	(1,136,917)
Cash Flows from Investing Activities:				
Interest received	(379)	47,665	47,286	128,817
Net Cash Provided (Used) by Investing Activities	(379)	47,665	47,286	128,817
Net Increase (Decrease) in Cash and Cash Equivalents	(21,702)	56,908	35,206	(1,801,083)
Cash and Cash Equivalents at Beginning of Year	29,110	2,884,902	2,914,012	12,291,571
Cash and Cash Equivalents at End of Year	\$ 7,408	\$ 2,941,810	\$ 2,949,218	\$ 10,490,488
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (1,527,454)	\$ 152,601	\$ (1,374,853)	\$ (2,356,865)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	624,315	677,587	1,301,902	1,781,562
(Increase) decrease in accounts receivable	(406)	219,653	219,247	-
(Increase) decrease in notes and loans receivable	-	3,273	3,273	-
Increase (decrease) in accounts payable	(8,528)	(109,632)	(118,160)	(192,949)
Increase (decrease) in accrued liabilities	(14,614)	1,076	(13,538)	-
Increase (decrease) in deposits payable	-	12,083	12,083	-
Total Adjustments	600,767	804,040	1,404,807	1,588,613
Net Cash Provided (Used) by Operating Activities	\$ (926,687)	\$ 956,641	\$ 29,954	\$ (768,252)

Non-Cash Investing, Capital, and Financing Activities:

During fiscal year 2010-2011, there was no noncash investing, capital or financing activities.

CITY OF RANCHO CUCAMONGA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	<u>Agency Funds</u>
Assets:	
Cash and investments	\$ 24,972,063
Receivables:	
Accounts	1,500
Taxes	94,984
Interest	8,197
Restricted assets:	
Cash and investments with fiscal agents	<u>12,455,050</u>
Total Assets	<u>\$ 37,531,794</u>
Liabilities:	
Accounts payable	\$ 52,387
Accrued liabilities	22,015
Deposits payable	7,498,364
Payable to trustee	29,899,036
Due to external parties/other agencies	<u>59,992</u>
Total Liabilities	<u>\$ 37,531,794</u>

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of Entity

The City of Rancho Cucamonga was incorporated on November 30, 1977, under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. It is governed by an elected five-member board. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Rancho Cucamonga (the City) and its component units, entities for which the City is considered financially accountable.

The inclusion of an organization within the scope of the reporting entity of the City of Rancho Cucamonga is based on the provisions of GASB Statement No. 14. The blended component units discussed below, although legally separate entities, are in substance part of the government operation and so data from these component units has been combined herein. The following criteria were used in the determination of the blended component units:

1. The members of the City Council also act as the governing body of the Rancho Cucamonga Redevelopment Agency (the Agency), the Rancho Cucamonga Public Improvement Corporation (the Improvement Corporation), the Rancho Cucamonga Fire Protection District (the Fire District), the Rancho Cucamonga Library (the Library) and the Rancho Cucamonga Public Financing Authority (the Financing Authority).
2. The Agency, the Improvement Corporation, the Fire District, the Library and the Public Financing Authority are managed by employees of the City. A portion of the City's personnel costs is allocated to these component units each year.
3. The City, the Agency, the Improvement Corporation, the District, the Library and the Financing Authority are financially interdependent. They provide financial benefit/burden to the City.

Blended Component Units

The Rancho Cucamonga Redevelopment Agency was established on May 20, 1981, pursuant to the State of California Health and Safety Code, Section 33000. Its purpose is to prepare and carry out plans for the improvement, rehabilitation and development of blighted areas within the territorial limits of the City of Rancho Cucamonga. Separate financial statements may be obtained from the Agency.

The Rancho Cucamonga Public Improvement Corporation was incorporated on November 14, 1988, under the Non-Profit Public Benefit Corporation Law of the State of California. The Corporation was established for charitable purposes including rendering financial assistance to the City by financing, acquiring, constructing, improving and leasing public improvements for the benefit of residents of the City and the surrounding area. Separate financial statements are not available for the Corporation.

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

The Rancho Cucamonga Fire Protection District (formerly, Foothill Fire Protection District) was a special district formed by the County of San Bernardino for the purpose of fire suppression within its boundaries. Effective July 1, 1989, operations of this district were taken over by the City of Rancho Cucamonga. The district still operates as a separate special district; however, now it is under the control of the City of Rancho Cucamonga instead of the County of San Bernardino. Separate financial statements are available for the District.

The Rancho Cucamonga Library was part of the San Bernardino County Library System in which the City of Rancho Cucamonga participated. Effective July 1, 1994, and pursuant to California Code Section 19104, the City withdrew from the County Library System. As of this date, the library operates as a separate entity under the control of the City. Separate financial statements are not available for the Library.

The Rancho Cucamonga Public Financing Authority was established on April 21, 1999, pursuant to Article I (commencing with Section 6500) of Chapter 5 of Division 7 of Title I of the California Government Code. Its purpose is to facilitate the financing and the refinancing of construction, expansion, upgrading and improvement of the public capital facilities necessary to support the rehabilitation and construction of residential and economic development within the City. Separate financial statements are not available for the Public Financing Authority.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The City's fiduciary fund financial statements only report agency funds. Agency funds are used to account for situations where the government's role is purely custodial. All assets reported in an agency fund are offset by a liability to the party on whose behalf they are held. Agency funds have no measurement focus.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when the government receives cash.

The City reports the following major governmental funds:

- The General Fund is the general operating fund of the City. All general tax receipts and fee revenue not allocated by law, Council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities, which are not required to be accounted for or paid by another fund.
- The Fire District Fund accounts for the revenue and disbursement of funds received by the Rancho Cucamonga Fire Protection District in the course of that agency's fire protection services.
- The Rancho Cucamonga Redevelopment Agency Capital Project Fund accounts for the acquisition and construction of major facilities within the Rancho Cucamonga Redevelopment Project Area.
- The Rancho Cucamonga Redevelopment Agency Debt Service Fund accounts for the accumulation of resources for the payment of interest and principal on long-term debt of the Agency.

The City reports the following major proprietary funds:

- The Sports Complex Fund accounts for personnel and operating costs directly associated with the operation of the baseball facility, which is the home of the Rancho Cucamonga Quakes.

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

- The Municipal Utility Fund accounts for the costs of labor and materials used in the operation, maintenance, construction and consumption of electric services to certain major commercial / industrial developments within the City.

Additionally, the City reports the following fund types:

- Internal service funds account for the financial transactions related to repair, replacement and maintenance of City-owned vehicles and equipment and the City's general information systems and telecommunications hardware and software.
- Fiduciary funds account for assets held by the City in a purely custodial capacity. The fiduciary fund type the City maintains is an agency fund. The City's agency funds account for deposits held by the City in its fiduciary capacity and assessments received for various purposes which are restricted for payment of principal, interest and penalties on special obligation bonds.

Private-sector standards of accounting and financial reporting issued prior to December 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the Internal Service Funds are charges to customers for sales and services. Operating expenses for Enterprises Funds and Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

d. Assets, Liabilities and Net Assets or Equity

Cash and Investments

All cash and investments, except those that are held by fiscal agents, are held in a City pool. These pooled funds are available upon demand and therefore are considered cash and cash equivalents for purposes of the statement of cash flows. Investments held by fiscal agents with an original maturity of three months or less are also considered cash equivalents and are shown as restricted assets for financial statement presentation purposes.

Investments for the City, as well as for its component units, are reported at fair value. The City's policy is generally to hold investments until maturity.

Receivables and Payables

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

All trade and property tax receivables are shown net of allowance for uncollectibles.

Prepaid Costs

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.

Land Held for Resale

Land purchased for resale is capitalized as inventory at acquisition costs as the City expects to sell this land with no decline in value.

Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, sidewalks and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost when purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

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

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, equipment, and infrastructure of the primary government, as well as its component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building improvements	10-50
Improvements other than buildings	10-40
Computer equipment and software	3-15
Equipment and vehicles	3-20
Furniture and fixtures	3-20
Infrastructure	10-75

Accrued Employee Benefits

The City's policy permits employees to accumulate earned but unused vacation and sick pay benefits. The total amount of liability for unused vacation and sick pay benefits is accrued when incurred in the government-wide financial statements. The City utilizes the General Fund and the Fire District Special Revenue Fund in the governmental fund financial statements to account for the short-term portion of its liability. The short-term portion is the unused reimbursable leave still outstanding following an employee's resignation or retirement.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Fire District employees cannot accrue more than one and one-half times their regular annual entitlement.

Sick leave is payable when an employee is unable to work because of illness. For City employees, those who terminate their employment after five years of continuous service and have at least 50% of five years sick leave accrued on the books upon termination may be paid for 120 hours of the accrued leave.

For Fire District employees, sick leave may be accumulated indefinitely or an employee with ten or more years of service is eligible to convert unused sick leave to vacation in accordance with the following and with any remainder of hours to still remain unused sick time:

Employee Type	Accumulated Sick Leave Balance Prior Calendar Year	Vacation Conversion Rate
shift	108 - 144 hours	one-half
shift	72 - 108 hours	one-fourth
40-hour	90 - 120 hours	one-half
40-hour	60 - 90 hours	one-fourth

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

Upon service retirement of a public safety employee, the option exists to sell back up to one-half of total accumulated sick time or have the time credited toward service in accordance with the Public Retirement Law. All unused sick leave is forfeited upon termination, other than for normal retirement.

Long-Term Obligations

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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance cost are reported as deferred charges and amortized over the term of the related debt.

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.

Fund Equity

Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

- Non-spendable fund balance (*inherently non-spendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual net resources*)

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 formal actions taken, such as an ordinance or 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.

Amounts that are constrained by the City's *intent* to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. The City Council has given the authority to assign amounts to be used for specific purposes to the City Manager and/or Finance Director for the purpose of reporting these amounts in the annual financial statements.

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

The City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

Property Tax

Property tax revenue is recognized on the modified accrual basis, that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County of San Bernardino collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January proceeding the fiscal year for which the taxes are levied.

Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31.

Functional Classifications

Expenditures of the governmental funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities, City Clerk, City Attorney, City Manager as well as management or supportive services across more than one functional area.
- Public Safety – Police includes those activities which involve police protection.
- Public Safety - Fire Protection includes activities of the fire protection district which involved in the protection of people and property from fire as well as emergency preparedness.
- Public Safety – Animal Center includes those activities which involve animal care and services.
- Community Development includes those activities which involve planning and redevelopment, as well as building and safety.
- Community Services includes activities which provide recreation, cultural and educational services.
- Engineering and Public Works includes all maintenance, engineering and capital improvements which relate to streets, parks, flood control and other public facilities.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

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

e. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes reconciliation between fund balance - governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term debt and compensated absences have not been included in the governmental fund activity." The detail of the \$422,602,093 long-term debt difference is as follows:

Long-term debt:	
Tax allocation bonds payable	\$ 395,920,000
Unamortized bond premium	4,429,672
Loans payable	19,238,812
Capital leases payable	9,997
Claims and judgments payable	2,841,832
Payment deferral	<u>161,780</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities	<u><u>\$ 422,602,093</u></u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes reconciliation between net change in fund balances of total governmental funds and change in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense."

The details of this \$9,719,194 difference are as follows:

Capital outlay	\$ 25,875,528
Depreciation expense	(15,429,637)
Loss from disposition of capital assets	<u>(726,697)</u>
Net adjustment to increase net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 9,719,194</u></u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

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

Another element of that reconciliation states that “the issuance of long-term debt (e.g. bonds, leases and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.” The details of this \$9,332,272 difference are as follows:

Issuance of long-term debt:	
Loans payable	\$ (665,302)
Payment deferral	(162,501)
Principal repayments:	
Tax allocation bonds	9,070,000
Loans payable	1,431,690
Lease payable	19,290
Payment deferral	17,238
Amortization of bond premium and cost of issuance	204,634
Amortization of cost of issuance	(250,020)
Net changes in claims and judgments liability	<u>(332,757)</u>
Net adjustment to increase net changes in fund balance of total governmental funds to arrive at changes in net assets of governmental activities.	<u>\$ 9,332,272</u>

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. General Budget Policies

The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them. The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. The Council conducts public hearings prior to its adoption, and when required during the period, also approves supplemental appropriations. There were several supplemental appropriations required during the year. A detailed mid-year review was conducted at which time a revised budget was adopted. There were no significant non-budgeted financial activities during the year.

The City Council may transfer funds between funds or activities set forth in the budget. The City Manager may transfer funds between line items within an appropriation as set forth in the budget and may transfer appropriations between activities within any fund. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level within the General Fund and at the function level for Special Revenue, Capital Project Funds and Debt Service Funds.

Basis of Budgeting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that for budgeting purposes only encumbrances are treated as expenditures. A reconciliation has been provided on the applicable schedule when the basis of budgeting differs from GAAP.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 2: Stewardship, Compliance and Accountability (Continued)

For the fiscal year 2010-2011, the following funds had no adopted annual budgets:

- SB 140
- Department of Transportation Grant – ARRA
- Drive, Drink, Lose Grant
- Henderson/Wardman Drainage
- Federal Grant Fund – Drier
- OTS 2005 Seatbelt Grant

These funds had no adopted budget due to the timing of the usage of these grants and capital project funds. Money will be budgeted as needed based on specific projects.

b. Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in progress at year-end are completed. They do not constitute expenditures or estimated liabilities.

c. Deficit Fund Balances or Net Assets

The following funds have a deficit at June 30, 2011:

Special Revenue Funds:	
California Literacy Program	\$ (6,246)
Energy Efficient & Conservation Block Grant	(28,859)
Senior Outreach Grant	(1,195)
Safe Routes to School Program	(321)
COPS Secure our School Grant	(9,050)
Department of Homeland Security Grant	(2,454)
OTS 2005 State Seatbelt Grant	(5,952)
Homeland Security Grant 2005	(74,941)
Capital Projects Funds:	
Assessment District 86-2	(41,128)
CFD 2001-01	(2,071,532)
CFD 2003-01 Project Fund	(1,244,338)
Public Library Bond Act - 2000	(772,609)

The City expects to eliminate these deficits with anticipated future revenues from grants, deferred payments and reimbursements.

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2011, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 544,565,573
Business-type activities	2,949,218
Fiduciary funds	<u>37,427,113</u>
Total Cash and Investments	<u>\$ 584,941,904</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on average daily cash balances. Interest Income from cash and investments with fiscal agents is credited directly to the related fund.

Deposits

At June 30, 2011, the carrying amount of the City's deposits was \$11,667,988 and the bank balance was \$15,924,631. The \$4,256,643 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- U.S. Government Agency Securities
- Certificates of Deposit (or Time Deposits)
- Negotiable Certificates of Deposit
- Banker's Acceptances
- Commercial Paper
- Local Agency Investment Fund (State Pool)
- Deposit of Funds
- Repurchase and Investment Agreements

Note 3: Cash and Investments (Continued)

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) in short-term rating of at least 'A' or 'A1/P1' and a long-term rating of 'A' is required. As of June 30, 2011, the City invested in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corp. and Federal National Mortgage Association which were all rated "AAA" by Moody's and by S&P at June 30, 2011. All securities were investment grade and were legal under State and City law. As of June 30, 2011, the City's investments in external investment pools and money market mutual funds are unrated.

On August 5, 2011, Standard & Poor's Ratings Services lowered its long-term sovereign credit rating on the United States of America to AA+ from AAA. As a result, on August 8, 2011, Standard & Poor's Ratings Services lowered its issuer credit ratings and related issue ratings on various Federal Home Loan Bank, Federal Farm Credit Bank, Fannie Mae and Freddie Mac to AA+ from AAA. The City also invests in LAIF which invests in various underlying securities, including the federal agency securities listed above. While LAIF is not rated, the federal agency securities are, and these have been affected by this rating change as well.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 3: Cash and Investments (Continued)

As of June 30, 2011, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City is in compliance with restrictions imposed by its investment policy, which limits certain types of investments. As of June 30, 2011, in accordance with GASB Statement No. 40, if the City has invested more than 5% of its total investments in any one issuer then it is exposed to credit risk. The following investments are considered exposed to credit risk:

Federal Farm Credit Bank	17%
Federal Home Loan Bank	14%
Federal Home Loan Mortgage Corporation	18%
Federal National Mortgage Association	16%

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

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy establishes a maximum maturity of 180 days for Banker's Acceptances, 270 days for Commercial Papers, one year for Repurchase Agreements and five years for all other individual investments. The only exception to these maturity limits shall be the investment of the gross proceeds of tax-exempt bonds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2011, the City had the following investments and original maturities:

	Investment Maturities (in Years)				Fair Value
	180 days or less	180 days to 270 days	270 days to 3 years	3 to 5 years	
Investments:					
Local Agency Investment Fund	\$ 95,329,181	\$ -	\$ -	\$ -	\$ 95,329,181
US Treasury	10,043,360	-	5,065,235	-	15,108,595
Federal Governmental Agencies	-	-	-	-	-
Federal Farm Credit Bank	1,010,009	4,068,404	37,824,208	48,284,281	91,186,902
Federal Home Loan Bank	2,036,840	10,049,200	39,395,454	47,819,869	99,301,363
Federal Home Loan Mortgage Corp.	-	-	18,027,785	78,385,113	96,412,898
Federal National Mortgage Assoc.	-	8,161,184	15,073,514	71,878,530	95,113,228
Certificates of Deposits	1,603,876	-	2,200,000	-	3,803,876
Municipal Bonds	-	11,499,551	5,185,500	-	16,685,051
Government Managed Rate Accounts	-	-	-	-	-
Commercial Paper	-	1,507,805	-	-	1,507,805
Money Market Mutual Funds	22,981,930	-	-	-	22,981,930
Investments with Fiscal Agents:					
Money Market Mutual Funds	35,843,087	-	-	-	35,843,087
	<u>\$ 168,848,283</u>	<u>\$ 35,286,144</u>	<u>\$ 122,771,696</u>	<u>\$ 246,367,793</u>	<u>\$ 573,273,916</u>

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 4: Notes and Loans Receivables

Notes and loans receivables consist of the following at June 30, 2011:

1. On October 16, 1991, the Rancho Cucamonga Redevelopment Agency and Forrest L. and Lilionne M. Perry entered into a loan agreement, whereby the Agency loaned Perry \$408,000 for the purpose of upgrading and refurbishing a certain business. The loan is secured by an unsubordinated Leasehold Deed of Trust. As of June 30, 2011, the loan was paid off.
2. In January 1997, the Agency entered into an agreement to loan Villa Pacifica Associates, a California Limited Partnership, up to \$3,090,000 to develop senior rental housing for low and moderate income households. The term of the loan is 40 years, with simple interest accruing at 3% per annum on the outstanding principal balance. Payments of principal and interest on the loan are due and payable only to the extent that 50% of the net annual cash flow from the development is available. As of June 30, 2011, the outstanding balance amounts to \$3,965,110, including accrued interest of \$875,110. Accrued interest is offset by deferred revenue.
3. On September 1, 2005, the Agency entered into a loan agreement with Northtown Housing Development Corporation for the purchase of undeveloped real property and the development of an apartment complex (San Sevaine) which will increase the supply of affordable housing to low and moderate income households for a period of ninety-nine (99) years. This loan is a line of credit not-to-exceed \$40,700,000 with simple interest accruing at 1% per annum from the date of disbursement for a term of 55 years (2060), as modified on May 6, 2009, with Amendment #2. As of June 30, 2011, the advances paid against this line of credit amount to \$40,457,658 and accrued interest amounts to \$1,044,384 for a total of \$41,502,042. Accrued interest is offset by deferred revenue.
4. On July 21, 2003, the Agency entered into a Disposition and Developer Agreement with Victoria Gardens, LLC. The Agency conveyed 147 acres generally located north of Foothill Boulevard, west of the I-15 Freeway and east of Day Creek Road in the City of Rancho Cucamonga in order for the Developer to construct an open air mixed use complex. The Agency conveyed the site to the Developer upon the execution of a promissory note to pay a cumulative sum of \$13,000,000 to the Agency over a term of thirty (30) years. The note stipulates the following payment structure: (1) the Developer shall make annual payments to the Agency equal to the amount required to amortize the excess return at the Agency's cost of funds; (2) the Developer shall pay the Agency fifteen percent (15%) of the difference between the net sale proceeds and the higher of the project cost, or the initial gross proceeds of any loan; and (3) the Developer shall pay the Agency fifteen percent (15%) of any positive net refinance proceeds. As of June 30, 2011, no payments have been required, with the outstanding balance remaining at \$13,000,000.
5. On April 19, 2006, the Agency entered into a loan agreement with LINC-Pepperwood Housing Investors, LP to provide financial assistance from the Low and Moderate Housing Set-aside Fund to purchase and rehabilitate the Pepperwood Apartment Homes, which will increase the supply of affordable housing to low and moderate income households, for not less than ninety-nine (99) years. The loan is in the form of a line of credit not-to-exceed \$21,638,113, which includes the rollover of the BLT Partnership No. 1 loan of \$2,350. The outstanding principal balance of the loan will accrue simple interest at 2% per annum from the date of disbursement for a term of 56 years (2062). In addition to the extent there are Residual Receipts, the

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 4: Notes and Loans Receivables (Continued)

Developer shall pay to the Agency 50% of the Residual Receipts from the preceding year. As of June 30, 2011, advances paid against this line of credit amounts to \$21,638,113 and accrued interest amounts to \$2,060,473 for a total balance of \$23,698,586. Accrued interest is offset by deferred revenue.

6. On September 1, 2005, the Agency entered into a loan agreement with HB Housing Partners, L.P. to provide financial assistance from the Low and Moderate Housing Set-aside Fund to purchase and rehabilitate the Woodhaven Manor Apartments, which will increase the supply of affordable housing to low and moderate income households for not less than ninety-nine (99) years. The loan is in the form of a line of credit not-to-exceed \$9,000,000. Simple interest accrues on the advances as follows: 1) 3% per annum from the date of disbursement through and including the date immediately prior to September 21, 2022; and 2) 2% per annum from September 21, 2002 through September 21, 2060. In addition, to the extent there are Residual Receipts, the Developer shall pay to the Agency either 33% or 50% of the Residual Receipts from the preceding year. As of June 30, 2011, the advances paid against this line of credit amounted to \$9,000,000 and accrued interest amounts to \$1,378,350 for a total of \$10,378,350. Accrued interest is offset by deferred revenue.
7. On March 9, 2006, the Agency entered into a loan agreement with The Southern California Housing Development Corporation for the acquisition, construction and operation of affordable housing apartments, referred to as the Rancho Verde Expansion project, which will increase the supply of very-low, low and moderate income households. This loan is a line of credit not-to-exceed \$6,500,000 with simple interest accruing at 1.5% per annum until June 27, 2035, and 2% per annum thereafter and payable without demand or notice on June 27, 2060. As of June 30, 2011, the advances paid against this line of credit amounted to \$6,499,910 and accrued interest amounts to \$281,423 for a total of \$6,781,333. Accrued interest is offset by deferred revenue.
8. On December 1, 2001, the Agency entered into a residual receipts promissory note loan agreement in the form of a line of credit not-to-exceed \$4,000,000 with Malvern Housing Partners, L.P. and Southern California Housing Development Corporation for the acquisition, construction and operation of a 49-unit senior multifamily apartment project, known as Heritage Pointe Senior Apartments. A portion of the necessary funding will be provided from proceeds of a \$4,000,000 bond issue by Southern California Housing Development Corporation. Funding provided by the Agency is in the form of semi-annual principal payments toward these bonds from the Agency's low and moderate income housing fund. As advances are made by the Agency, beginning April 1, 2003, these amounts shall be added to and become the principal balance of this Residual Receipts Note, and will accrue simple interest at 1% per annum from the date of payment through December 2056. Annual payments of principal and accrued interest shall not commence until the operation of the project has generated residual receipts. As of June 30, 2011, the advances paid against this line of credit amounted to \$565,788 and accrued interest amounts to \$28,078, for a total of \$593,866. Accrued interest is offset by deferred revenue.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 4: Notes and Loans Receivables (Continued)

9. On September 1, 2008, the Agency entered into a residual receipts promissory note loan agreement in the form of a line of credit not-to-exceed \$27,565,000 with Rancho Workforce Housing, L.P. for the acquisition, construction and development of a 166-unit rental housing development, including 131 residential units for low and moderate income residents. This loan bears simple interest of 2.386% compounded annually from the date of disbursement, with a term commencing on the date of this agreement and continuing for fifty-five (55) years from the date of the recordation of the Certificate of Completion. Commencing after Borrower's fiscal year first ending after the completion of construction of the development, Borrower shall make repayments to the Agency equal to 50% of the Residual Receipts. As of June 30, 2011, the advances paid against this line of credit amounted to \$25,868,857, and accrued interest amounts to \$1,189,509, for a total of \$27,058,366.
10. On September 26, 1994, the Agency entered into a Disposition and Development Agreement (DDA) and loan agreement (as modified on March 22, 1996) for \$5,929,181 with North Town Housing Partners for the acquisition of the 88-unit multifamily rental Del Norte housing project for low and moderate income households. The term of the loan is 40 years, with simple interest accruing at 3% per annum on the outstanding principal balance. Payments of principal and interest on the loan are due and payable only to the extent that net annual cash flow from the development is available. As of June 30, 2011, the outstanding balance amounts to \$8,775,189, including accrued interest of \$2,846,007. Accrued interest is offset by deferred revenue.
11. On June 6, 2001, the Agency entered into a loan agreement (as updated on December 1, 2002) for \$4,700,000 with Northtown Housing Development Corp. for the development of the Olen Jones Senior Apartments. The term of the loan is 55 years, with zero interest accruing for the first 15 years, then accruing simple interest at 3% per annum for the remainder of the term. Payments of principal and interest on the loan are due and payable only to the extent that net annual cash flow from the development is available. As of June 30, 2011, the outstanding balance amounts to \$4,529,818.

Total loans receivables for governmental activities at June 30, 2011, including accrued interest of \$9,703,334, amounted to \$140,282,660.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Adjustments *</u>	<u>Adjusted Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental Activities:							
Capital assets, not being depreciated:							
Land	\$ 83,403,323	\$ -	\$ 83,403,323	\$ 242,356	\$ -	\$ -	\$ 83,645,679
Right of way	223,219,486	8,078,855	231,298,341	633,272	-	-	231,931,613
Construction-in-progress	33,694,645	-	33,694,645	21,834,748	-	(22,888,002)	32,641,391
Total Capital Assets, Not Being Depreciated	340,317,454	8,078,855	348,396,309	22,710,376	-	(22,888,002)	348,218,683
Capital assets, being depreciated:							
Building Improvements	142,574,641	-	142,574,641	865,318	-	118,282	143,558,241
Improvement other than buildings	12,432,336	-	12,432,336	48,490	-	83,755	12,564,581
Equipment and vehicles	33,722,978	-	33,722,978	2,562,330	1,043,254	-	35,242,054
Furniture and fixtures	2,987,471	-	2,987,471	23,660	-	-	3,011,131
Infrastructure	412,136,169	(8,078,855)	404,057,314	689,121	1,497,899	22,685,965	425,934,501
Intangible	1,145,958	-	1,145,958	280,462	53,831	-	1,372,589
Total Capital Assets, Being Depreciated	604,999,553	(8,078,855)	596,920,698	4,469,381	2,594,984	22,888,002	621,683,097
Less accumulated depreciation:							
Building improvements	25,533,185	-	25,533,185	3,396,045	-	-	28,929,230
Improvement other than buildings	6,773,042	-	6,773,042	627,353	-	-	7,400,395
Equipment and vehicles	23,454,869	-	23,454,869	3,543,873	905,895	-	26,092,847
Furniture and fixtures	1,615,155	-	1,615,155	483,027	-	-	2,098,182
Infrastructure	165,838,843	-	165,838,843	9,058,856	770,690	-	174,127,009
Intangible	534,558	-	534,558	102,045	6,953	-	629,650
Total Accumulated Depreciation	223,749,652	-	223,749,652	17,211,199	1,683,538	-	239,277,313
Total Capital Assets, Being Depreciated, Net	381,249,901	(8,078,855)	373,171,046	(12,741,818)	911,446	22,888,002	382,405,784
Governmental Activities Capital Assets, Net	\$ 721,567,355	\$ -	\$ 721,567,355	\$ 9,968,558	\$ 911,446	\$ -	\$ 730,624,467

* Adjustment was made to reclassify right of way.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 5: Capital Assets (Continued)

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

Governmental Activities:	
General government	\$ 1,681,258
Public safety - police	490,435
Public safety - fire protection	716,826
Engineering and public works	9,958,906
Community development	2,071,207
Community services	511,005
Vehicle Replacement Fund	1,382,699
Computer Equip./Technology Replacement Fund	398,863
Total Governmental Activities	<u>\$ 17,211,199</u>

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Business-Type Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 5,451,015	\$ -	\$ -	\$ 5,451,015
Total Capital Assets, Not Being Depreciated	<u>5,451,015</u>	<u>-</u>	<u>-</u>	<u>5,451,015</u>
Capital assets, being depreciated:				
Building improvements	17,203,473	-	-	17,203,473
Improvement other than buildings	3,797,414	-	-	3,797,414
Equipment and vehicles	419,113	-	36,299	382,814
Furniture and fixtures	82,374	-	-	82,374
Infrastructure	16,742,063	4,997	-	16,747,060
Intangible	25,856	-	-	25,856
Total Capital Assets, Being Depreciated	<u>38,270,293</u>	<u>4,997</u>	<u>36,299</u>	<u>38,238,991</u>
Less accumulated depreciation:				
Building improvements	7,323,842	430,072	-	7,753,914
Improvement other than buildings	3,306,915	189,871	-	3,496,786
Equipment and vehicles	380,778	8,236	36,299	352,715
Furniture and fixtures	36,755	1,356	-	38,111
Infrastructure	2,928,036	669,781	-	3,597,817
Intangible	12,447	2,586	-	15,033
Total Accumulated Depreciation	<u>13,988,773</u>	<u>1,301,902</u>	<u>36,299</u>	<u>15,254,376</u>
Total Capital Assets, Being Depreciated, Net	<u>24,281,520</u>	<u>(1,296,905)</u>	<u>-</u>	<u>22,984,615</u>
Business-Type Activities Capital Assets, Net	<u>\$ 29,732,535</u>	<u>\$ (1,296,905)</u>	<u>\$ -</u>	<u>\$ 28,435,630</u>

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 5: Capital Assets (Continued)

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

Business-Type Activities:	
Sports Complex	\$ 624,315
Municipal Utility	<u>677,587</u>
Total Business-Type Activities	<u><u>\$ 1,301,902</u></u>

Note 6: Interfund Receivable, Payable and Transfers

The composition of interfund balances as of June 30, 2011, was as follows:

Due To/From Other Funds

Funds	Due to Other Funds			Total
	Fire District Special Revenue Fund	Redevelopment Agency Capital Projects	Nonmajor Governmental Funds	
Due From Other Funds:				
General	\$ 318,428	\$ 68,060	\$ 1,508,772	\$ 1,895,260
Redevelopment Agency - Capital Projects	-	-	230,051	230,051
Nonmajor Funds	-	<u>244,994</u>	-	<u>244,994</u>
Total	<u>\$ 318,428</u>	<u>\$ 313,054</u>	<u>\$ 1,738,823</u>	<u>\$ 2,370,305</u>

Due to/from other funds were made to cover negative cash balance at June 30, 2011.

Advances To/From Other Funds

Funds	Advances from Other Funds		Total
	Redevelopment Agency Capital Projects	Nonmajor Governmental Funds	
Advances to Other Funds:			
General	\$ 56,182,527	\$ 300,000	\$ 56,482,527
Redevelopment Agency - Capital Projects	-	<u>3,953,624</u>	<u>3,953,624</u>
Total	<u>\$ 56,182,527</u>	<u>\$ 4,253,624</u>	<u>\$ 60,436,151</u>

During the current and previous fiscal years, the City of Rancho Cucamonga has made loans to the Rancho Cucamonga Redevelopment Agency. These loans which amount to \$56,182,527 as of June 30, 2011, bear interest at rates up to 12% per annum depending upon when the loan was initiated. The City may demand payment of all or a portion of the principal balance at any time as funds become available. As of June 30, 2011, accrued unpaid interest on these loans was \$46,661,300.

CITY OF RANCHO CUCAMONGA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 6: Interfund Receivable, Payable and Transfers (Continued)

The \$300,000 advance from the General Fund to the Park Development Fund was done on March 5, 1996, based upon Council approval. The advance was to provide funding of Phase I for the Northeast Community Park and is to be repaid in the future (no specific date).

During the formation of Community Facilities District CFD 2000-01 (District), a number of meetings were held with property owners within the proposed boundaries to discuss participation in the District and benefits to their property. As a result of those meetings, the approved boundary map was modified at the landowners' request to exclude certain properties from the District boundaries. Property owners that were excluded from the District boundaries, but will be receiving direct benefit from the improvements constructed by CFD 2001-01, were advised that reimbursement would be required when their properties are developed. The Redevelopment Agency advanced the pro-rata share for properties that will receive benefit from the improvements, but are not participating in the District. At June 30, 2011, the advance was \$3,953,624.

Interfund Transfers

Funds	Transfers Out:						Total
	General Fund	Redevelopment Agency Capital Projects	Redevelopment Agency Debt Service	Municipal Utility	Internal Service Funds	Nonmajor Funds	
Transfers In:							
General	\$ -	\$ -	\$ -	\$ 942,400	\$ -	\$ -	\$ 942,400
Fire District	172,840	-	1,932,250	-	-	-	2,105,090
Redevelopment Agency -							
Capital Projects	-	-	7,535,810	-	-	-	7,535,810
Sports Complex	898,770	-	-	-	-	-	898,770
Nonmajor Funds	23,377	77,580	-	-	24,731	58,060	183,748
Total	<u>\$ 1,094,987</u>	<u>\$ 77,580</u>	<u>\$ 9,468,060</u>	<u>\$ 942,400</u>	<u>\$ 24,731</u>	<u>\$ 58,060</u>	<u>\$ 11,665,818</u>

The General Fund transferred \$898,770 to the Sports Complex to cover the budgeted amount and \$172,840 to the Fire District to fund the emergency preparedness program.

The Rancho Cucamonga Redevelopment Agency Debt Service Fund transferred \$7,535,810 to the Rancho Cucamonga Redevelopment Agency Capital Project Fund and \$1,932,250 to the Fire District to cover the cost of operations and capital projects.

The Municipal Utility transferred \$942,400 to the General Fund to cover the cost of operations.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 7: Long-Term Debt Obligations

a. Long-Term Debt – Governmental Activities

The following is a schedule of changes in governmental activities long-term debt for the fiscal year ended June 30, 2011:

	Balance July 1, 2010	Additions	Repayments	Outstanding June 30, 2011	Due Within One Year
Bonds:					
Tax Allocation Refunding Bonds - 1999 Issue	\$ 35,980,000	\$ -	\$ 2,530,000	\$ 33,450,000	\$ 2,645,000
Tax Allocation Bonds 2001 Issue	71,785,000	-	10,000	71,775,000	15,000
Tax Allocation Bonds 2004 Issue	148,680,000	-	3,870,000	144,810,000	4,070,000
Tax Allocation Bonds 2007 Issue A & B	148,545,000	-	2,660,000	145,885,000	2,790,000
Total Bonds	<u>404,990,000</u>	<u>-</u>	<u>9,070,000</u>	<u>395,920,000</u>	<u>9,520,000</u>
Developer Loans:					
Federal Bureau of Reclamation	546,842	-	546,842	-	-
Price Club/Costco Bank of New York	7,545,292	665,302	523,045	7,687,549	-
	11,913,066	-	361,803	11,551,263	394,268
Total Developer Loans	<u>20,005,200</u>	<u>665,302</u>	<u>1,431,690</u>	<u>19,238,812</u>	<u>394,268</u>
Capital Lease	29,287	-	19,290	9,997	9,997
Cucamonga Valley Water District - Payment Deferral	16,517	162,501	17,238	161,780	161,780
Claims and judgments payable	2,509,075	1,209,591	876,834	2,841,832	997,000
Accrued employee benefits	7,650,501	4,568,222	4,612,303	7,606,420	4,587,000
Total	<u>\$ 435,200,580</u>	<u>\$ 6,605,616</u>	<u>\$ 16,027,355</u>	425,778,841	<u>\$ 15,670,045</u>
				Unamortized bond premium	4,429,673
					<u>\$ 430,208,514</u>

A description of individual components of long-term debt outstanding as of June 30, 2011, is as follows:

Tax Allocation Bonds

- 1. Rancho Cucamonga Redevelopment Agency, Rancho Development Project, 1999 Tax Allocation Refunding Bonds, \$54,945,000.** These bonds are dated August 30, 1999, and were issued in order to finance a portion of the Agency's Rancho Development Project, to currently refund the outstanding principal balance of \$47,715,000 of the Rancho Development Project 1990 Tax Allocation Bonds and to fund redevelopment activities. Interest is payable semi-annually on March 1 and September 1, of each year commencing March 1, 2000. The bonds mature in annual installments ranging from \$1,880,000 to \$4,165,000 starting September 1, 2000 to September 1, 2020, and bear interest ranging from 4.25% to 5.25%.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

The bonds maturing before September 1, 2009, are not subject to call and redemption prior to their stated maturities. Bonds maturing on or after September 1, 2011, are subject at the option of the Agency, to redemption, in whole or in part, by lot, prior to their stated maturities on any date, commencing September 1, 2009. The bonds maturing on September 1, 2020, are subject to mandatory redemption in part from sinking account installments on September 1, 2015, and on each September 1 thereafter, up to and including September 1, 2020.

Tax Revenues, except as provided below, are pledged in their entirety to the payment of principal of, and interest on and redemption premium, if any, on the bonds listed above and are referred to in the applicable series resolutions, as "Pledged Tax Revenues." Pledged Tax Revenues do not include that portion of Tax Revenues derived from the Project Area which are required by Section 33334.2 of the Redevelopment Law to be set aside by the Agency in a separate low and moderate income housing fund and be used for the purpose of increasing and improving the community's supply of low and moderate income housing. Pledged Tax Revenues also do not include that portion of tax revenues derived from the Project Area which are required to be used by the Agency in accordance with the provisions of certain agreements entered into by the Agency. The Agency has entered into cooperative agreements with taxing agencies affected by the Redevelopment Project. Such agreements have been entered into with: a) the Chino Basin Municipal Water District, b) the County of San Bernardino on behalf of the County Free Library and the San Bernardino County Flood Control District, c) the Cucamonga County Water District, d) the Foothill Fire Protection District, and e) various school districts located within the project area. Under the terms of these agreements, the Agency has agreed that certain tax revenues attributable to those areas and which are allocated to the Agency pursuant to Section 33670(b), shall be pledged by the Agency to make certain cash payments or in lieu of contributions to each affected taxing agency. Such payments are to be made from tax revenues allocated to the Agency. Pledged Tax Revenues also do not include interest income on the various funds and accounts created by the series resolutions. Any such investment income is available to the Agency to meet debt service payments on the bonds but is not specifically pledged therefore.

In addition to providing for the pass-through of tax revenue to the County Free Library and the San Bernardino County Flood Control District, the agreement between the Agency and the County of San Bernardino also provides that tax revenues, which would have been allocated to the County had not the Redevelopment Plan been adopted, will be fully allocated to the Agency until fiscal year 1998-1999. The agreement, however, further provides that the Agency must use such tax revenues for the development of certain regional facilities, as agreed to between the County and the Agency. The Agency anticipates satisfying this regional facilities requirement with certain previously received bond proceeds. The balance at June 30, 2011, amounted to \$33,450,000.

The following schedule illustrates the debt service requirements to maturity for the 1999 Tax Allocation Refunding Bonds as of June 30, 2011:

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

	<u>Principal</u>	<u>Interest</u>
2011-2012	\$ 2,645,000	\$ 1,664,540
2012-2013	2,785,000	1,528,790
2013-2014	2,915,000	1,386,290
2014-2015	3,065,000	1,235,258
2015-2016	3,210,000	1,072,838
2016-2020	<u>18,830,000</u>	<u>2,573,550</u>
Total	<u>\$ 33,450,000</u>	<u>\$ 9,461,266</u>

2. **Rancho Cucamonga Redevelopment Agency, Rancho Development Project, 2001 Tax Allocation Bonds, \$74,080,000.** These bonds are dated August 7, 2001, and were issued in order to finance a portion of the Agency's Rancho Development Project and to pay certain costs of issuance of the bonds. Interest is payable semi-annually on March 1 and September 1 of each year commencing March 1, 2002. The bonds mature in annual installments from \$10,000 to \$11,540,000 from September 1, 2002 to September 1, 2030, and bear interest ranging from 3.000% to 5.125%.

The bonds maturing before September 1, 2011, are not subject to call and redemption prior to their stated maturities. The bonds maturing on or after September 1, 2012, are subject, at the option of the Agency to redemption, in whole or in part, by lot, prior to their stated maturities on any date, commencing September 1, 2011, among maturities at the discretion of the Agency and by lot within a maturity upon payment, from any source of funds available, of the principal amount and accrued interest payable thereon, without premium.

Tax Revenues, except as provided below, are pledged in their entirety to the payment of principal, interest and redemption premium, if any, on the bonds listed above and are referred to in the applicable series resolutions as "Pledged Tax Revenues." Pledged Tax Revenues do not include that portion of Tax Revenues derived from the Project Area which are required by Section 33334.2 of the Redevelopment Law to be set aside by the Agency in a separate low and moderate income housing fund and be used for the purpose of increasing and improving the community's supply of low and moderate income housing. Pledged Tax Revenues also do not include that portion of tax revenues derived from the Project Area which are required to be used by the Agency in accordance with the provisions of certain agreements entered into by the Agency.

The Agency has entered into cooperative agreements with taxing agencies affected by the Redevelopment Project. Such agreements have been entered into with: a) the Chino Basin Municipal Water District, b) the County of San Bernardino on behalf of the County Free Library and the San Bernardino County Flood Control District, c) the Cucamonga County Water District, d) the Foothill Fire Protection District, and e) various school districts located within the project area. Under the terms of these agreements, the Agency has agreed that certain tax revenues attributable to those areas and which are allocated to the Agency pursuant to Section 33670 (b), shall be pledged by the Agency to make certain cash payments or in lieu of contributions to each affected taxing agency. Such payments are to be made from tax revenues allocated to the Agency. Pledged Tax Revenues also do not include interest income on various funds and accounts created by the series resolutions.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

Any such investment income is available to the Agency to meet debt service payments on the bonds, but is not specifically pledged therefore. The balance at June 30, 2011, amounted to \$71,775,000.

The following schedule illustrates the debt service requirements to maturity for the 2001 Tax Allocation Bonds as of June 30, 2011:

	<u>Principal</u>	<u>Interest</u>
2011-2012	\$ 15,000	\$ 3,719,369
2012-2013	10,000	3,718,744
2013-2014	10,000	3,718,244
2014-2015	15,000	3,717,619
2015-2016	15,000	3,716,869
2016-2021	85,000	18,572,594
2021-2026	19,285,000	17,321,128
2026-2030	<u>52,340,000</u>	<u>6,974,100</u>
Total	<u>\$ 71,775,000</u>	<u>\$ 61,458,667</u>

3. **Rancho Cucamonga Redevelopment Agency, Rancho Redevelopment Project, 2004 Tax Allocation Bonds, \$165,680,000.** These bonds are dated March 1, 2004, and were issued in order a.) to refund and defease the Agency's \$52,225,000 outstanding principal amount Rancho Redevelopment Project 1994 Tax Allocation Refunding Bonds, and b.) to fund redevelopment activities. The issue consists of \$109,690,000 Serial Bonds with maturities beginning September 1, 2005 through September 1, 2025, \$12,210,000 Term Bonds due September 1, 2028, bearing interest at 4.45% per annum and \$43,780,000 Term Bonds due September 1, 2032, bearing interest at 4.50% per annum. Interest is payable semi-annually on March 1 and September 1 of each year commencing September 1, 2004. The Serial Bonds mature in annual installments ranging from \$2,950,000 to \$10,955,000 starting September 1, 2005 to September 1, 2025, and bearing interest ranging from 2.00% to 5.00%.

Bonds maturing on or before September 1, 2014, are not subject to call and redemption prior to their stated maturities. Bonds maturing on or after September 1, 2015, are subject, at the option of the Agency, to redemption in whole or in part, prior to their stated maturities on any date, commencing September 1, 2014. The bonds maturing on September 1, 2028 and September 1, 2032, are subject to mandatory redemption in part from sinking account installments on September 1, 2026 and September 1, 2029, respectively, and on each September 1 thereafter, at a redemption price equal to 100% of the principal amount plus accrued interest, if any, to the redemption date, without premium.

The Agency has pledged for the repayment of the Bonds the Tax Revenues which constitute all taxes allocated to the Agency with respect to the Project, pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable state laws, and as provided in the Redevelopment Plan.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

Pledged Tax Revenues also do not include that portion of tax revenues derived from the Project Area which are required to be used by the Agency in accordance with the provisions of certain agreements entered into by the Agency.

The Agency has entered into cooperative agreements with taxing agencies affected by the Redevelopment Project. Such agreements have been entered into with a.) the Chino Basin Municipal Water District, b.) the County of San Bernardino on behalf of the County Free Library and the San Bernardino County Flood Control District, c.) the Cucamonga County Water District, d.) the Foothill Fire Protection District, and e.) various school districts located within the project area. Under the terms of these agreements, the Agency has agreed that certain tax revenues attributable to those areas and which are allocated to the Agency pursuant to Section 33670 (b), shall be pledged by the Agency to make certain cash payments or in lieu of contributions to each affected taxing agency. Such payments are to be made from tax revenues allocated to the Agency. Pledged Tax Revenues also do not include interest income on various funds and accounts created by the series resolutions. Any such investment income is available to the Agency to meet debt service payments on the bonds but is not specifically pledged therefore. The bonds are further secured by a financial guarantee insurance policy in the event of nonpayment of principal and/or interest.

The balance at June 30, 2011, amounted to \$144,810,000, plus unamortized bond premium of \$3,640,683.

The following schedule illustrates the debt service requirements to maturity for the 2004 Tax Allocation Bonds as of June 30, 2011:

	<u>Principal</u>	<u>Interest</u>
2011-2012	\$ 4,070,000	\$ 6,257,090
2012-2013	4,270,000	6,091,290
2013-2014	4,405,000	5,917,115
2014-2015	4,620,000	5,691,490
2015-2016	4,860,000	5,454,490
2016-2021	27,770,000	23,775,128
2021-2026	38,825,000	15,906,478
2026-2031	21,275,000	10,278,225
2031-2036	34,715,000	1,579,388
Total	<u>\$ 144,810,000</u>	<u>\$ 80,950,694</u>

4. **Rancho Cucamonga Redevelopment Agency, Rancho Redevelopment Project, Housing Set-aside Tax Allocation Bonds, Tax Exempt Series 2007A and Taxable Series 2007B. \$155,620,000.** In November 2007, the Rancho Cucamonga Redevelopment Agency issued \$73,305,000 Rancho Redevelopment Project Housing Set-Aside Tax Allocation Bonds Tax-Exempt Series 2007A and \$82,315,000 Rancho Redevelopment Project Housing Set-Aside Tax Allocation Bonds Taxable series 2007B to (a) refund and redeem the Agency's outstanding Rancho Redevelopment Project 1996 Housing Set-Aside Tax Allocation Bonds, (b) provide for the refunding and defeasance of the California Statewide Communities Development Authority Multifamily Housing Revenue Bonds, (c) extend set-aside and

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

affordability restriction on 558 units within four apartment projects located in the City of Rancho Cucamonga pursuant to an Extended Affordability Agreement, and (d) finance other low and moderate income housing projects in or of benefit to the Project Area.

The Series A issue consists of \$29,950,000 in Serial bonds with maturities beginning September 1, 2008 through September 1, 2026, bearing interest ranging from 3.25% through 5.0%; and \$43,355,000 in Term bonds due September 1, 2034, bearing interest at 5%. The Series B issue consists of \$19,675,000 Term bonds due September 1, 2017, bearing interest at 5.529%; and \$62,640,000 Term bonds due September 1, 2031, bearing interest at 6.262%. Interest on both Series A and B bonds is payable semi-annually on March 1 and September 1 of each year, commencing March 1, 2008.

The Series A Bonds maturing on or before September 1, 2017, are not subject to call and redemption prior to maturity. The Series A Bonds maturing on or after September 1, 2018, will be subject to call and redemption prior to maturity at the option of the Agency, on or after September 1, 2017. The Taxable Series B Bonds are subject to optional redemption, on any date prior to their maturity.

The 2007 bonds are secured and payable from Tax Revenues on a subordinate basis with respect to a Loan Agreement dated as of December 15, 1997, between the Agency, Northtown Housing Development Corporation and Pacific Life Insurance Company (Loan Payable-Bank of New York) – the Senior Loan. The Indenture does not permit additional senior obligations. The Agency is permitted under the Indenture to incur additional obligations – Parity Bonds – secured by a pledge of Tax Revenues on a parity basis with the pledge of Tax Revenues to the 2007 Bonds. Tax Revenues which secure the 2007 Bonds consist solely of the Housing Set-Aside.

The balance at June 30, 2011, amounted to \$145,885,000 plus unamortized bond premium of \$788,990.

	<u>Principal</u>	<u>Interest</u>
2011-2012	\$ 2,790,000	\$ 7,865,337
2012-2013	2,925,000	8,043,262
2013-2014	3,070,000	7,578,586
2014-2015	3,230,000	7,727,206
2015-2016	3,390,000	7,253,473
2016-2021	19,845,000	34,188,096
2021-2026	26,130,000	27,398,326
2026-2031	40,955,000	17,967,245
2031-2036	43,550,000	4,288,899
Total	<u>\$ 145,885,000</u>	<u>\$ 122,310,430</u>

Developer Loans Payable

1. During fiscal year 1988-1989, the Rancho Cucamonga Redevelopment Agency obtained a loan from the Federal Bureau of Reclamation in connection with the Day Creek Water Project. The original debt amounted to \$13,400,000 and, in accordance with the terms of the agreement, annual payments of \$681,315 have been made to the County of San Bernardino (acting as lead agency for the Federal Government). AS of June 30, 2011, the loan has been paid off.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

2. In December 1990, the Rancho Cucamonga Redevelopment Agency entered into a Disposition and Development Agreement with The Price Company (Developer). In accordance with this agreement the Agency executed a 23-year note in the amount of \$3,756,615. The note was issued to provide financing of certain redevelopment activities that included the acquisition of approximately 13 acres of land. The note bears interest of 9% per annum. The Agency shall pay the Developer quarterly payments amounting to 50% of taxes derived from the imposition of the Bradley Burns Uniform Local Sales and Use Tax Law commencing with Section 7200 of the revenue and Taxation Code of the State of California, as amended, arising from all businesses and activities conducted on the Costco Parcel. The Note was renegotiated on July 18, 2002, as the Costco Note. The new loan principal of \$6,347,171 included accrued interest through that date, however the new principal was not recorded on the books until fiscal year 2006 - 2007. In the event that the debt service payments are insufficient to fully discharge the principal and interest on this note with the 23 note years, then, in such event, the unpaid balance of principal and accrued interest, if any, shall be deemed forgiven. The balance at June 30, 2011, amounted to \$7,687,548.

3. On August 21, 1996, the Agency executed a note payable to Pacific Life Insurance Company (subsequently assigned to Bank of New York) in the amount of \$9,411,477. The proceeds of the note were paid directly to Northtown Housing Development Corporation for the development of the Northtown Housing project. The outstanding principal bears interest at 8.78% compounding semi-annually from the date of the note until paid. Interest was added to the principal on each March 15 and September 15 through March 15, 2002, amounting to \$4,210,264 in addition to principal. Commencing on September 15, 2002, both principal and interest shall be due and payable semi-annually on March 15 and September 15, of each year through March 2026. The balance at June 30, 2011, amounted to \$11,551,263.

The following schedule illustrates the debt service requirements to maturity as of June 30, 2011:

	<u>Principal</u>	<u>Interest</u>
2011-2012	\$ 394,268	\$ 1,005,732
2012-2013	429,644	970,356
2013-2014	468,194	931,806
2014-2015	510,204	889,796
2015-2016	555,984	844,016
2016-2017	605,871	794,129
2017-2021	3,473,639	2,826,361
2022-2026	5,113,459	1,186,541
Total	<u>\$ 11,551,263</u>	<u>\$ 9,448,737</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

Capital Leases Payable

On November 1, 2006, the City entered into a capital lease agreement with LaSalle Bank National Association to acquire an asphalt grinding machine for \$90,000. The agreement requires semi annual payments of \$10,238 due in May and November of each year with the final payment due in November 2011. At June 30, 2011, the outstanding balance on the lease was \$9,997.

The following schedule illustrates the debt service requirements as of June 30, 2011:

<u>For the Year Ending:</u>	<u>Total</u>
2012	\$ 10,238
Net Minimum Lease Payments	<u>10,238</u>
Less: Amount Representing Interest	<u>(241)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 9,997</u>

Cucamonga Valley Water District – Payment Deferral

On May 20, 2011, the City entered into an installment agreement with Cucamonga Valley Water District for the deferred payment of increased rates and charges adopted by the District. Specifically, the City's Interruptible Government Rate discount of 10% was eliminated, the Bimonthly Service Charge will be increased incrementally over the next 5 years, and the MWD Surcharge Rate will be applied as a pass-through rate for a 5 year period ending July 1, 2014. Beginning on the Commencement Date of May 1, 2010, until the end of the first year, the City shall only be required to pay 90% of the full amount due and owing for the Water Service Charges imposed during Year One. The remaining balance due of 10% can be accrued up to a maximum amount of \$275,000. Beginning on the anniversary date of the Commencement Date and until the end of the second year, the City shall make payments for the entire amount due and owing for the current Water Service Charges imposed during Year Two. In addition on a monthly basis in Year Two, the City shall make an additional payment equal to 1/12 of the Installment Amount accrued at the end of Year One. The unpaid Installment Amount principal will bear interest in the amount of \$2,200 which uses an assumed interest rate of .80%. The final payment shall become due and owing no later than April 30, 2012. The deferred amount outstanding as of June 30, 2011 is \$161,780.

Claims and Judgments Payable

The City's liability regarding self insurance is described in Note 12 of the Notes to Financial Statements. The liability will be paid as it becomes due by the General Fund and the Fire District Fund.

Accrued Employee Benefits

The City's policies relating to compensated absences are described in Note 1 of the Notes to Financial Statements. The liability will be paid in future years as it becomes due by the General Fund and the Fire District Fund.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Long-Term Debt Obligations (Continued)

Debt Service Requirements

As previously discussed, the City has pledged, as security for bonds it has issued, either directly or through the Financing Authority, a portion of the tax increment revenue (including Low and Moderate Income Housing set-aside) that it receives. These bonds were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. The City has committed to appropriate each year, from these resources amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$670, 213 634 with annual debt service requirements as indicated above. For the current year, the total tax increment revenue, net of pass through payments, recognized by the Agency was \$69,583,434 and the debt service obligation on the bonds was \$29,192,680.

Note 8: Other Special Obligations

The following issues of Residential Mortgage Revenue Bonds, Special Assessment District Bonds, and Community Facility District Bonds are not reflected in the Statement of Net Assets because these are special obligations payable solely from and secured by specific revenue sources described in the resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the Redevelopment Agency, the State of California or any political subdivision thereof, is pledged for the payment of these bonds. The outstanding amounts at June 30, 2011, were as follows:

	Outstanding Amount at June 30, 2011
City of Rancho Cucamonga:	
Reassessment District 1999-1	\$ 505,000
Assessment District 93-1	1,985,000
Community Facilities District No. 93-3	2,795,000
Community Facilities District No. 88-2	1,705,000
Community Facilities District No. 2000-01	1,045,000
Community Facilities District No. 2000-02	5,765,000
Community Facilities District No. 2000-03	9,230,000
Community Facilities District No. 2001-01 Series A	12,460,000
Community Facilities District No. 2001-01 Series B	835,000
Community Facilities District No. 2003-01 Series A	14,450,000
Community Facilities District No. 2003-01 Series B	2,810,000
Community Facilities District No. 2004-01	39,723,950
Community Facilities District No. 2006-01	5,495,000
Community Facilities District No. 2006-02	2,815,000
Rancho Cucamonga Redevelopment Agency:	
Multi-Family Housing Revenue Bond:	
Series 1997A	2,880,457
Total	<u>\$ 104,499,407</u>

IV. OTHER INFORMATION

Note 9: Pension Plan Obligations

a. City Miscellaneous Plan

Plan Description

The City of Rancho Cucamonga 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: 400 P Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 8% of their annual covered salary. The City makes the contributions required of employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate as a percentage of annual covered payroll is 10.268%. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost (APC) and Net Pension Obligation

For the year ended June 30, 2011, the City's annual pension cost of \$5,593,491 was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2010, actuarial valuation using the entry age normal actuarial cost method.

A summary of principle assumptions and methods used to determine the APC is shown below:

Valuation Date	June 30, 2010
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	23 years as of the Valuation Date
Asset Valuation Method	15-Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	3.55% to 14.45% depending on age, service and type of employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation component of 3.00% and an annual production growth of 0.25%.

CITY OF RANCHO CUCAMONGA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 9: Pension Plan Obligations (Continued)

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

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligations
6/30/2009	\$ 5,084	100%	\$ -
6/30/2010	5,115	100%	-
6/30/2011	5,593	100%	-

Schedule of Funding Progress for PERS
Miscellaneous Plan of the City of Rancho Cucamonga
(Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/2008	\$ 95,434	\$ 101,840	\$ (6,406)	93.7 %	\$ 27,683	23.1 %
6/30/2009	103,495	120,906	(17,411)	85.6 %	28,689	60.7 %
6/30/2010	112,066	128,533	(16,467)	87.2 %	28,569	57.6 %

The information above is the most recent information available.

b. Fire District's Miscellaneous and Safety Plan

Plan Description

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

Funding Policy

Participants are required to contribute 8% (9% for safety employees) of their annual covered salary. The Fire District makes the contributions required of employees on their behalf and for their account. The Fire District is required to contribute at an actuarially determined rate; the current rate as a percentage of annual covered payroll is 12.992% for the non-safety employees and 24.557% for safety employees. The contribution requirements of plan members and the City are established and may be amended by PERS.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 9: Pension Plan Obligations (Continued)

Annual Pension Cost (APC)

For the year ended June 30, 2011, the Fire District's annual pension cost for the miscellaneous and safety employees of \$3,603,476 was equal to the Fire District's required and actual contributions. The required contribution was determined as part of the June 30, 2009, actuarial valuation using the entry age normal actuarial cost method.

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligations
6/30/2009	\$ 3,591	100%	\$ -
6/30/2010	3,533	100%	-
6/30/2011	3,603	100%	-

Note 10: PARS Retirement Enhancement Plan

Plan Description

The City of Rancho Cucamonga sponsors the PARS Retirement Enhancement Plan, a agent multiple-employer defined benefit pension plan. The Plan provides pension benefits to miscellaneous members (Tier 1) and city council members (Tier 2). Benefits are equal to a percentage of highest pay multiplied by years of service, with the percentage varying by retirement age based on a 3% at 60 target offset by CalPERS 2.5% at 55 formula. Sample rates are as follows:

Age	Tier 1
55	0.000%
56	0.100
57	0.200
58	0.300
59	0.400
60+	0.500

The City and the Fire District have the right to amend, modify or terminate the plan at any time. Separate audited financial statements are not prepared.

Benefits are increased by a 2% annual cost of living adjustment after retirement. There are no employee contributions for either tier.

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.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 10: PARS Retirement Enhancement Plan (Continued)

Annual Pension Cost (APC)

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.

For the year ending June 30, 2011, the City's annual required contribution was \$1,454,000. The City actually contributed \$10,201,342 to fund the annual required contribution (ARC) and the unfunded actuarial accrued liability. The required contribution was based on the June 30, 2010, actuarial valuation using the entry age normal (level percentage of pay) actuarial cost method. The actuarial assumptions included 6.5% investment return (net of administrative expenses) and a general inflation rate of 3%. The prepaid PARS obligation is being amortized over a 20 years period.

Annual required contribution (ARC)	\$ 1,454,000
Interest in net PARS asset	-
Adjustment to ARC	-
Annual PARS cost	<u>1,454,000</u>
Contribution made	<u>10,201,342</u>
Decrease/(Increase) in net PARS asset	(8,747,342)
Net PARS obligation (asset) June 30, 2010	-
Net PARS obligation (asset) June 30, 2011	<u><u>\$ (8,747,342)</u></u>

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

<u>Year Ending</u>	<u>Annual Pension Cost (APC) (in Thousands)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/2009	\$ 1,483	100%	\$ -
6/30/2010	1,389	100%	-
6/30/2011	10,201	1425%	(8,747)

Schedule of Funding Progress
 PARS Retirement Enhancement Plan
 (Amounts in Thousands)

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
07/01/2006	\$ 3,830	\$ 10,144	\$ 6,314	37.8%	\$ 20,767	30.4%
07/01/2008	6,652	13,118	6,466	50.7%	27,185	23.8%
07/01/2010	9,052	17,961	8,909	50.4% *	27,663	32.2%

Actuarial valuation is performed every other year.

* The projected funded ratio as of 07/01/2011 is 100% due to the contributions made during the 2010/11 fiscal year.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 11: Other Post-Employment Benefits**Plan Description**

The City and Redevelopment Agency do not provide post-employment benefits; however, medical coverage is provided to Fire District personnel and their dependents upon retirement under the Rancho Cucamonga Fire Protection District Memorandum of Understanding. The Fire District provides other post-employment benefits (OPEB) through the California Employers' Retiree Benefit Fund (CERBT), an agent multiple-employer defined benefit healthcare plan administered by the California Public Employees' Retirement System (CalPERS). For Tier 1 employees, the Fire District pays 100% of the medical insurance premium for the participant and their family. For Tier 2 employees, the Fire District contributes a predetermined monthly maximum of \$97-\$101 for each eligible retiree towards health insurance. These benefits are provided per contract between the Fire District and the employee associations. Separate financial statements for the CERBT may be obtained by writing to CalPERS at Lincoln Plaza North 400 Q Street, Sacramento, CA 95814 or by visiting the CalPERS website at www.calpers.ca.gov.

Funding Policy

The contribution requirements of plan members and the Fire District are established and may be amended by the Fire District, City Council and/or the employee associations. Currently, contributions are not required from plan members. During fiscal year 2010-2011, premium payments for retiree insurance in the total amount of \$734,359 were made to CalPERS for PEMHCA Health Benefits. The following table shows the components of the Fire District's annual OPEB cost for the year, the amount actually contributed to the plan, and the change in the net OPEB obligation (asset):

Annual required contribution (ARC)	\$ 168,000
Interest on net OPEB asset	(1,278,193)
Adjustment to ARC	<u>1,443,942</u>
Annual OPEB cost	333,749
Contributions made	<u>734,359</u>
Decrease/(Increase) in Net OPEB asset	(400,610)
Net OPEB obligation (asset) June 30, 2009	<u>(16,492,809)</u>
Net OPEB obligation (asset) June 30, 2010	<u><u>\$ (16,893,419)</u></u>

The contribution rate of 1.8% is based on the ARC of \$168,000, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the annual normal cost and the amortization of unfunded actuarial liabilities (or funding excess) over a thirty year period.

Annual OPEB Costs and Net OPEB Obligation (Asset)

The City implemented the provision of GASB Statement 45 in fiscal year ended June 30, 2009. Information on the annual OPEB cost, percentage of annual OPEB cost contributed, and net OPEB obligation is available for the fiscal year ended June 30, 2009, and thereafter.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 11: Other Post-Employment Benefits (Continued)

Fiscal Year End	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2009	\$ 1,382,000	\$ 3,382,000	244.7%	\$ (2,000,000)
6/30/2010	1,292,000	15,803,290	1223.2%	(16,492,809)
6/30/2011	333,749	734,359	220.0%	(16,893,419)

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 Fire District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress
 Other Post-Employment Benefits
 (Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
6/30/2007	\$ -	\$ 16,515	\$ 16,515	0.0%	\$ 7,769	212.6%
6/30/2009	2,798	17,561	14,763	15.9%	8,021	184.1%
6/30/2011	21,547	22,544	997	95.6%	8,601	11.6%

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 the actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2011 actuarial valuation, the entry age normal level percentage of pay actuarial cost method was used. The actuarial assumptions include a 6.50% discount rate of return, which is a blended rate of the expected long-term investment return on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and annual healthcare cost trend rate of between 4.5% and 9.3%. The actuarial value of assets is set equal to the reported market value of assets. The UAAL is being amortized as a level percentage of payroll over a 26-year fixed (closed) period for initial UAAL from June 30, 2012 (fresh start). The number of active and retiree participants is 99 and 51 respectively.

Note 12: Summary Disclosure of Self-Insurance Contingencies

City Disclosure of Self-Insurance Contingencies

The City is self-insured for the first \$350,000 on each general liability claim and for the first \$150,000 on each workers' compensation claim. The insurance coverage in excess of the self-insured amount is provided by the Public Agency Risk Sharing Authority of California (PARSAC) up to a limit of \$650,000 and \$350,000 for general liability and workers' compensation respectively.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. The City funds all claims payable, including those incurred but not reported, in the yearly deposit it pays to PARSAC.

Effective June 1, 1986, the City became a member of the PARSAC, a public entity risk pool currently operating as a common risk management and insurance program for 36 California cities. The City pays an annual premium to the pool for its excess general liability insurance coverage. The agreement for information of the PARSAC provides that the pool will be self-sustaining through member premiums. The PARSAC will publish its own financial report for the year ended June 30, 2011, which can be obtained from Public Agency Risk Sharing Authority of California, Sacramento, California.

Fire District Disclosure of Self Insurance Contingencies

For general liability, the Fire District is covered through the Fire Agencies Insurance Risk Authority (FAIRA) on each general liability claim up to \$1,000,000. The liability deductible is \$0, except \$5,000 for Management Liability claims, \$1,000 for auto claims and \$5,000 for property claims. The insurance coverage in excess of the \$1,000,000, up to \$10,000,000, is provided by American Alternative Insurance Corporation.

Effective, June 29, 1989, the Fire District became a member of FAIRA, a public entity risk pool currently operating as a common risk management and insurance program for 99 California Fire Protection Districts. The Fire District pays an annual premium to the pool for its excess general liability insurance coverage. The agreement for information of FAIRA provides that the pool will be self-sustaining through member premiums.

FAIRA publishes its own financial report for the year ended June 30, 2011, which can be obtained from the Fire Agencies Insurance Risk Authority, Novato, California.

For workers compensation, the Fire District is self-insured for the first \$300,000 on each workers compensation claim as a member of the Public Agency Self-Insurance System (PASIS) of San Bernardino County. The insurance coverage in excess of the self-insured amount is provided by the California State Association of Counties Excess Insurance Authority (CSAC-EIA).

Effective, July 1, 2002, the Fire District became a member of CSAC-EIA, a public entity risk pool currently operating as a common risk management and insurance program for 145 California cities, counties, school districts, municipal services organizations, and joint power authorities. The Fire District pays an annual premium to the pool for its excess workers compensation insurance coverage. The agreement for information of the CSAC-EIA provides that the pool will be self-sustaining through member premiums.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 12: Summary Disclosure of Self-Insurance Contingencies (Continued)

CSAC-EIA publishes its own financial report for the year ended June 30, 2011, which can be obtained from the California State Association of Counties Excess Insurance Authority, Moraga, California.

Workers compensation claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. The Fire District funds all claims payable, including those incurred, but not reported, in the yearly deposit it pays to PASIS.

There have been no significant changes in insurance coverage from the prior year. During the past three fiscal years, the amount of settlements has not exceeded the amount of insurance coverage.

The City and the Fire District are involved in litigation arising in the normal course of business. Although the legal responsibility and financial impact with respect to such litigation cannot be presently ascertained, based on information from the service agent and others involved with the administration of the programs, the City believes that the self-insurance designation of \$2,841,832 is adequate to cover such losses.

The following is a summary of the changes in the claims liability over the past two fiscal years for the City and the Fire District combined:

<u>Fiscal Year</u>	<u>Beginning Balance</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Ending Balance</u>
2009-2010	\$ 2,405,819	\$ 1,298,443	\$ (1,195,187)	\$ 2,509,075
2010-2011	2,509,075	1,209,591	(876,834)	2,841,832

Note 13: Participation Agreements

In August 2005, the Agency entered into a real estate tax, sales tax, tax increment and business license tax participation agreement with Bass Outdoor World, LLC (Bass Pro), 80 VGL, LLC and 20 VGL, LLC (80 VGL, LLC and 20 VGL, LLC are collectively referred to as Landlord). Under the terms of the agreement, the Agency is required to make annual payments equal to one hundred percent (100%) of the tax increment revenues, sales tax revenues and business license tax paid during each year. However, Landlord has the priority for reimbursements of real estate taxes paid for each year prior to any payments being made to Bass Pro. The total amount paid to Landlord and Bass Pro shall not exceed \$1,100,000 in any given year. The agreement terminates in fiscal year 2032-2033. During the year ended June 30, 2011, the Agency made payments totaling \$478,791.

Note 14: Transactions with the State of California

SERAF Shift for fiscal year 2010-2011

On July 23, 2009, the State adopted legislation, requiring a shift of monies during fiscal years 2009-2010 and 2010-2011 to be deposited into the County "Supplemental" Educational Revenue Augmentation Fund (SERAF). These monies were to be distributed to meet the State's Prop 98 obligations to schools. The California Redevelopment Association (CRA) and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid; however, in May 2010 the Sacramento Superior Court upheld the legislation.

The payment of the SERAF was due on May 10, 2011 for fiscal year 2010-2011 and was made in the amount of \$6,610,857. The legislation allowed this payment to be made from any available monies present in any project area(s). Subsequent legislation was passed which even allowed the funding for this payment to be borrowed from the Low and Moderate Income Housing Fund with appropriate findings from its legislative body. Any amounts borrowed from Low and Moderate Income Housing (including any suspended set-aside amounts) are to be repaid by June 30, 2015. If those amounts are not repaid, by that date, then the set-aside percentage to Low and Moderate Income Housing will increase from 20% to 25% for the remainder of the life of the Agency.

To accomplish the payment, the Agency utilized \$6,610,857 from its available resources in the Tax Increment Debt Service Fund. In the accompanying financial statements, the amount paid to the County has been reported as a use of current year resources.

Note 15: California Redevelopment Agency Uncertainty

On July 18, 2011, the California Redevelopment Association ("CRA") and the League of California Cities ("League") filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB1X 26 and 27. AB1X 26 dissolves redevelopment agencies effective October 1, 2011. AB1X 27, give redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts. In 2011-12, these payments amount to a state-wide total of \$1.7 billion. In 2012-13 and subsequent years, the payments total \$400 million, annually. Each city or county's share of these payments is determined based on its proportionate share of state-wide tax increment.

CRA and the League contend that AB1X 26 and 27 are unconstitutional because they violate Proposition 22 which was passed by the voters in November 2010. The effect of the legislation is to achieve a possible unconstitutional result, the use of redevelopment agencies' tax increment funds to benefit the State and other units of local government, by way of threatening of the dissolution of redevelopment agencies.

Therefore, the CRA and the League have requested that the Court issue a stay, suspending the effectiveness of AB1X 26 and 27 until the Court can rule on its constitutionality. CRA and the League also asked the Court to expedite the briefing and hearing of the case so that a decision can be rendered by the Court before January 15, 2012, when the first payments are due. On August 11th, the California Supreme Court agreed to hear the case and granted a partial stay which was subsequently clarified.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 15: California Redevelopment Agency Uncertainty (Continued)

As of the time of the issuance of this report, the outcome of AB1X 26 and 27 upon the Agency is unknown and consequently the status and even future existence of the Agency is uncertain as such. In accordance with AB1X 27, the Agency has passed a resolution of intent to continue and will be required to make a payment to the State in the estimated amount of \$26,866,857 by January 15, 2012 to avoid dissolution.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Special Revenue Funds

Special Revenue Funds account for revenues derived from specific sources which are required by law or administrative regulation to be accounted for in a separated fund. Funds included are:

Gas Tax Fund - Established to account for the revenue and disbursement of funds used for road construction and maintenance of the City network system. The City's share of state gasoline taxes provided the financing.

Recreation Fund - Established to account for the wide variety of classes, special events, and activities sponsored by the Community Services Department.

Park Development Fund - Established to account for the residential park development fees charged subdividers upon issuance of a building permit for development of future park or recreational sites.

Beautification Fund - Established to account for fees collected to provide proper landscaping and irrigation systems after parkway and median improvements are made.

Lighting Districts Fund - Established to account for the costs associated with providing street lights. Financing is provided by special assessments levied against the benefiting property owners.

Landscape Maintenance Fund - Established to account for the costs associated with providing landscape maintenance. Financing is provided by special assessments levied against the benefiting property owners.

Transportation Fund - Established to account for fees charged a subdivider for the construction and expansion of City streets and highways which provide additional capacity and safety.

Pedestrian Grant Fund - Established to account for the revenue and disbursement of funds received for the construction of facilities provided for the exclusive use of pedestrians and bicycles.

Community Development Block Grant Fund - Established to account for grants received from the Department of Housing and Urban Development. These revenues must be expended to accomplish one of the following objectives: elimination of slum or blight; or benefit to low and moderate income persons by providing loans and grants to owner-occupants and rental property owners to rehabilitate residential properties.

Assessment Administration Fund - Established to account for the revenue and disbursement of administration of assessment districts.

San Sevaine/Etiwanda Drainage Fund - Established to account for Development Impact fees collected in the San Sevaine/Etiwanda Drainage Assessment District for the construction of regional and mainline flood control projects in that district.

SB 140 Fund - Established to account for the revenue and disbursement of State matching funds for the construction of eligible street construction projects.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Special Revenue Funds
(Continued)

Air Quality Improvement Fund - Established to account for the revenue and disbursement of funds received as a result of Assembly Bill 2766 which imposed an additional registration fee on motor vehicles. These revenues are to be used to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies (Vehicle Code Section 9250.17 and Health and Safety Code Chapter 7, Part 5 of Division 26, commencing with Section 44220).

South Etiwanda Drainage Fund - Established to account for monies deposited by property owners for initial consulting costs related to a possible formation of an assessment district for master planned drainage facilities.

Lower Etiwanda Drainage Fund - Established to account for development impact fees collected in the Etiwanda area south of Base Line Road for the construction of master plan storm drain projects.

Masi Commerce Center (Assessment District No. 93-1) Fund - Established to acquire the necessary infrastructure from the developer after the completion and acceptance of the approved improvements. Financing was provided by the sale of bonds pursuant to the provisions of the Improvement Act of 1915.

Measure I Fund - Established to account for the revenue and disbursement of county/local gasoline tax funds for the construction and maintenance of eligible street projects.

Library Services Fund - Established to account for services provided by the City of Rancho Cucamonga Library. Funding for this service is made possible through a transfer of San Bernardino County library tax revenues to the City of Rancho Cucamonga for library purposes. Some start-up costs were incurred during 1993/94; however, full implementation of City library services did not begin until September 1994.

California Literacy Program Fund - The California Literacy Campaign Grant is administered by the State Library of California for the purpose of promoting literacy.

Asset Forfeiture Fund - Established to account for the funds received from the Federal and State government for the equitable transfer of forfeited property and cash in which the City directly participates in the law enforcement efforts leading to the seizure and forfeiture of the property.

Used Oil Recycling Grant Fund - In 1991, the Legislature passed AB 2076, the California Oil Recovery Enhancement Act. The act requires oil manufacturers to pay \$0.04 to the California Integrated Waste Management Board for each quart of lubricating oil sold in the State of California. These grant funds are available to governmental agencies, based on population, for the purpose of establishing and administering used oil collection programs. These funds must be used expressly for oil recycling collection and educational programs.

Department of Transportation Grant Fund – ARRA – This fund was established to account for the grant money received through the American Recovery and Reinvestment Act of 2009, for the construction and expansion of City streets and highways which provide additional capacity and safety.

COPS Program Grant Fund - Established to account for a grant awarded as the result of the approval of State Assembly Bill 3229. The grant is a one-year award with no matching fund requirements.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Special Revenue Funds
(Continued)

Drainage Facilities Fund - Established to account for fees charged developers for purposes of defraying the actual or estimated costs of constructing planned drainage or sewer facilities that are in the subdivision.

CA State Library Fund - This "Family Place" training grant from the California State Library provided funding for two Library staff to attend a one-week training that will enable them to develop special programs at the Biane Library and the Family Resource Center. This grant has no matching requirements.

Library Services and Technologies Act Fund - In fiscal year 1994/95, the City began providing library services to the residents of Rancho Cucamonga. In the fall of 1994, the City opened the interim municipal library facility with a 70,000 piece collection consisting of books, audio, video and reference materials. The 22,000 square foot facility doubled the amount of space previously available through the County system. The City's library collection and programs are designed to meet the needs of adults, young adults and children of Rancho Cucamonga. Funding for the library system comes from current taxes that are collected by the County for library services. The City's library system continues to operate from these same tax dollars and does not receive any additional funding from the City's general fund.

Litter Reduction Grant Fund - Established to account for a grant from the State Department of Conservation. This grant will fund a program that will emphasize the collection and recycling of beverage containers at large venues, public areas, residential communities or schools.

Energy Efficient and Conservation Block Grant (EECBG) Fund - Through the American Recovery and Reinvestment Act of 2009, the U.S. Department of Energy issued formula-based grants under the EECBG program. The grant funds received by the City funded the following activities: 1) Civic Center Phase I - Replacement of HVAC Controls; 2) Home Improvement Program Energy Efficiency Revolving Loan; 3) Energy Efficient Appliances, Electrical, and Mechanical Equipment Program; and 4) partial funding for an Energy Efficiency Coordinator to oversee the City's efforts to reduce energy consumption and conduct a public outreach campaign to promote energy efficiency.

Senior Outreach Grant Fund - This fund was established to account for funds passed through the San Bernardino County Department of Aging and Adult Services from the California Department of Aging to provide free recreation classes and programs for senior citizens in the City of Rancho Cucamonga. These recreation activities focused on physical, social, psychological, educational, and recreational needs of older persons. The City provided an in-kind match of \$1,200 in the form of marketing, staff oversight, and supplies.

Underground Utilities Fund - This fund was established to account for fees collected from developers for future undergrounding of overhead utilities.

Safe Routes to School Program - The Safe Routes to School Program fund is a grant fund for monies provided by the State of California. The state funds are administered through Caltrans as part of the California Department of Health Services' "Safe Routes to School Program" and are available for transportation projects that increase the safety of pedestrians and bicyclists.

Foothill Boulevard Maintenance Fund - This fund was established to account for funding provided by Cal Trans as part of their relinquishment of Foothill Boulevard to the City of Rancho Cucamonga. This limited funding source will be utilized to repair and maintain portions of Foothill Boulevard.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Special Revenue Funds
(Continued)

Citywide Infrastructure Improvement Fund - This fund was established to account for capital improvement reimbursements from the San Bernardino Associated Governments (SANBAG). The funds will be used for general infrastructure improvements throughout the City.

COPS Secure our School Grant Fund – This fund was established to account for the grant money use in partnership with public schools to improve school safety.

The Big Read Library Grant Fund – This fund was established to account for the grant money receiving from the National Endowment for the Arts. The purpose of the grant is to emphasize a city wide media campaign through guest lectures, group discussions, film showings, and a community theater performance of a designated book.

Drink, Drive, Lose Grant Fund - This grant was awarded by the State of California Office of Traffic Safety to provide supplementary funding for overtime costs incurred during sobriety checkpoints. The overall goal of the project is to reduce the number of victims killed and injured as a result of alcohol-involved crashes.

Department of Homeland Security Grant Fund - This grant from the State Homeland Security Grant Program is administered by the San Bernardino County Office of Emergency Services. The grant is funded by the Federal Department of Homeland Security. The funds will be utilized to purchase terrorism and weapons of mass destruction (WMDs) response equipment and supplies in conjunction with an appropriate level of training cost funding for national security. There are no matching funds required for this grant.

Public Resource Grants Fund - The City had received and will continue to receive from various funding sources for the Healthy Cities concept, which was adopted by the Council in March 2008, as a means of integrating health concerns into a holistic approach to improving the overall quality of life in the community.”

Proposition 1B Fund - Proposition 1B (Prop 1B) provides state funding to cities and counties to fund the maintenance and improvement of local transportation facilities. The funding is allocated based on population.

Henderson/Wardman Drainage Fund - The Henderson/Wardman Drainage fund is a developer impact fee supported fund for the construction of storm drain improvements in the Henderson/Wardman drainage area.

Integrated Waste Management Fund – Established to account for AB939 recycling fee revenues from the City's refuse haulers and can only be used for the City's Household Hazardous Waste Disposal program. Assembly Bill 939 is a law that was passed by the State of California that mandates that all cities divert a specified percentage of their solid waste from their landfills in accordance with established deadlines.

Federal Grant Fund – Dreier - Initially, this fund was established to account for a \$50,000 grant from Congressman David Dreier. The funds were used to begin the preliminary design process for a new senior center facility in Central Park. During FY 2003/04, the grant was supplemented with an additional \$804,000 from Congressman Dreier which will be used in conjunction with other funds to construct the new senior center facility in Central Park.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Special Revenue Funds
(Continued)

Proposition 42 - Traffic Congestion Relief Fund - This fund was established to account for gasoline sales tax revenue received from the State of California for transportation purposes, including city and county street and road repairs and maintenance. Proposition 42, a legislative constitutional amendment, permanently dedicated revenues from this sales tax on gasoline to transportation infrastructure needs.

Justice Assistance Grant Fund - Two Justice Assistance Grants (JAG) were awarded to the Police Department by the United States Department of Justice. The first was in 2005 in the amount of \$30,833.00 to purchase police related equipment and technology. The second JAG grant was awarded in 2006 in the amount of \$19,514.00. This grant will be used to purchase 14 radar guns for the Police Department's traffic division. This fund accounts for the revenues and expenditures associated with the JAG grants.

OTS 2005 State Seatbelt Grant Fund - This fund was established to account for the revenues and expenditures associated with the State of California's Office of Traffic Safety (OTS) Seat Belt Compliance Campaign grant. The grant provided funding for overtime for the Police Department to conduct a twenty-one day seat belt enforcement operation.

Senior Transportation Service Fund - Through funding from the County of San Bernardino/Department of Aging and Adult Services, the Senior Transportation Program provides funding for the continuation/enhancement of senior transportation services to homebound senior citizens in the community. Specifically, the program will bring homebound seniors to the James L. Brulte Senior Center (the Center) for the hot lunch program and will allow senior citizens to participate in classes, programs, and other activities at the Center that they may not have been able to participate in due to transportation needs. Funding provided by the County allows for the continuation of our current program, an expansion of services, or the purchase of vehicles, depending upon City needs.

Homeland Security Grant 2005 Fund - The City was awarded a \$147,776 grant from the State Homeland Security Grant Program administered by the San Bernardino County Office of Emergency Services. The grant is funded by the Federal Department of Homeland Security. The funds will be utilized to purchase terrorism and weapons of mass destruction (WMD's) response equipment and supplies in conjunction with an appropriate level of training costs funding for national security. There are no matching funds required for this grant.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Capital Projects Funds

Assessment District 82-1 Fund - Established to account for the receipt and disbursement of funds used in the construction of streets, storm drainage and utility improvements within the project area. Financing was provided by the sale of bonds under the Refunding Act of 1984 for 1915 Improvement Act Bonds.

Assessment District 84-1 Fund - Established to account for the receipt and disbursement of funds used in the construction and installation of public capital drainage facilities, together with appurtenant work and incidental expenses, to serve and provide drainage protection to property located within Assessment District No. 84-1 (Day Creek Drainage System). Financing was provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

Assessment District 86-2 Fund - Established to account for the receipt and disbursement of funds used in construction and acquisition of drainage improvements together with appurtenances and appurtenant work, acquisition of real property, if necessary, and incidental expenses within the Assessment District No. 86-2. Financing was provided by the sale of limited obligation bonds under the Improvement Bond Act of 1915.

Community Facilities District 2000-01 South Etiwanda Fund – Established to account for the receipt and disbursement of funds used in the acquisition and construction of facilities consisting primarily of storm drain, sewer, water, landscaping, park facilities and improvements. Financing was provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

Community Facilities District 2000-02 Rancho Cucamonga Corporate Park Fund - Established to account for the receipt and disbursement of funds used in the acquisition and construction of facilities consisting primarily of improvements to Milliken Avenue, Arrow Route, and Foothill Boulevard, and water and sewer improvements to be acquired and operated by Cucamonga County Water District. Financing was provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

Community Facilities District 2000-03 Rancho Summit Fund – Established to account for monies deposited by developers for initial consulting and administrative costs and expenses related to a proposed public financing district.

Community Facilities District 2001-01 Fund - This CFD was established to fund the necessary infrastructure (streets, storm drains, sewer, water, landscaping, and traffic signals) integral to the proposed mall located at Foothill Blvd. and the I-15 Freeway. The improvements are located south of Base Line Rd., primarily north of Foothill Blvd., primarily east of Day Creek Channel, and west of Etiwanda Ave. Financing was provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

Community Facilities 2003-01 Project Fund – This CFD was established to fund the necessary infrastructure (streets, storm drains, sewer, water, landscaping, and traffic signals) integral to the proposed mall located at Foothill Blvd. and the I-15 Freeway. The improvements are generally bordered on the north by Church Street, on the east by Interstate 15, on the south by Arrow Route and on the west by a Southern California Edison easement from Arrow Route north to Foothill Boulevard and by Day Creek Boulevard from Foothill Boulevard north to Church Street. Financing will be provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

CITY OF RANCHO CUCAMONGA
Non-Major Governmental Funds
Capital Projects Funds
(Continued)

Public Library Bond Act 2000 Fund – This grant is from funds made available by the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2000 for the construction of the Victoria Gardens Library.

Community Facilities District 2004-01 Rancho Etiwanda Fund – Established to account for monies deposited by developers for initial consulting and administrative costs and expenses related to the proposed public financing district. Financing was provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

Community Facilities District 2003-01 Cultural Center Fund - Established to account for the portion of the costs associated with the development of the City's Cultural Arts Center that is being funded by Community Facilities District (CFD) 2003-01. Financing for the CFD will be provided by the sale of bonds under the Mello-Roos Community Facilities Act of 1982.

Community Facilities District 2006-01 Vintner's Grove Fund - Established to account for monies deposited by developers for initial consulting and administrative costs and expenses related to a proposed public financing district.

Community Facilities District 2006-02 Amador on Route 66 Fund - Established to account for monies deposited by developers for initial consulting and administrative costs and expenses related to a proposed public financing district.

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	Gas Tax	Recreation	Park Development	Beautification
Assets:				
Cash and investments	\$ 3,644,215	\$ 2,215,102	\$ 11,869,132	\$ 1,094,361
Receivables:				
Accounts	524,649	15,308	-	-
Taxes	-	-	-	-
Accrued interest	2,005	1,165	7,045	635
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	40,854	-	-
Deposits	-	10,262	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 4,170,869	\$ 2,282,691	\$ 11,876,177	\$ 1,094,996
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 95,612	\$ 378,139	\$ 30	\$ 69,399
Accrued liabilities	33,363	87,102	2,486	820
Deferred revenues	-	-	-	-
Unearned revenues	-	56,058	-	93,407
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	300,000	-
Total Liabilities	128,975	521,299	302,516	163,626
Fund Balances:				
Nonspendable:				
Prepaid costs	-	40,854	-	-
Land held for resale	-	-	-	-
Deposits	-	10,262	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	11,573,661	-
Parks and recreation	-	1,710,276	-	-
Engineering and public works	4,041,894	-	-	931,370
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	4,041,894	1,761,392	11,573,661	931,370
Total Liabilities and Fund Balances	\$ 4,170,869	\$ 2,282,691	\$ 11,876,177	\$ 1,094,996

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	Lighting Districts	Landscape Maintenance Districts	Transportation	Pedestrian Grant
Assets:				
Cash and investments	\$ 6,363,222	\$ 12,643,886	\$ 18,370,124	\$ 132,411
Receivables:				
Accounts	-	-	-	-
Taxes	19,474	98,906	-	-
Accrued interest	3,856	7,632	10,724	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 6,386,552	\$ 12,750,424	\$ 18,380,848	\$ 132,411
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 155,572	\$ 540,881	\$ 240,251	\$ 131,550
Accrued liabilities	6,152	69,471	5,998	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	87,462	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	249,186	610,352	246,249	131,550
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	18,134,599	861
Capital improvement projects	-	-	-	-
Street lighting	6,137,366	-	-	-
Landscape maintenance	-	12,140,072	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	6,137,366	12,140,072	18,134,599	861
Total Liabilities and Fund Balances	\$ 6,386,552	\$ 12,750,424	\$ 18,380,848	\$ 132,411

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	Community Development Block Grant	Assessment Administration	San Sevaine/ Etiwanda Drainage	SB 140
Assets:				
Cash and investments	\$ 123	\$ 1,139,316	\$ 1,090,102	\$ 36,923
Receivables:				
Accounts	-	38	-	-
Taxes	-	-	-	-
Accrued interest	-	690	646	-
Deferred loans	646,000	-	-	-
Grants	517,780	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	1,076,211	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,240,114	\$ 1,140,044	\$ 1,090,748	\$ 36,923
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 27,225	\$ 15,527	\$ -	\$ -
Accrued liabilities	8,936	16,171	-	-
Deferred revenues	372,791	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	646,000	-	-	-
Due to other funds	483,685	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	1,538,637	31,698	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	1,076,211	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	1,108,346	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	36,923
Capital improvement projects	-	-	1,090,748	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	(374,734)	-	-	-
Total Fund Balances	701,477	1,108,346	1,090,748	36,923
Total Liabilities and Fund Balances	\$ 2,240,114	\$ 1,140,044	\$ 1,090,748	\$ 36,923

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	Air Quality Improvement	South Etiwanda Drainage	Lower Etiwanda Drainage	Masi Commerce Center
Assets:				
Cash and investments	\$ 675,919	\$ 344,049	\$ 517,465	\$ 9,426
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	392	204	307	970
Deferred loans	-	-	-	-
Grants	43,390	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	290,258
Total Assets	\$ 719,701	\$ 344,253	\$ 517,772	\$ 300,654
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 38,394	\$ -	\$ 27,150	\$ -
Accrued liabilities	870	-	-	-
Deferred revenues	43,390	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	82,654	-	27,150	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	637,047	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	344,253	490,622	-
Capital improvement projects	-	-	-	300,654
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	637,047	344,253	490,622	300,654
Total Liabilities and Fund Balances	\$ 719,701	\$ 344,253	\$ 517,772	\$ 300,654

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	<u>Measure I</u>	<u>Library Services</u>	<u>California Literacy Program</u>	<u>Asset Forfeiture</u>
Assets:				
Cash and investments	\$ 5,105,608	\$ 5,587,560	\$ -	\$ 576,398
Receivables:				
Accounts	128,967	25,000	-	-
Taxes	-	1,433,253	-	-
Accrued interest	2,935	3,486	-	96
Deferred loans	-	-	-	-
Grants	-	-	6,245	7,521
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 5,237,510	\$ 7,049,299	\$ 6,245	\$ 584,015
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 470,683	\$ 70,116	\$ 417	\$ 10,672
Accrued liabilities	4,314	64,684	3,125	-
Deferred revenues	-	-	6,245	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	2,704	-
Advances from other funds	-	-	-	-
Total Liabilities	474,997	134,800	12,491	10,672
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	573,343
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	4,762,513	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	6,914,499	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	(6,246)	-
Total Fund Balances	4,762,513	6,914,499	(6,246)	573,343
Total Liabilities and Fund Balances	\$ 5,237,510	\$ 7,049,299	\$ 6,245	\$ 584,015

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

Special Revenue Funds

	Used Oil Recycling Grant	Department of Transportation Grant - ARRA	COPS Program Grant	Drainage Facilities
Assets:				
Cash and investments	\$ 42,330	\$ -	\$ 110,011	\$ 4,884,974
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	-	2,899
Deferred loans	-	-	-	-
Grants	-	-	86,421	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 42,330	\$ -	\$ 196,432	\$ 4,887,873
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 64,426
Accrued liabilities	-	-	-	2,064
Deferred revenues	-	-	-	-
Unearned revenues	42,225	-	-	5,102
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	42,225	-	-	71,592
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	196,432	-
Community development projects	105	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	4,816,281
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	105	-	196,432	4,816,281
Total Liabilities and Fund Balances	\$ 42,330	\$ -	\$ 196,432	\$ 4,887,873

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	CA State Library	Library Services & Technologies Act	Litter Reduction Grant	Energy Efficient & Conservation Block Grant
Assets:				
Cash and investments	\$ 87,688	\$ 23,835	\$ 7,037	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	-	-
Deferred loans	-	-	-	80,378
Grants	-	-	-	39,998
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 87,688	\$ 23,835	\$ 7,037	\$ 120,376
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 26,466	\$ 154	\$ -	\$ 9,674
Accrued liabilities	763	-	-	1,354
Deferred revenues	-	-	-	28,858
Unearned revenues	18,408	-	6,993	-
Due to other governments	-	-	-	80,378
Due to other funds	-	-	-	28,971
Advances from other funds	-	-	-	-
Total Liabilities	45,637	154	6,993	149,235
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	44	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	42,051	23,681	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	(28,859)
Total Fund Balances	42,051	23,681	44	(28,859)
Total Liabilities and Fund Balances	\$ 87,688	\$ 23,835	\$ 7,037	\$ 120,376

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	Senior Outreach Grant	Underground Utilities	Safe Routes to School Program	Foothill Blvd. Maintenance
Assets:				
Cash and investments	\$ -	\$ 10,143,213	\$ -	\$ 94,425
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	654	-	-
Deferred loans	-	-	-	-
Grants	2,400	-	322	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,400	\$ 10,143,867	\$ 322	\$ 94,425
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 309	\$ 3,367
Accrued liabilities	-	-	-	617
Deferred revenues	1,195	-	322	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	2,400	-	12	-
Advances from other funds	-	-	-	-
Total Liabilities	3,595	-	643	3,984
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	90,441
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	10,143,867	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	(1,195)	-	(321)	-
Total Fund Balances	(1,195)	10,143,867	(321)	90,441
Total Liabilities and Fund Balances	\$ 2,400	\$ 10,143,867	\$ 322	\$ 94,425

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	Citywide Infrastructure Improvement	COPS Secure our School Grant	The Big Read Library Grant	Drink, Drive, Lose Grant
Assets:				
Cash and investments	\$ 5,796,307	\$ -	\$ 15,372	\$ 15,448
Receivables:				
Accounts	10,800,643	-	-	-
Taxes	-	-	-	-
Accrued interest	4,313	-	-	-
Deferred loans	-	-	-	-
Grants	-	18,505	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 16,601,263	\$ 18,505	\$ 15,372	\$ 15,448
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 15,947	\$ -	\$ -
Accrued liabilities	-	175	-	-
Deferred revenues	10,689,604	9,049	-	-
Unearned revenues	-	-	5,275	13,574
Due to other governments	-	-	-	-
Due to other funds	-	2,384	-	-
Advances from other funds	-	-	-	-
Total Liabilities	10,689,604	27,555	5,275	13,574
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	1,874
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	10,097	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	5,911,659	-	-	-
Unassigned	-	(9,050)	-	-
Total Fund Balances	5,911,659	(9,050)	10,097	1,874
Total Liabilities and Fund Balances	\$ 16,601,263	\$ 18,505	\$ 15,372	\$ 15,448

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	Department of Homeland Security Grant	Public Resource Grants	Proposition 1B	Henderson/ Wardman Drainage
Assets:				
Cash and investments	\$ -	\$ 122,268	\$ 249,187	\$ 813,194
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	245	-
Deferred loans	-	-	-	-
Grants	2,454	-	944	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,454	\$ 122,268	\$ 250,376	\$ 813,194
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 13,038	\$ 19,343	\$ -
Accrued liabilities	-	1,180	-	-
Deferred revenues	2,454	-	944	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	2,454	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	4,908	14,218	20,287	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	108,050	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	230,089	813,194
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	(2,454)	-	-	-
Total Fund Balances	(2,454)	108,050	230,089	813,194
Total Liabilities and Fund Balances	\$ 2,454	\$ 122,268	\$ 250,376	\$ 813,194

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	Integrated Waste Management	Federal Grant Fund - Dreier	Proposition 42 - Traffic Congestion Relief	Justice Assistance Grant
Assets:				
Cash and investments	\$ 3,781,916	\$ 13,631	\$ 2,308,468	\$ 208,326
Receivables:				
Accounts	-	-	-	-
Taxes	229,543	-	-	-
Accrued interest	2,272	-	1,472	82
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 4,013,731	\$ 13,631	\$ 2,309,940	\$ 208,408
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 159,212	\$ 13,545	\$ 298,653	\$ -
Accrued liabilities	19,400	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	201,864
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	178,612	13,545	298,653	201,864
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	6,544
Community development projects	-	-	-	-
Parks and recreation	-	86	-	-
Engineering and public works	3,835,119	-	2,011,287	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3,835,119	86	2,011,287	6,544
Total Liabilities and Fund Balances	\$ 4,013,731	\$ 13,631	\$ 2,309,940	\$ 208,408

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Special Revenue Funds			Capital Projects Funds
	OTS 2005 State Seatbelt Grant	Senior Transportation Service	Homeland Security Grant 2005	Assessment District 82-1
Assets:				
Cash and investments	\$ -	\$ 64	\$ -	\$ 12,500
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	-	7
Deferred loans	-	-	-	-
Grants	5,952	-	74,941	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 5,952	\$ 64	\$ 74,941	\$ 12,507
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 3,132	\$ -
Accrued liabilities	-	-	1,613	-
Deferred revenues	5,952	-	74,941	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	5,952	-	70,196	-
Advances from other funds	-	-	-	-
Total Liabilities	11,904	-	149,882	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	64	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	12,507
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	(5,952)	-	(74,941)	-
Total Fund Balances	(5,952)	64	(74,941)	12,507
Total Liabilities and Fund Balances	\$ 5,952	\$ 64	\$ 74,941	\$ 12,507

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	<u>Capital Projects Funds</u>			
	<u>Assessment District 84-1</u>	<u>Assessment District 86-2</u>	<u>CFD 2000-01 South Etiwanda</u>	<u>CFD 2000-02 Rancho Cucamonga Corporate Park</u>
Assets:				
Cash and investments	\$ 1,066,695	\$ -	\$ 63	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	633	-	-	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	91,955	581,391
Total Assets	\$ 1,067,328	\$ -	\$ 92,018	\$ 581,391
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	41,128	-	-
Advances from other funds	-	-	-	-
Total Liabilities	-	41,128	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	1,067,328	-	92,018	581,391
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	(41,128)	-	-
Total Fund Balances	1,067,328	(41,128)	92,018	581,391
Total Liabilities and Fund Balances	\$ 1,067,328	\$ -	\$ 92,018	\$ 581,391

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Capital Projects Funds			
	CFD 2000-03 Rancho Summit	CFD 2001-01	CFD 2003-01 Project Fund	Public Library Bond Act - 2000
Assets:				
Cash and investments	\$ 19,208	\$ 470,465	\$ 5,616	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	279	-	-
Deferred loans	-	-	-	-
Grants	-	-	-	850,189
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	244,994
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	143,859	18,132	169,281	-
Total Assets	\$ 163,067	\$ 488,876	\$ 174,897	\$ 1,095,183
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 26,019	\$ 6,128
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	850,189
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	1,011,475
Advances from other funds	-	2,560,408	1,393,216	-
Total Liabilities	-	2,560,408	1,419,235	1,867,792
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	163,067	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	(2,071,532)	(1,244,338)	(772,609)
Total Fund Balances	163,067	(2,071,532)	(1,244,338)	(772,609)
Total Liabilities and Fund Balances	\$ 163,067	\$ 488,876	\$ 174,897	\$ 1,095,183

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Capital Projects Funds			
	CFD 2004-01 Rancho Etiwanda	CFD 2003-01 Cultural Center	CFD 2006-01 Vintner's Grove	CFD 2006-02 Amador on Route 66
Assets:				
Cash and investments	\$ 4,866	\$ 1,253	\$ 1,817	\$ 5,782
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	3	-	1	3
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	983,154	184,621	606,624	1,963
Total Assets	\$ 988,023	\$ 185,874	\$ 608,442	\$ 7,748
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 6,760	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	-	6,760	-	-
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	-
Land held for resale	-	-	-	-
Deposits	-	-	-	-
Restricted for:				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	988,023	179,114	608,442	7,748
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	988,023	179,114	608,442	7,748
Total Liabilities and Fund Balances	\$ 988,023	\$ 185,874	\$ 608,442	\$ 7,748

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Total Nonmajor Governmental Funds
Assets:	
Cash and investments	\$ 101,721,301
Receivables:	
Accounts	11,494,605
Taxes	1,781,176
Accrued interest	55,651
Deferred loans	726,378
Grants	1,657,062
Prepaid costs	40,854
Deposits	10,262
Due from other funds	244,994
Land held for resale	1,076,211
Restricted assets:	
Cash and investments with fiscal agents	3,071,238
Total Assets	\$ 121,879,732
Liabilities and Fund Balances:	
Liabilities:	
Accounts payable	\$ 2,937,791
Accrued liabilities	330,658
Deferred revenues	12,085,934
Unearned revenues	442,906
Due to other governments	726,378
Due to other funds	1,738,823
Advances from other funds	4,253,624
Total Liabilities	22,516,114
Fund Balances:	
Nonspendable:	
Prepaid costs	40,854
Land held for resale	1,076,211
Deposits	10,262
Restricted for:	
Public safety - police	778,193
Community development projects	13,427,253
Parks and recreation	1,710,426
Engineering and public works	40,539,446
Capital improvement projects	5,091,040
Street lighting	6,137,366
Landscape maintenance	12,140,072
Library services	6,990,328
Underground utilities	10,143,867
Committed to:	
Capital Projects	5,911,659
Unassigned	(4,633,359)
Total Fund Balances	99,363,618
Total Liabilities and Fund Balances	\$ 121,879,732

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Recreation</u>	<u>Park Development</u>	<u>Beautification</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,417,010	-	-	-
Charges for services	-	2,767,449	-	-
Use of money and property	34,191	866,535	147,821	13,585
Contributions	-	388,243	-	-
Developer participation	-	-	132,973	86,872
Miscellaneous	5,762	129,541	-	-
Total Revenues	4,456,963	4,151,768	280,794	100,457
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	202,803	-
Community services	-	4,169,872	-	-
Engineering and public works	2,467,699	-	-	108,845
Capital outlay	-	-	18,552	266,254
Debt service:				
Principal retirement	19,290	-	-	-
Interest and fiscal charges	1,186	-	-	-
Total Expenditures	2,488,175	4,169,872	221,355	375,099
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,968,788	(18,104)	59,439	(274,642)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,968,788	(18,104)	59,439	(274,642)
Fund Balances, Beginning of Year	2,073,106	1,779,496	11,514,222	1,206,012
Fund Balances, End of Year	\$ 4,041,894	\$ 1,761,392	\$ 11,573,661	\$ 931,370

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

(Continued)

	Special Revenue Funds			
	Lighting Districts	Landscape Maintenance Districts	Transportation	Pedestrian Grant
Revenues:				
Taxes	\$ 2,088,967	\$ 10,333,584	\$ -	\$ -
Intergovernmental	-	-	-	1,411,393
Charges for services	-	-	-	-
Use of money and property	70,581	155,918	220,534	861
Contributions	-	-	-	-
Developer participation	2,892	-	1,465,557	-
Miscellaneous	-	1,598	-	5,628
Total Revenues	2,162,440	10,491,100	1,686,091	1,417,882
Expenditures:				
Current:				
General government	2,448,396	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	9,318,854	-	(5,628)
Community services	-	-	-	-
Engineering and public works	-	-	1,778,771	-
Capital outlay	18,182	97,801	851,320	5,628
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,466,578	9,416,655	2,630,091	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(304,138)	1,074,445	(944,000)	1,417,882
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(304,138)	1,074,445	(944,000)	1,417,882
Fund Balances, Beginning of Year	6,441,504	11,065,627	19,078,599	(1,417,021)
Fund Balances, End of Year	\$ 6,137,366	\$ 12,140,072	\$ 18,134,599	\$ 861

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Special Revenue Funds</u>			
	<u>Community Development Block Grant</u>	<u>Assessment Administration</u>	<u>San Sevaine/ Etiwanda Drainage</u>	<u>SB 140</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,110,098	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	13,905	14,318	(277)
Contributions	-	-	-	-
Developer participation	-	-	43,793	-
Miscellaneous	-	853,393	-	-
Total Revenues	3,110,098	867,298	58,111	(277)
Expenditures:				
Current:				
General government	-	892,311	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	1,740,898	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	183,961	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,924,859	892,311	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,185,239	(25,013)	58,111	(277)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	1,185,239	(25,013)	58,111	(277)
Fund Balances, Beginning of Year	(483,762)	1,133,359	1,032,637	37,200
Fund Balances, End of Year	\$ 701,477	\$ 1,108,346	\$ 1,090,748	\$ 36,923

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	<u>Special Revenue Funds</u>			
	<u>Air Quality Improvement</u>	<u>South Etiwanda Drainage</u>	<u>Lower Etiwanda Drainage</u>	<u>Masi Commerce Center</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	153,513	-	-	-
Charges for services	-	-	-	-
Use of money and property	7,219	3,850	6,552	168
Contributions	-	-	-	-
Developer participation	-	181,500	-	-
Miscellaneous	-	-	-	1,500
Total Revenues	160,732	185,350	6,552	1,668
Expenditures:				
Current:				
General government	61,815	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	27,150	-
Capital outlay	156,237	-	32,275	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	218,052	-	59,425	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(57,320)	185,350	(52,873)	1,668
Other Financing Sources (Uses):				
Transfers in	24,731	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	24,731	-	-	-
Net Change in Fund Balances	(32,589)	185,350	(52,873)	1,668
Fund Balances, Beginning of Year	669,636	158,903	543,495	298,986
Fund Balances, End of Year	\$ 637,047	\$ 344,253	\$ 490,622	\$ 300,654

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	Special Revenue Funds			
	Measure I	Library Services	California Literacy Program	Asset Forfeiture
Revenues:				
Taxes	\$ -	\$ 3,276,565	\$ -	\$ -
Intergovernmental	2,286,614	1,386	29,880	74,839
Charges for services	-	413,836	-	-
Use of money and property	57,761	55,842	-	(2,645)
Contributions	-	216,194	15,000	-
Developer participation	-	-	-	-
Miscellaneous	-	44,441	-	-
Total Revenues	2,344,375	4,008,264	44,880	72,194
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	162,640
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	3,569,810	100,326	-
Engineering and public works	1,211,506	-	-	-
Capital outlay	545,780	-	-	11,375
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,757,286	3,569,810	100,326	174,015
Excess (Deficiency) of Revenues Over (Under) Expenditures	587,089	438,454	(55,446)	(101,821)
Other Financing Sources (Uses):				
Transfers in	-	-	58,060	-
Transfers out	-	(58,060)	-	-
Total Other Financing Sources (Uses)	-	(58,060)	58,060	-
Net Change in Fund Balances	587,089	380,394	2,614	(101,821)
Fund Balances, Beginning of Year	4,175,424	6,534,105	(8,860)	675,164
Fund Balances, End of Year	\$ 4,762,513	\$ 6,914,499	\$ (6,246)	\$ 573,343

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	Used Oil Recycling Grant	Department of Transportation Grant - ARRA	COPS Program Grant	Drainage Facilities
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	35,025	100,000	175,210	-
Charges for services	-	-	-	-
Use of money and property	268	-	45	57,782
Contributions	-	-	-	-
Developer participation	-	-	-	319,764
Miscellaneous	-	-	-	233
Total Revenues	35,293	100,000	175,255	377,779
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	111,670	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	26,063	-	-	358,071
Capital outlay	-	100,000	-	703,272
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	26,063	100,000	111,670	1,061,343
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,230	-	63,585	(683,564)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	9,230	-	63,585	(683,564)
Fund Balances, Beginning of Year	(9,125)	-	132,847	5,499,845
Fund Balances, End of Year	\$ 105	\$ -	\$ 196,432	\$ 4,816,281

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	Special Revenue Funds			
	CA State Library	Library Services & Technologies Act	Litter Reduction Grant	Energy Efficient & Conservation Block Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	197,899	94,050	16,703	211,020
Charges for services	-	-	-	-
Use of money and property	496	(208)	16	-
Contributions	41,500	13,500	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	239,895	107,342	16,719	211,020
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	100,206
Community services	160,656	105,201	-	-
Engineering and public works	-	-	16,675	-
Capital outlay	37,188	-	-	76,101
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	197,844	105,201	16,675	176,307
Excess (Deficiency) of Revenues Over (Under) Expenditures	42,051	2,141	44	34,713
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	42,051	2,141	44	34,713
Fund Balances, Beginning of Year	-	21,540	-	(63,572)
Fund Balances, End of Year	\$ 42,051	\$ 23,681	\$ 44	\$ (28,859)

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	<u>Special Revenue Funds</u>			
	<u>Senior Outreach Grant</u>	<u>Underground Utilities</u>	<u>Safe Routes to School Program</u>	<u>Foothill Blvd. Maintenance</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,320	-	-	-
Charges for services	-	201,206	-	-
Use of money and property	-	167,548	-	(1,629)
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	6,320	368,754	-	(1,629)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	7,515	-	-	-
Engineering and public works	-	325,950	309	68,995
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	7,515	325,950	309	68,995
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,195)	42,804	(309)	(70,624)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(1,195)	42,804	(309)	(70,624)
Fund Balances, Beginning of Year	-	10,101,063	(12)	161,065
Fund Balances, End of Year	\$ (1,195)	\$ 10,143,867	\$ (321)	\$ 90,441

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Special Revenue Funds</u>			
	<u>Citywide Infrastructure Improvement</u>	<u>COPS Secure our School Grant</u>	<u>The Big Read Library Grant</u>	<u>Drink, Drive, Lose Grant</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,200,357	14,328	-	-
Charges for services	-	-	-	-
Use of money and property	104,265	-	(33)	(116)
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	714	-
Total Revenues	3,304,622	14,328	681	(116)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	30,966	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	15,789	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	46,755	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,304,622	(32,427)	681	(116)
Other Financing Sources (Uses):				
Transfers in	-	23,377	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	23,377	-	-
Net Change in Fund Balances	3,304,622	(9,050)	681	(116)
Fund Balances, Beginning of Year	2,607,037	-	9,416	1,990
Fund Balances, End of Year	\$ 5,911,659	\$ (9,050)	\$ 10,097	\$ 1,874

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

(Continued)

	Special Revenue Funds			
	Department of Homeland Security Grant	Public Resource Grants	Proposition 1B	Henderson/ Wardman Drainage
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	45,471	-	200,111	-
Charges for services	-	-	-	-
Use of money and property	-	10	3,717	(6,096)
Contributions	-	165,150	-	-
Developer participation	-	-	-	-
Miscellaneous	-	545	-	-
Total Revenues	45,471	165,705	203,828	(6,096)
Expenditures:				
Current:				
General government	-	109,817	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	28,733	-	-	-
Community development	-	-	201,056	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	28,733	109,817	201,056	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	16,738	55,888	2,772	(6,096)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	16,738	55,888	2,772	(6,096)
Fund Balances, Beginning of Year	(19,192)	52,162	227,317	819,290
Fund Balances, End of Year	\$ (2,454)	\$ 108,050	\$ 230,089	\$ 813,194

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Special Revenue Funds</u>			
	<u>Integrated Waste Management</u>	<u>Federal Grant Fund - Dreier</u>	<u>Proposition 42 - Traffic Congestion Relief</u>	<u>Justice Assistance Grant</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	13,690
Charges for services	1,011,563	-	-	-
Use of money and property	46,818	(102)	35,450	1,752
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	1,058,381	(102)	35,450	15,442
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	11,346
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	935,306	-	509,284	-
Capital outlay	151,083	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,086,389	-	509,284	11,346
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,008)	(102)	(473,834)	4,096
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(28,008)	(102)	(473,834)	4,096
Fund Balances, Beginning of Year	3,863,127	188	2,485,121	2,448
Fund Balances, End of Year	\$ 3,835,119	\$ 86	\$ 2,011,287	\$ 6,544

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	Special Revenue Funds			Capital Projects Funds
	OTS 2005 State Seatbelt Grant	Senior Transportation Service	Homeland Security Grant 2005	Assessment District 82-1
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	(342)	-	159
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	(342)	-	159
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	5,952	-	21,332	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	6,218	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	28,199	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	5,952	6,218	49,531	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,952)	(6,560)	(49,531)	159
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(5,952)	(6,560)	(49,531)	159
Fund Balances, Beginning of Year	-	6,624	(25,410)	12,348
Fund Balances, End of Year	\$ (5,952)	\$ 64	\$ (74,941)	\$ 12,507

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Capital Projects Funds</u>			
	<u>Assessment District 84-1</u>	<u>Assessment District 86-2</u>	<u>CFD 2000-01 South Etiwanda</u>	<u>CFD 2000-02 Rancho Cucamonga Corporate Park</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	13,606	-	9	58
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	13,606	-	9	58
Expenditures:				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,606	-	9	58
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	13,606	-	9	58
Fund Balances, Beginning of Year	1,053,722	(41,128)	92,009	581,333
Fund Balances, End of Year	\$ 1,067,328	\$ (41,128)	\$ 92,018	\$ 581,391

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	<u>Capital Projects Funds</u>			
	<u>CFD 2000-03 Rancho Summit</u>	<u>CFD 2001-01</u>	<u>CFD 2003-01 Project Fund</u>	<u>Public Library Bond Act - 2000</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	647,853
Charges for services	-	-	-	-
Use of money and property	(126)	6,002	(22)	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	(126)	6,002	(22)	647,853
Expenditures:				
Current:				
General government	8	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	8	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(134)	6,002	(22)	647,853
Other Financing Sources (Uses):				
Transfers in	-	-	-	77,580
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	77,580
Net Change in Fund Balances	(134)	6,002	(22)	725,433
Fund Balances, Beginning of Year	163,201	(2,077,534)	(1,244,316)	(1,498,042)
Fund Balances, End of Year	\$ 163,067	\$ (2,071,532)	\$ (1,244,338)	\$ (772,609)

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	Capital Projects Funds			
	CFD 2004-01 Rancho Etiwanda	CFD 2003-01 Cultural Center	CFD 2006-01 Vintner's Grove	CFD 2006-02 Amador on Route 66
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	168	32	88	73
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	168	32	88	73
Expenditures:				
Current:				
General government	105,741	-	362,695	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	6,974	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	105,741	6,974	362,695	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,573)	(6,942)	(362,607)	73
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(105,573)	(6,942)	(362,607)	73
Fund Balances, Beginning of Year	1,093,596	186,056	971,049	7,675
Fund Balances, End of Year	\$ 988,023	\$ 179,114	\$ 608,442	\$ 7,748

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	Total Nonmajor Governmental Funds
Revenues:	
Taxes	\$ 15,699,116
Intergovernmental	16,442,770
Charges for services	4,394,054
Use of money and property	2,096,407
Contributions	839,587
Developer participation	2,233,351
Miscellaneous	1,043,355
	<hr/>
Total Revenues	42,748,640
	<hr/>
Expenditures:	
Current:	
General government	3,980,783
Public safety - police	343,906
Public safety - fire protection	28,733
Community development	11,558,189
Community services	8,119,598
Engineering and public works	7,834,624
Capital outlay	3,305,971
Debt service:	
Principal retirement	19,290
Interest and fiscal charges	1,186
	<hr/>
Total Expenditures	35,192,280
	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,556,360
	<hr/>
Other Financing Sources (Uses):	
Transfers in	183,748
Transfers out	(58,060)
	<hr/>
Total Other Financing Sources (Uses)	125,688
	<hr/>
Net Change in Fund Balances	7,682,048
	<hr/>
Fund Balances, Beginning of Year	91,681,570
	<hr/>
Fund Balances, End of Year	\$ 99,363,618
	<hr/> <hr/>

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
GAS TAX
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,073,106	\$ 2,073,106	\$ 2,073,106	\$ -
Resources (Inflows):				
Intergovernmental	2,739,700	4,644,730	4,417,010	(227,720)
Use of money and property	16,520	23,780	34,191	10,411
Miscellaneous	-	-	5,762	5,762
Amounts Available for Appropriation	4,829,326	6,741,616	6,530,069	(211,547)
Charges to Appropriation (Outflow):				
Engineering and public works	2,369,090	2,652,530	2,577,821	74,709
Debt service:				
Principal retirement	19,290	19,290	19,290	-
Interest and fiscal charges	1,190	1,190	1,186	4
Total Charges to Appropriations	2,389,570	2,673,010	2,598,297	74,713
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 2,439,756	\$ 4,068,606	3,931,772	\$ (136,834)
Encumbrances			110,122	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 4,041,894	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
RECREATION
YEAR ENDED JUNE 30, 2011

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 1,779,496	\$ 1,779,496	\$ 1,779,496	\$ -
Resources (Inflows):				
Charges for services	2,873,770	2,836,090	2,767,449	(68,641)
Use of money and property	837,120	883,690	866,535	(17,155)
Contributions	398,060	437,060	388,243	(48,817)
Miscellaneous	136,170	124,400	129,541	5,141
Amounts Available for Appropriation	<u>6,024,616</u>	<u>6,060,736</u>	<u>5,931,264</u>	<u>(129,472)</u>
Charges to Appropriation (Outflow):				
Parks and recreation	4,728,810	4,682,110	4,181,270	500,840
Total Charges to Appropriations	<u>4,728,810</u>	<u>4,682,110</u>	<u>4,181,270</u>	<u>500,840</u>
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$ 1,295,806</u>	<u>\$ 1,378,626</u>	1,749,994	<u>\$ 371,368</u>
Encumbrances			11,398	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$ 1,761,392</u>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 PARK DEVELOPMENT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,514,222	\$ 11,514,222	\$ 11,514,222	\$ -
Resources (Inflows):				
Use of money and property	203,260	202,520	147,821	(54,699)
Developer participation	89,000	91,890	132,973	41,083
Amounts Available for Appropriation	11,806,482	11,808,632	11,795,016	(13,616)
Charges to Appropriation (Outflow):				
Community development	235,910	227,470	202,803	24,667
Capital outlay	561,800	539,600	541,915	(2,315)
Total Charges to Appropriations	797,710	767,070	744,718	22,352
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 11,008,772	\$ 11,041,562	11,050,298	\$ 8,736
Encumbrances			523,363	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 11,573,661	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
BEAUTIFICATION
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,206,012	\$ 1,206,012	\$ 1,206,012	\$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	-	(100,000)
Use of money and property	24,540	22,200	13,585	(8,615)
Developer participation	15,000	17,710	86,872	69,162
Amounts Available for Appropriation	1,345,552	1,345,922	1,306,469	(39,453)
Charges to Appropriation (Outflow):				
Engineering and public works	97,260	97,680	108,845	(11,165)
Capital outlay	817,940	388,430	302,872	85,558
Total Charges to Appropriations	915,200	486,110	411,717	74,393
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 430,352	\$ 859,812	894,752	\$ 34,940
Encumbrances			36,618	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 931,370	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 LIGHTING DISTRICTS
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,441,504	\$ 6,441,504	\$ 6,441,504	\$ -
Resources (Inflows):				
Taxes	1,897,890	1,969,160	2,088,967	119,807
Use of money and property	105,900	106,300	70,581	(35,719)
Developer participation	2,850	1,400	2,892	1,492
Amounts Available for Appropriation	8,448,144	8,518,364	8,603,944	85,580
Charges to Appropriation (Outflow):				
General government	2,595,390	2,586,840	2,448,396	138,444
Capital outlay	471,000	479,850	467,854	11,996
Total Charges to Appropriations	3,066,390	3,066,690	2,916,250	150,440
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 5,381,754	\$ 5,451,674	5,687,694	\$ 236,020
Encumbrances			449,672	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 6,137,366	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 LANDSCAPE MAINTENANCE DISTRICTS
 YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 11,065,627	\$ 11,065,627	\$ 11,065,627	\$ -
Resources (Inflows):				
Taxes	9,329,040	9,668,021	10,333,584	665,563
Use of money and property	179,690	181,730	155,918	(25,812)
Miscellaneous	1,290	1,290	1,598	308
Amounts Available for Appropriation	<u>20,575,647</u>	<u>20,916,668</u>	<u>21,556,727</u>	<u>640,059</u>
Charges to Appropriation (Outflow):				
Community development	10,373,760	9,689,930	9,396,429	293,501
Capital outlay	510,000	97,880	97,801	79
Total Charges to Appropriations	<u>10,883,760</u>	<u>9,787,810</u>	<u>9,494,230</u>	<u>293,580</u>
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$ 9,691,887</u>	<u>\$ 11,128,858</u>	12,062,497	<u>\$ 933,639</u>
Encumbrances			<u>77,575</u>	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$ 12,140,072</u>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 TRANSPORTATION
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 19,078,599	\$ 19,078,599	\$ 19,078,599	\$ -
Resources (Inflows):				
Use of money and property	295,680	320,030	220,534	(99,496)
Developer participation	1,093,460	444,230	1,465,557	1,021,327
Amounts Available for Appropriation	20,467,739	19,842,859	20,764,690	921,831
Charges to Appropriation (Outflow):				
Engineering and public works	1,264,000	1,432,800	1,779,297	(346,497)
Capital outlay	4,400,000	3,873,370	1,910,192	1,963,178
Total Charges to Appropriations	5,664,000	5,306,170	3,689,489	1,616,681
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 14,803,739	\$ 14,536,689	17,075,201	\$ 2,538,512
Encumbrances			1,059,398	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 18,134,599	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 PEDESTRIAN GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,417,021)	\$ (1,417,021)	\$ (1,417,021)	\$ -
Resources (Inflows):				
Intergovernmental	-	3,000	1,411,393	1,408,393
Use of money and property	-	-	861	861
Miscellaneous	-	-	5,628	5,628
Amounts Available for Appropriation	(1,417,021)	(1,414,021)	861	1,414,882
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$(1,417,021)</u>	<u>\$(1,414,021)</u>	861	<u>\$ 1,414,882</u>
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$ 861</u>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 COMMUNITY DEVELOPMENT BLOCK GRANT
 YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (483,762)	\$ (483,762)	\$ (483,762)	\$ -
Resources (Inflows):				
Intergovernmental	2,267,040	3,270,610	3,110,098	(160,512)
Miscellaneous	90,000	90,000	-	(90,000)
Amounts Available for Appropriation	1,873,278	2,876,848	2,626,336	(250,512)
Charges to Appropriation (Outflow):				
Community development	353,550	451,210	1,740,898	(1,289,688)
Capital outlay	2,003,490	2,909,400	242,883	2,666,517
Total Charges to Appropriations	2,357,040	3,360,610	1,983,781	1,376,829
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (483,762)	\$ (483,762)	642,555	\$ 1,126,317
Encumbrances			58,922	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 701,477	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
ASSESSMENT ADMINISTRATION
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,133,359	\$ 1,133,359	\$ 1,133,359	\$ -
Resources (Inflows):				
Use of money and property	16,840	18,720	13,905	(4,815)
Miscellaneous	899,210	899,210	853,393	(45,817)
Amounts Available for Appropriation	2,049,409	2,051,289	2,000,657	(50,632)
Charges to Appropriation (Outflow):				
General government	906,020	954,460	893,360	61,100
Total Charges to Appropriations	906,020	954,460	893,360	61,100
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 1,143,389	\$ 1,096,829	1,107,297	\$ 10,468
Encumbrances			1,049	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 1,108,346	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 SAN SEVAINE / ETIWANDA DRAINAGE
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,032,637	\$ 1,032,637	\$ 1,032,637	\$ -
Resources (Inflows):				
Use of money and property	14,880	18,310	14,318	(3,992)
Developer participation	-	40,000	43,793	3,793
Amounts Available for Appropriation	1,047,517	1,090,947	1,090,748	(199)
Charges to Appropriation (Outflow):				
Engineering and public works	495,000	-	-	-
Total Charges to Appropriations	495,000	-	-	-
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 552,517	\$ 1,090,947	1,090,748	\$ (199)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 1,090,748	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
AIR QUALITY IMPROVEMENT
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 669,636	\$ 669,636	\$ 669,636	\$ -
Resources (Inflows):				
Intergovernmental	203,320	203,320	153,513	(49,807)
Use of money and property	6,630	9,030	7,219	(1,811)
Transfers in	-	24,730	24,731	1
Amounts Available for Appropriation	879,586	906,716	855,099	(51,617)
Charges to Appropriation (Outflow):				
General government	81,220	67,790	63,315	4,475
Capital outlay	60,000	220,000	218,766	1,234
Total Charges to Appropriations	141,220	287,790	282,081	5,709
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 738,366	\$ 618,926	573,018	\$ (45,908)
Encumbrances			64,029	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 637,047	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 SOUTH DRAINAGE ETIWANDA
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 158,903	\$ 158,903	\$ 158,903	\$ -
Resources (Inflows):				
Use of money and property	1,680	2,740	3,850	1,110
Developer participation	-	-	181,500	181,500
Amounts Available for Appropriation	160,583	161,643	344,253	182,610
Charges to Appropriation (Outflow):				
Capital outlay	35,000	49,170	49,170	-
Total Charges to Appropriations	35,000	49,170	49,170	-
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 125,583	\$ 112,473	295,083	\$ 182,610
Encumbrances			49,170	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 344,253	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 LOWER ETIWANDA DRAINAGE
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 543,495	\$ 543,495	\$ 543,495	\$ -
Resources (Inflows):				
Use of money and property	12,240	9,370	6,552	(2,818)
Amounts Available for Appropriation	555,735	552,865	550,047	(2,818)
Charges to Appropriation (Outflow):				
Engineering and public works	-	27,150	27,150	-
Capital outlay	-	32,280	32,275	5
Total Charges to Appropriations	-	59,430	59,425	5
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 555,735	\$ 493,435	490,622	\$ (2,813)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 490,622	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 MASI COMMERCE CENTER
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 298,986	\$ 298,986	\$ 298,986	\$ -
Resources (Inflows):				
Use of money and property	340	150	168	18
Miscellaneous	-	-	1,500	1,500
Amounts Available for Appropriation	299,326	299,136	300,654	1,518
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 299,326	\$ 299,136	300,654	\$ 1,518
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 300,654	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 MEASURE I
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,175,424	\$ 4,175,424	\$ 4,175,424	\$ -
Resources (Inflows):				
Intergovernmental	1,981,250	2,145,120	2,286,614	141,494
Use of money and property	70,870	75,220	57,761	(17,459)
Amounts Available for Appropriation	6,227,544	6,395,764	6,519,799	124,035
Charges to Appropriation (Outflow):				
Engineering and public works	1,325,980	1,284,840	1,211,506	73,334
Capital outlay	1,659,000	1,167,090	628,054	539,036
Total Charges to Appropriations	2,984,980	2,451,930	1,839,560	612,370
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 3,242,564	\$ 3,943,834	4,680,239	\$ 736,405
Encumbrances			82,274	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 4,762,513	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 LIBRARY SERVICES
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,534,105	\$ 6,534,105	\$ 6,534,105	\$ -
Resources (Inflows):				
Taxes	3,275,880	3,186,660	3,276,565	89,905
Intergovernmental	-	-	1,386	1,386
Charges for services	293,300	322,530	413,836	91,306
Use of money and property	84,950	93,550	55,842	(37,708)
Contributions	162,000	167,000	216,194	49,194
Miscellaneous	70,000	70,000	44,441	(25,559)
Amounts Available for Appropriation	10,420,235	10,373,845	10,542,369	168,524
Charges to Appropriation (Outflow):				
Parks and recreation	3,990,690	4,084,510	3,573,025	511,485
Transfers out	58,060	58,060	58,060	-
Total Charges to Appropriations	4,048,750	4,142,570	3,631,085	511,485
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 6,371,485	\$ 6,231,275	6,911,284	\$ 680,009
Encumbrances			3,215	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 6,914,499	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CALIFORNIA LITERACY PROGRAM
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (8,860)	\$ (8,860)	\$ (8,860)	\$ -
Resources (Inflows):				
Intergovernmental	29,440	29,880	29,880	-
Contributions	15,000	15,000	15,000	-
Transfers in	58,060	58,060	58,060	-
Amounts Available for Appropriation	93,640	94,080	94,080	-
Charges to Appropriation (Outflow):				
Parks and recreation	102,500	103,480	100,390	3,090
Total Charges to Appropriations	102,500	103,480	100,390	3,090
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (8,860)	\$ (9,400)	(6,310)	\$ 3,090
Encumbrances			64	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (6,246)	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 ASSET FORFEITURE
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 675,164	\$ 675,164	\$ 675,164	\$ -
Resources (Inflows):				
Intergovernmental	-	60,670	74,839	14,169
Use of money and property	-	1,700	(2,645)	(4,345)
Amounts Available for Appropriation	675,164	737,534	747,358	9,824
Charges to Appropriation (Outflow):				
Public safety	-	152,890	162,640	(9,750)
Capital outlay	-	11,420	11,375	45
Total Charges to Appropriations	-	164,310	174,015	(9,705)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 675,164	\$ 573,224	573,343	\$ 119
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 573,343	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 USED OIL RECYCLING GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (9,125)	\$ (9,125)	\$ (9,125)	\$ -
Resources (Inflows):				
Intergovernmental	20,900	25,900	35,025	9,125
Use of money and property	-	-	268	268
Amounts Available for Appropriation	11,775	16,775	26,168	9,393
Charges to Appropriation (Outflow):				
Engineering and public works	20,900	25,900	26,063	(163)
Total Charges to Appropriations	20,900	25,900	26,063	(163)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (9,125)	\$ (9,125)	105	\$ 9,230
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 105	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 COPS PROGRAM GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 132,847	\$ 132,847	\$ 132,847	\$ -
Resources (Inflows):				
Intergovernmental	-	215,140	175,210	(39,930)
Use of money and property	-	-	45	45
Amounts Available for Appropriation	132,847	347,987	308,102	(39,885)
Charges to Appropriation (Outflow):				
Public safety	187,170	148,000	111,670	36,330
Total Charges to Appropriations	187,170	148,000	111,670	36,330
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (54,323)	\$ 199,987	196,432	\$ (3,555)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 196,432	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
DRAINAGE FACILITIES
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 5,499,845	\$ 5,499,845	\$ 5,499,845	\$ -
Resources (Inflows):				
Use of money and property	110,380	94,000	57,782	(36,218)
Developer participation	260,000	291,820	319,764	27,944
Miscellaneous	-	-	233	233
Amounts Available for Appropriation	5,870,225	5,885,665	5,877,624	(8,041)
Charges to Appropriation (Outflow):				
Engineering and public works	243,230	242,510	358,071	(115,561)
Capital outlay	40,000	1,111,480	783,353	328,127
Total Charges to Appropriations	283,230	1,353,990	1,141,424	212,566
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 5,586,995	\$ 4,531,675	4,736,200	\$ 204,525
Encumbrances			80,081	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 4,816,281	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CA STATE LIBRARY
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	-	347,440	197,899	(149,541)
Use of money and property	-	-	496	496
Contributions	-	41,500	41,500	-
Amounts Available for Appropriation	-	388,940	239,895	(149,045)
Charges to Appropriation (Outflow):				
Parks and recreation	-	303,220	214,492	88,728
Capital outlay	-	36,740	37,188	(448)
Total Charges to Appropriations	-	339,960	251,680	88,280
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ -	\$ 48,980	(11,785)	\$ (60,765)
Encumbrances			53,836	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 42,051	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
LIBRARY SERVICES & TECHNOLOGIES ACT
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 21,540	\$ 21,540	\$ 21,540	\$ -
Resources (Inflows):				
Intergovernmental	-	99,500	94,050	(5,450)
Use of money and property	-	-	(208)	(208)
Contributions	-	13,500	13,500	-
Amounts Available for Appropriation	21,540	134,540	128,882	(5,658)
Charges to Appropriation (Outflow):				
Parks and recreation	-	113,000	105,288	7,712
Total Charges to Appropriations	-	113,000	105,288	7,712
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 21,540	\$ 21,540	23,594	\$ 2,054
Encumbrances			87	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 23,681	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 LITTER REDUCTION GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	22,000	22,000	16,703	(5,297)
Use of money and property	-	-	16	16
Amounts Available for Appropriation	22,000	22,000	16,719	(5,281)
Charges to Appropriation (Outflow):				
Engineering and public works	22,000	22,000	16,675	5,325
Total Charges to Appropriations	22,000	22,000	16,675	5,325
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ -	\$ -	44	\$ 44
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 44	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 ENERGY EFFICIENT & CONSERVATION BLOCK GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (63,572)	\$ (63,572)	\$ (63,572)	\$ -
Resources (Inflows):				
Intergovernmental	1,144,530	1,226,900	211,020	(1,015,880)
Amounts Available for Appropriation	1,080,958	1,163,328	147,448	(1,015,880)
Charges to Appropriation (Outflow):				
Community development	-	22,970	100,206	(77,236)
Capital outlay	1,144,530	1,203,930	1,229,665	(25,735)
Total Charges to Appropriations	1,144,530	1,226,900	1,329,871	(102,971)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (63,572)	\$ (63,572)	(1,182,423)	\$ (1,118,851)
Encumbrances			1,153,564	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (28,859)	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 SENIOR OUTREACH GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	7,500	7,500	6,320	(1,180)
Amounts Available for Appropriation	7,500	7,500	6,320	(1,180)
Charges to Appropriation (Outflow):				
Parks and recreation	7,500	7,500	7,515	(15)
Total Charges to Appropriations	7,500	7,500	7,515	(15)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ -	\$ -	(1,195)	\$ (1,195)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (1,195)	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 UNDERGROUND UTILITIES
 YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,101,063	\$ 10,101,063	\$ 10,101,063	\$ -
Resources (Inflows):				
Charges for services	-	320,000	201,206	(118,794)
Use of money and property	-	159,230	167,548	8,318
Amounts Available for Appropriation	10,101,063	10,580,293	10,469,817	(110,476)
Charges to Appropriation (Outflow):				
Public works	1,305,780	375,410	325,950	49,460
Total Charges to Appropriations	1,305,780	375,410	325,950	49,460
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 8,795,283	\$ 10,204,883	10,143,867	\$ (61,016)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 10,143,867	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 SAFE ROUTES TO SCHOOL PROGRAM
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (12)	\$ (12)	\$ (12)	\$ -
Resources (Inflows):				
Intergovernmental	340,790	340,790	-	(340,790)
Amounts Available for Appropriation	340,778	340,778	(12)	(340,790)
Charges to Appropriation (Outflow):				
Public works	114,800	114,800	309	114,491
Capital outlay	225,990	225,990	-	225,990
Total Charges to Appropriations	340,790	340,790	309	340,481
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (12)	\$ (12)	(321)	\$ (309)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (321)	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 FOOTHILL BLVD. MAINTNENANCE
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 161,065	\$ 161,065	\$ 161,065	\$ -
Resources (Inflows):				
Use of money and property	-	-	(1,629)	(1,629)
Amounts Available for Appropriation	161,065	161,065	159,436	(1,629)
Charges to Appropriation (Outflow):				
Public works	72,910	72,900	68,995	3,905
Total Charges to Appropriations	72,910	72,900	68,995	3,905
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 88,155	\$ 88,165	90,441	\$ 2,276
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 90,441	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
CITYWIDE INFRASTRUCTURE IMPROVEMENT
YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 2,607,037	\$ 2,607,037	\$ 2,607,037	\$ -
Resources (Inflows):				
Intergovernmental	3,700,000	4,566,420	3,200,357	(1,366,063)
Use of money and property	-	65,680	104,265	38,585
Amounts Available for Appropriation	<u>6,307,037</u>	<u>7,239,137</u>	<u>5,911,659</u>	<u>(1,327,478)</u>
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$ 6,307,037</u>	<u>\$ 7,239,137</u>	<u>5,911,659</u>	<u>\$ (1,327,478)</u>
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$ 5,911,659</u>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
COPS SECURE OUR SCHOOL GRANT
YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	-	70,080	14,328	(55,752)
Transfers in	-	70,080	23,377	(46,703)
Amounts Available for Appropriation	-	140,160	37,705	(102,455)
Charges to Appropriation (Outflow):				
Public safety	-	120,150	34,760	85,390
Capital outlay	-	20,000	15,789	4,211
Total Charges to Appropriations	-	140,150	50,549	89,601
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ -	\$ 10	(12,844)	\$ (12,854)
Encumbrances			3,794	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (9,050)	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
THE BIG READ LIBRARY GRANT
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 9,416	\$ 9,416	\$ 9,416	\$ -
Resources (Inflows):				
Intergovernmental	20,000	20,000	-	(20,000)
Use of money and property	-	-	(33)	(33)
Miscellaneous	-	-	714	714
Amounts Available for Appropriation	29,416	29,416	10,097	(19,319)
Charges to Appropriation (Outflow):				
Parks and recreation	20,000	20,000	-	20,000
Total Charges to Appropriations	20,000	20,000	-	20,000
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 9,416	\$ 9,416	10,097	\$ 681
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 10,097	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 DEPARTMENT OF HOMELAND SECURITY GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (19,192)	\$ (19,192)	\$ (19,192)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	45,471	45,471
Amounts Available for Appropriation	(19,192)	(19,192)	26,279	45,471
Charges to Appropriation (Outflow):				
Other 1	-	29,380	28,733	647
Total Charges to Appropriations	-	29,380	28,733	647
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (19,192)	\$ (48,572)	(2,454)	\$ 46,118
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (2,454)	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
PUBLIC RESOURCE GRANTS
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 52,162	\$ 52,162	\$ 52,162	\$ -
Resources (Inflows):				
Use of money and property	-	-	10	10
Contributions	91,910	165,170	165,150	(20)
Miscellaneous	-	270	545	275
Amounts Available for Appropriation	144,072	217,602	217,867	265
Charges to Appropriation (Outflow):				
General government	123,700	131,550	117,743	13,807
Total Charges to Appropriations	123,700	131,550	117,743	13,807
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 20,372	\$ 86,052	100,124	\$ 14,072
Encumbrances			7,926	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 108,050	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 PROPOSITION 1B
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 227,317	\$ 227,317	\$ 227,317	\$ -
Resources (Inflows):				
Intergovernmental	-	-	200,111	200,111
Use of money and property	37,480	7,340	3,717	(3,623)
Amounts Available for Appropriation	264,797	234,657	431,145	196,488
Charges to Appropriation (Outflow):				
Community development	-	203,730	201,056	2,674
Total Charges to Appropriations	-	203,730	201,056	2,674
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 264,797	\$ 30,927	230,089	\$ 199,162
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 230,089	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 INTEGRATED WASTE MANAGEMENT
 YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,863,127	\$ 3,863,127	\$ 3,863,127	\$ -
Resources (Inflows):				
Charges for services	1,064,060	1,041,850	1,011,563	(30,287)
Use of money and property	38,550	60,880	46,818	(14,062)
Amounts Available for Appropriation	4,965,737	4,965,857	4,921,508	(44,349)
Charges to Appropriation (Outflow):				
Public works	1,029,190	1,068,800	937,460	131,340
Capital outlay	2,325,000	2,477,000	2,448,642	28,358
Total Charges to Appropriations	3,354,190	3,545,800	3,386,102	159,698
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 1,611,547	\$ 1,420,057	1,535,406	\$ 115,349
Encumbrances			2,299,713	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 3,835,119	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 PROPOSITION 42 - TRAFFIC CONGESTION MITIGATION
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,485,121	\$ 2,485,121	\$ 2,485,121	\$ -
Resources (Inflows):				
Use of money and property	27,490	42,440	35,450	(6,990)
Amounts Available for Appropriation	2,512,611	2,527,561	2,520,571	(6,990)
Charges to Appropriation (Outflow):				
Public works	509,284	509,284	509,284	-
Capital outlay	170,716	183,106	168,707	14,399
Total Charges to Appropriations	680,000	692,390	677,991	14,399
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 1,832,611	\$ 1,835,171	1,842,580	\$ 7,409
Encumbrances			168,707	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 2,011,287	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 JUSTICE ASSISTANCE GRANT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,448	\$ 2,448	\$ 2,448	\$ -
Resources (Inflows):				
Intergovernmental	-	40,000	13,690	(26,310)
Use of money and property	-	2,340	1,752	(588)
Amounts Available for Appropriation	2,448	44,788	17,890	(26,898)
Charges to Appropriation (Outflow):				
Public safety	-	52,160	11,346	40,814
Total Charges to Appropriations	-	52,160	11,346	40,814
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 2,448	\$ (7,372)	6,544	\$ 13,916
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 6,544	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 SENIOR TRANSPORTATION SERVICE
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,624	\$ 6,624	\$ 6,624	\$ -
Resources (Inflows):				
Use of money and property	-	-	(342)	(342)
Amounts Available for Appropriation	6,624	6,624	6,282	(342)
Charges to Appropriation (Outflow):				
Parks and recreation	-	6,220	6,218	2
Total Charges to Appropriations	-	6,220	6,218	2
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 6,624	\$ 404	64	\$ (340)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 64	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 HOMELAND SECURITY GRANT 2005
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (25,410)	\$ (25,410)	\$ (25,410)	\$ -
Intergovernmental	-	57,350	-	(57,350)
Amounts Available for Appropriation	(25,410)	31,940	(25,410)	(57,350)
Charges to Appropriation (Outflow):				
Public safety	-	29,660	21,332	8,328
Capital outlay	-	27,690	28,199	(509)
Total Charges to Appropriations	-	57,350	49,531	7,819
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ (25,410)	\$ (25,410)	(74,941)	\$ (49,531)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ (74,941)	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 ASSESSMENT DISTRICT 82-1
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 12,348	\$ 12,348	\$ 12,348	\$ -
Resources (Inflows):				
Use of money and property	210	210	159	(51)
Amounts Available for Appropriation	12,558	12,558	12,507	(51)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 12,558	\$ 12,558	12,507	\$ (51)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 12,507	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 ASSESSMENT DISTRICT 84-1
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,053,722	\$ 1,053,722	\$ 1,053,722	\$ -
Resources (Inflows):				
Use of money and property	18,460	18,170	13,606	(4,564)
Amounts Available for Appropriation	1,072,182	1,071,892	1,067,328	(4,564)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 1,072,182	\$ 1,071,892	1,067,328	\$ (4,564)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 1,067,328	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2000-01 SOUTH ETIWANDA
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 92,009	\$ 92,009	\$ 92,009	\$ -
Resources (Inflows):				
Use of money and property	20	10	9	(1)
Amounts Available for Appropriation	92,029	92,019	92,018	(1)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 92,029	\$ 92,019	92,018	\$ (1)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 92,018	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2000-02 RANCHO CUCAMONGA CORPORATE PARK
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 581,333	\$ 581,333	\$ 581,333	\$ -
Resources (Inflows):				
Use of money and property	140	60	58	(2)
Amounts Available for Appropriation	581,473	581,393	581,391	(2)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 581,473	\$ 581,393	581,391	\$ (2)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 581,391	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2000-03 RANCHO SUMMIT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 163,201	\$ 163,201	\$ 163,201	\$ -
Resources (Inflows):				
Use of money and property	1,460	1,190	(126)	(1,316)
Amounts Available for Appropriation	164,661	164,391	163,075	(1,316)
Charges to Appropriation (Outflow):				
General government	-	-	8	(8)
Total Charges to Appropriations	-	-	8	(8)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 164,661	\$ 164,391	163,067	\$ (1,324)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 163,067	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2001-01
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (2,077,534)	\$ (2,077,534)	\$(2,077,534)	\$ -
Resources (Inflows):				
Use of money and property	8,150	8,020	6,002	(2,018)
Amounts Available for Appropriation	(2,069,384)	(2,069,514)	(2,071,532)	(2,018)
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$(2,069,384)</u>	<u>\$(2,069,514)</u>	(2,071,532)	<u>\$(2,018)</u>
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$(2,071,532)</u>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2003-01 PROJECT FUND
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,244,316)	\$ (1,244,316)	\$(1,244,316)	\$ -
Resources (Inflows):				
Use of money and property	110	100	(22)	(122)
Amounts Available for Appropriation	(1,244,206)	(1,244,216)	(1,244,338)	(122)
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$ (1,244,206)</u>	<u>\$ (1,244,216)</u>	(1,244,338)	<u>\$ (122)</u>
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$ (1,244,338)</u>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 PUBLIC LIBRARY BOND ACT - 2000
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,498,042)	\$ (1,498,042)	\$(1,498,042)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	647,853	647,853
Transfers in	-	77,580	77,580	-
Amounts Available for Appropriation	(1,498,042)	(1,420,462)	(772,609)	647,853
Budgetary Fund Balance, June 30 (Budgetary Basis)	<u>\$(1,498,042)</u>	<u>\$(1,420,462)</u>	(772,609)	<u>\$ 647,853</u>
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			<u>\$(772,609)</u>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2004-01 RANCHO ETIWANDA
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,093,596	\$ 1,093,596	\$ 1,093,596	\$ -
Resources (Inflows):				
Use of money and property	390	200	168	(32)
Amounts Available for Appropriation	1,093,986	1,093,796	1,093,764	(32)
Charges to Appropriation (Outflow):				
General government	1,058,470	100,740	105,741	(5,001)
Total Charges to Appropriations	1,058,470	100,740	105,741	(5,001)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 35,516	\$ 993,056	988,023	\$ (5,033)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 988,023	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2003-01 CULTURAL CENTER
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 186,056	\$ 186,056	\$ 186,056	\$ -
Resources (Inflows):				
Use of money and property	150	130	32	(98)
Amounts Available for Appropriation	186,206	186,186	186,088	(98)
Charges to Appropriation (Outflow):				
Capital outlay	175,000	175,000	6,974	168,026
Total Charges to Appropriations	175,000	175,000	6,974	168,026
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 11,206	\$ 11,186	179,114	\$ 167,928
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 179,114	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2006-01 VINTNER'S GROVE
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 971,049	\$ 971,049	\$ 971,049	\$ -
Resources (Inflows):				
Use of money and property	860	330	88	(242)
Amounts Available for Appropriation	971,909	971,379	971,137	(242)
Charges to Appropriation (Outflow):				
General government	800,060	362,700	362,695	5
Total Charges to Appropriations	800,060	362,700	362,695	5
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 171,849	\$ 608,679	608,442	\$ (237)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 608,442	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
 CFD 2006-02 AMADOR ON ROUTE 66
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 7,675	\$ 7,675	\$ 7,675	\$ -
Resources (Inflows):				
Use of money and property	340	220	73	(147)
Amounts Available for Appropriation	8,015	7,895	7,748	(147)
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 8,015	\$ 7,895	7,748	\$ (147)
Encumbrances			-	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 7,748	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
REDEVELOPMENT AGENCY - CAPITAL PROJECT FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 289,816,959	\$ 289,816,959	\$ 289,816,959	\$ -
Resources (Inflows):				
Taxes	19,020,930	19,020,930	17,560,825	(1,460,105)
Intergovernmental	-	-	79,597	79,597
Use of money and property	5,166,230	5,166,230	4,887,710	(278,520)
Miscellaneous	58,000	58,000	17,814	(40,186)
Transfers in	35,810	35,810	7,535,810	7,500,000
Amounts Available for Appropriation	314,097,929	314,097,929	319,898,715	5,800,786
Charges to Appropriation (Outflow):				
General government	4,592,020	4,796,180	3,870,850	925,330
Community development	3,856,000	5,640,840	830,366	4,810,474
Capital outlay	43,577,570	32,031,947	26,352,262	5,679,685
Debt service:				
Principal retirement	3,021,810	3,021,810	3,021,803	7
Interest and fiscal charges	9,194,120	9,194,120	16,015,576	(6,821,456)
Transfers out	-	77,580	77,580	-
Total Charges to Appropriations	64,241,520	54,762,477	50,168,437	4,594,040
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 249,856,409	\$ 259,335,452	269,730,278	\$ 10,394,826
Encumbrances			15,613,037	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 285,343,315	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)
REDEVELOPMENT AGENCY - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 142,263,354	\$ 142,263,354	\$ 142,263,354	\$ -
Resources (Inflows):				
Taxes	76,083,690	76,083,690	70,243,299	(5,840,391)
Use of money and property	2,458,140	2,458,140	565,180	(1,892,960)
Other debts issued	-	-	665,302	665,302
Amounts Available for Appropriation	220,805,184	220,805,184	213,737,135	(7,068,049)
Charges to Appropriation (Outflow):				
General government	32,662,920	28,682,529	26,636,796	2,045,733
Capital outlay	35,039,250	27,612,230	17,618,889	9,993,341
Debt service:				
Principal retirement	14,456,850	14,456,850	7,479,887	6,976,963
Interest and fiscal charges	12,566,960	12,567,440	12,632,271	(64,831)
Transfers out	9,475,219	9,475,689	9,468,060	7,629
Total Charges to Appropriations	104,201,199	92,794,738	73,835,903	18,958,835
Budgetary Fund Balance, June 30 (Budgetary Basis)	\$ 116,603,985	\$ 128,010,446	139,901,232	\$ 11,890,786
Encumbrances			8,788,572	
Budgetary Fund Balance, June 30 (GAAP Basis)			\$ 148,689,804	

CITY OF RANCHO CUCAMONGA
Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Equipment and Vehicle Replacement – Established to account for the accumulation of user charges to various City departments and the costs associated with replacing the City's vehicles.

Computer Equipment/Technology Replacement – Established to account for the accumulation of resources and the costs associated with replacing the City's data processing equipment and maintaining current technology.

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2011

	Equipment and Vehicle Replacement	Computer Equipment/ Technology Replacement	Total
Assets:			
Current:			
Cash and investments	\$ 8,141,357	\$ 2,349,131	\$ 10,490,488
Receivables:			
Accrued interest	4,850	1,401	6,251
Total Current Assets	8,146,207	2,350,532	10,496,739
Noncurrent:			
Capital assets - net of accumulated depreciation	3,361,458	896,306	4,257,764
Total Noncurrent Assets	3,361,458	896,306	4,257,764
Total Assets	\$ 11,507,665	\$ 3,246,838	\$ 14,754,503
Liabilities and Net Assets:			
Liabilities:			
Current:			
Accounts payable	\$ 95,929	\$ 31,930	\$ 127,859
Total Current Liabilities	95,929	31,930	127,859
Total Liabilities	95,929	31,930	127,859
Net Assets:			
Invested in capital assets, net of related debt	3,361,458	896,306	4,257,764
Unrestricted	8,050,278	2,318,602	10,368,880
Total Net Assets	11,411,736	3,214,908	14,626,644
Total Liabilities and Net Assets	\$ 11,507,665	\$ 3,246,838	\$ 14,754,503

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2011**

	Equipment and Vehicle Replacement	Computer Equipment/ Technology Replacement	Total
Operating Revenues:			
Sales and service charges	\$ -	\$ 590	\$ 590
Miscellaneous	10,216	-	10,216
Total Operating Revenues	10,216	590	10,806
Operating Expenses:			
Maintenance and operations	363,677	222,432	586,109
Depreciation	1,382,699	398,863	1,781,562
Total Operating Expenses	1,746,376	621,295	2,367,671
Operating Income (Loss)	(1,736,160)	(620,705)	(2,356,865)
Nonoperating Revenues (Expenses):			
Interest revenue	97,669	24,498	122,167
Gain (loss) on disposal of capital assets	(17,437)	-	(17,437)
Total Nonoperating Revenues (Expenses)	80,232	24,498	104,730
Income (Loss) Before Transfers	(1,655,928)	(596,207)	(2,252,135)
Transfers out	(24,731)	-	(24,731)
Changes in Net Assets	(1,680,659)	(596,207)	(2,276,866)
Net Assets:			
Beginning of Year	13,092,395	3,811,115	16,903,510
End of Fiscal Year	\$ 11,411,736	\$ 3,214,908	\$ 14,626,644

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2011

	Equipment and Vehicle Replacement	Computer Equipment/ Technology Replacement	Total
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 10,216	\$ 590	\$ 10,806
Cash paid to suppliers for goods and services	(356,848)	(422,210)	(779,058)
Net Cash Provided (Used) by Operating Activities	(346,632)	(421,620)	(768,252)
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	(24,731)	-	(24,731)
Net Cash Provided (Used) by Non-Capital Financing Activities	(24,731)	-	(24,731)
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(741,573)	(395,344)	(1,136,917)
Net Cash Provided (Used) by Capital and Related Financing Activities	(741,573)	(395,344)	(1,136,917)
Cash Flows from Investing Activities:			
Interest received	102,416	26,401	128,817
Net Cash Provided (Used) by Investing Activities	102,416	26,401	128,817
Net Increase (Decrease) in Cash and Cash Equivalents	(1,010,520)	(790,563)	(1,801,083)
Cash and Cash Equivalents at Beginning of Year	9,151,877	3,139,694	12,291,571
Cash and Cash Equivalents at End of Year	\$ 8,141,357	\$ 2,349,131	\$ 10,490,488
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (1,736,160)	\$ (620,705)	\$ (2,356,865)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	1,382,699	398,863	1,781,562
Increase (decrease) in accounts payable	6,829	(199,778)	(192,949)
Total Adjustments	1,389,528	199,085	1,588,613
Net Cash Provided (Used) by Operating Activities	\$ (346,632)	\$ (421,620)	\$ (768,252)

Non-Cash Investing, Capital, and Financing Activities:

During fiscal year 2010-2011, there was no noncash investing, capital or financing activities.

CITY OF RANCHO CUCAMONGA
Agency Funds

Agency funds are used to account for assets held by the City as trustee or agent for individuals, private organizations, or other governmental units, and/or other funds.

Special Deposits Fund - Established to account for all deposits held by the City in its fiduciary capacity.

Assessment District 82-1 Fund - Established to account for assessments received under the Refunding Act of 1984 for 1915 Improvement Act Bonds. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation proper coupons.

Community Facilities District 84-1 Fund - This fund is used for the CFD 84-1 bond redemption process. The Bond Redemption fund is a short-term rotation fund, generally used to consolidate the collections received from the property owners upon payment of their annual assessments at the time of payment of their tax bills, along with contributions from the Redevelopment Agency. Furthermore, the monies in this fund are used to meet the annual principal and semiannual interest payments on the bonds.

Assessment District 84-2 Fund - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Assessment District 85-PD Fund - Established to account for assessments received under the Refunding Act of 1984 for 1915 Improvement Act Bonds and Landscape/Lighting Act of 1972. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District 88-2 Fund - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Assessment District 91-2 Fund - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District 93-3 Fund - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Assessment District 99-1 Fund - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District 2000-01 South Etiwanda Fund – Established to account for assessments received under the Mello-Roos Community Facilities Act of 1982. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District 2000-02 Rancho Cucamonga Corporate Park Fund – Established to account for assessments received under the Mello-Roos Community Facilities Act of 1982. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

CITY OF RANCHO CUCAMONGA

Agency Funds (Continued)

Assessment District No. 93-1 Masi Commerce Center Fund - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District No. 2001-01 Special Tax Bonds, Series 2001-A Fund - Established to account for assessments received under the Mello-Roos Community Facilities Act of 1982. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District No. 2001-01 Special Tax Bonds, Series 2001-B Fund - Established to account for assessments received under the Mello-Roos Community Facilities Act of 1982. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District 2003-01 Series A Fund - This fund is used for the Community Facilities District 2003-01 bond redemption process. The Bond Redemption fund is a short-term rotating fund, generally used to consolidate the collections received from the payments of the property owners upon payment of their annual assessments at the time of payment of their tax bills. Furthermore, the monies in this fund are used to meet the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2003-01 Series B Fund - This fund is used for the Community Facilities District 2003-01 bond redemption process. The Bond Redemption fund is a short-term rotating fund, generally used to consolidate the collections received from the payments of the property owners upon payment of their annual assessments at the time of payment of their tax bills. Furthermore, the monies in this fund are used to meet the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2000-03 Rancho Summit Redemption Fund - Established to account for assessments received under the Mello-Roos Community Facilities Act of 1982. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

Community Facilities District 2000-03 Rancho Summit Reserve Fund - Established to account for the reserve fund held by the trustee.

Community Facilities District 2004-01 Fund - This fund is used for the Community Facilities District 2004-01 bond redemption process. The Bond Redemption fund is a short-term rotating fund, generally used to consolidate the collections received from the payments of the property owners upon payment of their annual assessments at the time of payment of their tax bills. Furthermore, the monies in this fund are used to meet the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2000-03 Park Maintenance Fund - This fund is used for the maintenance of parks and parkways located within the Community Facilities District No. 2000-03. The District is located south of Summit Avenue on the east and west sides of Wardman Bullock Road.

Community Facilities District 2006-01 Redemption Fund - This fund was established to account for monies deposited by developers for initial consulting and administrative costs and expenses related to a proposed public financing district.

Community Facilities District 2006-02 Redemption Fund - This fund was established to account for monies deposited by developers for initial consulting and administrative costs and expenses related to a proposed public financing district.

Employee Deduction Account Fund - Established to account for the contribution by City employees towards specific employee-paid benefits.

Assessment District No. 82-2 - Established to account for assessments received under the Improvement Bond Act of 1915. Assessments received are restricted for payment of principal, interest and penalties thereon, upon presentation of proper coupons.

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CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

	<u>Special Deposits</u>	<u>Assessment District 82-1</u>	<u>CFD 84-1</u>	<u>Assessment District 84-2</u>
Assets:				
Cash and investments	\$ 7,469,062	\$ 46	\$ -	\$ 46
Receivables:				
Accounts	1,500	-	-	-
Taxes	34,431	-	-	-
Interest	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 7,504,993</u>	<u>\$ 46</u>	<u>\$ -</u>	<u>\$ 46</u>
Liabilities:				
Accounts payable	\$ 6,629	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits payable	7,498,364	-	-	-
Payable to trustee	-	46	-	46
Due to external parties/other agencies	-	-	-	-
Total Liabilities	<u>\$ 7,504,993</u>	<u>\$ 46</u>	<u>\$ -</u>	<u>\$ 46</u>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

(Continued)

	<u>Assessment District 85-PD</u>	<u>CFD 88-2</u>	<u>Assessment District 91-2</u>	<u>CFD 93-3</u>
Assets:				
Cash and investments	\$ 1,834,117	\$ 4,813,429	\$ 169,630	\$ 472,020
Receivables:				
Accounts	-	-	-	-
Taxes	10,479	6,078	729	-
Interest	1,113	1,910	98	280
Restricted assets:				
Cash and investments with fiscal agents	-	164,867	-	267,481
Total Assets	<u>\$ 1,845,709</u>	<u>\$ 4,986,284</u>	<u>\$ 170,457</u>	<u>\$ 739,781</u>
Liabilities:				
Accounts payable	\$ 37,316	\$ -	\$ -	\$ -
Accrued liabilities	21,033	-	853	-
Deposits payable	-	-	-	-
Payable to trustee	1,787,360	4,986,284	169,604	739,781
Due to external parties/other agencies	-	-	-	-
Total Liabilities	<u>\$ 1,845,709</u>	<u>\$ 4,986,284</u>	<u>\$ 170,457</u>	<u>\$ 739,781</u>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

	<u>Assessment District 99-1</u>	<u>CFD 2000-01 South Etiwanda</u>	<u>CFD 2000-02 Rancho Cucamonga Corporate Park</u>	<u>AD 93-1 Masi Commerce Center</u>
Assets:				
Cash and investments	\$ 703,158	\$ 326,043	\$ 483,824	\$ 461,625
Receivables:				
Accounts	-	-	-	-
Taxes	-	988	296	-
Interest	418	194	288	274
Restricted assets:				
Cash and investments with fiscal agents	1,750,775	111,425	680,348	242,510
Total Assets	<u>\$ 2,454,351</u>	<u>\$ 438,650</u>	<u>\$ 1,164,756</u>	<u>\$ 704,409</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Payable to trustee	2,454,351	438,650	1,164,756	704,409
Due to external parties/other agencies	-	-	-	-
Total Liabilities	<u>\$ 2,454,351</u>	<u>\$ 438,650</u>	<u>\$ 1,164,756</u>	<u>\$ 704,409</u>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

(Continued)

	<u>CFD 2001-01 Series A</u>	<u>CFD 2001-01 Series B</u>	<u>CFD 2003-01 Series A</u>	<u>CFD 2003-01 Series B</u>
Assets:				
Cash and investments	\$ 1,951,259	\$ 46,192	\$ 1,065,453	\$ 163,787
Receivables:				
Accounts	-	-	-	-
Taxes	13,706	-	627	-
Interest	2	-	633	97
Restricted assets:				
Cash and investments with fiscal agents	3,217,220	110,884	1,464,561	292,939
Total Assets	<u>\$ 5,182,187</u>	<u>\$ 157,076</u>	<u>\$ 2,531,274</u>	<u>\$ 456,823</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Payable to trustee	5,182,187	157,076	2,531,274	456,823
Due to external parties/other agencies	-	-	-	-
Total Liabilities	<u>\$ 5,182,187</u>	<u>\$ 157,076</u>	<u>\$ 2,531,274</u>	<u>\$ 456,823</u>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

	CFD 2000-03 Rancho Summit Redemption	CFD 2000-03 Rancho Summit Reserve	CFD 2004-01	CFD 2000-03 Park Maintenance
Assets:				
Cash and investments	\$ 926,936	\$ -	\$ 2,481,656	\$ 859,458
Receivables:				
Accounts	-	-	-	-
Taxes	8,582	-	13,441	3,783
Interest	550	-	1,417	517
Restricted assets:				
Cash and investments with fiscal agents	51,219	666,762	2,856,627	-
Total Assets	\$ 987,287	\$ 666,762	\$ 5,353,141	\$ 863,758
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 2,551	\$ 5,891
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Payable to trustee	987,287	666,762	5,350,590	857,867
Due to external parties/other agencies	-	-	-	-
Total Liabilities	\$ 987,287	\$ 666,762	\$ 5,353,141	\$ 863,758

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

(Continued)

	<u>CFD 2006-01 Redemption</u>	<u>CFD 2006-02 Redemption</u>	<u>Employee Deduction Account</u>	<u>Assessment District 82-2</u>
Assets:				
Cash and investments	\$ 449,999	\$ 234,197	\$ 60,121	\$ 5
Receivables:				
Accounts	-	-	-	-
Taxes	1,844	-	-	-
Interest	267	139	-	-
Restricted assets:				
Cash and investments with fiscal agents	379,650	197,782	-	-
Total Assets	<u>\$ 831,760</u>	<u>\$ 432,118</u>	<u>\$ 60,121</u>	<u>\$ 5</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	129	-
Deposits payable	-	-	-	-
Payable to trustee	831,760	432,118	-	5
Due to external parties/other agencies	-	-	59,992	-
Total Liabilities	<u>\$ 831,760</u>	<u>\$ 432,118</u>	<u>\$ 60,121</u>	<u>\$ 5</u>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET
ALL AGENCY FUNDS
JUNE 30, 2011

	<u>Totals</u>
Assets:	
Cash and investments	\$ 24,972,063
Receivables:	
Accounts	1,500
Taxes	94,984
Interest	8,197
Restricted assets:	
Cash and investments with fiscal agents	<u>12,455,050</u>
Total Assets	<u>\$ 37,531,794</u>
Liabilities:	
Accounts payable	\$ 52,387
Accrued liabilities	22,015
Deposits payable	7,498,364
Payable to trustee	29,899,036
Due to external parties/other agencies	<u>59,992</u>
Total Liabilities	<u>\$ 37,531,794</u>

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CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
<u>Assessment District 85-PD</u>				
Assets:				
Cash and investments	\$ 2,118,441	\$ 1,246,517	\$ 1,530,841	\$ 1,834,117
Receivables:				
Accounts	1,322	-	1,322	-
Taxes	14,114	10,479	14,114	10,479
Accrued interest	2,213	1,113	2,213	1,113
Total Assets	<u>\$ 2,136,090</u>	<u>\$ 1,258,109</u>	<u>\$ 1,548,490</u>	<u>\$ 1,845,709</u>
Liabilities:				
Accounts payable	\$ 61,775	\$ 434,456	\$ 458,915	\$ 37,316
Accrued liabilities	35,298	24,695	38,960	21,033
Payable to trustee	2,039,017	798,958	1,050,615	1,787,360
Total Liabilities	<u>\$ 2,136,090</u>	<u>\$ 1,258,109</u>	<u>\$ 1,548,490</u>	<u>\$ 1,845,709</u>
<u>CFD 88-2</u>				
Assets:				
Cash and investments	\$ 4,709,294	\$ 377,723	\$ 273,588	\$ 4,813,429
Receivables:				
Taxes	4,653	6,078	4,653	6,078
Accrued interest	3,257	1,904	3,251	1,910
Restricted assets:				
Cash and investments with fiscal agents	96,732	68,913	778	164,867
Total Assets	<u>\$ 4,813,936</u>	<u>\$ 454,618</u>	<u>\$ 282,270</u>	<u>\$ 4,986,284</u>
Liabilities:				
Payable to trustee	\$ 4,813,936	\$ 454,618	\$ 282,270	\$ 4,986,284
Total Liabilities	<u>\$ 4,813,936</u>	<u>\$ 454,618</u>	<u>\$ 282,270</u>	<u>\$ 4,986,284</u>
<u>Assessment District 91-2</u>				
Assets:				
Cash and investments	\$ 196,144	\$ 44,171	\$ 70,685	\$ 169,630
Receivables:				
Taxes	601	729	601	729
Accrued interest	208	98	208	98
Total Assets	<u>\$ 196,953</u>	<u>\$ 44,998</u>	<u>\$ 71,494</u>	<u>\$ 170,457</u>
Liabilities:				
Accrued liabilities	\$ 2,367	\$ 853	\$ 2,367	\$ 853
Payable to trustee	194,586	44,145	69,127	169,604
Total Liabilities	<u>\$ 196,953</u>	<u>\$ 44,998</u>	<u>\$ 71,494</u>	<u>\$ 170,457</u>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011

(Continued)

	<u>Balance 7/1/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2011</u>
<u>CFD 93-3</u>				
Assets:				
Cash and investments	\$ 382,554	\$ 432,255	\$ 342,789	\$ 472,020
Receivables:				
Accrued interest	400	280	400	280
Restricted assets:				
Cash and investments with fiscal agents	159,012	110,925	2,456	267,481
Total Assets	<u>\$ 541,966</u>	<u>\$ 543,460</u>	<u>\$ 345,645</u>	<u>\$ 739,781</u>
Liabilities:				
Payable to trustee	\$ 541,966	\$ 543,460	\$ 345,645	\$ 739,781
Total Liabilities	<u>\$ 541,966</u>	<u>\$ 543,460</u>	<u>\$ 345,645</u>	<u>\$ 739,781</u>
<u>Assessment District 99-1</u>				
Assets:				
Cash and investments	\$ 666,692	\$ 341,662	\$ 305,196	\$ 703,158
Receivables:				
Accrued interest	730	418	730	418
Restricted assets:				
Cash and investments with fiscal agents	2,077,685	39,254	366,164	1,750,775
Total Assets	<u>2,745,107</u>	<u>381,334</u>	<u>672,090</u>	<u>2,454,351</u>
Liabilities:				
Payable to trustee	\$ 2,745,107	\$ 381,334	\$ 672,090	\$ 2,454,351
Total Liabilities	<u>\$ 2,745,107</u>	<u>\$ 381,334</u>	<u>\$ 672,090</u>	<u>\$ 2,454,351</u>
<u>CFD 2000-01 South Etiwanda</u>				
Assets:				
Cash and investments	\$ 320,226	\$ 138,072	\$ 132,255	\$ 326,043
Receivables:				
Taxes	2,066	988	2,066	988
Accrued interest	335	194	335	194
Restricted assets:				
Cash and investments with fiscal agents	111,425	-	-	111,425
Total Assets	<u>\$ 434,052</u>	<u>\$ 139,254</u>	<u>\$ 134,656</u>	<u>\$ 438,650</u>
Liabilities:				
Payable to trustee	\$ 434,052	\$ 139,254	\$ 134,656	\$ 438,650
Total Liabilities	<u>\$ 434,052</u>	<u>\$ 139,254</u>	<u>\$ 134,656</u>	<u>\$ 438,650</u>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
<u>CFD 2000-02 Rancho Cucamonga Corporate Park</u>				
Assets:				
Cash and investments	\$ 497,588	\$ 577,984	\$ 591,748	\$ 483,824
Receivables:				
Taxes	-	296	-	296
Accrued interest	544	288	544	288
Restricted assets:				
Cash and investments with fiscal agents	680,348	-	-	680,348
Total Assets	\$ 1,178,480	\$ 578,568	\$ 592,292	\$ 1,164,756
Liabilities:				
Payable to trustee	\$ 1,178,480	\$ 578,568	\$ 592,292	\$ 1,164,756
Total Liabilities	\$ 1,178,480	\$ 578,568	\$ 592,292	\$ 1,164,756
<u>AD 93-1 Masi Commerce Center</u>				
Assets:				
Cash and investments	\$ 456,715	\$ 255,858	\$ 250,948	\$ 461,625
Receivables:				
Accrued interest	478	274	478	274
Restricted assets:				
Cash and investments with fiscal agents	242,510	-	-	242,510
Total Assets	\$ 699,703	\$ 256,132	\$ 251,426	\$ 704,409
Liabilities:				
Payable to trustee	\$ 699,703	\$ 256,132	\$ 251,426	\$ 704,409
Total Liabilities	\$ 699,703	\$ 256,132	\$ 251,426	\$ 704,409
<u>CFD 2001-01 Series A</u>				
Assets:				
Cash and investments	\$ 1,706,872	\$ 1,828,982	\$ 1,584,595	\$ 1,951,259
Receivables:				
Taxes	45,296	13,706	45,296	13,706
Accrued interest	3	2	3	2
Restricted assets:				
Cash and investments with fiscal agents	3,216,957	50,830	50,567	3,217,220
Total Assets	\$ 4,969,128	\$ 1,893,520	\$ 1,680,461	\$ 5,182,187
Liabilities:				
Payable to trustee	\$ 4,969,128	\$ 1,893,520	\$ 1,680,461	\$ 5,182,187
Total Liabilities	\$ 4,969,128	\$ 1,893,520	\$ 1,680,461	\$ 5,182,187

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
<u>CFD 2001-01 Series B</u>				
Assets:				
Cash and investments	\$ 66,621	\$ 77,699	\$ 98,128	\$ 46,192
Restricted assets:				
Cash and investments with fiscal agents	100,881	10,003	-	110,884
Total Assets	\$ 167,502	\$ 87,702	\$ 98,128	\$ 157,076
Liabilities:				
Payable to trustee	\$ 167,502	\$ 87,702	\$ 98,128	\$ 157,076
Total Liabilities	\$ 167,502	\$ 87,702	\$ 98,128	\$ 157,076
<u>CFD 2003-01 Series A</u>				
Assets:				
Cash and investments	\$ 1,048,007	\$ 1,079,803	\$ 1,062,357	\$ 1,065,453
Receivables:				
Taxes	800	627	800	627
Accrued interest	1,097	633	1,097	633
Restricted assets:				
Cash and investments with fiscal agents	1,464,561	-	-	1,464,561
Total Assets	\$ 2,514,465	\$ 1,081,063	\$ 1,064,254	\$ 2,531,274
Liabilities:				
Payable to trustee	\$ 2,514,465	\$ 1,081,063	\$ 1,064,254	\$ 2,531,274
Total Liabilities	\$ 2,514,465	\$ 1,081,063	\$ 1,064,254	\$ 2,531,274
<u>CFD 2003-01 Series B</u>				
Assets:				
Cash and investments	\$ 159,417	\$ 208,325	\$ 203,955	\$ 163,787
Receivables:				
Accrued interest	167	97	167	97
Restricted assets:				
Cash and investments with fiscal agents	292,902	37	-	292,939
Total Assets	\$ 452,486	\$ 208,459	\$ 204,122	\$ 456,823
Liabilities:				
Payable to trustee	\$ 452,486	\$ 208,459	\$ 204,122	\$ 456,823
Total Liabilities	\$ 452,486	\$ 208,459	\$ 204,122	\$ 456,823
<u>CFD 2000-03 Rancho Summit Redemption</u>				
Assets:				
Cash and investments	\$ 878,736	\$ 775,082	\$ 726,882	\$ 926,936
Receivables:				
Taxes	7,776	8,582	7,776	8,582
Accrued interest	919	550	919	550
Restricted assets:				
Cash and investments with fiscal agents	-	51,219	-	51,219
Total Assets	\$ 887,431	\$ 835,433	\$ 735,577	\$ 987,287
Liabilities:				
Payable to trustee	\$ 887,431	\$ 835,433	\$ 735,577	\$ 987,287
Total Liabilities	\$ 887,431	\$ 835,433	\$ 735,577	\$ 987,287

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011

	Balance 7/1/2010	Additions	Deductions	Balance 6/30/2011
<u>CFD 2000-03 Rancho Summit Reserve</u>				
Assets:				
Restricted assets:				
Cash and investments with fiscal agents	\$ 717,891	\$ 36	\$ 51,165	\$ 666,762
Total Assets	\$ 717,891	\$ 36	\$ 51,165	\$ 666,762
Liabilities:				
Payable to trustee	\$ 717,891	\$ 36	\$ 51,165	\$ 666,762
Total Liabilities	\$ 717,891	\$ 36	\$ 51,165	\$ 666,762
<u>CFD 2004-01</u>				
Assets:				
Cash and investments	\$ 2,613,241	\$ 4,229,403	\$ 4,360,988	\$ 2,481,656
Receivables:				
Taxes	39,087	13,441	39,087	13,441
Accrued interest	2,588	1,417	2,588	1,417
Restricted assets:				
Cash and investments with fiscal agents	2,982,821	16,954	143,148	2,856,627
Total Assets	\$ 5,637,737	\$ 4,261,215	\$ 4,545,811	\$ 5,353,141
Liabilities:				
Accounts payable	\$ 1,813	\$ 15,811	\$ 15,073	\$ 2,551
Payable to trustee	5,635,924	4,245,404	4,530,738	5,350,590
Total Liabilities	\$ 5,637,737	\$ 4,261,215	\$ 4,545,811	\$ 5,353,141
<u>CFD 2000-03 Park Maintenance</u>				
Assets:				
Cash and investments	\$ 830,856	\$ 819,630	\$ 791,028	\$ 859,458
Receivables:				
Taxes	3,643	3,783	3,643	3,783
Accrued interest	876	517	876	517
Total Assets	\$ 835,375	\$ 823,930	\$ 795,547	\$ 863,758
Liabilities:				
Accounts payable	\$ 5,720	\$ 81,639	\$ 81,468	\$ 5,891
Payable to trustee	829,655	742,291	714,079	857,867
Total Liabilities	\$ 835,375	\$ 823,930	\$ 795,547	\$ 863,758
<u>CFD 2006-01 Redemption</u>				
Assets:				
Cash and investments	\$ 392,741	\$ 466,076	\$ 408,818	\$ 449,999
Receivables:				
Taxes	11,215	1,844	11,215	1,844
Accrued interest	411	267	411	267
Restricted assets:				
Cash and investments with fiscal agents	381,212	1,563	3,125	379,650
Total Assets	\$ 785,579	\$ 469,750	\$ 423,569	\$ 831,760
Liabilities:				
Payable to trustee	\$ 785,579	\$ 469,750	\$ 423,569	\$ 831,760
Total Liabilities	\$ 785,579	\$ 469,750	\$ 423,569	\$ 831,760

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011

(Continued)

	<u>Balance 7/1/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2011</u>
<u>CFD 2006-02 Redemption</u>				
Assets:				
Cash and investments	\$ 204,958	\$ 254,553	\$ 225,314	\$ 234,197
Receivables:				
Taxes	3,877	-	3,877	-
Accrued interest	215	139	215	139
Restricted assets:				
Cash and investments with fiscal agents	197,782	-	-	197,782
Total Assets	<u>\$ 406,832</u>	<u>\$ 254,692</u>	<u>\$ 229,406</u>	<u>\$ 432,118</u>
Liabilities:				
Payable to trustee	\$ 406,832	\$ 254,692	\$ 229,406	\$ 432,118
Total Liabilities	<u>\$ 406,832</u>	<u>\$ 254,692</u>	<u>\$ 229,406</u>	<u>\$ 432,118</u>
<u>Employee Deduction Account</u>				
Assets:				
Cash and investments	\$ 22,609	\$ 352,544	\$ 315,032	\$ 60,121
Receivables:				
Accounts	3,051	-	3,051	-
Total Assets	<u>\$ 25,660</u>	<u>\$ 352,544</u>	<u>\$ 318,083</u>	<u>\$ 60,121</u>
Liabilities:				
Accounts payable	\$ 487	\$ 3,020	\$ 3,507	\$ -
Accrued liabilities	-	130,620	130,491	129
Due to external parties/outside agencies	25,173	59,992	25,173	59,992
Total Liabilities	<u>\$ 25,660</u>	<u>\$ 193,632</u>	<u>\$ 159,171</u>	<u>\$ 60,121</u>
<u>Assessment District 82-2</u>				
Assets:				
Cash and investments	\$ 5	\$ -	\$ -	\$ 5
Total Assets	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>
Liabilities:				
Payable to trustee	\$ 5	\$ -	\$ -	\$ 5
Total Liabilities	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011

	<u>Balance 7/1/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2011</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and investments	\$ 24,854,233	\$ 15,096,728	\$ 14,978,898	\$ 24,972,063
Receivables:				
Accounts	46,186	500	45,186	1,500
Taxes	170,524	94,984	170,524	94,984
Accrued interest	14,441	8,191	14,435	8,197
Restricted assets:				
Cash and investments with fiscal agents	12,722,719	349,734	617,403	12,455,050
Total Assets	<u>\$ 37,808,103</u>	<u>\$ 15,550,137</u>	<u>\$ 15,826,446</u>	<u>\$ 37,531,794</u>
Liabilities:				
Accounts payable	\$ 71,721	\$ 1,485,857	\$ 1,505,191	\$ 52,387
Accrued liabilities	37,665	156,168	171,818	22,015
Deposits payable	7,619,360	674,388	795,384	7,498,364
Payable to trustee	30,013,838	13,014,820	13,129,622	29,899,036
Due to external parties/outside agencies	65,519	59,992	65,519	59,992
Total Liabilities	<u>\$ 37,808,103</u>	<u>\$ 15,391,225</u>	<u>\$ 15,667,534</u>	<u>\$ 37,531,794</u>