



City of Fontana

Financial Performance Report

For the Month Ending December 31, 2018

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January 31, 2019

Executive Summary

Cash Balances:

The City's General Fund cash balance is currently in a favorable position at \$4.4 million, decreasing \$2.0 million from November's month-end. December 2018's cash balance is \$0.8 million higher than December 2017's cash balance.

Development Activity:

Residential development construction activity through December totals 256 single family dwelling (SFD) permits (54.1% of the budget of 473 SFDs). Last fiscal year a total of 337 SFDs permits were issued.

Revenues:

General Fund revenues through December 2018 are \$3.8 million higher than December 2017. Revenues are at **33.4%** of the current annual budget compared to a target of 50%, 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 **57.9%** of their annual budget.

Expenditures:

Expenditures for the fiscal year are under budget at **47.3%** compared to a target of 50%.

Investment Report:

The City's investments, through December 2018, have had a rate of return averaging **1.93%**; the City's investment policy benchmark of the "Two-Year Treasury Note" had a return of **2.50%**. December Investment information is not available at this time.

Special Reports:

Economic Development (page 26): In December, the City issued 55 new business licenses and has a total of 9,100 active businesses as of December 31st. Also, in December, there were 9 residential dwellings ready for occupancy based on the number of new sewer hook-ups.

Capital Reinvestment Fund (page 27): For the ten years ending June 30, 2018, the City of Fontana expended \$65.7 million from the General Fund on capital improvement projects throughout the City. As of December 2018, \$7.5 million of General Fund money is budgeted in this fund on various improvement projects throughout the City. This excludes Non-General fund sources.

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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.

December's ending cash balance reflects a decrease of \$2.0 million as compared to November'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" decreased by \$2.0 million since November. Other funds have temporarily borrowed **\$1,089,094** from the General Fund to offset **negative cash** balances. This advance is primarily attributable to: After School Programs **\$1,010,947**, and Federal Law Enforcement Block Grant **\$78,147**.

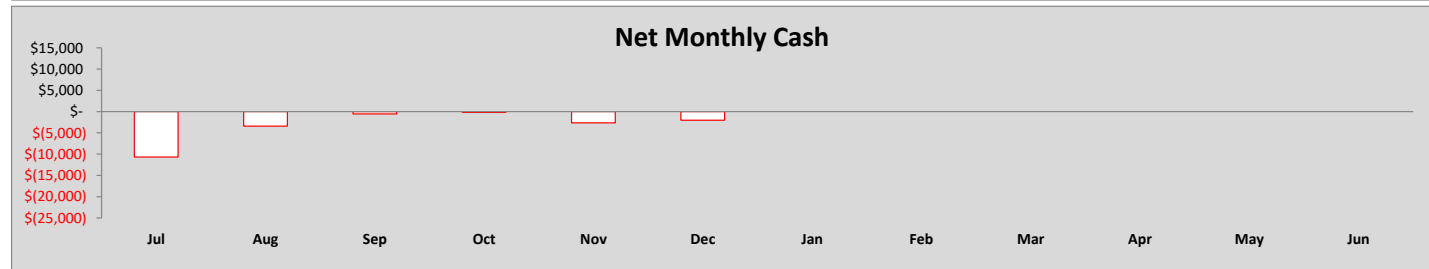
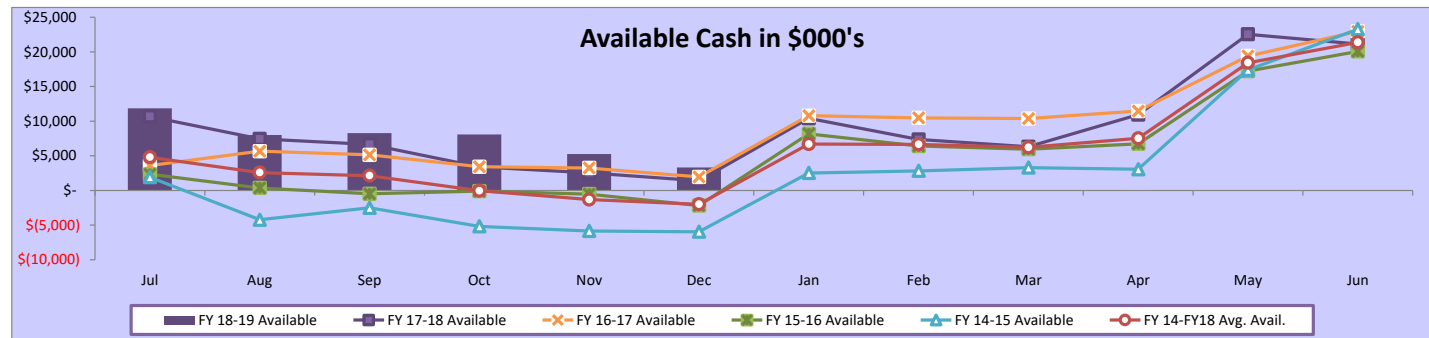
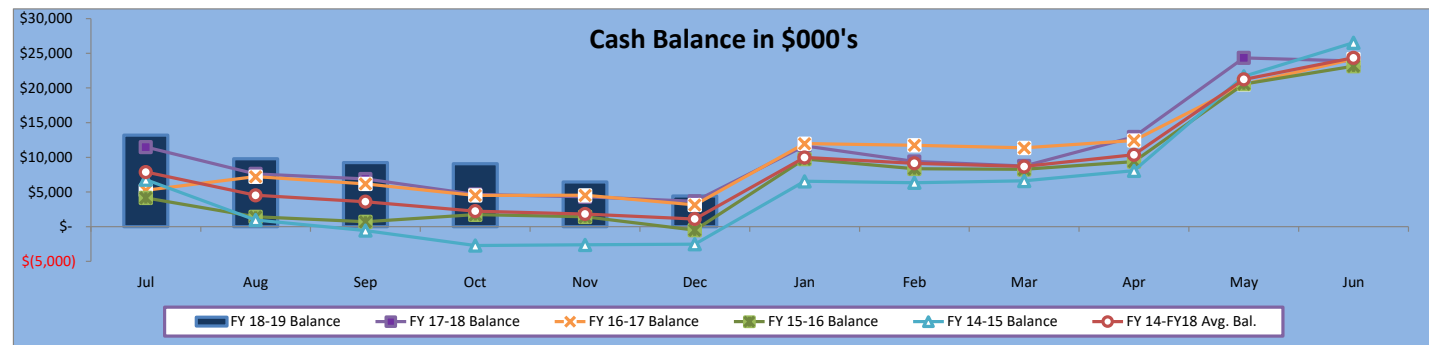
Repayments to the General Fund will be made as funds become available.

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.



General Fund Cash	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Net Monthly Cash	\$ (10,677)	\$ (3,410)	\$ (547)	\$ (170)	\$ (2,640)	\$ (2,025)						
FY 18-19 Balance	13,206	9,796	9,249	9,079	6,439	4,414						
FY 18-19 Available	11,851	7,995	8,284	8,079	5,275	3,325						
FY 17-18 Balance	11,474	7,610	6,884	4,647	4,304	3,660	11,652	9,403	8,747	12,951	24,336	23,883
FY 17-18 Available	10,666	7,446	6,659	3,419	2,548	1,411	10,402	7,364	6,303	10,939	22,533	21,128

Development Activity . . . Residential

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 December, the City issued **51** 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, Providence Point, Sierra Crest and Arboretum (35).

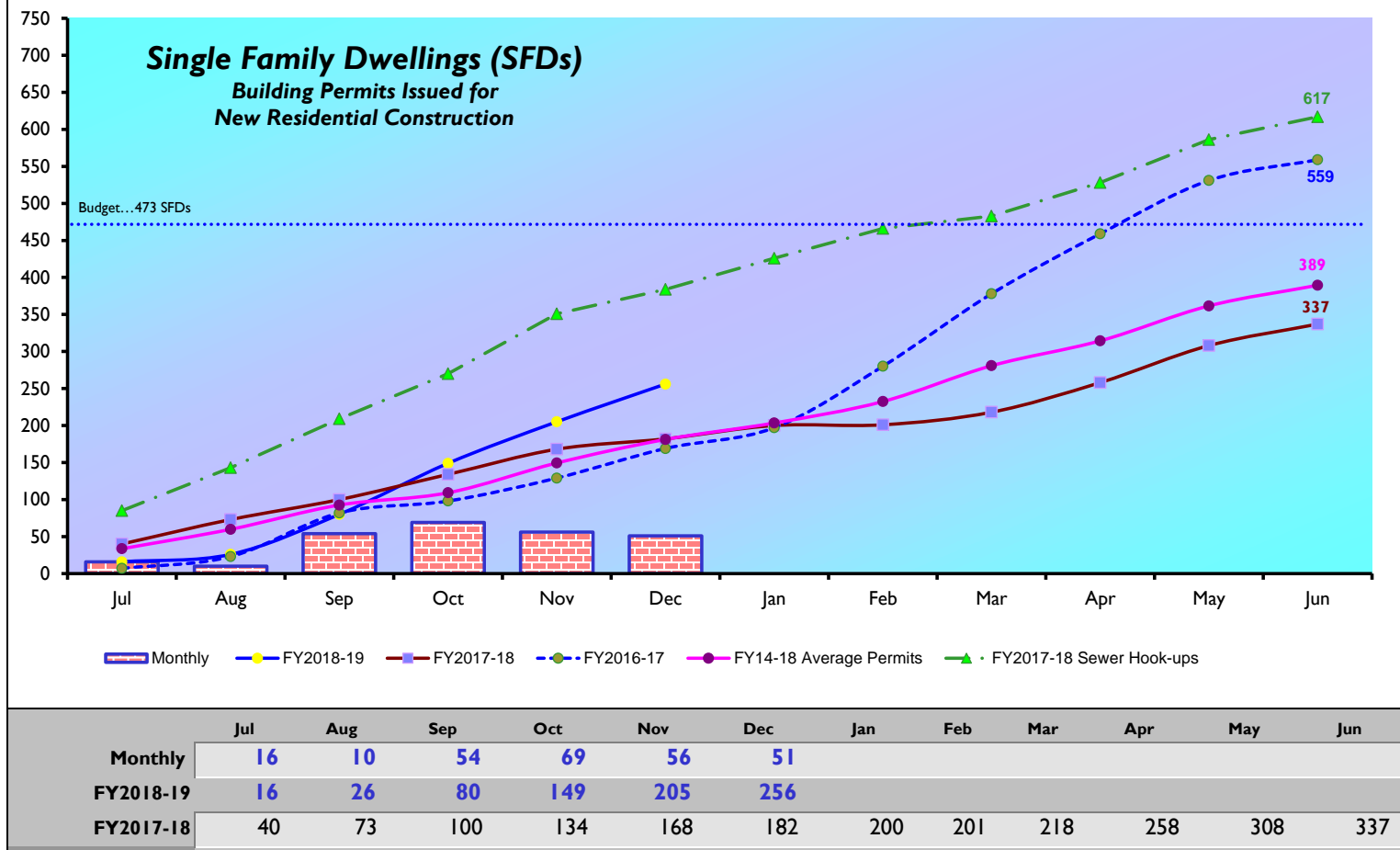
The Hunter's Ridge Development and Coyote Canyon Development are located north of Interstate 15.

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 **16** permits issued in the City Wide & In-Fill Area, of which (**5**) were issued to independently owned properties.

Certificates of Occupancy: New sewer hook-ups (FYTD 155) 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 . . .*

Arboretum	102	Northgate
Bellgrove II		Promenade
California Landings		Providence Point
City Wide	119	Rancho Fontana
Citrus Heights	35	Sierra Crest
Country Club Estates		Southridge
Coyote Canyon		Stratham Group
Fontana Star		Summit Heights
Hunter's Ridge		Sycamore Hills
Landings		Walnut Village
Morningside		West End
New West		

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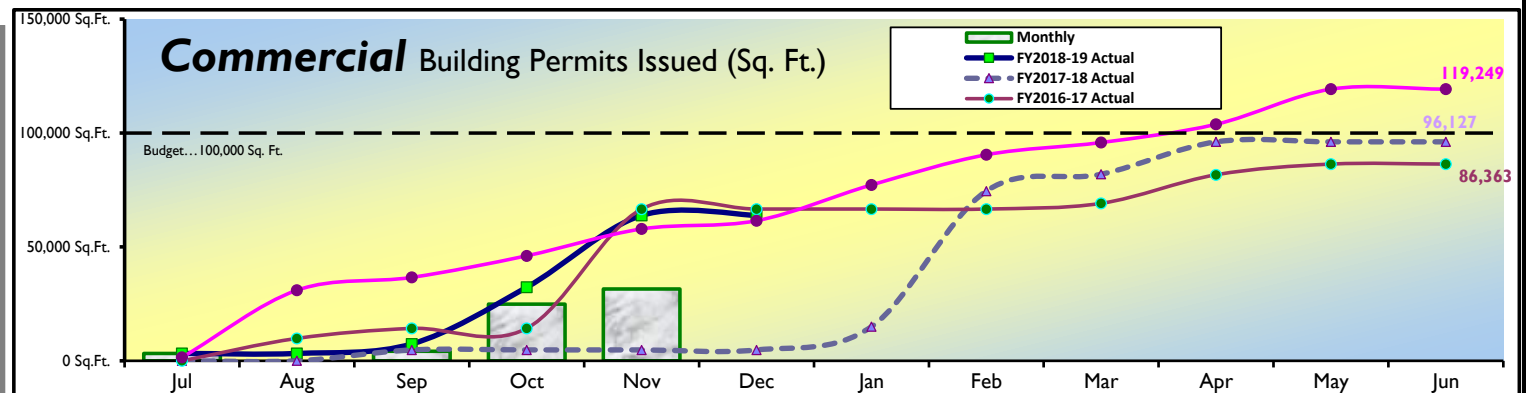
Development Activity . . . Commercial & Industrial

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.

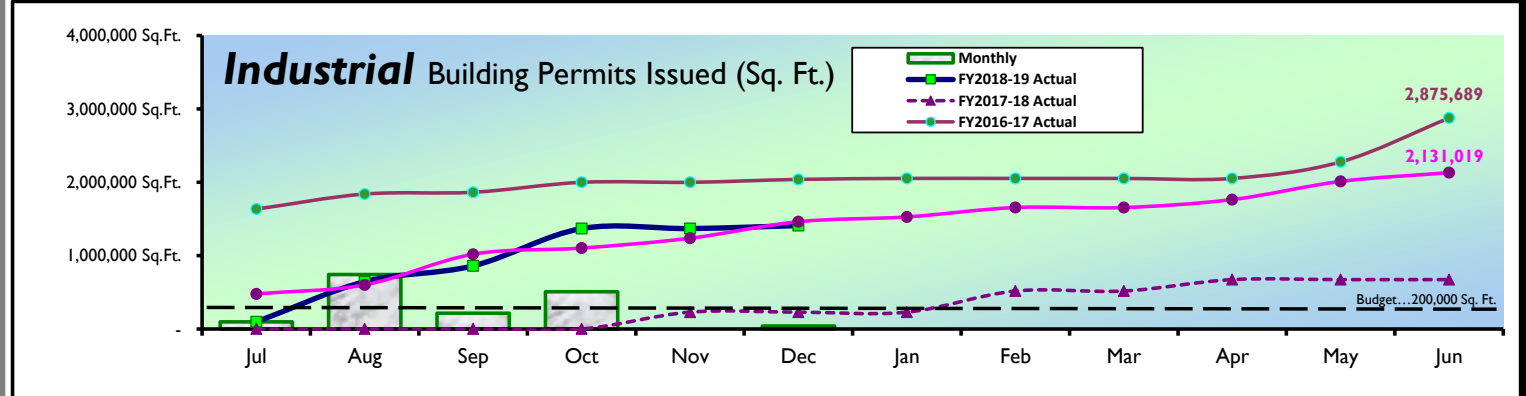
The City issued **0** commercial building permits in December.

The City issued **1** new industrial building permit in December.



Square Footage	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Monthly	3,233	-	4,184	24,881	31,534	-	-	-	-	-	-	-
FY2018-19 Actual	3,233	3,233	7,417	32,298	63,832	63,832	-	-	-	-	-	-
FY2017-18 Actual	-	-	4,784	4,784	4,784	4,784	14,975	74,525	81,907	96,127	96,127	96,127

Notes: July - 3,233 sq. ft. restaurant @ 16988 South Highland Ave. August - none. September - 4,184 sq. ft. retail building @ 16973 Sierra Lakes Parkway. October - 5,831 sq. ft. commercial tire center @ 17040 South Highland Ave, 10,800 sq. ft. childcare facility @ 16427 Sierra Lakes Parkway, 8,250 sq. ft. multi-use retail building @ 7285 Citrus Ave. November - 28,668 sq. ft. auto showroom @ 16800 South Highland Ave, 2,866 sq. ft. convenience store @ 16081 Valley Blvd. December - none.



Square Footage	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Monthly	97,186	742,574	215,290	508,002	-	40,750	-	-	-	-	-	-
FY2018-19 Actual	97,186	645,388	860,678	1,368,680	1,368,680	1,409,430	-	-	-	-	-	-
FY2017-18 Actual	-	-	-	-	229,810	229,810	229,810	518,025	518,025	673,022	673,022	673,022

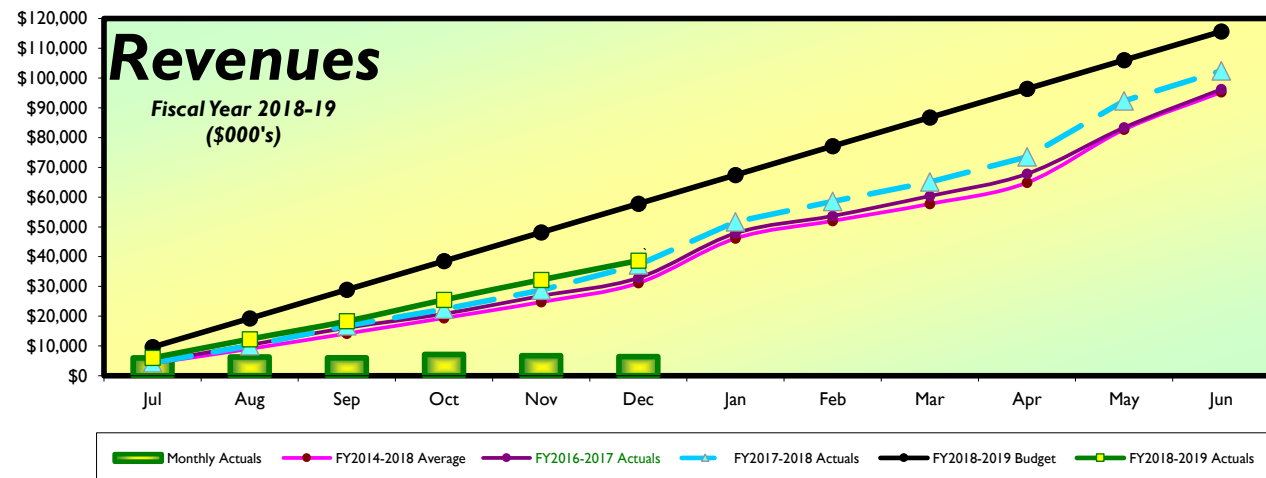
Notes: July - 97,186 sq. ft. concrete tilt-up warehouse @ 13125 Union Ave. August - 1,376 sq. ft. concrete block building @ 11470 Beech Ave., 21,894 sq. ft. concrete tilt-up warehouse @ 14731 Santa Ave Ave., 103,333 sq. ft. warehouse @ 10917 Cherry Ave, and 615,971 sq. ft. warehouse @ 11263 Oleander Ave. September - 204,760 sq. ft. warehouse @ 11081 Banana Ave, 101,530 sq. ft. warehouse @ 15910 Jurupa Ave. October - 508,002 sq. ft. concrete tilt-up warehouse @ 10985 Oleander Ave. November - None. December - 40,750 sq. ft. building @ 14242 Jurupa Ave.

General Fund Financial Summary

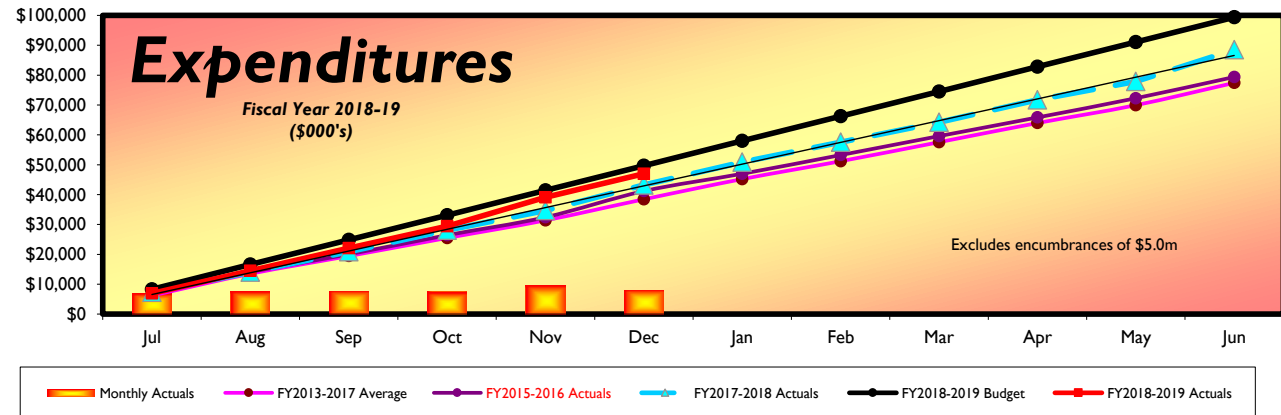
The General Fund is comprised of such general revenue sources as taxes, fines, licenses and fees. The fund provides for such services as Public Safety, Recreation, Legislative and City Administration. The use of money in this fund is generally not restricted to specific services and projects as is the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

Revenues - The green solid line on the adjacent chart, shows that the General Fund revenues are **33.4%** of the annual budget. Year-to-date total revenue is \$1.4 million higher than last year's revenue levels through December's month-end.

Expenditures - The red solid line represents the General Fund expenditures actually paid and do not include \$5.0 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.



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Monthly Actuals	\$ 5,998	\$ 6,308	\$ 6,025	\$ 7,162	\$ 6,737	\$ 6,424						
FY2018-2019 Actuals	5,998	12,306	18,331	25,493	32,230	38,654						
FY2018-2019 Budget	9,637	19,274	28,910	38,547	48,184	57,821	67,457	77,094	86,731	96,368	106,004	115,641
FY2017-2018 Actuals	4,368	10,051	16,758	22,363	28,721	37,268	51,731	58,515	65,104	73,544	92,304	102,440



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Monthly Actuals	\$ 6,913	\$ 7,578	\$ 7,563	\$ 7,393	\$ 9,632	\$ 7,911						
FY2018-2019 Actuals	6,913	14,492	22,055	29,448	39,080	46,991						
FY2018-2019 Budget	8,281	16,561	24,842	33,123	41,404	49,684	57,965	66,246	74,527	82,807	91,088	99,369
FY2017-2018 Actuals	7,273	14,029	20,866	28,073	34,632	43,218	50,833	57,504	64,230	71,721	77,877	88,478

Revenues

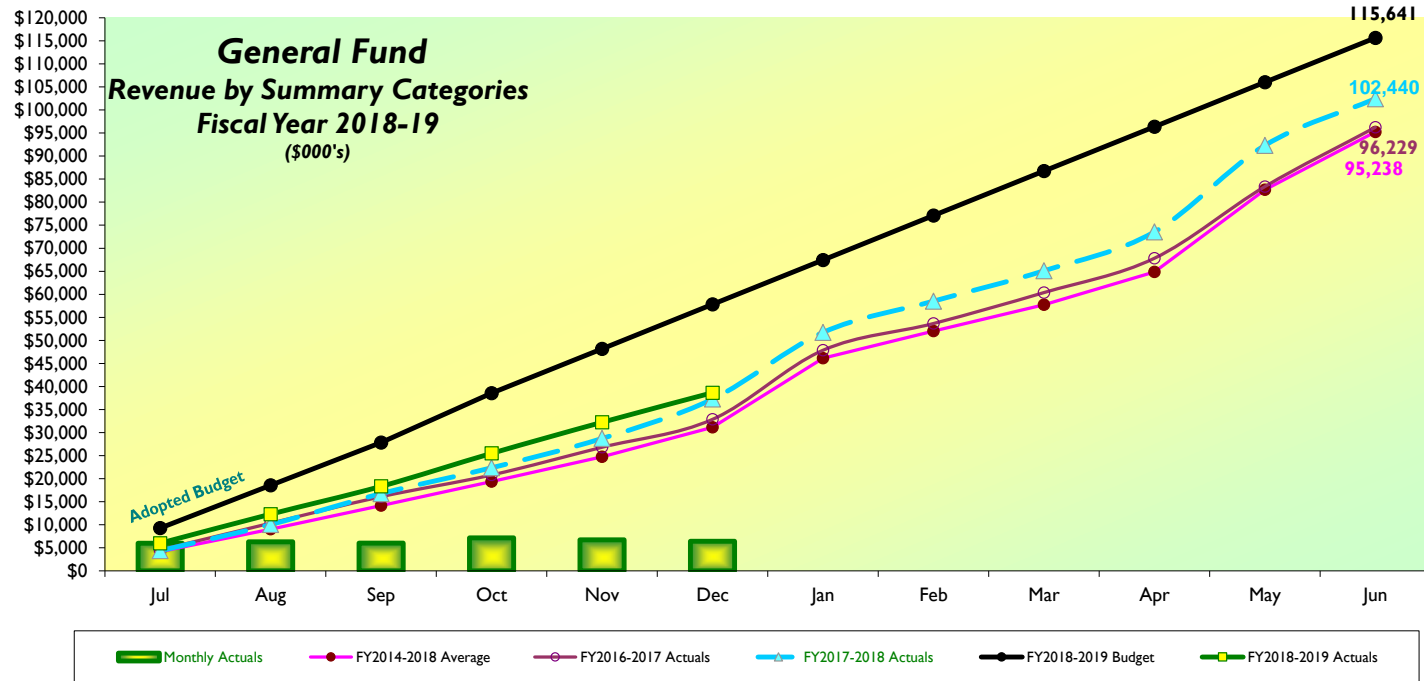
The General Fund's 140+ revenue accounts are categorized by like types of activity on the adjacent chart. In general, revenues can be further summarized into Taxes, Fees, State Subventions and other revenues.

Over one-half of the City's General Fund revenues are derived from taxes. The top two budgeted tax revenue sources are Sales Tax (36.8% - \$41.0 million), and Property Tax (23.2% - \$25.8 million).

Through December 31, 2018, the General Fund's actual revenues received are **33.4%** of the annual budget amount.

Development related revenues have achieved **57.9%** of their annual revenue budget. During December, construction permits were issued for **51** 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.



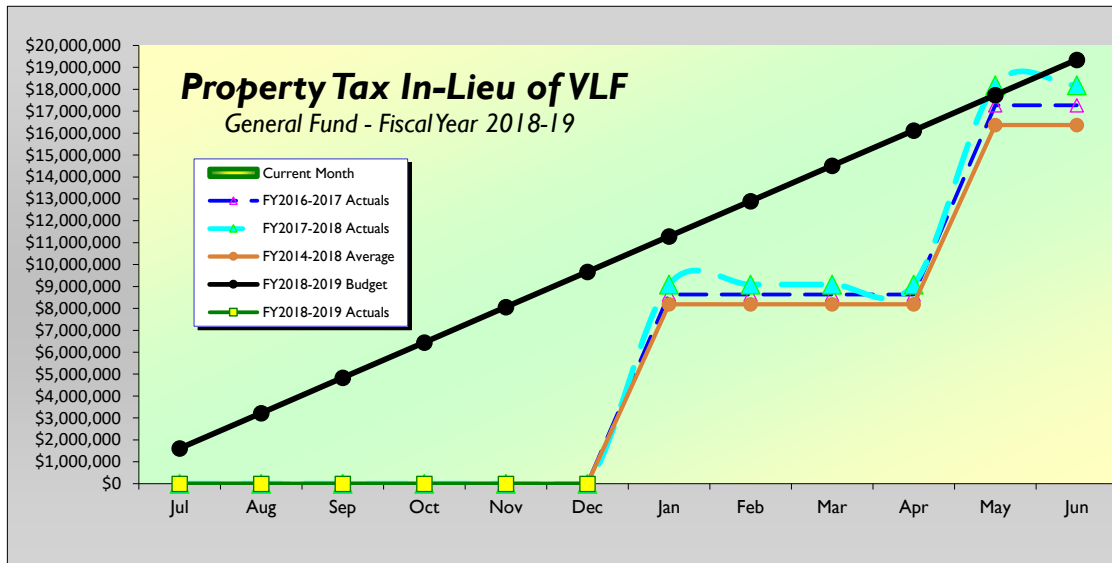
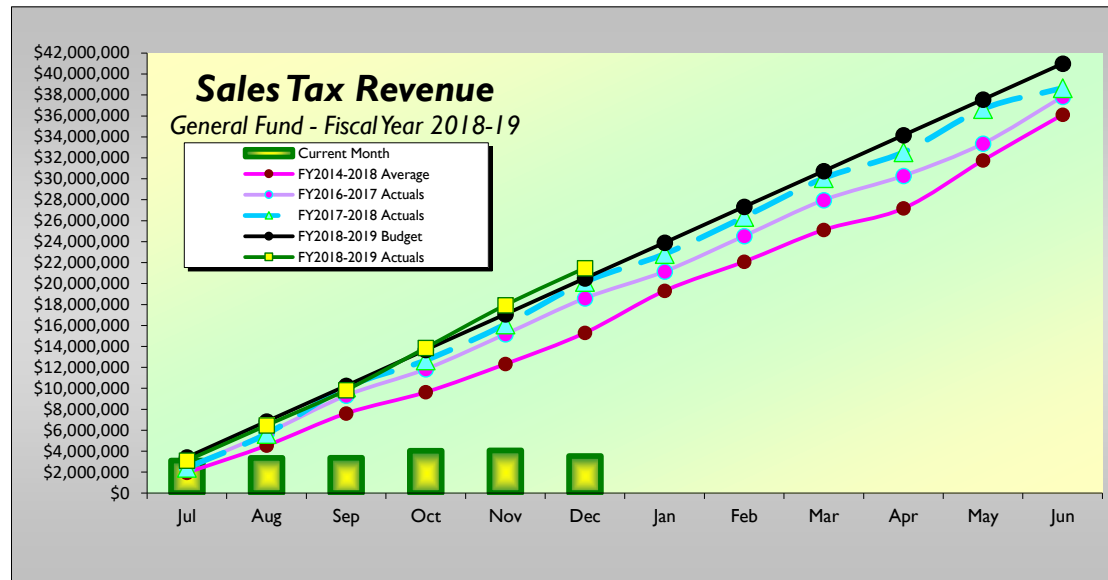
Revenues													Prior Yr		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total FYTD	Budget	Actuals
Sales Tax	\$ 3,106	\$ 3,359	\$ 3,370	\$ 4,040	\$ 4,072	\$ 3,538							\$ 21,485	\$ 41,000	\$ 38,664
Business Tax	512	461	550	728	362	251							2,864	6,853	6,958
Property Tax	-	93	89	56	281	1,075							1,594	25,807	23,803
Franchise Fees	256	627	376	210	594	237							2,300	6,800	6,487
Motor Veh. In-Lieu	-	-	-	-	-	-							-	1,000	112
Development	1,012	845	569	887	547	660							4,520	7,800	6,987
Recreation	474	265	212	205	170	123							1,449	3,544	3,205
Int. and Rentals	78	53	39	96	53	41							360	4,157	4,306
Other Revenues	462	464	569	884	476	416							3,271	16,757	8,278
Reimbursables	98	141	251	56	182	83							811	1,923	3,640
Monthly Actuals	\$ 5,998	\$ 6,308	\$ 6,025	\$ 7,162	\$ 6,737	\$ 6,424							\$ 38,654	\$ 115,641	\$ 102,440
FY2018-2019 Actuals	5,998	12,306	18,331	25,493	32,230	38,654									
FY2018-2019 Budget	9,637	19,274	28,910	38,547	48,184	57,821	67,457	77,094	86,731	96,368	106,004	115,641			
FY2017-2018 Actuals	4,368	10,051	16,758	22,363	28,721	37,268	51,731	58,515	65,104	73,544	92,304	102,440			

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 60% of the estimated General Fund revenues.

Sales Tax: Sales Tax revenues, fiscal year to date, are **\$21,484,586** or **52%** of the annual budget of \$41,000,000.

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 \$19,350,000. 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.

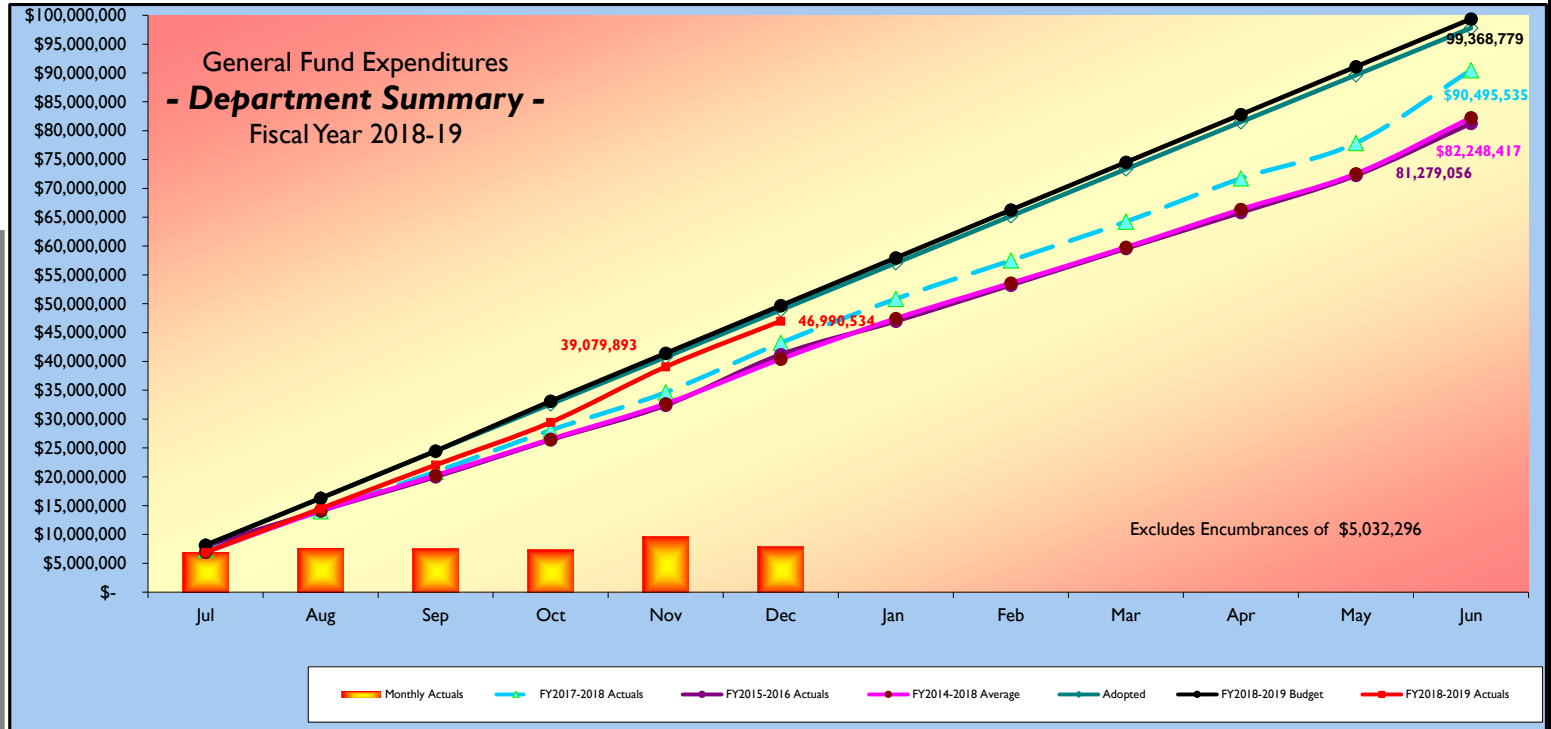
Subsequent to the FY04-05 and FY05-06 base years, each city's "property taxes in lieu of VLF" will increase in proportion to the growth in gross assessed valuation in the city.

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 December 2018, the Departments' expenditures are running below the estimated fiscal year to date budget as illustrated by the solid red line on the chart. These expenses do not include \$5.0 million of encumbrances.

The Departments are on track with their expenditure plans. To date, the Departments have spent 47.3% of their annual budgets compared to a target of 50%.



Departments	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
City Administration	\$ 112,356	\$ 110,179	\$ 184,881	\$ 251,628	\$ 146,373	\$ 292,284	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Human Resources	70,170	68,517	75,980	77,976	96,956	83,976	-	-	-	-	-	-
Administrative Svcs.	57,416	41,888	60,782	92,769	350,128	62,126	-	-	-	-	-	-
Community Services	1,050,700	1,060,823	907,909	948,345	1,093,010	815,997	-	-	-	-	-	-
Information Technology	241,043	241,144	283,160	241,896	332,193	281,686	-	-	-	-	-	-
Management Services	233,077	223,625	234,589	211,772	292,506	249,195	-	-	-	-	-	-
Office of the City Clerk	44,810	48,358	53,279	50,623	64,569	82,122	-	-	-	-	-	-
Development Services	97,592	64,215	68,479	65,118	87,930	77,522	-	-	-	-	-	-
Community Develop.	291,018	322,597	353,983	294,156	432,495	347,043	-	-	-	-	-	-
Engineering	218,905	255,834	235,631	233,039	321,258	273,309	-	-	-	-	-	-
Public Works	199,073	415,073	422,051	511,322	540,134	484,061	-	-	-	-	-	-
Police Department	4,297,164	4,726,212	4,682,537	4,414,556	5,874,091	4,861,320	-	-	-	-	-	-
Monthly Actuals	\$ 6,913,324	\$ 7,578,465	\$ 7,563,261	\$ 7,393,200	\$ 9,631,643	\$ 7,910,641						
FY2018-2019 Actuals	6,913,324	14,491,789	22,055,050	29,448,250	39,079,893	46,990,534						
FY2018-2019 Budget	8,280,732	16,561,463	24,842,195	33,122,926	41,403,658	49,684,390	57,965,121	66,245,853	74,526,584	82,807,316	91,088,047	99,368,779
FY2017-2018 Actuals	7,272,845	14,028,903	20,865,989	28,072,526	34,631,957	43,218,314	50,833,373	57,504,236	64,229,878	71,720,659	77,876,759	90,495,535

Investment Report City of Fontana

December 31
, 2018



Prepared by:



Lisa A. Strong
Management Services Director
Deputy City Treasurer

Reviewed by:




Janet Koehler-Brooks
City Treasurer

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 - Actual to Model Comparison
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Summary of Investment Policy

- 
- Adopted by City Council January 24, 2017
 - 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

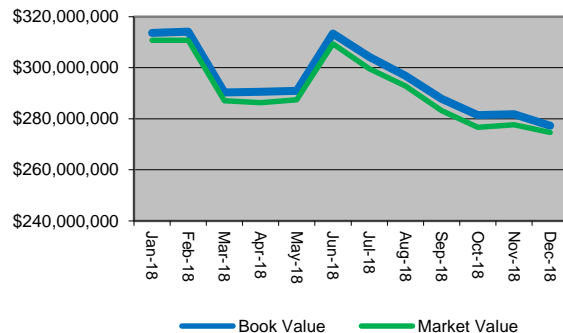
	Pooled Investments	Bond Funds	Other	Total
Money Market Funds	\$ 11,749,901.73	\$ 23,218,730.35	\$	\$ 34,968,632.08
Bankers Acceptances				0.00
Government Agency Issues	239,077,745.00			239,077,745.00
Medium-Term Notes	0.00			0.00
Local Agency Investment Fund (LAIF)	26,546,015.14			26,546,015.14
Investment Agreements		0.00		0.00
Fiscal Agent Cash Accounts		0.00		0.00
Bank of America - General Checking			28,448,852.63	28,448,852.63
Bank of America - Veterans			40,591.88	40,591.88
Deferred Compensation Funds			27,760,321.27	27,760,321.27
Escrow Accounts			2,346.41	2,346.41
Petty Cash/Self Insurance			416,550.00	416,550.00
	<u>\$ 277,373,661.87</u>	<u>\$ 23,218,730.35</u>	<u>\$ 56,668,662.19</u>	<u>\$ 357,261,054.41</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 24, 2017. 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	\$277,373,661.87
Adjusted book value of investments held	\$277,223,358.87
Market value of investments held	\$274,591,316.73
Unrealized gain (loss) - amount	(\$2,632,042.14)
Unrealized gain (loss) - percentage	-0.95%
Weighted average portfolio life (final maturity)	1.94 years
Weighted average portfolio life (call dates)	1.94 years



Money Market Mutual Funds	4.24%
Government Agency Issues	86.19%
Medium Term Notes	0.00%
Local Agency Investment Fund (LAIF)	9.57%
	<u>100.00%</u>



RETURN ON INVESTMENTS:

	(July 1, 2018 to December 31, 2018)	Month-to-Date	Year-to-Date
Total investment earnings		\$434,946.23	\$2,815,731.97
Total realized gains (losses) on sales/calls		\$0.00	\$0.00
Total amortized premium/discount		\$3,370.00	\$20,002.00
Weighted average portfolio balance		\$279,073,198.16	\$291,049,056.30

Total return on investments annualized	1.85%	1.93%
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COMPARATIVE MARKET RATES: December 31, 2018

Three-Month Treasury Bills	2.45%	
Six-Month Treasury Bills	2.45%	
One-Year Treasury Bills	2.56%	
Two-Year Treasury Notes	2.63%	2.50%
Five-Year Treasury Notes	2.46%	
LAIF	2.29%	

HISTORICAL RATES OF RETURN:

City of Fontana	
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 2016/17	1.15%
Fiscal Year 2017/18	1.93%

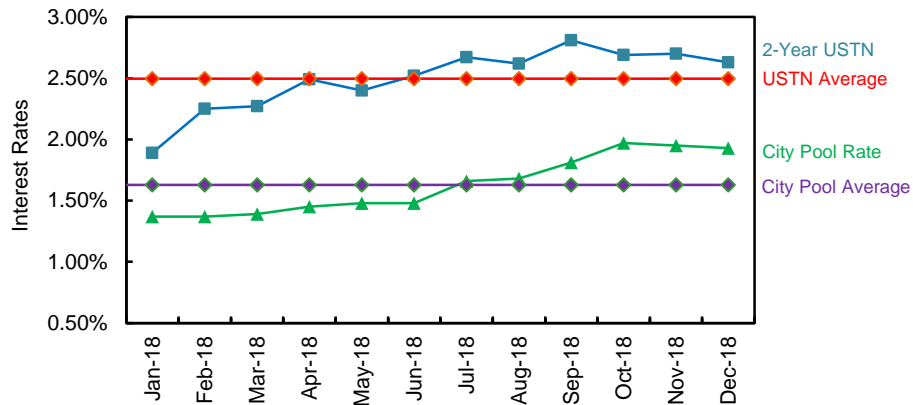
VARIANCE:	-0.78%	-0.57%
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To evaluate the performance of the City's portfolio, the Statement of Investment Policy has established the two-year treasury note as the benchmark for comparison purposes. It is expected that yields on City investments will 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.

The Benchmark Rate currently exceeds the City Rate by 57 basis points.

Interest Rate Comparison

January 2018 - December 2018



	2-Year USTN	City Pool	Difference
01/31/18	1.89%	1.37%	-52 BPs
02/28/18	2.25%	1.37%	-88 BPs
03/31/18	2.27%	1.39%	-88 BPs
04/30/18	2.49%	1.45%	-104 BPs
05/31/18	2.40%	1.48%	-92 BPs
06/30/18	2.52%	1.48%	-104 BPs
07/31/18	2.67%	1.66%	-101 BPs
08/31/18	2.62%	1.68%	-94 BPs
09/30/18	2.81%	1.81%	-100 BPs
10/31/18	2.69%	1.97%	-72 BPs
11/30/18	2.70%	1.95%	-75 BPs
12/31/18	2.63%	1.93%	-70 BPs
Average	2.50%	1.63%	-87 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	13.81%	15.00%	-1.19%
0-1 Year	10.81%	5.00%	5.81%
Total	24.62%	20.00%	4.62%

Avg Maturity	Actual	Model	Variance
0-1 Year	24.62%	20.00%	4.62%
1-2 Years	26.77%	20.00%	6.77%
2-3 Years	37.80%	20.00%	17.80%
3-4 Years	0.00%	20.00%	-20.00%
4-5 Years	10.81%	20.00%	-9.19%

(Based on final maturity dates)

Sector	Actual	Model	Variance
Cash	13.81%	15.00%	-1.19%
Treasury/Agency	86.19%	55.00%	31.19%
Med Term Notes	0.00%	30.00%	-30.00%

Avg Maturity	Actual	Model	Variance
0-1 Year	30.02%	20.00%	10.02%
1-2 Years	26.77%	20.00%	6.77%
2-3 Years	37.80%	20.00%	17.80%
3-4 Years	0.00%	20.00%	-20.00%
4-5 Years	5.41%	20.00%	-14.59%

(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
26,546,015		Local Agency Investment Fund	Varies		LAIF	Varies	26,546,015.14	Varies	26,546,015	0
11,749,902		BNY - Dreyfus Cash Mgmt Fund	Varies		MM	Varies	11,749,901.73	Varies	11,749,902	0
15,000,000	3136G4GE7	Fed Natl Mtg Assn	1.125%	11/15/19	FNMA	11/15/16	14,983,500.00	1.162%	14,803,200	11,693
15,000,000	3135G0R96	Fed Natl Mtg Assn	1.150%	11/29/19	FNMA	11/29/16	14,988,750.00	1.176%	14,793,750	7,829
14,000,000	3130A74D4	Fed Home Loan Bank	1.500%	02/03/20	FHLB	02/03/16	14,000,000.00	1.500%	13,837,600	0
15,000,000	3135G0D75	Fed Natl Mtg Assn	1.500%	06/22/20	FNMA	06/30/15	14,825,250.00	1.745%	14,780,550	122,969
15,000,000	3130A5Z77	Fed Home Loan Bank	1.830%	07/29/20	FHLB	10/29/15	15,205,245.00	1.529%	14,829,300	(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%	14,728,500	0
15,000,000	3135G0H55	Fed Natl Mtg Assn	1.875%	12/28/20	FNMA	01/20/16	15,240,000.00	1.537%	14,808,000	(143,149)
15,000,000	3130ADC26	Fed Home Loan Bank	2.200%	01/29/21	FHLB	01/29/18	15,000,000.00	2.200%	14,872,050	0
15,000,000	3137EAE9	Fed Home Loan Mtg Corp	2.375%	02/16/21	FHLMC	04/17/18	14,932,500.00	2.540%	14,947,950	16,810
15,000,000	3136G4KZ5	Fed Natl Mtg Assn	2.000%	02/23/21	FNMA	02/23/17	15,000,000.00	2.000%	14,736,600	0
15,000,000	3130ABXF8	Fed Home Loan Bank	2.000%	07/23/21	FHLB	07/28/17	15,000,000.00	2.016%	14,735,100	0
15,000,000	3134GSXF7	Fed Home Loan Mtg Corp	3.000%	09/28/21	FHLMC	09/28/18	15,000,000.00	3.000%	15,011,700	0
15,000,000	3130AABG2	Fed Home Loan Bank	1.875%	11/29/21	FHLB	01/27/17	14,902,500.00	2.016%	14,729,250	38,790
15,000,000	3134GB4N9	Fed Home Loan Mtg Corp	2.200%	12/08/21	FHLMC	12/08/17	15,000,000.00	2.200%	14,821,350	0
15,000,000	3134GSBV6	Fed Home Loan Mtg Corp	2.500%	01/30/23	FHLMC	01/30/18	15,000,000.00	2.500%	14,858,100	0
15,000,000	3136G4SK0	Fed Natl Mtg Assn	3.050%	04/26/23	FNMA	04/26/18	15,000,000.00	3.050%	15,002,400	0
Total Pooled Investments							<u>277,373,661.87</u>		<u>274,591,317</u>	<u>(150,303)</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
21,664,803	First American Treasury MM	Varies		Aaa	MM	Varies	21,664,802.50	Varies	21,664,803	0
0	BNY Hamilton Treasury MM	Varies		Aaa	MM	Varies	0.00	Varies	0	0
1,553,928	Wells Fargo Treasury Plus MM	Varies		Aaa	MM	Varies	1,553,927.85	Varies	1,553,928	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>23,218,730.35</u>		<u>23,218,730</u>	<u>0</u>

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 2018-2019 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 December 31, 2018

Liability - Projected Annual Costs

Annual value of excess liability insurance	\$	466,500	
Other professional administrative costs		474,500	
Annual claims value administered by risk		1,500,000	
Legal services		1,300,000	
Miscellaneous Departmental Costs		11,000	
Total Liability - Projected Annual Costs	\$		3,752,000 (1)

Workers' Compensation - Projected Annual Costs

Annual value of excess liability insurance	\$	173,000	
Other professional administrative costs		355,000	
Annual claims value administered by risk		950,000	
Legal services		180,000	
Miscellaneous Departmental Costs		8,500	
Total Workers' Compensation - Projected Annual Costs	\$		1,666,500 (1)

Miscellaneous Services - Projected Annual Costs

Unemployment Insurance Expense	\$	100,000	
Total Miscellaneous Services - Projected Annual Costs	\$		100,000 (1)

Cash Reserves - Claims

Workers' Comp in reserve	\$	4,250,353	
Risk Liability in reserve		2,621,210	
Miscellaneous reserves - Risk cases		750,000	
CFD Litigation		-	
Total Cash Reserves - Claims	\$		7,621,563 (2)

Total Projected Annual Costs and Cash Reserves \$ 13,140,063

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."

Annette Henckel
Director H.R. Risk Management

1/2/19
Date

Year-End Cash Balance Forecast

Fiscal Year	Available Fund Balance July 1, 2018	Total Cash Reserves (2)	Budgeted Revenues	Budgeted Expenditures includes (1) from above	Payment of Extraordinary Settlement	Risk Liability Surplus/(Deficit) Cash Balance
2018/2019	\$ 2,280,791	\$ (7,621,563)	\$ 13,342,500 *	\$ (5,798,290)	\$ -	\$ 2,203,438

* Assumes successful outcome of DOF appeal - trial date not scheduled (\$7.7 million)

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

CASH BALANCE FYs 2016 - 2019		Cash Balances June 30, 2016	Cash Balances June 30, 2017	Cash Balances June 30, 2018	Cash Balances December 31, 2018	
CITY FUNDS:						
101	General Fund	\$ 20,334,818	\$ 22,844,874	\$ 23,658,439	\$ 4,413,674	
GRANTS:						
321	Federal Law Enforcement Block Grant	-	5,073	(203,687)	(78,147)	General Fund will record contribution at year-end Reimb requested monthly
385	After School Programs	-	-	(549,629)	(1,010,947)	
TOTAL DEFICIT CASH FUNDS		0	5,073	(790,220)	(1,089,094)	
GENERAL FUND CASH AVAILABLE		\$ 20,334,818	\$ 22,849,947	\$ 22,868,219	\$ 3,324,580	
OTHER GENERAL FUNDS:						
102	Equipment Replacement	\$ 1,408,510	\$ 1,625,258	\$ 1,419,844	\$ 1,371,245	
103	City Facility	1,768,727	1,756,569	1,154,291	783,321	
104	OES	3,012	46,640	34,705	23,808	
105	KFON	1,036,727	1,032,873	1,128,188	1,139,890	
106	Self-insurance - other	2,088,909	1,672,013	2,025,181	1,428,687	
107	Retirees Medical Benefits	21,077,982	22,985,694	23,751,964	24,105,263	
108	Supplemental Retirement Plan	19,387	19,672	2,565	3,639	
110	General Fund Operating Project	285,230	172,803	94,424	59,617	
125	Storm Water Compliance Fund	241,243	187,885	187,619	178,471	
TOTAL OTHER FUNDS		27,929,727	29,499,407	29,798,781	29,093,941	
INTERNAL SERVICE FUNDS:						
751	Fleet Operations	2,978,193	4,096,007	5,818,095	5,933,744	
GENERAL FUND CASH AVAILABLE WITH OTHER GENERAL FUNDS		\$ 51,242,738	\$ 56,445,361	\$ 58,485,095	\$ 38,352,265	

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

CASH BALANCE FYs 2016 - 2019		Cash Balances June 30, 2016	Cash Balances June 30, 2017	Cash Balances June 30, 2018	Cash Balances December 31, 2018
OTHER CITY FUNDS:					
201	Municipal Services Fiscal Impact	18,164,173	18,456,883	18,442,712	18,400,166
222	Crime Prevention Seizure	53,548	50,173	45,232	40,909
223	Federal Seizure	3,751,577	5,603,427	5,638,122	5,767,335
224	Police Seizure	156,016	200,670	241,243	269,316
225	F-STOP	180,105	464,024	922,461	1,173,432
241	AQMD	806,083	789,631	786,864	920,153
243	Traffic Safety	1,178,773	724,705	237,565	180,469
244	Prop IB	37,611	130,454	132,264	133,556
245	Measure I 2010-2040 Reimb	-	-	(1,282,904)	175,721
246	Measure I Local Pass-Thru	14,896,246	16,053,280	17,189,519	18,398,262
281	Gas Tax	1,960,642	2,245,496	509,244	101,218
282	Solid Waste Mitigation	4,033,317	2,289,520	2,975,215	2,957,859
283	Road Maintenance & Rehab	0	0	(416,413)	1,335,288
301	Grants (Public Safety, Parks, etc.)	3,572,508	2,801,686	1,557,706	1,596,373
322	State Grant AB3229	271,440	383,061	331,641	313,731
362	Housing/Community Development Block Grants	0	202,561	585,146	70,116
363	Home Program	69,579	10,251	821,517	861,584
601	Capital Reinvestment	7,677,955	4,041,484	7,433,573	6,293,583
602	Capital Improvement Program	65,481	9,082,177	8,973,733	9,193,697
603	Future Capital Projects	9,824,871	11,676,733	24,713,693	24,159,781
620	San Sevaine Flood Control	882,295	1,083,390	579,593	480,742
621	Upper Etiwanda Flood Control	43,652	44,129	44,741	45,178
622	Storm Drainage	16,837,414	15,624,397	14,271,811	14,631,562
623	Sewer Expansion	10,802,812	6,080,810	7,879,084	8,435,958
630	Traffic Mitigation	19,883,003	26,532,640	21,312,271	23,648,135
631	Fire Assessment	712,816	681,188	764,447	700,521
632	General Government Capital	4,741,335	5,856,458	7,403,431	7,895,785
633	Landscape Improvements	2,164,567	3,018,038	4,303,705	4,698,152
634	Library Capital	1,076,954	1,348,628	1,630,968	1,623,107
635	Parks Development	5,874,603	7,586,529	6,085,261	5,886,097
636	Police Capital Improvements	1,277,562	1,688,837	2,068,156	2,107,378
637	Underground Utilities	59,752	43,332	43,957	44,387
701	Sewer Maintenance & Operations	5,432,759	6,497,931	6,761,002	8,064,542
701	Sewer Hook-up Deposits	721,657	730,150	742,565	745,994
702	Sewer Capital Projects	0	0	180,966	261,904
703	Sewer Replacement	14,556,398	13,328,577	12,608,194	12,215,644
710	Water Operations	272,503	340,332	415,962	473,567
901	Refundable Deposits	4,516,019	5,755,917	5,870,858	9,041,620
TOTAL OTHER CITY FUNDS		\$ 156,649,431	\$ 171,447,499	\$ 182,805,105	\$ 193,342,822

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

CASH BALANCE FYs 2016 - 2019		Cash Balances June 30, 2016	Cash Balances June 30, 2017	Cash Balances June 30, 2018	Cash Balances December 31, 2018	
CFD/LMD DISTRICT FUNDS:						
401	Landscape Maint Dist #1	\$ 2,808,672	\$ 2,910,546	\$ 2,938,206	\$ 2,921,691	General Fund subsidy \$272,100
402	Landscape Maint Dist #2 - Heritage	783,373	1,008,396	1,334,456	917,653	
403	Landscape Maint Dist #3-1 - Empire Center	163,619	184,785	205,468	211,872	
404	Landscape Maint Dist #3 - Hunter's Ridge	2,530,516	2,665,234	2,643,164	2,601,374	
406	Lighting District #3 - Hunter's Ridge	38,592	35,412	35,013	34,336	
407	CFD #1 - Southridge	7,388,920	7,559,484	7,819,411	7,663,973	
408	CFD #6 - The Landings	2,787,049	2,922,751	3,004,128	2,970,617	
409	CFD #6-1 Stratham	616,777	621,824	595,225	643,005	
410	CFD #6-2 North Morningside	196,858	188,235	204,005	224,301	
411	CFD #6-3A Bellgrove II	126,686	101,118	146,148	204,975	
412	CFD #7 - County Club Estates	370,232	399,218	441,558	436,679	
413	CFD #8 - Presley Development	1,120,668	1,144,457	1,108,479	1,042,074	
414	CFD #9M - Morningside	459,570	435,144	451,617	478,416	
415	CFD #10M Jurupa Industrial Center	205,000	222,048	235,932	246,455	
416	CFD #12 Sierra Lakes	1,306,635	1,062,311	1,231,430	1,133,123	
417	CFD #13M Summit Heights	1,679,145	1,811,733	1,792,183	1,659,399	
418	CFD #14M Sycamore Hills	548,087	542,911	638,528	695,239	
419	CFD #15M Silver Ridge	319,808	307,155	347,995	434,163	
420	CFD #16M Ventana Pointe	176,225	175,304	176,562	185,130	
421	CFD #18M Badiola Homes	28,533	30,965	33,798	37,422	
422	CFD #20M Cottages I	172,124	173,371	165,908	165,346	
423	CFD #21M Western Division	175,534	185,247	186,732	203,609	
424	CFD #23 CDS Homes	22,720	20,244	55,100	59,071	
425	CFD #24M	145,050	156,155	151,329	168,923	
426	CFD #25M	311,049	313,747	318,076	342,267	
427	CFD #27M	56,107	50,222	53,790	60,123	
428	CFD #28M	551,539	580,409	557,213	608,904	
429	CFD #29M	84,086	80,808	77,297	80,566	
430	CFD #30M	656,224	687,218	687,458	761,845	
431	CFD #34 Empire Detention Basin	166,333	184,615	194,625	200,090	
432	CFD #33M Empire Lighting District	87,732	106,832	111,398	116,450	
433	CFD #31M	449,202	452,171	480,169	583,288	
434	CFD #32M	71,597	76,249	80,046	90,422	
435	CFD #35M	1,852,916	1,767,684	1,625,989	1,621,454	
436	CFD #36M	56,659	56,261	59,784	66,606	
437	CFD #38M	687,867	737,659	766,074	831,209	
438	CFD #37 Montelago	306,371	292,682	297,283	318,446	
439	CFD #39M	69,255	64,599	66,749	72,833	
440	CFD #40M	33,196	38,875	47,350	48,845	
441	CFD #41M	95,876	100,639	105,618	111,497	
442	CFD #42M	228,852	246,009	256,831	263,425	
443	CFD #44M	31,196	30,086	32,926	35,613	
444	CFD #45M	353,305	359,409	372,180	399,135	
445	CFD #46M	220,981	236,912	247,301	264,563	
446	CFD #47M	19,396	17,504	21,953	23,814	
447	CFD #48M	347,709	354,510	371,576	394,811	
448	CFD #49M	31,877	31,053	37,855	40,676	
449	CFD #50M	87,105	86,526	93,561	103,518	
450	CFD #51M	169,026	177,020	183,161	199,887	
SUBTOTAL CFD/LMD FUNDS		\$ 31,195,849	\$ 31,993,747	\$ 33,088,638	\$ 32,979,133	

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

CASH BALANCE		Cash Balances	Cash Balances	Cash Balances	Cash Balances
FYs 2016 - 2019		June 30, 2016	June 30, 2017	June 30, 2018	December 31, 2018
CFD/LMD DISTRICT FUNDS:					
453	CFD #53M	43,505	47,552	52,583	57,434
454	CFD #54M	68,276	69,743	78,536	85,439
455	CFD #55M	35,869	39,130	42,445	45,341
456	CFD #56M	58,775	80,576	101,494	117,796
457	CFD #57M	54,726	57,206	61,219	64,563
458	CFD #58M	6,821	7,496	11,061	13,414
459	CFD #59M	4,781	7,242	4,905	6,151
460	CFD #60M	63,303	66,317	74,801	79,525
461	CFD #61M	267,806	288,731	313,460	336,518
462	CFD #62M	17,709	17,882	18,093	23,837
463	CFD #63M	243,321	266,149	321,525	352,527
464	CFD #64M	35,389	40,705	44,190	47,075
465	CFD #65M	130,480	151,071	159,038	169,949
467	CFD #67M	167,718	165,399	173,857	188,374
468	CFD #68M	92,037	113,299	106,567	117,298
469	CFD #69M	242,075	396,636	546,745	618,793
470	CFD #70M	160,455	186,470	192,246	213,188
471	CFD #71M	213,353	289,025	299,051	356,402
472	CFD #72M	21,350	29,819	31,684	35,532
473	CFD #73M	127,798	190,671	211,924	238,295
474	CFD #74M	166,791	164,304	72,931	190,492
475	CFD #75M	28,562	40,400	44,783	50,080
476	CFD #76M	65,545	93,335	104,428	115,734
477	CFD #77M	25,719	36,809	39,758	44,231
478	CFD #78M	34,502	103,333	115,844	148,140
479	CFD #79M	-	-	46,014	46,404
480	CFD #80M	-	202,732	394,731	463,844
481	CFD #81M	-	-	93,196	128,532
483	CFD #83M	-	-	53,065	85,360
484	CFD #84M	-	-	16,915	26,767
486	CFD #86M	-	-	0	31,874
657	CFD #31 Citrus Heights North	98,190	11,596	12,004	12,122
658	CFD #37 Montelago	24,780	5,655	5,788	5,844
659	CFD #70 Avellino	8,518	739	763	770
950	CFD #2 Village of Heritage	-	-	160,959	125,592
951	CFD #3 Hunter's Ridge - Debt Service	184,100	184,100	188,769	188,769
953	CFD #7 County Club Estates	-	-	-	113,123
954	CFD #11 Heritage	-	-	-	358,620
955	CFD #12 Sierra Lakes	-	-	-	697,706
956	CFD #22	-	-	-	1,086,837
957	CFD #31 Citrus Heights North	-	-	-	723,783
958	CFD #37 Montelago	-	-	-	130,034
959	CFD #70 Avellino	-	-	-	104,300
960	CFD #71 Sierra Crest	97,568	-	-	176,175
961	CFD #80 Bella Strada	-	230,333	-	406,773
962	CFD #81 Gabriella	-	-	-	226,494
963	CFD #74B Citrus/Summit	-	-	-	-
964	CFD #86 Etiwantda Ridge	-	-	-	5,311
SUBTOTAL CFD/LMD FUNDS		2,789,822	3,584,455	4,195,372	8,861,162
TOTAL CFD/LMD FUNDS		\$ 33,985,671	\$ 35,578,202	\$ 37,284,010	\$ 41,840,295
TOTAL CITY FUNDS		\$ 241,877,840	\$ 263,471,062	\$ 278,574,210	\$ 273,535,382

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

CASH BALANCE FYs 2016 - 2019	Cash Balances June 30, 2016	Cash Balances June 30, 2017	Cash Balances June 30, 2018	Cash Balances December 31, 2018
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	\$ 11,504,296	\$ 15,628,286	\$ 16,762,931	\$ 16,969,400
638 Affordable Housing Trust	1,824,684	2,488,888	3,251,250	3,449,581
697 Fontana Housing Authority	2,332,136	2,940,936	2,634,459	2,675,749
Total Low/Mod Housing Funds	15,661,116	21,058,110	22,648,640	23,094,730
FONTANA COMMUNITY FOUNDATION FUND:				
499 Fontana Community Foundation	\$ 128,569	\$ 129,895	\$ 131,627	\$ 132,913
FONTANA FIRE DISTRICT:				
497 Fontana Fire District	\$ 11,200,144	\$ 8,722,959	\$ 8,558,758	\$ 6,282
498 FFD - CFD 2002-2	3,006,771	3,307,837	3,650,524	3,685,514
696 Fontana Capital Project	4,246,134	6,576,297	5,566,163	4,751,989
Total Fontana Fire District Funds	18,453,049	18,607,093	17,775,445	8,443,785
SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY:				
290 FRA - Low/Mod	\$ 187,152	\$ 189,196	\$ 191,821	193,694
990 Successor Agency	-	-	57,725	219,657
991 Successor Agency - Jurupa Hills	-	-	52,475	(262,790)
Total Project/Debt Service Funds	23,421,148	22,800,144	302,021	150,561
TOTAL OTHER AGENCIES FUNDS	\$ 57,663,882	\$ 62,595,247	\$ 40,857,738	\$ 31,821,989
TOTAL CITY AND OTHER AGENCIES FUNDS	\$ 299,541,722	\$ 326,066,309	\$ 319,431,948	\$ 305,357,371

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

Amounts Due To/From		Principal Balances December 31, 2018	Unpaid Interest Balances December 31, 2018	Total Due To/From Balances December 31, 2018	
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:					
990	Successor Agency/North Fontana Debt Service (Jr. Lien Bonds)	28,377,270	-	28,377,270	12.0% interest
990	Successor Agency/Downtown Debt Service (Administrative Expenses Loan)	787,838	-	787,838	10.0% interest
TOTAL AMOUNTS DUE TO GENERAL FUND FROM FRA FUNDS		\$ 29,165,108	\$ -	\$ 29,165,108	
TOTAL AMOUNTS DUE TO GENERAL FUND FROM OTHER FUNDS AND FRA FUNDS		\$ 29,437,208	\$ -	\$ 29,437,208	
AMOUNTS DUE CAPITAL PROJECTS FOR SBCTA PROJECTS:					
601	Capital Projects/Circulation Mitigation (630)	3,167,132	-	3,167,132	Non-interest bearing advance
TOTAL AMOUNTS DUE FOR SBCTA PROJECTS		\$ 3,167,132	\$ -	\$ 3,167,132	
AMOUNTS DUE TO FUTURE CAPITAL PROJECTS FOR CPNA ARTERIAL PROJECTS:					
603	Capital Projects/Circulation Mitigation Fund (630)	3,108,112	-	3,108,112	Non-interest bearing advance
TOTAL AMOUNTS DUE FOR CPAN ARTERIAL PROJECTS		\$ 3,108,112	\$ -	\$ 3,108,112	
AMOUNTS DUE TO FUTURE CAPITAL PROJECTS FOR DIF ADVANCEMENT:					
603	Capital Projects/Circulation Mitigation Fund (630)	25,000,000	-	25,000,000	Non-interest bearing advance
TOTAL AMOUNTS DUE FOR DIF ADVANCEMENT		\$ 25,000,000	\$ -	\$ 25,000,000	
AMOUNTS DUE TO FUTURE CAPITAL PROJECTS FOR ROW FUNDS:					
603	Capital Projects/Circulation Mitigation Fund (630)	400,000	-	400,000	Non-interest bearing advance
TOTAL AMOUNTS DUE FOR CPAN ARTERIAL PROJECTS		\$ 400,000	\$ -	\$ 400,000	
AMOUNTS DUE TO OTHER CITY FUNDS FROM SUCCESSOR AGENCYFUNDS:					
592	Successor Agency/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		\$ 3,305,829	\$ -	\$ 3,305,829	

Economic Development in Fontana

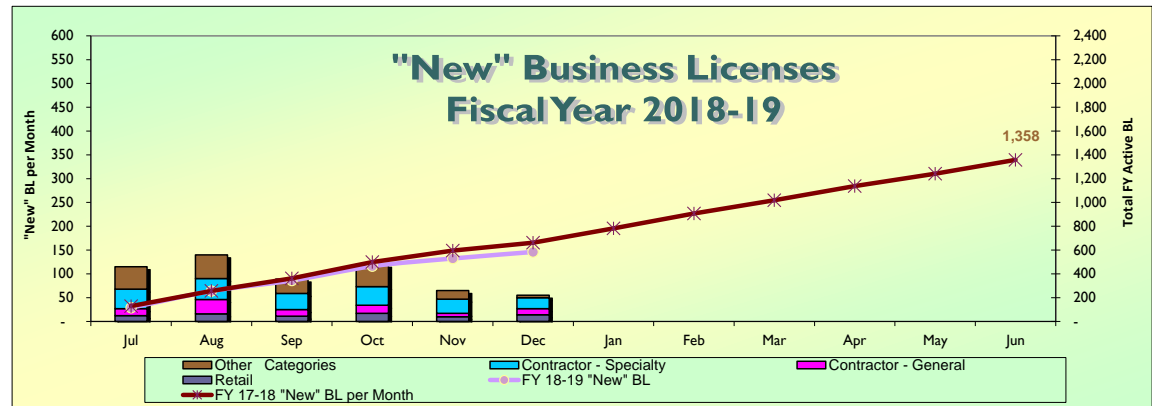
Factors Indicating the City's Economic Growth:

Business Licenses: "New" businesses are those that first applied for a business license in that fiscal year. There were 8,933 active businesses in FY 2016-17. As of June 30, 2018 there were 8,959 active business licenses in the City. Businesses are recorded as renewals in the subsequent year.

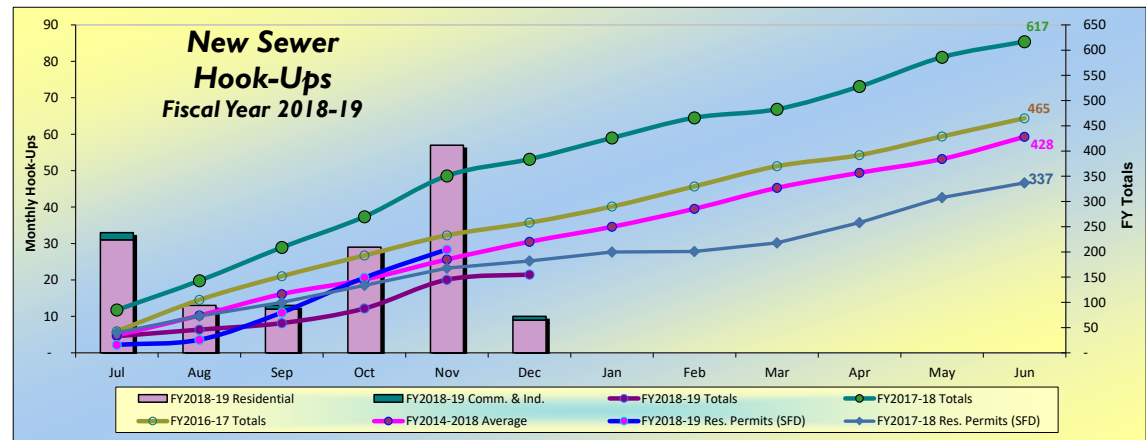
During the month of December 2018, 55 new business licenses were issued, primarily to **Contractor-Specialty (23)**, **Contractor-General (13)** & **Retail (14)**. In addition to these 55, the City received 24 other business license applications that are pending approval. As of December 31, 2018, there are **9,100 active business licenses** representing an increase of 141 since June 30, 2018.

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 December 2018, there were 9 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	12	16	11	17	10	14						
Contractor - General	15	30	14	17	7	13						
Contractor - Specialty	41	44	34	39	30	23						
Other Categories	47	50	30	47	18	5						
FY 18-19 "New" BL per	115	140	89	120	65	55						
FY 18-19 "New" BL	115	255	344	464	529	584						
FY 17-18 "New" BL	129	256	362	499	595	661	782	907	1,018	1,137	1,242	1,358
Current FY Total Active BL	9,061	9,004	9,119	9,130	9,130	9,100						



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY2018-19 Comm. & Ind.	2	-	1	-	-	1						
FY2018-19 Residential	31	13	12	29	57	9						
FY2018-19 Totals	33	46	59	88	145	155						
FY2017-18 Comm. & Ind.	2	2	1	2	1	3	-	1	-	-	3	1
FY2017-18 Residential	83	56	65	59	80	30	42	39	17	45	55	30
FY2017-18 Totals	85	143	209	270	351	384	426	466	483	528	586	617

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 10 fiscal years, Capital Projects actual expenditures have totaled **\$65,718,598** through June 30, 2018.

		As of December 31, 2018				Project
Job Number	Description	Capital Budget	Actuals	Encumbrances	Remaining Budget	Notes
Development Services						
9325199601	Valley Blvd Transition District	275,000	589	-	274,411	
9332200601	General Plan	1,847,676	1,847,676	-	-	
Engineering						
9308700601	I-10/Cherry Interchange	264,413	111,100	-	153,313	
931150X601	Sawtooth Project	697,911	97,500	-	600,411	
9329700601	Sierra at Metrolink Crossing	98,180	30,230	-	67,950	
9334900601	Auto Center Monument	1,000,000	129,326	14,210	856,464	
Information Technology						
9102100601	ERP System Replacement	2,024,850	253,745	746,255	1,024,850	
Public Works						
9336901601	Route Maint-AB Miller HS	18,262	-	-	18,262	
9410301601	Pavement Rehabilitation	36,907,108	33,889,456	604,522	2,413,130	
9412400601	San Bernardino Ave Paving - 2 Party	8,440,800	7,379,786	-	1,061,014	
9432600601	Sidewalk Rehab Project	1,269,738	537,865	136,114	595,759	
9433600601	Storm Drain System Conversion	300,000	-	-	300,000	
9433900601	Landscape Irrigation Improvements	100,000	-	-	100,000	
	Total:	\$ 53,243,938	\$ 44,277,273	\$ 1,501,101	\$ 7,465,564	

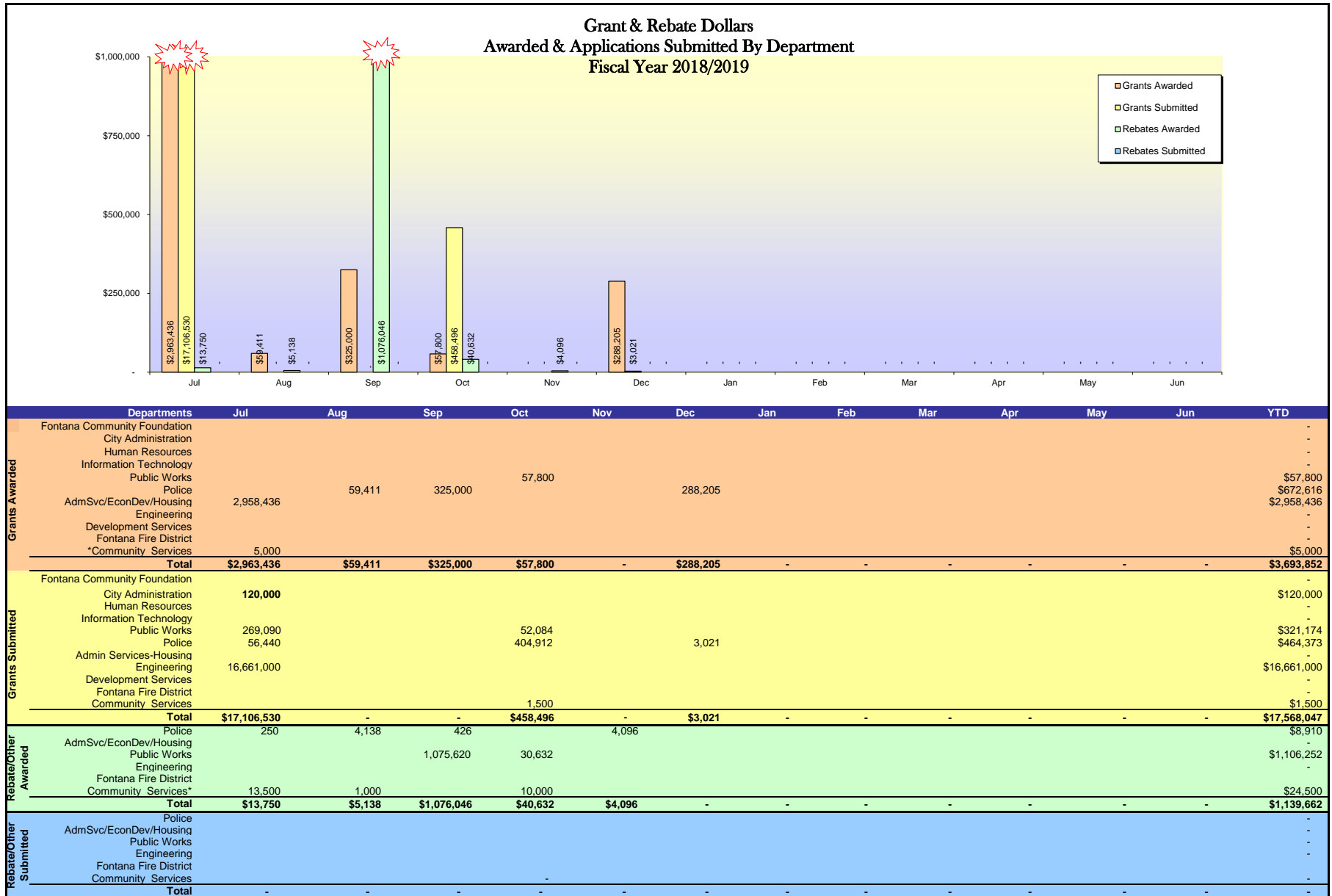
Future Capital Projects Fund #603

Fund Description: The Future Capital Projects Fund was established in July 2011 to accumulate reimbursements received from SANBAG and the Circulation Mitigation Development Impact Fee Fund. These reimbursements are being received as the result of eight Cooperative Agreements implemented between the City and SANBAG in December 2006. The City Council goal is to invest 100% of these funds into discretionary infrastructure projects as defined in the Seven-Year Capital Improvement Program.

		As of December 31, 2018				Project
Job Number	Description	Capital Budget	Actuals	Encumbrances	Remaining Budget	Notes
Engineering						
9333300603	Foothill: Hemlock-Almeri	1,000,000	750	-	999,250	
943370X603	Microgrid/Cool Roof	1,400,000	-	-	1,400,000	
	Total:	\$ 2,400,000	\$ 750	\$ -	\$ 2,399,250	

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 submitted and/or awarded during the fiscal year 2018/2019.



* Community Services is expected to receive reimbursements of \$3,733,700 for the 2018-2019 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.

Grant Detail

AWARDED

<u>Grant Name</u>	<u>Funding Source</u>	<u>Fund #</u>	<u>Date</u>	<u>Amount</u>
Public Works				
Oil Payment Program (OPP 9) FY2018-2019	STATE	301	OCTOBER 2018	\$57,800
Police				
2018 Edward Byrne Memorial Justice Assistance Grant (JAG)	FEDERAL	321	AUGUST 2018	\$59,411
2019 Selective Traffic Enforcement Program (STEP)	STATE	301	SEPTEMBER 2018	\$325,000
DOJ Prop 56 Tobacco Grant Program	STATE	301	DECEMBER 2018	\$288,205
Administrative Services/Economic Development/Housing				
Community Development Block Grant (CDBG) Program 18/19	FEDERAL	362	JULY 2018	\$2,069,303
HOME Investment Partnerships Program (HOME) 18/19	FEDERAL	363	JULY 2018	\$722,667
Emergency Solutions Grant (HESG) Program 18/19	FEDERAL	362	JULY 2018	\$166,466
Community Services				
Kaiser Hospital - Fontana & Ontario Medical Centers Community Benefit Grant	PRIVATE	101	JULY 2018	\$5,000
Total through December 2018				\$3,693,852

APPLICATIONS SUBMITTED

City Administration				
US Conference of Mayor's 2018 Childhood Obesity Prevention Awards	PRIVATE	101	JULY 2018	\$120,000
Public Works				
MSRC Local Government Partnership Program	AGENCY	103	JULY 2018	\$269,090
CalRecycle Beverage Container Recycling City/County Payment Program	STATE	301	OCTOBER 2018	\$52,084
Police				
2018 Justice Assistance Grant	FEDERAL	321	JULY 2018	\$56,440
DOJ Prop 56 Tobacco Grant Program	STATE	101	OCTOBER 2018	\$404,912
DOJ Untested Sexual Assault Evidence Grant Program	STATE	101	DECEMBER 2018	\$3,021
Engineering				
DOT Better Utilizing Investments to Leverage Development Transportation (TIGER)	FEDERAL	101	JULY 2018	\$15,184,000
Active Transportation Program - Safe Routes to Schools (Fontana High, Cypress, & T	FEDERAL	101	JULY 2018	\$1,477,000
Community Services				
America Walks Community Challenge Grant	PRIVATE	101	OCTOBER 2018	\$1,500
Total through December 2018				\$17,568,047

Rebates, Donations & Other Awards Detail

City of Fontana, Financial Performance Report

Awarded					
Name	Funding Source	Fund #	Date	Cash Amount	Value Amount
Public Works					
LS-1 Edison Owned LED Street Lights Retrofits Rebate	PRIVATE	101	SEPTEMBER 2018	\$1,075,620	
SCE Charge Ready Program - Electric Vehicle Charging Stations	PRIVATE	101	OCTOBER 2018	\$30,632	
Police					
National Night Out - Fontana Recycling Center	PRIVATE	101	JULY 2018	\$100	
National Night Out - LA Clippers	PRIVATE	101	JULY 2018		\$150
National Night Out - Glen Ivy Hot Springs	PRIVATE	101	AUGUST 2018		\$76
National Night Out - Medieval Times Dinner & Tournament	PRIVATE	101	AUGUST 2018		\$124
National Night Out - Baker's Drive Thru	PRIVATE	101	AUGUST 2018		\$100
National Night Out - Pirate Dinner Adventure	PRIVATE	101	AUGUST 2018		\$248
National Night Out - Kiwanis Club of Fontana	PRIVATE	101	AUGUST 2018	\$50	
National Night Out - Staples	PRIVATE	101	AUGUST 2018		\$1,423
National Night Out - Ontario Improv	PRIVATE	101	AUGUST 2018		\$160
National Night Out - Costco	PRIVATE	101	AUGUST 2018		\$50
National Night Out - Jeimy Ramirez-Figueroa Professional Services	PRIVATE	101	AUGUST 2018	\$100	
National Night Out - We-Tip	PRIVATE	101	AUGUST 2018		\$20
National Night Out - George's Shell	PRIVATE	101	AUGUST 2018		\$25
National Night Out - Shaver Insurance	PRIVATE	101	AUGUST 2018		\$100
National Night Out - AT&T	PRIVATE	101	AUGUST 2018		\$60
National Night Out - California Health Collaborative	PRIVATE	101	AUGUST 2018		\$30
National Night Out - Lularoe	PRIVATE	101	AUGUST 2018		\$40
National Night Out - Mod Pizza	PRIVATE	101	AUGUST 2018		\$100
National Night Out - McDonalds	PRIVATE	101	AUGUST 2018		\$20
National Night Out - Amazon	PRIVATE	101	AUGUST 2018		\$25
National Night Out - HomeStreet Bank	PRIVATE	101	AUGUST 2018		\$40
National Night Out - Meadow May Bowtique	PRIVATE	101	AUGUST 2018		\$20
National Night Out - AT&T	PRIVATE	101	AUGUST 2018		\$199
National Night Out - Donna Marie May-Nom Pixel Art	PRIVATE	101	AUGUST 2018		\$20
National Night Out - San Bernardino County Fire	PRIVATE	101	AUGUST 2018		\$100
National Night Out - Ronald McDonald House	PRIVATE	101	AUGUST 2018		\$60
National Night Out - Inland Valley Federal Credit Union	PRIVATE	101	AUGUST 2018		\$50
National Night Out - Aquarium of the Pacific	PRIVATE	101	AUGUST 2018		\$60
National Night Out - Palm Springs Aerial Tramway	PRIVATE	101	AUGUST 2018		\$52
National Night Out - Laser Island	PRIVATE	101	AUGUST 2018		\$72
National Night Out - Desert Adventure Red Jeep Tours	PRIVATE	101	AUGUST 2018		\$50
National Night Out - Moronga Casino & Resort Spa	PRIVATE	101	AUGUST 2018		\$300
National Night Out - Sam's Club	PRIVATE	101	AUGUST 2018		\$25
National Night Out - Big Al's Ontario	PRIVATE	101	AUGUST 2018		\$80
National Night Out - Ontario Improv	PRIVATE	101	AUGUST 2018		\$160
National Night Out - K1 Speed Indoor Kart Racing	PRIVATE	101	AUGUST 2018		\$100
Investigations - Concerned Citizens for the Development of N. Fontana	PRIVATE	101	SEPTEMBER 2018		\$426
Thanksgiving Meal Giveaway - USS Foundation	PRIVATE	101	NOVEMBER 2018		\$4,096
Community Services					
Fontana Foundation of Hope/Jack Long - (2) Commercial Grade Refrigerators	PRIVATE	N/A	JULY 2018		\$11,000
Fontana Days Run - Southern CA Auto Auction-Cox Automotive	PRIVATE	101	JULY 2018	\$2,500	
Fontana Summer Concerts - OmniTrans	PRIVATE	101	AUGUST 2018	\$500	
Let's Move on the Trail - Fontana Recycling Center	PRIVATE	101	AUGUST 2018	\$500	
Festival of Winter - Fontana Foundation of Hope	PRIVATE	101	OCTOBER 2018	\$5,000	
Festival of Winter - Bel-Air Swap Meet, Inc	PRIVATE	101	OCTOBER 2018	\$5,000	
Total through December 2018				<u>\$1,120,002</u>	<u>\$19,660</u>

Development Services Organization Customer Service Quality Assurance

Each month the Development Services Organization sends 150 surveys to a random sampling of customers. There were 10 survey cards received in December

The surveys request a rating of the level of customer assistance that was received.

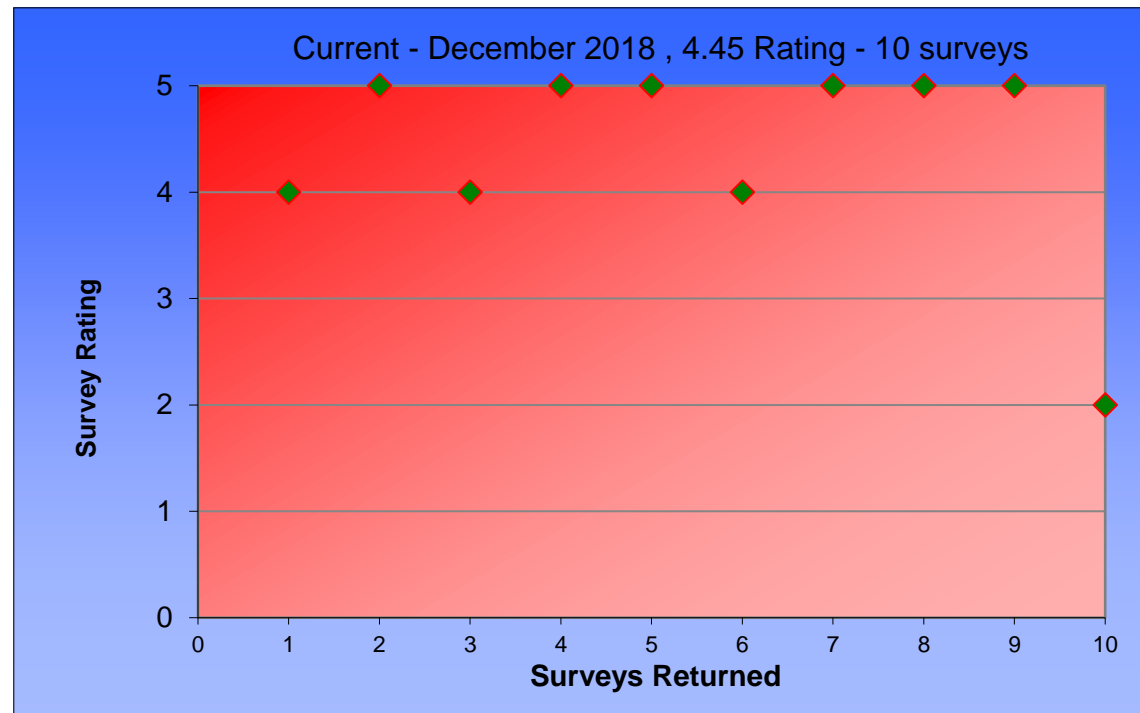
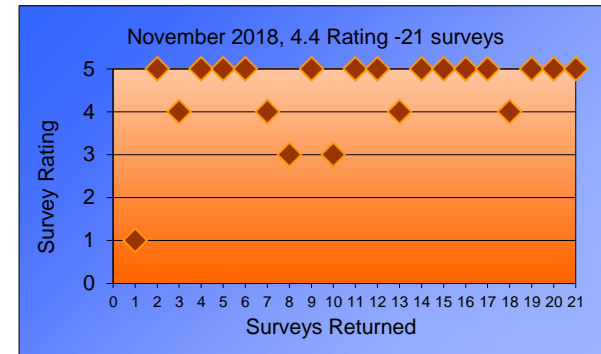
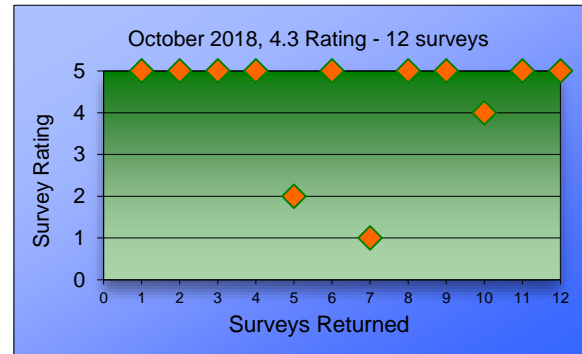
A rating of 1 is below expectations.

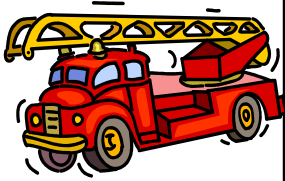
A rating of 5 is above expectations.

The survey also invites the customer to comment on the service that was received.

The following charts summarize the responses received.

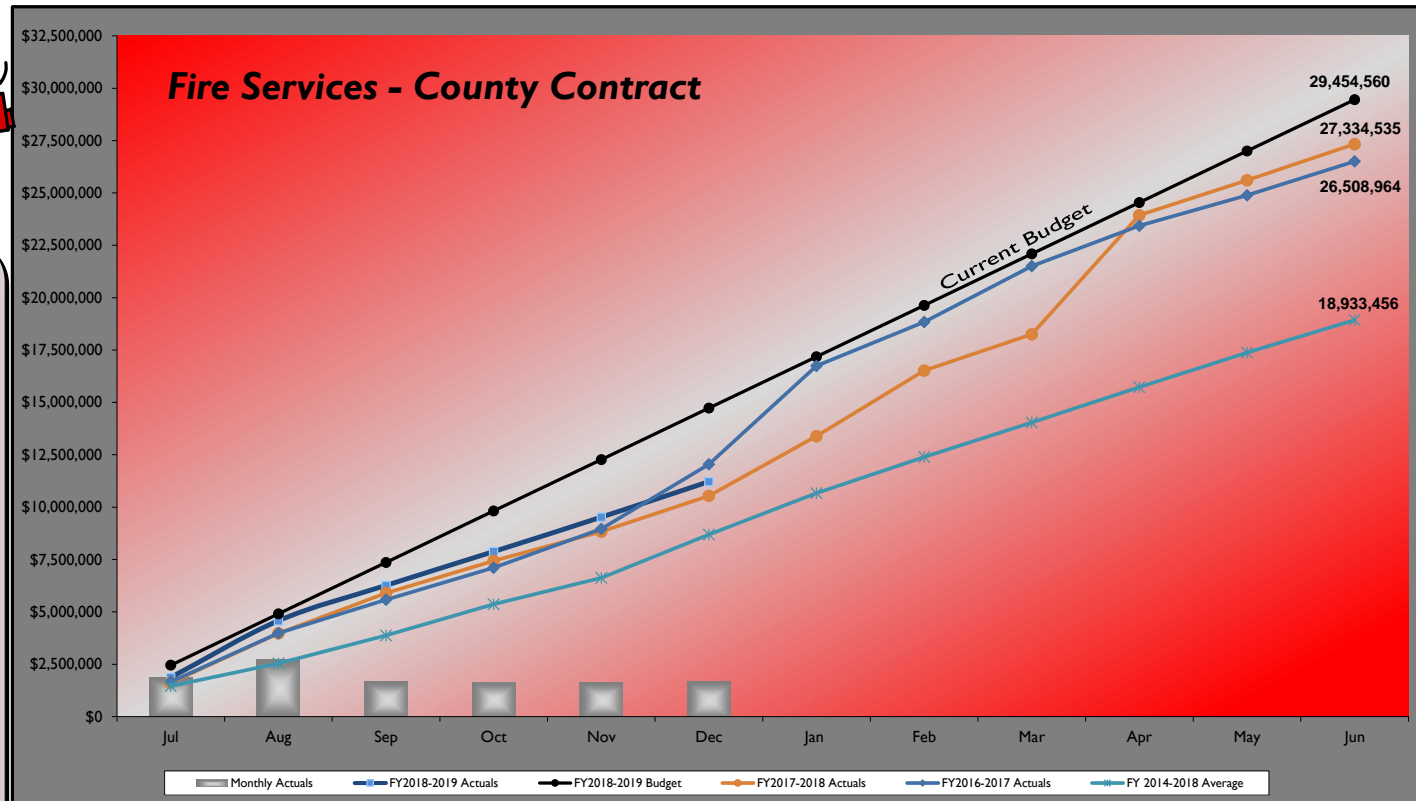
The Development Services front counter staff assisted 1,105 customers in December which equates to 92 customers per day.





As of December 31, 2018,
Fire has spent 38.09% of
their annual contract
compared to a target of
50%.

SIGNIFICANT ITEMS:



Expenditure Categories	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Salaries & Benefits	\$ 1,555,698	\$ 2,588,878	\$ 1,341,123	\$ 1,503,684	\$ 1,552,745	\$ 1,618,242						
Operating Expenses	259,951	14,210	258,664	10,005	7,384	6,352						
Station Expenses	55,269	103,330	87,357	100,144	84,938	70,682						
Fire Prevention Services	50	257	46	91	52	1,138						
Admin Overhead	-	-	-	-	-	-						
Monthly Actuals	\$ 1,870,968	\$ 2,706,675	\$ 1,687,190	\$ 1,613,924	\$ 1,645,119	\$ 1,696,414						
FY2018-2019 Actuals	1,870,968	4,577,643	6,264,833	7,878,757	9,523,876	11,220,290						
FY2018-2019 Budget	2,454,547	4,909,093	7,363,640	9,818,187	12,272,733	14,727,280	17,181,827	19,636,373	22,090,920	24,545,467	27,000,013	29,454,560
FY2017-2018 Actuals	1,617,445	3,979,037	5,897,616	7,434,856	8,830,328	10,533,986	13,388,318	16,520,488	18,253,196	23,938,141	25,604,350	27,334,535

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