

**City of Rancho Cucamonga**  
**Comprehensive Annual Financial Report**  
**June 30, 2012**

**Financial Section**

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CERTIFIED PUBLIC ACCOUNTANTS

- David E. Hale, CPA, CFP
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA
- Deborah A. Harper, CPA

*Brandon W. Burrows, CPA, Retired*

## INDEPENDENT AUDITORS' 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 ("City"), as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City'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 the 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 opinion.

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 as of June 30, 2012, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Citywide Infrastructure Improvement Fund and the Fire District 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 – "Successor Agency Trust for Assets of Former Redevelopment Agency". The note provides information on the dissolution of the Redevelopment Agency and the new formed Successor Agency.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



To the Honorable Mayor and Members of 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 budgetary schedules, 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 and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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  
February 26, 2013

## **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, 2012. 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 ninth 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 17 through 19 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 24 and 28 of this report).

The City maintains 67 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 Citywide Infrastructure Improvement Special Revenue Fund, the Housing Special Revenue 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 61 governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 20 through 27 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 90 through 121 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 29 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 177 through 180 in this report.

The basic proprietary fund financial statements can be found on pages 32 through 34 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. Activities reported in this category include special deposits, assessment districts, and the Successor Agency of the Former Redevelopment Agency. As of February 1, 2012, the City elected to serve as the Successor Agency of its former Redevelopment Agency which was dissolved by state law (see Notes 15 and 16 to the financial statements). The Successor Agency activity is accounted for in a private purpose trust fund. In these cases, the City has a fiduciary responsibility and is acting as a *trustee*. The other activities reported in this category are accounted for in an agency fund. An agency fund is used to report resources held by the City in a *purely custodial* capacity. 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 35 of this report. Individual fund data for each agency funds is provided in the form of *combining statements* found on pages 184 through 196 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 37 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, 2012**

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$ 393,632	\$ 747,119	\$ 7,229	\$ 4,368	\$ 400,861	\$ 751,487
Capital assets, net	683,207	730,624	27,166	28,436	710,373	759,060
<b>TOTAL ASSETS</b>	<b>1,076,839</b>	<b>1,477,743</b>	<b>34,395</b>	<b>32,804</b>	<b>1,111,234</b>	<b>1,510,547</b>
Long-term liabilities						
outstanding	15,554	430,209	-	-	15,554	430,209
Other liabilities	12,232	22,055	905	918	13,137	22,973
<b>TOTAL LIABILITIES</b>	<b>27,786</b>	<b>452,264</b>	<b>905</b>	<b>918</b>	<b>28,691</b>	<b>453,182</b>
Net assets:						
Invested in capital assets, net of related debt	683,207	392,183	27,166	28,436	710,373	420,619
Restricted	283,890	551,039	19	19	283,909	551,058
Unrestricted	81,956	82,257	6,305	3,431	88,261	85,688
<b>TOTAL NET ASSETS</b>	<b>\$ 1,049,053</b>	<b>\$ 1,025,479</b>	<b>\$ 33,490</b>	<b>\$ 31,886</b>	<b>\$ 1,082,543</b>	<b>\$ 1,057,365</b>

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 include 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 64% represents net capital assets of the City, including infrastructure) exceeded total liabilities by \$1,082,543,163 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 \$24,414,613, or 2.3%, during the current fiscal year, reflecting positive changes in both governmental activities of \$22,810,381 and business-type activities of \$1,604,232. 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.) decreased by \$48,687,151, net of accumulated depreciation. The decrease in capital assets was primarily due to the transfer of the former Redevelopment Agency's capital assets to the Successor Agency Trust Fund in the amount of \$53,347,084. This transfer was offset with an increase in the City's capital assets due to the completion of various construction projects and infrastructure improvements to the City's trail, road and storm drain systems in the amount of \$22,149,939 offset by depreciation in the amount of \$17,490,006. 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.) decreased by \$350,626,459. This decrease was primarily due to the transfer of assets to the Successor Agency Trust Fund.
- Long-term debt outstanding (e.g., bonds, Agency loans, claims and judgments payable, and accrued employee benefits) decreased by \$414,654,493. This decrease was due to debt service payments during the year in the amount of \$9,884,677 and the transfer of the former Redevelopment Agency's outstanding debt to the Successor Agency Trust Fund in the amount of \$405,503,154. These decreases were offset by a reclassification of prior year advances payable to long-term debt due to the Successor Agency in the amount of \$3,953,624 combined with current year additional accrued interest for a developer loan in the amount of \$57,242, a net increase in claims and judgments payable in the amount of \$1,235,672, and a net decrease in accrued employee benefits in the amount of \$83,527.
- Other liabilities (e.g., accounts payable, accrued interest, due to other governments, etc.) decreased by \$9,836,880. The decrease in other liabilities was primarily due to the transfer of the former Redevelopment Agency's other liabilities such as accrued interest on debt service payments of \$6,688,357 that are now reported to the Successor Agency Trust Fund.

**TABLE 2**  
**CHANGES IN NET ASSETS**  
**(IN THOUSANDS)**  
Year ended June 30, 2012

	Governmental Activities		Business-Type Activity		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
<b>REVENUES:</b>						
Program Revenues:						
Charges for services	\$ 14,422	\$ 13,167	\$ 11,851	\$ 11,903	\$ 26,273	\$ 25,070
Operating grants and contributions	9,858	7,865	-	-	9,858	7,865
Capital grants and contributions	4,501	6,121	-	-	4,501	6,121
General Revenues:						
Taxes:						
Property taxes	112,749	143,094	-	-	112,749	143,094
Admissions taxes	11	-	70	7	81	7
Transient occupancy taxes	1,928	1,827	-	-	1,928	1,827
Sales taxes	25,548	22,751	-	-	25,548	22,751
Franchise taxes	5,813	5,643	-	-	5,813	5,643
Intergovernmental	88	813	-	-	88	813
Use of money and property	20,205	17,024	310	334	20,515	17,358
Other	4,752	5,094	11	9	4,763	5,103
<b>TOTAL REVENUES</b>	<b>199,875</b>	<b>223,399</b>	<b>12,242</b>	<b>12,253</b>	<b>212,117</b>	<b>235,652</b>
<b>EXPENSES:</b>						
General government	38,659	49,581	-	-	38,659	49,581
Public safety - police	28,117	28,035	-	-	28,117	28,035
Public safety - fire protection	33,196	24,550	-	-	33,196	24,550
Public safety - animal center	2,532	2,493	-	-	2,532	2,493
Community development	16,244	19,074	-	-	16,244	19,074
Community services	12,452	12,715	-	-	12,452	12,715
Engineering and public works	30,000	30,466	-	-	30,000	30,466
Interest on long-term debt	4,403	28,465	-	-	4,403	28,465
Sports Complex	-	-	2,357	2,253	2,357	2,253
Municipal Utility	-	-	8,447	11,388	8,447	11,388
<b>TOTAL EXPENSES</b>	<b>165,603</b>	<b>195,379</b>	<b>10,804</b>	<b>13,641</b>	<b>176,407</b>	<b>209,020</b>
<b>INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFERS AND EXTRAORDINARY GAIN/(LOSS) ON DISSOLUTION OF REDEVELOPMENT AGENCY</b>	<b>34,272</b>	<b>28,020</b>	<b>1,438</b>	<b>(1,388)</b>	<b>35,710</b>	<b>26,632</b>
<b>TRANSFERS</b>	<b>(166)</b>	<b>(23)</b>	<b>166</b>	<b>23</b>	<b>-</b>	<b>-</b>
<b>EXTRAORDINARY GAIN/(LOSS) ON DISSOLUTION OF REDEVELOPMENT AGENCY</b>	<b>(11,296)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11,296)</b>	<b>-</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>22,810</b>	<b>27,997</b>	<b>1,604</b>	<b>(1,365)</b>	<b>24,414</b>	<b>26,632</b>
<b>Change in Net Assets from Prior Year</b>	<b>\$ 22,810</b>	<b>\$ 27,997</b>	<b>\$ 1,604</b>	<b>\$ (1,365)</b>	<b>\$ 24,414</b>	<b>\$ 26,632</b>

The condensed statement of activities of the City's governmental and business-type operations for the period ended June 30, 2012 shows total net assets increased by \$24,414,613. Governmental activities increased the City of Rancho Cucamonga's net assets by \$22,810,381, accounting for almost 94% of the total growth in net assets, paired with an increase of \$1,604,232 in the Business-Type activities' net assets. Due to the dissolution of the former Redevelopment Agency, revenues and expenditures that used to be associated with the former Agency were accounted for in the Successor Agency effective February 1, 2012 and were no longer part of the City's financial statements.

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

- The decrease in property taxes in the amount of \$30,345,293 is primarily due to the dissolution of the former Redevelopment Agency; tax increment revenues that used to be accounted for in the former Redevelopment Agency are no longer part of the City's financial statements as of February 1, 2012.
- The increase in use of money and property in the amount of \$3,181,028 is a combination of a decrease in interest earnings due to the dissolution of the former Redevelopment Agency in the amount of \$2,680,000, a decrease in interest earnings and valuations as a continued result of the economic downturn which began in December 2008 in the amount of \$296,000, and an offsetting increase in interest earnings due to the recognition of deferred revenue from the Housing Fund's loans receivable in the amount \$5,988,950, primarily due to loans for the First Time Homebuyer Program which weren't recognized in the prior year's financial statements..
- Sales tax revenues increased this fiscal year by \$2,796,998, or 12.29%, from previous year to \$25,547,933. This is the second consecutive growth year since Fiscal Year 2005/06, before the recession began, and is a strong indicator of the improving local economy.

The most significant changes in expenses were in interest on long-term debt, extraordinary loss on dissolution of redevelopment agency, general government, public safety – fire protection, and community development.

- Interest on long-term debt decreased by \$24,062,241 from previous year due to the elimination of the former Redevelopment Agency debt service payments as a result of the dissolution.
- The City recognized an extraordinary loss in the amount of \$11,296,301 as a result of the dissolution of the former Redevelopment Agency. The assets and liabilities reported in the governmental activities as of January 31, 2012 were transferred to a fiduciary fund that accounts for activities of the Successor Agency. Among the transferred amounts, \$405,503,154 represented long-term debt of the former Rancho Cucamonga Redevelopment Agency which was netted against the assets of the former Agency in the amount of \$421,143,829. The transfer resulted in an extraordinary loss of \$11,296,301 on the government-wide statement of activities. For additional information on the dissolution of the Redevelopment Agency and the impact to the City's financial statements, see Notes 15 and 16 to the financial statements.
- General government expenses decreased by \$10,922,387 from the previous year due to the elimination of the former Redevelopment Agency activities as a result of the dissolution beginning February 1, 2012.
- Public safety - fire protection increased by \$8,645,728 from the previous year primarily due to the prepayment of the District's side fund liability with CalPERS in the amount of \$7,080,038. A portion of the funding for this prepayment came from an advance from the City to the Fire District in the amount of \$4,556,198. This advance combined with the District's own resources provided the funding for the prepayment to CalPERS. The prepayment will result in a decrease in the District's employer contribution rate to CalPERS and will reduce the interest rate incurred on the side fund liability with CalPERS to a lower interest rate for the advance from the City.

- Community development decreased by \$2,829,295 from the previous year due to a decrease in the Community Development Block Grant expenditures in the amount of \$1,323,600, the elimination of the former Redevelopment Agency activities as a result of the dissolution in the amount of \$830,000, a decrease in the General Fund's Community Development divisions in the amount of \$222,000, costs for a Fire District capital project in the amount of \$201,000 not recurring in the current year, and a decrease in the Energy Efficient and Conservation Block Grant in the amount of \$80,000.

The most significant change for the business-type activities is the Municipal Utility which, net of revenues and expenses, had an increase in net assets of \$2,923,783 due to the non-recurring prior year expenditure for an exit fee payment made to the Southern California Edison in the amount of \$2,400,000.

The following presents the cost of each of the City's eight 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. Revenues generated by these programs consist 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	
	2012	2011	2012	2011
General government	\$ 38,659	\$ 49,581	\$ (34,563)	\$ (45,769)
Public safety - police	28,117	28,036	(26,831)	(26,573)
Public safety - fire protection	33,196	24,550	(29,289)	(23,523)
Public safety - animal center	2,532	2,493	(2,333)	(2,282)
Community development	16,244	19,073	(13,562)	(15,665)
Community services	12,452	12,715	(8,384)	(8,402)
Engineering and public works	30,000	30,466	(17,458)	(17,547)
Interest on long-term debt	4,403	28,465	(4,402)	(28,465)
<b>Total</b>	<b>\$ 165,603</b>	<b>\$ 195,379</b>	<b>\$ (136,822)</b>	<b>\$ (168,226)</b>

### **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 20 - 23, the governmental funds balance sheet is shown. The combined fund balance of \$317,287,067 decreased by \$311,088,211 or 49%. This is a result of a combination of the following:

- An increase to fund balance in the amount of \$3,953,624 due to a restatement of beginning fund balance resulting from advances to other funds being reclassified as long-term debt payable to the Successor Agency as a result of the dissolution of the Redevelopment Agency. The source of repayment for the advances will be developers who complete improvements in the CFD; payments are not anticipated toward the advances over the next year resulting in the advances being considered long-term debt.
- A decrease to fund balance in the amount of \$315,804,995 due to the extraordinary loss on dissolution of redevelopment agency.

The combined fund balance of \$317,287,067 represents the starting point for the reconciliation of the balance sheet of governmental funds to the statement of net assets detailed on page 17 of this report. This total includes the General Fund balance of \$73,704,945, which increased by \$1,694,891 from the prior year. Of the total General Fund balance, \$15,006,552 or 20.36% constitutes nonspendable reserves, which means that these reserves must be maintained intact; \$1,331,926 or 1.81% are restricted fund balances which are the result of external limitations on spending; \$52,707,232 or 71.51% are committed fund balances which have resulted in internally-imposed limitations placed upon the funds by the City Council; the assigned reserves of \$4,659,235 or 6.32% 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 for the General Fund 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 25% 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 five other major funds, the Citywide Infrastructure Improvement Special Revenue Fund, the Housing Special Revenue Fund, the Fire District Special Revenue Fund, the Redevelopment Agency Capital Project Fund, and the Redevelopment Agency Debt Service Fund.

The Citywide Infrastructure Improvement Special Revenue Fund has a fund balance of \$8,650,021 which increased by \$2,738,862 from the prior year. The purpose of this fund is to account for capital improvement reimbursements from other governments such as from the San Bernardino Associated Governments (SANBAG). The funds will be used for general infrastructure improvements throughout the City.

The Housing Special Revenue Fund has a fund balance of \$122,213,009. The City became the Housing Successor during the current year after the dissolution of the former Redevelopment Agency. As a result, an extraordinary gain is reported in the amount of \$121,053,159 within the 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 \$15,564,086 which increased by \$1,478,809 from the prior year. Revenues received were greater than the expenditures incurred by the District. Comparing current and prior year revenues and expenses, the District's revenues and expenses increased by \$10,257,910 and \$6,415,814, respectively. Revenue increased due to a combination of an increase in property tax revenues from CFD 85-1 and a shift of property tax revenues that used to be received by the former Redevelopment Agency and is now directly received by the Fire District in accordance with a pass-through agreement. Expenditures increased mainly due to the prepayment of the District's side fund liability with CalPERS which was discussed in more detail above.

It should be noted that the total fund balance for the Fire District Special Revenue Fund of \$15,564,086 is \$4,556,197 less than the total fund balance per the District's component unit financial statements of \$20,120,283. This is due to differences in the reporting of the advance from the City to the District on the City's financial statements versus the District's component unit financial statements. On the City's financial statements, the advance is treated as an interfund liability since the District is basically viewed as one of the departments of the City. (There is an offsetting interfund asset (advances to other funds) in the General Fund). In order to reflect this liability on the District's balance sheet, resources must be allocated from the District's fund balance to provide funding for the liability for reporting purposes only. On the Fire District's component unit financial statements, the advance is treated as a long-term liability and does not require the allocation of fund balance to fund the liability. For the entity-wide financial statements, the advances to and from other funds are eliminated against each other as they both relate to the City as a whole.

The former Redevelopment Agency's Capital Project Fund balance decreased by \$285,343,315, bringing it down to zero, as a result of the elimination of the former Redevelopment Agency.

The former Redevelopment Agency's Debt Service Fund balance decreased by \$148,689,804, bringing it down to zero, as a result of the elimination of the former Redevelopment Agency.

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 48 special revenue funds and 13 capital project funds. These funds have a combined fund balance of \$97,155,006, which has increased by \$3,703,047 from the prior year, primarily due to the reclassification of prior year advances payable to long-term debt due to the Successor Agency in the amount of \$3,953,624. Of the total combined fund balance, \$1,149,429 is nonspendable, \$96,626,307 is restricted, and the remaining \$620,730 negative 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 \$33,490,301 of which \$27,166,018 represents the amount invested in capital assets and \$19,230 is restricted for the purpose of public benefit. Unrestricted net assets amount to

\$6,305,053. The increase in net assets for the enterprise funds is \$1,604,232, due mainly to a one-time payment to Southern California Edison for departing load charges made in the prior fiscal year as discussed earlier.

Net assets for the internal service funds are \$14,321,697, of which \$3,341,853 represents the amount invested in capital assets. Unrestricted net assets amount to \$10,979,844, which will be used to cover future vehicle and equipment and computer equipment/technology replacements. Total net assets decreased for these funds by \$304,947 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 \$71,379,152 were \$8,661,542 more than the final budgeted revenues of \$62,717,610. This positive variance was due to a partial repayment of a long-term loan from the City to the Redevelopment Agency.

The General Fund's actual ending expenditures of \$70,389,375 were \$235,755 less than the final budget of \$70,625,130. The main contributor to the savings is the decrease in Personnel Overhead of the City's contribution to the Public Agency Retirement System (PARS). The contribution rate decreased from 5% to 3.4% beginning August 2011. Other savings continued across the departments from the City's attrition management program that combined 60 furlough hours for all City employees.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

As stated in the *Overview of the Financial Statements*, the 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 \$710,372,946 net of depreciation invested in a broad range of capital assets (see Table 3 below). This amount represents a net decrease (including additions and deductions) of \$48,687,151.

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

For the year ended June 30, 2012

	Governmental Activities		Business-Type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Land	\$ 74,543	\$ 83,646	\$ 5,451	\$ 5,451	\$ 79,994	\$ 89,097
Right-of-way	231,932	231,932	-	-	231,932	231,932
Construction in progress	33,015	32,641	-	-	33,015	32,641
Buildings and improvements	82,800	119,793	9,130	9,750	91,930	129,543
Equipment and vehicles	5,055	9,149	57	30	5,112	9,179
Furniture and fixtures	99	913	40	45	139	958
Infrastructure	255,136	251,807	12,480	13,149	267,616	264,956
Intangible	627	743	8	11	635	754
<b>TOTALS</b>	<b>\$ 683,207</b>	<b>\$ 730,624</b>	<b>\$ 27,166</b>	<b>\$ 28,436</b>	<b>\$ 710,373</b>	<b>\$ 759,060</b>

The most significant change in capital assets for governmental activities is the decrease in net capital assets of the former Redevelopment Agency in the amount of \$53,347,084 as a result of the dissolution of the Redevelopment Agency. Capital assets of the former Redevelopment Agency were transferred to the Successor Agency. See Note 16 to the financial statements for the analysis of capital assets of the Successor Agency Trust for Assets of Former Redevelopment Agency.

The most significant change for business-type activities is the depreciation of the various fixed assets in the amount of \$1,304,527.

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

### **Debt Administration**

At year end, the City's governmental activities had total debt outstanding in the amount of \$15,554,021 for advances from Successor Agency, claims and judgments payable, and accrued employee benefits compared to \$430,208,514 in the prior year, a decrease of \$414,654,493 (See Table 4 below). As discussed earlier, this decrease was primarily due to the transfer of the former Redevelopment Agency's debt to the Successor Agency Trust Fund as well as debt service payments which occurred during the year. These decreases were offset by a reclassification of advances payable to increase long term debt due to the Successor Agency as discussed earlier combined with increases/decreases in current year additional accrued interest for a developer loan, claims and judgments, and accrued employee benefits.

TABLE 4

OUTSTANDING DEBT, AT YEAR END  
(IN THOUSANDS)

For the year ended June 30, 2012

	Governmental Activities		Business-Type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Tax Allocation Bonds	\$ -	\$ 395,920	\$ -	\$ -	\$ -	\$ 395,920
Developer Loans	-	19,239	-	-	-	19,239
Capital Lease	-	10	-	-	-	10
CVWD - Payment Deferral	-	162	-	-	-	162
Advances from Successor Agency	3,954				3,954	-
Claims and Judgments Payable	4,077	2,842	-	-	4,077	2,842
Accrued Employee Benefits	7,523	7,606	-	-	7,523	7,606
Unamortized Bond Premium	-	4,430	-	-	-	4,430
<b>TOTALS</b>	<b><u>\$ 15,554</u></b>	<b><u>\$ 430,209</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 15,554</u></b>	<b><u>\$ 430,209</u></b>

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

### **Economic Factors and Next Year's Budgets**

In its fourth and final quarterly report of 2012, the UCLA Anderson Forecast calls for "modest growth" in U.S. gross domestic product (GDP), housing and employment. GDP is anticipated to grow at an annual rate of less than two percent through mid-2013 but will then accelerate and exceed three percent for most of 2014 due to the increase in housing activity. Economists predict that the nation's unemployment will remain close to the current 7.9 percent rate in 2013 but will fall to 7.2 percent by the end of 2014. The California forecast reads similarly, with slow growth until the end of 2013. The forecast sees slow growth in employment, with employment growth of 1.3% and 2.4% expected in 2013 and 2014, respectively. Locally, Rancho Cucamonga is experiencing slow growth. Expected trends prepared for the City by its contracted economist suggest that, recently, the City's housing prices have stabilized and increased slightly. Based upon a Consensus forecast, housing prices, according to the most probable scenario, are expected to increase by 2.9% - 3.4% per year during 2013-2015 and then by 4.3% in 2016. Employment growth will, in turn, generate demand for housing; prices should stabilize and start to rise as the excess inventory of duress properties continues to decline.

The Fiscal Year 2012/13 General Fund Budget of \$63,414,270 was adopted without the use of reserves to fund recurring operations. It represents a slight increase from the prior year of \$311,240 or 0.49% due to unavoidable operating cost increases such as fuel, utilities, contract services and labor-related costs such as healthcare. The Fiscal Year 2012/13 Adopted Budget includes the continued implementation of furloughs for City staff, new labor agreements to restructure benefits, facility operation reductions, program operation reductions and certain program eliminations 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 2012/13 Adopted 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, 2012

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets:</b>			
Cash and investments	\$ 188,954,466	\$ 5,785,069	\$ 194,739,535
Receivables:			
Accounts	11,120,370	1,409,559	12,529,929
Taxes	13,478,001	20,000	13,498,001
Notes and loans	134,034,761	6,768	134,041,529
Accrued interest	143,048	4,091	147,139
Deferred loans	1,120,012	-	1,120,012
Grants	650,501	-	650,501
Internal balances	2,186	(2,186)	-
Prepaid costs	739,166	5,945	745,111
Deposits	31,922	-	31,922
Due from external parties/outside agencies	113,273	-	113,273
Due from Successor Agency	730,040	-	730,040
Advances to Successor Agency	9,521,227	-	9,521,227
Prepaid other post employment benefits	17,311,033	-	17,311,033
Prepaid PARS retirement enhancement plan	8,390,120	-	8,390,120
Land held for resale	4,550,043	-	4,550,043
Restricted assets:			
Cash with fiscal agent	2,741,281	-	2,741,281
Capital assets not being depreciated	339,489,505	5,451,015	344,940,520
Capital assets, net of depreciation	343,717,423	21,715,003	365,432,426
<b>Total Assets</b>	<b>1,076,838,378</b>	<b>34,395,264</b>	<b>1,111,233,642</b>
<b>Liabilities:</b>			
Accounts payable	8,195,804	718,333	8,914,137
Accrued liabilities	2,068,672	38,514	2,107,186
Unearned revenue	688,758	-	688,758
Deposits payable	42,959	148,116	191,075
Due to other governments	1,120,012	-	1,120,012
Due to Successor Agency	115,290	-	115,290
Noncurrent liabilities:			
Due within one year	5,878,426	-	5,878,426
Due in more than one year	9,675,595	-	9,675,595
<b>Total Liabilities</b>	<b>27,785,516</b>	<b>904,963</b>	<b>28,690,479</b>
<b>Net Assets:</b>			
Invested in capital assets	683,206,928	27,166,018	710,372,946
Restricted for:			
Community development projects	139,426,645	-	139,426,645
Public safety	6,577,340	-	6,577,340
Fire protection	15,581,114	-	15,581,114
Public works	4,558,918	-	4,558,918
Community services	11,995,282	-	11,995,282
Capital projects	106,514,098	-	106,514,098
Public benefit - Municipal Utility	-	19,230	19,230
Unrestricted	81,192,537	6,305,053	87,497,590
<b>Total Net Assets</b>	<b>\$ 1,049,052,862</b>	<b>\$ 33,490,301</b>	<b>\$ 1,082,543,163</b>

CITY OF RANCHO CUCAMONGA

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2012

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 38,658,739	\$ 4,005,944	\$ 89,810	\$ -
Public safety - police	28,116,587	999,851	285,815	-
Public safety - fire protection	33,196,194	1,817,225	1,968,320	121,159
Public safety - animal center	2,532,280	199,778	-	-
Community development	16,244,217	236,334	1,667,042	779,286
Community services	12,452,334	3,254,444	813,836	-
Engineering and public works	29,999,633	3,908,462	5,033,073	3,600,427
Interest on long-term debt	4,402,503	-	-	-
<b>Total Governmental Activities</b>	<b>165,602,487</b>	<b>14,422,038</b>	<b>9,857,896</b>	<b>4,500,872</b>
Business-Type Activities:				
Sports Complex	2,357,022	327,490	-	-
Municipal Utility	8,447,347	11,523,731	-	-
<b>Total Business-Type Activities</b>	<b>10,804,369</b>	<b>11,851,221</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 176,406,856</b>	<b>\$ 26,273,259</b>	<b>\$ 9,857,896</b>	<b>\$ 4,500,872</b>

**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

**Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 16)**

**Transfers**

**Total General Revenues,  
Extraordinary Items and Transfers**

Change in Net Assets

Net Assets at Beginning of Year

**Net Assets at End of Year**

<b>Net (Expenses) Revenues and Changes in Net Assets</b>		
<b>Primary Government</b>		
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (34,562,985)	\$ -	\$ (34,562,985)
(26,830,921)	-	(26,830,921)
(29,289,490)	-	(29,289,490)
(2,332,502)	-	(2,332,502)
(13,561,555)	-	(13,561,555)
(8,384,054)	-	(8,384,054)
(17,457,671)	-	(17,457,671)
(4,402,503)	-	(4,402,503)
<b>(136,821,681)</b>	<b>-</b>	<b>(136,821,681)</b>
-	(2,029,532)	(2,029,532)
-	3,076,384	3,076,384
-	<b>1,046,852</b>	<b>1,046,852</b>
<b>(136,821,681)</b>	<b>1,046,852</b>	<b>(135,774,829)</b>
112,748,776	-	112,748,776
11,649	69,581	81,230
1,927,812	-	1,927,812
25,547,933	-	25,547,933
5,812,817	-	5,812,817
88,508	-	88,508
20,205,266	310,237	20,515,503
4,751,712	11,452	4,763,164
(11,296,301)	-	(11,296,301)
(166,110)	166,110	-
<b>159,632,062</b>	<b>557,380</b>	<b>160,189,442</b>
22,810,381	1,604,232	24,414,613
1,025,479,331	31,886,069	1,057,365,400
<b>\$ 1,049,052,862</b>	<b>\$ 33,490,301</b>	<b>\$ 1,082,543,163</b>

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

	<b>Special Revenue Funds</b>			
	<b>General</b>	<b>Citywide Infrastructure Improvement</b>	<b>Housing</b>	<b>Fire District</b>
<b>Assets:</b>				
Cash and investments	\$ 55,935,109	\$ 8,546,462	\$ 396,700	\$ 15,200,034
Receivables:				
Accounts	1,079,145	8,068,185	-	1,279,075
Taxes	7,076,867	-	-	5,000,124
Notes	-	-	134,034,761	-
Accrued interest	49,650	6,716	-	8,224
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	609,127	-	-	68,743
Deposits	20,000	-	-	-
Due from other funds	2,067,479	-	-	-
Due from Successor Agency	722,108	-	-	7,932
Due from external parties/outside agencies	113,273	-	-	-
Advances to other funds	4,856,198	-	-	-
Advances to Successor Agency	9,521,227	-	-	-
Land and buildings held for resale	-	-	3,473,832	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 82,050,183</b>	<b>\$ 16,621,363</b>	<b>\$ 137,905,293</b>	<b>\$ 21,564,132</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,869,486	\$ 500	\$ -	\$ 728,105
Accrued liabilities	1,262,522	-	-	433,956
Deferred revenues	3,158,160	7,970,842	15,692,284	-
Unearned revenues	-	-	-	-
Deposits payable	42,959	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	276,613
Due to Successor Agency	12,111	-	-	5,174
Advances from other funds	-	-	-	4,556,198
<b>Total Liabilities</b>	<b>8,345,238</b>	<b>7,971,342</b>	<b>15,692,284</b>	<b>6,000,046</b>

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

(Continued)

	<u>Capital Project Fund</u>	<u>Debt Service Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Redevelopment Agency</u>	<u>Redevelopment Agency</u>		
<b>Assets:</b>				
Cash and investments	\$ -	\$ -	\$ 97,784,969	\$ 177,863,274
Receivables:				
Accounts	-	-	693,965	11,120,370
Taxes	-	-	1,401,010	13,478,001
Notes	-	-	-	134,034,761
Accrued interest	-	-	71,055	135,645
Deferred loans	-	-	1,120,012	1,120,012
Grants	-	-	650,501	650,501
Prepaid costs	-	-	61,296	739,166
Deposits	-	-	11,922	31,922
Due from other funds	-	-	-	2,067,479
Due from Successor Agency	-	-	-	730,040
Due from external parties/outside agencies	-	-	-	113,273
Advances to other funds	-	-	-	4,856,198
Advances to Successor Agency	-	-	-	9,521,227
Land and buildings held for resale	-	-	1,076,211	4,550,043
Restricted assets:				
Cash and investments with fiscal agents	-	-	2,741,281	2,741,281
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 105,612,222</b>	<b>\$ 363,753,193</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 3,478,962	\$ 8,077,053
Accrued liabilities	-	-	372,194	2,068,672
Deferred revenues	-	-	610,605	27,431,891
Unearned revenues	-	-	688,758	688,758
Deposits payable	-	-	-	42,959
Due to other governments	-	-	1,120,012	1,120,012
Due to other funds	-	-	1,788,680	2,065,293
Due to Successor Agency	-	-	98,005	115,290
Advances from other funds	-	-	300,000	4,856,198
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>8,457,216</b>	<b>46,466,126</b>

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

	<b>Special Revenue Funds</b>			
	<b>General</b>	<b>Citywide Infrastructure Improvement</b>	<b>Housing</b>	<b>Fire District</b>
<b>Fund Balances:</b>				
Nonspendable				
Prepaid costs	609,127	-	-	68,743
Deposits	20,000	-	-	-
Notes and loans	-	-	118,342,477	-
Land held for resale	-	-	3,473,832	-
Advances to other funds	14,377,425	-	-	-
Restricted				
Public safety - police	-	-	-	-
Community development projects	-	-	396,700	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
Information technology	637,113	-	-	-
General plan update	76,639	-	-	-
Contractual obligation	376,996	-	-	206,311
Capital improvement projects	241,178	-	-	360,057
Committed				
Capital improvement projects	-	8,650,021	-	-
Employee leave payouts	5,633,570	-	-	2,340,112
Vehicle and equipment replacement	-	-	-	4,662,250
PERS rate stabilization	-	-	-	1,376,394
Capital facilities repair	-	-	-	1,123,956
Working capital	3,170,714	-	-	2,647,267
Self insurance	7,583,333	-	-	-
Booking fees	1,391,059	-	-	-
City facilities' capital repair	15,899,958	-	-	-
Changes in economic circumstances	14,609,816	-	-	1,101,192
Law enforcement	4,418,782	-	-	-
Assigned				
Radio system acquisition	361,722	-	-	-
Communications	-	-	-	150,000
Dispatch system acquisition	-	-	-	455,139
Capital projects	1,550,000	-	-	1,016,112
Contract development services	1,111,350	-	-	-
Sphere of influence	695,710	-	-	-
Multi-Species Habitat Plan	200,000	-	-	-
Spay/neuter program	249,332	-	-	-
Mobile home park program	57,189	-	-	-
Continuing operations	433,932	-	-	56,553
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>73,704,945</b>	<b>8,650,021</b>	<b>122,213,009</b>	<b>15,564,086</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 82,050,183</b>	<b>\$ 16,621,363</b>	<b>\$ 137,905,293</b>	<b>\$ 21,564,132</b>

CITY OF RANCHO CUCAMONGA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2012**

	<u>Capital Project Fund</u>	<u>Debt Service Funds</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>Redevelopment Agency</u>	<u>Redevelopment Agency</u>		
<b>Fund Balances:</b>				
Nonspendable				
Prepaid costs	-	-	61,296	739,166
Deposits	-	-	11,922	31,922
Notes and loans	-	-	-	118,342,477
Land held for resale	-	-	1,076,211	4,550,043
Advances to other funds	-	-	-	14,377,425
Restricted				
Public safety - police	-	-	767,499	767,499
Community development projects	-	-	12,797,327	13,194,027
Parks and recreation	-	-	1,882,365	1,882,365
Engineering and public works	-	-	40,029,248	40,029,248
Capital improvement projects	-	-	5,336,248	5,336,248
Street lighting	-	-	5,621,257	5,621,257
Landscape maintenance	-	-	12,810,261	12,810,261
Library services	-	-	6,691,884	6,691,884
Underground utilities	-	-	10,690,218	10,690,218
Information technology	-	-	-	637,113
General plan update	-	-	-	76,639
Contractual obligation	-	-	-	583,307
Capital improvement projects	-	-	-	601,235
Committed				
Capital improvement projects	-	-	-	8,650,021
Employee leave payouts	-	-	-	7,973,682
Vehicle and equipment replacement	-	-	-	4,662,250
PERS rate stabilization	-	-	-	1,376,394
Capital facilities repair	-	-	-	1,123,956
Working capital	-	-	-	5,817,981
Self insurance	-	-	-	7,583,333
Booking fees	-	-	-	1,391,059
City facilities' capital repair	-	-	-	15,899,958
Changes in economic circumstances	-	-	-	15,711,008
Law enforcement	-	-	-	4,418,782
Assigned				
Radio system acquisition	-	-	-	361,722
Communications	-	-	-	150,000
Dispatch system acquisition	-	-	-	455,139
Capital projects	-	-	-	2,566,112
Contract development services	-	-	-	1,111,350
Sphere of influence	-	-	-	695,710
Multi-Species Habitat Plan	-	-	-	200,000
Spay/neuter program	-	-	-	249,332
Mobile home park program	-	-	-	57,189
Continuing operations	-	-	-	490,485
Unassigned	-	-	(620,730)	(620,730)
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>97,155,006</b>	<b>317,287,067</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 105,612,222</b>	<b>\$ 363,753,193</b>

**CITY OF RANCHO CUCAMONGA**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2012**

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Fund balances of governmental funds		\$ 317,287,067
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.		679,865,075
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Advances from Successor Agency	\$ (3,953,624)	
Claims and judgments	(4,077,504)	
Compensated absences	<u>(7,522,893)</u>	(15,554,021)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net assets any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability.		17,311,033
Governmental funds report all PARS contributions as expenditures, however in the statement of net assets any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability.		8,390,120
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.		27,431,891
Internal service funds are used by management to charge the costs of certain activities, such as equipment management to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets.		<u>14,321,697</u>
<b>Net assets of governmental activities</b>		<b><u><u>\$ 1,049,052,862</u></u></b>

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CITY OF RANCHO CUCAMONGA

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	General	Citywide Infrastructure Improvement	Housing	Fire District
<b>Revenues:</b>				
Taxes	\$ 51,224,465	\$ -	\$ -	\$ 30,539,146
Licenses and permits	3,209,362	-	-	666,982
Intergovernmental	542,635	2,621,419	-	-
Charges for services	2,254,688	-	-	22,834
Use of money and property	8,435,647	125,923	396,700	167,240
Fines and forfeitures	999,847	-	-	73,465
Contributions	36,224	-	-	1,968,320
Developer participation	-	-	-	-
Miscellaneous	3,690,129	-	-	956,189
<b>Total Revenues</b>	<b>70,392,997</b>	<b>2,747,342</b>	<b>396,700</b>	<b>34,394,176</b>
<b>Expenditures:</b>				
Current:				
General government	12,988,353	-	-	-
Public safety - police	27,323,091	-	-	-
Public safety - fire protection	-	-	-	31,771,293
Public safety - animal center	2,532,280	-	-	-
Community development	4,838,993	-	-	-
Community services	4,001,217	-	-	-
Engineering and public works	10,988,379	-	-	-
Capital outlay	3,769,053	8,980	-	1,321,998
Debt service:				
Principal retirement	161,780	-	-	-
Interest and fiscal charges	-	-	-	-
Pass-through agreement payments	-	-	-	-
<b>Total Expenditures</b>	<b>66,603,146</b>	<b>8,980</b>	<b>-</b>	<b>33,093,291</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,789,851	2,738,362	396,700	1,300,885
<b>Other Financing Sources (Uses):</b>				
Transfers in	942,400	-	-	168,860
Transfers out	(3,081,115)	-	-	-
Other debts issued	-	-	-	-
Proceeds from sale of capital asset	43,755	-	-	9,064
<b>Total Other Financing Sources (Uses)</b>	<b>(2,094,960)</b>	<b>-</b>	<b>-</b>	<b>177,924</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 16)	-	-	121,053,159	-
<b>Net Change in Fund Balances</b>	<b>1,694,891</b>	<b>2,738,362</b>	<b>121,449,859</b>	<b>1,478,809</b>
<b>Fund Balances:</b>				
Beginning of year, as originally reported	72,010,054	5,911,659	-	14,085,277
Restatements	-	-	763,150	-
Beginning of year, as restated	72,010,054	5,911,659	763,150	14,085,277
Net Change in Fund Balances	1,694,891	2,738,362	121,449,859	1,478,809
<b>End of Year</b>	<b>\$ 73,704,945</b>	<b>\$ 8,650,021</b>	<b>\$ 122,213,009</b>	<b>\$ 15,564,086</b>

CITY OF RANCHO CUCAMONGA

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
	Redevelopment Agency	Redevelopment Agency		
<b>Revenues:</b>				
Taxes	\$ 9,715,853	\$ 38,863,410	\$ 14,917,835	\$ 145,260,709
Licenses and permits	-	-	925	3,877,269
Intergovernmental	-	-	11,369,373	14,533,427
Charges for services	-	-	4,664,256	6,941,778
Use of money and property	2,521,619	252,101	2,202,931	14,102,161
Fines and forfeitures	-	-	-	1,073,312
Contributions	-	-	719,571	2,724,115
Developer participation	-	-	2,197,474	2,197,474
Miscellaneous	-	-	1,093,635	5,739,953
<b>Total Revenues</b>	<b>12,237,472</b>	<b>39,115,511</b>	<b>37,166,000</b>	<b>196,450,198</b>
<b>Expenditures:</b>				
Current:				
General government	2,206,263	14,067,829	3,448,855	32,711,300
Public safety - police	-	-	333,484	27,656,575
Public safety - fire protection	-	-	129,786	31,901,079
Public safety - animal center	-	-	-	2,532,280
Community development	102,320	-	10,083,518	15,024,831
Community services	-	-	8,149,786	12,151,003
Engineering and public works	-	-	5,928,678	16,917,057
Capital outlay	7,807,127	857,519	9,098,961	22,863,638
Debt service:				
Principal retirement	2,982,900	6,730,000	9,997	9,884,677
Interest and fiscal charges	4,552,549	6,247,721	291,777	11,092,047
Pass-through agreement payments	-	3,030,962	-	3,030,962
<b>Total Expenditures</b>	<b>17,651,159</b>	<b>30,934,031</b>	<b>37,474,842</b>	<b>185,765,449</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,413,687)	8,181,480	(308,842)	10,684,749
<b>Other Financing Sources (Uses):</b>				
Transfers in	26,858	-	141,955	1,280,073
Transfers out	-	(26,858)	(83,690)	(3,191,663)
Other debts issued	-	57,242	-	57,242
Proceeds from sale of capital asset	-	-	-	52,819
<b>Total Other Financing Sources (Uses)</b>	<b>26,858</b>	<b>30,384</b>	<b>58,265</b>	<b>(1,801,529)</b>
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 16)	(279,956,486)	(156,901,668)	-	(315,804,995)
<b>Net Change in Fund Balances</b>	<b>(285,343,315)</b>	<b>(148,689,804)</b>	<b>(250,577)</b>	<b>(306,921,775)</b>
<b>Fund Balances:</b>				
Beginning of year, as originally reported	285,343,315	148,689,804	93,451,959	619,492,068
Restatements	-	-	3,953,624	4,716,774
Beginning of year, as restated	285,343,315	148,689,804	97,405,583	624,208,842
Net Change in Fund Balances	(285,343,315)	(148,689,804)	(250,577)	(306,921,775)
<b>End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 97,155,006</b>	<b>\$ 317,287,067</b>

**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, 2012**

Net change in fund balances - total governmental funds		\$ (306,921,775)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	\$ 21,495,310	
Depreciation	<u>(14,649,853)</u>	6,845,457
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Principal repayments:		
Tax allocation bonds	9,520,000	
Developer loans	192,900	
Capital lease	9,997	
Payment deferral	161,780	
Increase in developer loans	(57,242)	
Change in claims and judgments payable	(1,235,672)	
Amortization of bond premiums/discounts	<u>85,299</u>	8,677,062
Debt issuance costs are expenditures in governmental funds, but these costs are capitalized on the statement of net assets.		
		(145,845)
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		
		6,750,090
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.		
		83,527
Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense.		
		417,614
Governmental funds report all contributions in relation to the annual required contribution (ARC) for PARS as expenditures, however in the statement of activities only the ARC is an expense.		
		(357,222)
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.		
		3,257,726
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.		
		(304,947)
Extraordinary gains and losses relating to capital assets and long term liabilities transferred to the Successor Agency are reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.		
Capital assets	(53,347,085)	
Unamortized bond issuance costs	(5,330,449)	
Long-term liabilities	409,847,528	
Deferred revenue	<u>(46,661,300)</u>	304,508,694
<b>Change in net assets of governmental activities</b>		<b><u>\$ 22,810,381</u></b>

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON STATEMENT (BUDGETARY BASIS)  
GENERAL FUND  
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 72,010,054	\$ 72,010,054	\$ 72,010,054	\$ -
<b>Resources (Inflows):</b>				
Taxes	48,753,510	49,509,680	51,224,465	1,714,785
Licenses and permits	3,495,350	3,364,900	3,209,362	(155,538)
Intergovernmental	1,071,940	536,030	542,635	6,605
Charges for services	3,240,040	2,587,650	2,254,688	(332,962)
Use of money and property	1,073,900	936,070	8,435,647	7,499,577
Fines and forfeitures	1,085,220	896,220	999,847	103,627
Contributions	35,000	35,000	36,224	1,224
Miscellaneous	3,637,550	3,849,320	3,690,129	(159,191)
Transfers in	1,142,060	942,400	942,400	-
Proceeds from sale of capital asset	67,790	60,340	43,755	(16,585)
<b>Amounts Available for Appropriation</b>	<b>135,612,414</b>	<b>134,727,664</b>	<b>143,389,206</b>	<b>8,661,542</b>
<b>Charges to Appropriation (Outflow):</b>				
General government				
General overhead	3,084,240	3,036,580	2,981,252	55,328
Personnel overhead	182,770	1,591,690	1,254,992	336,698
City council	143,630	161,940	155,596	6,344
City manager	1,209,440	949,220	919,380	29,840
City clerk	2,810	2,840	2,686	154
Administrative services	226,260	266,780	269,827	(3,047)
Business licenses	347,120	339,880	334,960	4,920
City facilities	2,124,520	2,128,690	2,082,132	46,558
Finance	1,115,200	1,097,890	1,083,857	14,033
Geographic information systems	298,900	269,260	269,705	(445)
Management information services	2,655,050	2,669,860	2,587,847	82,013
Personnel	341,010	363,260	328,167	35,093
Purchasing	398,350	401,340	396,671	4,669
Risk management	208,340	211,190	189,969	21,221
Treasury management	6,210	7,630	6,350	1,280
Records Management	454,670	419,860	422,548	(2,688)
Public safety - police				
Sheriff contract services	442,840	27,366,440	27,336,142	30,298
Public safety - animal center				
Animal center	2,570,490	2,573,770	2,532,280	41,490
Community development				
Planning	1,887,690	1,611,970	1,539,911	72,059
Planning commission	4,297,200	11,150	10,889	261
Code enforcement	866,210	894,180	893,196	984
Administration	244,860	408,950	390,599	18,351
Building and safety	2,153,210	2,090,180	2,059,801	30,379
Community services				
Administration	4,438,860	4,241,480	3,998,518	242,962
Park and recreation commission	27,388,800	3,080	2,823	257
Engineering and public works				
Construction management	471,510	455,130	437,477	17,653
Development management	659,110	612,560	567,410	45,150
NPDES	505,940	461,410	433,501	27,909
Project management	169,710	161,630	174,147	(12,517)
Traffic management	185,650	506,860	492,619	14,241
Street and park maintenance	86,680	4,510,430	4,269,118	241,312
Vehicle and equipment maintenance	1,309,710	1,280,630	1,250,264	30,366
Facilities Maintenance	3,929,770	3,877,350	3,461,614	415,736
Capital outlay	599,500	4,066,990	4,010,232	56,758
Debt service:				
Principal retirement	-	-	161,780	(161,780)
Transfers out	1,704,000	1,573,030	3,081,115	(1,508,085)
<b>Total Charges to Appropriations</b>	<b>66,710,260</b>	<b>70,625,130</b>	<b>70,389,375</b>	<b>235,755</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 68,902,154</b>	<b>\$ 64,102,534</b>	<b>72,999,831</b>	<b>\$ 8,897,297</b>
Encumbrances			705,114	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 73,704,945</b>	

See Notes to Financial Statements

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON STATEMENT (BUDGETARY BASIS)  
CITYWIDE INFRASTRUCTURE IMPROVEMENT  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 5,911,659	\$ 5,911,659	\$ 5,911,659	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	3,700,000	2,500,000	2,621,419	121,419
Use of money and property	65,680	86,500	125,923	39,423
<b>Amounts Available for Appropriation</b>	<b>9,677,339</b>	<b>8,498,159</b>	<b>8,659,001</b>	<b>160,842</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	-	6,233,000	6,212,212	20,788
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>6,233,000</b>	<b>6,212,212</b>	<b>20,788</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 9,677,339</b>	<b>\$ 2,265,159</b>	<b>2,446,789</b>	<b>\$ 181,630</b>
Encumbrances			6,203,232	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 8,650,021</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON STATEMENT (BUDGETARY BASIS)**  
**FIRE DISTRICT**  
**YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 14,085,277	\$ 14,085,277	\$ 14,085,277	\$ -
<b>Resources (Inflows):</b>				
Taxes	21,430,970	21,434,200	30,539,146	9,104,946
Licenses and permits	627,170	662,460	666,982	4,522
Charges for services	42,540	42,000	22,834	(19,166)
Use of money and property	199,190	161,680	167,240	5,560
Fines and forfeitures	24,200	53,370	73,465	20,095
Contributions	1,968,320	1,968,320	1,968,320	-
Miscellaneous	708,740	927,340	956,189	28,849
Transfers in	172,840	170,750	168,860	(1,890)
Proceeds from sale of capital asset	-	-	9,064	9,064
<b>Amounts Available for Appropriation</b>	<b>39,259,247</b>	<b>39,505,397</b>	<b>48,657,377</b>	<b>9,151,980</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - fire protection	25,269,460	32,562,448	32,019,078	543,370
Capital outlay	943,110	2,300,590	1,682,055	618,535
<b>Total Charges to Appropriation</b>	<b>26,212,570</b>	<b>34,863,038</b>	<b>33,701,133</b>	<b>1,161,905</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 13,046,677</b>	<b>\$ 4,642,359</b>	<b>14,956,244</b>	<b>\$ 10,313,885</b>
Encumbrances			607,842	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 15,564,086</b>	

CITY OF RANCHO CUCAMONGA

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 JUNE 30, 2012

	<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>	
<b>Assets:</b>				
Current:				
Cash and investments	\$ 8,964	\$ 5,776,105	\$ 5,785,069	\$ 11,091,192
Receivables:				
Accounts	28,040	1,381,519	1,409,559	-
Taxes	20,000	-	20,000	-
Notes and loans	-	6,768	6,768	-
Accrued interest	-	4,091	4,091	7,403
Prepaid costs	-	5,945	5,945	-
<b>Total Current Assets</b>	<b>57,004</b>	<b>7,174,428</b>	<b>7,231,432</b>	<b>11,098,595</b>
Noncurrent:				
Capital assets - net of accumulated depreciation	14,583,915	12,582,103	27,166,018	3,341,853
<b>Total Noncurrent Assets</b>	<b>14,583,915</b>	<b>12,582,103</b>	<b>27,166,018</b>	<b>3,341,853</b>
<b>Total Assets</b>	<b>\$ 14,640,919</b>	<b>\$ 19,756,531</b>	<b>\$ 34,397,450</b>	<b>\$ 14,440,448</b>
<b>Liabilities and Net Assets:</b>				
<b>Liabilities:</b>				
Current:				
Accounts payable	\$ 61,589	\$ 656,744	\$ 718,333	\$ 118,751
Accrued liabilities	28,303	10,211	38,514	-
Deposits payable	-	148,116	148,116	-
Due to other funds	2,186	-	2,186	-
<b>Total Current Liabilities</b>	<b>92,078</b>	<b>815,071</b>	<b>907,149</b>	<b>118,751</b>
<b>Total Liabilities</b>	<b>92,078</b>	<b>815,071</b>	<b>907,149</b>	<b>118,751</b>
<b>Net Assets:</b>				
Invested in capital assets	14,583,915	12,582,103	27,166,018	3,341,853
Restricted for public benefit - Municipal Utility	-	19,230	19,230	-
Unrestricted	(35,074)	6,340,127	6,305,053	10,979,844
<b>Total Net Assets</b>	<b>14,548,841</b>	<b>18,941,460</b>	<b>33,490,301</b>	<b>14,321,697</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 14,640,919</b>	<b>\$ 19,756,531</b>	<b>\$ 34,397,450</b>	<b>\$ 14,440,448</b>

CITY OF RANCHO CUCAMONGA

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2012

	<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>
<b>Operating Revenues:</b>				
Sales and service charges	\$ 327,490	\$ 11,523,731	\$ 11,851,221	\$ 590
Rent	223,317	-	223,317	-
Miscellaneous	11,073	379	11,452	-
<b>Total Operating Revenues</b>	<b>561,880</b>	<b>11,524,110</b>	<b>12,085,990</b>	<b>590</b>
<b>Operating Expenses:</b>				
Salaries and benefits	977,957	402,788	1,380,745	-
Maintenance and operations	491,114	6,882,602	7,373,716	591,232
Contractual services	264,268	481,113	745,381	-
Depreciation expense	623,683	680,844	1,304,527	1,574,321
<b>Total Operating Expenses</b>	<b>2,357,022</b>	<b>8,447,347</b>	<b>10,804,369</b>	<b>2,165,553</b>
Operating Income (Loss)	(1,795,142)	3,076,763	1,281,621	(2,164,963)
<b>Nonoperating Revenues (Expenses):</b>				
Admission tax	69,581	-	69,581	-
Interest revenue	(54)	86,974	86,920	114,536
<b>Total Nonoperating Revenues (Expenses)</b>	<b>69,527</b>	<b>86,974</b>	<b>156,501</b>	<b>114,536</b>
Income (Loss) Before Transfers	(1,725,615)	3,163,737	1,438,122	(2,050,427)
Transfers in	1,108,510	-	1,108,510	1,745,480
Transfers out	-	(942,400)	(942,400)	-
Changes in Net Assets	(617,105)	2,221,337	1,604,232	(304,947)
<b>Net Assets:</b>				
Beginning of Year	15,165,946	16,720,123	31,886,069	14,626,644
<b>End of Fiscal Year</b>	<b>\$ 14,548,841</b>	<b>\$ 18,941,460</b>	<b>\$ 33,490,301</b>	<b>\$ 14,321,697</b>

CITY OF RANCHO CUCAMONGA

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2012

	<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>
<b>Cash Flows from Operating Activities:</b>				
Cash received from customers and users	\$ 564,417	\$ 11,522,900	\$ 12,087,317	\$ 590
Cash paid to suppliers for goods and services	(754,890)	(7,395,783)	(8,150,673)	(600,340)
Cash paid to employees for services	(968,194)	(400,157)	(1,368,351)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(1,158,667)</b>	<b>3,726,960</b>	<b>2,568,293</b>	<b>(599,750)</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>				
Cash transfers in	1,108,510	-	1,108,510	1,745,480
Cash transfers out	-	(942,400)	(942,400)	-
Amounts received from other funds	2,186	-	2,186	-
Admission tax received	49,581	-	49,581	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>1,160,277</b>	<b>(942,400)</b>	<b>217,877</b>	<b>1,745,480</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition and construction of capital assets	-	(34,915)	(34,915)	(658,410)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>-</b>	<b>(34,915)</b>	<b>(34,915)</b>	<b>(658,410)</b>
<b>Cash Flows from Investing Activities:</b>				
Interest received	(54)	84,650	84,596	113,384
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(54)</b>	<b>84,650</b>	<b>84,596</b>	<b>113,384</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>1,556</b>	<b>2,834,295</b>	<b>2,835,851</b>	<b>600,704</b>
Cash and Cash Equivalents at Beginning of Year	7,408	2,941,810	2,949,218	10,490,488
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 8,964</b>	<b>\$ 5,776,105</b>	<b>\$ 5,785,069</b>	<b>\$ 11,091,192</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>				
Operating income (loss)	\$ (1,795,142)	\$ 3,076,763	\$ 1,281,621	\$ (2,164,963)
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>				
Depreciation	623,683	680,844	1,304,527	1,574,321
(Increase) decrease in accounts receivable	2,537	(4,706)	(2,169)	-
(Increase) decrease in notes and loans receivable	-	3,496	3,496	-
(Increase) decrease in prepaid expense	-	(5,945)	(5,945)	-
Increase (decrease) in accounts payable	492	(6,879)	(6,387)	(9,108)
Increase (decrease) in accrued liabilities	9,763	2,631	12,394	-
Increase (decrease) in deposits payable	-	(19,244)	(19,244)	-
<b>Total Adjustments</b>	<b>636,475</b>	<b>650,197</b>	<b>1,286,672</b>	<b>1,565,213</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (1,158,667)</b>	<b>\$ 3,726,960</b>	<b>\$ 2,568,293</b>	<b>\$ (599,750)</b>

**Non-Cash Investing, Capital, and Financing Activities:**

During fiscal year 2011-2012, there was no noncash investing, capital or financing activities.

CITY OF RANCHO CUCAMONGA

STATEMENT OF FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 JUNE 30, 2012

	<u>Agency Funds</u>	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
<b>Assets:</b>		
Cash and investments	\$ 24,198,977	\$ 340,188,934
Receivables:		
Accounts	1,500	3,803
Taxes	75,077	-
Accrued interest	10,895	826,240
Deferred loans	-	13,000,000
Prepaid costs	-	10,940
Due from City	-	115,290
Advances to City	-	3,953,624
Land held for resale	-	937,997
Deferred charges	-	5,226,274
Restricted assets:		
Cash and investments with fiscal agents	9,296,321	20,313,946
Capital assets:		
Capital assets, not being depreciated	-	14,293,153
Capital assets, net of accumulated depreciation	-	39,595,589
<b>Total Assets</b>	<b><u>\$ 33,582,770</u></b>	<b><u>438,465,790</u></b>
<b>Liabilities:</b>		
Accounts payable	\$ 66,795	13,486,380
Accrued liabilities	25,370	26,551
Accrued interest	-	6,688,357
Deposits payable	7,682,234	-
Due to City	-	730,040
Payable to trustee	25,744,774	-
Due to external parties/other agencies	63,597	-
Long-term liabilities:		
Due within one year	-	10,419,644
Due in more than one year	-	408,874,526
<b>Total Liabilities</b>	<b><u>\$ 33,582,770</u></b>	<b><u>440,225,498</u></b>
<b>Net Assets:</b>		
Held in trust for other purposes		(1,759,708)
<b>Total Net Assets</b>		<b><u>\$ (1,759,708)</u></b>

CITY OF RANCHO CUCAMONGA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FIDUCIARY FUNDS  
 YEAR ENDED JUNE 30, 2012

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
<b>Additions:</b>	
Taxes	\$ 20,827,777
Interest and change in fair value of investments	1,222,660
Miscellaneous	2,605,023
<b>Total Additions</b>	<u><b>24,655,460</b></u>
<b>Deductions:</b>	
Administrative expenses	87,401
Contractual services	5,198,463
Interest expense	20,008,251
Depreciation expense	840,271
Contributions to other governments	385,680
Reimbursement of prior taxes to County	11,191,403
<b>Total Deductions</b>	<u><b>37,711,469</b></u>
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 16)	11,296,301
<b>Changes in Net Assets</b>	<b>(1,759,708)</b>
Net Assets - Beginning of the Year	<u>-</u>
<b>Net Assets - End of the Year</b>	<u><b>\$ (1,759,708)</b></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. The Redevelopment Agency was dissolved as of January 31, 2012 through the Supreme Court decision on Assembly Bill 1X 26. See Note 15 for more information on the dissolution. Separate financial statements are not available for 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 funds consist of agency funds and a private purpose trust fund. 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. Private purpose trust fund funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred

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 Citywide Infrastructure Improvement Fund accounts for capital improvement reimbursements from the San Bernardino Associated Governments (SANBAG). The funds will be used for general infrastructure improvements throughout the City.
- The Housing Fund accounts for the assets of the former Redevelopment Agency's Low and Moderate Income Housing 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.

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

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

- 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 Redevelopment Agency was dissolved as of January 31, 2012 through the Supreme Court decision on Assembly Bill 1X 26. See Note 15 for more information.
- 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 Redevelopment Agency was dissolved as of January 31, 2012 through the Supreme Court decision on Assembly Bill 1X 26. See Note 15 for more information.

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.
- 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.
- Agency funds are custodial in nature and do not involve the measurement of results of operations. 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-purpose trust funds are used to account for the assets and liabilities of the former Redevelopment Agency and the allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.

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.

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

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.

**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.

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

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.

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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

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

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:

<u>Employee Type</u>	<u>Accumulated Sick Leave Balance Prior Calendar Year</u>	<u>Vacation Conversion Rate</u>
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

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.

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

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 adoption of 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. City Council action to commit fund balance needs to occur within the fiscal reporting period; however the amount can be determined subsequently. Council. Fund balance commitments were as follows:

Changes in Economic Circumstances

The City's General Fund balance committed for changes in economic circumstances is established at a goal of a six month reserve, or 50% of the City General Fund operating budget for the upcoming fiscal year. The Fire District's fund balance committed for changes in economic circumstances is established at a goal of a six month reserve, or 50% of the Fire District's operating budget for the upcoming fiscal year. As defined in the resolution establishing this commitment, the specific uses are listed as the declaration of a state or federal state of emergency or a local emergency as defined in Rancho Cucamonga Municipal Code Section 2.36.020; or a change in economic circumstances in a given fiscal year that results in revenues to the City/Fire District being insufficient to cover expenditures for one or more fiscal years. The City Council/Fire Board may, by the affirming vote of three members, change the amount of this commitment and/or the specific uses of these monies.

City Facilities Capital Repair

The City's General Fund balance committed for City facilities capital repair is established at a minimum goal of 25% of capital assets value comprised of construction in progress (excluding infrastructure), building improvements, and improvements other than building for governmental activities.

Fire District Facilities Capital Repair

The Fire District's fund balance committed for the Fire District facilities capital repair is hereby committed to a minimum goal of 50% of capital assets value comprised of construction in progress (excluding infrastructure), building improvements, and improvements other than building for public safety-fire activities.

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

Working Capital

The City's General Fund balance committed for Working Capital is established at a goal of a minimum of 5% of the City's General Fund operating budget for the upcoming fiscal year. The Fire District's fund balance committed for Working Capital is established at a goal of a minimum of 10% of the District's operating budget for the upcoming fiscal year.

Self-Insurance

The City's General Fund balance committed 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 is established at a minimum goal of three times the City's total yearly SIR for all types of insurance coverage.

Employee Leave Payouts

The City's General Fund balance and the Fire District's fund balance committed for employee leave payouts as valued in accordance with the City's labor contracts as of the last day of the fiscal year.

PERS Rate Stabilization

The City's General Fund and Fire District's fund balance committed to offset projected rate increases identified in the respective annual CalPERS actuarial valuation for two fiscal years after the year of financial reporting.

Booking Fees

The City's General Fund balance committed to provide funding for an increase in the booking fees charged to the City by the County of San Bernardino not readily determinable at the time of budget adoption due to the delay in the adoption of the State of California's budget.

Vehicle and Equipment Replacement

The Fire District's fund balance committed for the replacement of fire safety vehicles and equipment as determined based on the District's replacement criteria is established at a minimum goal of 50% of District vehicle and equipment replacement value.

Law Enforcement

The City's General Fund balance committed for public safety purposes.

Contract Development Services

The City's General Fund balance committed for contract development services.

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

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.

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.

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

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.

**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.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

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**Note 2: Stewardship, Compliance and Accountability (Continued)**

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.

For the fiscal year 2011-2012, the following funds had no adopted annual budgets:

Housing Fund  
SB 140  
Drive, Drink, Lose Grant  
Henderson/Wardman Drainage  
Federal Grant Fund – Drier  
OTS 2005 Seatbelt Grant  
Senior Transportation Service  
Used Oil Recycling Program  
Assessment District 86-2

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 nonmajor funds have a deficit at June 30, 2012:

Special Revenue Funds:		
California Literacy Program	\$	8,202
Proposition 84 - Park Bond Act		4,400
Senior Outreach Grant		3,240
Safe Routes to School Program		39,558
Department of Homeland Security Grant		11,128
Homeland Security Grant 2005		73,036
Capital Projects Funds:		
Assessment District 86-2		41,128

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, 2012, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 191,695,747
Business-type activities	5,785,069
Fiduciary funds	<u>393,998,178</u>
Total Cash and Investments	<u>\$ 591,478,994</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, 2012, the carrying amount of the City's deposits was \$195,851,732 and the bank balance was \$196,975,182. The \$1,123,450 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.

A provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act provides temporary unlimited deposit insurance coverage for noninterest-bearing transaction account at all FDIC-insured institutions. This provision was effective from December 31, 2010 and will remain effective until December 31, 2012. Noninterest-bearing transaction accounts is defined as an account (1) with respect to which interest is neither accrued nor paid; (2) on which the depositor or account holder is permitted to make withdrawals by negotiable or transferable instrument, payment orders of withdrawal, telephone or other electronic media transfers, or other similar items for the purpose of making payments or transfers to third parties or others; and (3) on which the FDIC-insured depository institutions does not reserve the right to require advance notice of an intended withdrawal. As of June 30, 2012, the City maintains cash deposits that are temporarily covered by this provision.

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

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

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, 2012, 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, 2012. All securities were investment grade and were legal under State and City law. As of June 30, 2012, the City's investments in external investment pools and money market mutual funds are unrated.

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

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.

As of June 30, 2012, 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, 2012, 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	13.3%
Federal Home Loan Bank	13.6%
Federal Home Loan Mortgage Corporation	9.2%
Federal National Mortgage Association	9.3%

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.

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012**

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

As of June 30, 2012, the City had the following investments and original maturities:

	Investment Maturities (in Years)				Fair Value
	6 months or less	6 months to 1 year	1 year to 3 years	3 Years to 5 years	
Investments:					
Local Agency Investment Fund	\$ 54,170,539	\$ -	\$ -	\$ -	\$ 54,170,539
US Treasury	7,199,862	-	-	-	7,199,862
Federal Governmental Agencies					
Federal Farm Credit Bank	5,033,900	22,316,140	11,340,300	40,186,769	78,877,109
Federal Home Loan Bank	8,105,840	11,644,035	22,024,355	38,946,338	80,720,568
Federal Home Loan Mortgage Corp.	-	-	7,033,510	47,272,200	54,305,710
Federal National Mortgage Assoc.	-	-	6,003,840	48,779,881	54,783,721
Municipal Bonds	-	-	5,173,900	-	5,173,900
Commercial Paper	-	1,496,088	-	-	1,496,088
Money Market Mutual Funds	26,548,217	-	-	-	26,548,217
Investments with Fiscal Agents:					
Money Market Mutual Funds	32,351,548	-	-	-	32,351,548
	<u>\$ 133,409,906</u>	<u>\$ 35,456,263</u>	<u>\$ 51,575,905</u>	<u>\$ 175,185,188</u>	<u>\$ 395,627,262</u>

**Note 4: Notes and Loans Receivables**

Notes and loans receivables consist of the following at June 30, 2012:

1. 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, 2012, the outstanding balance amounts to \$3,795,281, including accrued interest of \$705,281. Accrued interest is offset by deferred revenue.
2. 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, 2012, the advances paid against this line of credit amount to \$40,457,658 and accrued interest amounts to \$1,448,961 for a total of \$41,906,619. Accrued interest is offset by deferred revenue.
3. 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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2012

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**Note 4: Notes and Loans Receivables (Continued)**

of 56 years (2062). In addition to the extent there are Residual Receipts, the Developer shall pay to the Agency 50% of the Residual Receipts from the preceding year. As of June 30, 2012, advances paid against this line of credit amounts to \$21,638,113 and accrued interest amounts to \$2,444,132 for a total balance of \$24,082,245. Accrued interest is offset by deferred revenue.

4. 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, 2012, the advances paid against this line of credit amounted to \$9,000,000 and accrued interest amounts to \$1,585,616 for a total of \$10,585,616. Accrued interest is offset by deferred revenue.
5. 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, 2012, the advances paid against this line of credit amounted to \$6,499,910 and accrued interest amounts to \$378,922 for a total of \$6,878,832. Accrued interest is offset by deferred revenue.
6. 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, 2012, the advances paid against this line of credit amounted to \$1,328,937 and accrued interest amounts to \$46,788, for a total of \$1,375,725. Accrued interest is offset by deferred revenue.

**Note 4: Notes and Loans Receivables (Continued)**

7. 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, 2012, the advances paid against this line of credit amounted to \$25,868,857, and accrued interest amounts to \$1,773,855, for a total of \$27,642,712.
8. 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, 2012, the outstanding balance amounts to \$8,953,064, including accrued interest of \$3,023,883. Accrued interest is offset by deferred revenue.
9. 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, 2012, the outstanding balance amounts to \$4,529,819.
10. First-time homebuyer loans represents the loans made under the First Time Homebuyer's Program. The payment of the loan is not due until the property is sold. As of June 30, 2012, the outstanding balance amounts to \$4,284,848.

Total loans receivables for governmental activities at June 30, 2012, including accrued interest of \$11,407,438, amounted to \$134,034,761.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 5: Capital Assets**

Capital asset activity for the year ended June 30, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Transfer to Successor Agency *</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>						
Capital assets, not being depreciated:						
Land	\$ 83,645,679	\$ -	\$ -	\$ -	\$ (9,103,104)	\$ 74,542,575
Right of way	231,931,613	-	-	-	-	231,931,613
Construction-in-progress	32,641,391	22,890,978	(4,124,289)	(13,153,837)	(5,238,926)	33,015,317
<b>Total Capital Assets, Not Being Depreciated</b>	<b>348,218,683</b>	<b>22,890,978</b>	<b>(4,124,289)</b>	<b>(13,153,837)</b>	<b>(14,342,030)</b>	<b>339,489,505</b>
Capital assets, being depreciated:						
Building Improvements	143,558,241	1,645,906	-	-	(40,592,574)	104,611,573
Improvement other than buildings	12,564,581	620,812	-	-	(492,505)	12,692,888
Equipment and vehicles	35,242,054	1,334,645	(55,955)	-	(10,073,651)	26,447,093
Furniture and fixtures	3,011,131	-	-	-	(1,393,069)	1,618,062
Infrastructure	425,934,501	-	(197,073)	13,153,837	-	438,891,265
Intangible	1,372,589	-	-	-	(51,974)	1,320,615
<b>Total Capital Assets, Being Depreciated</b>	<b>621,683,097</b>	<b>3,601,363</b>	<b>(253,028)</b>	<b>13,153,837</b>	<b>(52,603,773)</b>	<b>585,581,496</b>
Less accumulated depreciation:						
Building improvements	28,929,230	3,007,085	-	-	(5,149,819)	26,786,496
Improvement other than buildings	7,400,395	376,861	-	-	(58,502)	7,718,754
Equipment and vehicles	26,092,847	2,766,189	(38,540)	-	(7,467,109)	21,353,387
Furniture and fixtures	2,098,182	307,142	-	-	(886,798)	1,518,526
Infrastructure	174,127,009	9,665,493	-	-	-	183,792,502
Intangible	629,650	101,404	(155)	-	(36,491)	694,408
<b>Total Accumulated Depreciation</b>	<b>239,277,313</b>	<b>16,224,174</b>	<b>(38,695)</b>	<b>-</b>	<b>(13,598,719)</b>	<b>241,864,073</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>382,405,784</b>	<b>(12,622,811)</b>	<b>(214,333)</b>	<b>13,153,837</b>	<b>(39,005,054)</b>	<b>343,717,423</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 730,624,467</b>	<b>\$ 10,268,167</b>	<b>\$ (4,338,622)</b>	<b>\$ -</b>	<b>\$ (53,347,084)</b>	<b>\$ 683,206,928</b>

\*As a result of the dissolution of the Redevelopment Agency, capital assets of the former Redevelopment Agency were transferred to the Successor Agency. See Note 16 for disclosures of capital assets of the Successor Agency.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 5: Capital Assets (Continued)**

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

Governmental Activities:	
General government	\$ 1,596,639
Public safety - police	454,635
Public safety - fire protection	660,445
Engineering and public works	10,255,319
Community development	1,222,491
Community services	460,324
Vehicle Replacement Fund	1,331,442
Computer Equip./Technology Replacement Fund	242,879
Total Governmental Activities	<u>\$ 16,224,174</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b><u>Business-Type Activities:</u></b>				
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	382,814	34,915	-	417,729
Furniture and fixtures	82,374	-	-	82,374
Infrastructure	16,747,060	-	-	16,747,060
Intangible	25,856	-	-	25,856
Total Capital Assets, Being Depreciated	<u>38,238,991</u>	<u>34,915</u>	<u>-</u>	<u>38,273,906</u>
Less accumulated depreciation:				
Building improvements	7,753,914	430,073	-	8,183,987
Improvement other than buildings	3,496,786	189,871	-	3,686,657
Equipment and vehicles	352,715	7,604	-	360,319
Furniture and fixtures	38,111	4,511	-	42,622
Infrastructure	3,597,817	669,882	-	4,267,699
Intangible	15,033	2,586	-	17,619
Total Accumulated Depreciation	<u>15,254,376</u>	<u>1,304,527</u>	<u>-</u>	<u>16,558,903</u>
Total Capital Assets, Being Depreciated, Net	<u>22,984,615</u>	<u>(1,269,612)</u>	<u>-</u>	<u>21,715,003</u>
Business-Type Activities Capital Assets, Net	<u>\$ 28,435,630</u>	<u>\$ (1,269,612)</u>	<u>\$ -</u>	<u>\$ 27,166,018</u>

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 5: Capital Assets (Continued)**

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

Business-Type Activities:	
Sports Complex	\$ 623,683
Municipal Utility	<u>680,844</u>
Total Business-Type Activities	<u><u>\$ 1,304,527</u></u>

**Note 6: Interfund Receivable, Payable and Transfers**

The composition of interfund balances as of June 30, 2012, was as follows:

**Due To/From Other Funds**

Funds	Due to Other Funds			Total
	Fire District	Sports Complex	Nonmajor Governmental Funds	
Due From Other Funds:				
General Fund	<u>\$ 276,613</u>	<u>\$ 2,186</u>	<u>\$ 1,788,680</u>	<u>\$ 2,067,479</u>

Due to/from other funds were the results of routine interfund transactions not cleared prior to the end of the fiscal year and were also made to cover negative cash balance at June 30, 2012.

**Advances To/From Other Funds**

Funds	Advances from Other Funds		Total
	Fire District	Nonmajor Governmental Funds	
Advances to Other Funds:			
General	<u>\$ 4,556,198</u>	<u>\$ 300,000</u>	<u>\$ 4,856,198</u>

The \$4,556,198 advance from the General Fund to the Fire District was approved and authorized by the City Council and Board of Directors on June 21, 2012. The disbursement occurred on June 25, 2012. The advance was to provide funding for the prepayment of the Fire District's side fund liability with CalPERS. The advance bears interest at 4.5% and is payable in monthly installments of \$33,332. The final payment will occur in July 2028.

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).

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

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

**Interfund Transfers**

Funds	Transfers Out:				Total
	General Fund	Redevelopment Agency Debt Service	Municipal Utility	Nonmajor Governmental Funds	
Transfers in:					
General Fund	\$ -	\$ -	\$ 942,400	\$ -	\$ 942,400
Fire District	168,860	-	-	-	168,860
Redevelopment Agency - Capital Projects	-	26,858	-	-	26,858
Sport Complex	1,108,510	-	-	-	1,108,510
Internal Service Funds	1,745,480	-	-	-	1,745,480
Nonmajor Funds	58,265	-	-	83,690	141,955
<b>Total</b>	<b>\$ 3,081,115</b>	<b>\$ 26,858</b>	<b>\$ 942,400</b>	<b>\$ 83,690</b>	<b>\$ 4,134,063</b>

The General Fund transferred \$1,108,510 to the Sports Complex to cover the budgeted amount and \$168,860 to the Fire District to fund the emergency preparedness program.

The Rancho Cucamonga Redevelopment Agency Debt Service Fund transferred \$26,858 to the Rancho Cucamonga Redevelopment Agency Capital Project Fund.

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, 2012

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, 2012:

	Balance July 1, 2011	Adjustments**	Adjusted Balance July 1, 2009	Additions	Repayments	Transfer to Successor Agency*	Outstanding June 30, 2012	Due Within One Year
Bonds:								
Tax Allocation Refunding Bonds - 1999 Issue	\$ 33,450,000	\$ -	\$ 33,450,000	\$ -	\$ 2,645,000	\$ (30,805,000)	\$ -	\$ -
Tax Allocation Bonds 2001 Issue	71,775,000	-	71,775,000	-	15,000	(71,760,000)	-	-
Tax Allocation Bonds 2004 Issue	144,810,000	-	144,810,000	-	4,070,000	(140,740,000)	-	-
Tax Allocation Bonds 2007 Issue A & B	145,885,000	-	145,885,000	-	2,790,000	(143,095,000)	-	-
<b>Total Bonds</b>	<b>395,920,000</b>	<b>-</b>	<b>395,920,000</b>	<b>-</b>	<b>9,520,000</b>	<b>(386,400,000)</b>	<b>-</b>	<b>-</b>
Developer Loans:								
Price Club/Costco	7,687,549	-	7,687,549	57,242	-	(7,744,791)	-	-
Bank of New York	11,551,263	-	11,551,263	-	192,900	(11,358,363)	-	-
<b>Total Developer Loans</b>	<b>19,238,812</b>	<b>-</b>	<b>19,238,812</b>	<b>57,242</b>	<b>192,900</b>	<b>(19,103,154)</b>	<b>-</b>	<b>-</b>
Capital Lease	9,997	-	9,997	-	9,997	-	-	-
Cucamonga Valley Water District - Payment Deferral	161,780	-	161,780	-	161,780	-	-	-
Advances from Successor Agency	-	3,953,624	3,953,624	-	-	-	3,953,624	-
Claims and judgments payable	2,841,832	-	2,841,832	2,365,660	1,129,988	-	4,077,504	1,571,350
Accrued employee benefits	7,606,420	-	7,606,420	4,254,005	4,337,532	-	7,522,893	4,307,076
<b>Total</b>	<b>\$ 425,778,841</b>	<b>\$ 3,953,624</b>	<b>\$ 429,732,465</b>	<b>\$ 6,676,907</b>	<b>\$ 15,352,197</b>	<b>\$ (405,503,154)</b>	<b>\$ 15,554,021</b>	<b>\$ 5,878,426</b>

\* As a result of the dissolution of the Redevelopment Agency, indebtedness of the former redevelopment agency was transferred to the Successor Agency. See Note 16 for disclosures for indebtedness.

\*\* As a result of the dissolution of the Redevelopment Agency, advances to other funds have been reclassified as long term debt due to the Successor Agency.

A description of individual components of long-term debt outstanding as of June 30, 2012, is as follows:

**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, 2012, the lease was paid off.

**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

**Note 7: Long-Term Debt Obligations (Continued)**

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 became due and was paid April 30, 2012. As of June 30, 2012, there is no outstanding deferred amount due.

**Advances from the Successor Agency**

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, 2012, the advance was \$3,953,624.

**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 by the General Fund and the Fire District Fund as it becomes due.

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

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**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 State of California or any political subdivision thereof, is pledged for the payment of these bonds. The outstanding amounts at June 30, 2012, were as follows:

	<u>Outstanding Amount at June 30, 2012</u>
City of Rancho Cucamonga:	
Reassessment District 1999-1	\$ 300,000
Assessment District 93-1	1,870,000
Community Facilities District No. 93-3	2,580,000
Community Facilities District No. 88-2	1,575,000
Community Facilities District No. 2000-01	658,000
Community Facilities District No. 2000-02	5,407,000
Community Facilities District No. 2000-03	9,020,000
Community Facilities District No. 2001-01 Series A	9,093,000
Community Facilities District No. 2001-01 Series B	812,000
Community Facilities District No. 2003-01 Series A	14,345,000
Community Facilities District No. 2003-01 Series B	2,790,000
Community Facilities District No. 2004-01	38,880,000
Community Facilities District No. 2006-01	5,385,000
Community Facilities District No. 2006-02	2,755,000
Rancho Cucamonga Redevelopment Agency:	
Multi-Family Housing Revenue Bond:	
Series 1997A	<u>2,822,592</u>
Total	<u>\$ 98,292,592</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 12.968%. 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, 2012, the City's annual pension cost of \$5,946,465 was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2011, 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, 2011
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Average Remaining Period	25 years as of the Valuation Date (Closed Period)
Asset Valuation Method	15-Year Smoothed Market
Actuarial Assumptions:	
Investment Rate of Return	7.50% (net of administrative expenses)
Projected Salary Increases	3.30% to 14.45% depending on age, service and type of employment
Inflation	2.75%
Payroll Growth	3.00%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation component of 2.75% and an annual production growth of 0.25%.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**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.

Three-Year Trend Information for PERS - City  
(Amounts in Thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligations
6/30/2010	\$ 5,084	100%	\$ -
6/30/2011	5,115	100%	-
6/30/2012	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
6/30/2009	\$ 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 %
6/30/2011	121,597	138,584	(16,987)	87.7 %	27,988	60.7 %

**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 16.000% for the non-safety employees and 29.497% 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, 2012

**Note 9: Pension Plan Obligations (Continued)**

**Annual Pension Cost (APC)**

For the year ended June 30, 2012, the Fire District's annual pension cost for the miscellaneous and safety employees of \$4,096,982 was equal to the Fire District's required and actual contributions. The required contribution was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method.

Three-Year Trend Information for PERS - Fire District

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligations
6/30/2010	\$ 3,533	100%	\$ -
6/30/2011	3,603	100%	-
6/30/2012	4,097	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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

**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, 2012, the City's annual required contribution was \$990,000. The City actually contributed \$942,093 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 year period.

Annual required contribution (ARC)	\$ 990,000
Interest in net PARS asset	(306,157)
Adjustment to ARC	<u>615,472</u>
Annual PARS cost	1,299,315
Contribution made	<u>942,093</u>
Decrease/(Increase) in net PARS asset	357,222
Net PARS obligation (asset) June 30, 2011	<u>(8,747,342)</u>
Net PARS obligation (asset) June 30, 2012	<u><u>\$ (8,390,120)</u></u>

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

Three-Year Trend Information - PARS			
Year Ending	Annual Pension	Percentage of APC Contributed	Net Pension
	Cost (APC) (in Thousands)		Obligation (Asset) (in Thousands)
6/30/2010	\$ 1,389	100%	\$ -
6/30/2011	10,201	702%	(8,747)
6/30/2012	942	95%	(8,390)

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded		Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
			Actuarial Accrued Liability	Actuarial Accrued Liability			
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%
07/01/2012	21,930	19,447	(2,483)		112.8%	25,078	-9.9%

Actuarial valuation is performed every other year.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**


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**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](http://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 2011-2012, premium payments for retiree insurance in the total amount of \$817,882 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)	\$ 173,000
Interest on net OPEB asset	(1,098,072)
Adjustment to ARC	1,325,340
Annual OPEB cost	<u>400,268</u>
Contributions made	<u>817,882</u>
Decrease/(Increase) in Net OPEB asset	(417,614)
Net OPEB obligation (asset) June 30, 2010	<u>(16,893,419)</u>
Net OPEB obligation (asset) June 30, 2011	<u>\$ (17,311,033)</u>

The contribution rate of 1.8% is based on the ARC of \$173,000, 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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**
**Note 11: Other Post-Employment Benefits (Continued)**

Three Year Trend Information - OPEB				
Fiscal Year End	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2010	\$ 1,310,481	\$ 15,803,290	1205.9%	\$ (16,492,809)
6/30/2011	333,749	734,359	220.0%	(16,893,419)
6/30/2012	400,268	817,882	204.3%	(17,311,033)

**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, an inflation rate of 3%, projected salary increase of 3.25% 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 \$500,000 on each general liability claim and for the first \$250,000 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 \$20,000,000 and \$50,000,000 for general liability and workers' compensation, respectively. Additionally, the City is self-funded for the first \$250,000 for employment practices liability claims and purchases coverage for losses ranging from \$250,000 to \$35,000,000.

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, 2012, 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, 2012, 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 (PASIC) 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.

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

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

CSAC-EIA publishes its own financial report for the year ended June 30, 2012, 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>
2010-2011	\$ 2,509,075	\$ 1,209,591	\$ (876,834)	\$ 2,841,832
2011-2012	2,841,832	2,365,660	(1,129,988)	4,077,504

**Note 13: Commitments and Contingencies**

The following schedule summarizes the major contractual commitments by funds as of June 30, 2012:

General Fund	\$ 705,114
Citywide Infrastructure Improvement	6,203,232
Fire District	607,842
Nonmajor Governmental Funds	<u>4,958,830</u>
Total	<u>\$ 12,475,018</u>

**Note 14: Fund Balance Restatement**

Beginning fund balances of the CFD 2001-01 and CFD 2003-01 capital project funds have been restated to reclassify the advances received in prior years from the Redevelopment Agency as a long-term debt of the City due to the Successor Agency.

**Note 15: California Redevelopment Agency Dissolution**

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, AB 1X 26 and 27 (*California Redevelopment Association v. Matosantos*). AB 1X 26 dissolves redevelopment agencies effective October 1, 2011. AB 1X 27 gave 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 amounted to a state-wide total of \$1.7 billion. In 2012-13 and subsequent years, the payments totaled \$400 million, annually. Each city or county’s share of these payments was determined based on its proportionate share of state-wide tax increment.

On August 17, 2011 the Supreme Court issued a stay of the implementation of AB 1X 26 and 27 which allowed a redevelopment agency to continue if it adopted an AB 1X 27 ordinance. However, because of the effect of the stay order, the authority for the Redevelopment Agency to engage in most activities was suspended.

The Supreme Court heard oral arguments on November 10, 2011 and on December 29, 2011 announced its decision in *California Redevelopment Association v. Matosantos*. The court upheld AB 1X 26 which dissolves redevelopment agencies, but invalidated in its entirety AB 1X 27 which allowed redevelopment agencies to continue as long as they made the required payments. AB 1X 26 established deadlines for the process of Redevelopment Agency dissolution and the handling of existing obligations. The full text of AB 1X 26 may be obtained from the California legislative information website maintained by the Legislative Counsel of the State of California at: <http://www.leginfo.ca.gov/bilinfo.html>.

As of January 31, 2012 the Redevelopment Agency has been dissolved and the City of Rancho Cucamonga has elected to become the Successor Agency. In conjunction, the Housing fund was designated to receive the transfer of all housing assets and perform the housing functions previously performed by the Redevelopment Agency. The Successor Agency will be responsible for winding down the remaining activities of the dissolved Redevelopment Agency.

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency**

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

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 11, 2012, the City elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 12-001.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

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

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

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is

not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

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

Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**


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**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary gain recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary loss reported in the governmental funds - increase to net assets of the Successory Agency Trust Fund	\$ 315,804,995
Capital assets recorded in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund	53,347,085
Deferred cost on bond issuance reported in the government-wide financial statements - increase to net assets of the Successor Agency Trust Fund	5,330,449
Disallowed accrued interest of the advances from the City - increase to net assets of the Successor Agency Trust Fund	46,661,300
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund	<u>(409,847,528)</u>
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary gain reported in the government-wide financial statements of the City)	<u>\$ 11,296,301</u>

**a. Cash and investments**

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$ 340,188,934
Cash and investments with fiscal agent	<u>20,313,946</u>
	<u>\$ 360,502,880</u>

**b. Loans Receivable**

Notes and loans receivables consist of the following at June 30, 2012:

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, 2012, no payments have been required, with the outstanding balance remaining at \$13,000,000.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**c. Capital Assets**

An analysis of capital assets as of June 30, 2012, follows:

	Beginning Balance	Transferred from former Redevelopment Agency *	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:						
Land	\$ -	\$ 9,103,104	\$ -	\$ -	\$ -	\$ 9,103,104
Construction-in-progress	-	5,238,926	1,266,778	-	(1,315,655)	5,190,049
<b>Total Capital Assets, Not Being Depreciated</b>	<b>-</b>	<b>14,342,030</b>	<b>1,266,778</b>	<b>-</b>	<b>(1,315,655)</b>	<b>14,293,153</b>
Capital assets, being depreciated:						
Building improvements	-	40,592,574	-	-	1,315,655	41,908,229
Improvements other than buildings	-	492,505	-	-	-	492,505
Equipment and vehicles	-	10,073,651	115,150	-	-	10,188,801
Furniture and fixtures	-	1,393,069	-	-	-	1,393,069
Intangible	-	51,974	-	-	-	51,974
<b>Total Capital Assets</b>	<b>-</b>	<b>52,603,773</b>	<b>115,150</b>	<b>-</b>	<b>1,315,655</b>	<b>54,034,578</b>
Less Accumulated Depreciation						
Building improvements	-	5,149,819	428,740	-	-	5,578,559
Improvements other than buildings	-	58,502	10,261	-	-	68,763
Equipment and vehicles	-	7,467,109	295,668	-	-	7,762,777
Furniture and fixtures	-	886,798	102,136	-	-	988,934
Intangible	-	36,491	3,465	-	-	39,956
<b>Total Accumulated Depreciation</b>	<b>-</b>	<b>13,598,719</b>	<b>840,270</b>	<b>-</b>	<b>-</b>	<b>14,438,989</b>
<b>Total Capital Assets, Being Depreciated</b>	<b>-</b>	<b>39,005,054</b>	<b>(725,120)</b>	<b>-</b>	<b>1,315,655</b>	<b>39,595,589</b>
<b>Successor Agency Capital Assets, Net</b>	<b>\$ -</b>	<b>\$ 53,347,084</b>	<b>\$ 541,658</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 53,888,742</b>

\*As a result of the dissolution of the Redevelopment Agency, capital assets of the former Redevelopment Agency were transferred to the Successor Agency. See Note 5.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

**d. Long-Term Debt**

The following debts were transferred from the former Redevelopment Agency to the Successor Agency as of February 1, 2012 as a result of the dissolution. A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2012, follows:

	Balance July 1, 2011	Transferred from the former Redevelopment Agency *	Additions	Repayments	Outstanding June 30, 2012	Due Within One Year
<b>Bonds:</b>						
Tax Allocation Refunding Bonds - 1999 Issue	\$ -	\$ 30,805,000	\$ -	\$ -	\$ 30,805,000	\$ 2,785,000
Tax Allocation Bonds 2001 Issue	-	71,760,000	-	-	71,760,000	10,000
Tax Allocation Bonds 2004 Issue	-	140,740,000	-	-	140,740,000	4,270,000
Tax Allocation Bonds 2007 Issue A & B	-	143,095,000	-	-	143,095,000	2,925,000
<b>Total Bonds</b>	<b>-</b>	<b>386,400,000</b>	<b>-</b>	<b>-</b>	<b>386,400,000</b>	<b>9,990,000</b>
<b>Developer Loans:</b>						
Price Club/Costco	-	7,744,791	322,734	135,023	7,932,502	-
Bank of New York	-	11,358,363	-	201,368	11,156,995	429,644
<b>Total Developer Loans</b>	<b>-</b>	<b>19,103,154</b>	<b>322,734</b>	<b>336,391</b>	<b>19,089,497</b>	<b>429,644</b>
Advances from City	-	9,521,227	-	-	9,521,227	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 415,024,381</b>	<b>\$ 322,734</b>	<b>\$ 336,391</b>	<b>415,010,724</b>	<b>\$ 10,419,644</b>
				Unamortized bond premium	4,283,446	
				<b>Total</b>	<b>\$ 419,294,170</b>	

\*As a result of the dissolution of the Redevelopment Agency, long term debts of the former Redevelopment Agency were transferred to the Successor Agency. See Note 7.

**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%.

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.

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

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**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

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, 2012, amounted to \$30,805,000.

The following schedule illustrates the debt service requirements to maturity for the 1999 Tax Allocation Refunding Bonds as of June 30, 2012:

	<u>Principal</u>	<u>Interest</u>
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
2016-2017	3,385,000	899,719
2018-2022	<u>15,445,000</u>	<u>1,673,831</u>
Total	<u>\$ 30,805,000</u>	<u>\$ 7,796,726</u>

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

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.

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, 2012, amounted to \$71,760,000.

CITY OF RANCHO CUCAMONGA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

The following schedule illustrates the debt service requirements to maturity for the 2001 Tax Allocation Bonds as of June 30, 2012:

	<u>Principal</u>	<u>Interest</u>
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
2016-2017	15,000	3,716,119
2018-2022	645,000	18,554,344
2023-2027	28,160,000	16,063,528
2028-2032	42,890,000	4,533,831
Total	<u>\$ 71,760,000</u>	<u>\$ 57,739,298</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.

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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2012

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

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, 2012, amounted to \$140,740, plus unamortized bond premium of \$3,528,507.

The following schedule illustrates the debt service requirements to maturity for the 2004 Tax Allocation Bonds as of June 30, 2012:

	Principal	Interest
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
2016-2017	5,100,000	5,205,490
2018-2022	32,745,000	22,531,163
2023-2027	32,640,000	14,371,845
2028-2032	34,360,000	9,031,570
2033-2037	17,740,000	399,150
Total	<u>\$ 140,740,000</u>	<u>\$ 74,693,603</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 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.

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

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, 2012, amounted to \$143,095,000 plus unamortized bond premium of \$754,939.

	<u>Principal</u>	<u>Interest</u>
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
2016-2017	3,565,000	7,375,282
2018-2022	20,935,000	32,759,020
2023-2027	27,640,000	26,143,916
2028-2032	44,895,000	15,055,746
2033-2037	33,445,000	2,508,601
Total	<u>\$ 143,095,000</u>	<u>\$ 114,445,092</u>

**Developer Loans Payable**

1. 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

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

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, 2012, amounted to \$7,932,502.

2. 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, 2012, amounted to \$11,156,995.

The following schedule illustrates the debt service requirements to maturity as of June 30, 2012:

	Principal	Interest
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
2018-2022	3,949,158	3,050,842
2023-2027	4,637,940	962,060
Total	<u>\$ 11,156,995</u>	<u>\$ 8,443,005</u>

**Advances from the City**

During the prior fiscal years, the City of Rancho Cucamonga loaned the Rancho Cucamonga Redevelopment Agency funds for use in financing various projects with interest at 12% per annum. At June 30, 2012, the principal balance on these loans amount to \$9,521,227.

**Pledged Revenue**

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to

**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$641,074,719 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the City for the payment of indebtedness incurred by the dissolved redevelopment agency was \$48,579,263 and the debt service obligation on the bonds was \$29,026,336.

On June 14, 2012, Moody's Investors Service ("Moody's") downgraded all California tax allocation bonds rated 'Baa3' and above. As such, the Bonds' insured rating was downgraded from 'A3' to 'Ba1' and underlying rating was downgraded from 'A3' to 'Ba1'. According to Moody's, all California tax allocation bond ratings remain on review for possible withdrawal.

**e. Insurance**

The Successor Agency is covered under the City of Rancho Cucamonga's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 12.

**f. Commitments and Contingencies**

At June 30, 2012, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

**g. 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, 2012, the Agency made payments totaling \$432,266.

**h. Subsequent Events**

Assembly Bill 1484 established a requirement for the successor agency to remit to the County auditor-controller three payments as determined by the auditor-controller which consist of a payment to be made in July 2012 for taxing entities' share of December 2011 property tax distribution to redevelopment agency/successor agency, a payment to be made in November 2012 related to Low-Moderate Income Housing Fund Due Diligence

**CITY OF RANCHO CUCAMONGA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2012**

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**Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)**

Review for unencumbered cash, and a payment to be made in April 2013 related to the other Redevelopment Funds Due Diligence Review for unencumbered cash. As of the date of the report, no payment was made in July 2012. In addition, the Low-Moderate Income Housing Due Diligence Review resulted in an amount due of \$4,497,473 and the other Redevelopment Funds Due Diligence Review resulted in an amount due of \$162,072,431, neither of which have been confirmed by the Department of Finance.

**Note 17: Subsequent Events**

Subsequent to June 30, 2012, the City entered into a lease agreement for replacing the City's land management software (Accela) in the amount of approximately \$2 million to be paid over five years. The City also entered into capital leases to acquire a Dell blade servers and Xerox copiers.

**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.

Proposition 84 – Park Bond Act Fund- Prop 84 provides state funding, on a competitive basis, to local governments for the creation of new parks and recreation opportunities. The Statewide Park Program legislation requires projects to meet six eligibility requirements. The fund was established to account for the financial activities associated with the design and construction of the neighborhood park in southwest Rancho Cucamonga.

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.

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)

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.

CA State Library Staff Innovation Grant Fund – This fund was established to account for the grant money awarded by California State Library. The purpose of the grant is to provide training for innovative writing skills for future grant writers.

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.

Used Oil Recycling Program - The California Integrated Waste Management allocates funding to governmental agencies on a population basis. The fund was established to administer the used oil collection programs. The fund must be used specifically for oil recycling collection and educational programs.

**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, 2012

	<b>Special Revenue Funds</b>			
	<u>Gas Tax</u>	<u>Recreation</u>	<u>Park Development</u>	<u>Beautification</u>
<b>Assets:</b>				
Cash and investments	\$ 5,154,330	\$ 2,337,155	\$ 11,508,273	\$ 1,007,026
Receivables:				
Accounts	490,829	12,381	-	-
Taxes	-	-	-	-
Accrued interest	3,779	1,739	9,078	788
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	16,479	-	-
Deposits	-	11,922	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 5,648,938</u></b>	<b><u>\$ 2,379,676</u></b>	<b><u>\$ 11,517,351</u></b>	<b><u>\$ 1,007,814</u></b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 80,915	\$ 311,447	\$ 257,286	\$ 21,264
Accrued liabilities	29,662	94,713	3,099	937
Deferred revenues	-	-	-	-
Unearned revenues	-	62,893	-	93,407
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	300,000	-
<b>Total Liabilities</b>	<b><u>110,577</u></b>	<b><u>469,053</u></b>	<b><u>560,385</u></b>	<b><u>115,608</u></b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	16,479	-	-
Deposits	-	11,922	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	10,956,966	-
Parks and recreation	-	1,882,222	-	-
Engineering and public works	5,538,361	-	-	892,206
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Total Fund Balances</b>	<b><u>5,538,361</u></b>	<b><u>1,910,623</u></b>	<b><u>10,956,966</u></b>	<b><u>892,206</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 5,648,938</u></b>	<b><u>\$ 2,379,676</u></b>	<b><u>\$ 11,517,351</u></b>	<b><u>\$ 1,007,814</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Lighting Districts</b>	<b>Landscape Maintenance Districts</b>	<b>Transportation</b>	<b>Pedestrian Grant</b>
<b>Assets:</b>				
Cash and investments	\$ 5,989,638	\$ 13,289,994	\$ 17,956,430	\$ -
Receivables:				
Accounts	65	7,042	-	-
Taxes	19,384	86,498	-	-
Accrued interest	4,723	10,586	14,120	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	63	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 6,013,810</b>	<b>\$ 13,394,183</b>	<b>\$ 17,970,550</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 298,331	\$ 500,873	\$ 192,412	\$ -
Accrued liabilities	6,760	82,986	6,887	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	87,462	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>392,553</b>	<b>583,859</b>	<b>199,299</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	63	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	17,771,251	-
Capital improvement projects	-	-	-	-
Street lighting	5,621,257	-	-	-
Landscape maintenance	-	12,810,261	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>5,621,257</b>	<b>12,810,324</b>	<b>17,771,251</b>	<b>-</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,013,810</b>	<b>\$ 13,394,183</b>	<b>\$ 17,970,550</b>	<b>\$ -</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>Community Development Block Grant</b>	<b>Assessment Administration</b>	<b>San Sevaine/ Etiwanda Drainage</b>	<b>SB 140</b>
<b>Assets:</b>				
Cash and investments	\$ 91,939	\$ 1,130,814	\$ 1,176,706	\$ 36,905
Receivables:				
Accounts	-	38	-	-
Taxes	-	-	-	-
Accrued interest	-	914	920	-
Deferred loans	653,492	-	-	-
Grants	451,587	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	1,076,211	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,273,229</b>	<b>\$ 1,131,766</b>	<b>\$ 1,177,626</b>	<b>\$ 36,905</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 41,027	\$ 10,074	\$ -	\$ -
Accrued liabilities	7,265	17,262	-	-
Deferred revenues	451,587	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	653,492	-	-	-
Due to other funds	483,685	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>1,637,056</b>	<b>27,336</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	1,076,211	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	1,104,430	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	36,905
Capital improvement projects	-	-	1,177,626	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>(440,038)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>636,173</b>	<b>1,104,430</b>	<b>1,177,626</b>	<b>36,905</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,273,229</b>	<b>\$ 1,131,766</b>	<b>\$ 1,177,626</b>	<b>\$ 36,905</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Air Quality Improvement</b>	<b>South Etiwanda Drainage</b>	<b>Lower Etiwanda Drainage</b>	<b>Masi Commerce Center</b>
<b>Assets:</b>				
Cash and investments	\$ 630,112	\$ 301,970	\$ 482,182	\$ 9,549
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	536	237	381	971
Deferred loans	-	-	-	-
Grants	52,077	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	290,293
<b>Total Assets</b>	<b>\$ 682,725</b>	<b>\$ 302,207</b>	<b>\$ 482,563</b>	<b>\$ 300,813</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 2,109	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	37,114	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>37,114</b>	<b>-</b>	<b>2,109</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	645,611	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	302,207	480,454	-
Capital improvement projects	-	-	-	300,813
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>645,611</b>	<b>302,207</b>	<b>480,454</b>	<b>300,813</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 682,725</b>	<b>\$ 302,207</b>	<b>\$ 482,563</b>	<b>\$ 300,813</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<u>Measure I</u>	<u>Library Services</u>	<u>California Literacy Program</u>	<u>Proposition 84 - Park Bond Act</u>
<b>Assets:</b>				
Cash and investments	\$ 5,337,155	\$ 5,781,983	\$ -	\$ -
Receivables:				
Accounts	166,202	-	-	-
Taxes	-	1,044,297	-	-
Accrued interest	4,010	4,654	-	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	44,754	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 5,507,367</u></b>	<b><u>\$ 6,875,688</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 288,279	\$ 57,286	\$ 14	\$ -
Accrued liabilities	5,623	76,651	713	-
Deferred revenues	-	326	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	7,475	4,400
Due to Successor Agency	-	98,005	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b><u>293,902</u></b>	<b><u>232,268</u></b>	<b><u>8,202</u></b>	<b><u>4,400</u></b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	44,754	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	5,213,465	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	6,598,666	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(8,202)</u></b>	<b><u>(4,400)</u></b>
<b>Total Fund Balances</b>	<b><u>5,213,465</u></b>	<b><u>6,643,420</u></b>	<b><u>(8,202)</u></b>	<b><u>(4,400)</u></b>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 5,507,367</u></b>	<b><u>\$ 6,875,688</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Asset Forfeiture</b>	<b>Used Oil Recycling Grant</b>	<b>COPS Program Grant</b>	<b>Drainage Facilities</b>
<b>Assets:</b>				
Cash and investments	\$ 564,739	\$ 50,993	\$ 192,957	\$ 5,220,802
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	117	-	-	4,104
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 564,856</b>	<b>\$ 50,993</b>	<b>\$ 192,957</b>	<b>\$ 5,224,906</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,936	\$ -	\$ -	\$ 658,515
Accrued liabilities	-	-	-	2,895
Deferred revenues	-	-	-	-
Unearned revenues	-	50,850	-	5,102
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>1,936</b>	<b>50,850</b>	<b>-</b>	<b>666,512</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	562,920	-	192,957	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	143	-	4,558,394
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>562,920</b>	<b>143</b>	<b>192,957</b>	<b>4,558,394</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 564,856</b>	<b>\$ 50,993</b>	<b>\$ 192,957</b>	<b>\$ 5,224,906</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>CA State Library</b>	<b>Library Services &amp; Technologies Act</b>	<b>Litter Reduction Grant</b>	<b>Energy Efficient &amp; Conservation Block Grant</b>
<b>Assets:</b>				
Cash and investments	\$ 21,076	\$ 47,777	\$ 77,246	\$ 36,129
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	-	-
Deferred loans	-	-	-	466,520
Grants	-	-	-	2,523
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 21,076</b>	<b>\$ 47,777</b>	<b>\$ 77,246</b>	<b>\$ 505,172</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 806	\$ -
Accrued liabilities	1,480	1,261	-	765
Deferred revenues	-	-	-	2,523
Unearned revenues	-	-	75,987	-
Due to other governments	-	-	-	466,520
Due to other funds	-	-	-	28,971
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>1,480</b>	<b>1,261</b>	<b>76,793</b>	<b>498,779</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	453	6,393
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	19,596	46,516	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>19,596</b>	<b>46,516</b>	<b>453</b>	<b>6,393</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 21,076</b>	<b>\$ 47,777</b>	<b>\$ 77,246</b>	<b>\$ 505,172</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Senior Outreach Grant</b>	<b>Underground Utilities</b>	<b>Safe Routes to School Program</b>	<b>Foothill Blvd. Maintenance</b>
<b>Assets:</b>				
Cash and investments	\$ -	\$ 10,686,157	\$ -	\$ 53,445
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	4,061	-	-
Deferred loans	-	-	-	-
Grants	3,240	-	39,054	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 3,240</b>	<b>\$ 10,690,218</b>	<b>\$ 39,054</b>	<b>\$ 53,445</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 1,932	\$ -
Accrued liabilities	-	-	1,437	731
Deferred revenues	3,240	-	39,054	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	3,240	-	36,189	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>6,480</b>	<b>-</b>	<b>78,612</b>	<b>731</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	52,714
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	10,690,218	-	-
<b>Unassigned</b>	<b>(3,240)</b>	<b>-</b>	<b>(39,558)</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>(3,240)</b>	<b>10,690,218</b>	<b>(39,558)</b>	<b>52,714</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,240</b>	<b>\$ 10,690,218</b>	<b>\$ 39,054</b>	<b>\$ 53,445</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>COPS Secure our School Grant</b>	<b>CA State Library Staff Innovation Fund Grant</b>	<b>The Big Read Library Grant</b>	<b>Drink, Drive, Lose Grant</b>
<b>Assets:</b>				
Cash and investments	\$ 58,945	\$ 95,231	\$ 14,425	\$ 15,441
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	82	-	-
Deferred loans	-	-	-	-
Grants	4,671	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 63,616</b>	<b>\$ 95,313</b>	<b>\$ 14,425</b>	<b>\$ 15,441</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 4,683	\$ 6,540	\$ -	\$ -
Accrued liabilities	-	1,311	120	-
Deferred revenues	-	-	-	-
Unearned revenues	2,986	70,434	4,227	13,574
Due to other governments	-	-	-	-
Due to other funds	55,267	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>62,936</b>	<b>78,285</b>	<b>4,347</b>	<b>13,574</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	680	-	-	1,867
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	17,028	10,078	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>680</b>	<b>17,028</b>	<b>10,078</b>	<b>1,867</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 63,616</b>	<b>\$ 95,313</b>	<b>\$ 14,425</b>	<b>\$ 15,441</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Department of Homeland Security Grant</b>	<b>Public Resource Grants</b>	<b>Proposition 1B</b>	<b>Henderson/ Wardman Drainage</b>
<b>Assets:</b>				
Cash and investments	\$ -	\$ 105,415	\$ 232,702	\$ 812,938
Receivables:				
Accounts	-	17,358	-	-
Taxes	-	-	-	-
Accrued interest	-	-	183	-
Deferred loans	-	-	-	-
Grants	11,082	13,197	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 11,082</b>	<b>\$ 135,970</b>	<b>\$ 232,885</b>	<b>\$ 812,938</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 17,404	\$ -	\$ -
Accrued liabilities	429	5,369	-	-
Deferred revenues	11,082	29,723	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	10,699	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>22,210</b>	<b>52,496</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	83,474	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	232,885	812,938
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>(11,128)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>(11,128)</b>	<b>83,474</b>	<b>232,885</b>	<b>812,938</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 11,082</b>	<b>\$ 135,970</b>	<b>\$ 232,885</b>	<b>\$ 812,938</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>Integrated Waste Management</b>	<b>Federal Grant Fund - Dreier</b>	<b>Proposition 42 - Traffic Congestion Relief</b>	<b>Justice Assistance Grant</b>
<b>Assets:</b>				
Cash and investments	\$ 2,695,818	\$ 13,624	\$ 1,869,990	\$ 254,466
Receivables:				
Accounts	50	-	-	-
Taxes	250,831	-	-	-
Accrued interest	2,208	-	1,474	134
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,948,907</b>	<b>\$ 13,624</b>	<b>\$ 1,871,464</b>	<b>\$ 254,600</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 198,508	\$ 13,545	\$ 462,392	\$ -
Accrued liabilities	22,527	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	245,559
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>221,035</b>	<b>13,545</b>	<b>462,392</b>	<b>245,559</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	9,041
Community development projects	-	-	-	-
Parks and recreation	-	79	-	-
Engineering and public works	2,727,872	-	1,409,072	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>2,727,872</b>	<b>79</b>	<b>1,409,072</b>	<b>9,041</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,948,907</b>	<b>\$ 13,624</b>	<b>\$ 1,871,464</b>	<b>\$ 254,600</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>OTS 2005 State Seatbelt Grant</b>	<b>Senior Transportation Service</b>	<b>Homeland Security Grant 2005</b>	<b>Used Oil Recycling Program</b>
<b>Assets:</b>				
Cash and investments	\$ 34	\$ 64	\$ -	\$ 16,085
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	-	16
Deferred loans	-	-	-	-
Grants	-	-	73,070	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 34</b>	<b>\$ 64</b>	<b>\$ 73,070</b>	<b>\$ 16,101</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 79	\$ 14,310
Accrued liabilities	-	-	-	1,311
Deferred revenues	-	-	73,070	-
Unearned revenues	-	-	-	99
Due to other governments	-	-	-	-
Due to other funds	-	-	72,957	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>146,106</b>	<b>15,720</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	34	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	64	-	-
Engineering and public works	-	-	-	381
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>(73,036)</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>34</b>	<b>64</b>	<b>(73,036)</b>	<b>381</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 34</b>	<b>\$ 64</b>	<b>\$ 73,070</b>	<b>\$ 16,101</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Capital Projects Funds</b>			
	<b>Assessment District 82-1</b>	<b>Assessment District 84-1</b>	<b>Assessment District 86-2</b>	<b>CFD 2000-01 South Etiwanda</b>
<b>Assets:</b>				
Cash and investments	\$ 12,638	\$ 1,080,640	\$ -	\$ 63
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	9	850	-	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 12,647</b>	<b>\$ 1,081,490</b>	<b>\$ -</b>	<b>\$ 63</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	41,128	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>41,128</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	12,647	1,081,490	-	63
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>(41,128)</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>12,647</b>	<b>1,081,490</b>	<b>(41,128)</b>	<b>63</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 12,647</b>	<b>\$ 1,081,490</b>	<b>\$ -</b>	<b>\$ 63</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

(Continued)

	<b>Capital Projects Funds</b>			
	<b>CFD 2000-02 Rancho Cucamonga Corporate Park</b>	<b>CFD 2000-03 Rancho Summit</b>	<b>CFD 2001-01</b>	<b>CFD 2003-01 Project Fund</b>
<b>Assets:</b>				
Cash and investments	\$ -	\$ 19,200	\$ 476,603	\$ 5,604
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	-	374	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	399,964	143,876	-	169,301
<b>Total Assets</b>	<b>\$ 399,964</b>	<b>\$ 163,076</b>	<b>\$ 476,977</b>	<b>\$ 174,905</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 26,019
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,019</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	399,964	163,076	476,977	148,886
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>399,964</b>	<b>163,076</b>	<b>476,977</b>	<b>148,886</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 399,964</b>	<b>\$ 163,076</b>	<b>\$ 476,977</b>	<b>\$ 174,905</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<b>Capital Projects Funds</b>			
	<b>Public Library Bond Act - 2000</b>	<b>CFD 2004-01 Rancho Etiwanda</b>	<b>CFD 2003-01 Cultural Center</b>	<b>CFD 2006-01 Vintner's Grove</b>
<b>Assets:</b>				
Cash and investments	\$ 818,993	\$ 4,908	\$ -	\$ 1,806
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	-	3	-	-
Deferred loans	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	944,553	184,643	606,688
<b>Total Assets</b>	<b>\$ 818,993</b>	<b>\$ 949,464</b>	<b>\$ 184,643</b>	<b>\$ 608,494</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 6,128	\$ -	\$ 4,848	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	26,526	-	-	-
Due to other governments	-	-	-	-
Due to other funds	781,424	-	175,783	-
Due to Successor Agency	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>814,078</b>	<b>-</b>	<b>180,631</b>	<b>-</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Prepaid costs	-	-	-	-
Deposits	-	-	-	-
Land held for resale	-	-	-	-
<b>Restricted for:</b>				
Public safety - police	-	-	-	-
Community development projects	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	4,915	949,464	4,012	608,494
Street lighting	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Underground utilities	-	-	-	-
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Fund Balances</b>	<b>4,915</b>	<b>949,464</b>	<b>4,012</b>	<b>608,494</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 818,993</b>	<b>\$ 949,464</b>	<b>\$ 184,643</b>	<b>\$ 608,494</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2012

	<u>Capital Projects Fund</u>	
	<u>CFD 2006-02 Amador on Route 66</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets:</b>		
Cash and investments	\$ 5,854	\$ 97,784,969
Receivables:		
Accounts	-	693,965
Taxes	-	1,401,010
Accrued interest	4	71,055
Deferred loans	-	1,120,012
Grants	-	650,501
Prepaid costs	-	61,296
Deposits	-	11,922
Land held for resale	-	1,076,211
Restricted assets:		
Cash and investments with fiscal agents	1,963	2,741,281
<b>Total Assets</b>	<b>\$ 7,821</b>	<b>\$ 105,612,222</b>
<b>Liabilities and Fund Balances:</b>		
<b>Liabilities:</b>		
Accounts payable	\$ -	\$ 3,478,962
Accrued liabilities	-	372,194
Deferred revenues	-	610,605
Unearned revenues	-	688,758
Due to other governments	-	1,120,012
Due to other funds	-	1,788,680
Due to Successor Agency	-	98,005
Advances from other funds	-	300,000
<b>Total Liabilities</b>	<b>-</b>	<b>8,457,216</b>
<b>Fund Balances:</b>		
<b>Nonspendable:</b>		
Prepaid costs	-	61,296
Deposits	-	11,922
Land held for resale	-	1,076,211
<b>Restricted for:</b>		
Public safety - police	-	767,499
Community development projects	-	12,797,327
Parks and recreation	-	1,882,365
Engineering and public works	-	40,029,248
Capital improvement projects	7,821	5,336,248
Street lighting	-	5,621,257
Landscape maintenance	-	12,810,261
Library services	-	6,691,884
Underground utilities	-	10,690,218
<b>Unassigned</b>	<b>-</b>	<b>(620,730)</b>
<b>Total Fund Balances</b>	<b>7,821</b>	<b>97,155,006</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 7,821</b>	<b>\$ 105,612,222</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>Gas Tax</b>	<b>Recreation</b>	<b>Park Development</b>	<b>Beautification</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	4,952,710	15,000	-	-
Charges for services	-	2,817,880	-	-
Use of money and property	72,962	866,222	142,946	12,463
Contributions	-	452,079	-	-
Developer participation	-	-	235,953	60,078
Miscellaneous	5,568	150,527	-	-
<b>Total Revenues</b>	<b>5,031,240</b>	<b>4,301,708</b>	<b>378,899</b>	<b>72,541</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	202,432	-
Community services	-	4,152,477	-	-
Engineering and public works	2,395,100	-	-	70,864
Capital outlay	1,129,435	-	793,162	40,841
Debt service:				
Principal retirement	9,997	-	-	-
Interest and fiscal charges	241	-	-	-
<b>Total Expenditures</b>	<b>3,534,773</b>	<b>4,152,477</b>	<b>995,594</b>	<b>111,705</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,496,467	149,231	(616,695)	(39,164)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	1,496,467	149,231	(616,695)	(39,164)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	4,041,894	1,761,392	11,573,661	931,370
Restatements	-	-	-	-
Beginning of year, as restated	4,041,894	1,761,392	11,573,661	931,370
Net Change in Fund Balances	1,496,467	149,231	(616,695)	(39,164)
<b>End of Year</b>	<b>\$ 5,538,361</b>	<b>\$ 1,910,623</b>	<b>\$ 10,956,966</b>	<b>\$ 892,206</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Lighting Districts</b>	<b>Landscape Maintenance Districts</b>	<b>Transportation</b>	<b>Pedestrian Grant</b>
<b>Revenues:</b>				
Taxes	\$ 2,104,650	\$ 9,932,718	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	75,539	226,117	223,382	(861)
Contributions	-	-	-	-
Developer participation	2,931	-	1,047,378	-
Miscellaneous	-	1,256	-	-
<b>Total Revenues</b>	<b>2,183,120</b>	<b>10,160,091</b>	<b>1,270,760</b>	<b>(861)</b>
<b>Expenditures:</b>				
Current:				
General government	2,296,621	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	9,394,514	-	-
Community services	-	-	-	-
Engineering and public works	-	-	925,341	-
Capital outlay	402,608	95,325	708,767	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>2,699,229</b>	<b>9,489,839</b>	<b>1,634,108</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(516,109)	670,252	(363,348)	(861)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(516,109)	670,252	(363,348)	(861)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	6,137,366	12,140,072	18,134,599	861
Restatements	-	-	-	-
Beginning of year, as restated	6,137,366	12,140,072	18,134,599	861
Net Change in Fund Balances	(516,109)	670,252	(363,348)	(861)
<b>End of Year</b>	<b>\$ 5,621,257</b>	<b>\$ 12,810,324</b>	<b>\$ 17,771,251</b>	<b>\$ -</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>Community Development Block Grant</b>	<b>Assessment Administration</b>	<b>San Sevaine/ Etiwanda Drainage</b>	<b>SB 140</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	1,133,101	-	-	-
Charges for services	-	-	-	-
Use of money and property	533	15,104	15,835	(18)
Contributions	-	-	-	-
Developer participation	-	-	128,793	-
Miscellaneous	16,780	856,770	-	-
<b>Total Revenues</b>	<b>1,150,414</b>	<b>871,874</b>	<b>144,628</b>	<b>(18)</b>
<b>Expenditures:</b>				
Current:				
General government	-	875,790	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	418,286	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	797,432	-	57,750	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>1,215,718</b>	<b>875,790</b>	<b>57,750</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,304)	(3,916)	86,878	(18)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(65,304)	(3,916)	86,878	(18)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	701,477	1,108,346	1,090,748	36,923
Restatements	-	-	-	-
Beginning of year, as restated	701,477	1,108,346	1,090,748	36,923
Net Change in Fund Balances	(65,304)	(3,916)	86,878	(18)
<b>End of Year</b>	<b>\$ 636,173</b>	<b>\$ 1,104,430</b>	<b>\$ 1,177,626</b>	<b>\$ 36,905</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	Special Revenue Funds			
	Air Quality Improvement	South Etiwanda Drainage	Lower Etiwanda Drainage	Masi Commerce Center
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	279,694	-	-	-
Charges for services	-	-	-	-
Use of money and property	8,700	3,624	6,073	159
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>288,394</b>	<b>3,624</b>	<b>6,073</b>	<b>159</b>
<b>Expenditures:</b>				
Current:				
General government	133,134	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	146,696	45,670	16,241	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>279,830</b>	<b>45,670</b>	<b>16,241</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,564	(42,046)	(10,168)	159
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	8,564	(42,046)	(10,168)	159
<b>Fund Balances:</b>				
Beginning of year, as originally reported	637,047	344,253	490,622	300,654
Restatements	-	-	-	-
Beginning of year, as restated	637,047	344,253	490,622	300,654
Net Change in Fund Balances	8,564	(42,046)	(10,168)	159
<b>End of Year</b>	<b>\$ 645,611</b>	<b>\$ 302,207</b>	<b>\$ 480,454</b>	<b>\$ 300,813</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>Measure I</b>	<b>Library Services</b>	<b>California Literacy Program</b>	<b>Proposition 84 - Park Bond Act</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ 2,880,454	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	2,272,270	7,038	-	-
Charges for services	-	395,334	-	-
Use of money and property	67,932	78,353	(21)	(23)
Contributions	-	125,000	15,000	-
Developer participation	-	-	-	-
Miscellaneous	-	53,489	-	-
<b>Total Revenues</b>	<b>2,340,202</b>	<b>3,539,668</b>	<b>14,979</b>	<b>(23)</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	3,727,057	100,625	-
Engineering and public works	1,171,703	-	-	-
Capital outlay	717,547	-	-	4,377
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>1,889,250</b>	<b>3,727,057</b>	<b>100,625</b>	<b>4,377</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	450,952	(187,389)	(85,646)	(4,400)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	83,690	-
Transfers out	-	(83,690)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(83,690)</b>	<b>83,690</b>	<b>-</b>
Net Change in Fund Balances	450,952	(271,079)	(1,956)	(4,400)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	4,762,513	6,914,499	(6,246)	-
Restatements	-	-	-	-
Beginning of year, as restated	4,762,513	6,914,499	(6,246)	-
Net Change in Fund Balances	450,952	(271,079)	(1,956)	(4,400)
<b>End of Year</b>	<b>\$ 5,213,465</b>	<b>\$ 6,643,420</b>	<b>\$ (8,202)</b>	<b>\$ (4,400)</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Asset Forfeiture</b>	<b>Used Oil Recycling Grant</b>	<b>COPS Program Grant</b>	<b>Drainage Facilities</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	64,990	12,520	167,091	-
Charges for services	-	-	-	-
Use of money and property	1,731	38	(547)	70,301
Contributions	-	-	-	-
Developer participation	-	-	-	722,341
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>66,721</b>	<b>12,558</b>	<b>166,544</b>	<b>792,642</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	43,962	-	170,019	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	12,520	-	240,729
Capital outlay	33,182	-	-	809,800
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>77,144</b>	<b>12,520</b>	<b>170,019</b>	<b>1,050,529</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,423)	38	(3,475)	(257,887)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(10,423)	38	(3,475)	(257,887)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	573,343	105	196,432	4,816,281
Restatements	-	-	-	-
Beginning of year, as restated	573,343	105	196,432	4,816,281
Net Change in Fund Balances	(10,423)	38	(3,475)	(257,887)
<b>End of Year</b>	<b>\$ 562,920</b>	<b>\$ 143</b>	<b>\$ 192,957</b>	<b>\$ 4,558,394</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>CA State Library</b>	<b>Library Services &amp; Technologies Act</b>	<b>Litter Reduction Grant</b>	<b>Energy Efficient &amp; Conservation Block Grant</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	39,858	32,450	23,221	1,179,356
Charges for services	-	-	-	-
Use of money and property	(426)	133	409	214
Contributions	-	10,000	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	8,798
<b>Total Revenues</b>	<b>39,432</b>	<b>42,583</b>	<b>23,630</b>	<b>1,188,368</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	19,510
Community services	61,887	19,748	-	-
Engineering and public works	-	-	23,221	-
Capital outlay	-	-	-	1,133,606
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>61,887</b>	<b>19,748</b>	<b>23,221</b>	<b>1,153,116</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,455)	22,835	409	35,252
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(22,455)	22,835	409	35,252
<b>Fund Balances:</b>				
Beginning of year, as originally reported	42,051	23,681	44	(28,859)
Restatements	-	-	-	-
Beginning of year, as restated	42,051	23,681	44	(28,859)
Net Change in Fund Balances	(22,455)	22,835	409	35,252
<b>End of Year</b>	<b>\$ 19,596</b>	<b>\$ 46,516</b>	<b>\$ 453</b>	<b>\$ 6,393</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Senior Outreach Grant</b>	<b>Underground Utilities</b>	<b>Safe Routes to School Program</b>	<b>Foothill Blvd. Maintenance</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	4,084	-	-	-
Charges for services	-	344,549	-	-
Use of money and property	-	233,652	(215)	(280)
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>4,084</b>	<b>578,201</b>	<b>(215)</b>	<b>(280)</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	6,129	-	-	-
Engineering and public works	-	31,850	39,022	37,447
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>6,129</b>	<b>31,850</b>	<b>39,022</b>	<b>37,447</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,045)	546,351	(39,237)	(37,727)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(2,045)	546,351	(39,237)	(37,727)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	(1,195)	10,143,867	(321)	90,441
Restatements	-	-	-	-
Beginning of year, as restated	(1,195)	10,143,867	(321)	90,441
Net Change in Fund Balances	(2,045)	546,351	(39,237)	(37,727)
<b>End of Year</b>	<b>\$ (3,240)</b>	<b>\$ 10,690,218</b>	<b>\$ (39,558)</b>	<b>\$ 52,714</b>

CITY OF RANCHO CUCAMONGA

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EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			
	COPS Secure our School Grant	CA State Library Staff Innovation Fund Grant	The Big Read Library Grant	Drink, Drive, Lose Grant
<b>Revenues:</b>				
Taxes	\$ -	\$ 13	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	67,314	103,776	1,049	-
Charges for services	-	-	-	-
Use of money and property	679	2,053	(19)	(7)
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>67,993</b>	<b>105,842</b>	<b>1,030</b>	<b>(7)</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	116,528	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	80,814	1,049	-
Engineering and public works	-	-	-	-
Capital outlay	-	8,000	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>116,528</b>	<b>88,814</b>	<b>1,049</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,535)	17,028	(19)	(7)
<b>Other Financing Sources (Uses):</b>				
Transfers in	58,265	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>58,265</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	9,730	17,028	(19)	(7)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	(9,050)	-	10,097	1,874
Restatements	-	-	-	-
Beginning of year, as restated	(9,050)	-	10,097	1,874
Net Change in Fund Balances	9,730	17,028	(19)	(7)
<b>End of Year</b>	<b>\$ 680</b>	<b>\$ 17,028</b>	<b>\$ 10,078</b>	<b>\$ 1,867</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	<b>Special Revenue Funds</b>			
	<b>Department of Homeland Security Grant</b>	<b>Public Resource Grants</b>	<b>Proposition 1B</b>	<b>Henderson/ Wardman Drainage</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	121,159	1,000	-	-
Charges for services	-	-	-	-
Use of money and property	(47)	(205)	2,796	(256)
Contributions	-	117,492	-	-
Developer participation	-	-	-	-
Miscellaneous	-	447	-	-
<b>Total Revenues</b>	<b>121,112</b>	<b>118,734</b>	<b>2,796</b>	<b>(256)</b>
<b>Expenditures:</b>				
Current:				
General government	-	143,310	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	129,786	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>129,786</b>	<b>143,310</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,674)	(24,576)	2,796	(256)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(8,674)	(24,576)	2,796	(256)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	(2,454)	108,050	230,089	813,194
Restatements	-	-	-	-
Beginning of year, as restated	(2,454)	108,050	230,089	813,194
Net Change in Fund Balances	(8,674)	(24,576)	2,796	(256)
<b>End of Year</b>	<b>\$ (11,128)</b>	<b>\$ 83,474</b>	<b>\$ 232,885</b>	<b>\$ 812,938</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Special Revenue Funds</b>			
	<b>Integrated Waste Management</b>	<b>Federal Grant Fund - Dreier</b>	<b>Proposition 42 - Traffic Congestion Relief</b>	<b>Justice Assistance Grant</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	925	-	-	-
Intergovernmental	-	-	-	-
Charges for services	1,106,493	-	-	-
Use of money and property	28,964	(7)	21,291	2,497
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>1,136,382</b>	<b>(7)</b>	<b>21,291</b>	<b>2,497</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	980,881	-	-	-
Capital outlay	1,262,748	-	623,506	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>2,243,629</b>	<b>-</b>	<b>623,506</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,107,247)	(7)	(602,215)	2,497
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(1,107,247)	(7)	(602,215)	2,497
<b>Fund Balances:</b>				
Beginning of year, as originally reported	3,835,119	86	2,011,287	6,544
Restatements	-	-	-	-
Beginning of year, as restated	3,835,119	86	2,011,287	6,544
Net Change in Fund Balances	(1,107,247)	(7)	(602,215)	2,497
<b>End of Year</b>	<b>\$ 2,727,872</b>	<b>\$ 79</b>	<b>\$ 1,409,072</b>	<b>\$ 9,041</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	Special Revenue Funds			
	OTS 2005 State Seatbelt Grant	Senior Transportation Service	Homeland Security Grant 2005	Used Oil Recycling Program
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	5,952	-	56,348	56,776
Charges for services	-	-	-	-
Use of money and property	34	-	35	381
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>5,986</b>	<b>-</b>	<b>56,383</b>	<b>57,157</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	2,975	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	48,776
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	51,503	8,000
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>54,478</b>	<b>56,776</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,986	-	1,905	381
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	5,986	-	1,905	381
<b>Fund Balances:</b>				
Beginning of year, as originally reported	(5,952)	64	(74,941)	-
Restatements	-	-	-	-
Beginning of year, as restated	(5,952)	64	(74,941)	-
Net Change in Fund Balances	5,986	-	1,905	-
<b>End of Year</b>	<b>\$ 34</b>	<b>\$ 64</b>	<b>\$ (73,036)</b>	<b>\$ 381</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Capital Projects Funds</b>			
	<b>Assessment District 82-1</b>	<b>Assessment District 84-1</b>	<b>Assessment District 86-2</b>	<b>CFD 2000-01 South Etiwanda</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	140	14,162	-	3
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>140</b>	<b>14,162</b>	<b>-</b>	<b>3</b>
<b>Expenditures:</b>				
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	-	-	-	91,958
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91,958</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	140	14,162	-	(91,955)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	140	14,162	-	(91,955)
<b>Fund Balances:</b>				
Beginning of year, as originally reported	12,507	1,067,328	(41,128)	92,018
Restatements	-	-	-	-
Beginning of year, as restated	12,507	1,067,328	(41,128)	92,018
Net Change in Fund Balances	140	14,162	-	(91,955)
<b>End of Year</b>	<b>\$ 12,647</b>	<b>\$ 1,081,490</b>	<b>\$ (41,128)</b>	<b>\$ 63</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

(Continued)

	<b>Capital Projects Funds</b>			
	<b>CFD 2000-02 Rancho Cucamonga Corporate Park</b>	<b>CFD 2000-03 Rancho Summit</b>	<b>CFD 2001-01</b>	<b>CFD 2003-01 Project Fund</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	9	6,252	8
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>9</b>	<b>6,252</b>	<b>8</b>
<b>Expenditures:</b>				
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	181,427	-	18,151	-
<b>Total Expenditures</b>	<b>181,427</b>	<b>-</b>	<b>18,151</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(181,427)	9	(11,899)	8
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(181,427)	9	(11,899)	8
<b>Fund Balances:</b>				
Beginning of year, as originally reported	581,391	163,067	(2,071,532)	(1,244,338)
Restatements	-	-	2,560,408	1,393,216
Beginning of year, as restated	581,391	163,067	488,876	148,878
Net Change in Fund Balances	(181,427)	9	(11,899)	8
<b>End of Year</b>	<b>\$ 399,964</b>	<b>\$ 163,076</b>	<b>\$ 476,977</b>	<b>\$ 148,886</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Capital Projects Funds</b>			
	<b>Public Library Bond Act - 2000</b>	<b>CFD 2004-01 Rancho Etiwanda</b>	<b>CFD 2003-01 Cultural Center</b>	<b>CFD 2006-01 Vintner's Grove</b>
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	772,616	-	-	-
Charges for services	-	-	-	-
Use of money and property	4,908	144	(1,040)	52
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>777,524</b>	<b>144</b>	<b>(1,040)</b>	<b>52</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	38,703	174,062	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>38,703</b>	<b>174,062</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	777,524	(38,559)	(175,102)	52
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	777,524	(38,559)	(175,102)	52
<b>Fund Balances:</b>				
Beginning of year, as originally reported	(772,609)	988,023	179,114	608,442
Restatements	-	-	-	-
Beginning of year, as restated	(772,609)	988,023	179,114	608,442
Net Change in Fund Balances	777,524	(38,559)	(175,102)	52
<b>End of Year</b>	<b>\$ 4,915</b>	<b>\$ 949,464</b>	<b>\$ 4,012</b>	<b>\$ 608,494</b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENTG OF REVENUES,  
EXPENDITURE AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2012

	<b>Capital Projects Fund</b>	
	<b>CFD 2006-02 Amador on Route 66</b>	<b>Total Governmental Funds</b>
<b>Revenues:</b>		
Taxes	\$ -	\$ 14,917,835
Licenses and permits	-	925
Intergovernmental	-	11,369,373
Charges for services	-	4,664,256
Use of money and property	73	2,202,931
Contributions	-	719,571
Developer participation	-	2,197,474
Miscellaneous	-	1,093,635
<b>Total Revenues</b>	<b>73</b>	<b>37,166,000</b>
<b>Expenditures:</b>		
Current:		
General government	-	3,448,855
Public safety - police	-	333,484
Public safety - fire protection	-	129,786
Community development	-	10,083,518
Community services	-	8,149,786
Engineering and public works	-	5,928,678
Capital outlay	-	9,098,961
Debt service:		
Principal retirement	-	9,997
Interest and fiscal charges	-	291,777
<b>Total Expenditures</b>	<b>-</b>	<b>37,474,842</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	73	(308,842)
<b>Other Financing Sources (Uses):</b>		
Transfers in	-	141,955
Transfers out	-	(83,690)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>58,265</b>
Net Change in Fund Balances	73	(250,577)
<b>Fund Balances:</b>		
Beginning of year, as originally reported	7,748	93,451,959
Restatements	-	3,953,624
Beginning of year, as restated	7,748	97,405,583
Net Change in Fund Balances	73	(250,577)
<b>End of Year</b>	<b>\$ 7,821</b>	<b>\$ 97,155,006</b>

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
GAS TAX  
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$4,041,894	\$ 4,041,894	\$ 4,041,894	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	4,779,900	4,600,240	4,952,710	352,470
Use of money and property	27,550	51,320	72,962	21,642
Miscellaneous	-	3,830	5,568	1,738
<b>Amounts Available for Appropriation</b>	<b>8,849,344</b>	<b>8,697,284</b>	<b>9,073,134</b>	<b>375,850</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	2,730,520	2,610,860	2,504,107	106,753
Capital outlay	1,250,000	1,260,240	1,129,795	130,445
Debt service:				
Principal retirement	-	-	9,997	(9,997)
Interest and fiscal charges	-	-	241	(241)
<b>Total Charges to Appropriation</b>	<b>3,980,520</b>	<b>3,871,100</b>	<b>3,644,140</b>	<b>226,960</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$4,868,824</b>	<b>\$ 4,826,184</b>	<b>5,428,994</b>	<b>\$ 602,810</b>
Encumbrances			109,367	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 5,538,361</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
RECREATION  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,761,392	\$ 1,761,392	\$ 1,761,392	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	-	15,000	15,000
Charges for services	2,987,360	2,948,710	2,817,880	(130,830)
Use of money and property	937,720	939,850	866,222	(73,628)
Contributions	474,750	466,650	452,079	(14,571)
Miscellaneous	129,330	123,080	150,527	27,447
<b>Amounts Available for Appropriation</b>	<b>6,290,552</b>	<b>6,239,682</b>	<b>6,063,100</b>	<b>(176,582)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	4,707,680	4,545,850	4,157,026	388,824
<b>Total Charges to Appropriation</b>	<b>4,707,680</b>	<b>4,545,850</b>	<b>4,157,026</b>	<b>388,824</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 1,582,872</b>	<b>\$ 1,693,832</b>	<b>1,906,074</b>	<b>\$ 212,242</b>
Encumbrances			4,549	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,910,623</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 PARK DEVELOPMENT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,573,661	\$ 11,573,661	\$ 11,573,661	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	193,850	162,150	142,946	(19,204)
Developer participation	89,000	89,000	235,953	146,953
<b>Amounts Available for Appropriation</b>	<b>11,856,511</b>	<b>11,824,811</b>	<b>11,952,560</b>	<b>127,749</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	237,740	229,890	202,432	27,458
Capital outlay	1,045,000	1,629,110	1,227,329	401,781
<b>Total Charges to Appropriation</b>	<b>1,282,740</b>	<b>1,859,000</b>	<b>1,429,761</b>	<b>429,239</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 10,573,771</b>	<b>\$ 9,965,811</b>	<b>10,522,799</b>	<b>\$ 556,988</b>
Encumbrances			434,167	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 10,956,966</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 BEAUTIFICATION  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 931,370	\$ 931,370	\$ 931,370	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	20,070	14,360	12,463	(1,897)
Developer participation	15,000	25,000	60,078	35,078
<b>Amounts Available for Appropriation</b>	<b>966,440</b>	<b>970,730</b>	<b>1,003,911</b>	<b>33,181</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	79,630	87,850	70,864	16,986
Capital outlay	14,850	649,810	40,841	608,969
<b>Total Charges to Appropriation</b>	<b>94,480</b>	<b>737,660</b>	<b>111,705</b>	<b>625,955</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 871,960</b>	<b>\$ 233,070</b>	<b>892,206</b>	<b>\$ 659,136</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 892,206</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
LIGHTING DISTRICTS  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$6,137,366	\$ 6,137,366	\$ 6,137,366	\$ -
<b>Resources (Inflows):</b>				
Taxes	1,882,130	1,997,490	2,104,650	107,160
Use of money and property	98,540	81,560	75,539	(6,021)
Developer participation	2,900	2,900	2,931	31
<b>Amounts Available for Appropriation</b>	<b>8,120,936</b>	<b>8,219,316</b>	<b>8,320,486</b>	<b>101,170</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	2,797,080	2,342,210	2,296,621	45,589
Capital outlay	-	522,180	450,162	72,018
<b>Total Charges to Appropriation</b>	<b>2,797,080</b>	<b>2,864,390</b>	<b>2,746,783</b>	<b>117,607</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b><u>\$5,323,856</u></b>	<b><u>\$ 5,354,926</u></b>	<b>5,573,703</b>	<b><u>\$ 218,777</u></b>
Encumbrances			47,554	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b><u>\$ 5,621,257</u></b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 LANDSCAPE MAINTENANCE DISTRICTS  
 YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 12,140,072	\$ 12,140,072	\$ 12,140,072	\$ -
<b>Resources (Inflows):</b>				
Taxes	9,095,560	9,530,990	9,932,718	401,728
Use of money and property	159,890	165,930	226,117	60,187
Miscellaneous	730	200	1,256	1,056
<b>Amounts Available for Appropriation</b>	<b>21,396,252</b>	<b>21,837,192</b>	<b>22,300,163</b>	<b>462,971</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	10,212,340	10,042,870	9,590,452	452,418
Capital outlay	728,880	114,130	95,325	18,805
<b>Total Charges to Appropriation</b>	<b>10,941,220</b>	<b>10,157,000</b>	<b>9,685,777</b>	<b>471,223</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 10,455,032</b>	<b>\$ 11,680,192</b>	<b>12,614,386</b>	<b>\$ 934,194</b>
Encumbrances			195,938	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 12,810,324</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
TRANSPORTATION  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 18,134,599	\$ 18,134,599	\$ 18,134,599	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	280,300	250,090	223,382	(26,708)
Developer participation	371,000	636,500	1,047,378	410,878
<b>Amounts Available for Appropriation</b>	<b>18,785,899</b>	<b>19,021,189</b>	<b>19,405,359</b>	<b>384,170</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	600	-	-	-
Engineering and public works	1,037,020	1,003,250	925,341	77,909
Capital outlay	3,895,000	4,638,890	1,165,923	3,472,967
<b>Total Charges to Appropriation</b>	<b>4,932,620</b>	<b>5,642,140</b>	<b>2,091,264</b>	<b>3,550,876</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 13,853,279</b>	<b>\$ 13,379,049</b>	<b>17,314,095</b>	<b>\$ 3,935,046</b>
Encumbrances			457,156	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 17,771,251</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT BLOCK GRANT  
 YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 701,477	\$ 701,477	\$ 701,477	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,941,730	1,198,450	1,133,101	(65,349)
Use of money and property	-	-	533	533
Miscellaneous	90,000	90,000	16,780	(73,220)
<b>Amounts Available for Appropriation</b>	<b>2,733,207</b>	<b>1,989,927</b>	<b>1,851,891</b>	<b>(138,036)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	466,280	446,700	418,286	28,414
Capital outlay	1,565,450	841,750	800,428	41,322
<b>Total Charges to Appropriation</b>	<b>2,031,730</b>	<b>1,288,450</b>	<b>1,218,714</b>	<b>69,736</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 701,477</b>	<b>\$ 701,477</b>	<b>633,177</b>	<b>\$ (68,300)</b>
Encumbrances			2,996	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 636,173</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
ASSESSMENT ADMINISTRATION  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,108,346	\$ 1,108,346	\$ 1,108,346	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	18,830	15,040	15,104	64
Miscellaneous	901,810	901,810	856,770	(45,040)
<b>Amounts Available for Appropriation</b>	<b>2,028,986</b>	<b>2,025,196</b>	<b>1,980,220</b>	<b>(44,976)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	907,710	902,300	875,790	26,510
<b>Total Charges to Appropriation</b>	<b>907,710</b>	<b>902,400</b>	<b>875,790</b>	<b>26,610</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 1,121,276</b>	<b>\$ 1,122,796</b>	<b>1,104,430</b>	<b>\$ (18,366)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,104,430</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 SAN SEVAINE / ETIWANDA DRAINAGE  
 YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,090,748	\$ 1,090,748	\$ 1,090,748	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	14,360	14,850	15,835	985
Developer participation	30,000	26,000	128,793	102,793
<b>Amounts Available for Appropriation</b>	<b>1,135,108</b>	<b>1,131,598</b>	<b>1,235,376</b>	<b>103,778</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	495,000	552,760	57,750	495,010
<b>Total Charges to Appropriation</b>	<b>495,000</b>	<b>552,760</b>	<b>57,750</b>	<b>495,010</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 640,108</b>	<b>\$ 578,838</b>	<b>1,177,626</b>	<b>\$ 598,788</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,177,626</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 AIR QUALITY IMPROVEMENT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 637,047	\$ 637,047	\$ 637,047	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	203,320	203,320	279,694	76,374
Use of money and property	5,080	8,870	8,700	(170)
<b>Amounts Available for Appropriation</b>	<b>845,447</b>	<b>849,237</b>	<b>925,441</b>	<b>76,204</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	149,610	144,220	134,634	9,586
Capital outlay	512,000	704,340	665,474	38,866
<b>Total Charges to Appropriation</b>	<b>661,610</b>	<b>848,560</b>	<b>800,108</b>	<b>48,452</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 183,837</b>	<b>\$ 677</b>	<b>125,333</b>	<b>\$ 124,656</b>
Encumbrances			520,278	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 645,611</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 SOUTH DRAINAGE ETIWANDA  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 344,253	\$ 344,253	\$ 344,253	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	2,750	4,640	3,624	(1,016)
<b>Amounts Available for Appropriation</b>	<b>347,003</b>	<b>348,893</b>	<b>347,877</b>	<b>(1,016)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	-	49,170	45,670	3,500
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>49,170</b>	<b>45,670</b>	<b>3,500</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 347,003</b>	<b>\$ 299,723</b>	<b>302,207</b>	<b>\$ 2,484</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 302,207</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 LOWER ETIWANDA DRAINAGE  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 490,622	\$ 490,622	\$ 490,622	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	9,040	6,890	6,073	(817)
<b>Amounts Available for Appropriation</b>	<b>499,662</b>	<b>497,512</b>	<b>496,695</b>	<b>(817)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	50,000	50,000	49,961	39
<b>Total Charges to Appropriation</b>	<b>50,000</b>	<b>50,000</b>	<b>49,961</b>	<b>39</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 449,662</b>	<b>\$ 447,512</b>	<b>446,734</b>	<b>\$ (778)</b>
Encumbrances			33,720	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 480,454</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 MASI COMMERCE CENTER  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 300,654	\$ 300,654	\$ 300,654	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	160	130	159	29
<b>Amounts Available for Appropriation</b>	<b>300,814</b>	<b>300,784</b>	<b>300,813</b>	<b>29</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 300,814</b>	<b>\$ 300,784</b>	<b>300,813</b>	<b>\$ 29</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 300,813</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
MEASURE I  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$4,762,513	\$ 4,762,513	\$ 4,762,513	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	2,183,730	2,179,230	2,272,270	93,040
Use of money and property	68,110	65,700	67,932	2,232
<b>Amounts Available for Appropriation</b>	<b>7,014,353</b>	<b>7,007,443</b>	<b>7,102,715</b>	<b>95,272</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	1,325,910	1,337,810	1,228,975	108,835
Capital outlay	1,538,200	1,496,980	870,860	626,120
<b>Total Charges to Appropriation</b>	<b>2,864,110</b>	<b>2,834,790</b>	<b>2,099,835</b>	<b>734,955</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$4,150,243</b>	<b>\$ 4,172,653</b>	<b>5,002,880</b>	<b>\$ 830,227</b>
Encumbrances			210,585	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 5,213,465</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
LIBRARY SERVICES  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 6,914,499	\$ 6,914,499	\$ 6,914,499	\$ -
<b>Resources (Inflows):</b>				
Taxes	3,226,270	2,983,850	2,880,454	(103,396)
Intergovernmental	-	8,750	7,038	(1,712)
Charges for services	350,500	351,200	395,334	44,134
Use of money and property	91,970	71,810	78,353	6,543
Contributions	125,000	130,000	125,000	(5,000)
Miscellaneous	-	53,730	53,489	(241)
<b>Amounts Available for Appropriation</b>	<b>10,708,239</b>	<b>10,513,839</b>	<b>10,454,167</b>	<b>(59,672)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	3,890,520	3,957,850	3,747,240	210,610
Transfers out	83,690	95,610	83,690	11,920
<b>Total Charges to Appropriation</b>	<b>3,974,210</b>	<b>4,053,460</b>	<b>3,830,930</b>	<b>222,530</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 6,734,029</b>	<b>\$ 6,460,379</b>	<b>6,623,237</b>	<b>\$ 162,858</b>
Encumbrances			20,183	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 6,643,420</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
CALIFORNIA LITERACY PROGRAM  
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (6,246)	\$ (6,246)	\$ (6,246)	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(21)	(21)
Contributions	15,000	15,000	15,000	-
Transfers in	83,000	95,610	83,690	(11,920)
<b>Amounts Available for Appropriation</b>	<b>91,754</b>	<b>104,364</b>	<b>92,423</b>	<b>(11,941)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	105,250	104,360	100,636	3,724
<b>Total Charges to Appropriation</b>	<b>105,250</b>	<b>104,360</b>	<b>100,636</b>	<b>3,724</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (13,496)</b>	<b>\$ 4</b>	<b>(8,213)</b>	<b>\$ (8,217)</b>
Encumbrances			11	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (8,202)</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 PROPOSITION 84 - PARK BOND ACT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	45,114	-	(45,114)
Use of money and property	-	-	(23)	(23)
<b>Amounts Available for Appropriation</b>	<b>-</b>	<b>45,114</b>	<b>(23)</b>	<b>(45,137)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	-	22,560	4,377	18,183
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>22,560</b>	<b>4,377</b>	<b>18,183</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ -</b>	<b>\$ 22,554</b>	<b>(4,400)</b>	<b>\$ (26,954)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (4,400)</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 ASSET FORFEITURE  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 573,343	\$ 573,343	\$ 573,343	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	-	64,990	64,990
Use of money and property	1,700	1,590	1,731	141
<b>Amounts Available for Appropriation</b>	<b>575,043</b>	<b>574,933</b>	<b>640,064</b>	<b>65,131</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - Police	-	43,970	43,962	8
Capital outlay	-	31,080	33,182	(2,102)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>75,050</b>	<b>77,144</b>	<b>(2,094)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 575,043</b>	<b>\$ 499,883</b>	<b>562,920</b>	<b>\$ 63,037</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 562,920</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 USED OIL RECYCLING GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 105	\$ 105	\$ 105	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	20,900	20,900	12,520	(8,380)
Use of money and property	-	-	38	38
<b>Amounts Available for Appropriation</b>	<b>21,005</b>	<b>21,005</b>	<b>12,663</b>	<b>(8,342)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	20,500	12,520	12,520	-
<b>Total Charges to Appropriation</b>	<b>20,500</b>	<b>12,520</b>	<b>12,520</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 505</b>	<b>\$ 8,485</b>	<b>143</b>	<b>\$ (8,342)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 143</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 COPS PROGRAM GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 196,432	\$ 196,432	\$ 196,432	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	200,000	319,150	167,091	(152,059)
Use of money and property	-	-	(547)	(547)
<b>Amounts Available for Appropriation</b>	<b>396,432</b>	<b>515,582</b>	<b>362,976</b>	<b>(152,606)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - Police	400,000	319,150	170,019	149,131
<b>Total Charges to Appropriation</b>	<b>400,000</b>	<b>319,150</b>	<b>170,019</b>	<b>149,131</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (3,568)</b>	<b>\$ 196,432</b>	<b>192,957</b>	<b>\$ (3,475)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 192,957</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
DRAINAGE FACILITIES  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$4,816,281	\$ 4,816,281	\$ 4,816,281	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	78,710	69,810	70,301	491
Developer participation	260,000	640,000	722,341	82,341
<b>Amounts Available for Appropriation</b>	<b>5,154,991</b>	<b>5,526,091</b>	<b>5,608,923</b>	<b>82,832</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	249,310	244,640	240,729	3,911
Capital outlay	1,868,000	2,240,580	2,218,095	22,485
<b>Total Charges to Appropriation</b>	<b>2,117,310</b>	<b>2,485,220</b>	<b>2,458,824</b>	<b>26,396</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$3,037,681</b>	<b>\$ 3,040,871</b>	<b>3,150,099</b>	<b>\$ 109,228</b>
Encumbrances			1,408,295	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 4,558,394</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CA STATE LIBRARY  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 42,051	\$ 42,051	\$ 42,051	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	21,450	39,858	18,408
Use of money and property	-	-	(426)	(426)
<b>Amounts Available for Appropriation</b>	<b>42,051</b>	<b>63,501</b>	<b>81,483</b>	<b>17,982</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	48,980	70,880	61,887	8,993
<b>Total Charges to Appropriation</b>	<b>48,980</b>	<b>70,880</b>	<b>61,887</b>	<b>8,993</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (6,929)</b>	<b>\$ (7,379)</b>	<b>19,596</b>	<b>\$ 26,975</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 19,596</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
LIBRARY SERVICES & TECHNOLOGIES ACT  
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 23,681	\$ 23,681	\$ 23,681	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	34,950	32,450	(2,500)
Use of money and property	-	-	133	133
Contributions	-	10,000	10,000	-
<b>Amounts Available for Appropriation</b>	<b>23,681</b>	<b>68,631</b>	<b>66,264</b>	<b>(2,367)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	-	33,620	19,748	13,872
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>33,620</b>	<b>19,748</b>	<b>13,872</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 23,681</b>	<b>\$ 35,011</b>	<b>46,516</b>	<b>\$ 11,505</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 46,516</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 LITTER REDUCTION GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 44	\$ 44	\$ 44	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	53,930	23,221	(30,709)
Use of money and property	-	-	409	409
<b>Amounts Available for Appropriation</b>	<b>44</b>	<b>53,974</b>	<b>23,674</b>	<b>(30,300)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	22,000	53,930	23,221	30,709
<b>Total Charges to Appropriation</b>	<b>22,000</b>	<b>53,930</b>	<b>23,221</b>	<b>30,709</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (21,956)</b>	<b>\$ 44</b>	<b>453</b>	<b>\$ 409</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 453</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
ENERGY EFFICIENT & CONSERVATION BLOCK GRANT  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (28,859)	\$ (28,859)	\$ (28,859)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	18,480	18,480	1,179,356	1,160,876
Use of money and property	-	-	214	214
Miscellaneous	-	-	8,798	8,798
<b>Amounts Available for Appropriation</b>	<b>(10,379)</b>	<b>(10,379)</b>	<b>1,159,509</b>	<b>1,169,888</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	18,480	18,480	19,510	(1,030)
Capital outlay	-	1,172,050	1,133,606	38,444
<b>Total Charges to Appropriation</b>	<b>18,480</b>	<b>1,190,530</b>	<b>1,153,116</b>	<b>37,414</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (28,859)</b>	<b>\$ (1,200,909)</b>	<b>6,393</b>	<b>\$ 1,207,302</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 6,393</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 SENIOR OUTREACH GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (1,195)	\$ (1,195)	\$ (1,195)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	7,500	6,000	4,084	(1,916)
<b>Amounts Available for Appropriation</b>	<b>6,305</b>	<b>4,805</b>	<b>2,889</b>	<b>(1,916)</b>
<b>Charges to Appropriation (Outflow):</b>				
Parks and recreation	7,500	6,000	6,129	(129)
<b>Total Charges to Appropriation</b>	<b>7,500</b>	<b>6,000</b>	<b>6,129</b>	<b>(129)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (1,195)</b>	<b>\$ (1,195)</b>	<b>(3,240)</b>	<b>\$ (2,045)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (3,240)</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 UNDERGROUND UTILITIES  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,143,867	\$ 10,143,867	\$ 10,143,867	\$ -
<b>Resources (Inflows):</b>				
Charges for services	100,000	117,180	344,549	227,369
Use of money and property	133,480	107,130	233,652	126,522
<b>Amounts Available for Appropriation</b>	<b>10,377,347</b>	<b>10,368,177</b>	<b>10,722,068</b>	<b>353,891</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	31,850	31,850	31,850	-
<b>Total Charges to Appropriation</b>	<b>1,305,780</b>	<b>31,850</b>	<b>31,850</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 9,071,567</b>	<b>\$ 10,336,327</b>	<b>10,690,218</b>	<b>\$ 353,891</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 10,690,218</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
SAFE ROUTES TO SCHOOL PROGRAM  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (321)	\$ (321)	\$ (321)	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(215)	(215)
<b>Amounts Available for Appropriation</b>	<b>(321)</b>	<b>(321)</b>	<b>(536)</b>	<b>(215)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	114,800	118,190	42,822	75,368
<b>Total Charges to Appropriation</b>	<b>114,800</b>	<b>118,190</b>	<b>42,822</b>	<b>75,368</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (115,121)</b>	<b>\$ (118,511)</b>	<b>(43,358)</b>	<b>\$ 75,153</b>
Encumbrances			3,800	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (39,558)</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 FOOTHILL BLVD. MAINTNENANCE  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 90,441	\$ 90,441	\$ 90,441	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(280)	(280)
<b>Amounts Available for Appropriation</b>	<b>90,441</b>	<b>90,441</b>	<b>90,161</b>	<b>(280)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	73,590	40,280	37,447	2,833
<b>Total Charges to Appropriation</b>	<b>73,590</b>	<b>40,280</b>	<b>37,447</b>	<b>2,833</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 16,851</b>	<b>\$ 50,161</b>	<b>52,714</b>	<b>\$ 2,553</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 52,714</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
COPS SECURE OUR SCHOOL GRANT  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (9,050)	\$ (9,050)	\$ (9,050)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	130,430	51,890	67,314	15,424
Use of money and property	-	-	679	679
Transfers in	130,430	54,000	58,265	4,265
<b>Amounts Available for Appropriation</b>	<b>251,810</b>	<b>96,840</b>	<b>117,208</b>	<b>20,368</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - Police	98,860	173,300	119,509	53,791
Capital outlay	10,000	10,000	6,137	3,863
<b>Total Charges to Appropriation</b>	<b>108,860</b>	<b>183,300</b>	<b>125,646</b>	<b>57,654</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 142,950</b>	<b>\$ (86,460)</b>	<b>(8,438)</b>	<b>\$ 78,022</b>
Encumbrances			9,118	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 680</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
CA STATE LIBRARY STAFF INNOVATION FUND GRANT  
YEAR ENDED JUNE 30, 2012**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Taxes	-	-	13	13
Intergovernmental	-	112,620	103,776	(8,844)
Use of money and property	-	-	2,053	2,053
<b>Amounts Available for Appropriation</b>	<b>-</b>	<b>112,620</b>	<b>105,842</b>	<b>(6,778)</b>
<b>Charges to Appropriation (Outflow):</b>				
Parks and recreation	-	89,030	80,814	8,216
Capital outlay	-	284,560	8,000	276,560
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>373,590</b>	<b>88,814</b>	<b>284,776</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ -</b>	<b>\$ (260,970)</b>	<b>17,028</b>	<b>\$ 277,998</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 17,028</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 THE BIG READ LIBRARY GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,097	\$ 10,097	\$ 10,097	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	5,270	1,049	(4,221)
Use of money and property	-	-	(19)	(19)
<b>Amounts Available for Appropriation</b>	<b>10,097</b>	<b>15,367</b>	<b>11,127</b>	<b>(4,240)</b>
<b>Charges to Appropriation (Outflow):</b>				
Parks and recreation	-	5,270	1,049	4,221
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>5,270</b>	<b>1,049</b>	<b>4,221</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 10,097</b>	<b>\$ 10,097</b>	<b>10,078</b>	<b>\$ (19)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 10,078</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 DEPARTMENT OF HOMELAND SECURITY GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (2,454)	\$ (2,454)	\$ (2,454)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	37,940	37,940	121,159	83,219
Use of money and property	-	-	(47)	(47)
<b>Amounts Available for Appropriation</b>	<b>35,486</b>	<b>35,486</b>	<b>118,658</b>	<b>83,172</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - fire protection	37,940	151,010	129,786	21,224
<b>Total Charges to Appropriation</b>	<b>37,940</b>	<b>151,010</b>	<b>129,786</b>	<b>21,224</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (2,454)</b>	<b>\$ (115,524)</b>	<b>(11,128)</b>	<b>\$ 104,396</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (11,128)</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
PUBLIC RESOURCE GRANTS  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 108,050	\$ 108,050	\$ 108,050	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	-	1,000	1,000
Use of money and property	-	-	(205)	(205)
Contributions	90,000	90,000	117,492	27,492
Miscellaneous	-	-	447	447
<b>Amounts Available for Appropriation</b>	<b>198,050</b>	<b>198,050</b>	<b>226,784</b>	<b>28,734</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	129,370	152,640	143,310	9,330
<b>Total Charges to Appropriation</b>	<b>129,370</b>	<b>152,640</b>	<b>143,310</b>	<b>9,330</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 68,680</b>	<b>\$ 45,410</b>	<b>83,474</b>	<b>\$ 38,064</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 83,474</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 PROPOSITION 1B  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 230,089	\$ 230,089	\$ 230,089	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	7,670	3,250	2,796	(454)
<b>Amounts Available for Appropriation</b>	<b>237,759</b>	<b>233,339</b>	<b>232,885</b>	<b>(454)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 237,759</b>	<b>\$ 233,339</b>	<b>232,885</b>	<b>\$ (454)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 232,885</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 INTEGRATED WASTE MANAGEMENT  
 YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$3,835,119	\$ 3,835,119	\$ 3,835,119	\$ -
<b>Resources (Inflows):</b>				
Licenses and permits	-	-	925	925
Charges for services	1,048,320	1,048,320	1,106,493	58,173
Use of money and property	60,470	45,050	28,964	(16,086)
<b>Amounts Available for Appropriation</b>	<b>4,943,909</b>	<b>4,928,489</b>	<b>4,971,501</b>	<b>43,012</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	1,131,610	1,088,450	980,881	107,569
Capital outlay	17,000	2,409,120	2,370,399	38,721
<b>Total Charges to Appropriation</b>	<b>1,148,610</b>	<b>3,497,570</b>	<b>3,351,280</b>	<b>146,290</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$3,795,299</b>	<b>\$ 1,430,919</b>	<b>1,620,221</b>	<b>\$ 189,302</b>
Encumbrances			1,107,651	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 2,727,872</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 PROPOSITION 42 - TRAFFIC CONGESTION MITIGATION  
 YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$2,011,287	\$ 2,011,287	\$ 2,011,287	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	34,640	27,510	21,291	(6,219)
<b>Amounts Available for Appropriation</b>	<b>2,045,927</b>	<b>2,038,797</b>	<b>2,032,578</b>	<b>(6,219)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	-	157,000	-	157,000
Capital outlay	733,700	967,800	831,478	136,322
<b>Total Charges to Appropriation</b>	<b>733,700</b>	<b>1,124,800</b>	<b>831,478</b>	<b>293,322</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$1,312,227</b>	<b>\$ 913,997</b>	<b>1,201,100</b>	<b>\$ 287,103</b>
Encumbrances			207,972	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,409,072</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 JUSTICE ASSISTANCE GRANT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,544	\$ 6,544	\$ 6,544	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	40,000	40,000	-	(40,000)
Use of money and property	2,340	1,920	2,497	577
<b>Amounts Available for Appropriation</b>	<b>48,884</b>	<b>48,464</b>	<b>9,041</b>	<b>(39,423)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 48,884</b>	<b>\$ 48,464</b>	<b>9,041</b>	<b>\$ (39,423)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 9,041</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 HOMELAND SECURITY GRANT 2005  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (74,941)	\$ (74,941)	\$ (74,941)	\$ -
Intergovernmental	-	-	56,348	56,348
<b>Amounts Available for Appropriation</b>	<b>(74,941)</b>	<b>(74,941)</b>	<b>(18,558)</b>	<b>56,383</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	-	3,060	2,975	85
Capital outlay	-	76,830	99,100	(22,270)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>79,890</b>	<b>102,075</b>	<b>(22,185)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (74,941)</b>	<b>\$ (154,831)</b>	<b>(120,633)</b>	<b>\$ 34,198</b>
Encumbrances			47,597	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (73,036)</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)**  
**ASSESSMENT DISTRICT 82-1**  
**YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 12,507	\$ 12,507	\$ 12,507	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	210	170	140	(30)
<b>Amounts Available for Appropriation</b>	<b>12,717</b>	<b>12,677</b>	<b>12,647</b>	<b>(30)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 12,717</b>	<b>\$ 12,677</b>	<b>12,647</b>	<b>\$ (30)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 12,647</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 ASSESSMENT DISTRICT 84-1  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,067,328	\$ 1,067,328	\$ 1,067,328	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	18,330	14,840	14,162	(678)
<b>Amounts Available for Appropriation</b>	<b>1,085,658</b>	<b>1,082,168</b>	<b>1,081,490</b>	<b>(678)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 1,085,658</b>	<b>\$ 1,082,168</b>	<b>1,081,490</b>	<b>\$ (678)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,081,490</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2000-01 SOUTH ETIWANDA  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 92,018	\$ 92,018	\$ 92,018	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	20	10	3	(7)
<b>Amounts Available for Appropriation</b>	<b>92,038</b>	<b>92,028</b>	<b>92,021</b>	<b>(7)</b>
<b>Charges to Appropriation (Outflow):</b>				
Debt service:				
Interest and fiscal charges	-	-	91,958	(91,958)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>-</b>	<b>91,958</b>	<b>(91,958)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 92,038</b>	<b>\$ 92,028</b>	<b>63</b>	<b>\$ (91,965)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 63</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2000-02 RANCHO CUCAMONGA CORPORATE PARK  
 YEAR ENDED JUNE 30, 2012**

	<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	\$ 581,391	\$ 581,391	\$ 581,391	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	60	60	-	(60)
<b>Amounts Available for Appropriation</b>	<b>581,451</b>	<b>581,451</b>	<b>581,391</b>	<b>(60)</b>
<b>Charges to Appropriation (Outflow):</b>				
Debt service:				
Interest and fiscal charges	-	-	181,427	(181,427)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>-</b>	<b>181,427</b>	<b>(181,427)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 581,451</b>	<b>\$ 581,451</b>	<b>399,964</b>	<b>\$ (181,487)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 399,964</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2000-03 RANCHO SUMMIT  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 163,067	\$ 163,067	\$ 163,067	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	1,200	1,190	9	(1,181)
<b>Amounts Available for Appropriation</b>	<b>164,267</b>	<b>164,257</b>	<b>163,076</b>	<b>(1,181)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 164,267</b>	<b>\$ 164,257</b>	<b>163,076</b>	<b>\$ (1,181)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 163,076</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2001-01  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 488,876	\$ 488,876	\$ 488,876	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	8,100	6,550	6,252	(298)
<b>Amounts Available for Appropriation</b>	<b>496,976</b>	<b>495,426</b>	<b>495,128</b>	<b>(298)</b>
<b>Charges to Appropriation (Outflow):</b>				
Debt service:				
Interest and fiscal charges	-	-	18,151	(18,151)
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>-</b>	<b>18,151</b>	<b>(18,151)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 496,976</b>	<b>\$ 495,426</b>	<b>476,977</b>	<b>\$ (18,449)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 476,977</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2003-01 PROJECT FUND  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 148,878	\$ 148,878	\$ 148,878	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	100	100	8	(92)
<b>Amounts Available for Appropriation</b>	<b>148,978</b>	<b>148,978</b>	<b>148,886</b>	<b>(92)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 148,978</b>	<b>\$ 148,978</b>	<b>148,886</b>	<b>\$ (92)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 148,886</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 PUBLIC LIBRARY BOND ACT - 2000  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (772,609)	\$ (772,609)	\$ (772,609)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	-	772,616	772,616
Use of money and property	-	-	4,908	4,908
<b>Amounts Available for Appropriation</b>	<b>(772,609)</b>	<b>(772,609)</b>	<b>4,915</b>	<b>777,524</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (772,609)</b>	<b>\$ (772,609)</b>	<b>4,915</b>	<b>\$ 777,524</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 4,915</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2004-01 RANCHO ETIWANDA  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 988,023	\$ 988,023	\$ 988,023	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	390	190	144	(46)
<b>Amounts Available for Appropriation</b>	<b>988,413</b>	<b>988,213</b>	<b>988,167</b>	<b>(46)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	500,000	500,000	38,703	461,297
<b>Total Charges to Appropriation</b>	<b>500,000</b>	<b>500,000</b>	<b>38,703</b>	<b>461,297</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 488,413</b>	<b>\$ 488,213</b>	<b>949,464</b>	<b>\$ 461,251</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 949,464</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2003-01 CULTURAL CENTER  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 179,114	\$ 179,114	\$ 179,114	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	130	120	(1,040)	(1,160)
<b>Amounts Available for Appropriation</b>	<b>179,244</b>	<b>179,234</b>	<b>178,074</b>	<b>(1,160)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	-	175,000	174,062	938
<b>Total Charges to Appropriation</b>	<b>-</b>	<b>175,000</b>	<b>174,062</b>	<b>938</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 179,244</b>	<b>\$ 4,234</b>	<b>4,012</b>	<b>\$ (222)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 4,012</b>	

CITY OF RANCHO CUCAMONGA

BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
 CFD 2006-01 VINTNER'S GROVE  
 YEAR ENDED JUNE 30, 2012

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 608,442	\$ 608,442	\$ 608,442	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	330	320	52	(268)
<b>Amounts Available for Appropriation</b>	<b>608,772</b>	<b>608,762</b>	<b>608,494</b>	<b>(268)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	100,000	100,000	-	100,000
<b>Total Charges to Appropriation</b>	<b>100,000</b>	<b>100,000</b>	<b>-</b>	<b>100,000</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 508,772</b>	<b>\$ 508,762</b>	<b>608,494</b>	<b>\$ 99,732</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 608,494</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)**  
**CFD 2006-02 AMADOR ON ROUTE 66**  
**YEAR ENDED JUNE 30, 2012**

	<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	\$ 7,748	\$ 7,748	\$ 7,748	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	220	200	73	(127)
<b>Amounts Available for Appropriation</b>	<b>7,968</b>	<b>7,948</b>	<b>7,821</b>	<b>(127)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 7,968</b>	<b>\$ 7,948</b>	<b>7,821</b>	<b>\$ (127)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 7,821</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
REDEVELOPMENT AGENCY - CAPITAL PROJECT FUND  
YEAR ENDED JUNE 30, 2012**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 285,343,315	\$ 285,343,315	\$ 285,343,315	\$ -
<b>Resources (Inflows):</b>				
Taxes	20,000,000	9,715,860	9,715,853	(7)
Use of money and property	4,854,023	4,900,110	2,521,619	(2,378,491)
Transfers in	35,810	85,810	26,858	(58,952)
<b>Amounts Available for Appropriation</b>	<b>310,233,148</b>	<b>300,045,095</b>	<b>297,607,645</b>	<b>(2,437,450)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	2,722,800	2,737,160	2,206,263	530,897
Community development	150,000	150,000	102,320	47,680
Capital outlay	35,124,130	19,347,839	7,807,127	11,540,712
Debt service:				
Principal retirement	3,167,690	3,184,270	2,982,900	201,370
Interest and fiscal charges	9,028,350	12,577,820	4,552,549	8,025,271
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 16)	-	-	279,956,486	(279,956,486)
<b>Total Charges to Appropriation</b>	<b>50,192,970</b>	<b>37,997,089</b>	<b>297,607,645</b>	<b>(259,610,556)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 260,040,178</b>	<b>\$ 262,048,006</b>	-	<b>\$ (262,048,006)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ -</b>	

CITY OF RANCHO CUCAMONGA

**BUDGETARY COMPARISON SCHEDULE (BUDGETARY BASIS)  
REDEVELOPMENT AGENCY - DEBT SERVICE FUND  
YEAR ENDED JUNE 30, 2012**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 148,689,804	\$ 148,689,804	\$ 148,689,804	\$ -
<b>Resources (Inflows):</b>				
Taxes	80,000,000	38,863,420	38,863,410	(10)
Use of money and property	859,000	868,230	252,101	(616,129)
Notes and loans issued	-	-	57,242	57,242
<b>Amounts Available for Appropriation</b>	<b>229,548,804</b>	<b>188,421,454</b>	<b>187,862,557</b>	<b>(558,897)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	22,886,070	24,870,850	14,067,829	10,803,021
Capital outlay	4,670,430	2,608,967	857,519	1,751,448
Debt service:				
Principal retirement	14,230,000	14,230,000	6,730,000	7,500,000
Interest and fiscal charges	12,241,010	12,241,010	6,247,721	5,993,289
Pass-through agreement payments	21,002,760	21,002,760	3,030,962	17,971,798
Transfers out	35,810	18,110	26,858	(8,748)
Extraordinary gain/(loss) on dissolution of redevelopment agency (Note 16)	-	-	156,901,668	(156,901,668)
<b>Total Charges to Appropriations</b>	<b>75,066,080</b>	<b>74,971,697</b>	<b>187,862,557</b>	<b>(112,890,860)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 154,482,724</b>	<b>\$ 113,449,757</b>	<b>-</b>	<b>\$ (113,449,757)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ -</b>	

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**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, 2012

	<u>Equipment and Vehicle Replacement</u>	<u>Computer Equipment/ Technology Replacement</u>	<u>Total</u>
<b>Assets:</b>			
Current:			
Cash and investments	\$ 7,957,129	\$ 3,134,063	\$ 11,091,192
Receivables:			
Accrued interest	5,833	1,570	7,403
<b>Total Current Assets</b>	<b><u>7,962,962</u></b>	<b><u>3,135,633</u></b>	<b><u>11,098,595</u></b>
Noncurrent:			
Capital assets - net of accumulated depreciation	2,495,488	846,365	3,341,853
<b>Total Noncurrent Assets</b>	<b><u>2,495,488</u></b>	<b><u>846,365</u></b>	<b><u>3,341,853</u></b>
<b>Total Assets</b>	<b><u>\$ 10,458,450</u></b>	<b><u>\$ 3,981,998</u></b>	<b><u>\$ 14,440,448</u></b>
<b>Liabilities and Net Assets:</b>			
<b>Liabilities:</b>			
Current:			
Accounts payable	\$ 39,689	\$ 79,062	\$ 118,751
<b>Total Current Liabilities</b>	<b><u>39,689</u></b>	<b><u>79,062</u></b>	<b><u>118,751</u></b>
<b>Total Liabilities</b>	<b><u>39,689</u></b>	<b><u>79,062</u></b>	<b><u>118,751</u></b>
<b>Net Assets:</b>			
Invested in capital assets	2,495,488	846,365	3,341,853
Unrestricted	7,923,273	3,056,571	10,979,844
<b>Total Net Assets</b>	<b><u>10,418,761</u></b>	<b><u>3,902,936</u></b>	<b><u>14,321,697</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 10,458,450</u></b>	<b><u>\$ 3,981,998</u></b>	<b><u>\$ 14,440,448</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2012

	Equipment and Vehicle Replacement	Computer Equipment/ Technology Replacement	Total
<b>Operating Revenues:</b>			
Sales and service charges	\$ -	\$ 590	\$ 590
<b>Total Operating Revenues</b>	<b>-</b>	<b>590</b>	<b>590</b>
<b>Operating Expenses:</b>			
Maintenance and operations	352,954	238,278	591,232
Depreciation	1,331,442	242,879	1,574,321
<b>Total Operating Expenses</b>	<b>1,684,396</b>	<b>481,157</b>	<b>2,165,553</b>
Operating Income (Loss)	(1,684,396)	(480,567)	(2,164,963)
<b>Nonoperating Revenues (Expenses):</b>			
Interest revenue	91,061	23,475	114,536
<b>Total Nonoperating Revenues (Expenses)</b>	<b>91,061</b>	<b>23,475</b>	<b>114,536</b>
Income (Loss) Before Transfers	(1,593,335)	(457,092)	(2,050,427)
Transfers in	600,360	1,145,120	1,745,480
Changes in Net Assets	(992,975)	688,028	(304,947)
<b>Net Assets:</b>			
Beginning of Year	11,411,736	3,214,908	14,626,644
<b>End of Fiscal Year</b>	<b>\$ 10,418,761</b>	<b>\$ 3,902,936</b>	<b>\$ 14,321,697</b>

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2012**

	<b>Equipment and Vehicle Replacement</b>	<b>Computer Equipment/ Technology Replacement</b>	<b>Total</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and users	\$ -	\$ 590	\$ 590
Cash paid to suppliers for goods and services	(409,194)	(191,146)	(600,340)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(409,194)</b>	<b>(190,556)</b>	<b>(599,750)</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Due from			
Cash transfers in	600,360	1,145,120	1,745,480
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>600,360</b>	<b>1,145,120</b>	<b>1,745,480</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	(465,472)	(192,938)	(658,410)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(465,472)</b>	<b>(192,938)</b>	<b>(658,410)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	90,078	23,306	113,384
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>90,078</b>	<b>23,306</b>	<b>113,384</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(184,228)</b>	<b>784,932</b>	<b>600,704</b>
Cash and Cash Equivalents at Beginning of Year	8,141,357	2,349,131	10,490,488
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 7,957,129</b>	<b>\$ 3,134,063</b>	<b>\$ 11,091,192</b>
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ (1,684,396)	\$ (480,567)	\$ (2,164,963)
<b>Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:</b>			
Depreciation	1,331,442	242,879	1,574,321
Increase (decrease) in accounts payable	(56,240)	47,132	(9,108)
<b>Total Adjustments</b>	<b>1,275,202</b>	<b>290,011</b>	<b>1,565,213</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (409,194)</b>	<b>\$ (190,556)</b>	<b>\$ (599,750)</b>

**Non-Cash Investing, Capital, and Financing Activities:**

During fiscal year 2011-2012, 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.

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.

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.

## CITY OF RANCHO CUCAMONGA

### Agency Funds (Continued)

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, 2012

	<u>Special Deposits</u>	<u>Assessment District 82-1</u>	<u>Assessment District 84-2</u>	<u>Assessment District 85-PD</u>
<b>Assets:</b>				
Cash and investments	\$ 7,693,676	\$ 46	\$ 46	\$ 1,525,747
Receivables:				
Accounts	1,500	-	-	-
Taxes	-	-	-	12,110
Accrued interest	-	-	-	1,233
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 7,695,176</u></b>	<b><u>\$ 46</u></b>	<b><u>\$ 46</u></b>	<b><u>\$ 1,539,090</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 12,942	\$ -	\$ -	\$ 49,602
Accrued liabilities	-	-	-	17,860
Deposits payable	7,682,234	-	-	-
Payable to trustee	-	46	46	1,471,628
Due to external parties/other agencies	-	-	-	-
<b>Total Liabilities</b>	<b><u>\$ 7,695,176</u></b>	<b><u>\$ 46</u></b>	<b><u>\$ 46</u></b>	<b><u>\$ 1,539,090</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
ALL AGENCY FUNDS  
JUNE 30, 2012

(Continued)

	<u>CFD 88-2</u>	<u>Assessment District 91-2</u>	<u>CFD 93-3</u>	<u>Assessment District 99-1</u>
<b>Assets:</b>				
Cash and investments	\$ 5,094,391	\$ 143,298	\$ 746,190	\$ 610,571
Receivables:				
Accounts	-	-	-	-
Taxes	3,290	139	-	233
Accrued interest	2,752	113	585	480
Restricted assets:				
Cash and investments with fiscal agents	4,651	-	7,764	1,706,893
<b>Total Assets</b>	<b><u>\$ 5,105,084</u></b>	<b><u>\$ 143,550</u></b>	<b><u>\$ 754,539</u></b>	<b><u>\$ 2,318,177</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	1,004	-	-
Deposits payable	-	-	-	-
Payable to trustee	5,105,084	142,546	754,539	2,318,177
Due to external parties/other agencies	-	-	-	-
<b>Total Liabilities</b>	<b><u>\$ 5,105,084</u></b>	<b><u>\$ 143,550</u></b>	<b><u>\$ 754,539</u></b>	<b><u>\$ 2,318,177</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
ALL AGENCY FUNDS  
JUNE 30, 2012

	CFD 2000-01 South Etiwanda	CFD 2000-02 Rancho Cucamonga Corporate Park	AD 93-1 Masi Commerce Center	CFD 2001-01 Series A
<b>Assets:</b>				
Cash and investments	\$ 106,860	\$ 391,303	\$ 473,463	\$ 979,439
Receivables:				
Accounts	-	-	-	-
Taxes	250	5,462	-	14,246
Accrued interest	85	307	371	1
Restricted assets:				
Cash and investments with fiscal agents	90,299	540,839	242,500	888,799
<b>Total Assets</b>	<b>\$ 197,494</b>	<b>\$ 937,911</b>	<b>\$ 716,334</b>	<b>\$ 1,882,485</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Payable to trustee	197,494	937,911	716,334	1,882,485
Due to external parties/other agencies	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 197,494</b>	<b>\$ 937,911</b>	<b>\$ 716,334</b>	<b>\$ 1,882,485</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
ALL AGENCY FUNDS  
JUNE 30, 2012

(Continued)

	CFD 2001-01 Series B	CFD 2003-01 Series A	CFD 2003-01 Series B	CFD 2000-03 Rancho Summit Redemption
<b>Assets:</b>				
Cash and investments	\$ 26,016	\$ 1,068,327	\$ 165,176	\$ 1,064,810
Receivables:				
Accounts	-	-	-	-
Taxes	-	996	-	-
Accrued interest	-	838	130	835
Restricted assets:				
Cash and investments with fiscal agents	-	1,464,501	292,974	63
<b>Total Assets</b>	<b>\$ 26,016</b>	<b>\$ 2,534,662</b>	<b>\$ 458,280</b>	<b>\$ 1,065,708</b>
<b>Liabilities:</b>				
Accounts payable	-	-	-	-
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Payable to trustee	26,016	2,534,662	458,280	1,065,708
Due to external parties/other agencies	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 26,016</b>	<b>\$ 2,534,662</b>	<b>\$ 458,280</b>	<b>\$ 1,065,708</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
ALL AGENCY FUNDS  
JUNE 30, 2012

	CFD 2000-03 Rancho Summit Reserve	CFD 2004-01	CFD 2000-03 Park Maintenance	CFD 2006-01 Redemption
<b>Assets:</b>				
Cash and investments	\$ -	\$ 2,375,193	\$ 868,416	\$ 529,384
Receivables:				
Accounts	-	-	-	-
Taxes	-	25,907	5,565	2,774
Accrued interest	-	1,844	694	414
Restricted assets:				
Cash and investments with fiscal agents	665,452	2,814,147	-	379,647
<b>Total Assets</b>	<b>\$ 665,452</b>	<b>\$ 5,217,091</b>	<b>\$ 874,675</b>	<b>\$ 912,219</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 474	\$ 3,055	\$ -
Accrued liabilities	-	-	6,506	-
Deposits payable	-	-	-	-
Payable to trustee	665,452	5,216,617	865,114	912,219
Due to external parties/other agencies	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 665,452</b>	<b>\$ 5,217,091</b>	<b>\$ 874,675</b>	<b>\$ 912,219</b>

CITY OF RANCHO CUCAMONGA

COMBINING BALANCE SHEET  
 ALL AGENCY FUNDS  
 JUNE 30, 2012

	<u>CFD 2006-02 Redemption</u>	<u>Employee Deduction Account</u>	<u>Assessment District 82-2</u>	<u>Totals</u>
<b>Assets:</b>				
Cash and investments	\$ 272,301	\$ 64,319	\$ 5	\$ 24,198,977
Receivables:				
Accounts	-	-	-	1,500
Taxes	4,105	-	-	75,077
Accrued interest	213	-	-	10,895
Restricted assets:				
Cash and investments with fiscal agents	197,792	-	-	9,296,321
<b>Total Assets</b>	<b><u>\$ 474,411</u></b>	<b><u>\$ 64,319</u></b>	<b><u>\$ 5</u></b>	<b><u>\$ 33,582,770</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 722	\$ -	\$ 66,795
Accrued liabilities	-	-	-	25,370
Deposits payable	-	-	-	7,682,234
Payable to trustee	474,411	-	5	25,744,774
Due to external parties/other agencies	-	63,597	-	63,597
<b>Total Liabilities</b>	<b><u>\$ 474,411</u></b>	<b><u>\$ 64,319</u></b>	<b><u>\$ 5</u></b>	<b><u>\$ 33,582,770</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<b><u>Special Deposits</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 7,469,062	\$ 883,578	\$ 658,964	\$ 7,693,676
Receivables:				
Accounts	1,500	-	-	1,500
Taxes	34,431	-	34,431	-
<b>Total Assets</b>	<b><u>\$ 7,504,993</u></b>	<b><u>\$ 883,578</u></b>	<b><u>\$ 693,395</u></b>	<b><u>\$ 7,695,176</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 6,629	\$ 638,901	\$ 632,588	\$ 12,942
Deposits payable	7,498,364	1,045,269	861,399	7,682,234
<b>Total Liabilities</b>	<b><u>\$ 7,504,993</u></b>	<b><u>\$ 1,684,170</u></b>	<b><u>\$ 1,493,987</u></b>	<b><u>\$ 7,695,176</u></b>
<b><u>Assessment District 82-1</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 46	\$ -	\$ -	\$ 46
<b>Total Assets</b>	<b><u>\$ 46</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 46</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 46	\$ -	\$ -	\$ 46
<b>Total Liabilities</b>	<b><u>\$ 46</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 46</u></b>
<b><u>Assessment District 84-2</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 46	\$ -	\$ -	\$ 46
<b>Total Assets</b>	<b><u>\$ 46</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 46</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 46	\$ -	\$ -	\$ 46
<b>Total Liabilities</b>	<b><u>\$ 46</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 46</u></b>
<b><u>Assessment District 85-PD</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,834,117	\$ 1,228,733	\$ 1,537,103	\$ 1,525,747
Receivables:				
Taxes	10,479	12,110	10,479	12,110
Accrued interest	1,113	1,233	1,113	1,233
<b>Total Assets</b>	<b><u>\$ 1,845,709</u></b>	<b><u>\$ 1,242,076</u></b>	<b><u>\$ 1,548,695</u></b>	<b><u>\$ 1,539,090</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 37,316	\$ 505,263	\$ 492,977	\$ 49,602
Accrued liabilities	21,033	17,860	21,033	17,860
Payable to trustee	1,787,360	1,268,767	1,584,499	1,471,628
<b>Total Liabilities</b>	<b><u>\$ 1,845,709</u></b>	<b><u>\$ 1,791,890</u></b>	<b><u>\$ 2,098,509</u></b>	<b><u>\$ 1,539,090</u></b>

## CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012**

(Continued)

	<u>Balance 7/1/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2012</u>
<b><u>CFD 88-2</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 4,813,429	\$ 3,616,031	\$ 3,335,069	\$ 5,094,391
Receivables:				
Taxes	6,078	3,290	6,078	3,290
Accrued interest	1,910	2,752	1,910	2,752
Restricted assets:				
Cash and investments with fiscal agents	164,867	4,655	164,871	4,651
<b>Total Assets</b>	<b><u>\$ 4,986,284</u></b>	<b><u>\$ 3,626,728</u></b>	<b><u>\$ 3,507,928</u></b>	<b><u>\$ 5,105,084</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 4,986,284	\$ 455,278	\$ 336,478	\$ 5,105,084
<b>Total Liabilities</b>	<b><u>\$ 4,986,284</u></b>	<b><u>\$ 455,278</u></b>	<b><u>\$ 336,478</u></b>	<b><u>\$ 5,105,084</u></b>
<b><u>Assessment District 91-2</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 169,630	\$ 37,005	\$ 63,337	\$ 143,298
Receivables:				
Taxes	729	139	729	139
Accrued interest	98	113	98	113
<b>Total Assets</b>	<b><u>\$ 170,457</u></b>	<b><u>\$ 37,257</u></b>	<b><u>\$ 64,164</u></b>	<b><u>\$ 143,550</u></b>
<b>Liabilities:</b>				
Accrued liabilities	\$ 853	\$ 1,004	\$ 853	\$ 1,004
Payable to trustee	169,604	56,969	84,027	142,546
<b>Total Liabilities</b>	<b><u>\$ 170,457</u></b>	<b><u>\$ 57,973</u></b>	<b><u>\$ 84,880</u></b>	<b><u>\$ 143,550</u></b>
<b><u>CFD 93-3</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 472,020	\$ 438,759	\$ 164,589	\$ 746,190
Receivables:				
Accrued interest	280	585	280	585
Restricted assets:				
Cash and investments with fiscal agents	267,481	7,770	267,487	7,764
<b>Total Assets</b>	<b><u>\$ 739,781</u></b>	<b><u>\$ 447,114</u></b>	<b><u>\$ 432,356</u></b>	<b><u>\$ 754,539</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 739,781	\$ 450,506	\$ 435,748	\$ 754,539
<b>Total Liabilities</b>	<b><u>\$ 739,781</u></b>	<b><u>\$ 450,506</u></b>	<b><u>\$ 435,748</u></b>	<b><u>\$ 754,539</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<b><u>Assessment District 99-1</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 703,158	\$ 173,999	\$ 266,586	\$ 610,571
Receivables:				
Taxes	-	233	-	233
Accrued interest	418	480	418	480
Restricted assets:				
Cash and investments with fiscal agents	1,750,775	20,705	64,587	1,706,893
<b>Total Assets</b>	<b><u>\$ 2,454,351</u></b>	<b><u>\$ 195,417</u></b>	<b><u>\$ 331,591</u></b>	<b><u>\$ 2,318,177</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 2,454,351	\$ 568,230	\$ 704,404	\$ 2,318,177
<b>Total Liabilities</b>	<b><u>\$ 2,454,351</u></b>	<b><u>\$ 568,230</u></b>	<b><u>\$ 704,404</u></b>	<b><u>\$ 2,318,177</u></b>
<b><u>CFD 2000-01 South Etiwanda</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 326,043	\$ 137,247	\$ 356,430	\$ 106,860
Receivables:				
Taxes	988	250	988	250
Accrued interest	194	85	194	85
Restricted assets:				
Cash and investments with fiscal agents	111,425	1,120,962	1,142,088	90,299
<b>Total Assets</b>	<b><u>\$ 438,650</u></b>	<b><u>\$ 1,258,544</u></b>	<b><u>\$ 1,499,700</u></b>	<b><u>\$ 197,494</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 438,650	\$ 1,262,217	\$ 1,503,373	\$ 197,494
<b>Total Liabilities</b>	<b><u>\$ 438,650</u></b>	<b><u>\$ 1,262,217</u></b>	<b><u>\$ 1,503,373</u></b>	<b><u>\$ 197,494</u></b>
<b><u>CFD 2000-02 Rancho Cucamonga Corporate Park</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 483,824	\$ 566,155	\$ 658,676	\$ 391,303
Receivables:				
Taxes	296	5,462	296	5,462
Accrued interest	288	307	288	307
Restricted assets:				
Cash and investments with fiscal agents	680,348	6,461,561	6,601,070	540,839
<b>Total Assets</b>	<b><u>\$ 1,164,756</u></b>	<b><u>\$ 7,033,485</u></b>	<b><u>\$ 7,260,330</u></b>	<b><u>\$ 937,911</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 1,164,756	\$ 7,037,954	\$ 7,264,799	\$ 937,911
<b>Total Liabilities</b>	<b><u>\$ 1,164,756</u></b>	<b><u>\$ 7,037,954</u></b>	<b><u>\$ 7,264,799</u></b>	<b><u>\$ 937,911</u></b>

## CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012**

(Continued)

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<b><u>AD 93-1 Masi Commerce Center</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 461,625	\$ 257,806	\$ 245,968	\$ 473,463
Receivables:				
Accrued interest	274	371	274	371
Restricted assets:				
Cash and investments with fiscal agents	242,510	29	39	242,500
<b>Total Assets</b>	<b><u>\$ 704,409</u></b>	<b><u>\$ 258,206</u></b>	<b><u>\$ 246,281</u></b>	<b><u>\$ 716,334</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 704,409	\$ 263,248	\$ 251,323	\$ 716,334
<b>Total Liabilities</b>	<b><u>\$ 704,409</u></b>	<b><u>\$ 263,248</u></b>	<b><u>\$ 251,323</u></b>	<b><u>\$ 716,334</u></b>
<b><u>CFD 2001-01 Series A</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,951,259	\$ 1,292,840	\$ 2,264,660	\$ 979,439
Receivables:				
Taxes	13,706	14,246	13,706	14,246
Accrued interest	2	1	2	1
Restricted assets:				
Cash and investments with fiscal agents	3,217,220	12,704,414	15,032,835	888,799
<b>Total Assets</b>	<b><u>\$ 5,182,187</u></b>	<b><u>\$ 14,011,501</u></b>	<b><u>\$ 17,311,203</u></b>	<b><u>\$ 1,882,485</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 5,182,187	\$ 14,027,250	\$ 17,326,952	\$ 1,882,485
<b>Total Liabilities</b>	<b><u>\$ 5,182,187</u></b>	<b><u>\$ 14,027,250</u></b>	<b><u>\$ 17,326,952</u></b>	<b><u>\$ 1,882,485</u></b>
<b><u>CFD 2001-01 Series B</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 46,192	\$ 66,051	\$ 86,227	\$ 26,016
Restricted assets:				
Cash and investments with fiscal agents	110,884	-	110,884	-
<b>Total Assets</b>	<b><u>\$ 157,076</u></b>	<b><u>\$ 66,051</u></b>	<b><u>\$ 197,111</u></b>	<b><u>\$ 26,016</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 157,076	\$ 69,626	\$ 200,686	\$ 26,016
<b>Total Liabilities</b>	<b><u>\$ 157,076</u></b>	<b><u>\$ 69,626</u></b>	<b><u>\$ 200,686</u></b>	<b><u>\$ 26,016</u></b>

CITY OF RANCHO CUCAMONGA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<b><u>CFD 2003-01 Series A</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,065,453	\$ 1,078,055	\$ 1,075,181	\$ 1,068,327
Receivables:				
Taxes	627	996	627	996
Accrued interest	633	838	633	838
Restricted assets:				
Cash and investments with fiscal agents	1,464,561	177	237	1,464,501
<b>Total Assets</b>	<b><u>\$ 2,531,274</u></b>	<b><u>\$ 1,080,066</u></b>	<b><u>\$ 1,076,678</u></b>	<b><u>\$ 2,534,662</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 2,531,274	\$ 1,089,625	\$ 1,086,237	\$ 2,534,662
<b>Total Liabilities</b>	<b><u>\$ 2,531,274</u></b>	<b><u>\$ 1,089,625</u></b>	<b><u>\$ 1,086,237</u></b>	<b><u>\$ 2,534,662</u></b>
<b><u>CFD 2003-01 Series B</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 163,787	\$ 208,355	\$ 206,966	\$ 165,176
Receivables:				
Accrued interest	97	130	97	130
Restricted assets:				
Cash and investments with fiscal agents	292,939	35	-	292,974
<b>Total Assets</b>	<b><u>\$ 456,823</u></b>	<b><u>\$ 208,520</u></b>	<b><u>\$ 207,063</u></b>	<b><u>\$ 458,280</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 456,823	\$ 212,924	\$ 211,467	\$ 458,280
<b>Total Liabilities</b>	<b><u>\$ 456,823</u></b>	<b><u>\$ 212,924</u></b>	<b><u>\$ 211,467</u></b>	<b><u>\$ 458,280</u></b>
<b><u>CFD 2000-03 Rancho Summit Redemption</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 926,936	\$ 804,488	\$ 666,614	\$ 1,064,810
Receivables:				
Taxes	8,582	-	8,582	-
Accrued interest	550	835	550	835
Restricted assets:				
Cash and investments with fiscal agents	51,219	1,392	52,548	63
<b>Total Assets</b>	<b><u>\$ 987,287</u></b>	<b><u>\$ 806,715</u></b>	<b><u>\$ 728,294</u></b>	<b><u>\$ 1,065,708</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 987,287	\$ 813,900	\$ 735,479	\$ 1,065,708
<b>Total Liabilities</b>	<b><u>\$ 987,287</u></b>	<b><u>\$ 813,900</u></b>	<b><u>\$ 735,479</u></b>	<b><u>\$ 1,065,708</u></b>

## CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2012**

(Continued)

	Balance 7/1/2011	Additions	Deductions	Balance 6/30/2012
<b><u>CFD 2000-03 Rancho Summit Reserve</u></b>				
<b>Assets:</b>				
Restricted assets:				
Cash and investments with fiscal agents	\$ 666,762	\$ 33	\$ 1,343	\$ 665,452
<b>Total Assets</b>	<b><u>\$ 666,762</u></b>	<b><u>\$ 33</u></b>	<b><u>\$ 1,343</u></b>	<b><u>\$ 665,452</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 666,762	\$ 80	\$ 1,390	\$ 665,452
<b>Total Liabilities</b>	<b><u>\$ 666,762</u></b>	<b><u>\$ 80</u></b>	<b><u>\$ 1,390</u></b>	<b><u>\$ 665,452</u></b>
<b><u>CFD 2004-01</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 2,481,656	\$ 3,394,607	\$ 3,501,070	\$ 2,375,193
Receivables:				
Taxes	13,441	25,907	13,441	25,907
Accrued interest	1,417	1,844	1,417	1,844
Restricted assets:				
Cash and investments with fiscal agents	2,856,627	41,598	122,679	2,775,546
<b>Total Assets</b>	<b><u>\$ 5,353,141</u></b>	<b><u>\$ 3,463,956</u></b>	<b><u>\$ 3,638,607</u></b>	<b><u>\$ 5,178,490</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 2,551	\$ 25,497	\$ 27,574	\$ 474
Payable to trustee	5,350,590	4,278,311	4,450,885	5,178,016
<b>Total Liabilities</b>	<b><u>\$ 5,353,141</u></b>	<b><u>\$ 4,303,808</u></b>	<b><u>\$ 4,478,459</u></b>	<b><u>\$ 5,178,490</u></b>
<b><u>CFD 2000-03 Park Maintenance</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 859,458	\$ 398,335	\$ 389,377	\$ 868,416
Receivables:				
Taxes	3,783	5,565	3,783	5,565
Accrued interest	517	694	517	694
<b>Total Assets</b>	<b><u>\$ 863,758</u></b>	<b><u>\$ 404,594</u></b>	<b><u>\$ 393,677</u></b>	<b><u>\$ 874,675</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 5,891	\$ 88,770	\$ 91,606	\$ 3,055
Accrued liabilities	-	6,506	-	6,506
Payable to trustee	857,867	411,343	404,096	865,114
<b>Total Liabilities</b>	<b><u>\$ 863,758</u></b>	<b><u>\$ 506,619</u></b>	<b><u>\$ 495,702</u></b>	<b><u>\$ 874,675</u></b>
<b><u>CFD 2006-01 Redemption</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 449,999	\$ 487,955	\$ 408,570	\$ 529,384
Receivables:				
Taxes	1,844	2,774	1,844	2,774
Accrued interest	267	414	267	414
Restricted assets:				
Cash and investments with fiscal agents	379,650	41	44	379,647
<b>Total Assets</b>	<b><u>\$ 831,760</u></b>	<b><u>\$ 491,184</u></b>	<b><u>\$ 410,725</u></b>	<b><u>\$ 912,219</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 831,760	\$ 497,149	\$ 416,690	\$ 912,219
<b>Total Liabilities</b>	<b><u>\$ 831,760</u></b>	<b><u>\$ 497,149</u></b>	<b><u>\$ 416,690</u></b>	<b><u>\$ 912,219</u></b>

CITY OF RANCHO CUCAMONGA

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
YEAR ENDED JUNE 30, 2012**

	<u>Balance 7/1/2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2012</u>
<b><u>CFD 2006-02 Redemption</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 234,197	\$ 264,811	\$ 226,707	\$ 272,301
Receivables:				
Taxes	-	4,105	-	4,105
Accrued interest	139	213	139	213
Restricted assets:				
Cash and investments with fiscal agents	197,782	22	12	197,792
<b>Total Assets</b>	<b><u>\$ 432,118</u></b>	<b><u>\$ 269,151</u></b>	<b><u>\$ 226,858</u></b>	<b><u>\$ 474,411</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 432,118	\$ 273,915	\$ 231,622	\$ 474,411
<b>Total Liabilities</b>	<b><u>\$ 432,118</u></b>	<b><u>\$ 273,915</u></b>	<b><u>\$ 231,622</u></b>	<b><u>\$ 474,411</u></b>
<b><u>Employee Deduction Account</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 60,121	\$ 312,869	\$ 308,671	\$ 64,319
<b>Total Assets</b>	<b><u>\$ 60,121</u></b>	<b><u>\$ 312,869</u></b>	<b><u>\$ 308,671</u></b>	<b><u>\$ 64,319</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 4,778	\$ 4,056	\$ 722
Due to external parties/other agencies	60,121	156,356	152,880	63,597
<b>Total Liabilities</b>	<b><u>\$ 60,121</u></b>	<b><u>\$ 161,134</u></b>	<b><u>\$ 156,936</u></b>	<b><u>\$ 64,319</u></b>
<b><u>Assessment District 82-2</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 5	\$ -	\$ -	\$ 5
<b>Total Assets</b>	<b><u>\$ 5</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5</u></b>
<b>Liabilities:</b>				
Payable to trustee	\$ 5	\$ -	\$ -	\$ 5
<b>Total Liabilities</b>	<b><u>\$ 5</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 5</u></b>
<b><u>Totals - All Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 24,972,063	\$ 15,647,679	\$ 16,420,765	\$ 24,198,977
Receivables:				
Accounts	1,500	-	-	1,500
Taxes	94,984	75,077	94,984	75,077
Accrued interest	8,197	10,895	8,197	10,895
Restricted assets:				
Cash and investments with fiscal agents	12,455,050	20,363,394	23,560,724	9,257,720
<b>Total Assets</b>	<b><u>\$ 37,531,794</u></b>	<b><u>\$ 36,097,045</u></b>	<b><u>\$ 40,084,670</u></b>	<b><u>\$ 33,544,169</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 52,387	\$ 1,263,209	\$ 1,248,801	\$ 66,795
Accrued liabilities	21,886	25,370	21,886	25,370
Deposits payable	7,498,364	1,045,269	861,399	7,682,234
Payable to trustee	29,899,036	33,037,292	37,230,155	25,706,173
Due to external parties/other agencies	60,121	156,356	152,880	63,597
<b>Total Liabilities</b>	<b><u>\$ 37,531,794</u></b>	<b><u>\$ 35,527,496</u></b>	<b><u>\$ 39,515,121</u></b>	<b><u>\$ 33,544,169</u></b>