



City of Fontana

Financial Performance Report

For the Month Ending August 31, 2016

| Quick Look Indicators | This Month | This Year | See Page |
|--|------------|-----------|----------|
| Cash Balance | ↑ | ↑ | 3 |
| Residential Building Permits | ↑ | ↓ | 4 |
| Industrial & Commercial Bldg. Permits | ↓ | ↑ | 5 |
| Revenues | ↑ | ↑ | 6 |
| Expenditures | ↓ | ↑ | 6 |
| Investment Report | ↓ | ↓ | 10 |

October 20, 2016

Executive Summary

Cash Balances:

The City's General Fund cash balance is currently in a favorable position at \$7.2 million, increasing \$2.0 million from July's month-end. August 2016's cash balance is \$5.8 million higher than August 2015's cash balance.

Development Activity:

Residential development construction activity through August totals 23 single family dwelling (SFD) permits (7% of the budget of 325 SFDs). Last fiscal year a total of 543 SFDs permits were issued.

Revenues:

General Fund revenues through August 2016 are \$1.9 million higher than August 2015. Revenues are at **10.5%** of the current annual budget compared to a target of 16.67%, lagging primarily due to the Property Tax In-Lieu which delays receipt of a large portion of the Property Tax. Development related revenues have achieved **13.6%** of their annual budget.

Expenditures:

Expenditures for the fiscal year are slightly over budget at **17.6%** compared to a target of 16.67%.

Investment Report:

The City's investments, through August 2016, have had a rate of return averaging **1.00%**; the City's investment policy benchmark of the "Two-Year Treasury Note" had a return of **0.78%**.

Special Reports:

Economic Development (page 26): In August, the City issued 116 new business licenses and has a total of 8,979 active businesses as of August 31st. Also in August, there were 61 residential dwellings ready for occupancy based on the number of new sewer hook-ups.

Capital Reinvestment Fund (page 27): For the fourteen years ending June 30, 2016, the City of Fontana expended \$190.7 million from the General Fund on capital improvement projects throughout the City. As of August 2016 \$5.0 million of General Fund money is budgeted in this fund on various improvement projects throughout the City. This excludes Non-General fund sources.

FONTANA
CALIFORNIA

CONTENTS

| | |
|---|----|
| Report Introduction | 2 |
| Cash Balance and Cash Available | 3 |
| Development Activity | 4 |
| Residential Development | 4 |
| Commercial and Industrial | 5 |
| General Fund | |
| Revenue and Expenditure Summary | 6 |
| General Fund Revenue Categories | 7 |
| Revenue Highlights | 8 |
| Departmental Summary | 9 |
| City and Agency Investment Report | 10 |
| Risk Liability Analysis | 19 |
| Cash and Due To/From Detail | 25 |
| Economic Development | 26 |
| Capital Investment Fund #601 and Fund #603 | 27 |
| Grants Report | 28 |
| Customer Service Quality Assurance Survey | 31 |
| Fire Services – County Contract | 32 |

Report Introduction

The following serves as an introduction to the Goals, Scope and Contents of this report.

Goals:

Consistent with the City Council Goals of:

To Operate in a Businesslike Manner; To Practice Sound Fiscal Management; and To Increase Citizen Involvement.

This general-purpose “User Friendly” financial report is designed to meet the following objectives:

To provide concise information needed to gain a fair understanding of the City’s financial position, results of operations and cash flows;

To serve as the critical link between accounting systems and the users they are designed to serve; and

To serve as an early warning document to indicate unfavorable financial events.

Scope:

Initially, this report’s primary focus is on the fiscal events of the City’s General Fund. This focus will be expanded to other financial activities of the City funds as they occur and this report matures. Current year, monthly and fiscal-year-to-date (F-Y-T-D) information is provided on all charts and prior year data is provided in those areas where trend analysis is applicable. This report is not a substitute for the Comprehensive Annual Financial Report (CAFR).

Frequency:

This report will be published monthly.

Contents:

This report consists of various sections as detailed on the previous page. Each schedule within these sections contains descriptive information about the schedule. Some of these reports contain graphs to aid the reader. These graphs include a current year and two prior year trend lines and, where available, a five-year averages trend line. These trend lines provide a meaningful comparison of current year data.

Other Focus Features: Periodically, special reports will appear highlighting such fiscal areas as debt, cost allocation, long range fiscal plans, etc.

Contacts...Questions...Suggestions:

Call Lisa Strong, Management Services Director/Deputy City Treasurer...350-7671.

Prepared by Dawn Brooks

General Fund Cash Balance and Cash Available

Cash Balance

Similar to a personal bank account, the City's "Cash Balance" is the amount of money in the bank at a certain date.

August's ending cash balance reflects an increase of \$2.0 million as compared to July's ending balance.

Available Cash

When other funds temporarily "borrow" money from the General Fund, the remaining amount is called "Cash Available".

The City's General Fund "Cash Available" increased by \$2.1 million since July. Other funds have temporarily borrowed **\$1,543,215** from the General Fund to offset **negative cash** balances. This advance is primarily attributable to: Federal Law Enforcement Block Grant **\$157,909**, CDBG **\$374,363**, HOME Program **\$278,178** and After School Program **\$732,465**.

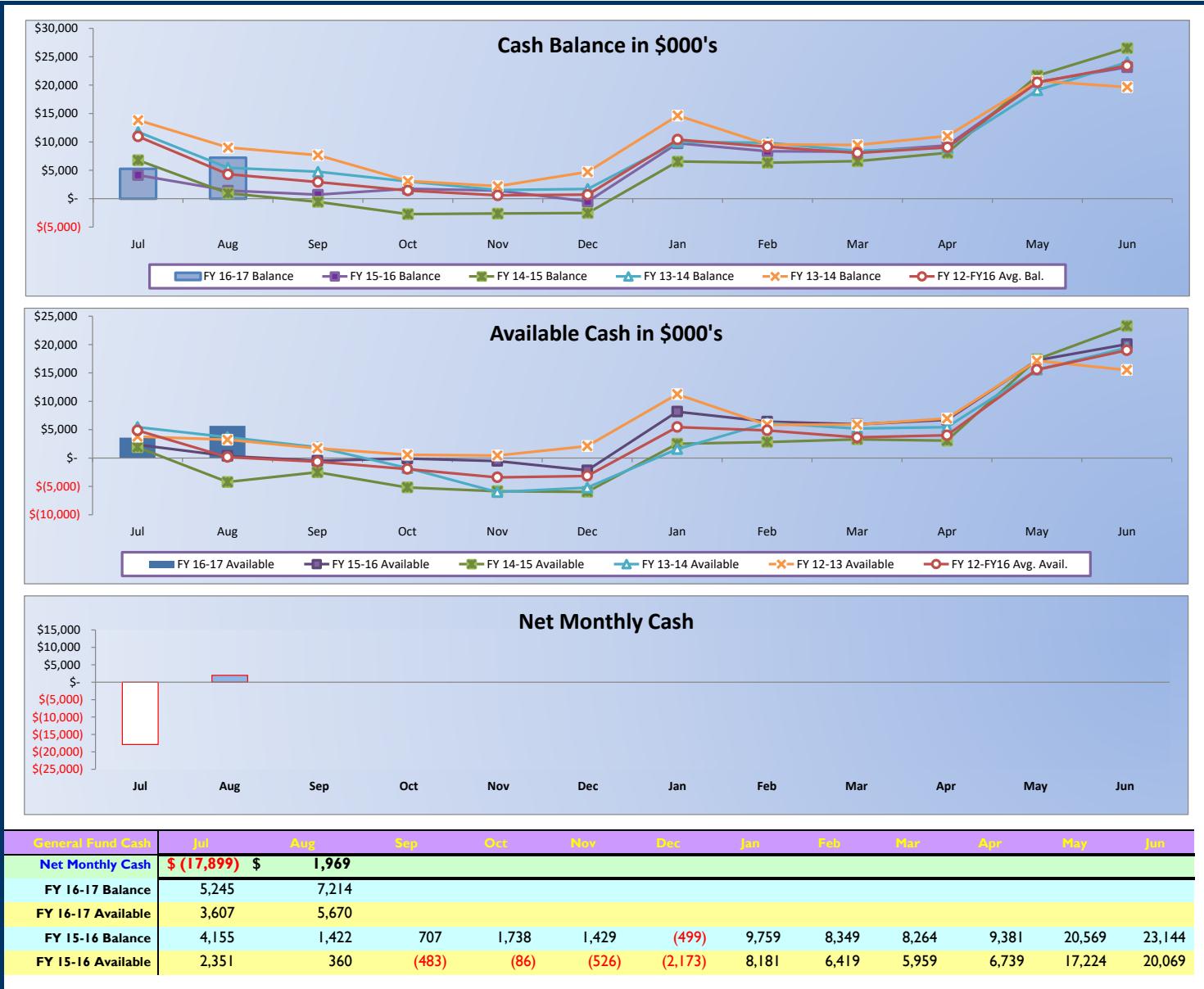
Repayments to the General Fund will be made as funds become available.

Net Monthly Cash

The "Net Monthly Cash" (blue columns) is the difference between the monthly revenues and expenditures.

Occasionally, more expenditures will be paid than revenues received during the month. When this occurs, the column drops below the zero line and turns **white**. If this situation were continuous, a cash flow problem would develop.

See page 20 for a listing of all funds with negative cash.



July - Budgeted Transfers were recorded in the amount of \$14,151,370 from the General Fund to various funds to cover operating expenditures for the fiscal year.

Residential Development activity often acts as a barometer of local economic conditions. The **brown thick line** on the chart represents last year's building activity within the City. This year's activity is represented by the solid thick **blue line**.

In August, the City issued **16** SFD building permits.

The following are all located north of Foothill and east of Interstate 15. The West End Development, West Gate, Summit Heights, Landings, Rancho Fontana, Sierra Lakes, Walnut Village, Northgate, Citrus Heights North, Bellgrove II, Fontana Star, Morningside, Stratham Homes, Promenade (8), Providence Point and Sierra Crest.

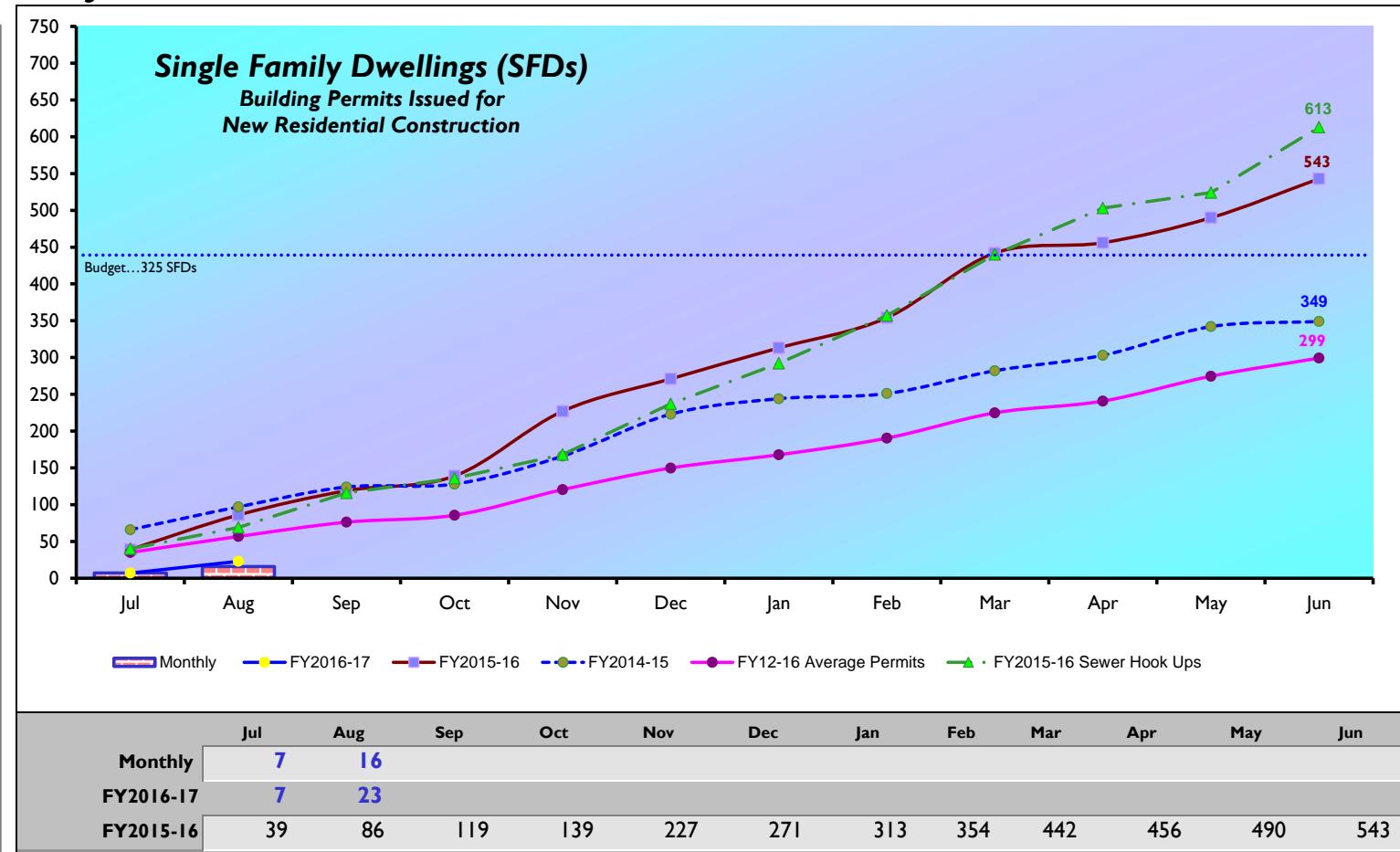
The Hunter's Ridge Development and Coyote Canyon Development are located north of Interstate 15.

The Country Club Estates Development and Sycamore Hills are located south of the Interstate 10 Fwy and east of Sierra Avenue.

The Southridge Development is located south of the Interstate 10 Fwy and west of Sierra Ave.

There were **8** permits issued in the City Wide & In-Fill Area, of which **(0)** was issued to independently owned property.

Certificates of Occupancy: New sewer hook-ups (**FYTD 105**) indicate that new construction is ready for occupancy. A large number of residential housing hook ups follow a large number of previously issued building permits.



Specific Plan
Developments
Fiscal Y-T-D . . .

| Development | Permits Issued |
|----------------------|----------------|
| Bellgrove II | 15 |
| California Landings | |
| City Wide | |
| Citrus Heights | |
| Country Club Estates | |
| Coyote Canyon | |
| Fontana Star | |
| Hunter's Ridge | |
| Landings | |
| Morningside | |
| New West | |
| Northgate | |
| Promenade | |
| Providence Point | |
| Rancho Fontana | |
| Sierra Crest | |
| Southridge | |
| Stratham Group | |
| Summit Heights | |
| Sycamore Hills | |
| Walnut Village | |
| West End | |

...23

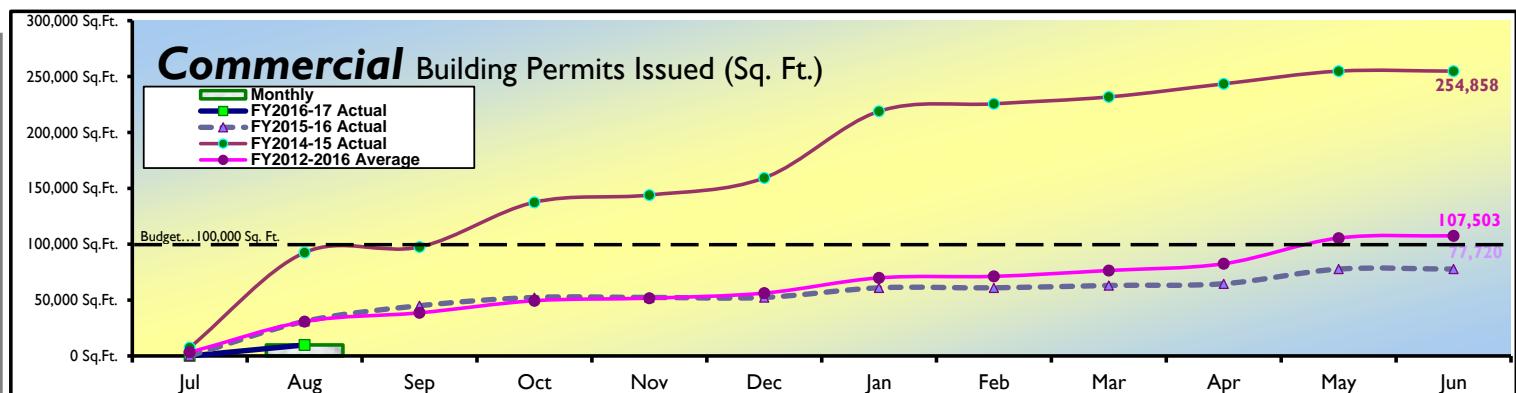
Development Activity . . . Commercial & Industrial

Commercial and Industrial Development activity, similar to residential development, acts as a barometer of the local economic conditions. New activity in these development categories initially creates construction jobs and ultimately provides for a permanent employment base for the community.

Development activity over the past several years has been light as the industry has sought existing vacant buildings. As these existing structures become occupied and the vacancy rate diminishes, new development activity starts to increase.

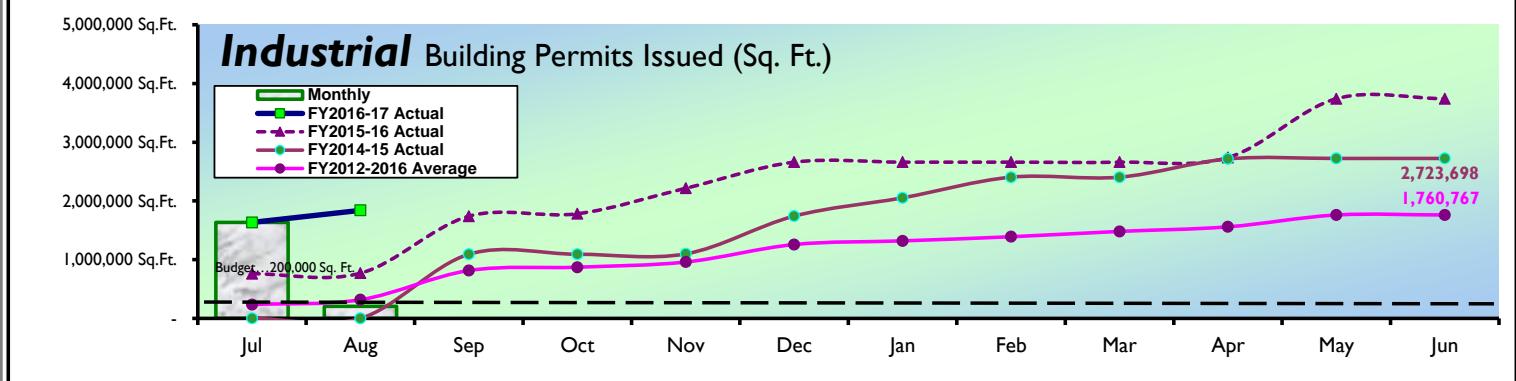
The City issued 1 commercial building permits in August.

The City issued 1 new industrial building permits in August.



| Square Footage | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|------------------|-----|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Monthly | - | 9,843 | | | | | | | | | | |
| FY2016-17 Actual | - | 9,843 | | | | | | | | | | |
| FY2015-16 Actual | - | 30,939 | 44,943 | 52,358 | 52,358 | 52,358 | 60,970 | 60,970 | 63,082 | 64,626 | 77,720 | 77,720 |

Notes: July - none. August - 5,553 sq. ft. service bay building @ 10150 Cherry Ave, 4,290 sq. ft. sales and leasing building @ 10150 Cherry Ave.



| Square Footage | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Monthly | 1,634,351 | 205,130 | | | | | | | | | | |
| FY2016-17 Actual | 1,634,351 | 1,839,481 | | | | | | | | | | |
| FY2015-16 Actual | 760,264 | 769,625 | 1,740,372 | 1,781,779 | 2,215,949 | 2,660,618 | 2,660,618 | 2,660,618 | 2,660,618 | 2,738,562 | 3,740,405 | 3,740,405 |

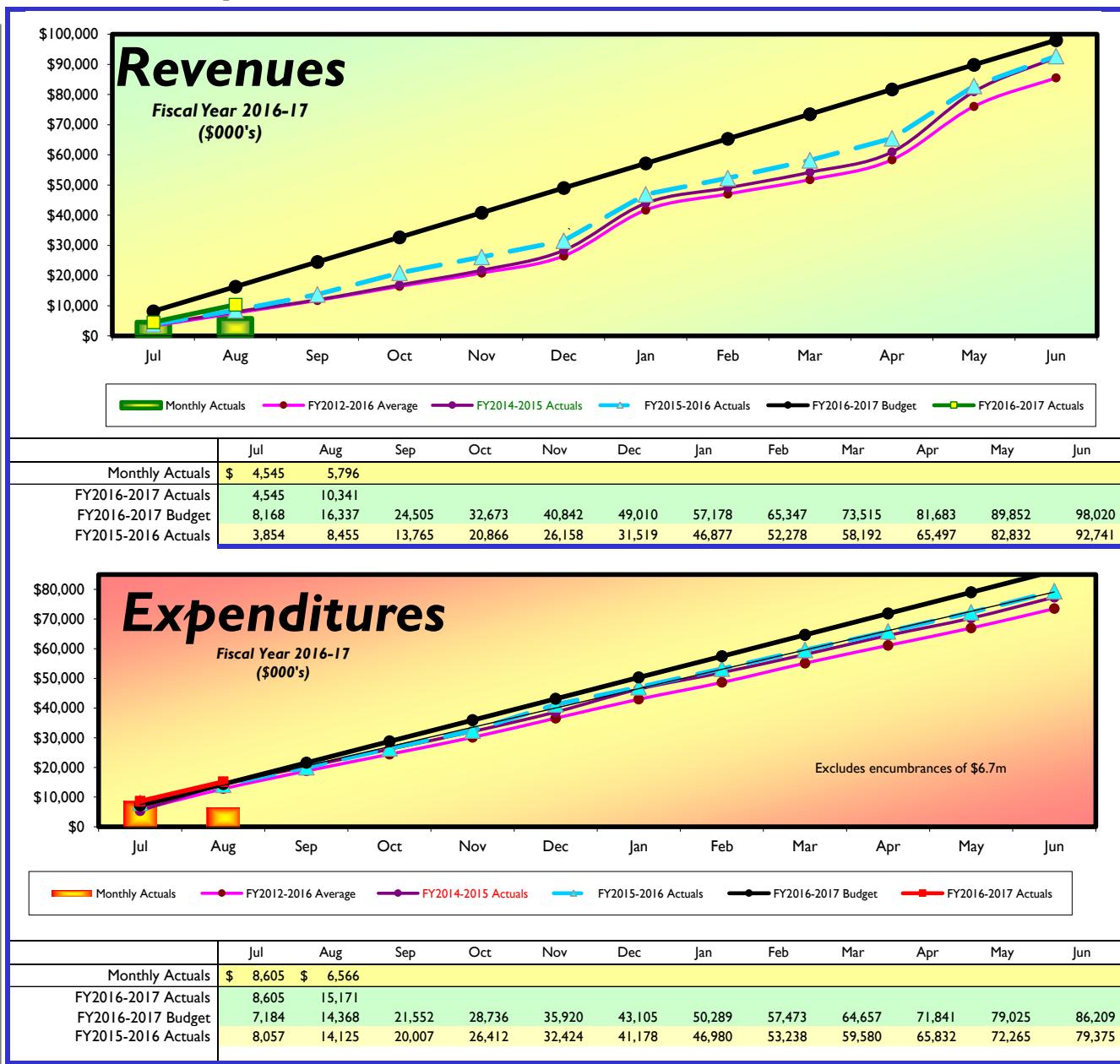
Notes: July - 630,784 sq. ft. tilt-up @ 16270 Jurupa Ave, 1,003,567 tilt-up @ 11281 Citrus Ave. August - 202,928 sq. ft. tilt-up @ 11001 Citrus Ave

General Fund Financial Summary

The General Fund is comprised of such general revenue sources as taxes, fines, licenses and fees. The fund provides for such services as Public Safety, Recreation, Legislative and City Administration. The use of money in this fund is generally not restricted to specific services and projects as is the case with other city funds.

Revenues - The green solid line on the adjacent chart, shows that the General Fund revenues are **10.5%** of the annual budget. Year-to-date total revenue is \$1.9 million higher than last year's revenue levels through August's month-end.

Expenditures - The red solid line represents the General Fund expenditures actually paid and do not include \$6.7 million of encumbrances (commitments made and agreed to be paid after obligations are fulfilled). The City's operating departments are on course with their expenditure plans. Additional details by department are listed on page 9.



Revenues

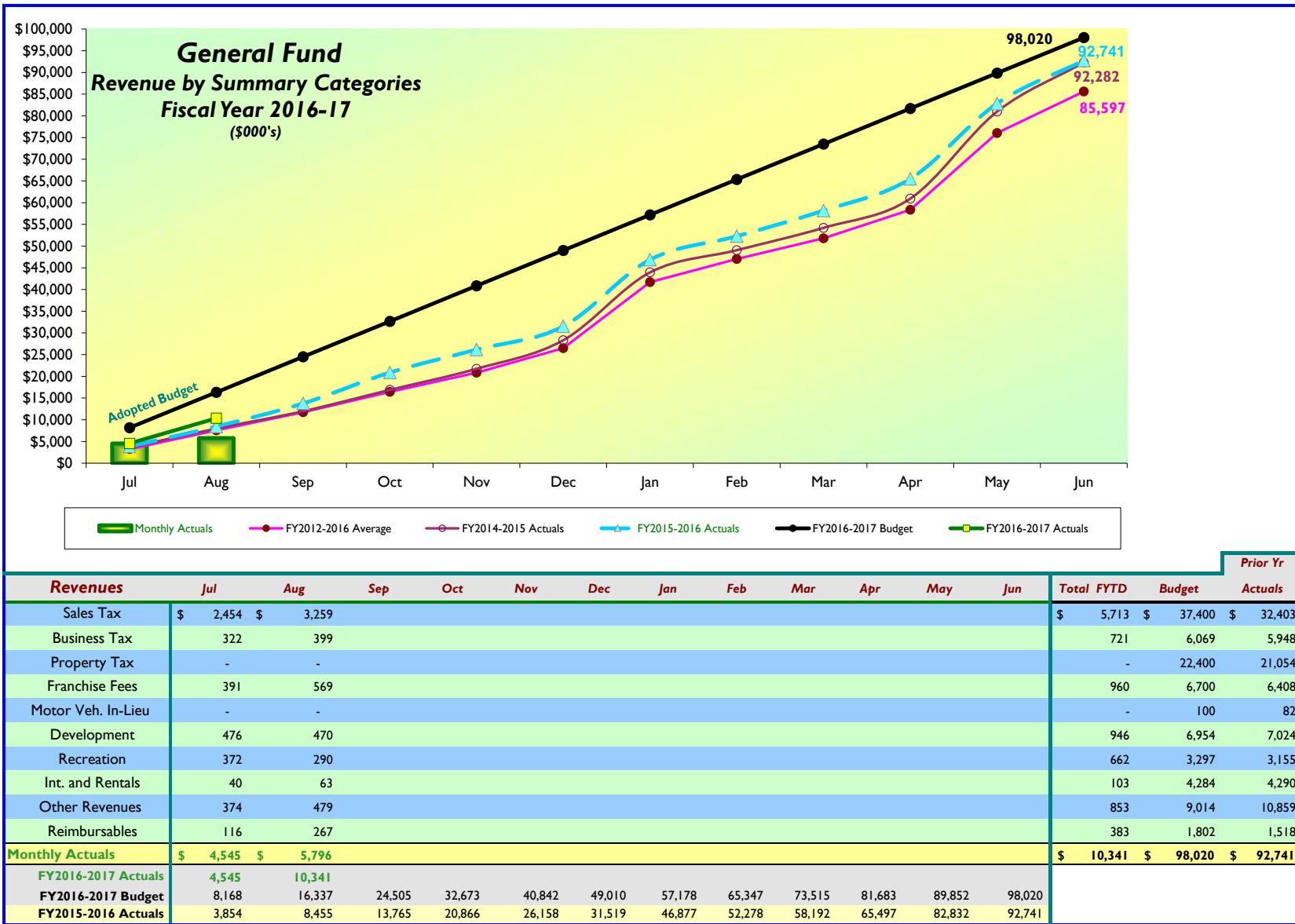
The General Fund's 140+ revenue accounts are categorized by like types of activity on the adjacent chart. In general, revenues can be further summarized into Taxes, Fees, State Subventions and other revenues.

Over one-half of the City's General Fund revenues are derived from taxes. The top two budgeted tax revenue sources are Sales Tax (38% - \$37.4 million), and Property Tax (23% - \$22.4 million).

Through August 2016, the General Fund's actual revenues received are **10.5%** of the annual budget amount.

Development related revenues have achieved **13.6%** of their annual revenue budget. During June, construction permits were issued for **16** additional homes.

MVLF revenues are being significantly affected by the economic downturn. State charges have grown far in excess of VLF collections. While state charges increased at about 10% per year, actual revenue collections have been declining. This decline, together with the State charges has caused a cash flow issue in recent months in which, following state charges, there were zero funds left to allocate to cities. All legislation efforts to restore the MVLF for the annexation areas within the City have failed.

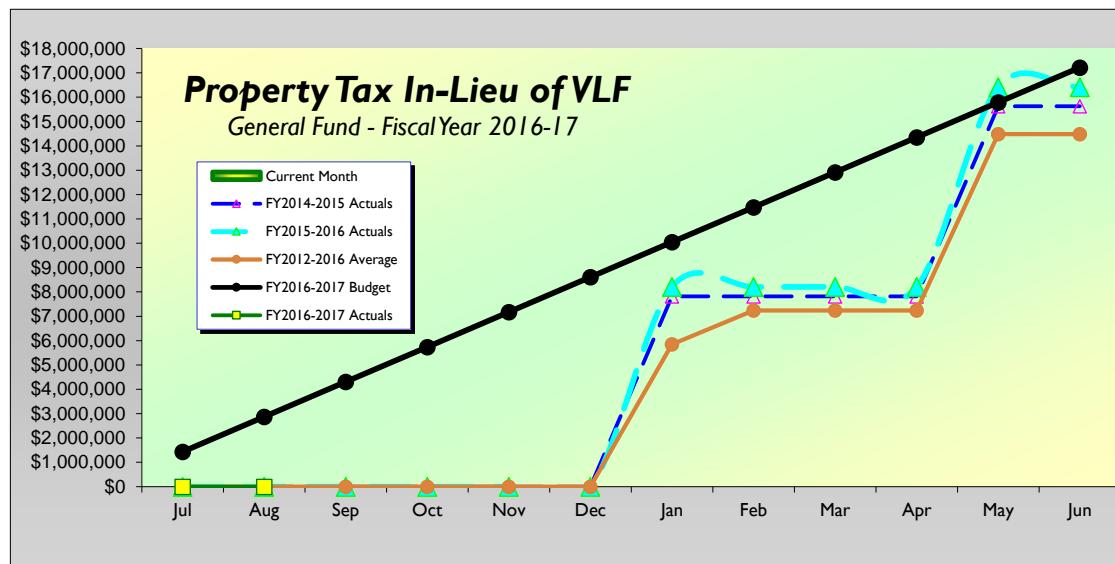
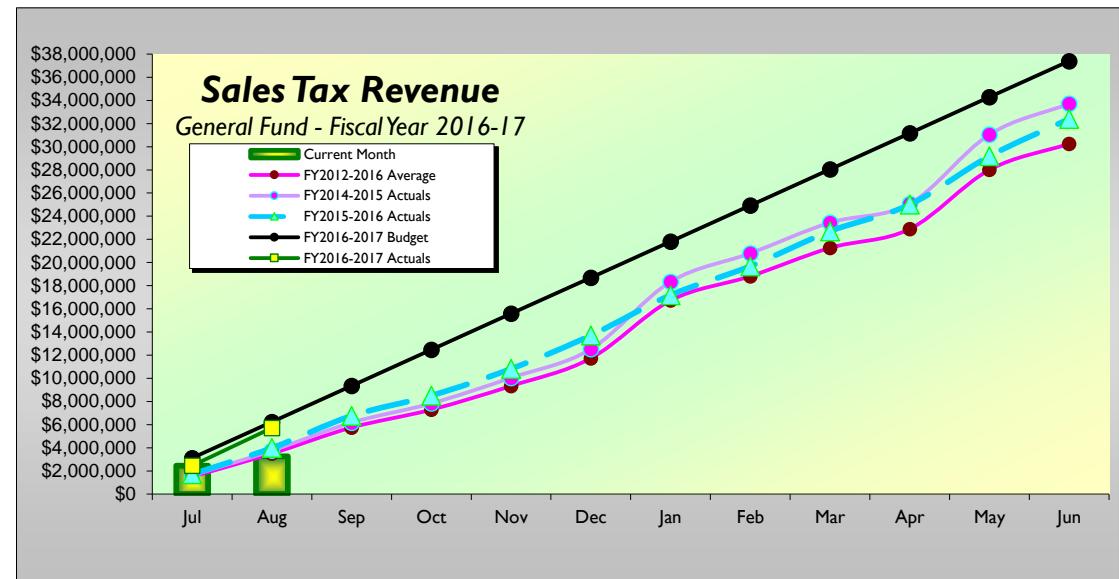


General Fund Revenue . . . Highlights

Two of the most significant revenue sources for the General Fund are Sales Tax and Property Tax In-Lieu of VLF. These two sources account for 55.7% of the estimated General Fund revenues.

Sales Tax: Sales Tax revenues, fiscal year to date, are \$5,713,361 or 15.3% of the annual budget of \$37,400,000.

Property Tax in-Lieu of VLF: Property Tax In-Lieu of VLF revenues to date are \$0 or 0% of the total annual budget of \$17,200,000. This revenue is received one-half in January & one-half in May.



The Budget Act of 2004 contains a "swap" of city and county Vehicle License fee revenues for property tax revenues effective for the FY04-05 budget year.

This act, also known as the State's "Triple Flip" includes a permanent reduction of the VLF rate from 2% to 0.65%. The VLF backfill is eliminated and replaced with a like amount of property taxes, dollar-for-dollar payable in lump-sum payments twice a year in January and May.

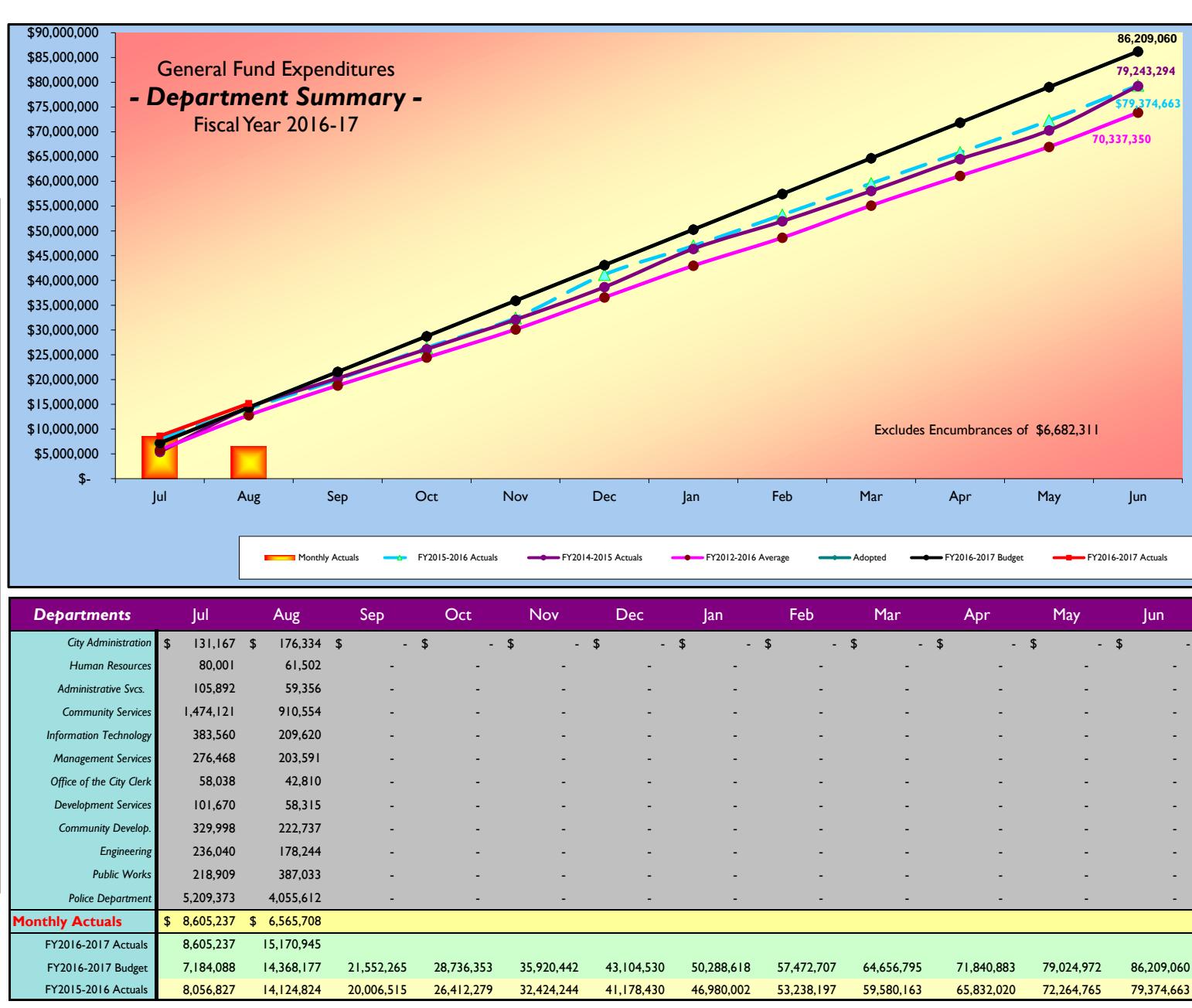
Subsequent to the FY04-05 and FY05-06 base years, each city's "property taxes in lieu of VLF" will increase in proportion to the growth in gross assessed valuation in the city.

Remaining VLF revenue is deposited in the Motor Vehicle License Fee Account. After the State administrative charges, there are zero funds left to allocate to cities.

General Fund Expenditure Summary by Department

At the end of August 2016, the Departments' expenditures are running above the estimated fiscal year to date budget as illustrated by the solid red line on the chart. These expenses do not include \$6.7 million of encumbrances.

The Departments are on track with their expenditure plans. To date, the Departments have spent 17.6% of their annual budgets compared to a target of 16.67%.



Investment Report

City of Fontana

August 31, 2016

Prepared by:



Lisa A. Strong
Management Services Director
Deputy City Treasurer

Reviewed by:



Janet Koehler-Brooks
City Treasurer

Contents

- Summary of Investment Policy
- Summary of Cash and Investments
- Portfolio Analysis
- Interest Rate Comparison
- Actual to Model Comparison
- Pooled Investments
- Bond Investments



Summary of Investment Policy

- Adopted by City Council January 26, 2016
- Objectives: Safety, Liquidity & Yield
- Benchmark: Two-Year Treasury Note
- Target Duration: Two years
- 10% of Portfolio in short-term investments
- Requires diversification of maturities
- Maximum maturity of five years

Summary of Cash and Investments

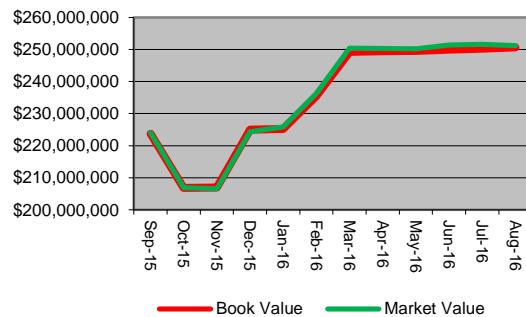
| | Pooled Investments | Bond Funds | Other | Total |
|-------------------------------------|-------------------------|-------------------------|-------------------------|--------------------------|
| Money Market Funds | \$ 36,329,201.29 | \$ 44,337,030.28 | \$ | \$ 80,666,231.57 |
| Bankers Acceptances | | | | 0.00 |
| Government Agency Issues | 150,214,495.00 | | | 150,214,495.00 |
| Medium-Term Notes | 15,284,050.00 | | | 15,284,050.00 |
| Local Agency Investment Fund (LAIF) | 49,151,503.59 | | | 49,151,503.59 |
| Investment Agreements | | 2,354,021.39 | | 2,354,021.39 |
| Fiscal Agent Cash Accounts | | 0.00 | | 0.00 |
| | | | | |
| Bank of America - General Checking | | 23,133,896.04 | | 23,133,896.04 |
| Deferred Compensation Funds | | 23,724,271.98 | | 23,724,271.98 |
| Escrow Accounts | | 1,777.98 | | 1,777.98 |
| Petty Cash/Self Insurance | | 415,950.00 | | 415,950.00 |
| | | | | |
| | <u>\$250,979,249.88</u> | <u>\$ 46,691,051.67</u> | <u>\$ 47,275,896.00</u> | <u>\$ 344,946,197.55</u> |

This report reflects all cash and investments managed by the Management Services Department and is in conformity with the Investment Policy of the City of Fontana as approved by the City Council on January 26, 2016. The investment program herein shown provides sufficient cash flow liquidity to meet City liabilities for the next six months.

Portfolio Analysis

INVESTMENT COMPOSITION:

| | |
|--|------------------|
| Original cost of investments held | \$250,979,249.88 |
| Adjusted book value of investments held | \$250,598,514.88 |
| Market value of investments held | \$251,149,205.29 |
| Unrealized gain (loss) - amount | \$550,690.41 |
| Unrealized gain (loss) - percentage | 0.22% |
| Weighted average portfolio life (final maturity) | 1.71 years |
| Weighted average portfolio life (call dates) | 1.54 years |



| | |
|-------------------------------------|--------|
| Money Market Mutual Funds | 14.48% |
| Government Agency Issues | 59.85% |
| Medium Term Notes | 6.09% |
| Local Agency Investment Fund (LAIF) | 19.58% |



RETURN ON INVESTMENTS:

| (July 1, 2015 to August 31, 2016) | Month-to-Date | Year-to-Date |
|---|------------------|------------------|
| Total investment earnings | \$214,588.21 | \$437,842.14 |
| Total realized gains (losses) on sales/calls | \$0.00 | \$0.00 |
| Total amortized premium/discount | (\$6,026.00) | (\$12,053.00) |
| Weighted average portfolio balance | \$250,446,830.53 | \$250,660,934.63 |
| Total return on investments annualized | 0.98% | 1.00% |

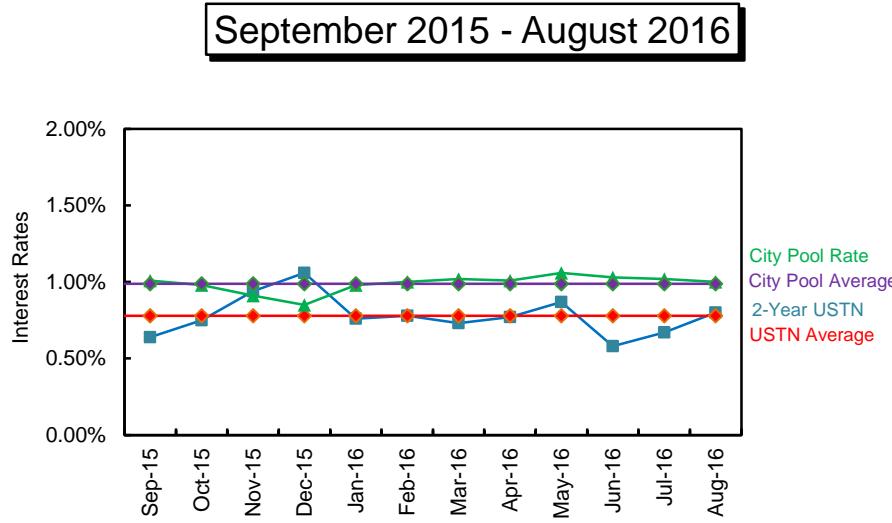
COMPARATIVE MARKET RATES:

| | 12-Month Average |
|--------------------------------|------------------|
| Three-Month Treasury Bills | 0.33% |
| Six-Month Treasury Bills | 0.47% |
| One-Year Treasury Bills | 0.61% |
| Two-Year Treasury Notes | 0.80% |
| Five-Year Treasury Notes | 1.19% |
| LAIF | 0.61% |

HISTORICAL RATES OF RETURN:

| | VARIANCE: | 0.18% | 0.22% |
|--|-----------|-------|-------|
| <i>City of Fontana</i> | | | |
| Fiscal Year 2007/08 | 4.10% | | |
| Fiscal Year 2008/09 | 2.87% | | |
| Fiscal Year 2009/10 | 2.25% | | |
| Fiscal Year 2010/11 | 2.20% | | |
| Fiscal Year 2011/12 | 1.85% | | |
| Fiscal Year 2012/13 | 1.07% | | |
| Fiscal Year 2013/14 | 1.01% | | |
| Fiscal Year 2014/15 | 0.97% | | |
| Fiscal Year 2015/16 | 1.08% | | |
| Fiscal Year 2015/16 | 1.00% | | |
| <i>To evaluate the performance of the City's portfolio, the Statement of Investment Policy has established the two-year treasury note as the benchmark for comparison purposes. It is expected that yields on City investments will regularly meet or exceed the benchmark; however, a variance of .50% (50 basis points) plus or minus is considered reasonable by the Investment Review Committee for evaluation purposes.</i> | | | |
| <i>The City rate currently exceeds the Benchmark rate by 22 basis points due to historically low treasury rates.</i> | | | |

Interest Rate Comparison



| | 2-Year USTN | City Pool | Difference |
|----------|-------------|-----------|------------|
| 09/30/15 | 0.64% | 1.01% | +37 BPs |
| 10/31/15 | 0.75% | 0.98% | +23 BPs |
| 11/30/15 | 0.94% | 0.91% | -3 BPs |
| 12/31/15 | 1.06% | 0.85% | -21 BPs |
| 01/31/16 | 0.76% | 0.98% | +22 BPs |
| 02/29/16 | 0.78% | 1.00% | +22 BPs |
| 03/31/16 | 0.73% | 1.02% | +29 BPs |
| 04/30/16 | 0.77% | 1.01% | +24 BPs |
| 05/31/16 | 0.87% | 1.06% | +19 BPs |
| 06/30/16 | 0.58% | 1.03% | +45 BPs |
| 07/31/16 | 0.67% | 1.02% | +35 BPs |
| 08/31/16 | 0.80% | 1.00% | +20 BPs |
| Average | 0.78% | 0.99% | +21 BPs |

Actual to Model Comparison

INVESTMENT PROGRAM:

The purpose of the investment program is to provide procedures which:

- 1) Adhere to the Statement of Investment Policy.
- 2) Prioritize safety and liquidity.
- 3) Determine risk and optimize return.
- 4) Provide for a system of due diligence in making investment decisions.

A "Model" investment portfolio has been developed to provide the strategic framework for managing and reporting on the investment portfolio. This model provides a system of due diligence and directs the tactical theme for how and why securities are bought and sold.

| Liquidity | Actual | Model | Variance |
|-----------|--------|--------|----------|
| Cash | 34.06% | 15.00% | 19.06% |
| 0-1 Year | 2.08% | 5.00% | -2.92% |
| Total | 36.14% | 20.00% | 16.14% |

| Sector | Actual | Model | Variance |
|-----------------|--------|--------|----------|
| Cash | 34.06% | 15.00% | 19.06% |
| Treasury/Agency | 59.85% | 55.00% | 4.85% |
| Med Term Notes | 6.09% | 30.00% | -23.91% |

| Avg Maturity | Actual | Model | Variance |
|--------------|--------|--------|----------|
| 0-1 Year | 36.14% | 20.00% | 16.14% |
| 1-2 Years | 34.27% | 20.00% | 14.27% |
| 2-3 Years | 0.00% | 20.00% | -20.00% |
| 3-4 Years | 23.52% | 20.00% | 3.52% |
| 4-5 Years | 6.07% | 20.00% | -13.93% |

(Based on final maturity dates)

| Avg Maturity | Actual | Model | Variance |
|--------------|--------|--------|----------|
| 0-1 Year | 65.70% | 20.00% | 45.70% |
| 1-2 Years | 16.35% | 20.00% | -3.65% |
| 2-3 Years | 0.00% | 20.00% | -20.00% |
| 3-4 Years | 11.88% | 20.00% | -8.12% |
| 4-5 Years | 6.07% | 20.00% | -13.93% |

(Based on call dates if market price is at a premium)

Pooled Investments

| Face Value | CUSIP # | Security Description | Coupon Rate | Maturity Date | Invest Type | Purchase Date | Cost Basis | Purchase Yield | Estimated Mkt Value | Amort Prem/Disc |
|--------------------------|-----------|------------------------------|-------------|---------------|-------------|---------------|-----------------------|----------------|---------------------|------------------|
| 49,151,504 | | Local Agency Investment Fund | Varies | | LAIF | Varies | 49,151,503.59 | Varies | 49,151,504 | 0 |
| 36,329,201 | | BNY - Dreyfus Cash Mgmt Fund | Varies | | MM | Varies | 36,329,201.29 | Varies | 36,329,201 | 0 |
| 5,000,000 | 36962G5W0 | General Electric Cap Corp | 2.300% | 04/27/17 | MTN | 05/14/13 | 5,219,500.00 | 1.160% | 5,042,150 | (183,170) |
| 15,000,000 | 3135G0TV5 | Fed Natl Mtg Assn | 1.030% | 01/30/18 | FNMA | 01/30/13 | 14,998,500.00 | 1.032% | 14,983,800 | 1,075 |
| 16,000,000 | 3136G1BK4 | Fed Natl Mtg Assn | 1.000% | 02/05/18 | FNMA | 02/05/13 | 15,968,000.00 | 1.041% | 16,000,000 | 22,835 |
| 15,000,000 | 3135G0UE1 | Fed Natl Mtg Assn | 1.000% | 02/14/18 | FNMA | 02/14/13 | 14,977,500.00 | 1.031% | 15,018,600 | 15,945 |
| 15,000,000 | 3134G36E5 | Fed Home Loan Mtg Corp | 1.050% | 03/26/18 | FHLMC | 03/26/13 | 15,000,000.00 | 1.050% | 15,036,300 | 0 |
| 5,000,000 | 36962G6W9 | General Electric Cap Corp | 1.625% | 04/02/18 | MTN | 05/14/13 | 5,057,900.00 | 1.379% | 5,049,550 | (39,108) |
| 5,000,000 | 46625HJL5 | JP Morgan Chase & Co | 1.625% | 05/15/18 | MTN | 05/15/13 | 5,006,650.00 | 1.597% | 5,023,100 | (4,385) |
| 15,000,000 | 3134G43V8 | Fed Home Loan Mtg Corp | 1.050% | 05/15/18 | FHLMC | 05/15/13 | 15,000,000.00 | 1.050% | 15,000,900 | 0 |
| 14,000,000 | 3130A74D4 | Fed Home Loan Bank | 1.500% | 02/03/20 | FHLB | 02/03/16 | 14,000,000.00 | 1.500% | 14,024,500 | 0 |
| 15,000,000 | 3135G0D75 | Fed Natl Mtg Assn | 1.500% | 06/22/20 | FNMA | 06/30/15 | 14,825,250.00 | 1.745% | 15,198,150 | 41,118 |
| 15,000,000 | 3130A5Z77 | Fed Home Loan Bank | 1.830% | 07/29/20 | FHLB | 10/29/15 | 15,205,245.00 | 1.529% | 15,333,900 | (205,245) |
| 15,000,000 | 3134G9W37 | Fed Home Loan Mtg Corp | 1.450% | 08/10/20 | FHLMC | 08/10/16 | 15,000,000.00 | 1.450% | 14,550,000 | 0 |
| 15,000,000 | 3135G0H55 | Fed Natl Mtg Assn | 1.875% | 12/28/20 | FNMA | 01/20/16 | 15,240,000.00 | 1.537% | 15,407,550 | (29,800) |
| Total Pooled Investments | | | | | | | <u>250,979,249.88</u> | | <u>251,149,205</u> | <u>(380,735)</u> |

Market prices of securities are obtained from BNY Western Trust Company, A Subsidiary of The Bank of New York Company, Inc.

Types of Investments:

| | | | |
|-------|--------------------------------|----------|------------------------------|
| FFC | Federal Farm Credit | INVAGRMT | Investment Agreement |
| FHLB | Federal Home Loan Bank | LAIF | Local Agency Investment Fund |
| FHLMC | Fed Home Loan Mortgage Corp | MM | Money Market Mutual Funds |
| FNMA | Federal National Mortgage Assn | MTN | Medium Term Note |

Bond Investments

| Face Value | Security Description | Coupon Rate | Maturity Date | Invest Rating | Invest Type | Purchase Date | Cost Basis | Yield to Maturity | Estimated Mkt Value | Amort Prem/Disc |
|---|-------------------------------|-------------|---------------|---------------|--------------|---------------|----------------------|-------------------|---------------------|-----------------|
| Held By Fiscal Agent: | | | | | | | | | | |
| 0 | Cash | Varies | | NR | | Varies | 0.00 | Varies | 0 | 0 |
| 34,144,819 | First American Treasury MM | Varies | | Aaa | MM | Varies | 34,144,819.03 | Varies | 34,144,819 | 0 |
| 2,433,784 | BNY Hamilton Treasury MM | Varies | | Aaa | MM | Varies | 2,433,783.62 | Varies | 2,433,784 | 0 |
| 6,912,791 | Wells Fargo Treasury Plus MM | Varies | | Aaa | MM | Varies | 6,912,791.28 | Varies | 6,912,791 | 0 |
| | Dreyfus Treasury Cash Mgmt | | | | | | | | | |
| 0 | MM | Varies | | Aaa | MM | Varies | 0.00 | Varies | 0 | 0 |
| 845,636 | Wells Fargo Advantage Govt MM | Varies | | Aaa | MM | Varies | 845,636.35 | Varies | 845,636 | 0 |
| 914,120 | AIG MFL | 5.470% | 08/26/21 | Aa1 | INVAGRM | 01/09/01 | 914,119.79 | 5.470% | 914,120 | 0 |
| 1,439,902 | Rabobank International | 4.360% | 10/01/33 | Aaa | T INVAGRM | 09/07/05 | 1,439,901.60 | 4.360% | 1,439,902 | 0 |
| Held By Management Services Department: | | | | | | | | | | |
| 0 | Cash | Varies | | NR | | Varies | 0.00 | Varies | 0 | 0 |
| 0 | Fidelity Money Market Fund | Varies | | Aaa | MM | Varies | 0.00 | Varies | 0 | 0 |
| Total Bond Investments | | | | | | | <u>46,691,051.67</u> | | <u>46,691,052</u> | 0 |

Market prices of securities are obtained from the fiscal agent holding the investment.

Types of Investments:

| | | | |
|-------|--------------------------------|----------|------------------------------|
| FFC | Federal Farm Credit | INVAGRMT | Investment Agreement |
| FHLB | Federal Home Loan Bank | LAIF | Local Agency Investment Fund |
| FHLMC | Fed Home Loan Mortgage Corp | MM | Money Market Mutual Funds |
| FNMA | Federal National Mortgage Assn | MTN | Medium Term Note |

Liability Claims Status . . . Fund 106

Fiscal Year 2016-17 Self-Insurance Fund Status

(Cash balances are based on daily estimates and are subject to change)

Fund Balance Goal and Cost Assumptions

Data Provided for August 31, 2016

Liability - Projected Annual Costs

| | | |
|--|------------|------------------|
| Annual value of excess liability insurance | \$ 493,500 | |
| Other professional administrative costs | 925,000 | |
| Annual claims value administered by risk | 500,000 | |
| Legal services | 1,300,000 | |
| Miscellaneous Departmental Costs | 12,000 | |
| Total Liability - Projected Annual Costs | | \$ 3,230,500 (1) |

Risk Management is an important part of local government management with significant impact on public financial management. Risk management is interdisciplinary, involving finance, environmental management, public works, safety, transportation, parks, recreation, health, education, personnel, purchasing, and law.

Risk management results in more effective use of funds that might otherwise be diverted to purchasing unnecessary or expensive insurance, replacing damaged property, or paying liability or workers' comp claims.

Risk management identifies exposures that can be covered by means other than insurance—or that can be avoided completely.

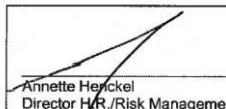
Risk management can lower expenditures by reducing the overall "costs of risk."

Workers' Compensation - Projected Annual Costs

| | | |
|--|------------|------------------|
| Annual value of excess liability insurance | \$ 129,000 | |
| Other professional administrative costs | 485,000 | |
| Annual claims value administered by risk | 1,050,000 | |
| Legal services | 180,000 | |
| Miscellaneous Departmental Costs | 13,500 | |
| Total Workers' Compensation - Projected Annual Costs | | \$ 1,857,500 (1) |

Miscellaneous Services - Projected Annual Costs

| | | |
|---|------------|----------------|
| Unemployment Insurance Expense | \$ 200,000 | |
| Total Miscellaneous Services - Projected Annual Costs | | \$ 200,000 (1) |


Annette Henckel
Director H.R./Risk Management

9/7/16
Date

Cash Reserves - Claims

| | | |
|-------------------------------------|--------------|------------------|
| Workers' Comp in reserve | \$ 5,335,256 | |
| Risk Liability in reserve | 1,850,601 | |
| Miscellaneous reserves - Risk cases | 750,000 | |
| CFD Litigation | - | |
| Total Cash Reserves - Claims | | \$ 7,935,857 (2) |

| | |
|--|---------------|
| Total Projected Annual Costs and Cash Reserves | \$ 13,223,857 |
|--|---------------|

Year-End Cash Balance Forecast

| Fiscal Year | Available Fund Balance July 1, 2016 | Total Cash Reserves (2) | Budgeted Revenues | Budgeted Expenditures includes (1) from above | Payment of Extraordinary Settlement | Risk Liability Surplus/(Deficit) Cash Balance |
|-------------|-------------------------------------|-------------------------|-------------------|---|-------------------------------------|---|
| 2015/2016 | \$ 2,208,650 | \$ (7,935,857) | \$ 5,622,500 | \$ (4,914,210) | \$ - | \$ (5,018,917) |

Cash Balance and Cash Available . . . All funds . . . Detail Listing

| CASH BALANCE FYs 2014 - 2016 | Cash Balances | Cash Balances | Cash Balances | Cash Balances August 31, 2016 | |
|---|----------------------|----------------------|----------------------|--|---------------------------|
| | June 30, 2014 | June 30, 2015 | June 30, 2016 | | |
| CITY FUNDS: | | | | | |
| 101 General Fund | \$ 24,041,634 | \$ 26,536,792 | \$ 23,144,241 | \$ 7,213,632 | |
| GRANTS: | | | | | |
| 321 Federal Law Enforcement Block Grant | 14,402 | (1,535,402) | (1,145,714) | (157,909) | Reimb requested quarterly |
| 362 Housing/Community Development Block Grants | 944,237 | 1,417,364 | (168,959) | (374,363) | Reimb requested monthly |
| 363 Home Program | 1,361,776 | 53,544 | 67,313 | (278,178) | |
| 385 After School Programs | (1,116,653) | (431,487) | (998,445) | (732,465) | Reimb requested quarterly |
| Total Grant Funds With Deficit Cash Balances | 1,203,762 | (495,981) | (2,245,805) | (1,542,915) | |
| CFD/LMD/ASSESSMENT DISTRICT FUNDS: | | | | | |
| 479 CFD #79M | - | - | - | (300) | |
| Total District Funds With Deficit Balances | - | - | - | (300) | |
| TOTAL DEFICIT CASH FUNDS | 1,203,762 | (495,981) | (2,245,805) | (1,543,215) | |
| GENERAL FUND CASH AVAILABLE | \$ 25,245,396 | \$ 26,040,811 | \$ 20,898,436 | \$ 5,670,417 | |
| OTHER GENERAL FUNDS: | | | | | |
| 102 Equipment Replacement | \$ 1,241,571 | \$ 1,528,622 | \$ 1,427,627 | \$ 3,058,973 | |
| 103 City Facility | 2,115,605 | 1,700,993 | 1,770,054 | 4,585,238 | |
| 104 OES | 2,096 | 2,726 | 2,726 | 9,225 | |
| 105 KFON | 854,349 | 1,111,536 | 1,045,399 | 1,071,224 | |
| 106 Self-insurance - other | 1,883,145 | 1,641,406 | 2,088,541 | 1,645,690 | |
| 107 Retirees Medical Benefits | 15,927,385 | 18,336,862 | 21,095,805 | 24,558,951 | |
| 108 Supplemental Retirement Plan | 19,031 | 18,536 | 19,387 | 43,739 | |
| 110 General Fund Operating Project | 307,074 | 387,942 | 285,230 | 226,173 | |
| 125 Storm Water Compliance Fund | 160,936 | 211,460 | 241,183 | 223,926 | |
| TOTAL OTHER FUNDS | 22,511,192 | 24,940,083 | 27,975,952 | 35,423,139 | |
| INTERNAL SERVICE FUNDS: | | | | | |
| 751 Fleet Operations | 1,740,293 | 2,018,252 | 2,971,862 | 3,408,518 | |
| GENERAL FUND CASH AVAILABLE WITH OTHER GENERAL FUNDS | \$ 49,496,881 | \$ 52,999,146 | \$ 51,846,250 | \$ 44,502,074 | |

Cash Balance and Cash Available . . . All funds . . . Detail Listing (Continued)

| CASH BALANCE FYs 2014 - 2016 | | Cash Balances June 30, 2014 | Cash Balances June 30, 2015 | Cash Balances June 30, 2016 | Estimated Cash Balances August 31, 2016 |
|---|--|--|--|--|--|
| OTHER CITY FUNDS: | | | | | |
| 201 Municipal Services Fiscal Impact | | 17,272,975 | 17,400,676 | 18,138,643 | 17,431,396 |
| 222 Crime Prevention Seizure | | 80,584 | 64,322 | 55,081 | 59,588 |
| 223 Federal Seizure | | 2,421,470 | 2,658,745 | 3,751,229 | 4,852,873 |
| 224 Police Seizure | | 137,335 | 104,384 | 155,802 | 188,445 |
| 225 F-STOP | | (159,507) | 99,176 | 151,958 | 180,390 |
| 241 AQMD | | 896,127 | 966,773 | 804,758 | 865,634 |
| 243 Traffic Safety | | 2,041,071 | 1,588,091 | 1,177,673 | 1,060,237 |
| 244 Prop IB | | (2,081,442) | (521,143) | (521,143) | 129,415.00 |
| 245 Measure I 2010-2040 Reimb | | (960,049) | (389,474) | 129,153 | 30,671 |
| 246 Measure I Local Pass-Thru | | 6,909,613 | 8,558,823 | 10,489,420 | 15,012,056 |
| 281 Gas Tax | | (17,938) | 2,169,351 | 1,670,757 | 2,054,227 |
| 282 Solid Waste Mitigation | | 2,787,743 | 2,739,636 | 4,031,936 | 2,812,897 |
| 301 Grants (Public Safety, Parks, etc.) | | 1,621,924 | 2,524,318 | 2,619,580 | 3,203,830 |
| 322 State Grant AB3229 | | 31,958 | 78,540 | 271,178 | 198,808 |
| 601 Capital Reinvestment | | 4,821,642 | 4,845,723 | 8,543,423 | 7,570,009 |
| 602 Capital Improvement Program | | (146,086) | 242,532 | 65,345 | 75,106 |
| 603 Future Capital Projects | | 2,811,739 | 565,592 | 9,816,976 | 8,967,196 |
| 620 San Sevaine Flood Control | | 705,851 | 709,435 | 881,930 | 936,210 |
| 621 Upper Etiwanda Flood Control | | 42,832 | 43,227 | 43,590 | 43,778 |
| 622 Storm Drainage | | 14,272,909 | 13,853,046 | 16,814,171 | 16,064,901 |
| 623 Sewer Expansion | | 7,151,927 | 7,871,826 | 10,802,010 | 9,516,535 |
| 630 Traffic Mitigation | | 20,097,358 | 18,235,236 | 19,851,656 | 20,871,601 |
| 631 Fire Assessment | | 625,857 | 315,964 | 711,906 | 555,126 |
| 632 General Government Capital | | 1,766,038 | 2,198,948 | 4,735,070 | 4,777,378 |
| 633 Landscape Improvements | | 19,291 | 277,501 | 2,161,836 | 2,199,378 |
| 634 Library Capital | | 369,966 | 560,250 | 1,075,517 | 1,089,972 |
| 635 Parks Development | | 1,608,360 | 3,239,892 | 5,866,908 | 5,930,254 |
| 636 Police Capital Improvements | | 361,170 | 301,912 | 1,275,924 | 1,298,390 |
| 637 Underground Utilities | | 196,404 | 61,061 | 59,667 | 57,092 |
| 701 Sewer Maintenance & Operations | | 6,757,996 | 336,978 | 6,039,065 | 3,675,322 |
| 701 Sewer Hook-up Deposits | | 633,773 | 637,348 | 724,238 | 723,640 |
| 702 Sewer Capital Projects | | (140,917) | (387,230) | (241,318) | 247,697 |
| 703 Sewer Replacement | | 13,669,655 | 19,851,516 | 14,139,999 | 14,140,606 |
| 710 Water Operations | | 190,694 | 202,288 | 280,377 | 303,584 |
| 901 Refundable Deposits | | 3,064,023 | 2,963,957 | 4,297,084 | 11,670,272 |
| TOTAL OTHER CITY FUNDS | | \$ 114,336,937 | \$ 119,380,227 | \$ 155,356,308 | \$ 158,794,514 |

Cash Balance and Cash Available . . . All funds . . . Detail Listing (Continued)

| CASH BALANCE FYs 2014 - 2016 | | Cash Balances June 30, 2014 | Cash Balances June 30, 2015 | Cash Balances June 30, 2016 | Estimated Cash Balances August 31, 2016 | |
|---|---|--|--|--|--|--|
| CFD/LMD DISTRICT FUNDS: | | | | | | |
| 401 | Landscape Maint Dist #1 | \$ 2,646,535 | \$ 2,774,188 | \$ 2,801,038 | \$ 2,653,468 | |
| 402 | Landscape Maint Dist #2 - Heritage | 783,148 | 463,934 | 781,102 | 454,570 | |
| 403 | Landscape Maint Dist #3-1 - Empire Center | 133,002 | 149,898 | 167,148 | 154,152 | |
| 404 | Landscape Maint Dist #3 - Hunter's Ridge | 2,243,958 | 2,341,670 | 2,526,397 | 2,380,241 | |
| 406 | Lighting District #3 - Hunter's Ridge | 50,884 | 45,904 | 43,920 | 32,884 | |
| 407 | CFD #1 - Southridge | 6,835,092 | 7,236,902 | 7,380,498 | 6,371,355 | |
| 408 | CFD #6 - The Landings | 2,530,389 | 2,660,000 | 2,783,247 | 2,686,021 | |
| 409 | CFD #6-1 Stratham | 616,225 | 618,573 | 615,871 | 605,433 | |
| 410 | CFD #6-2 North Morningside | 216,780 | 198,972 | 196,562 | 188,978 | |
| 411 | CFD #6-3A Bellgrove II | 195,540 | 151,719 | 126,466 | 108,257 | |
| 412 | CFD #7 - County Club Estates | 354,345 | 352,214 | 369,719 | 343,726 | |
| 413 | CFD #8 - Presley Development | 1,072,651 | 1,089,950 | 1,119,908 | 1,089,152 | |
| 414 | CFD #9M - Morningside | 527,150 | 480,870 | 458,888 | 443,720 | |
| 415 | CFD #10M Jurupa Industrial Center | 177,932 | 197,680 | 209,807 | 202,621 | |
| 416 | CFD #12 Sierra Lakes | 2,480,168 | 1,315,002 | 1,306,048 | 1,091,733 | |
| 417 | CFD #13M Summit Heights | 1,519,615 | 1,620,270 | 1,676,934 | 1,575,782 | |
| 418 | CFD #14M Sycamore Hills | 610,001 | 550,085 | 561,259 | 512,347 | |
| 419 | CFD #15M Silver Ridge | 373,908 | 336,150 | 319,296 | 304,805 | |
| 420 | CFD #16M Ventana Pointe | 177,244 | 175,315 | 175,968 | 171,779 | |
| 421 | CFD #18M Badiola Homes | 23,933 | 26,116 | 28,492 | 28,533 | |
| 422 | CFD #20M Cottages I | 180,093 | 177,949 | 173,973 | 169,281 | |
| 423 | CFD #21M Western Division | 143,154 | 171,542 | 177,978 | 172,103 | |
| 424 | CFD #23 CDS Homes | 28,386 | 25,788 | 23,284 | 22,359 | |
| 425 | CFD #24M | 127,528 | 140,314 | 146,736 | 144,328 | |
| 426 | CFD #25M | 289,945 | 301,978 | 315,807 | 307,865 | |
| 427 | CFD #27M | 75,151 | 65,425 | 59,318 | 51,230 | |
| 428 | CFD #28M | 510,578 | 537,457 | 558,390 | 548,475 | |
| 429 | CFD #29M | 93,123 | 88,742 | 85,060 | 82,804 | |
| 430 | CFD #30M | 594,551 | 626,618 | 658,255 | 645,062 | |
| 431 | CFD #34 Empire Detention Basin | 137,055 | 152,056 | 166,099 | 166,043 | |
| 432 | CFD #33M Empire Lighting District | 142,630 | 147,510 | 89,555 | 84,090 | |
| 433 | CFD #31M | 456,258 | 458,211 | 473,502 | 441,288 | |
| 434 | CFD #32M | 62,831 | 67,322 | 71,492 | 72,141 | |
| 435 | CFD #35M | 2,005,615 | 1,935,404 | 1,874,917 | 1,772,003 | |
| 436 | CFD #36M | 65,762 | 61,997 | 59,171 | 55,851 | |
| 437 | CFD #38M | 572,972 | 629,698 | 695,473 | 683,372 | |
| 438 | CFD #37 Montelago | 296,381 | 298,793 | 311,322 | 284,943 | |
| 439 | CFD #39M | 69,246 | 72,008 | 70,552 | 63,293 | |
| 440 | CFD #40M | 27,320 | 32,097 | 34,047 | 33,252 | |
| 441 | CFD #41M | 88,794 | 90,899 | 96,438 | 95,656 | |
| 442 | CFD #42M | 217,846 | 232,370 | 230,321 | 224,818 | |
| 443 | CFD #44M | 33,512 | 32,585 | 32,949 | 30,766 | |
| 444 | CFD #45M | 313,229 | 334,586 | 357,491 | 347,520 | |
| SUBTOTAL CFD/LMD FUNDS | | \$ 30,100,460 | \$ 29,466,761 | \$ 30,410,698 | \$ 27,898,100 | |

Cash Balance and Cash Available . . . All funds . . . Detail Listing (Continued)

| CASH BALANCE FYs 2014 - 2016 | Cash Balances | Cash Balances | Cash Balances | Estimated Cash Balances August 31, 2016 |
|---|-----------------------|-----------------------|-----------------------|--|
| | June 30, 2014 | June 30, 2015 | June 30, 2016 | |
| CFD/LMD DISTRICT FUNDS: | | | | |
| 445 CFD #46M | 198,005 | 207,926 | 223,361 | 219,566 |
| 446 CFD #47M | 21,394 | 20,545 | 19,866 | 18,360 |
| 447 CFD #48M | 298,261 | 326,907 | 350,310 | 332,507 |
| 448 CFD #49M | 29,290 | 30,178 | 32,715 | 31,070 |
| 449 CFD #50M | 70,569 | 84,618 | 88,675 | 84,484 |
| 450 CFD #51M | 149,445 | 156,526 | 172,479 | 164,879 |
| 453 CFD #53M | 35,253 | 39,283 | 43,642 | 43,257 |
| 454 CFD #54M | 57,128 | 65,215 | 69,577 | 66,080 |
| 455 CFD #55M | 29,392 | 32,759 | 36,117 | 35,810 |
| 456 CFD #56M | 44,069 | 51,654 | 59,090 | 59,068 |
| 457 CFD #57M | 48,867 | 51,828 | 55,447 | 53,848 |
| 458 CFD #58M | 6,789 | 6,950 | 7,210 | 6,825 |
| 459 CFD #59M | 7,778 | 7,125 | 4,774 | 4,796 |
| 460 CFD #60M | 56,090 | 60,589 | 64,212 | 60,813 |
| 461 CFD #61M | 222,987 | 245,806 | 270,222 | 266,326 |
| 462 CFD #62M | 11,869 | 17,541 | 17,685 | 17,755 |
| 463 CFD #63M | 201,737 | 223,732 | 245,672 | 243,939 |
| 464 CFD #64M | 24,952 | 30,151 | 35,340 | 35,483 |
| 465 CFD #65M | 96,153 | 115,745 | 131,796 | 130,566 |
| 467 CFD #67M | 136,170 | 163,428 | 170,274 | 164,928 |
| 468 CFD #68M | 48,751 | 71,028 | 93,009 | 91,467 |
| 469 CFD #69M | 55,919 | 94,938 | 249,251 | 242,378 |
| 470 CFD #70M | 75,205 | 132,540 | 164,524 | 154,231 |
| 471 CFD #71M | - | 110,557 | 213,067 | 210,528 |
| 472 CFD #72M | - | 10,774 | 21,621 | 21,247 |
| 473 CFD #73M | - | 65,759 | 131,124 | 128,350 |
| 474 CFD #74M | - | 84,954 | 170,565 | 167,143 |
| 475 CFD #75M | - | 14,362 | 28,824 | 28,507 |
| 476 CFD #76M | - | 33,512 | 67,256 | 65,684 |
| 477 CFD #77M | - | 12,947 | 25,984 | 25,702 |
| 478 CFD #78M | - | - | 35,158 | 35,257 |
| 657 CFD #31 Citrus Heights North | 96,344 | 97,232 | 98,050 | 98,471 |
| 658 CFD #37 Montelago | 24,314 | 24,538 | 24,745 | 24,851 |
| 659 CFD #70 Avellino | 85,962 | 19,946 | 8,506 | 7,444 |
| 952 CFD #4 Walnut Village - Reserve | 57,595 | 51,475 | - | 184,100 |
| 960 CFD #71 Sierra Crest | - | 17,334 | 97,568 | 1,211 |
| SUBTOTAL CFD/LMD FUNDS | 2,241,758 | 2,777,324 | 3,711,816 | 3,526,931 |
| TOTAL CFD/LMD FUNDS | \$ 32,342,218 | \$ 32,244,085 | \$ 34,122,514 | \$ 31,425,031 |
| TOTAL CITY FUNDS | \$ 196,176,036 | \$ 204,623,458 | \$ 241,325,072 | \$ 234,721,619 |

Cash Balance and Cash Available . . . All funds . . . Detail Listing (Continued)

| CASH BALANCE FYs 2014 - 2016 | Cash Balances June 30, 2014 | Cash Balances June 30, 2015 | Cash Balances June 30, 2016 | Estimated Cash Balances August 31, 2016 | |
|---|--|--|--|--|--|
| | | | | | |
| SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY (FRA), FONTANA PUBLIC FINANCE AUTHORITY, AND FONTANA HOUSING AUTHORITY FUNDS: | | | | | |
| FONTANA HOUSING AUTHORITY: | | | | | |
| 297 Low and Moderate Income Housing Fund | \$ 6,473,902 | \$ 6,354,959 | \$ 11,486,860 | \$ 11,499,571 | |
| 638 Affordable Housing Trust | 251,619 | 833,126 | 1,822,245 | 1,862,182 | |
| 697 Fontana Housing Authority | 1,761,721 | 2,169,446 | 2,333,421 | 2,560,150 | |
| Total Low/Mod Housing Funds | 8,487,242 | 9,357,531 | 15,642,526 | 15,921,903 | |
| FONTANA COMMUNITY FOUNDATION FUND: | | | | | |
| 499 Fontana Community Foundation | \$ 128,969 | \$ 127,335 | \$ 128,386 | \$ 128,938 | |
| FONTANA FIRE DISTRICT: | | | | | |
| 497 Fontana Fire District | \$ 10,943,088 | \$ 11,185,002 | \$ 11,178,995 | \$ 4,444,530 | |
| 498 FFD - CFD 2002-2 | 2,127,630 | 2,707,724 | 3,002,558 | 3,014,872 | |
| 696 Fontana Capital Project | 7,570,325 | 7,015,877 | 4,239,646 | 4,182,055 | |
| Total Fontana Fire District Funds | 20,641,043 | 20,908,603 | 18,421,199 | 11,641,457 | |
| SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY: | | | | | |
| 190 FRA - Administration | \$ - | \$ 1,279,080 | \$ (26,259) | \$ (26,259) | |
| 290 FRA - Low/Mod | 230,080 | 185,365 | 186,887 | 187,689 | |
| 591 FRA - Downtown Debt Service | 924,282 | 789,454 | 832,794 | (36,705) | |
| 592 FRA - Jurupa Hills Debt Service | 5,845,881 | 4,968,838 | 4,910,241 | 4,989,195 | |
| 593 FRA - No Fontana Debt Service | 10,927,112 | 11,863,998 | 12,078,796 | 6,566,905 | |
| 594 FRA - Sierra Corridor Debt Svc | 3,872,016 | 2,353,794 | 3,461,160 | 7,239 | |
| 595 FRA - SVIP Debt Service | 4,047,887 | 2,605,971 | 2,598,099 | 466,171 | |
| 691 FRA - Downtown Project | (583) | (259) | (259) | - | |
| 693 FRA - No Fontana Project | (160,339) | (131,394) | (80,615) | - | |
| 694 FRA - Sierra Corridor Project | (159,026) | 140,000 | 141,158 | 425 | |
| 695 FRA - SVIP Project | (133,961) | 0 | 28 | 13 | |
| Total Project/Debt Service Funds | 25,393,349 | 24,054,847 | 23,381,030 | 12,154,673 | |
| TOTAL OTHER AGENCIES FUNDS | \$ 54,650,603 | \$ 54,448,321 | \$ 57,573,146 | \$ 39,846,971 | |
| TOTAL CITY AND OTHER AGENCIES FUNDS | \$ 250,826,639 | \$ 259,071,779 | \$ 298,898,218 | \$ 274,568,590 | |

Amounts Due To/From City/FRA Funds and Approved Cash Flow Advances . . . Detail Listing

| | Principal Balances August 31, 2016 | Unpaid Interest Balances August 31, 2016 | Total Due To/From Balances August 31, 2016 | |
|---|--|--|--|------------------------------|
| | | | | |
| Amounts Due To/From | | | | |
| AMOUNTS DUE TO GENERAL FUND FROM OTHER FUNDS: | | | | |
| 403 Landscape District #3-I - Empire Center | 272,100 | - | 272,100 | Non-interest bearing advance |
| TOTAL AMOUNTS DUE TO GENERAL FUND FROM OTHER FUNDS | \$ 272,100 | \$ - | \$ 272,100 | |
| AMOUNTS DUE TO GENERAL FUND FROM FRA FUNDS: | | | | |
| 593 FRA/North Fontana Debt Service (Jr. Lien Bonds) | 29,857,826 | - | 29,857,826 | 12.0% interest |
| 691 FRA/Downtown Debt Service (Administrative Expenses Loan) | 787,838 | | 787,838 | 10.0% interest |
| TOTAL AMOUNTS DUE TO GENERAL FUND FROM FRA FUNDS | \$ 30,645,664 | \$ - | \$ 30,645,664 | |
| TOTAL AMOUNTS DUE TO GENERAL FUND FROM OTHER FUNDS AND FRA FUNDS | \$ 30,917,764 | \$ - | \$ 30,917,764 | |
| AMOUNTS DUE FROM MEASURE I AND CIRCULATION MITIGATION: | | | | |
| 601 Capital Projects/Circulation Mitigation (630) | 3,167,132 | - | 3,167,132 | Non-interest bearing advance |
| 603 Future Capital Projects/Measure I 2010-2040 (245) | 2,853,424 | - | 2,853,424 | Non-interest bearing advance |
| 603 Future Capital Projects/Circulation Mitigation (630) | 9,203,940 | - | 9,203,940 | Non-interest bearing advance |
| TOTAL AMOUNTS DUE FOR SANBAG PROJECTS | \$ 15,224,496 | \$ - | \$ 15,224,496 | |
| AMOUNTS DUE TO FUTURE CAPITAL PROJECTS FOR DIF ADVANCEMENT: | | | | |
| 603 Capital Projects/Circulation Mitigation Fund (630) | 31,360,091 | - | 31,360,091 | Non-interest bearing advance |
| TOTAL AMOUNTS DUE FOR DIF ADVANCEMENT | \$ 31,360,091 | \$ - | \$ 31,360,091 | |
| AMOUNTS DUE TO OTHER CITY FUNDS FROM FRA FUNDS: | | | | |
| 595 FRA ERAF payment due to Housing Authority # 297 | \$ 14,317,304 | | \$ 14,317,304 | Non-interest bearing advance |
| 592 FRA/Jurupa Hills Debt Service due to Sewer Capital Fund #702 | 3,305,829 | | 3,305,829 | 7.0% interest |
| TOTAL AMOUNTS DUE TO OTHER CITY FUNDS FROM FRA FUNDS | \$ 17,623,133 | \$ - | \$ 17,623,133 | |

Economic Development in Fontana

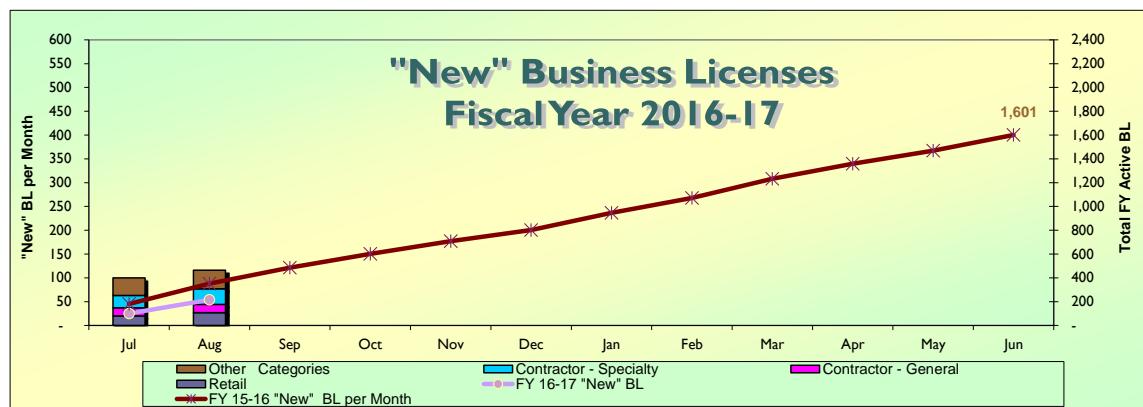
Factors Indicating the City's Economic Growth:

Business Licenses: "New" businesses are those that first applied for a business license in that fiscal year. There were 9,034 active businesses in FY 2014-15. As of June 30, 2016 there were 9,082 active business licenses in the City. Businesses are recorded as renewals in the subsequent year.

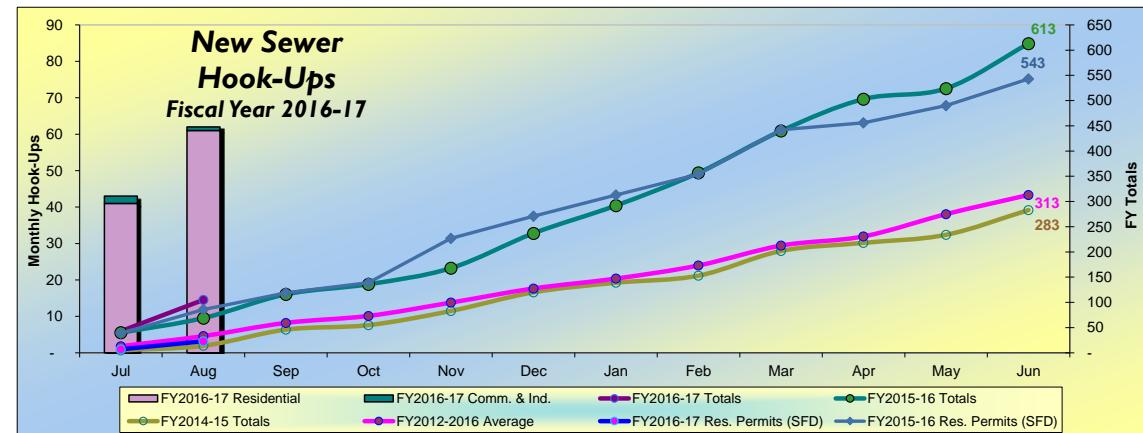
During the month of August 2016, 116 new business licenses were issued, primarily to Contractor-Specialty (33), Contractor-General (17) & Retail (27). In addition to these 116, the City received 28 other business license applications that are pending approval. As of August 31, 2016, there are 8,979 active business licenses representing a decrease of 103 since June 30, 2016.

Business License accounts continue to be audited on a continuous basis and any accounts on delinquent status are removed from the Active status.

New Sewer Hook-Ups: New sewer hook-ups indicate that new construction is ready for occupancy. A large number of residential housing hook-ups follow a large number of previously issued building permits. In August 2016, there were 61 new residential hook-ups and 1 commercial/industrial hook-up.



| Business Type | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|------------------------------------|--------------|--------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|--------------|--------------|
| Retail | 20 | 27 | | | | | | | | | | |
| Contractor - General | 17 | 17 | | | | | | | | | | |
| Contractor - Specialty | 26 | 33 | | | | | | | | | | |
| Other Categories | 37 | 39 | | | | | | | | | | |
| FY 16-17 "New" BL per Month | 100 | 116 | | | | | | | | | | |
| FY 16-17 "New" BL | 100 | 216 | | | | | | | | | | |
| FY 15-16 "New" BL | 181 | 352 | 485 | 601 | 708 | 802 | 946 | 1,072 | 1,232 | 1,359 | 1,469 | 1,601 |
| Current FY Total Active BL | 8,864 | 8,979 | | | | | | | | | | |



| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|-------------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| FY2016-17 Comm. & Ind. | 2 | 1 | | | | | | | | | | |
| FY2016-17 Residential | 41 | 61 | | | | | | | | | | |
| FY2016-17 Totals | 43 | 65 | | | | | | | | | | |
| FY2015-16 Comm. & Ind. | 1 | 6 | 2 | - | 2 | 1 | 2 | 1 | 2 | 9 | 4 | 1 |
| FY2015-16 Residential | 39 | 23 | 45 | 20 | 30 | 68 | 53 | 64 | 81 | 54 | 17 | 88 |
| FY2015-16 Totals | 40 | 69 | 116 | 136 | 168 | 237 | 292 | 357 | 440 | 503 | 524 | 613 |

Capital Reinvestment Fund #601

Fund Description: The Capital Reinvestment Fund was established in May 1998 to separate General Fund allocations for capital projects from operating funds. Its mission is to implement the City Council goal to invest 10% of the annual General Fund appropriations into discretionary infrastructure projects as defined in the Seven-Year Capital Improvement Program. **Revenue Source:** The Capital Reinvestment Fund's main source of revenue is the General Fund. In the past 14 fiscal years, Capital Projects actual expenditures have totaled \$190,711,493 through June 30, 2016

| Job Number | Description | As of August 31, 2016 | | | | Project Notes |
|-----------------------------|-------------------------------------|-----------------------|---------------|--------------|------------------|---------------|
| | | Capital Budget | Actuals | Encumbrances | Remaining Budget | |
| Development Services | | | | | | |
| 9325199601 | Valley Blvd Transition District | 275,000 | 589 | - | 274,411 | |
| 9332200601 | General Plan | 1,609,000 | 1,129,079 | 424,069 | 55,852 | |
| 9384400601 | KIA Auto Mall | 1,220,003 | 1,209,637 | - | 10,366 | |
| Engineering | | | | | | |
| 9308700601 | I-10/Cherry Interchange | 264,413 | 111,099 | - | 153,314 | |
| 9311501601 | Sawtooth Project | 2,762,420 | 2,041,983 | 6,179 | 714,258 | |
| 9329700601 | Sierra at Metrolink Crossing | 98,180 | 30,230 | 67,950 | 0 | |
| 9330100601 | Oleander/Highland TS | 305,000 | 216,964 | - | 88,036 | |
| 9334900601 | Auto Center Monument | 150,000 | 15,960 | 840 | 133,200 | |
| Public Works | | | | | | |
| 9410301601 | Pavement Rehabilitation | 31,907,108 | 28,970,617 | 1,045,979 | 1,890,512 | |
| 9412400601 | San Bernardino Ave Paving - 2 Party | 8,440,800 | 7,379,786 | - | 1,061,014 | |
| 9412900601 | Cherry/Walnut Storm Drain Repair | 185,000 | 150,151 | 50 | 34,799 | |
| 9432600601 | Sidewalk Rehab Projct | 800,000 | 350,471 | 11,575 | 437,954 | |
| 9432700601 | Fontana Museum Project | 700,000 | 551,082 | - | 148,918 | |
| Total: | | \$ 48,716,924 | \$ 42,157,648 | \$ 1,556,642 | \$ 5,002,634 | |

Grants and Rebates

The City is aggressively pursuing Grant money as a source to fund projects throughout the City. The purpose of this graph and related information is to report on a monthly and year to date basis the status of grants and rebates that have been awarded during the fiscal year 2015/2016, as well as applications that have been submitted.



| | Departments | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------------------------|------------------------------|--------------------|-----------------|--------|-----|-----|-----|-----|-----|-----|-----|-----|-----|--------------------|
| Grants Awarded | Fontana Community Foundation | | | | | | | | | | | | | - |
| | City Administration | | | | | | | | | | | | | - |
| | Human Resources | | | | | | | | | | | | | - |
| | Information Technology | | | | | | | | | | | | | - |
| | Public Works | | | | | | | | | | | | | - |
| | Police | | | | | | | | | | | | | - |
| | AdmSvc/EconDev/Housing | 2,506,058 | | | | | | | | | | | | \$2,506,058 |
| | Engineering | | | | | | | | | | | | | - |
| | Development Services | | | | | | | | | | | | | - |
| | Fontana Fire District | | | | | | | | | | | | | - |
| | *Community Services | 147,243 | | | | | | | | | | | | \$147,243 |
| | Total | \$2,653,301 | | | | | | | | | | | | \$2,653,301 |
| Grants Submitted | Fontana Community Foundation | | | | | | | | | | | | | - |
| | City Administration | | | | | | | | | | | | | - |
| | Human Resources | | | | | | | | | | | | | - |
| | Information Technology | | | | | | | | | | | | | - |
| | Public Works | | | | | | | | | | | | | - |
| | Police | | 64,393 | | | | | | | | | | | \$64,393 |
| | Admin Services-Housing | | | | | | | | | | | | | - |
| | Engineering | | | | | | | | | | | | | - |
| | Development Services | | | | | | | | | | | | | - |
| | Fontana Fire District | | | 5,100 | | | | | | | | | | \$5,100 |
| | Community Services | | | | | | | | | | | | | - |
| | Total | - | \$69,493 | | | | | | | | | | | \$69,493 |
| Rebate/Other Awarded | Police | | 1,804 | | | | | | | | | | | \$1,804 |
| | AdmSvc/EconDev/Housing | | | | | | | | | | | | | - |
| | Public Works | | | | | | | | | | | | | - |
| | Engineering | | | 16,576 | | | | | | | | | | \$16,576 |
| | Fontana Fire District | | | | | | | | | | | | | - |
| | Community Services* | | 5,000 | | | | | | | | | | | \$5,000 |
| | Total | \$5,000 | \$18,380 | | | | | | | | | | | \$23,380 |
| Rebate/Other Submitted | Police | | 1,804 | | | | | | | | | | | \$1,804 |
| | AdmSvc/EconDev/Housing | | | | | | | | | | | | | - |
| | Public Works | | | | | | | | | | | | | - |
| | Engineering | | | 16,576 | | | | | | | | | | \$16,576 |
| | Fontana Fire District | | | | | | | | | | | | | - |
| | Community Services | | 5,000 | | | | | | | | | | | \$5,000 |
| | Total | \$5,000 | \$18,380 | | | | | | | | | | | \$23,380 |

* Community Services is expected to receive reimbursements of **\$3,279,450** for the 2016-2017 fiscal year from the Fontana Unified School District Prop. 49 After School Education and Safety (ASES) program.

Note: Amounts above include grants awarded in this Fiscal Year. These figures do not include any carryover funds or multi-year grants awarded in prior fiscal years.

Grants Awarded

Grant Name

Funding Source

Fund

Date

Amount

Fontana Community Foundation

Human Resources

Information Technology

Public Works

Police

Administrative Services/Economic Development/Housing

| | | | | | |
|--|---------|-----|------------|-------------|---------|
| Community Development Block Grant (CDBG) Program 15/16 | Federal | 362 | APRIL 2016 | \$1,887,316 | AWARDED |
| HOME Investment Partnerships Program (HOME) 15/16 | Federal | 363 | APRIL 2016 | \$447,396 | AWARDED |
| Emergency Solutions Grant (HESG) Program 15/16 | Federal | 362 | APRIL 2016 | \$171,346 | AWARDED |

Redevelopment

Engineering

Development Services

Fontana Fire District

Community Services

| | | | | |
|---|--------|-----|-----------|-----------|
| County Human Services-Nutrition Education & Obesity Prevention (NEOP) | COUNTY | 301 | JULY 2016 | \$147,243 |
|---|--------|-----|-----------|-----------|

Total through June 2017

\$2,653,301

Grant Applications Submitted

Fontana Community Foundation

Human Resources

Public Works

Police

| | | | | |
|--|---------|-----|-------------|----------|
| CA Dept. Of Public Health Kid's Plate Program - Safety Equip.(jointly w/FFD) | STATE | - | AUGUST 2016 | \$9,000 |
| ABC OTS Mini Grant - Multi-Program 16/17 | STATE | 301 | AUGUST 2016 | \$11,800 |
| Homeland Security Grant 2015-Forensic & SWAT Equipment | FEDERAL | 301 | AUGUST 2015 | \$43,593 |

Administrative Services/Economic Development/Housing

Engineering

Development Services

Fontana Fire District

| | | | | | |
|--|-------|---|-------------|---------|---------|
| CA Dept. Of Public Health Kid's Plate Program - Safety Equip.(jointly w/FFD) | STATE | - | AUGUST 2016 | \$5,100 | AWARDED |
|--|-------|---|-------------|---------|---------|

Community Services

Total through June 2017

\$69,493

Rebates, Donations & other Awards Detail

| Awarded | Funding Source | Fund # | Date | Cash Amount | Value Amount |
|--|----------------|-------------|----------|-------------|--------------|
| Public Works | | | | | |
| Police | | | | | |
| Volunteer Appreciation Banquet - Police Benefit Assoc. | 101 | AUGUST 2016 | \$200 | | |
| National Night Out - Police Management Assoc. | 101 | AUGUST 2016 | \$200 | | |
| National Night Out - San Manuel Band of Mission Indians | - | AUGUST 2016 | \$200 | | |
| National Night Out - Burtec | - | AUGUST 2016 | \$100 | | |
| National Night Out - Bakers Drive Thru | - | AUGUST 2016 | \$50 | | |
| National Night Out - IHOP | - | AUGUST 2016 | \$120 | | |
| National Night Out - Ontario Reign Hockey Club | - | AUGUST 2016 | \$116 | | |
| National Night Out - Sam's Club Ontario | - | AUGUST 2016 | \$25 | | |
| National Night Out - Police Benefit Assoc. | - | AUGUST 2016 | \$100 | | |
| National Night Out - Police Officers Assoc. | - | AUGUST 2016 | \$160 | | |
| National Night Out - Jamboree Housing | - | AUGUST 2016 | \$100 | | |
| National Night Out - Inland Empire 66ers | - | AUGUST 2016 | \$44 | | |
| National Night Out - Dave & Busters | - | AUGUST 2016 | \$120 | | |
| National Night Out - Cold Star | - | AUGUST 2016 | \$19 | | |
| National Night Out - Edgar Pazimo, Jr. | - | AUGUST 2016 | \$250 | | |
| Administrative Services/Economic Development/Housing | | | | | |
| Engineering | | | | | |
| Sunset on Sierra Event - Police Benefit Assoc. | - | AUGUST 2016 | \$99 | | |
| Sunset on Sierra Event - Police Officers Assoc. | - | AUGUST 2016 | \$275 | | |
| Sunset on Sierra Event - Fox Theater | - | AUGUST 2016 | \$16,202 | | |
| Fontana Fire District | | | | | |
| Community Services | | | | | |
| Fontana Days Run, Summer Concerts, & Festival of Winter-7-ELEVEN | 101 | JULY 2016 | \$5,000 | | |

Total through June 2017

\$5,400

\$17,980

| Applications Submitted | Cash Amount | Value Amount |
|---|-------------|--------------|
| Public Works | | |
| Police | | |
| Volunteer Appreciation Banquet - Police Benefit Assoc. | 101 | AUGUST 2016 |
| National Night Out - Police Management Assoc. | 101 | AUGUST 2016 |
| National Night Out - San Manuel Band of Mission Indians | - | AUGUST 2016 |
| National Night Out - Burtec | - | AUGUST 2016 |
| National Night Out - Bakers Drive Thru | - | AUGUST 2016 |
| National Night Out - IHOP | - | AUGUST 2016 |
| National Night Out - Ontario Reign Hockey Club | - | AUGUST 2016 |
| National Night Out - Sam's Club Ontario | - | AUGUST 2016 |
| National Night Out - Police Benefit Assoc. | - | AUGUST 2016 |
| National Night Out - Police Officers Assoc. | - | AUGUST 2016 |
| National Night Out - Jamboree Housing | - | AUGUST 2016 |
| National Night Out - Inland Empire 66ers | - | AUGUST 2016 |
| National Night Out - Dave & Busters | - | AUGUST 2016 |
| National Night Out - Cold Star | - | AUGUST 2016 |
| National Night Out - Edgar Pazimo, Jr. | - | AUGUST 2016 |
| Administrative Services/Economic Development/Housing | | |
| Redevelopment | | |
| Engineering | | |
| Sunset on Sierra Event - Police Benefit Assoc. | - | AUGUST 2016 |
| Sunset on Sierra Event - Police Officers Assoc. | - | AUGUST 2016 |
| Sunset on Sierra Event - Fox Theater | - | AUGUST 2016 |

Total through June 2017

\$5,400

\$17,980

Development Services Organization Customer Service Quality Assurance

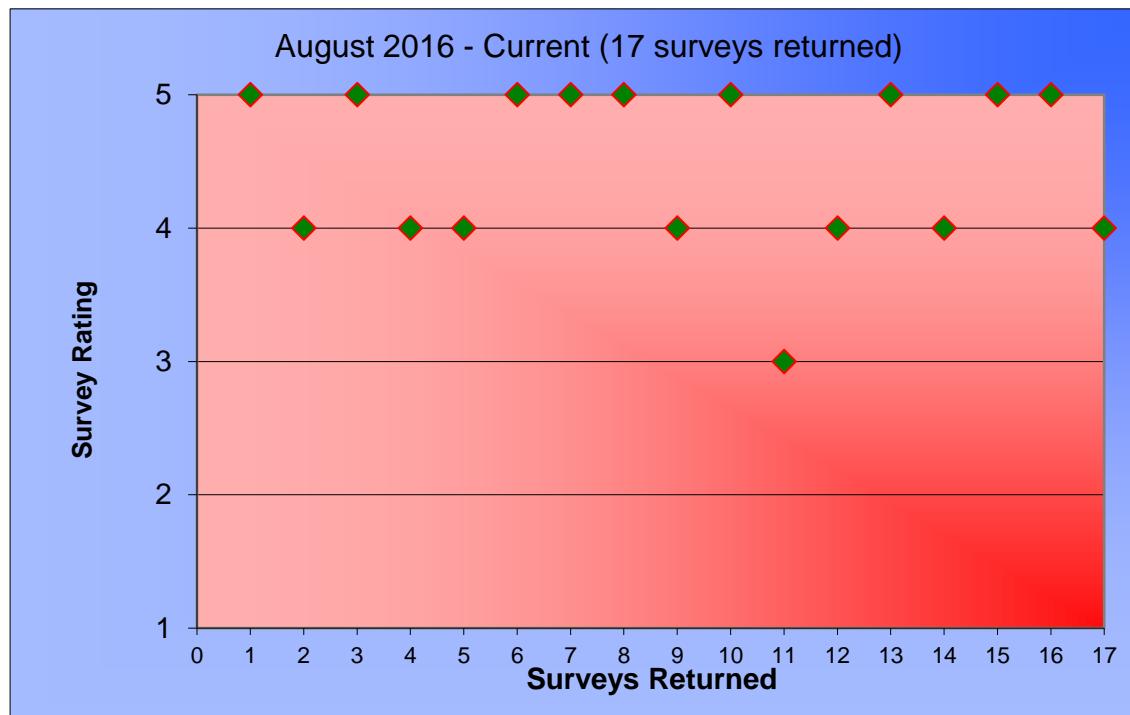
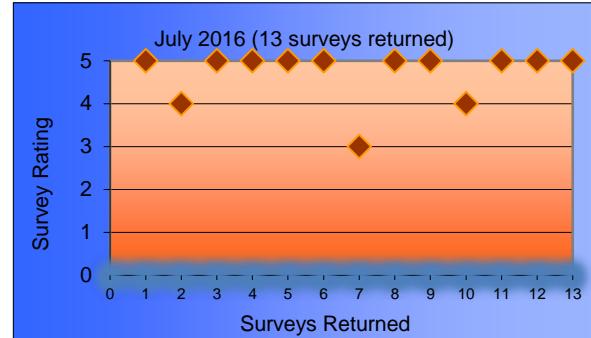
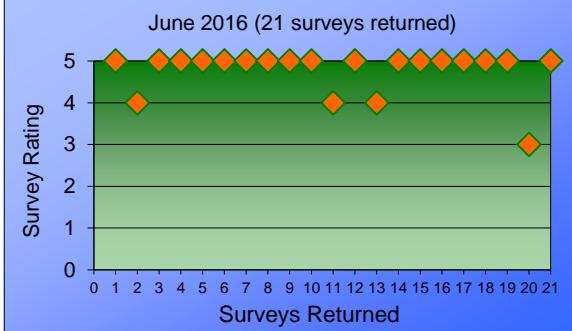
Each month the Development Services Organization sends 150 surveys to a random sampling of customers. There were 17 survey cards received in August

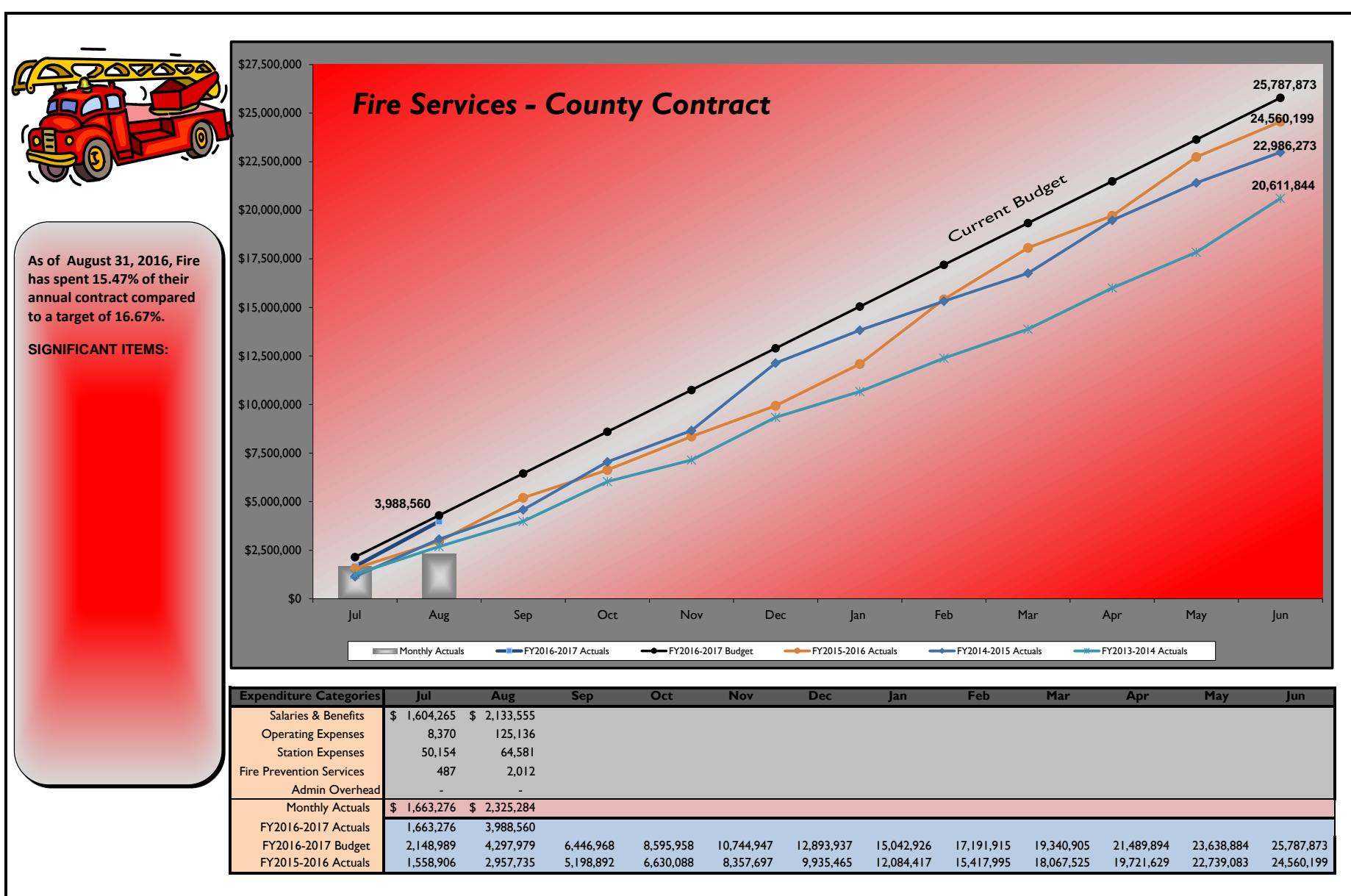
The surveys request a rating of the level of customer assistance that was received. A rating of 1 is below expectations. A rating of 5 is above expectations.

A rating of 1 is below expectations. A rating of 5 is above expectations. The survey also invites the customer to comment on the service that was received.

The following charts summarize the responses received.

The Development Services front counter staff assisted 1,732 customers in August which equates to 91 customers per day.





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Fontana, CA

