CITY OF CORONA, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2009

Prepared by the City of Corona Finance Department

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November 24, 2009

To the Honorable Mayor, City Council, and Citizens of the City of Corona, California:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Auditing Standards Generally Accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Corona for the fiscal year ended June 30, 2009.

This report consists of management's representations concerning the finances of the City of Corona. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Corona has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Corona's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Corona's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

For certain debt issues, the City of Corona covenants to submit a continuing disclosure to the bond holders. The City's CAFR is a required part of that annual disclosure. The California State Controller requests that the City's audit report be delivered to the State Controller's office as soon as available.

The City of Corona's financial statements have been audited by Teaman, Ramirez & Smith, Inc., Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Corona for the fiscal year ended June 30, 2009 are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Corona's financial statements for the fiscal year ended June 30, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented on the first page of the Financial Section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Corona's MD&A can be found immediately following the report of the independent auditors.

Profile of the City

The City of Corona is located approximately 45 miles southeast of Los Angeles in western Riverside County. The community is ideally situated at the base of the mountainous Cleveland National Forest on an alluvial plain leading down, or north to the Santa Ana River. In 2009 the City's population was 148,597 and the City limits covered approximately 39.2 square miles. Corona is a General Law City. Five Corona citizens make up the Corona City Council and each is elected to a four-year term of office. The Mayor is appointed annually by and from the City Council.

The City of Corona was incorporated in 1896 under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: Public Safety (Police and Fire), Highways and Streets, Electric, Public Library, Parks, Public Improvements, Planning and Zoning, Public Transportation (Dial-A-Ride and Corona Cruiser programs) and General Administrative Services. Water and Water Reclamation services are provided through the legally separate Corona Utility Authority, which functions as a department of the City of Corona and therefore has been included as an integral part of the City of Corona's financial statements. The Redevelopment Agency, Corona Public Financing Authority and the Corona Public Improvement Corporation are financially accountable by the City of Corona and are reported in the financial statements. Additional information on all of these legally separate entities can be found in the Notes to the Financial Statements, under the Description of Reporting Entity section.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Each year, a proposed budget is submitted to the City Council and a public meeting is conducted to obtain taxpayer comments. The budget is subsequently adopted by the City Council through passage of a resolution. The legal level of budgetary control is at the department level. The City Council may amend the budget to add or delete appropriations, transfer between appropriations within a fund or change appropriations between funds.

Local Economy

The City of Corona is the gateway through which economic forces flow from Orange County into the Inland Empire. Over the past two decades, as that county has become increasingly built-out, the inland immigration of families and firms has made Corona a prosperous city. In 2009, the Inland Empire is facing its most serious economic challenge since the 1930's as the area has lost 48,650 jobs, mostly in the construction, logistics and manufacturing sectors. The housing market plays a crucial role in the local economy as well. In the first quarter of 2009, the sales of detached homes was down from the peak of the fourth quarter of 2005 by 29.5%, but was up 83.4% from the low in fourth quarter 2007, driven by the foreclosure market. The market has now returned to the third quarter 2002 level. Medium existing home prices for Riverside County for the first quarter of 2009 were 39.3% below last year's. With foreclosures driving the region's housing prices down, existing home sales volume has greatly increased. Fewer new homes are expected to be built under these circumstances resulting in declining sales over the next several years.

Major industries within the City include construction, manufacturing, retail trade and distribution and transportation sections. From 2000 to 2008, the City's job market grew from 53,938 jobs to 78,101, up by 44.8%. The City's peak was at 80,861 jobs in 2006, with two consecutive declines of 1,831 and 929 in 2007 and 2008. Professional, management and education fields

are the largest sectors, employing 34.4% of the City residents with 26,836 jobs, replacing construction and manufacturing sectors which were the largest in the past few years. Retail trade is the second largest sector with 10,559 jobs, or 13.6% of residents, down by 31.3% from the previous year. Until 2007, Corona's job growth outpaced the rapidly growing Inland Empire in every year, fueled by the boom in construction and distribution/transportation sectors, the then largest employers for the City's residents. However, as these sectors took the biggest job losses during the past year, unemployment in the City climbed to 6.3% in 2008 and 10.9% through September 2009.

Property tax is the largest revenue source for the City for the fiscal year ending June 30, 2009. Total taxable assessed valuation in Corona has increased by 66.8% over the past five years to $17.7 billion. Sales tax is another principal revenue source for the City. Taxable retail sales were $3.0 billion in 2008, and were down by 15.5% from 2007, the second consecutive decline since 2007. Total property and sales tax constituted 49.8% of total governmental revenues, which are significant sources to support all general government activities including public safety, public works, community services and redevelopment.

Long Term Financial Planning

As the economic downturn continues, the City's continued control over expenditure growth has been and will continue to be a key factor in maintaining the City's strong financial position. Budgetary reductions were made in response to the economic downturn in October 2008. The City's General Fund operating budget was reduced by $10.5 million on an annual basis. That reduction, combined with the use of contingency reserves accumulated in prior years, enabled the City to balance its General Fund budget for the fiscal year 2009-10. The City is committed to fiscal responsibility, effective resource management, and providing the highest service levels to our residents. The City Council is aware that this is a dynamic process and recognizes that there may be ongoing economic issues that will require additional attention. In the past, the City has wisely taken advantage of financial prosperity to secure its ongoing stability, and will continue to take the same conservative approach in the future. The adopted budget resolution requires that the City maintain a contingency reserve of $14,300,000 through June 30, 2009. This amounts to approximately a 12% set aside of the following year's budgeted operating expenditures of the General Fund to allow for contingencies and emergencies. Other funds have been set aside as reserves for current and noncurrent budget shortfalls, facility projects, future automation needs, vehicle and equipment replacement and changes in future debt service requirements. The conservative budgets that were passed in prior fiscal years contributed to this overall financial philosophy.

Relevant Financial Policies

Corona follows the General Fund Expenditure Control Budget (ECB) guidelines as outlined in the budget resolution. The fiscal year 2008-09 budget was the fifteenth year that the budget was prepared in accordance with the ECB policies adopted by the City Council for the General Fund. Departments are given increased flexibility and incentives for meeting their goals as well as being assigned greater accountability for their performance in carrying out their mission.

In order to meet anticipated future General Fund budgetary shortfalls, in October 2009, the City Council approved a prior year carryover reduction of 70%. For fiscal year 2008-09, the amount saved by the departments, including this reduction, totaled $1,674,850. The ECB savings are designated in the General Fund Balance under the title of Unreserved Fund Balance.

Major Initiatives

Corona's commitment to infrastructure improvements is demonstrated by the City's five-year Capital Improvement Program with the following highlights.

The expansion of the Corporation Yard facility began construction in late 2006 with completion scheduled for late 2009. The construction of two new building complexes was completed in May 2008, where the Department of Water and Power, field staff from various departments and the Emergency Operations Center are currently located. The Police Department was relocated to the renovated Corporation Yard building in September 2009. The cost of the entire project is estimated at $43 million and was partially financed through Lease Revenue Bonds.

Additional funds have been budgeted in fiscal year 2009-10 for various new capital improvement projects totaling $36.6 million. This is divided among the categories of: Buildings, Facilities and Systems, Roads, Bridges and Freeways, Lighting and Signals, Drainage, Parks and Airport, Redevelopment and Economic Development, Water, Water Reclamation, Electric, and Development Financed Infrastructure. The majority of the capital budget, or 28.3%, is in the Roads, Bridges and Freeways category, in the amount of $10.3 million. A couple of major projects include the pavement rehabilitation of local streets and the Magnolia/I-15 Freeway corridor construction. The capital budget for Water projects for fiscal year 2009-10 totals $9.1 million. Major projects include transmission main construction, recycled water connection and a waterline replacement.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) of the United States and Canada awarded the nineteenth consecutive Certificate of Achievement for Excellence in Financial Reporting to the City of Corona for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the efficient and dedicated service of the entire Finance Department. Staff members have our sincere appreciation for their contributions made in the preparation of this report. Credit also must be given to the Mayor, City Council and the City's executive management team for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Corona's finances.

Respectfully submitted,

Brady L. Robbins
City Manager

Debra A. Foster
Finance Director

CITY OF CORONA

Elected Officials and Administrative Personnel

Elected Officials

STEVE NOLAN ..... Mayor
KAREN SPIEGEL ..... Mayor Pro Tem
EUGENE MONTANEZ ..... Councilmember
JASON SCOTT ..... Councilmember
STAN SKIPWORTH ..... Councilmember

RICHARD O. HALEY ..... City Treasurer

Administrative Personnel

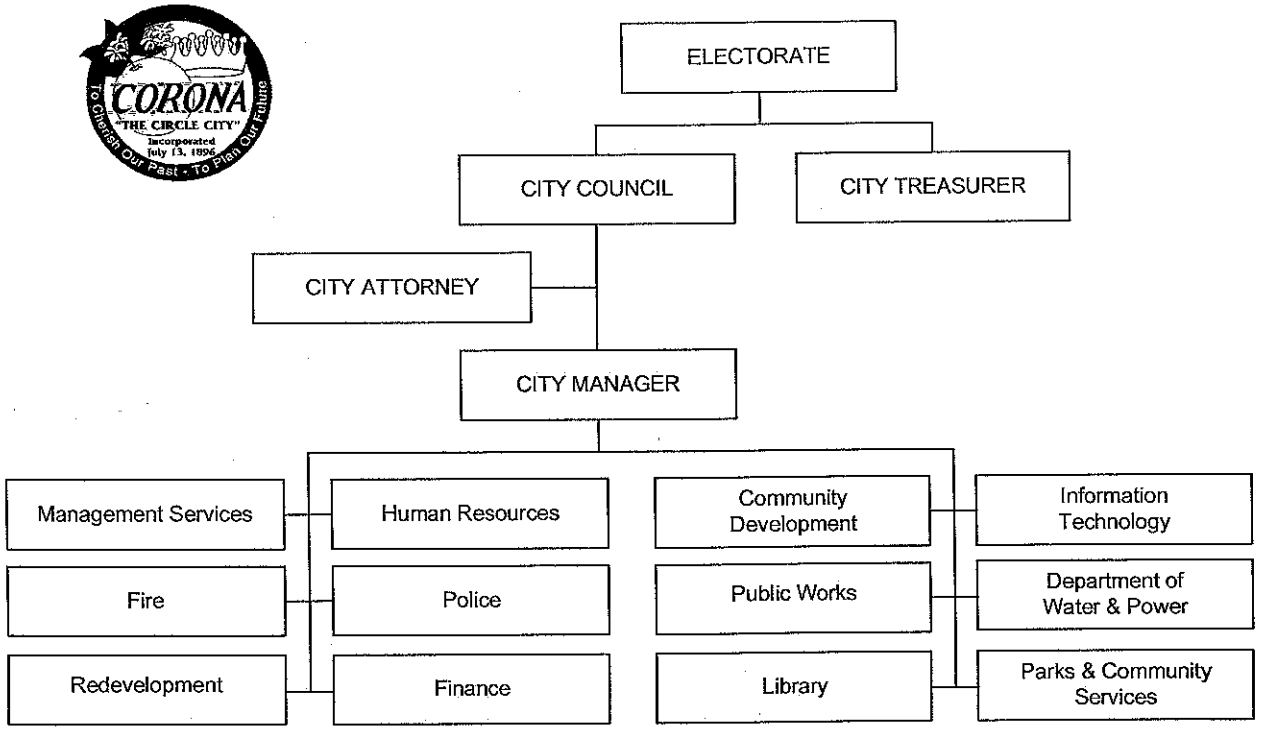
BRADLY L. ROBBINS ..... City Manager

GREG IRVINE ..... Assistant City Manager
JOANNE COLETTA ..... Community Development Director
JONATHAN DALY ..... DWP General Manager
DEBRA A. FOSTER ..... Finance Director
DAVID WALTEMEYER ..... Fire Chief
GREG IRVINE ..... Acting Human Resources Director
STEVE LARSON ..... Information Technology Director
JULIE FREDERICKSEN ..... Library Director
GABRIEL GARCIA ..... Parks and Community Services Director
RICHARD MADORY ..... Police Chief
KIP FIELD ..... Public Works Director
DARRELL TALBERT ..... Redevelopment Agency Director

BEST, BEST & KRIEGER ..... City Attorney

CITY OF CORONA

City Organizational Chart and Corporate Values



Corona's Corporate Values

As City of Corona Employees, we are proud of our organization and the community we serve. Therefore we:

Provide exceptional, responsive service
Deliver high quality results
Recognize the financial value of our activities
Display innovation in problem solving
Work as a motivated team to get the job done
Take the initiative with decisive action
Foster communication
Promote outstanding professionalism, technical and people skills
Encourage balance in our lives
Act with integrity in all we do

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Corona California

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

TRS TEAMAN, RAMIREZ & SMITH, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

The Honorable Mayor and City Council
City of Corona, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corona, California, as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Corona's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corona, California, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2009 on our consideration of the City of Corona's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of the internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying Required Supplementary Information, such as management's discussion and analysis, budgetary comparison information and other information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Corona's basic financial statements. The introductory section, the supplementary information as listed in the table of contents, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information as listed in the table of contents has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Teaman Ramirez & Smith

November 24, 2009

Richard A. Teaman, CPA • Greg W. Fankhanel, CPA • David M. Ramirez, CPA • Javier H. Carrillo, CPA
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CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2009

The following Management Discussion and Analysis (MD&A) of the City of Corona's financial performance provides an introduction and overview to the financial activities of the City for the fiscal year ended June 30, 2009. This narrative discussion and analysis focuses on the current year's activities, resulting changes and currently known facts; therefore, the information presented here should be considered in conjunction with additional information furnished in the letter of transmittal and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

Government-Wide

- Total assets of the City exceeded its liabilities at June 30, 2009 by $974.1 million (*net assets)*. Of this amount, $134.9 million *(unrestricted net assets)* may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net assets increased by $43.4 million as a result of current year's operations, netting against prior period adjustments of $1.9 million, the net increase to net assets was $41.5 million. This increase was primarily due to the completion of major capital improvement projects and paying down long-term obligations.

- Expenses were $113.2 million greater than the program revenues generated for governmental activities. Taxes, return on investments and other income for $131.7 million provided sufficient funding for City-wide programs. Together with transfers and Special Items for a total of $9.5 million recorded in the current year, governmental activities resulted in a surplus of $28.0 million for the fiscal year ended June 30, 2009.

- For business-type activities, program revenues exceeded expenses by $11.1 million. Of the total program revenues of $108.7 million, $6.7 million represents contributions of capital assets such as infrastructure from developers. Adding the investment earnings to the revenue that exceeds expense showed a $15.4 million surplus for the business-type activities.

Fund Based

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $213.7 million, which is a reduction of $0.8 million from the previous year. Approximately 52.4% of the combined fund balances, or $111.9 million, represents unreserved fund balance, all of which has been designated for future projects and needs of the City.

- At the end of the current fiscal year, unreserved fund balance for the General Fund was $54.8 million, or 46.1% of total General Fund expenditures. The unreserved General Fund balance has been designated as $14.3 million for contingencies, $11.0 million toward current budget balancing measures, $10.5 million non-current budget balancing measures, $5.0 million for various City facility projects, $4.5 million for potential impacts from changes in debt service obligations, $2.9 million for continuing appropriations, $1.7 million for the City's Expenditure Control Budget (ECB) reserves, and $4.9 million in various other designations.

- The City's total debt increased by $7.2 million during the current fiscal year as a $5.2 million promissory note was issued in conjunction with the acquisition of land by the City's Redevelopment Agency, and a $2.0 million agreement was entered into for purchasing certain capital assets by the Corona Utility Authority. The City expended $19.6 million in normal scheduled debt principal reductions.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Corona and its component units using the integrated approach as prescribed by GASB Statement No. 34.

Government-Wide Financial Statements

The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business type activities separately. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The statement of net assets and the statement of activities and changes in net assets report information about the City as a whole and about its activities. These statements include *all* assets and liabilities of the City using the *accrual basis of accounting,* which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net assets* and changes in them. Net assets are the difference between assets and liabilities, which is one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net assets are one indicator of whether its *financial health* is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's roads.

In the statement of net assets and the statement of activities and changes in net assets, we distinguish the City's functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities). The activities of these two distinctions are as follows:

Governmental activities – Most of the City's basic services are reported in this category, including the General Government, Fire, Police, Public Works, Redevelopment, Parks, Recreation and Community Services and the Library. Property and sales taxes, user fees, interest income, franchise fees, and state and federal grants finance these activities.

Business-type activities – The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's Water and Water Reclamation utilities, Electric and Transit Services activities are reported in this category.

The government-wide financial statements can be found on the pages immediately following this section as the first section of the Basic Financial Statements.

Fund Financial Statements

The fund financial statements include statements for each of the three categories of activities: governmental, proprietary and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary activities are agency funds, which report a balance sheet, a statement of changes in assets and liabilities and do not have a measurement focus. Reconciliation of the fund financial statements to the government-wide financial statements are provided to explain the differences created by the integrated approach.

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement.

The governmental fund financial statements can be found in the Basic Financial Statements section of this report.

Proprietary funds – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of revenues, expenses and changes in fund net assets. The City's enterprise funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The City uses internal service funds (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities—such as the City's self-insurance and fleet operations and equipment replacement funds. The internal service funds are reported with governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found in the Basic Financial Statements section of this report.

Fiduciary funds – The City is the trustee, or *fiduciary,* for certain funds held to account for activities reported in this category which include the receipt of special taxes and assessments used to pay principal and interest on related bonded debt that has no direct City liability, as well as receipt and disbursement of capital project proceeds related to these bonds. The City's fiduciary activities are reported in separate statements of fiduciary net assets and combining statement of changes in assets and liabilities.

The fiduciary fund financial statements can be found in the Supplementary Information section of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They are presented immediately following the Basic Financial Statements section of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees, budgetary comparison schedules for the general fund and each major special revenue fund, and schedules and disclosure of the modified approach for reporting the City's infrastructure.

Combining and individual statements for non-major governmental and proprietary funds, internal service funds and fiduciary funds are presented in the Supplementary Information section of this report.

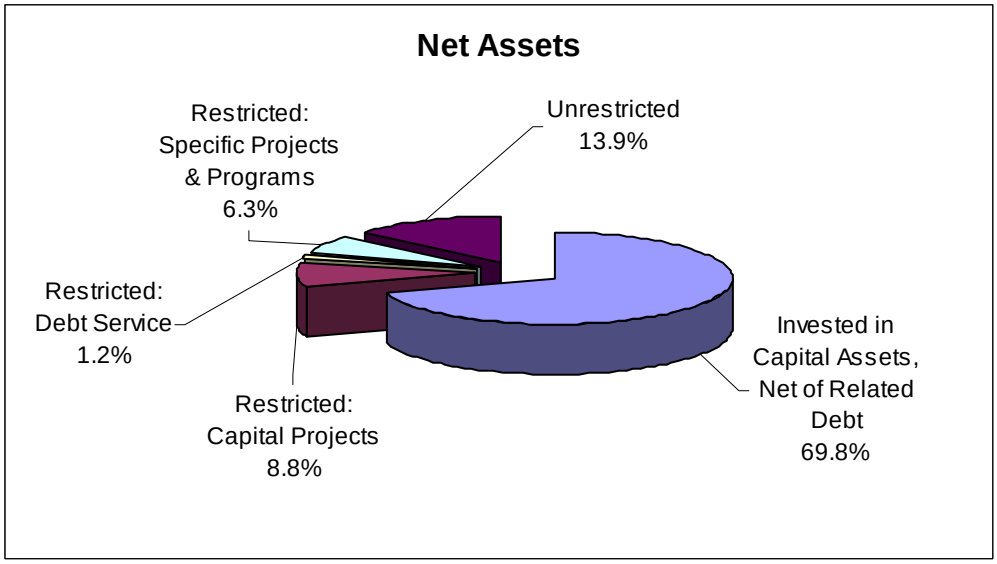
GOVERNMENT- WIDE FINANCIAL ANALYSIS

This analysis focuses on the City's net assets and changes in net assets of the governmental and business-type activities for the fiscal year ending June 30, 2009.

As noted earlier, the net assets for the City as a whole increased 4.4% from $932.6 million at June 30, 2008 to $974.1 million at June 30, 2009. The largest portion of the City's net assets (69.8%) reflects the investment in capital assets such as land, buildings, machinery and equipment, less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to the citizens of the City of Corona; therefore, they are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets (16.3%) represents various resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets of $134.9 million may be used to meet the City's ongoing obligations to citizens and creditors.

The following graph demonstrates the components of the City's net assets at fiscal year ended June 30, 2009.



Consistent with the prior fiscal year, as of the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, for both the government as a whole and for its separate governmental and business-type activities.

The following schedule is a condensed version of the City's statement of net assets for the years ended June 30, 2009. Comparative data from fiscal year ending June 30, 2008 is also presented.

City of Corona's Net Assets
(in millions)

	Governmental activities		Business-type activities		Total	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**
Current and other assets	$ 293.6	$ 304.1	$ 116.6	$ 112.1	$ 410.2	$ 416.2
Internal balances	173.8	173.9	(173.8)	(173.9)	-	-
Capital assets	613.8	597.0	389.0	387.9	1,002.8	984.9
Total assets	1,081.2	1,075.0	331.8	326.1	1,413.0	1,401.1
Long-term liabilities	179.5	187.8	178.2	183.4	357.7	371.2
Other liabilities	63.8	77.1	17.4	20.2	81.2	97.3
Total liabilities	243.3	264.9	195.6	203.6	438.9	468.5
Net assets:						
Invested in capital assets, net of related debt	451.4	456.8	228.9	225.1	680.3	681.9
Restricted	140.7	137.3	18.2	17.0	158.9	154.3
Unrestricted	245.8	216.0	(110.9)	(119.6)	134.9	96.4
Total net assets	$ 837.9	$ 810.1	$ 136.2	$ 122.5	$ 974.1	$ 932.6

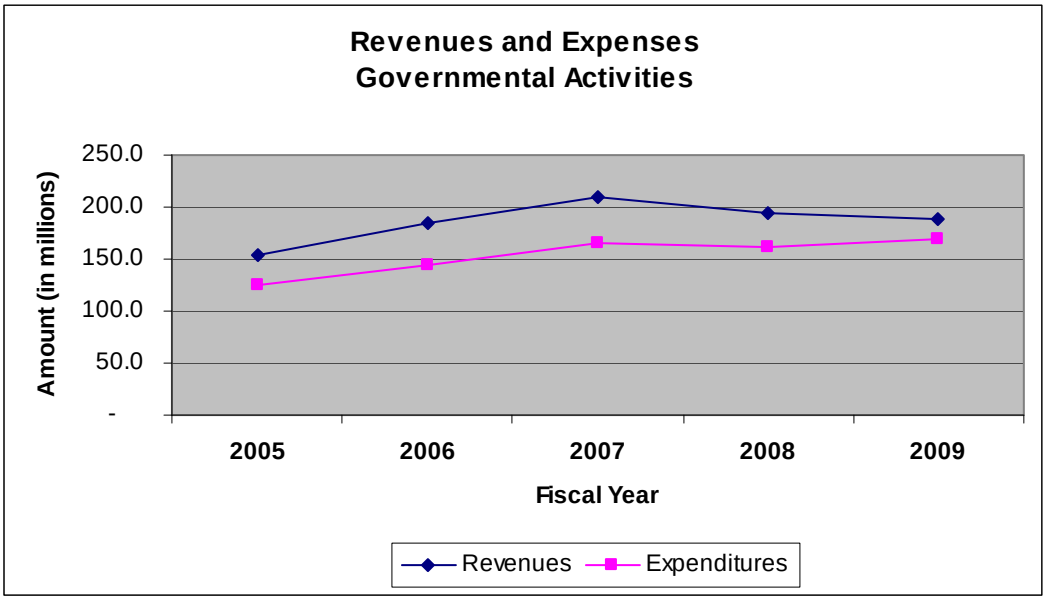
The City's programs for governmental activities include general government, fire, police, public works, redevelopment, parks and community services and library. The programs for the business-type activities include the water and water reclamation utilities, the electric utility and transit services. A comparison of each program's revenues and expenses for the current year and prior year is presented below.

City of Corona's Changes in Net Assets
(in millions)

	Governmental activities		Business-type activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	$ 28.0	$ 29.8	$ 100.5	$ 93.3	$ 128.5	$ 123.1
Operating grants and contributions	9.4	8.2	1.6	1.5	11.0	9.7
Capital grants and contributions	19.9	17.1	6.7	19.8	26.6	36.9
General revenues:						
Taxes:						
Property taxes	66.7	67.6			66.7	67.6
Sales and use taxes	29.8	35.9			29.8	35.9
Other taxes	8.6	8.5			8.6	8.5
Grants and contributions not restricted to specific programs	0.7	0.7			0.7	0.7
Investment earnings	10.2	12.2	4.1	4.4	14.3	16.6
Administrative overhead charges	7.4	7.9			7.4	7.9
Other	8.4	5.7			8.4	5.7
Total revenues	189.1	193.6	112.9	119.0	302.0	312.6
Expenses:						
General government	23.4	22.0			23.4	22.0
Public safety - Fire	23.1	22.5			23.1	22.5
Public safety - Police	40.7	38.8			40.7	38.8
Public works	29.3	28.2			29.3	28.2
Redevelopment	19.1	17.7			19.1	17.7
Parks and community services	15.4	13.5			15.4	13.5
Library	3.2	3.5			3.2	3.5
Interest on long-term debt	16.4	14.9			16.4	14.9
Water			46.3	48.8	46.3	48.8
Water Reclamation			27.2	27.9	27.2	27.9
Electric			22.0	23.6	22.0	23.6
Transit services			2.2	2.1	2.2	2.1
Total expenses	170.6	161.1	97.7	102.4	268.3	263.5
Excess (deficiencies) of revenues over expenses	18.5	32.5	15.2	16.6	33.7	49.1
Transfers	(0.2)	-	0.2	-	-	-
Special Items	9.7	-	-	-	9.7	-
Increase (decrease) in net assets	28.0	32.5	15.4	16.6	43.4	49.1
Net assets - beginning	810.1	786.8	122.5	105.9	932.6	892.7
Restatement of net assets	(0.2)	(9.2)	(1.7)	-	(1.9)	(9.2)
Net assets - ending	$ 837.9	$ 810.1	$ 136.2	$ 122.5	$ 974.1	$ 932.6

Governmental Activities

Total resources available during the year to finance governmental operations were $1.1 billion consisting of net assets at July 1, 2008 of $810.1 million, program revenues of $57.3 million, general revenues of $131.7 million, and transfers and Special Items of $9.5 million. Total expenditures for governmental activities during the year were $170.6 million; thus, net assets increased by $28.0 million to $838.0 million. The chart below presents revenues and expenses in governmental activities for the past five years.



The cost of all governmental activities for fiscal year ended June 30, 2009 was $170.6 million. However, as shown in the Statement of Activities, the amount that the taxpayers ultimately financed for these activities was only $113.2 million because some of the cost was paid by those who directly benefited from the programs ($28.0 million), or by other governments and organizations that subsidized certain programs with operating grants and contributions ($9.4 million), and capital grants and contributions ($20.0 million). One program, Public Works, shows net revenue of $5.2 million at year end which is the result of a timing difference in the completion of capital projects as well as the City's intention of building up of certain developer impact fees for upcoming capital improvement projects. Overall, the City's governmental program revenues were $57.3 million. The City paid for the remaining "public benefit" portion of governmental activities with $131.7 million in taxes (some of which could only be used for certain programs) and with other revenues, such as interest and general entitlements. The following is an in-depth analysis of the major revenue sources and expenses.

- Charges for services decreased a total of $1.8 million from the prior year in every category of program revenues, including public works, general government, public safety and library as a result of the economic recession.

- Taxes comprise nearly 55.5% of the total revenues from governmental activities. Of this, 63.5% of total tax revenues are property taxes. Comparing to the prior year, property taxes decreased $0.9 million or 1.3% due to declining property values and the housing market downturn.

- Sales and use taxes are the second largest revenue source in governmental activities. For the fiscal year ended June 30, 2009, total sales and use taxes decreased by $6.1 million, or 17.0% from the previous year to $29.8 million. This is the third consecutive decline since fiscal year 2005-06.

- Investment earnings decreased $2.0 million or 16.4% from the previous fiscal year, a result of the financial market crisis.

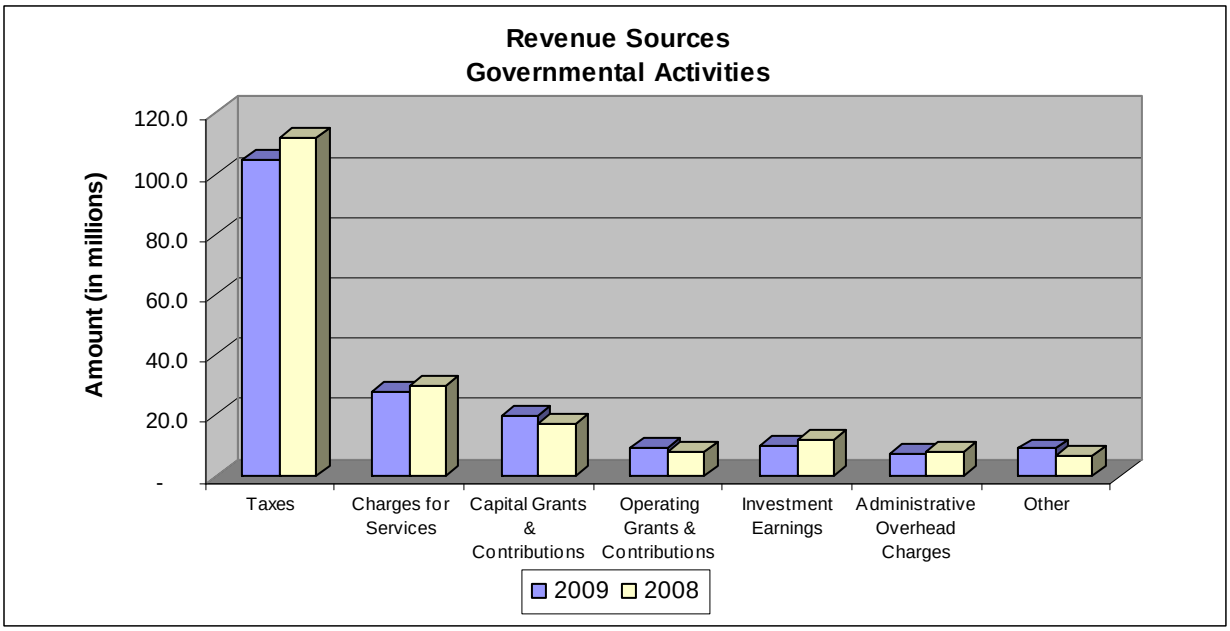
- Public safety expenses increased $2.5 million from the previous fiscal year, a testament to the City's commitment to maintain the current high level of public safety in challenging economic times.

- Redevelopment expenses increased $1.4 million or 7.9% from the previous year, demonstrating the efforts that the City made for its residents on eliminating blight and maintaining quality of life.

- Public Works and Parks and Community Services expenses had slight increases from the previous year as a result of increased activities.

- Interest on long-term debt increased by $1.5 million as the current fiscal year being the first full year of debt service on the Redevelopment Project Area "A" Tax Allocation Bonds.

The chart below illustrates the total revenue from governmental activities for the fiscal year ended June 30, 2009 and 2008 respectively.

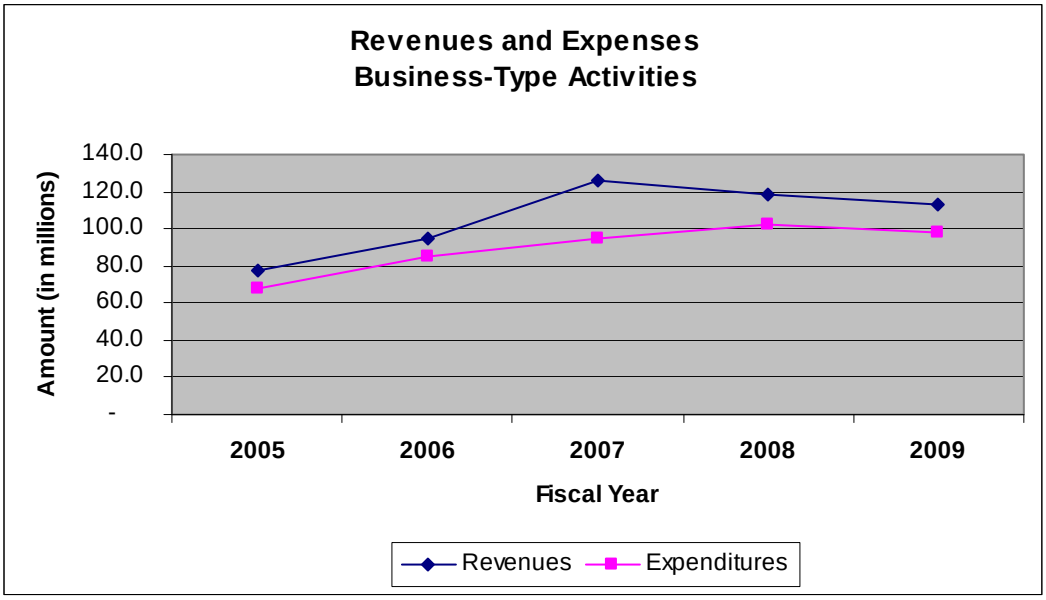


Business-Type Activities

The City's net assets from business-type activities increased $15.4 million as the result of operations, net of a restatement of $1.7 million to the beginning net assets. Total net assets were $136.2 at June 30, 2009. Net assets invested in capital assets, net of related debt increased $3.9 million as a result of the completion of various capital projects. Restricted net assets increased by $1.2 million with the remaining increase of $8.6 million reported in unrestricted net assets. Refer to the Notes to the Basic Financial Statements for additional information on the restatement of the beginning net assets.

Total expenses of all business-type activities for the fiscal year ended June 30, 2009 were $97.7 million. As shown in the statement of activities and changes in net assets, the amount paid by users of the systems was $100.5 million, operating grants and contributions were $1.5 million and capital grants and contributions were $6.7 million. Investment earnings were $4.1 million.

Total resources available during the year to finance business type activities were $233.9 million consisting of net assets at July 1, 2008 of $120.8 million (restated), program revenues of $108.8 million, general revenues of $4.1 million, and transfers of $0.2 million. Total expenses for business type activities during the year were $97.7 million; thus net assets were increased by $15.4 million to $136.2 million. The chart below presents revenues and expenses in business-type activities for the past five years.



Below is an analysis on major revenue sources and expenses for the business-type activities:

- Charges for services increased $7.2 million or 7.7% over the prior year, mainly due to the 10% rate increase in both Water and Water Reclamation utilities effective July 1, 1008.

- Expenses for Water decreased $2.5 million, as a result of efforts made towards City-wide water conservation.

FUND FINANCIAL ANALYSIS

General Fund

The General Fund is the chief operating fund of the City. Fund balance for the General Fund decreased $4.6 million for the fiscal year ended June 30, 2009, with an ending balance of $74.9 million. The decrease was due to expenditures exceeding revenue by $5.7 million in the same period. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund operating expenditures. Unreserved fund balance represents 46.1% of the total General Fund operating expenditures, while total fund balance represents 63.0% of that same amount.

Total fund balance is represented by two components: the reserved fund balance of $20.1 million, a decrease of $0.6 million from the prior year and the unreserved/designated fund balance of $54.8 million, a decrease of $4.0 million from the prior year. Over the years, the accumulation of fund balance has enabled the City Council to designate for the following major initiatives:

1) Budgetary reserves both current and non-current ($21.5 million);
2) Contingencies ($14.3 million);
3) Various City and facility projects ($5.0 million);
4) Change in future debt service requirements ($4.5 million); and
5) Other ($9.5 million).

Reserved fund balance consists of $1.2 million for encumbrances, $0.8 million for long-term receivables and inventories, and $18.1 million for advances to the Redevelopment Agency and the Utility Authority, with a total of $20.1 million.

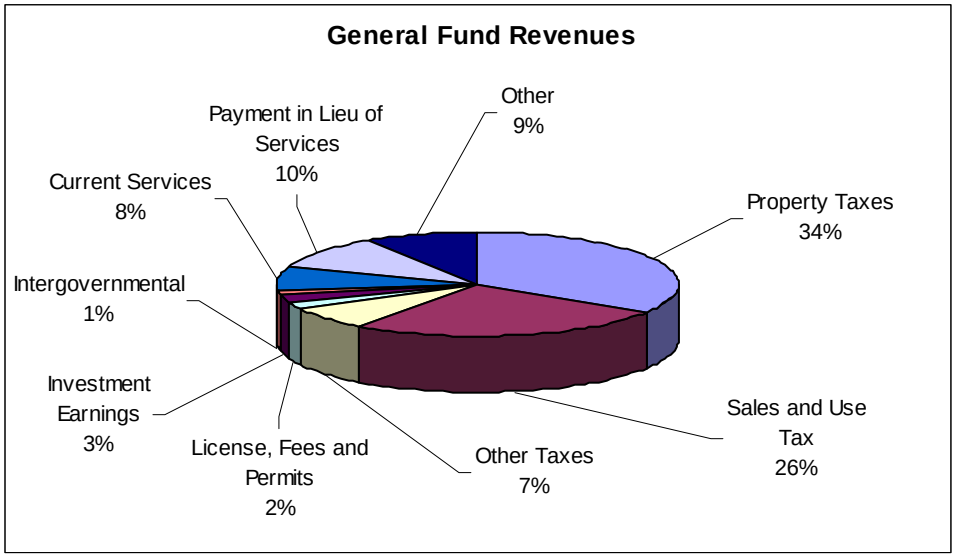
The table below shows the fund balance of the City's General Fund for the past five years:

City of Corona's General Fund Fund Balance
Five-Year Trend
(in millions)

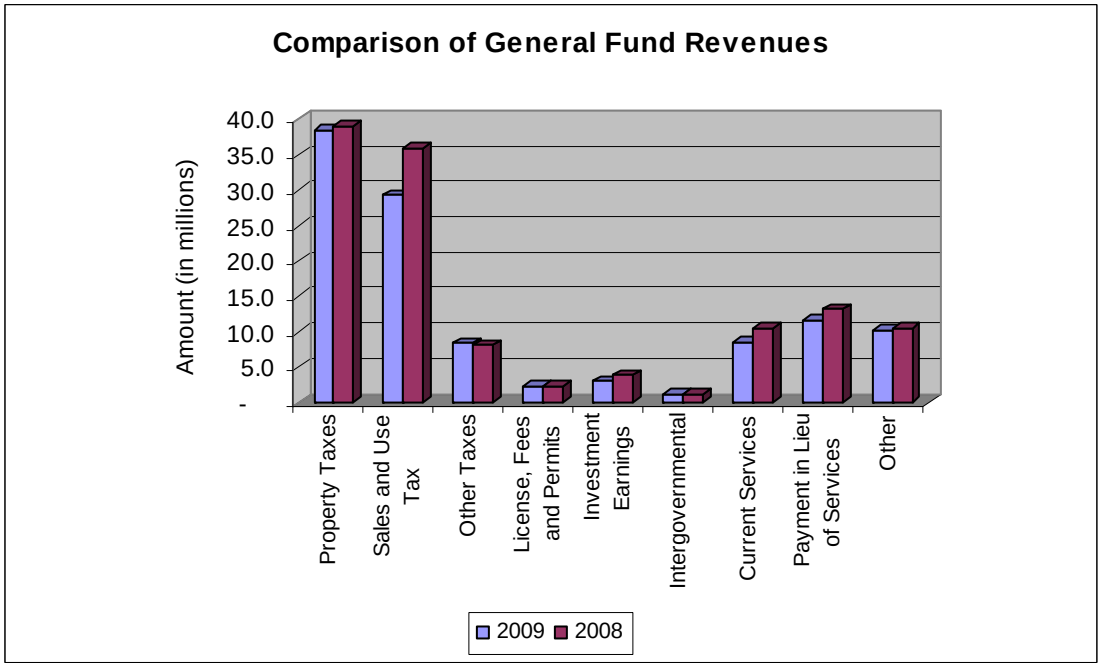
	FY2008-09	FY2007-08	FY2006-07	FY2005-06	FY2004-05
Fund Balance					
Reserved	$ 20.1	$ 20.7	$ 24.1	$ 22.2	$ 13.5
Designated Unreserved	54.8	58.8	70.7	53.0	31.8
Total Fund Balance	74.9	79.5	94.8	75.2	45.3
Fund Balance - Beginning	79.5	94.8	75.2	45.3	42.3
Operating Surplus/(Deficit)	(5.7)	(0.9)	17.5	17.0	0.9
Transfers	1.1	(14.4)	(4.6)	3.4	2.5
Other	-	-	6.7	-	-
Restatement	-	-	-	9.5	(0.4)
Fund Balance - Ending	$ 74.9	$ 79.5	$ 94.8	$ 75.2	$ 45.3

Overall General Fund revenue decreased $11.6 million comparing to the prior fiscal year largely due to the decline in sales and property taxes as explained earlier. Expenditures were cut by $6.8 million in response to the revenue declines, mainly in the Capital Outlay and General Government areas.

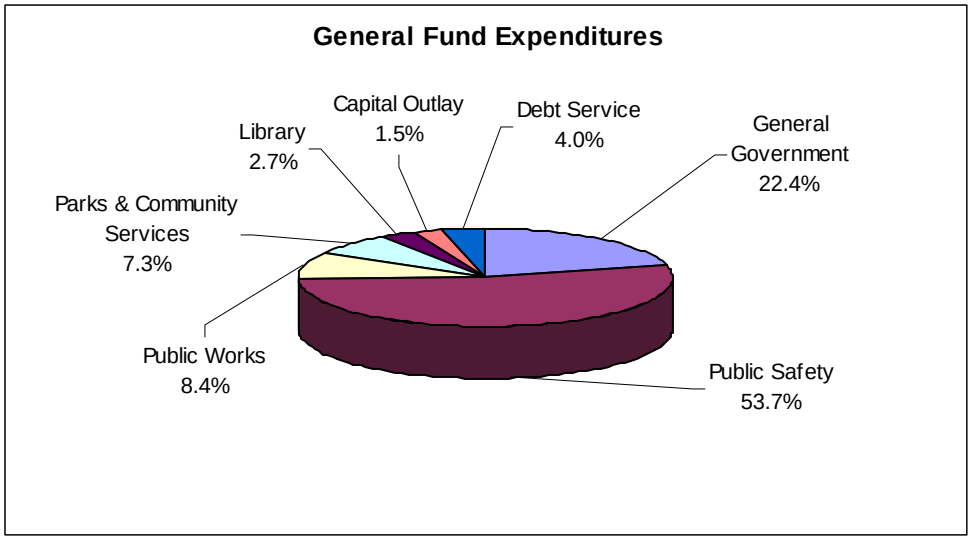
The graph below illustrates General Fund revenues by source.



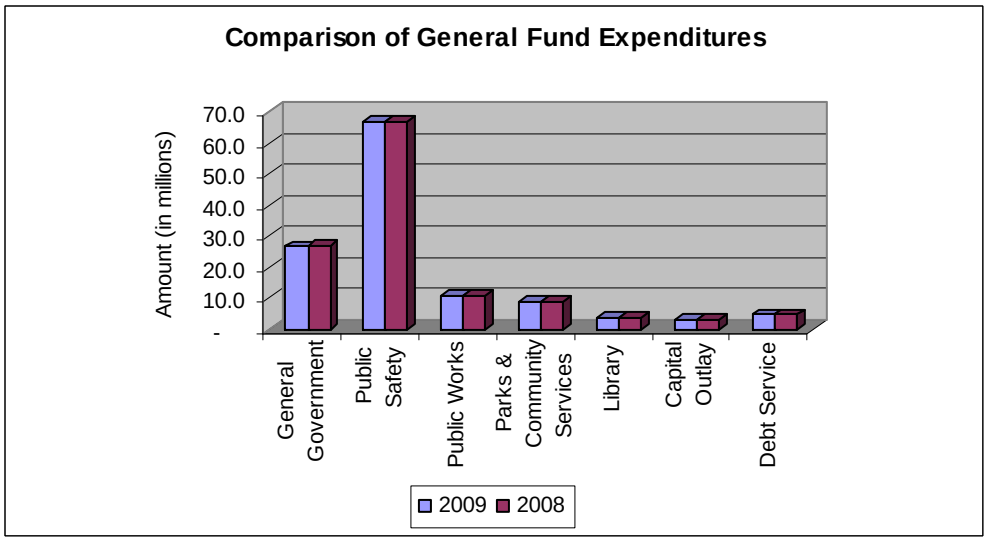
The graph below presents a comparison of each General Fund revenue source for the fiscal years ended June 30, 2009 and 2008.



The graph below presents General expenditure by category.



The graph below illustrates a comparison of each expenditure category for the fiscal years ended June 30, 2009 and 2008.



Transfers to other funds totaled $5.5 million: $2.4 million was to the Redevelopment Capital Project Fund for various developer agreements, and $3.1 million was to other governmental funds to support their operations.

Transfers from other funds totaled $6.7 million, mostly from other governmental funds to reimburse the General Fund for costs incurred or investment earnings made during the fiscal year.

Other Major Governmental Funds

The fund balance for the Development Special Revenue Fund had a slight decrease of $0.8 million from the previous year as development activities City-wide remained low due to the economic slow down.

The Redevelopment Capital Project Fund enjoyed a $17.8 million increase in fund balance largely because of a Special Item recorded at June 30, 2009 to remove a developer agreement from liabilities as the possibility of paying the obligation had become remote.

The Redevelopment Debt Service Fund had a decrease in fund balance for $10.2 million as the result of transferring $9.5 million to the Redevelopment Capital Projects Fund to support various redevelopment capital projects.

The Public Facility Capital Project Fund had a decrease of $8.4 million in fund balance as the current year's capital outlay expenditures exceeded investment earnings and intergovernmental revenues by $6.9 million. Major projects such as the Corporation Yard Expansion and various street and transportation related projects funded by the Transportation Uniform Mitigation Fee (TUMF) are included in this fund.

DEBT ADMINISTRATION

Long-term debt reported in governmental activities decreased in fiscal year ended June 30, 2009 by $8.6 million, which is comprised of $5.2 million in new debt and $13.8 in normal amortization of existing debt. The new debt was for a Redevelopment Agency promissory note to finance a land acquisition. Refer to the Notes to Basic Financial Statements No. 8 for details.

Debt of the business-type activities decreased by $3.8 million in fiscal year ended June 30, 2009 as a result of normal scheduled debt service payments net of the incurrence of a $2.0 million installment agreement payable.

The schedule of outstanding long-term debt with comparative amounts for the previous fiscal year is presented below:

City of Corona's Outstanding Debt
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Loans and agreement payable	$ 6.1	$ 8.2	$ 42.3	$ 42.7	$ 48.4	$ 50.9
General obligation bonds	1.0	1.5	-	-	1.0	1.5
Tax allocation bonds	87.8	90.9	-	-	87.8	90.9
Lease revenue bonds	70.7	73.4	-	-	70.7	73.4
Water revenue bonds	-	-	29.3	30.2	29.3	30.2
Certificates of participation	-	-	95.7	98.2	95.7	98.2
Special assessment district bonds	1.9	2.2	-	-	1.9	2.2
Total Outstanding Debt	$ 167.5	$ 176.2	$ 167.3	$ 171.1	$ 334.8	$ 347.3

CAPITAL ASSETS

The capital assets of the City are those assets which are used in the performance of the City's functions including infrastructure assets. At June 30, 2009, net capital assets of the governmental activities totaled $613.7 million and the net capital assets of the business-type activities totaled $389.0 million. Depreciation on capital assets is recognized in the government-wide financial statements. Refer to the Notes to Basic Financial Statements No. 6 for detail regarding capital assets.

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its paving system (streets). Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) condition assessments and summary of the results using a measurement scale; and (3) estimation of the annual amount to maintain and preserve at the established condition assessment level.

- The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

The City Policy is to achieve an average rating of 70 for all streets. The average rating for the City's streets at June 30, 2009 was 79, which is above the City's policy level. The City's streets are constantly deteriorating resulting from the following four factors: (1) traffic using the streets; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development interests trenching operations; and (4) water damage from natural precipitation and other urban runoff. The City is continuously taking actions to arrest the deterioration through short-term maintenance activities such as pothole patching, street sweeping, and sidewalk repair. Actual expenditures for street maintenance for the fiscal year ended June 30, 2009 were $5.8 million. These expenditures delayed deterioration, however the overall condition of the streets was not improved through these maintenance expenditures. The City has determined that the amount of annual expenditures required to maintain and preserve its streets at the current level through the year 2018 is a minimum of $6.8 million per year.

The table below presents summary information on the City's capital assets.

City of Corona's Capital Assets
Net of Depreciation (in millions)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	$ 60.4	$ 60.2	$ 2.7	$ 2.7	$ 63.1	$ 62.9
Streets	171.8	171.2			171.8	171.2
Buildings and improvements	119.6	94.2	88.5	90.0	208.1	184.2
Machinery and equipment	12.6	12.7	55.1	58.8	67.7	71.5
Infrastructure	202.8	203.7	204.9	200.5	407.7	404.2
Construction in progress	46.5	55.0	28.4	25.0	74.9	80.0
Intangible assets			9.4	9.2	9.4	9.2
Total Capital Assets	$ 613.7	$ 597.0	$ 389.0	$ 386.2	$ 1,002.7	$ 983.2

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budget for the fiscal year 2008-09 General Fund was $123.0 million. Continuing appropriations of $3.7 million from prior fiscal year capital improvement projects and grants was approved to carryover into the current fiscal year. An additional $1.7 million in committed purchase orders from the prior year was added to the original budget to arrive at the adopted budget balance of $128.4 million.

Original Budget	$ 123,002,135
Continued Appropriations	3,642,629
Encumbrances	1,730,060
Beginning Balance	128,374,824
Supplemental Changes	(3,083,910)
Final Budget	$ 125,290,914

Comparing the adopted budget of $128.4 million to the final budget of $125.3 million demonstrates the General Fund had a net budgetary reduction of $3.1 million for fiscal year ended June 30, 2009. These supplemental budgetary changes include $8.5 million reduction in personnel and related operating budget as a result of the workforce reduction in October 2008. This equated to a $10.5 million reduction on an annual basis. The reduction was made due to a persistent decline in property and sales tax revenues over the past two years. An increase of $1.0 million was made during the same fiscal year for Separations budget in response to costs related to employee terminations, resignations and retirements. Another component of the change was the increase of $2.6 million of the General Fund Expenditure Control Budget (ECB) budget savings that was approved for various departmental projects. Additionally, there was an increase of $1.8 million for additional healthcare costs and various labor or contract agreement changes.

The General Fund final budget amount of $125.3 million compared to the actual expenditures of $118.9 million for fiscal year ended June 30, 2009 represents a favorable variance of $6.4 million. This is due to the unspent capital outlay budget on various projects, including the Sherborn Improvements project, major pavement rehabilitation projects, and various annexation projects. These unspent budgetary items will require continuing appropriations into the next budget year, as these projects were not completed by June 30, 2009. There is also $1.2 million in committed purchase orders that will carry forward.

Final Budget	$ 125,290,914
Actual Expenditures	118,901,551
Budget Variance	$ 6,389,363

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report, separate reports of the City's component units or need any additional financial information, contact the City of Corona Finance Department at 400 South Vicentia, Corona, California, 92882, phone 951-279-3500 or e-mail finance@ci.corona.ca.us.

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

Government-Wide Financial Statements

Governmental Activities – Activities include General Government, Fire, Police, Public Works, Redevelopment, Parks and Community Services and Library. Revenues to finance these activities include property and sales taxes, user fees, investment income, franchise fees and state and federal grants.

Business-Type Activities – Activities relate to the City's water system, water reclamation system, electric and transit services. Fees charged to customers for the services provided cover all or most of the cost of the business-type activities.

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

CITY OF CORONA

Statement of Net Assets
June 30, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current Assets			
Cash and Investments	$ 176,036,146	$ 65,862,384	$ 241,898,530
Accounts Receivable, Net	2,316,854	11,503,392	13,820,246
Interest Receivable	1,472,149	646,028	2,118,177
Due from Other Governmental Agencies	24,038,533	1,627,330	25,665,863
Inventories and Prepayments	782,939	2,640,463	3,423,402
Land Held for Resale	56,987,794		56,987,794
Restricted Assets:			
Cash and Investments	14,424,495	18,404,359	32,828,854
Total Current Assets	276,058,910	100,683,956	376,742,866
Noncurrent Assets			
Internal Balances - Capital Lease	172,628,344	(172,628,344)	-
Internal Balances - Interfund	1,222,375	(1,222,375)	-
Long-term Receivable	17,544,288	16,000,000	33,544,288
Capital Assets:			
Land, wastewater rights, infrastructure and CIP	278,739,911	40,261,201	319,001,112
Depreciable buildings, property, equipment and infrastructure, net	335,035,612	348,510,386	683,545,998
Intangible Assets		212,335	212,335
Total Capital Assets	613,775,523	388,983,922	1,002,759,445
Total Noncurrent Assets	805,170,530	231,133,203	1,036,303,733
Total Assets	1,081,229,440	331,817,159	1,413,046,599
Liabilities:			
Current Liabilities			
Accounts Payable and Accrued Liabilities	15,705,480	8,804,592	24,510,072
Claims and Judgments Payable	3,958,000		3,958,000
Deposits	4,589,827		4,589,827
Agreements Payable	1,708,265		1,708,265
Interest Payable	2,445,835		2,445,835
Unearned Revenue	19,021,415	1,265,435	20,286,850
Compensated Absences Payable	7,426,809	801,142	8,227,951
Long-term Debt - Due Within One Year	7,483,729	6,118,236	13,601,965
Liabilities Payable from Restricted Assets	1,497,057	433,784	1,930,841
Total Current Liabilities	63,836,417	17,423,189	81,259,606
Noncurrent Liabilities			
Long-term Debt - Due in More than One Year	160,065,783	161,167,593	321,233,376
Claims and Judgments Payable	9,950,987		9,950,987
Unearned Revenue		17,000,000	17,000,000
Pension Related Debt	7,961,926		7,961,926
Compensated Absences Payable	1,471,874	66,314	1,538,188
Total Noncurrent Liabilities	179,450,570	178,233,907	357,684,477
Total Liabilities	243,286,987	195,657,096	438,944,083
Net Assets:			
Invested in Capital Assets, Net of Related Debt	451,393,337	228,912,014	680,305,351
Restricted for:			
Capital Projects	85,200,711		85,200,711
Debt Service	11,968,561		11,968,561
Specific Projects and Programs	43,585,727	18,188,735	61,774,462
Total Restricted Net Assets	140,754,999	18,188,735	158,943,734
Unrestricted	245,794,117	(110,940,686)	134,853,431
Total Net Assets	$ 837,942,453	$ 136,160,063	$ 974,102,516

The accompanying notes are an integral part of these financial statements.

Statement of Activities and Changes in Net Assets
Year Ended June 30, 2009

		Program Revenues			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Total**
Primary Government:					
Governmental Activities					
General Government	$ 23,387,380	$ 678,554	$ 3,672	$ 6,322	$ 688,548
Public Safety - Fire	23,118,471	4,506,740	1,117,412	230,968	5,855,120
Public Safety - Police	40,723,499	2,817,511	2,116,398	201,404	5,135,313
Public Works	29,252,056	12,354,323	2,962,824	19,138,106	34,455,253
Redevelopment	19,061,398	-	1,661,369	356,993	2,018,362
Parks and Community Services	15,431,862	7,261,946	1,258,644	17,076	8,537,666
Library	3,142,627	341,989	284,258	17,102	643,349
Interest and Fiscal Charges	16,447,756				
Total Governmental Activities	170,565,049	27,961,063	9,404,577	19,967,971	57,333,611
Business-Type Activities:					
Water	46,284,613	49,629,071		3,422,991	53,052,062
Water Reclamation	27,164,627	26,569,560		3,267,478	29,837,038
Electric	21,962,931	23,896,507			23,896,507
Transit Services	2,256,556	371,714	1,567,193	12,468	1,951,375
Total Business-Type Activities	97,668,727	100,466,852	1,567,193	6,702,937	108,736,982
Total Primary Government	$ 268,233,776	$ 128,427,915	$ 10,971,770	$ 26,670,908	$ 166,070,593

General Revenues:
Taxes:
Property Taxes
Sales and Use Tax
Franchise Tax
Business Tax
Transient Occupancy Tax
Property Transfer Tax
Dwelling Development Tax
Total Taxes

Grants and Contributions not Restricted to Specific Programs
Investment Earnings
Lease and Rental Income
Administrative Overhead Charges
Labor Abatement
Other Income
Total General Revenues
Transfers
Speical Items:
CPFA 1999 Revenue Bonds (Note 20)
Developer Agreement (Note 20)
Total Special Items

Change in Net Assets

Net Assets - Beginning, as Restated

Net Assets - Ending

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	**Business-Type Activities**	**Total**
$ (22,698,832)	$ -	$ (22,698,832)
(17,263,351)		(17,263,351)
(35,588,186)		(35,588,186)
5,203,197		5,203,197
(17,043,036)		(17,043,036)
(6,894,196)		(6,894,196)
(2,499,278)		(2,499,278)
(16,447,756)		(16,447,756)
(113,231,438)	-	(113,231,438)
	6,767,449	6,767,449
	2,672,411	2,672,411
	1,933,576	1,933,576
	(305,181)	(305,181)
-	11,068,255	11,068,255
(113,231,438)	11,068,255	(102,163,183)
66,704,669		66,704,669
29,791,137		29,791,137
4,572,900		4,572,900
1,950,993		1,950,993
1,175,120		1,175,120
573,390		573,390
297,600		297,600
105,065,809	-	105,065,809
674,076		674,076
10,177,941	4,144,071	14,322,012
6,955,049		6,955,049
7,410,665		7,410,665
540,649		540,649
921,896		921,896
131,746,085	4,144,071	135,890,156
(201,503)	201,503	-
(2,983,603)		(2,983,603.00)
12,636,799		12,636,799.00
9,653,196	-	9,653,196
27,966,340	15,413,829	43,380,169
809,976,113	120,746,234	930,722,347
$ 837,942,453	$ 136,160,063	$ 974,102,516

The accompanying notes are an integral part of these financial statements.

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

Governmental Fund Financial Statements

MAJOR FUNDS:
General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds:
Development Fund – This fund is used to account for park dedication fees, dwelling development fees and other development fees received. The fees collected are used to offset the burden resulting from new developments.

Redevelopment Fund – This fund is used to account for tax increment monies that are set aside to provide housing assistance to low and moderate income families in Corona and miscellaneous developer agreements related to sales tax generated in a specific project area.

Debt Service Fund:
Redevelopment Debt Service Fund – This fund is used to account for tax levies, rentals and other revenues and payments of principal and interest on Redevelopment loans and bonds.

Capital Project Funds:
Redevelopment Capital Project Fund – This fund is used to account for transactions related to proceeds from bonds and other resources and their use to perform redevelopment activities within specific project areas.

Public Facility Project Fund – This fund is used to account for transactions related to proceeds from debt and other resources and their use to acquire and construct certain capital facilities.

NON-MAJOR GOVERNMENTAL FUNDS:
Other Governmental Funds – These funds represent the non-major governmental funds, which include special revenue, debt service and capital project funds.

Balance Sheet
Governmental Funds
June 30, 2009

	General Fund	Development Special Revenue	Redevelopment Special Revenue	Redevelopment Debt Service
Assets:				
Cash and Investments	$ 49,018,461	$ 16,522,480	$ 13,813,356	$ 8,794,085
Accounts Receivable, Net	1,727,303	79	672	
Interest Receivable	381,735	135,796	112,958	76,546
Due from Other Governmental Agencies	11,025,067	281,024	117,506	421,190
Due From Other Funds	12,202,106			
Long-term Receivable	486,103	1,620,246		
Interfund Advances Receivable	13,576,731	450,000		
Long-term Capital Lease Receivable	172,628,344			
Loans Receivable		46,440	12,634,146	
Inventories and Prepayments	371,920			
Land Held for Resale			1,632,957	
Restricted Assets:				
Cash and Investments	203,387	67,994	869,065	5,991,913
Total Assets	$ 261,621,157	$ 19,124,059	$ 29,180,660	$ 15,283,734
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable and Accrued Liabilities	$ 4,782,713	$ 452,493	$ 65,755	$ 3,579,460
Deposits	4,554,557			
Due to Other Funds				4,569,112
Agreements Payable				
Deferred Revenues	177,149,933	1,666,686	12,286,210	
Interfund Advances Payable		9,380,612	1,295,665	1,443,079
Liabilities Payable from Restricted Assets	203,387	67,994		
Total Liabilities	186,690,590	11,567,785	13,647,630	9,591,651
Fund Balances:				
Reserved for:				
Encumbrances	1,152,902	310,670	55,844	
Loans Receivable	486,103		347,936	
Inventories & Prepayments	371,920			
Debt Service			349,107	5,692,083
Land Held for Resale			1,632,957	
Special Projects and Programs				
Long-term Receivables	18,145,843	450,000		
Unreserved, reported in:				
Designated	54,773,799			
Special Revenue Fund				
Designated		6,795,604	13,147,186	
Undesignated				
Capital Projects				
Designated				
Total Fund Balances	74,930,567	7,556,274	15,533,030	5,692,083
Total Liabilities and Fund Balances	$ 261,621,157	$ 19,124,059	$ 29,180,660	$ 15,283,734

The accompanying notes are an integral part of these financial statements.

Redevelopment Capital Projects	Public Facility Project	Other Governmental Funds	Total Governmental Funds
$ 15,950,690	$ 11,601,666	$ 25,358,330	$ 141,059,068
970		479,538	2,208,562
126,835	103,342	238,808	1,176,020
	7,219,340	4,970,446	24,034,573
			12,202,106
		1,900,000	4,006,349
			14,026,731
			172,628,344
500,000		357,353	13,537,939
			371,920
55,354,837			56,987,794
2,660,573	604,215	4,027,348	14,424,495
$ 74,593,905	$ 19,528,563	$ 37,331,823	$ 456,663,901
$ 525,536	$ 2,560,152	$ 3,797,021	$ 15,763,130
32,580		2,690	4,589,827
	6,239,514	1,393,480	12,202,106
1,708,265			1,708,265
504,626		2,752,579	194,360,034
		685,000	12,804,356
122,706	604,215	498,755	1,497,057
2,893,713	9,403,881	9,129,525	242,924,775
376,068	4,141,847	2,129,333	8,166,664
			834,039
			371,920
		4,845,168	10,886,358
55,354,837			56,987,794
	5,982,835		5,982,835
			18,595,843
			54,773,799
		19,289,248	39,232,038
		(202,628)	(202,628)
15,969,287		2,141,177	18,110,464
71,700,192	10,124,682	28,202,298	213,739,126
$ 74,593,905	$ 19,528,563	$ 37,331,823	$ 456,663,901

The accompanying notes are an integral part of these financial statements.

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets June 30, 2009

Total Fund Balances - Total Governmental Funds	$ 213,739,126
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	613,775,523
Deferred revenues reported in the governmental funds balance sheet includes loans receivable, capital lease and franchise fees. The balance was deferred because funds were not available to pay for current period expenditures.	175,338,619
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.	(2,445,835)
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the government-wide statement of net assets.	21,463,918
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.	
Compensated Absences	(8,417,460)
Pension Related Debt	(7,961,926)
Long-term Debt	(167,549,512)
Net Assets of Governmental Activities	$ 837,942,453

The accompanying notes are an integral part of these financial statements.

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

CITY OF CORONA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2009

	General Fund	Development Special Revenue	Redevelopment Special Revenue	Redevelopment Debt Service
Revenues:				
Property Taxes	$ 38,512,315	$ -	$ 5,494,708	$ 21,978,833
Other Taxes	37,687,694			
Licenses, Fees and Permits	1,580,832	1,917,135		
Fines and Penalties	696,043			
Special Assessments				
Investment Earnings	3,001,762	909,570	765,233	489,913
Intergovernmental Revenues	1,166,198	33,040		
Current Services	8,555,639			
Payments in Lieu of Services	11,694,902	297,600		
Other Revenues	10,306,705	179,477	441,312	450
Total Revenues	113,202,090	3,336,822	6,701,253	22,469,196
Expenditures:				
Current:				
General Government	26,585,432	1,009,583	40,414	
Planning				
Public Safety - Fire	23,705,028	121,340		
Public Safety - Police	40,188,240	7,360		
Public Works	10,006,529	328,343		
Parks and Community Services	8,616,004			
Redevelopment			2,420,597	218,946
Library	3,183,474	9,631		
Capital Outlay	1,804,958	1,525,454		
Debt Service:				
Principal Retirement	2,052,894	750,000	330,000	9,315,434
Interest and Fiscal Charges	2,758,992	248,592	515,616	12,761,799
Total Expenditures	118,901,551	4,000,303	3,306,627	22,296,179
Excess of Revenues Over (Under) Expenditures	(5,699,461)	(663,481)	3,394,626	173,017
Other Financing Sources (Uses):				
Loss on Sale of Land Held for Resale				
Proceeds from Promissory Note				
Transfers In	6,666,082	6,712	899,912	
Transfers Out	(5,534,351)	(137,246)		(10,376,771)
Total Other Financing Sources (Uses)	1,131,731	(130,534)	899,912	(10,376,771)
Special Items				
CPFA 1999 Revenue Bonds (Note 20)				
Developer Agreement (Note 20)				
Total Special Items	-	-	-	-
Net Change in Fund Balances	(4,567,730)	(794,015)	4,294,538	(10,203,754)
Fund Balances - Beginning, as Restated	79,498,297	8,350,289	11,238,492	15,895,837
Fund Balances - Ending	$ 74,930,567	$ 7,556,274	$ 15,533,030	$ 5,692,083

The accompanying notes are an integral part of these financial statements.

Redevelopment Capital Projects	Public Facility Project	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 718,812	$ 66,704,668
			37,687,694
		488,304	3,986,271
		947,513	1,643,556
		9,186,822	9,186,822
769,069	767,295	1,518,873	8,221,715
	7,783,618	14,742,684	23,725,540
854		6,459,048	15,015,541
			11,992,502
469,422	10,438	447,042	11,854,846
1,239,345	8,561,351	34,509,098	190,019,155
552,908		57,473	28,245,810
124,619			124,619
			23,826,368
		813,796	41,009,396
108,274		15,655,738	26,098,884
		5,900,588	14,516,592
11,080,406		617,226	14,337,175
		35,405	3,228,510
770,626	15,425,220	4,811,403	24,337,661
		1,389,102	13,837,430
		445,460	16,730,459
12,636,833	15,425,220	29,726,191	206,292,904
(11,397,488)	(6,863,869)	4,782,907	(16,273,749)
(472,252)			(472,252)
5,167,326			5,167,326
11,884,122	38,976	1,806,999	21,302,803
	(1,624,590)	(2,503,970)	(20,176,928)
16,579,196	(1,585,614)	(696,971)	5,820,949
		(2,983,603)	(2,983,603)
12,636,799			12,636,799
12,636,799	-	(2,983,603)	9,653,196
17,818,507	(8,449,483)	1,102,333	(799,604)
53,881,685	18,574,165	27,099,965	214,538,730
$ 71,700,192	$ 10,124,682	$ 28,202,298	$ 213,739,126

The accompanying notes are an integral part of these financial statements.

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Assets
Year Ended June 30, 2009

Net Change in Fund Balances - Total Governmental Funds	$ (799,604)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. Additions and adjustments to capital assets amounted to $28,447,937, less deletions of $174,393, resulted in the net amount of capital assets of $28,273,544 in the current period.	28,273,544
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in governmental funds.	(11,506,983)
Some revenues will not be collected for several months after the City's fiscal year end, they are not considered available revenues and are deferred in the governmental funds. Deferred revenues decreased by this amount this year is $321,252.	(321,252)
Long-term compensated absences are reported in the government-wide statement of activities and changes in net assets, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in governmental funds. This amount represents the change from the prior year.	730,085
Proceeds from promissory note provide current financial resources to governmental funds, but incurring debt increases long-term liabilities in the government-wide statement of net assets. Repayment of debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net assets.	
Proceeds from promissory note	(5,167,326)
Repayment of pension related debt	674,808
Repayment of long-term obligations	13,837,430
Interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but do not require the use of current financial resources. Therefore, interest expense is not reported as expenditures in governmental funds. This amount represents the change in accrued interest from the prior year.	282,703
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the Internal Service Funds is reported with governmental activities.	1,962,935
Change in Net Assets of Governmental Activities	$ 27,966,340

The accompanying notes are an integral part of these financial statements.

Proprietary Fund Financial Statements

MAJOR FUNDS:

Water Fund – This fund is used to account for the operation of the City's water utility, a self supporting activity which renders services on a user charge basis to residents and businesses located in the City.

Water Reclamation Fund – This fund is used to account for the operation of the City's water reclamation utility, a self supporting activity which renders services on a user charge basis to residents and businesses located in the City.

Electric Fund – This fund is used to account for the operation of the City electric utility, a self supporting activity which renders services on a user charge basis to businesses located in the City.

NON-MAJOR PROPRIETARY FUNDS:

Other Funds – These funds represent the non-major proprietary funds, which include Public Financing Authority Fund and Public Improvement Corporation Fund.

GOVERNMENTAL ACTIVITIES – INTERNAL SERVICE FUNDS:

These funds are used to account for goods and services provided to other City departments or agencies on a cost reimbursement basis.

CITY OF CORONA

Statement of Net Assets
Proprietary Funds
June 30, 2009

	Corona Utility Authority		
	Water	Water Reclamation	Electric
Assets:			
Current Assets			
Cash and Investments	$ 30,647,566	$ 25,071,215	$ 9,298,035
Accounts Receivable, Net	7,956,220	1,801,474	1,742,294
Interest Receivable	249,693	204,170	101,685
Due from Other Governmental Agencies	1,011,275		610,848
Inventories and Prepayments	2,615,463		25,000
Restricted Assets:			
Cash and Investments	415,194	18,590	10,352,918
Total Current Assets	42,895,411	27,095,449	22,130,780
Noncurrent Assets			
Interfund Advances Receivable	473,875		20,102,881
Long-term Receivable	16,000,000		
Capital Assets:			
Land, wastewater rights & construction in progress	24,932,969	6,157,986	9,170,246
Depreciable buildings, property, equipment and infrastructure, net	189,575,503	108,479,802	48,772,513
Intangible Assets			212,335
Total Capital Assets	214,508,472	114,637,788	58,155,094
Total Noncurrent Assets	230,982,347	114,637,788	78,257,975
Total Assets	273,877,758	141,733,237	100,388,755
Liabilities:			
Current Liabilities			
Accounts Payable and Accrued Liabilities	5,361,014	1,579,055	1,730,454
Claims and Judgments Payable			
Unearned Revenue	859,786		
Compensated Absences Payable	442,781	287,009	59,575
Long-term Debt - Due Within One Year	2,532,691	1,510,545	2,075,000
Liabilities Payable from Restricted Assets	415,194	18,590	
Total Current Liabilities	9,611,466	3,395,199	3,865,029
Noncurrent Liabilities			
Interfund Advances Payable		13,988,931	1,222,375
Unearned Revenues	17,000,000		
Compensated Absences Payable	66,314		
Long-term Debt - Due in More than One Year	169,024,012	81,156,925	83,615,000
Claims and Judgments Payable			
Total Noncurrent Liabilities	186,090,326	95,145,856	84,837,375
Total Liabilities	195,701,792	98,541,055	88,702,404
Net Assets:			
Invested in Capital Assets, Net of Related Debt	149,771,431	97,421,205	(19,963,190)
Restricted			
Specific Projects and Programs			10,352,918
Unrestricted	(71,595,465)	(54,229,023)	21,296,623
Total Net Assets	$ 78,175,966	$ 43,192,182	$ 11,686,351

The accompanying notes are an integral part of these financial statements.

Nonmajor Other	Totals	Governmental Activities Internal Service Funds
$ 845,568	$ 65,862,384	$ 34,977,078
3,404	11,503,392	108,292
90,480	646,028	296,129
5,207	1,627,330	3,960
	2,640,463	411,019
7,617,657	18,404,359	
8,562,316	100,683,956	35,796,478
	20,576,756	
	16,000,000	
	40,261,201	
1,682,568	348,510,386	
	212,335	
1,682,568	388,983,922	-
1,682,568	425,560,678	-
10,244,884	526,244,634	35,796,478
134,069	8,804,592	334,978
		3,958,000
405,649	1,265,435	
11,777	801,142	88,595
	6,118,236	
	433,784	
551,495	17,423,189	4,381,573
6,587,825	21,799,131	
	17,000,000	
	66,314	
	333,795,937	
		9,950,987
6,587,825	372,661,382	9,950,987
7,139,320	390,084,571	14,332,560
1,682,568	228,912,014	
1,332,395	11,685,313	
90,601	(104,437,264)	21,463,918
$ 3,105,564	$ 136,160,063	$ 21,463,918

The accompanying notes are an integral part of these financial statements.

CITY OF CORONA

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Year Ended June 30, 2009

	Corona Utility Authority		
	Water	Water Reclamation	Electric
Operating Revenues:			
Utility Service Charges	$ 45,218,491	$ 25,780,759	$ 22,953,220
Intergovernmental Revenues			
Fees and Permits	1,670,929	183,004	
Fines and Penalties	1,275,415	17,000	
Other Revenues	1,464,236	588,797	943,287
Total Operating Revenues	49,629,071	26,569,560	23,896,507
Operating Expenses:			
Personnel Services	7,373,534	5,537,962	1,157,665
Contractual	1,761,776	777,539	1,523,029
Materials and Supplies	19,082,976	9,449,136	2,121,739
Utilities	6,676,334	3,903,184	13,198,389
Depreciation and Amortization	5,709,852	4,154,390	1,461,781
Claims Expense			
Total Operating Expenses	40,604,472	23,822,211	19,462,603
Operating Income (Loss)	9,024,599	2,747,349	4,433,904
Non-Operating Revenues (Expenses):			
Investment Earnings	1,665,544	1,431,538	718,781
Interest Expense	(5,680,141)	(3,018,670)	(2,500,328)
Operating Grants and Contributions			
Total Non-Operating Revenues	(4,014,597)	(1,587,132)	(1,781,547)
Income (Loss) before Contributions and Transfers	5,010,002	1,160,217	2,652,357
Capital Grants and Contributions	3,422,991	3,267,478	
Transfers In	27,283	4,218	
Transfers Out	(460,780)		(40,000)
Change in Net Assets	7,999,496	4,431,913	2,612,357
Total Net Assets - Beginning of Year, As Restated	70,176,470	38,760,269	9,073,994
Total Net Assets - End of Year	$ 78,175,966	$ 43,192,182	$ 11,686,351

The accompanying notes are an integral part of these financial statements.

Nonmajor Other	Totals	Governmental Activities Internal Service Funds
$ -	$ 93,952,470	$ -
40,988	40,988	
	1,853,933	
	1,292,415	
330,726	3,327,046	11,245,468
371,714	100,466,852	11,245,468
278,440	14,347,601	1,725,570
1,428,490	5,490,834	963,001
52,227	30,706,078	2,914,893
212,347	23,990,254	1,010,523
285,052	11,611,075	
		3,297,394
2,256,556	86,145,842	9,911,381
(1,884,842)	14,321,010	1,334,087
328,208	4,144,071	1,956,226
(323,746)	(11,522,885)	
1,567,193	1,567,193	
1,571,655	(5,811,621)	1,956,226
(313,187)	8,509,389	3,290,313
12,468	6,702,937	
670,782	702,283	3,424,993
	(500,780)	(4,752,371)
370,063	15,413,829	1,962,935
2,735,501	120,746,234	19,500,983
$ 3,105,564	$ 136,160,063	$ 21,463,918

The accompanying notes are an integral part of these financial statements.

CITY OF CORONA

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2009

	Corona Utility Authority		
	Water	Water Reclamation	Electric
Cash Flow from Operating Activities:			
Receipts from Customers/Other Funds	$ 49,662,463	$ 26,690,895	$ 23,132,536
Payment to Suppliers of Goods and Services	(28,931,428)	(14,710,371)	(18,765,160)
Payment to Employees for Services	(7,372,145)	(5,586,687)	(1,184,995)
Payment on Current Claims			
Increase in Long-term Claims			
Other Receipts			943,287
Net Cash Provided by (Used for) Operating Activities	13,358,890	6,393,837	4,125,668
Cash Flows from Noncapital Financing Activities:			
Operating Grants and Contributions			
Internal Activity - Proceeds from Interfund Loans			342,134
Internal Activity - Payments on Interfund Loans		(342,134)	(22,169)
Transfers Received	27,283	4,218	
Transfers Paid	(460,780)		(40,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	(433,497)	(337,916)	279,965
Cash Flows from Capital and Related Financing Activities:			
Capital Grants and Contributions	987,296	976,244	
Acquisition and Construction of Capital Assets	(7,550,676)	(875,962)	(323,368)
Retirement of Long-term Installments Payable	(2,337,254)	(1,459,480)	(2,034,911)
Proceeds from Capital Debt	2,000,000		
Interest payments of Long-term debt	(5,680,141)	(3,018,670)	(3,114,701)
Net Cash (Used in) Capital and Related Financing Activities	(12,580,775)	(4,377,868)	(5,472,980)
Cash Flows from Investing Activities:			
Interest on Investments	1,760,692	1,479,100	709,153
Net Cash Provided by Investing Activities	1,760,692	1,479,100	709,153
Net Increase (Decrease) in Cash and Cash Equivalents	2,105,310	3,157,153	(358,194)
Cash and Cash Equivalent			
Beginning, as Restated	28,957,450	21,932,652	20,009,147
Ending (including $18,404,359 in restricted accounts)	$ 31,062,760	$ 25,089,805	$ 19,650,953

Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:

Operating Income (Loss)	$ 9,024,599	$ 2,747,349	$ 4,433,904
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	5,709,852	4,154,390	1,461,781
Write-off of Capital Assets			
Changes in Aseets and Liabilities:			
Accounts Receivable	44,667	121,336	624,675
Due from Other Governmental Agencies	(11,275)		(445,359)
Inventories and Prepayments	(880,180)		
Accounts Payable and Accrued Liabilities	(634,221)	(580,513)	(1,922,003)
Claims and Judgments Payable			
Unearned Revenues	104,059		
Compensated Absences Payable	1,389	(48,725)	(27,330)
Net Cash Provided by (Used for) Operating Activities	$ 13,358,890	$ 6,393,837	$ 4,125,668
Noncash Investing, Capital, and Financing Activities:			
Capital Assets Write-offs	$ 2,435,695	$ 2,291,234	

The accompanying notes are an integral part of these financial statements.

Nonmajor Other	Totals	Governmental Activities Internal Service Funds
$ 265,182	$ 99,751,076	$ 10,410,648
(1,811,295)	(64,218,254)	(5,345,449)
(267,757)	(14,411,584)	(1,719,058)
		(1,684,698)
		735,883
330,726	1,274,013	
(1,483,144)	22,395,251	2,397,326
1,567,193	1,567,193	
	342,134	
	(364,303)	
670,782	702,283	3,424,993
	(500,780)	(4,752,371)
2,237,975	1,746,527	(1,327,378)
12,468	1,976,008	
(12,468)	(8,762,474)	
	(5,831,645)	
	2,000,000	
(323,746)	(12,137,258)	
(323,746)	(22,755,369)	-
368,366	4,317,311	2,011,494
368,366	4,317,311	2,011,494
799,451	5,703,720	3,081,442
7,663,774	78,563,023	31,895,636
$ 8,463,225	$ 84,266,743	$ 34,977,078
$ (1,884,842)	$ 14,321,010	$ 1,334,087
285,052	11,611,075	
4,779	4,779	
(250)	790,428	(94,977)
224,444	(232,190)	(3,960)
	(880,180)	80,711
(5,423)	(3,142,160)	(539,804)
		1,612,696
(117,587)	(13,528)	
10,683	(63,983)	8,573
$ (1,483,144)	$ 22,395,251	$ 2,397,326
	$ 4,726,929	

The accompanying notes are an integral part of these financial statements.

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

Fiduciary Fund Financial Statements

Fiduciary Fund represents an Agency Fund, which is custodial in nature and is used to account for receipts of special assessments and taxes that will be used to pay principal and interest on the bonds that have no direct City obligation.

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

CITY OF CORONA

Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

		Pass Through Agency Fund
Assets:		
Cash and Investments	$	1,364,854
Interest Receivable		142,918
Due from Other Governmental Agencies		671,793
Restricted Assets:		
Cash and Investments		34,243,814
Total Assets	$	36,423,379
Liabilities:		
Accounts Payable and Accrued Liabilities	$	24,441
Deposits		210,108
Due to Bondholders		36,188,830
Total Liabilities	$	36,423,379

The accompanying notes are an integral part of these financial statements.

CORONA

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July 13, 1896

To Cherish Our Past - To Plan Our Future

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CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

1. Summary of Significant Accounting Policies

A. Description of the Reporting Entity

The City of Corona was incorporated in 1896 under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: Public Safety (Police and Fire), Streets and Highways, Water, Water Reclamation, Electric, Public Library, Parks, Public Improvements, Planning and Zoning, Public Transportation (Transit Services) and General Administrative Services.

The accompanying comprehensive annual financial report includes the financial activities of the City of Corona, the primary government, and its component units, which are the Redevelopment Agency of the City of Corona, the Corona Public Financing Authority, the Corona Public Improvement Corporation and the Corona Utility Authority. Financial information for the City and these component units is accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board. The City Council members, in separate session, serve as the governing board of the Agency, the Authorities and the Corporation and, as such, these entities are presented on a blended basis. Separate financial statements are produced for the Redevelopment Agency of the City of Corona and the Corona Utility Authority component units of the City and may be obtained from the City's Finance Administration office.

Blended Component Units

The Redevelopment Agency of the City of Corona was established August 5, 1964, pursuant to the State of California Health and Safety Code, Section 33000, entitled "Community Redevelopment Law" and on November 11, 1975, the City Council became the governing board. The Agency was formed for the purpose of preparing and carrying out plans for improvement, rehabilitation and redevelopment of blighted areas within the territorial limits of the City. City staff provides management assistance to the Agency. The funds of the Agency have been included in the governmental activities in the financial statements.

The Corona Public Financing Authority is a joint powers authority organized under Section 6500 et seq. of the California Government Code on June 21, 1989, between the City and the Agency for the purpose of acting as a vehicle for various financing activities of the City and the Agency. The Authority's Board of Directors is the Corona City Council. The funds of the Authority have been included in the governmental activities in the financial statements. Funds related to debt issued for proprietary activities are included in the business-type activities.

The Corona Public Improvement Corporation was organized pursuant to the Nonprofit Public Benefit Corporation Law of the State of California (Title 1, Division 2, Part 2 of the California Corporations Code) on April 7, 1986 for the purpose of providing financial assistance to the City by acquiring, constructing, improving, developing and installing certain real and personal property together with appurtenances and appurtenant work for the use, benefit and enjoyment of the public. The Corporation's Board of Trustees is the Corona City Council. The funds of the Corporation have been included in the governmental activities in the financial statements. Funds related to debt issued for proprietary activities are included in the business-type activities.

The Corona Utility Authority is a joint powers authority which was established on February 6, 2002 pursuant to a Joint Exercise of Powers Agreement between the City of Corona and the Redevelopment Agency of the City of Corona in accordance with the Joint Powers Law (Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the California Government Code) for the purpose of assisting the City in the leasing of the water and water reclamation utility systems. The Authority's Officers are the Corona City Council. The funds of the Utility Authority have been included in the business-type activities in the financial statements.

B. Basis of Accounting/Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the City are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, Internal Service Fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989, to the business-type activities, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the committee on Accounting Procedure. The City applies all applicable FASB Statements and Interpretations issued after November 30, 1989, except those that conflict with or contradict GASB pronouncements.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net assets as presented in these statements to the net assets presented in the government-wide financial statements.

The City of Corona reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Development Fund is used to account for park dedication fees, dwelling development fees and other development impact fees received. The money is used to offset the burden resulting from new developments.

The Redevelopment Special Revenue Fund is used to account for the Redevelopment Agency's low-mod housing activities.

The Redevelopment Debt Service Fund accounts for tax increment revenue and other miscellaneous revenue as well as payments of principal and interest on Redevelopment Agency debt.

The Redevelopment Capital Projects Fund accounts for transactions related to proceeds from bonds and other resources and their use to perform redevelopment related activities within specific redevelopment project areas.

The Public Facility Capital Projects Fund accounts for transactions related to proceeds from debt and other resources and their use to acquire and construct certain capital facilities.

All governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due, however; the City has adopted a 12-month recognition period for Sales Tax and Grant revenues. Also, the City accrued highway users tax and AQMD funds received after the 60-day accrual period according to AB 7 introduced in the fiscal year 2007-08. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary Fund financial statements include a statement of net assets, a statement of revenues, expenses and changes in fund net assets, and a statement of cash flows for each major proprietary fund and non-major funds aggregated. A column representing Internal Service Fund is

also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

The City of Corona reports the following major Proprietary Fund types:

The Corona Utility Authority Funds account for the operation of the water and water reclamation utility systems. The two utilities are owned by the Corona Utility Authority, a blended component unit of the City. The City operates both the water and water reclamation systems pursuant to separate management agreements.

The Electric Fund is used to account for the operation of the City's electric utility system, a self supporting activity which renders services on a user charge basis to businesses located in the City.

Proprietary Funds are accounted for using the *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or non-current) are included on the statement of net assets. The statement of revenues, expenses and changes in fund net assets presents increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the Proprietary Funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a statement of net assets and combining statement of changes in assets and liabilities. The City's Fiduciary Funds represent Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds are accounted for on the accrual basis of accounting.

Fiduciary Funds account for receipt of special taxes and assessments used to pay principal and interest on related bonds with no direct City liability, as well as receipt and disbursement of capital project bond proceeds related to bonds that the City has no direct liability.

Additionally, the City reports the following funds:

Internal Service Funds account for risk management and fleet and equipment management services provided to other departments or agencies of the City on a cost reimbursement basis.

Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

C. Cash, Cash Equivalents and Investments

Cash Management

The City pools cash resources of its various funds to facilitate cash management. Cash in excess of current requirements is invested and reported as investments. It is the City's intent to hold investments until maturity. However, the City may, in response to market conditions, sell investments prior to maturity in order to improve the quality, liquidity or yield of the portfolio. Interest earnings are apportioned among funds based on ending accounting period cash and investment balances.

Investments Valuation

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools,* highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

State Investment Pool

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California. LAIF has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as a result of changes in interest rates.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the City's pooled cash and investments.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

F. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "interfund advances receivable/payable" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Proprietary Fund receivables are shown net of an allowance for uncollectible accounts. Allowances of uncollectibles were $227,053 for Water and Water Reclamation utility charges and $105,715 for Electric utility charges as of June 30, 2009. Utility customers are billed monthly. The estimated value of services provided, but unbilled at year-end has been included in the accompanying financial statements.

Property taxes are assessed, collected and allocated by Riverside County throughout the fiscal year according to the following property tax calendar.

Lien Date	January 1
Levy Date	July 1 to June 30
Due Dates	November 1, lst installment, February 1, 2nd installment
Delinquent Dates	December 11, lst installment, April 11, 2nd installment

The City accrues as receivable all property taxes received during the first ninety (90) days of the new fiscal year. Taxes are considered past due on the above delinquent dates, at which time the applicable property is subject to lien, and penalties and interest are assessed.

The County of Riverside collects an administration fee from the City and the Redevelopment Agency for its services. The City receives a percentage of the basic 1% ad valorem tax rate allowed on property within the City of Corona. Property tax rates for the City's general obligation debt are set by the City Council based on assessed valuations and debt service requirements. The assessed valuation is at "full cash value".

G. Inventories, Prepaid Items and Land Held for Resale

Inventory is valued at cost using the first in, first out method. Inventory in the Proprietary Funds consists of expendable supplies held for future consumption or capitalization. The cost is recorded as an expense as inventory items are consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Land held for resale is valued at the lower of cost or estimated net realizable value and is recorded in the Special Revenue Funds and Capital Project Funds.

H. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Services provided are treated as revenues and expenses. Administrative overhead charges included with centralized expenses charged by the General Fund are included in the direct expenses of enterprise activities. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are eliminated as part of the reconciliation to the government-wide financial statements.

I. Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City's policy is to apply restricted net assets first.

J. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets at $25,000 for non-infrastructure items and $100,000 for infrastructure. The City has chosen the Modified Approach for reporting the streets subsystem of infrastructure capital assets. Gifts or contributions of capital assets are recorded at fair market value when received. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Buildings ----------20-50 years
Improvements---------- 20 years
Equipment ---------- 3-20 years
Infrastructure----------25-65 years

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include the street system, water purification and distribution system, sewer collection and treatment system; park and recreation lands and improvement system, storm water conveyance system, and buildings combined with the site amenities such as parking and landscaped areas used by the City in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the Basic Financial Statements. The appropriate operating department maintains information regarding the subsystems.

The City elected to use the Modified Approach as defined by GASB Statement No. 34 for infrastructure reporting of its streets, concrete and asphalt pavements. The City commissioned a physical assessment of the streets condition in December 2007. This condition assessment will be performed every 2 years. Each homogeneous segment of City owned street was assigned a physical condition based on 17 potential defects. A Pavement Condition Index (PCI) was assigned to each street segment. The index is expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned to segments of street that have the physical characteristics of a new street. The following conditions were defined: excellent condition is assigned to segments with a scale rating between 86 and 100, very good condition is assigned to segments with a scale rating between 71 and 85, good condition is assigned to segments with a rating between 56 and 70, fair condition is assigned to segments with a scale rating between 41 and 55, poor condition is assigned to segments with a scale rating between 26 and 40, very poor segments have a range of 11 to 25 and distressed condition is assigned to segments with a scale rating between 0 and 10. The City's policy relative to maintaining the street assets is to achieve an average rating of 70 for all street segments. This acceptable rating allows minor cracking and raveling of the pavement along with minor roughness that could be noticeable to drivers traveling at the posted speeds.

For all other infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City commissioned an appraisal of City owned infrastructure and property as of June 30, 1999 and has completed an internal update for June 30, 2009. This appraisal determined the original cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Original costs were developed in one of three ways: 1) historical records; 2) standard unit costs appropriate for the construction/acquisition date; or 3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

K. Risk Management

The City administers self-insurance programs for workers' compensation and liability losses. These self-funding activities are accounted for in Internal Service Funds. Excess insurance is purchased to protect the City from losses above the self-insured retention. An independent firm performs annual actuarial valuation study for the Workers' Compensation and the Liability Risk Insurance Funds. The latest study was done on October 22, 2008 for periods ending June 30, 2008 and 2009. At no time during the past five years have insurance claims exceeded insurance coverage.

L. Compensated Absences Payable

Under certain circumstances and according to negotiated labor agreements, employees of the City are allowed to accumulate annual leave. This amount is accrued in the government-wide and proprietary fund statements.

M. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

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

N. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

2. Cash and Investments

The City of Corona maintains a cash and investment pool that is available for all funds. Each fund type balance in the pool is reflected on the combined balance sheet as cash and investments. The City apportions interest earnings to all funds based on their monthly cash balances.

A. Cash Deposits

The carrying amounts of the City's cash deposits were $(699,948) at June 30, 2009. Bank balances before reconciling items were $1,865,642 at that date, the total amount of which was collateralized or insured with securities held by pledging financial institutions in the City's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

In January 2009, the Federal Deposit Insurance Corporation (FDIC) implemented the Temporary Liquidity Guarantee Program (TLGP) with all applicable financial institutions. This program gave non-interest bearing deposits unlimited insurance protection, temporarily replaced the collateral requirement of the financial institutions, which requires the market value of the pledged securities equal at least 110% of a City's deposits. The TLGP program will expire by December 31, 2009. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related funds.

B. Investments

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

- Securities issued by the U.S. Treasury
- Notes or discount notes issued by agencies of the federal government, not to exceed 75% of the portfolio
- Banker's acceptances, not to exceed 20% of the portfolio
- Negotiable certificates of deposit issued by institutions insured by the federal government, not to exceed 20% of the portfolio
- Repurchase agreements, not to exceed 10% of the portfolio
- California Local Agency Investment Fund (State Pool)
- Corporate medium-term notes, not to exceed 30% of the portfolio

- Commercial paper, not to exceed 25% of the portfolio, may not represent more than 10% of issuer's outstanding paper
- Diversified management companies, as defined by Section 53601(l) of the Government Code, not to exceed 10% of the portfolio

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value using the aggregate method in all funds and component units, resulting in the following investment income in all funds and component units:

Realized loss on matured investments	$ (49,059)
Unrealized gain in changes in fair value of investments	3,698,470
Interest Income	10,672,601
Total investment income	$ 14,322,012

The City portfolio value fluctuates in an inverse relationship to any change in interest rates. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen.

In accordance with GASB Statement No. 31, the portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. The City's policy is to buy and hold investments until their maturity dates.

C. Summary of Cash and Investments

The following is a summary of pooled cash and investments at June 30, 2009:

	Government-Wide Statement of Net Assets			**Fiduciary Fund Financial Statements**	
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds Statement of Net Assets	Total
Cash and Investments	$ 176,036,146	$ 65,862,384	$ 241,898,530	$ 1,364,854	$ 243,263,384
Restricted Cash and Investments	$ 14,424,495	$ 18,404,359	$ 32,828,854	$ 34,243,814	$ 67,072,668
Total Cash and Investments					$ 310,336,052

At June 30, 2009, the City had the following deposits and investments:

	Credit Quality Ratings	Fair Value
City Treasury:		
Deposits	Not Rated	$ (699,948)
Total Deposits		(699,948)
Investments:		
Medium Term Notes	AAA	49,287,057
Medium Term Notes	AA	5,532,966
Medium Term Notes	AA-	2,040,183
Medium Term Notes	AA+	3,726,594
Medium Term Notes	A+	2,025,376
Medium Term Notes	A	6,335,081
Total Medium Term Notes		68,947,257
Union Bank Investments	Not Rated	2,208,027
Securities of U.S. Government Agencies:		
FFCB	AAA	22,005,316
FHLB	AAA	18,256,959
FHLMC	AAA	25,274,233
FNMA	AAA	22,232,575
U.S. Treasury	Not Rated	35,638,016
Total Securities of U.S. Government Agencies		123,407,099
Local Agency Investment Funds	Not Rated	49,400,949
Total Investments		243,963,332
Total City Treasury		243,263,384
Restricted Cash and Investments:		
Cash & Investments with Fiscal Agents	Not Rated	62,229,798
PUC Public Purpose	Not Rated	1,134,114
Electric Restricted Cash	Not Rated	1,647,088
Retention & Escrow Accounts	Not Rated	2,061,668
Total restricted cash and investments		67,072,668
Total cash and investments		$ 310,336,052

D. Risk Disclosures

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to maturities not to exceed five years at time of purchase.

At June 30, 2009, the City Treasury had the following investment maturities:

		Investment Maturities (In Years)		
Investment	**Fair Value**	**Less than 1**	**1 to 3**	**3 to 5**
Cash and Investments:				
FFCB	$ 22,005,316	$ 4,143,752	$ 13,287,502	$ 4,574,062
FHLB	18,256,959		9,276,645	8,980,314
FHLMC	25,274,235	1,098,563	8,954,627	15,221,045
FNMA	22,232,574	4,215,955	9,258,963	8,757,656
US T-Notes	35,638,012		22,742,856	12,895,156
LAIF	49,400,949	49,400,949		
Diversified Investment	2,208,027	2,208,027		
Wells Fargo Corp	7,791,981		5,751,798	2,040,183
Conoco Phillips	1,681,147	1,681,147		
General Dynamics Corp	1,808,902		1,808,902	
JP Morgan Chase & Co	5,919,905			5,919,905
General Electric Co	9,536,340		3,726,594	5,809,746
JP Morgan Chase & Co	2,025,376			2,025,376
US Bancorp	5,800,640		5,800,640	
Toyota Motor Corp	1,947,076		1,947,076	
Wal- Mart Stores	3,585,890		3,585,890	
Bank of America	5,672,409		5,672,409	
Goldman Sachs Inc	8,666,339	2,845,032	5,821,307	
Pfizer Inc	1,708,477			1,708,477
Tennesee Valley Authority	12,802,778		6,773,040	6,029,738
Total	$ 243,963,332	$ 65,593,425	$ 104,408,249	$ 73,961,658
Restricted Cash and Investements:				
Cash and Cash in Escrow	$ 4,842,897	$ 4,842,897	$ -	$ -
Aim Government & Agency	5,335,041	5,335,041		
Aim S-T Investement Treasury	16,969,889	16,969,889		
Blackrock Treasury Fund	4,417,968	4,417,968		
Dreyfus Treasury Cash Mgmt	6,153,444	6,153,444		
Federal Treasury Obligation	9,518,014	9,518,014		
Treasury Money Market Fund	5,995,236	5,995,236		
Natixis Funding Corp	4,300,695			4,300,695
Bayerische Landesbank	2,349,390			2,349,390
AIG Matched Funding Corp	4,754,550			4,754,550
FSA Capital Mgmt Svc LLC	2,435,544			2,435,544
Total	$ 67,072,668	$ 53,232,489	$ -	$ 13,840,179

Credit Risk. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's, Fitch Ratings, and Moody's Investors Service.

The City's credit risk, expressed on a percentage basis at June 30, 2009 are presented below:

Investment Type	Moody's Rating	S & P Rating	% of Investment
FFCB	Aaa	AAA	9.02%
FHLB	Aaa	AAA	7.49%
FHLMC	Aaa	AAA	10.36%
FNMA	Aaa	AAA	9.12%
US T-Notes	Not Rated	Not Rated	14.61%
LAIF	Not Rated	Not Rated	20.20%
Diversified Investment	Not Rated	Not Rated	0.91%
Wells Fargo Corp FDIC Insured	Aaa	AAA	2.36%
Wells Fargo Corp	A1	AA-	0.84%
Conoco Phillips	A1	A	0.69%
General Dynamics Corp	A2	A	0.74%
JP Morgan FDIC Insured	Aaa	AAA	2.43%
General Electric Co FDIC Insured	Aaa	AAA	2.38%
General Electric Co	Aa2	AA+	1.53%
JP Morgan Chase & Co	Aa3	A+	0.83%
US Bank Corp FDIC	Aaa	AAA	2.38%
Pfitzer Inc	Aa2	AAA	0.70%
Toyota Motor Corp	Aa1	AA	0.80%
Wal- Mart Stores	Aa2	AA	1.47%
Bank of America Corp FDIC Insured	Aaa	AAA	2.33%
Goldman Sachs FDIC Insured	Aaa	AAA	2.39%
Goldman Sachs Inc	A1	A	1.17%
Tennesee Valley Authority	Aaa	AAA	5.25%
Total			100.00%

E. Investments in Local Agency Investment Funds

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight to the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The City's investments with LAIF at June 30, 2009 included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgaged-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2009, the City had $49,336,576 invested in LAIF. Fair value of the City's LAIF investments was $49,400,949 as of June 30, 2009. This is arrived at by multiplying the City's

LAIF account balance by a fair value factor determined by LAIF. The fair value factor was determined by dividing all LAIF participants' total aggregate fair value by total aggregate amortized cost, resulting in a factor of 1.001304743.

3. Interfund Transactions

A. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The following is a summary of current interfund balances as of June 30, 2009.

Receivable Fund	Amount	Payable Fund	Amount
Major Funds:		**Major Funds:**	
General Fund	$ 12,202,106	Redevelopment - Debt Service	4,569,112
		Public Facilities - Capital Projects	6,239,514
		Non-Major Funds:	
		Debt Service:	
		Other Grants	1,345,321
		Capital Projects:	
		HUD Grants	48,159
Total	$ 12,202,106	Total	$ 12,202,106

B. Long-Term Interfund Advances

At June 30, 2009, the funds below have made advances that were not expected to be repaid in one year or less.

Receivable Fund	Amount	Payable Fund	Amount
Major Funds:		**Major Funds:**	
General Fund	$ 13,576,731	Redevelopment - Special Revenue	$ 1,295,665
Development - Special Revenue	450,000	Redevelopment - Debt Service	1,443,079
Enterprise Funds:		Development - Special Revenue	9,380,612
Water	473,875	Enterprise Funds	
Electric	20,102,881	Water Reclamation	13,988,931
		Electric	1,222,375
		Non-Major Funds:	
		Special Revenue Funds:	
		City Facilities - Airport	235,000
		Special Tax Districts	450,000
		Enterprise Funds	
		Public Financing Authority	6,587,825
Total	$ 34,603,487	Total	$ 34,603,487

The Redevelopment Debt Service and Special Revenue funds advances are from the General fund and are composed of various operating advances for the Redevelopment Agency's different project areas. The advances have different terms and interest rates and are expected to be repaid with tax increment revenue.

The Development Special Revenue fund is repaying the General Fund with the developer impact fees.

The City Facilities fund advance is being repaid over a 27-year period with annual payments of $15,000, expected to be repaid by 2025.

The Dwelling Development fund advance is being repaid by special assessments collected in a landscape maintenance district over a 10-year period with annual payments of $56,035.

The Water Reclamation fund payable relates to the transfer of the bio-solids dryer facility from the Electric fund to the Water Reclamation fund.

The Electric fund payable represents a reimbursement to the General fund for certain Corporation Yard Expansion project costs.

The Public Financing Authority Payable represents the reserves from the Electric fund and Water fund related to the 2003 and 2005 Certificates of Participation. These reserves will be paid during the final years of the bonds term.

C. Internal Balances – Capital Lease Receivable

In 2002, the City of Corona (City) established the Corona Utility Authority (Authority) as a joint powers authority pursuant to a Joint Exercise of Powers Agreement between the City and the Redevelopment Agency of the City of Corona in accordance with the Joint Powers Law (Articles 1 through 4 of Chapter 5, Division 7, title 1 of the California Government Code) for the purpose of assisting the City in the leasing of the water and water reclamation utility systems. The Authority's Officers are the Corona City Council. The outstanding capital lease receivable at June 30, 2009 was $172,628,344. Refer to Note 12 for additional information.

D. Internal Balances – Interfund

In fiscal year 2006-07, the General Fund advanced the Electric Fund $1,265,747. The outstanding receivable at June 30, 2009 was $1,222,375.

E. Transfers Between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to reimburse a fund that has made an expenditure on behalf of another fund. Significant one time transfers were:

- $2,293,547 from the Gas Tax and other governmental funds for reimbursement of street maintenance costs and investment earnings.
- $1,591,507 from the Corporation Yard Expansion project to the General Fund to refund investment earnings that belong to the General Fund.

- $2,643,782 from the Internal Service Fund to the General Fund due to lower than anticipated investment revenue.
- $2,367,263 from the General Fund to the Redevelopment Capital Projects Fund regarding various developer agreements funding.
- $9,476,856 from the Redevelopment Debt Service Fund to the Redevelopment Capital Projects Fund for the funding of administrative costs, capital improvements and fiscal agent activities.

Total transfers of $25,430,077 are presented below:

	Transfer In				
		Development	Redevelopment		Public Facilities
Transfer Out	General Fund	Special Revenue	Special Revenue	Capital Projects	Capital Projects
General Fund	$ -	$ 5,625	$ -	$ 2,367,263	$ 38,976
Development Special Revenue	137,246				
Redevelopment Debt Service			899,912	9,476,859	
Public Facilities Capital Projects	1,591,507				
Non-major Governmental	2,293,547	423			
Water					
Electric				40,000	
Internal Service	2,643,782	664			
Total Transfers In	$ 6,666,082	$ 6,712	$ 899,912	$ 11,884,122	$ 38,976

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Transfer In					
Non-Major Governmental	Water	Water Reclamation	Other Proprietary	Internal Service	**Total Transfers Out**
$ 1,805,419	$ -	$ -	$ -	$ 1,317,068	$ 5,534,351
					137,246
					10,376,771
1,580	27,283	4,218			1,624,588
			210,000		2,503,970
			460,780		460,780
					40,000
				2,107,925	4,752,371
$ 1,806,999	$ 27,283	$ 4,218	$ 670,780	$ 3,424,993	$ 25,430,077

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4. Risk Management

A. Workers' Compensation Insurance

The City's self-insured retention is $1,000,000 with purchased excess insurance for claims over that amount up to policy limits. Departments are charged a percentage of the total estimated insurance, claims expense and premiums based on payroll cost. The actuarial estimated liability for pending and incurred but not reported claims at June 30, 2009 has been included in the Claims Payable amount as of June 30, 2009. Claims Payable is incorporated in the financial statements as Claims and Judgments Payable in Internal Service funds and is based on history and actuarial studies.

The following reconciles Claims and Judgments Payable for the Workers' Compensation Self-Insurance fund for fiscal year ended June 30, 2009 and its five preceding years:

Fiscal Year Ended June 30,	Claims Payable July 1,	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30,
2005	$ 10,569,025	$ 5,276,673	$ (3,724,233)	$ 12,121,465
2006	12,121,465	5,672,759	(3,608,367)	14,185,857
2007	14,185,857	(5,458,226)	(1,328,542)	7,399,089
2008	7,399,089	4,336,670	(1,608,863)	10,126,896
2009	10,126,896	2,241,834	(893,458)	11,475,272

B. Liability Insurance

The City's self-insured retention is $750,000 with an excess policy insuring claims over $750,000 up to a limit of $10,000,000. A third party administrator administers claims. The actuarial estimated liability for pending and incurred but not reported claims at June 30, 2009 has been incorporated in the financial statements as Claims and Judgments Payable in Internal Service Funds and are based on history and actuarial studies.

C. Property Losses (excluding earthquake)

The City's property losses are covered by insurance policies for covered value of $100,000,000 with deductibles of $50,000. The estimated liability for pending and incurred but not reported claims at June 30, 2009 has been incorporated in the financial statements as Claims and Judgments Payable in the Liability Risk Internal Service Fund and are based on history only.

The total liabilities amount to $11,475,272 for Workers Compensation and $2,433,715 for Liability. Of these amounts, $3,107,000 and $851,000 are the amounts due in one year or less, respectively. Claims are paid by the separate internal service funds for each liability.

The table presented on the next page reconciles Claims and Judgments Payable for the Liability Risk Self-Insurance fund, including property losses, fiscal year ended June 30, 2009 and its five preceding years.

Fiscal Year Ended June 30,	Claims Payable July 1,	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30,
2005	$ 1,616,286	$ 2,387,015	$ (1,772,269)	$ 2,231,032
2006	2,231,032	3,413,926	(2,651,177)	2,993,781
2007	2,993,781	(363,617)	(845,714)	1,784,450
2008	1,784,450	1,108,873	(723,928)	2,169,395
2009	2,169,395	842,623	(578,303)	2,433,715

5. Long-Term Receivables/Deferred Revenues/Unearned Revenues

	Loans Receivable	Long-Term Receivable	Eliminated Government-Wide Statements
Major Funds			
General Fund	$ -	$ 486,103	
Development Special Revenue	46,440	1,620,246	
Redevelopment Special Revenue	12,634,146		
Redevelopment Capital Project	500,000		
Non-Major Funds			
Assessment Districts		1,900,000	x
HUD Grants	357,353		
Total	$ 13,537,939	$ 4,006,349	
Enterprise Fund			
Water		$ 16,000,000	

Receivables on the balance sheet as of June 30, 2009 are presented by specific description so as not to be aggregated. The significant receivable balances in the governmental funds which are not expected to be collected within one year are identified as:

General Fund long-term receivable represents reimbursement fees to be paid by developers for the Temescal Canyon Communications Tower in the amount of $287,932 and reimbursement fees to be paid by developers for Community Facilities Plan Reimbursement for the South Corona area in the amount of $198,171;

Development Special Revenue Fund reports a loans receivable of $46,440 for the sale of real property to a developer; the fund also reports a long-term receivable for future developer impact fees for the Temescal Canyon Public Safety Facility;

Redevelopment Special Revenue Fund reports loans receivable for low-mod housing programs that have varying terms and re-payment provisions;

Redevelopment Capital Projects Fund reports loan receivable for various agreements with developers with long-term repayment provisions;

Assessments Districts Fund long-term receivable represents future assessments to be received for the payment of Assessment District debt which is considered to be a possible liability of the City in the case of default;

HUD Grants Fund reports loans receivable for home improvement programs that have varying terms and repayment provisions; and

Water Enterprise Fund reports a long-term receivable for the Local Resource Program Agreement from the Western Municipal Water District.

The deferred revenues of $1,900,000 in debt service funds represent future assessments to be received for the payment of Assessment District debt and other lease revenue to be used to meet the related debt obligation. This is not reported in the government-wide statements.

The unearned revenues shown in the government-wide statements for business-type activities represent claims that have been approved by state agencies for Transit Services but not spent in the current period, customer prepayments of utility billings, and a long term agreement between Metropolitan Water District of Southern California, Western Municipal Water District and the City of Corona which utilizes the City's desalter plant to treat groundwater in conjunction with imported water as a means of increasing the potable water available to Corona customers.

6. Capital Assets

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the government-wide Statement of Net Assets. The City elected to use the "modified approach" as defined by GASB Statement No. 34 for infrastructure reporting for its pavement system. As a result, no accumulated depreciation or depreciation expense has been recorded for this system. A more detailed discussion of the "modified approach" is presented in the Required Supplementary Information section of this report. All other capital assets including other infrastructure systems were reported using the basic approach whereby accumulated depreciation and depreciation expense have been recorded. The following table presents summary information on infrastructure assets.

Description	Historical Cost	Accumulated Depreciation	Net Cost
Governmental Activities:			
Modified Approach			
Street Pavement System	$ 171,834,668	$ -	$ 171,834,668
Basic Approach			
Curbing	76,140,380	(26,750,701)	49,389,679
Sidewalks	82,791,931	(28,754,220)	54,037,711
Signs and Lights	37,308,177	(8,848,982)	28,459,195
Storm Drains	90,047,059	(19,916,369)	70,130,690
Fiberoptics	1,187,096	(363,440)	823,656
Subtotal Basic Approach	287,474,643	(84,633,712)	202,840,931
Total Governmental Activities	$ 459,309,311	$ (84,633,712)	$ 374,675,599
Business-Type Activities:			
Basic Approach			
Fiberoptics	$ 235,951	$ (74,375)	$ 161,576
Electric	4,189,350	(220,978)	3,968,372
Water	179,763,033	(36,731,900)	143,031,133
Water Reclamation	71,417,708	(13,651,701)	57,766,007
Total Business-Type Activities	$ 255,606,042	$ (50,678,954)	$ 204,927,088

Capital Assets of the City for the year ended June 30, 2009 consisted of the following:

	Restated Balance July 1, 2008	Increases	Decreases	Balance June 30, 2009
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 60,189,563	$ 240,160		$ 60,429,723
Streets	171,185,660	649,008	-	171,834,668
Construction in Progress	55,030,289	24,736,779	(33,291,548)	46,475,520
Total capital assets not being depreciated	286,405,512	25,625,947	(33,291,548)	278,739,911
Capital assets being depreciated:				
Buildings and Improvements	161,837,440	29,986,886	(64,000)	191,760,326
Machinery and Equipment	29,426,658	2,371,109	(1,480,825)	30,316,942
Infrastructure	283,719,100	3,755,543		287,474,643
Total capital assets being depreciated	474,983,198	36,113,538	(1,544,825)	509,551,911
Less accumulated depreciation for:				
Buildings and Improvements	(67,650,706)	(4,588,976)	33,538	(72,206,144)
Machinery and Equipment	(16,730,106)	(2,283,231)	1,336,894	(17,676,443)
Infrastructure	(79,998,936)	(4,634,776)		(84,633,712)
Total accumulated depreciation	(164,379,748)	(11,506,983)	1,370,432	(174,516,299)
Total capital assets being depreciated, net	310,603,450	24,606,555	(174,393)	335,035,612
Governmental activity capital assets, net	$ 597,008,962	$ 50,232,502	$ (33,465,941)	$ 613,775,523
Business-Type Activities:				
Capital assets not being depreciated:				
Land	$ 2,667,383	$ -		$ 2,667,383
Wastewater Rights	9,180,000			9,180,000
Construction in Progress	25,013,281	7,424,152	(4,023,615)	28,413,818
Total capital assets not being depreciated	36,860,664	7,424,152	(4,023,615)	40,261,201
Capital assets being depreciated:				
Buildings and Improvements	116,788,199	1,045,976	(46,416)	117,787,759
Machinery and Equipment	83,275,921	858,513	(150,600)	83,983,834
Infrastructure	246,715,150	8,890,892		255,606,042
Emission Reduction Credits	546,917			546,917
Total capital assets being depreciated	447,326,187	10,795,381	(197,016)	457,924,552
Less accumulated depreciation for:				
Buildings and Improvements	(26,830,139)	(2,513,122)	22,744	(29,320,517)
Machinery and Equipment	(24,431,598)	(4,578,394)	142,214	(28,867,778)
Infrastructure	(46,227,076)	(4,451,878)		(50,678,954)
Emission Reduction Credits	(266,899)	(67,683)		(334,582)
Total accumulated depreciation	(97,755,712)	(11,611,077)	164,958	(109,201,831)
Total capital assets being depreciated, net	349,570,475	(815,696)	(32,058)	348,722,721
Business-type activity capital assets, net	$ 386,431,139	$ 6,608,456	$ (4,055,673)	$ 388,983,922
Total Capital Assets	$ 983,440,101	$ 56,840,958	$ (37,521,614)	$ 1,002,759,445

Beginning balance for capital assets has been restated by $1,737,461 due to a reclassification of Water construction in progress to maintenance and repairs expenses. Refer to Note 20 for additional information.

For the year ended June 30, 2009, accumulated depreciation on governmental activity capital assets and depreciation expense charged to each governmental function are presented as follows:

City of Corona FY 2008-09
Depreciation by Governmental Departments

	Previous Year Accumulated Depreciation	Current Year Depreciation	Accumulated Depreciation	Adjustments to Depreciation	Adjusted Accumulated Depreciation
General Government	$ 14,681,115	$ 2,493,917	$ 17,175,032	$ (267,155)	$ 16,907,877
Public Safety - Fire	5,432,420	730,374	6,162,794	(183,871)	5,978,923
Public Safety - Police	6,418,270	949,305	7,367,575	(789,240)	6,578,335
Public Works	82,799,668	4,948,959	87,748,627	(34,971)	87,713,656
Redevelopment	1,282,875	335,442	1,618,317	17,765	1,636,082
Parks and Recreation	53,415,449	2,020,430	55,435,879	(112,961)	55,322,919
Library	349,951	28,556	378,507		378,507
Total Depreciation Expense	$ 164,379,748	$ 11,506,983	$ 175,886,731	$ (1,370,432)	$ 174,516,299

The City has active construction projects as of June 30, 2009. These projects include street construction in areas of newly developed housing, pavement rehabilitation, various water and water reclamation upgrades and replacements, and the renovation of the City's police department facility. At year end, the City's commitments for construction totaled $74,889,338.

7. Compensated Absences

The City's policy relating to compensated absences is described in Note 1. As shown in the table below, the long-term portion of this debt, amounting to $1,471,874 for governmental activities and $66,314 for business-type activities at June 30, 2009, is expected to be paid in future years from future resources. In prior years, compensated absences have been liquidated primarily by the General Fund and the proprietary funds. The total amount outstanding at June 30, 2009 was $8,898,683 for governmental activities and $867,456 for business-type activities.

	Balance July 1, 2008	Incurred	Satisfied	Balance June 30, 2009	Amounts Due Within One Year	Amounts Due in More than One Year
Governmental Activities	$ 9,229,627	$ 6,905,610	$ 7,236,554	$ 8,898,683	$ 7,426,809	$ 1,471,874
Business-Type Activities	$ 971,351	$ 778,431	$ 882,326	$ 867,456	$ 801,142	$ 66,314

8. Long-Term Obligations

The following is a summary of long-term obligation transactions of the City for the year ended June 30, 2009:

	Balance July 1, 2008	Incurred or Issued	Satisfied or Matured	Balance June 30, 2009	Amounts Due Within One Year	Amounts Due in More than One Year
Governmental Activities:						
Loans Payable	$ 569,102	$ -	$ 569,102	$ -	$ -	$ -
Long Term Agreements Payable	7,067,935	5,167,326	6,510,434	5,724,827	1,196,687	4,528,140
Lease Payable	582,578	-	107,893	474,685	112,042	362,643
General Obligation Bonds Payable	1,445,000	-	495,000	950,000	310,000	640,000
Redevelopment Bonds Payable	90,940,000	-	3,135,000	87,805,000	2,730,000	85,075,000
Lease Revenue Bonds Payable	73,390,000	-	2,695,000	70,695,000	2,790,000	67,905,000
Special Assessment District Bonds	2,225,000	-	325,000	1,900,000	345,000	1,555,000
Total Governmental Activities	$ 176,219,615	$ 5,167,326	$ 13,837,429	$ 167,549,512	$ 7,483,729	$ 160,065,783
Business-Type Activities:						
Installment Agreement Payable	$ 37,024	$ 2,000,000	$ 37,024	$ 2,000,000	$ 164,450	$ 1,835,550
Contracts Payable	690,391	-	-	690,391	-	690,391
Term Loans Payable	41,990,148	-	2,364,710	39,625,438	2,418,786	37,206,652
Water Revenue Bonds	30,215,000	-	890,000	29,325,000	925,000	28,400,000
Certificates of Participation	98,145,000	-	2,500,000	95,645,000	2,610,000	93,035,000
Total Business-Type Activities	$ 171,077,563	$ 2,000,000	$ 5,791,734	$ 167,285,829	$ 6,118,236	$ 161,167,593

A. Loans Payable

A loan was made to the City from the Riverside County Transportation Commission of future Measure A Revenues for the Smith, Maple, and Lincoln Bridges projects. The last monthly installment payment was made in August 2008.

B. Long-Term Agreements Payable

The following Long Term Agreements Payable were outstanding at June 30, 2009:

Riverside County Flood Control Agreement	$ 557,501
Developer Agreement - Sherborn LLC	5,167,326
Total Long-Term Agreements Payable	$ 5,724,827

Pursuant to the Cooperation Agreement dated February 13, 1985 between the Riverside County Flood Control and Water Conservation District and the Redevelopment Agency of the City of Corona, the Agency recorded an obligation in the amount of $1,244,689 in fiscal years 2000-01 through 2003-04. During fiscal year 2004-05, the Agency and the District executed a Settlement and Release Agreement. The Agency's unpaid obligation, coupled with accrued interest, was determined to be $1,300,835. The Settlement and Release Agreement allows the Agency to pay the principal balance of the obligation in equal annual payments of $185,834 over a seven year period, plus accrued interest. The District will calculate the interest due on the principal balance at an adjustable rate in accordance with the average Riverside County Treasurer Pooled Investment Interest Rate. The balance of the agreement as of June 30, 2009 was $557,501.
Pursuant to the Promissory Note set forth in the Purchase and Sale Agreement dated June 17, 2009 between the Redevelopment Agency of the City of Corona and Sherborn, LLC, the Agency

recorded an obligation in the amount of $5,167,326. The Agency acquired land from Sherborn, LLC for potential redevelopment activities in the Merged Project Areas. Per the terms of the agreement, the Agency shall make semi-annual payments of $600,000, including 4.0% accrued interest. On or before the maturity date of July 15, 2020, the Agency shall pay the balance of the obligation and any unpaid and accrued interest.

C. Lease Payable

The City entered into a lease purchase agreement for $1,065,000 with a funding date of November 22, 2002 for the purpose of purchasing a helicopter and related equipment for use by the City, primarily the Police Department. The helicopter has been recorded as a fixed asset at its purchase price. The lease/purchase is payable over a ten-year period at a rate of 3.845% interest in equal installments of $130,294 per year through the year 2012.

The City's obligation under the lease, as represented by the present value of the minimum future lease payments as of June 30, 2009 is recorded as a long-term obligation in the General Fund.

As of June 30, 2009, the future minimum lease payments required under the capital lease and the net present value of the future lease payments is as follows:

Fiscal Year	Lease Payment
2010	$ 130,294
2011	130,294
2012	130,294
2013	130,293
Total minimum lease payments	521,175
Less: Amount representing interest	(46,490)
Present Value of Future Minimum Lease Payments	$ 474,685

The lease was paid off in October 2009 as the result of the sale of the helicopter. Refer to Note 21 for additional information.

D. General Obligation Bonds

These bonds are secured by the City's taxing power. General obligation bonds outstanding at June 30, 2009 are summarized as follows:

$7,225,000 1995 Refunding General Obligation Bonds	$ 950,000

On December 20, 1995, the City issued $7,225,000 in 1995 General Obligation Refunding Bonds for the purposes of providing funds to advance refund the series 1988A Corona General Obligation Bonds issued in the aggregate principal amount of $7,390,000. The Series 1988A bonds were issued for the acquisition and improvement of land for the City's Public Library. The outstanding bonds bear interest of 5.1% with an annual installment in the amount of $310,000 through July 1, 2009, and term bonds of $640,000 due on July 1, 2011. The bonds are payable from ad valorem taxes levied against all taxable real property in the City (with the exception of certain classes of personal property). The annual debt service requirements for the 1995 General Obligation Refunding Bonds are as follows:

	1995 Refunding Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 310,000	$ 40,545	$ 350,545
2011	320,000	24,480	344,480
2012	320,000	8,160	328,160
Totals	$ 950,000	$ 73,185	$ 1,023,185

E. Redevelopment Tax Allocation Bonds

These bonds are special obligations of the Corona Redevelopment Agency and are payable from specific pledged revenues.

The following Tax Allocation Bonds were outstanding at June 30, 2009:

Issuance	Balance
$ 9,355,000 Redevelopment Agency, 1996 Project Area "A" Set-Aside Tax Allocation Bonds	$ 6,315,000
$36,910,000 Redevelopment Agency, 2004 Project Area "A" Tax Allocation and Refunding Bonds	31,085,000
$22,155,000 Redevelopment Agency, 2007 Temescal Canyon Project Area Tax Allocation Bonds	21,660,000
$29,550,000 Redevelopment Agency, 2007 Project Area "A" Taxable Tax Allocation Bonds	28,745,000
Total Redevelopment Tax Allocation Bonds	$ 87,805,000

1996 Project Area “A” Set-Aside Tax Allocation Bonds

On October 15, 1996, the Corona Redevelopment Agency issued $9,355,000 of Redevelopment Project Area “A” Housing Set-Aside Tax Allocation Bonds to provide funds for a portion of the costs of reconstruction and rehabilitation of an apartment complex of approximately 160 units by the Southern California Housing Development Corporation and certain other activities for the provision of low and moderate income housing within the Project Area. The bonds were issued for sale to the Corona Public Financing Authority pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 of Chapter 5 of Division 2 of Title 1 (commencing with Section 6584) of the California Government Code (the “JPA Law”). The bonds purchased by the Authority were resold concurrently to the Underwriter. The outstanding bonds bear interest from 5.30% to 5.63% and are due in annual installments ranging from $345,000 to $385,000 through September 1, 2011. The bonds are payable from pledged revenues of the Housing Set-Aside funds of the Redevelopment Agency. The annual debt service requirements for the 1996 Redevelopment Tax Allocation Bonds are presented on the following page.

	1996 Set-Aside Tax Allocation Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 345,000	$ 340,449	$ 685,449
2011	365,000	321,451	686,451
2012	385,000	301,201	686,201
2013	405,000	279,669	684,669
2014	425,000	256,844	681,844
2015-2019	2,515,000	893,750	3,408,750
2020-2022	1,875,000	162,141	2,037,141
Totals	$ 6,315,000	$ 2,555,505	$ 8,870,505

2004 Project Area “A” Tax Allocation and Refunding Bonds

The $36,910,000 of Redevelopment Project Area “A” 2004 Tax Allocation and Refunding Bonds bear interest from 3.50% to 5.00% and are due in annual installments ranging from $1,555,000 to $2,795,000. The bonds are payable from tax increment revenues of the Agency received from the project area and other funds and accounts pledged under the indenture. The bond issue will reduce debt service payments for the Agency by $7,015,420 with an economic gain of $3,226,023 or 8.233% as a percent of refunded bonds. The annual debt service requirements for the 2004 Redevelopment Tax Allocation Bonds are as follows:

	2004 Project Area "A" Tax Allocation Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 1,555,000	$ 1,351,413	$ 2,906,413
2011	1,610,000	1,299,044	2,909,044
2012	1,660,000	1,244,838	2,904,838
2013	1,715,000	1,183,631	2,898,631
2014	1,785,000	1,118,006	2,903,006
2015-2019	10,055,000	4,382,006	14,437,006
2020-2024	12,705,000	1,649,875	14,354,875
Totals	$ 31,085,000	$ 12,228,813	$ 43,313,813

2007 Temescal Canyon Project Area Tax Allocation Bonds

The $22,155,000 of Temescal Canyon Project Area 2007 Tax Allocation Bonds were issued to facilitate the transformation of a former mining facility and blighted area into developed backbone infrastructure improvements within the project area. The bonds bear interest from 4.00% to 4.50% and are due in annual installments ranging from $515,000 to $735,000, with term bonds of $1,475,000 due November 1, 2022, $1,515,000 due November 1, 2024, $1,650,000 due November 1, 2026, $2,760,000 due November 1, 2029 and $3,155,000 due November 1, 2032. The escrow term bonds in the amount of $3,465,000 bear interest at 4.50% and are due November 1, 2032. The bonds are payable from tax increment revenues of the Agency received from the project area. The annual debt service requirements for the 2007 Redevelopment Tax Allocation Bonds are presented on the following page.

	2007 Temescal Canyon Tax Allocation Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 515,000	$ 926,771	$ 1,441,771
2011	625,000	903,746	1,528,746
2012	650,000	877,784	1,527,784
2013	680,000	850,696	1,530,696
2014	700,000	822,596	1,522,596
2015-2019	3,965,000	3,648,842	7,613,842
2020-2024	4,405,000	2,748,867	7,153,867
2025-2029	5,120,000	1,715,941	6,835,941
2030-2033	5,000,000	462,375	5,462,375
Totals	$ 21,660,000	$ 12,957,618	$ 34,617,618

2007 Project Area “A” Taxable Tax Allocation Bonds

The $29,550,000 of Project Area “A” 2007 Taxable Tax Allocation Bonds were issued on a parity basis with the 2004 Tax Allocation Bonds to further facilitate the rehabilitation of a retail center and the development of mixed used commercial, hotel, office and light industrial projects within the Merged Downtown project area. The bonds bear interest from 4.74% to 6.25% and are due in annual installments ranging from $315,000 to $1,140,000, with term bonds of $23,850,000 due September 1, 2027. The bonds are payable from tax increment revenues of the Agency received from the project area. The annual debt service requirements for the 2007 Project Area “A” Tax Allocation Bond are as follows:

	2007 Project Area "A" Tax Allocation Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 315,000	$ 1,738,730	$ 2,053,730
2011	450,000	1,720,367	2,170,367
2012	485,000	1,697,609	2,182,609
2013	500,000	1,673,018	2,173,018
2014	1,140,000	1,630,702	2,770,702
2015-2019	2,580,000	7,669,253	10,249,253
2020-2024	3,450,000	6,766,515	10,216,515
2025-2028	19,825,000	2,774,744	22,599,744
Totals	$ 28,745,000	$ 25,670,938	$ 54,415,938

F. Lease Revenue Bonds

These bonds are special obligations of the Corona Public Financing Authority and are payable from specific pledged revenues. These bonds are reported as a liability of the City.

The following lease revenue bonds were outstanding at June 30, 2009:

Issuance	Balance
$ 9,810,000 Corona Public Financing Authority 2001 Lease Revenue Bonds, Series A	$ 5,225,000
$35,000,000 Corona Public Financing Authority 2002 Lease Revenue Bonds, Series B	30,095,000
$36,060,000 Corona Public Financing Authority 2006 Lease Revenue Bonds, Series C	35,375,000
Total Lease Revenue Bonds	$ 70,695,000

2001 Lease Revenue Bonds, Series A

The Corona Public Financing Authority 2001 Refunding Lease Revenue Bonds, Series A were issued on May 10, 2001 in the amount of $9,810,000 to refund the Corona Public Financing Authority 1993 Public Improvement Refunding Bonds originally issued in the aggregate principal amount of $21,295,000. The outstanding bonds bear interest from 4.20% to 4.75% and are due in annual principal installments ranging from $780,000 to $970,000 through September 1, 2014. The bonds are payable pursuant to a lease agreement with the City.

	2001 Refunding Lease Revenue Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 780,000	$ 217,738	$ 997,738
2011	815,000	183,835	998,835
2012	850,000	147,613	997,613
2013	885,000	109,000	994,000
2014	925,000	67,581	992,581
2015	970,000	23,037	993,037
Totals	$ 5,225,000	$ 748,804	$ 5,973,804

2002 Lease Revenue Bonds, Series B

The Corona Public Financing Authority 2002 Lease Revenue Bonds, Series B were issued on September 1, 2002 in the amount of $35,000,000 to pay the costs of the design, construction and acquisition of the City Hall facility. The outstanding bonds bear interest from 3.00% to 5.38% and are due in annual principal installments ranging from $1,065,000 to $1,930,000 through September 1, 2023 with term bonds in the amount of $8,675,000 due on September 1, 2027. The bonds are payable from the revenues expected to be received by the Authority from the City as lease payments for the acquired improvements. The annual debt service requirements for the 2002 Lease Revenue Bonds are presented on the following page.

	2002 Lease Revenue Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 1,065,000	$ 1,353,361	$ 2,418,361
2011	1,095,000	1,319,319	2,414,319
2012	1,130,000	1,281,476	2,411,476
2013	1,170,000	1,240,495	2,410,495
2014	1,215,000	1,196,507	2,411,507
2015-2019	6,925,000	5,064,822	11,989,822
2020-2024	8,820,000	3,138,325	11,958,325
2025-2028	8,675,000	848,231	9,523,231
Totals	$ 30,095,000	$ 15,442,536	$ 45,537,536

2006 Lease Revenue Bonds, Series C

The Corona Public Financing Authority 2006 Lease Revenue Bonds Series C were issued on December 6, 2006 in the amount of $37,180,000 to pay the costs of the Corporate Yard Expansion project and to redeem the Authority's outstanding 2000 Lease Revenue Bonds, Series A. The outstanding 2000 Lease Revenue Bonds were defeased in September 2008. The 2006 Lease Revenue Bonds bear interest from 3.50% to 5.00% and are due in annual installments ranging from $945,000 to $1,770,000 through September 1, 2036. The bonds are payable from the revenues expected to be received by the Authority from the City as lease payments for the acquired improvements.

	2006 Lease Revenue Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 945,000	$ 1,450,044	$ 2,395,044
2011	980,000	1,411,456	2,391,456
2012	1,015,000	1,371,644	2,386,644
2013	1,060,000	1,335,331	2,395,331
2014	1,095,000	1,297,619	2,392,619
2015-2019	6,085,000	5,853,828	11,938,828
2020-2024	7,475,000	4,403,580	11,878,580
2025-2029	6,505,000	2,772,966	9,277,966
2030-2034	5,980,000	1,556,137	7,536,137
2035-2037	4,235,000	274,869	4,509,869
Totals	$ 35,375,000	$ 21,727,474	$ 57,102,474

G. Special Assessment District Bonds (Indirect City Liability)

The payment of each bond is secured by valid assessment liens upon certain property in each district and is not a direct liability of the City. Reserves have been established from the bond proceeds to meet delinquencies should they occur and the City may, from time to time, when due and delinquent, advance available funds to pay the amount of any succeeding installment of the principal and the interest on the bonds. Therefore, the bonds are recorded as liabilities in the accompanying financial statements pursuant to GASB Statement No. 6.

The following Assessment District Bonds were outstanding at June 30, 2009:

Issuance	Balance
$3,630,086 Assessment District No. 89-1 Improvement Bonds	$ 690,000
$3,000,000 Assessment District No. 90-1 Improvement Bonds	1,210,000
Total Special Assessment District Bonds	$ 1,900,000

Assessment District No. 89-1 Improvement Bonds
The $3,630,086 Assessment District No. 89-1 Improvement Bonds were issued to finance construction and acquisition of improvements in the Railroad Street Industrial Area. The outstanding bonds bear interest of 7.55% to 7.60% and mature in remaining annual installments of $210,000 to $250,000 through September 2, 2011.

	Assessment District No. 89-1 Improvement Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 210,000	$ 44,408	$ 254,408
2011	230,000	27,740	257,740
2012	250,000	9,500	259,500
Totals	$ 690,000	$ 81,648	$ 771,648

Assessment District No. 90-1 Improvement Bonds
The $3,000,000 Assessment District No. 90-1 Improvement Bonds were issued to finance construction and acquisition of improvements within Tract 22909. The outstanding bonds bear interest of 8.00% and mature in remaining annual installments of $135,000 to $215,000 through September 2, 2015.

	Assessment District No. 90-1 Improvement Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 135,000	$ 91,400	$ 226,400
2011	145,000	80,200	225,200
2012	160,000	68,000	228,000
2013	170,000	54,800	224,800
2014	185,000	40,600	225,600
2015-2016	415,000	33,800	448,800
Totals	$ 1,210,000	$ 368,800	$ 1,578,800

H. Installment Agreement Payable

On December 1, 2008, the City of Corona and Elsinore Valley Municipal Water District entered into an agreement for a total of $2,500,000 for the purpose of acquiring certain assets. The loan is payable over a period of 10 years at the rate of 4.277% interest in equal annual installments of $250,000 through June 2019. The amount outstanding at June 30, 2009 was $2,000,000. The annual debt service requirements per the agreement are presented on the following page.

	Elsinore Valley Municipal Water District Agreement		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 164,450	$ 85,550	$ 250,000
2011	171,484	78,516	250,000
2012	178,820	71,180	250,000
2013	186,469	63,531	250,000
2014	194,445	55,555	250,000
2015-2016	1,104,332	145,668	1,250,000
Totals	$ 2,000,000	$ 500,000	$ 2,500,000

I. Contracts Payable

Contracts Payable arise from the acquisition of certain water and water reclamation facilities and represent amounts due to Western Municipal Water District payable from future water and water reclamation connection fees associated with the acquired facilities. Future connections are provided as needed in the area and as such cannot be scheduled. When connection fees are received the amounts attributable to the cost of physical connection are recognized as revenue and any additional amounts are credited to the contributed capital account. The amount outstanding at June 30, 2009 was $690,391.

J. Term Loans Payable

The following Term Loans Payable were outstanding at June 30, 2009:

Loan	Balance
State Revolving Fund Loan Contract No. 6-807-5850-0	$ 12,955,280
State Revolving Fund Loan Contract No. C-06-4802-110	26,670,158
Total Term Loans Payable	$ 39,625,438

State Revolving Fund Loan Contract No. 6-807-5850-0

On September 17, 1996, and February 20, 1997, the City and the State Water Resources Control Board of the State of California entered into a State Revolving Fund Loan Contract No. 6-807-5850-0 for a total of $22,244,222 for purposes of expansion of the Water Reclamation Facility No. 1. The loan is payable over a period of 20 years at the rate of 2.8% interest in equal installments of $1,503,293 through October 2018. The amount outstanding at June 30, 2009 was $12,955,280.

The annual debt service requirements for the State Revolving Fund Loan Contract No. 6-807-5850-0 are presented on the following page.

	State Revolving Fund Loan 6-807-5850-0		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 1,140,545	$ 362,748	$ 1,503,293
2011	1,172,480	330,813	1,503,293
2012	1,205,310	297,983	1,503,293
2013	1,239,059	264,234	1,503,293
2014	1,273,752	229,541	1,503,293
2015-2019	6,924,134	592,331	7,516,465
Totals	$ 12,955,280	$ 2,077,650	$ 15,032,930

State Revolving Fund Loan Contract No. C-06-4802-110

On June 10, 2003, the City and the State Water Resources Control Board of the State of California entered into a State Revolving Fund Loan Contract No. C-06-4802-110 for a maximum amount of $30,228,817, for construction of facilities at the Water Reclamation Facility No. 1. These facilities will provide recycled water to existing and potential users within the City. The loan is payable over a period of 20 years at the rate of 2.5% interest in equal annual installments of $1,944,995 through the year 2026. The amount outstanding at June 30, 2009 was $26,670,158. The annual debt service requirements for the State Revolving Fund Loan Contract No. C-06-4802-110 are as follows:

	State Revolving Fund Loan C-06-4802-110		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 1,278,241	$ 666,754	$ 1,944,995
2011	1,310,197	634,798	1,944,995
2012	1,342,952	602,043	1,944,995
2013	1,376,526	568,469	1,944,995
2014	1,410,939	534,056	1,944,995
2015-2019	7,601,769	2,123,207	9,724,976
2020-2024	8,600,703	1,124,272	9,724,975
2025-2026	3,748,831	141,160	3,889,991
Totals	$ 26,670,158	$ 6,394,759	$ 33,064,917

K. Water Revenue Bonds

The $36,690,000 Corona Public Financing Authority 1998 Water Revenue Bonds were issued to finance the cost of certain improvements to the City's water system, consisting of the construction of a ground water desalting system and to refinance the outstanding 1994 Water System Improvement Project Certificates of Participation. The outstanding bonds bear interest from 4.20% to 4.75% and are due in annual installments ranging from $925,000 to $1,100,000 through 2013 with term bonds in the amount of $6,305,000, $7,950,000 and $10,025,000 due on September 1, 2018, 2023 and 2028, respectively. The bonds are considered a liability of the water enterprise fund. Corresponding long-term receivable and deferred revenue for the Corona Public Financing Authority has been eliminated in the financial statements.

The annual debt service requirements for the 1998 Water Revenue Bonds are presented below:

	1998 Water Revenue Bonds		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 925,000	$ 1,355,808	$ 2,280,808
2011	965,000	1,315,876	2,280,876
2012	1,005,000	1,273,260	2,278,260
2013	1,050,000	1,227,525	2,277,525
2014	1,100,000	1,178,600	2,278,600
2015-2019	6,305,000	5,045,806	11,350,806
2020-2024	7,950,000	3,359,913	11,309,913
2025-2028	10,025,000	1,234,406	11,259,406
Totals	$ 29,325,000	$ 15,991,194	$ 45,316,194

L. Certificates of Participation

The certificates of participation are special obligations of the issuer and are payable from specific pledged revenues of the issuing agency. The certificates are not payable from any other revenues or assets of the City. Neither the faith and credit nor the taxing power of the City of Corona, the State of California or any political subdivision thereof is pledged to the payment of the principal and interest on these certificates.

The following Certificates of Participation were outstanding as of June 30, 2009:

Issuance	Balance
$7,010,000 Corona Public Improvement Corporation 1997 Sunkist Wastewater Treatment Facilities Refunding Bonds	$ 3,555,000
$68,030,000 Corona Public Financing Authority 2003 Clearwater Cogeneration / Recycled Water Projects	64,460,000
$29,020,000 Corona Public Financing Authority 2005 Clearwater Cogeneration Projects	27,630,000
Total Certificates of Participation	$ 95,645,000

1997 Sunkist Wastewater Treatment Facilities Refunding Bonds

On January 21, 1997, the Corona Public Improvement Corporation issued $7,010,000 in 1997 Refunding Certificates of Participation for the purposes of refunding the remaining $6,425,000 of the 1986 Sunkist Wastewater Treatment Facilities Certificates of Participation and to pay the costs incurred in connection with the issuance, sale, and delivery of the bonds as well as to establish a reserve fund. The original certificates were issued to finance the acquisition, construction and installation of certain improvements to the City's Wastewater (now referred to as Water Reclamation) Treatment Facility No. 2 (Sunkist Plant). The outstanding bonds bear interest rates from 5.10% to 5.50% and are due in annual installments ranging from $370,000 to $530,000 through August 1, 2016. The certificates are payable pursuant to a lease agreement (Corona Public Improvement Corporation to the Water Reclamation Utility) from revenues of the Water Reclamation Capacity fund and as such have been shown as long-term obligations (Long-Term Installments Payable) of the Water Reclamation Utility and eliminated from the General Long-

Term Debt of the City. A corresponding long-term obligation and deferred revenue has been eliminated for the Corona Public Improvement Corporation.

The annual debt service requirements for the 1997 Sunkist Wastewater Treatment Facilities Refunding Bonds are as follows:

	1997 Refunding Certificates of Participation		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 370,000	$ 181,750	$ 551,750
2011	385,000	162,305	547,305
2012	405,000	141,563	546,563
2013	430,000	119,220	549,220
2014	450,000	95,348	545,348
2015-2017	1,515,000	127,617	1,642,617
Totals	$ 3,555,000	$ 827,803	$ 4,382,803

2003 Clearwater Cogeneration/Recycled Water Projects Certificates of Participation

On May 20, 2003, the Corona Public Financing Authority issued $68,030,000 in 2003 Certificates of Participation for the purpose of financing the acquisition, construction and installation of the Clearwater Cogeneration and Biosolids Project (the "Cogeneration Project"), to finance a portion of the Recycled Water Project and to pay the costs incurred in connection with the issuance, sale and delivery of the bonds as well as to establish a capitalized interest fund and a reserve fund. The outstanding bonds bear interest from 3.50% to 5.00% due in installments of $1,650,000 to $3,065,000 through September 1, 2023 with term bonds of $17,760,000 due September 1, 2028 and $12,930,000 due September 1, 2031.

The City purchased the Cogeneration Project from the Corona Public Financing Authority pursuant to an Installment Purchase agreement for a principal amount of $60,875,000 which is recorded in the City of Corona's Electric enterprise fund. The City will pay purchase payments to the Corona Public Financing Authority from revenues pursuant to two separate Power Sales Agreements between the City and the Corona Utility Authority, and as such have been shown as long-term obligations (Certificates of Participation) of the City's Electric enterprise fund and eliminated from the General Long-Term Debt of the City. A corresponding long-term obligation and deferred revenue has also been eliminated from the Corona Public Financing Authority.

The City purchased the Recycled Water Project from the Corona Public Financing Authority pursuant to an Installment Purchase agreement for a principal amount of $7,155,000. The City will pay purchase payments to the Corona Public Financing Authority pursuant to a Recycled Water Project Lease Agreement (City of Corona to the Corona Utility Authority). The Corona Utility Authority will make payments to the City from net revenues of the recycled water system and as such have been shown as long-term obligations (Certificates of Participation) of the Water enterprise fund and eliminated from the General Long-Term Debt of the City. A corresponding long-term obligation and deferred revenue has been eliminated from the Corona Public Financing Authority.

The annual debt service requirements for the 2003 Clearwater Cogeneration/Recycled Water Projects Certificates of Participation are presented below:

	2003 Certificates of Participation		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 1,650,000	$ 3,066,650	$ 4,716,650
2011	1,720,000	2,995,125	4,715,125
2012	1,790,000	2,929,400	4,719,400
2013	1,855,000	2,865,612	4,720,612
2014	1,915,000	2,794,850	4,709,850
2015-2019	10,925,000	12,558,150	23,483,150
2020-2024	13,915,000	9,480,125	23,395,125
2025-2029	17,760,000	5,539,250	23,299,250
2030-2032	12,930,000	991,000	13,921,000
Totals	$ 64,460,000	$ 43,220,162	$ 107,680,162

2005 Clearwater Cogeneration Projects Certificates of Participation

The Corona Public Financing Authority issued $29,020,000 in 2005 Certificates of Participation for the purpose of financing the remaining costs associated with the acquisition, construction and installation of the Cogeneration Project and the Electric Distribution Facilities Project. The outstanding bonds bear interest from 3.00% to 5.00% due in installments of $590,000 to $905,000 through September 1, 2021 with term bonds of $2,945,000 due September 1, 2024, $5,910,000 due September 1, 2029 and $9,280,000 due September 1, 2035.

Approximately $8.9 million of the proceeds of the Certificates will finance the remaining amounts needed to complete the Cogeneration Project. The City will purchase such remaining facilities of the Cogeneration Project from the Financing Authority pursuant to an Installment Purchase Agreement. Pursuant to the Installment Purchase Agreement, the City will pay Purchase Payments to the Financing Authority.

Approximately $15 million of the proceeds of the Certificates will finance the acquisition, construction and installation of the electric distribution facilities necessary to supply power to all Greenfield developments within the City. The City will purchase such electric distribution facilities from the Financing Authority pursuant to an Installment Purchase Agreement. On May 7, 2003, the City announced that it would no longer pursue its plan to acquire Southern California Edison's distribution facilities within the City and terminated the eminent domain proceedings. Approximately $3.1 million of the proceeds of the Certificates reimbursed the City for certain costs incurred in connection with such terminated eminent domain proceedings.

The annual debt service requirements for the 2005 Clearwater Cogeneration Projects Certificates of Participation are presented on the following page.

	2005 Certificates of Participation		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 590,000	$ 1,227,560	$ 1,817,560
2011	610,000	1,209,560	1,819,560
2012	630,000	1,190,173	1,820,173
2013	650,000	1,169,372	1,819,372
2014	670,000	1,147,085	1,817,085
2015-2019	3,735,000	5,339,522	9,074,522
2020-2024	4,525,000	4,507,158	9,032,158
2025-2029	5,640,000	3,372,637	9,012,637
2030-2034	7,180,000	1,782,500	8,962,500
2035-2036	3,400,000	172,000	3,572,000
Totals	$ 27,630,000	$ 21,117,567	$ 48,747,567

9. Credit Agreements

The City has entered into letter of credit agreements with Bank of America. The Irrevocable Letters of Credit have been issued in favor of Southern California Edison to comply with various Interconnection Facilities Agreements that the Corona Department of Water & Power has entered into in order to provide electric distribution. The Irrevocable Letters of Credit have expiration dates; however they are automatically extended without amendment annually. The Irrevocable Letters of Credit are to remain in effect until all payment obligations under the terms of the Interconnection Facilities Agreements have been satisfied.

The following Irrevocable Letters of Credit are outstanding as of June 30, 2009:

Payee	Issue Date	Renewal Date	Amount
Southern California Edison	9/17/2008	8/31/2009	$ 21,225
Southern California Edison	9/17/2008	8/31/2009	176,593
Southern California Edison	9/17/2008	8/31/2009	106,433
Southern California Edison	9/17/2008	8/31/2009	297,000
Southern California Edison	4/6/2008	4/5/2010	121,850
Total Irrevocable Letters of Credit			$ 723,101

10. Non-City Obligations

A. Special Assessment District Bonds (Non-City Obligation)

The payment of these bonds is secured by valid assessment liens upon certain lands in each district and is not a direct liability of the City. Reserves have been established from the bond proceeds to meet delinquencies should they occur. Neither the faith and credit nor taxing power of the City of Corona is pledged to the payment of the bonds. If delinquencies occur beyond the amounts held in those reserves, the City has no duty to pay those delinquencies out of any other available funds. The City acts solely as an agent for those paying the assessments and the bondholders.

As of June 30, 2009, the balances outstanding were:

Issuance		Balance
$ 855,000	A.D. No. 95-1 Improvement Bonds	$ 535,000
$ 1,624,200	A.D. No. 96-1 1996 A Improvement Bonds	1,040,000
$ 685,000	A.D. No. 96-1 1997 A Improvement Bonds	465,000
$ 1,605,000	A.D. No. 96-1 1997 B Improvement Bonds	1,130,000
$ 2,657,100	A.D. No. 96-1 1999 A Improvement Bonds	2,035,000
Total Special Assessment District Bonds		$ 5,205,000

B. Community Facilities District Bonds (Non-City Obligation)

These bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982 as amended, and are payable from special taxes levied on property within the Community Facilities Districts according to a methodology approved by the voters within the District and by the City Council. Neither the faith and credit nor taxing power of the City is pledged to the payment of the bonds. Reserves have been established from the bond proceeds to meet delinquencies should they occur. If delinquencies occur beyond the amounts held in those reserves, the City has no duty to pay the delinquency out of any available funds of the City. The City acts solely as an agent for those paying taxes levied and the bondholders.

Following is a list of the Community Facilities District Bonds currently active:

Issuance		Balance
$ 22,580,000	CFD 86-2 Refunding and Improvement Bonds	$ 15,025,000
$ 62,845,000	CFD 90-1 Refunding Bonds	37,135,000
$ 19,505,000	CFD 97-2 Special Tax Bonds	14,610,000
$ 6,485,000	CFD 2000-1, Series A Special Tax Bonds	5,805,000
$ 1,610,000	CFD 2000-1, Series B Special Tax Bonds	1,455,000
$ 20,295,000	Ref CFD 89-1, Series A District-Wide Local Bonds	13,980,000
$ 15,715,000	Ref CFD 89-1, Series B Imp Area Local Bonds	10,555,000
$ 3,675,000	CFD 2001-2 Special Tax Bonds	3,350,000
$ 9,415,000	CFD 2002-4 Special Tax Bonds	8,950,000
$ 6,135,000	CFD 2003-2 Special Tax Bonds	10,345,000
$ 22,475,000	CFD 2002-1 Special Tax Bonds & Escrow Term Bonds	18,885,000
$ 3,805,000	CFD 2004-1 Special Tax Bonds	3,680,000
$ 10,280,000	CFD 2002-1 Improvement Area Special Tax Bonds	10,155,000
Total Community Facilities District Bonds		$ 153,930,000

C. Marks Roos Bonds (Non-City Obligation)

These bonds are authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985. It was created as a way for local governmental agencies to fund needed working capital, public capital improvements, or other projects that would provide significant benefits to the public. The act allows local agencies, through joint powers authorities, to issue bonds to reduce borrowing costs through the use of bond pools. The authority bonds are secured by the revenue obtained from the principal of and interest payments on the local obligation bonds which are payable from the special taxes levied and collected from the taxable property within the district. Neither the faith and credit nor taxing power of the City is pledged to the payment of the bonds. Reserves have been established from the bond proceeds to meet delinquencies should they occur. If delinquencies occur beyond the amounts held in those reserves, the City has no obligation to pay the delinquency out of any available funds of the City. The City acts solely as an agent for the special taxes levied on the properties and the debt service payments to the bondholders.

Following is a list of the Marks-Roos Bonds currently active:

Issuance		Balance
$ 25,755,000	1999 Revenue Bonds, Series A (Superior Lien)	$ 17,635,000
$ 10,255,000	1999 Revenue Bonds, Series B (Subordinate Lien)	6,900,000
Total Marks Roos District Bonds (No City Liability)		$ 24,535,000

D. Conduit Debt Obligations

Not included in the accompanying financial statements are various conduit debt obligations issued under the name of the City and/or the Redevelopment Agency. The Bonds are not secured by or payable from revenues or assets of the City or Redevelopment Agency. Neither the faith and credit nor the taxing power of the City, the Corona Redevelopment Agency, the State of California or any political subdivision thereof is pledged to the payment of the principal of and interest on the Bonds nor is the City or the Agency in any manner obligated to make any appropriations for payments on these bonds. At June 30, 2009, the aggregate principal amount of Conduit Debt Obligations outstanding totaled $60,527,599.

11. Bond Requirements

At June 30, 2009, management believes the City and its component units are in compliance with all covenants of the various debt indentures.

12. Internal Balances – Capital Leases

Related Parties
In 2002, the City established the Corona Utility Authority (Authority) as a joint powers authority pursuant to a Joint Exercise of Powers Agreement between the City and the Redevelopment Agency of the City of Corona in accordance with the Joint Powers Law (Articles 1 through 4 of Chapter 5, Division 7, title 1 of the California Government Code) for the purpose of assisting the City in the leasing of the water and water reclamation utility systems. The Authority's Officers are the Corona City Council.

Capital Lease Obligations

The Authority entered into capital leases with the City to lease the City's water and water reclamation facilities. The terms of the leases are 55 years at which time the Authority will own the capital assets of the water and water reclamation facilities.

The capital assets of the water and water reclamation facilities were recorded at the City's historical cost, net of accumulated depreciation, and related debt has also been recorded resulting in a lease payable for an amount equal to the net assets recorded on the City's financial statements. Lease payments are currently made quarterly at a 4% annual increment of the preceding fiscal year's lease amount.

The following Internal Balances – Capital Leases were outstanding at June 30, 2009:

Leasee	Balance
Capital Lease - Water Utility	$ 106,819,662
Capital Lease - Water Reclamation Utility	65,808,682
Total Internal Balances - Capital Leases	$ 172,628,344

Capital Lease Payments
The future lease payments required under the capital leases are presented below:

Fiscal Year	Water Facility	Water Reclamation Facility
2010	$ 3,458,942	$ 1,860,095
2011	3,597,300	1,934,499
2012	3,741,192	2,011,879
2013	3,890,840	2,092,354
2014	4,046,473	2,176,048
2015-2019	19,054,299	10,453,649
2020-2024	16,362,575	9,449,272
2025-2029	13,773,044	8,372,315
2030-2034	11,230,164	7,189,592
2035-2039	9,156,769	6,173,947
2040-2044	7,422,799	5,286,365
2045-2049	5,782,758	4,282,765
2050-2054	4,422,263	3,402,053
2055-2056	880,244	1,123,849
Total Lease payments	$ 106,819,662	$ 65,808,682

Current Year Transactions

In fiscal year 2008-09, the following related party transactions were recorded by the City and the Authority:

Capital Lease Payment	Amount
Water Utility	$ 3,325,906
Water Reclamation Utility	1,788,553
Total Payment from the Authority to the City	$ 5,114,459

13. Pension Related Debt

In fiscal year 2005-06, PERS required participation in risk pools for all plans with less than 100 active members, as of June 30, 2003. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Pooling will reduce the volatility of future employer rates. The Safety Fire Plan is part of the PERS cost-sharing multiple-employer defined benefit pension plan; known as the "Safety 3.0% at 50 Risk Pool." At the time of joining the pool, a side fund was created to account for the differences between the funded status of the pool and the funded status of the plan. The side fund for the City at that time carried a negative balance of $10,159,328, representing a pension related obligation for the City. CalPERS determined this obligation should be amortized over an 11-year period. As of June 30, 2009, the City's pension related obligation had a balance of $7,961,926 with an assumed interest rate of 7.75%. Due to the fact that this obligation is program specific, the annual debt service payment is recorded as the Public Safety – Fire expenses together with the employer contribution to the risk pool. The interest on this debt of $620,105 is also included in the Public Safety – Fire function expenses and not in the Interest and Fiscal Charges expenses in the Statement of Activities and Changes in Net Assets.

The following presents principal and interest due within the next five fiscal years using the assumed interest rate:

	Pension Related Debt (Fire Plan Side Fund)		
Fiscal Year	**Principal**	**Interest**	**Total**
2010	$ 770,791	$ 566,207	$ 1,336,998
2011	875,632	504,818	1,380,450
2012	990,064	435,251	1,425,315
2013	1,114,878	356,760	1,471,638
2014	1,250,929	268,538	1,519,467
2015-2016	2,959,632	229,054	3,188,686
Totals	$ 7,961,926	$ 2,360,628	$ 10,322,554

14. Pension Plan

A. Defined Benefit Pension Plan

Plan Description

The City's defined benefit pension plan (Miscellaneous Plan, Safety Police Plan and the Safety Fire Plan), provides retirement and disability benefits, annual cost-of-living adjustments (COLAs), and death benefits to plan members and beneficiaries. The Miscellaneous and the Safety Police Plans are part of the Public Agency portion of the California Public Employees Retirement System (CalPERS) agent multiple-employer defined benefit pension plan. The Safety Fire Plan is part of the Public Agency portion of the CalPERS cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statutes within the Public Employees' Retirement Law. The City adopts its benefit provisions through contract with CalPERS and approves them through Council Resolutions and specific agreements with City labor groups. Copies of CalPERS' annual financial report may be obtained from their Executive Office located at Lincoln Plaza North, 400 Q Street, Sacramento, California 95814.

Funding Policy

Active plan members in CalPERS are required to contribute 8.0% (non-safety) or 9.0% (safety) of their annual covered salary. The City pays the 9% member contribution required of all police safety employees and the 8% member contribution required of miscellaneous employees hired before January 1, 1999. Miscellaneous employees hired on or after January 1, 1999 pay 3% of the required member contribution, while the City pays the remaining 5%. For fire safety employees, the entire 9% required member contribution is paid by the employee.

In addition, the City is required to contribute amounts necessary to fund the benefit for its members, at an actuarially determined rate applied to annual covered payroll. The required employer contribution rate for fiscal 2008-09 was 15.915% for miscellaneous employees, 28.493% for the police safety group and 32.277% for the fire safety group. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

Annual Pension Cost

For fiscal year 2008-09, the City's annual pension cost for the Miscellaneous and Safety Police Plan was $10,026,350 and was equal to the City's required and actual contributions. The required contribution for fiscal year 2008-09 was determined as part of the June 30, 2006 actuarial valuation, using the entry age actuarial cost method. The actuarial assumptions included: (a) an investment rate of return of 7.75% (net of administrative expenses); (b) projected salary increases of 3.25% to 14.45% for Miscellaneous Plan and 3.25% to 13.15% for the Safety Police Plan depending on age, service and type of employment; and (c) 2% per year COLA for retired members. An inflation factor of 3.00% is compounded annually and used for both plans. The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a 15-year period (smoothed market value). The City's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2006 was 23 years for Miscellaneous and 32 years for Safety Police.

For fiscal year 2008-09, the City's annual pension cost for the Safety Fire Plan was $3,418,801 and was equal to the City's required and actual contributions. The Safety Fire Plan is part of the Safety 3.0% at 50 Risk Pool, a cost-sharing multiple-employer defined benefit plan. The Risk Pool uses the same actuarial methods and assumptions as described above. The remaining amortization period for the City's share of the unfunded actuarial accrued liability at the June 30, 2006 actuarial valuation date was 17 years.

The City's contributions to CalPERS for the Miscellaneous Plan, Safety Police Plan and Safety Fire Plan for the three years ending June 30, 2009, 2008 and 2007 are presented below:

Three-Year Trend Information for Cal PERS Defined Benefit Pension Plans

	Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
Miscellaneous	06/30/2007	$ 5,012,857	100%	$ -
Employees	06/30/2008	5,667,812	100%	-
Group	06/30/2009	5,283,489	100%	-
Police Safety	06/30/2007	$ 2,888,111	100%	$ -
Employees	06/30/2008	3,305,135	100%	-
Group	06/30/2009	4,742,861	100%	-
Fire Safety	06/30/2007	$ 2,899,125	100%	$ -
Employees	06/30/2008	3,369,615	100%	-
Group	06/30/2009	3,418,801	100%	-

Funded Status and Funding Progress

As of June 30, 2008, the most recent actuarial valuation date, the Miscellaneous Plan was 71.1% funded and the Safety Police Plan was 77.0% funded. The actuarial accrued liability for benefits was $206,180,050 for Miscellaneous and $114,123,386 for Police Safety. The actuarial value of assets was $146,662,394 for Miscellaneous and $87,823,890 for Police Safety, resulting in an unfunded actuarial accrued liability (UAAL) of $59,517,656 and $26,299,496 respectively. The covered payroll (annual payroll of active employees covered by the plan) was $35,994,622 for Miscellaneous and $15,980,585 for Police Safety, and the ratio of the UAAL to the covered payroll was 165.4% and 164.6% respectively.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

B. Defined Contribution Pension Plan

The City provides pension benefits for all of its Part-time, Seasonal and Temporary (PST) employees through the City's PST Deferred Compensation Plan, which is a defined contribution plan. The plan is administered by Nationwide Retirement Solutions. The purpose of the plan is to provide part-time, seasonal and temporary employees with a retirement plan as mandated by and in compliance with the Federal Omnibus Reconciliation Act of 1990. Per Department of Treasury regulations, the City has established this substitute retirement plan under section 457 of the Internal Revenue Code of 1986, as amended. In a defined contribution plan, benefits depend

solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from the date of employment. The City requires the employee to contribute 6.2% of the 7.5% required by the Federal Government. The City's contribution for each employee and interest allocated to the employee's account are fully vested immediately. During the past year, the City contributed $17,541 on hourly salaries of $1,349,299 with the employees contributing $83,657.

15. Other Post-Employment Benefits Other Than Pensions (OPEB)

During the fiscal year ended June 30, 2008, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB), for certain postemployment healthcare benefits and life insurance benefits provided by the City.

Plan Description

The City's defined benefit postemployment healthcare plan, California Employers' Retiree Benefit Trust Program (CERBT), is an agent multiple-employer postemployment healthcare plan administered by the California Public Employees' Retirement System (CalPERS) Board of Administration. The plan provides retiree healthcare benefits for employees who retire with CalPERS pension benefits immediately upon termination of employment from the City. Eligible retirees may elect coverage through the City's contract with CalPERS healthcare benefits. The plan benefits are established and may be amended by the City Council.

Under the plan, employees are classified into two tiers, which are based on hire date. Tier I participants were hired prior to a specific date based on bargaining group and are eligible to receive reimbursement of medical premiums at 100% or capped at the 2nd highest family premium rate available, determined by the employee's separation date. Tier II employees receive the minimum Public Employees Medical and Hospital Care Act (PEMHCA) benefits paid by the City. In addition, all eligible retirees are provided life insurance coverage of $50,000 until age 70.

The CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for CERBT in accordance with GASB Statement No. 43. That report maybe obtained by contacting CalPERS at FCSD-CERBT@CalPERS.ca.gov or 888-CalPERS.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. The CERBT program's funding policy provides for the contributions by the City at actuarially determined rates described as the Annual Required Contribution (ARC) of the employer. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as approved by the City Council. For fiscal year 2008-09, the City contributed $7.862 million to the plan, including $4.015 million for current premiums and an additional $3.847 million to prefund the plan. The plan members pay the portion of premiums not paid by the City (e.g., in excess of capped amounts).

Annual OPEB Cost

The City's annual OPEB cost (expense) is calculated based on the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

For fiscal year 2008-09, the City's annual OPEB cost (expense) of $7,862,000 for CERBT was equal to the ARC. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the past two fiscal years are presented below:

Two-Year Trend Information for OPEB Plan

Fiscal Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net OPEB Obligation
06/30/2008	$ 7,602,000	100%	$ -
06/30/2009	7,862,000	100%	-

Funded Status and Funding Progress

As of the July 1, 2008 actuarial valuation date, the funded status of the City's OPEB plan was as follows (dollar amounts in thousands):

Actuarial accrued liability (AAL)	$ 104,627,000
Actuarial value of plan assets	3,561,000
Unfunded actuarial accrued liability (UAAL)	101,066,000
Funded ratio (actuarial value of plan assets/UAAL)	3.5%
Covered payroll (active plan members)	$ 55,005,000
UAAL as a percentage of covered payroll	183.7%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of the occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The first actuarial valuation for the City's OPEB plan was obtained as of July 1, 2007.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2008 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 7.75% percent discount rate and an annual healthcare cost trend rate of 10% initially, reduced by decrements to an ultimate rate of 5% after six years. The actuarial assumptions also included a payroll growth of 3.25% per year. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over thirty years. The remaining amortization period at June 30, 2009 was 28 years.

16. Classification of Net Assets and Fund Balances

A. Government-Wide Financial Statements

In the Government-Wide Financial Statements, net assets are classified in the following categories:

Invested In Capital Assets, Net of Related Debt
This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Assets
This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Additionally, this category presents restrictions placed on the categories of Capital Projects, Debt Service, and Specific Projects and Programs as established by the City Council.

Unrestricted Net Assets
This category represents the net assets of the City, which are not restricted for any project or other purpose.

B. Fund Financial Statements

In the Fund Financial Statements, reserves and designations segregate portions of fund balance that are either not available or have been earmarked for specific purposes. The various reserves and designations are established by actions of the City Council and Management and can be increased, reduced or eliminated by similar actions. As of June 30, 2009, reservations of fund balance are described below:

Reserved for Encumbrances
These reserves represent the portion of purchase orders and contracts awarded for which goods and services have not yet been received.

Reserved for Loans Receivable
These reserves were established to reflect the non-current portion of other loans and other receivables so that they will not be considered as current available funds.

Reserved for Inventories and Prepayments

These reserves were established to reflect non-current resources so that they will not be considered as current available funds.

Reserved for Debt Service
These reserves were established to provide for future debt service.

Reserved for Land Held for Resale
This reserve was established to reflect non-current resources so they will not be considered as current available funds.

Reserved for Long-term Receivables
These reserves were established to reflect the non-current portion of receivables so that they will not be considered as current available funds.

Unreserved Fund Balances
As of June 30, 2009, unreserved fund balances are designated by management as follows:

Fund	Unreserved Fund Balance
General Fund	
Continuing Appropriations	$ 2,910,359
ECB Reserves	1,674,849
Budget Balancing Reserves - Current	11,046,345
Budget Balancing Reserves - Non-current	10,500,000
Contingencies	14,300,000
City Facility Projects	4,972,530
Change in Future Debt Service Requirements	4,511,639
Miscellaneous	4,858,077
Total General Fund	$ 54,773,799
Development Special Revenue	
Capital Projects	$ 6,795,604
Redevelopment Special Revenue	
Low/Mod Housing	$ 13,147,186
Redevelopment Capital Projects	
Redevelopment Plan	$ 15,969,287
Other Governmental Funds	
Special Revenue	
Specific Projects and Programs	$ 19,289,248
Undesignated	(202,628)
Capital Projects	
Specific Projects and Programs	2,141,177
Total Other Governmental Funds	$ 21,227,797

17. Net Revenue and Changes in Net Assets

The governmental activities for the Public Works program reflect net revenue of $5,203,197 on the Statement of Activities and Changes in Net Assets for fiscal year ended June 30, 2009. This is due to the timing of the completion of capital projects funded in the program as well as the City's intentional building up of certain developer impact fees for upcoming capital improvement projects.

18. Deficit Fund Balance

The City Facilities Fund had deficit fund balances of $191,365 at June 30, 2009. This deficit will be financed through future revenues of the fund.

19. Commitments and Contingencies

The City has entered into several operating lease agreements in the conduct of its day-to-day operations to provide for facilities and/or services. None of these operating leases are considered to be significant commitments.

The City's Redevelopment Agency has entered into an agreement with Sherborn LLC (Developer) on July 9, 2003. The term of the agreement is 10 years. The agreement provides for the City to reimburse to the Developer of certain public improvements costs incurred by the Developer. As of June 30, 2009, a total of $3,949,155 has been paid to the Developer.

As of June 30, 2009, the City's Redevelopment Agency had entered into various owner participation and development and disposition agreements with businesses and property owners within the Agency's project areas. These agreements provide for various incentives, including land subsidies, sales tax rebates and debt forgiveness to specific projects based on revenues generated by those projects.

The City is a defendant in a number of lawsuits that have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have material adverse effect on the financial position of the City.

Under Article XIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations, and if certain proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or refunded to the taxpayers through revised tax rates or revised fee schedules. For the fiscal year ended June 30, 2009, the City's appropriations limit totals $362,213,366 and the City's appropriations subject to limitation are $88,630,013.

On November 5, 1996, California voters passed Proposition 218 which requires, in general, that any new implementation, increase or extension of taxes, fees, and charges be put to a vote of the public. The City has held special elections for property owners in special districts when appropriate asking for a proportional increase in the annual assessment for landscape maintenance on publicly owned medians and easements. Regardless if the elections were passed or defeated, services in those districts continue to be provided at a level equal to the assessments.

On September 28, 1995, the California Supreme Court reversed a Court of Appeals decision which reinstated provisions of Proposition 62 which was a 1986 voter initiative that required all general taxes to be approved by simple majority vote of the electorate. The Supreme Court provided very little detail on a number of issues surrounding their decision but the only possible exposure, if any, to the decision for the City would be its transient occupancy tax which was increased by 2% in 1989. It remains unclear what, if any, liability the City may have.

As of June 30, 2009, in the opinion of City Administration, there were no additional outstanding matters that would have a significant effect on the financial position of the funds of the City.

20. Special Items and Restatements

A. Special Items

CPFA 1999 Revenue Bonds
The CPFA 1999 Revenue Bonds fund was reclassified as an agency fund from a governmental fund as of June 30, 2009. This resulted in a Special Item in the Other Governmental Funds of an approximate $3.0 million loss in both the government-wide statement of activities and the governmental funds statement of revenues, expenditures and changes in fund balances.

Developer Agreement
A developer agreement payable was removed from a governmental fund as the possibility of paying the obligation had become remote. This resulted in a Special Item in the Redevelopment Capital Project Fund of an approximate $12.6 million gain in both the government-wide statement of activities and the governmental funds statement of revenues, expenditures and changes in fund balances.

B. Restatements

In fiscal year 2008-09, the City restated the beginning balance of net assets by $185,834 and $1,737,461 for governmental activities and business-type activities respectively:

a) At June 30, 2009, the City reclassified a Water construction in progress project as repairs and maintenance which resulted in a decrease to net assets of $1,737,461.

b) At June 30, 2009, the City revised certain bond covenant calculations which resulted in a decrease to net assets of $375,262 and $176,594 in Water and Water Reclamation enterprise funds, respectively. The Electric enterprise fund reflected an increase to net assets of $551,856.

c) At June 30, 2009, the City reclassified the debt service payment on the Riverside County Flood Control Agreement which resulted in a decrease to net assets of $185,834.

d) At June 30, 2009, the City reclassified cash related to ineligible program income of $7,681 from a non-major governmental fund to the General Fund.

Restatements to net assets made on the government-wide statements for fiscal year 2008-09 are summarized as follows:

	Governmental Activities	Business-Type Activities
Beginning Net Assets, as reported	$ 810,161,947	$ 122,483,695
Restatements	(185,834)	(1,737,461)
Beginning Net Assets, as restated	$ 809,976,113	$ 120,746,234

Restatements to fund balance/net assets made on the fund financial statements for fiscal year 2008-09 are summarized as follows:

	Governmental Funds	Proprietary Funds		
	General Fund	Water	Water Reclamation	Electric
Beginning Fund Balance/ Net Assets, as reported	$ 79,490,616	$ 72,289,193	$ 38,936,863	$ 8,522,138
Restatements	7,681	(2,112,723)	(176,594)	551,856
Beginning Fund Balance/ Net Assets, as restated	$ 79,498,297	$ 70,176,470	$ 38,760,269	$ 9,073,994

21. Subsequent Events

A. Sale of Leased Property and Prepayment of a Long-Term Lease

The City entered into a lease purchase agreement for the purpose of purchasing a helicopter and related equipment primarily for conducting police activities. The lease agreement was to be paid over a ten-year period through 2012. The City sold the helicopter and paid off the lease balance of $474,685 in October 2009.

B. Proposition 1A Securitization

Proposition 1A was passed by California voters in 2004 to ensure that local property tax and sales tax revenues remain with local government to safeguard public safety and other local services. As part of the State of California's 2009-10 budget package, the governor and state legislature declared and approved a fiscal necessity to suspend the terms of Proposition 1A. The emergency suspension provided for the "borrowing" by the State of 8% of the property tax revenues apportioned to local governments in fiscal year 2009-10. In exchange, local agencies received a "Proposition 1A Receivable" as consideration for the property tax shift, which entitled each local agency to repayment by the State, with interest, at the end of fiscal year 2012-13. The interest rate to be paid by the State at that time is 2%.

Included in the 2009-10 budget legislation, a Proposition 1A Securitization Program was instituted

by California Statewide Communities Development Authority (CSCDA), a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. Through participation in this program, local agencies could sell their Proposition 1A Receivable and receive 100% of the funds borrowed by the State. The City Council approved participation in this program on October 21, 2009 and bonds were sold by CSCDA on November 10, 2009. The City will receive its share of the bond proceeds, $3,652,615, simultaneous with the property tax shift on January 15 and May 3, 2010.

C. Renovation of Community Center

In 2006, the City Council established priorities to relocate the Corona Police Department to the newly renovated facilities at the City's Corporation Yard and to re-use the existing police facility as a community center. The Corona Police Department relocated to its new facility in September 2009. On September 16, 2009 the City Council appropriated $2,500,000 from its general fund balance to fund the analysis, design and initial modification construction for phase I activities associated with the facility conversion.

D. State Diversion of Redevelopment Funds

On July 28, 2009, the State of California passed legislation to divert approximately $2.05 billion of local redevelopment funds to use for State purposes as part of the State budget for fiscal year 2009-10. This includes $1.7 billion in fiscal year 2009-10 and another $350 million in fiscal year 2010-11. The California Redevelopment Association (CRA) has filed a lawsuit in Sacramento Superior Court to challenge the constitutionality of this legislation. Currently, the impact of this legislation and resulting lawsuit on the Redevelopment Agency of the City of Corona is unknown.

Required Supplementary Information

Required Supplementary Information consists of the following:

- Budgetary Information
- Budgetary Comparison Schedule – General Fund
- Budgetary Comparison Schedules – Major Special Revenue Funds
- General Fund Expenditure Control Budget (ECB) Reserves
- Modified Approach for City Streets Infrastructure Capital Assets
- Other Post-Employment Benefits (OPEB) Plan Funding Progress
- Pension Plan Funding Progress

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BUDGETARY INFORMATION

Through the budget, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The Annual Budget assures the efficient and effective uses of the City's economic resources, as well as establishing that the highest priority objectives are accomplished.

An annual budget serves a fiscal period from July 1 to June 30, and is a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees and other public agencies. Additionally, it establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the City's performance.

The City's annual budget is prepared and based on four expenditure categories; personnel, supplies and services, minor capital outlay and capital improvement programs. The first three listed are considered operational in nature and known as *recurring costs*. Capital improvement projects are asset acquisitions, facilities, systems, and infrastructure improvements typically over $50,000, and/or items "outside" of the normal operational budget. These are known as *one-time costs*.

The City collects and records revenue and expenditures within the following categories:

- Governmental activities
- Business-type activities

The governmental funds include the General Fund, Special Revenue, Debt Service and Capital Projects funds. All funding sources are kept separate for both reporting and use of the money. The General Fund is where most City services are funded that are not required to be segregated. Corona follows the General Fund Expenditure Control Budget, or ECB, guidelines as outlined in the budget resolution.

The budget process begins as a team effort in January of each year, starting with an annual strategic planning meeting. Then the individual departments use projected revenue assumptions to prioritize and recommend the next fiscal year's objectives. The City Manager's Office and the Finance Department review all budget proposals and revenue assumptions, as well as all current financial obligations before preparing the document that is proposed to the City Council. The City Council reviews the Proposed Budget through a series of committees and workshops and the final adoption of the budget is scheduled for the second City Council meeting in June.

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Before the beginning of the fiscal year the City Manager submits to the City Council a proposed budget for the year commencing July 1.

2. A public meeting is conducted to obtain taxpayer comments.

3. The budget is subsequently adopted through passage of a resolution and is not included herein but is published separately.

4. All appropriations are as originally adopted or as amended by the City Council and all unencumbered budgeted amounts lapse at year-end, except in the General Fund where an expenditure control budget policy may allow departments to carryover a portion of the unexpended amounts into the next fiscal year.

5. Continuing Appropriations are re-budgeted by the City Council as part of the adoption of subsequent year's budgets.

6. Legally adopted budget appropriations are set for the General, Special Revenue, Debt Service and Capital Projects Funds.

7. The legal level of budgetary control is at the department level. A Department Head may transfer appropriations within the department. Expenditures may exceed appropriations at this level in the General Fund to the extent provided for in the annual budget resolution adopted by the City Council. The City Council, by the affirmative vote of three members, may amend the budget to add or delete appropriations, transfer between appropriations within a fund or change appropriation transfers between funds.

8. Budgets for General Fund, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles.

The budget for fiscal year 2008-09 was the fifteenth year that the budget was prepared in accordance with the ECB policies adopted by the City Council for the General Fund. Departments are given increased flexibility and incentives for meeting their goals as well as being assigned greater accountability for their performance in carrying out their mission.

For fiscal year 2008-09, total ECB savings amount including carryover was $1,674,850. This amount was designated in the General Fund unreserved fund balance as of June 30, 2009. In October 2009, the City Council approved a prior year carryover reduction of 70%. A list of ECB savings by department is presented on the following page.

Department	Total ECB Savings
City Council	$ 3,575
Management Services	50,783
City Treasurer	1,776
Human Resources	33,327
Information Technology	27,954
General Government	22,429
Finance	66,848
Community Development	135,566
Fire	164,961
Police	559,598
Public Works	241,206
Library	283,609
Parks and Community Services	83,218
Total	**$ 1,674,850**

Budgetary comparisons for the City's General Fund and all major special revenue funds are presented on the following pages.

Major discrepancies between original budget and final budget are explained as follows:

General Fund
Aside from prior year continuing appropriations of $3.6 million for capital projects and grants and $1.7 million in committed purchase orders that were carried forward, there was a net budgetary reduction of $3.1 million in the General Fund. In October 2008, $8.5 million was reduced from the General Fund, as staffing levels and operational budget were eliminated and reduced. On an annual basis, this represented a $10.5 million reduction. The separations budget which accounts for employee costs related to resignation, retirement and/or termination was increased by $1.0 million. In addition, $2.6 million of ECB budget savings was approved for various department projects.

Development Special Revenue Fund
Continuing appropriations of $11.0 million and $1.3 million in committed purchase orders were carried forward from the prior year for various capital projects resulting in a final budget of $14.5 million.

Redevelopment Special Revenue Fund
An increase in the final budget resulted from a carryover of $2.3 million in continuing appropriations from the prior year for various capital projects. In addition the following changes occurred during the fiscal year: an increase of $1.5 million for the HOAP Now project, which provides assistance to first time homebuyers, an increase of $1.34 million for the Senior Arts Colony Affordable Housing project, and a decrease of $2.0 million for the Affordable Housing project.

Major discrepancies between final budget and actual expenditures are explained as follows:

General Fund

Overall revenues are in line with the final budget, however, actual sales and use taxes received were significantly lower than anticipated due to the recession. The Current Services category has a favorable variance of $1.6 million for the fiscal year ended June 30, 2009, largely due to reimbursed expenses received by the Fire Department.

Actual expenditures had a favorable variance of $6.4 million, mainly due to the unspent capital outlay budget that will be carried over to the next fiscal year.

Development Special Revenue Funds

Actual revenue received for the fiscal year ended June 30, 2009 was $561,000 lower than the final budgeted amount, primarily due to the slow down in development activities, which directly caused the decrease in licenses, fees and permits revenues.

On the other hand, total expenditures ended with a favorable budgetary variance of $10.5 million, a result of the unspent capital outlay budget directly connected to the slower pace of development.

Redevelopment Special Revenue Fund

Revenues enjoyed a favorable variance of $659,000 as a result of investment earnings exceeded expectation.

Expenditures were $2.6 million lower than the final budgeted amount as a result of the slow down in redevelopment activities, a direct impact from the collapsed housing market.

Budgetary Comparison Schedule – General Fund
For Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property Taxes	$ 38,225,071	$ 38,225,071	$ 38,512,315	$ 287,244
Other Taxes	44,769,535	44,769,535	37,687,694	(7,081,841)
Licenses, Fees, and Permits	2,041,850	2,041,850	1,580,832	(461,018)
Fines and Penalties	630,910	630,910	696,043	65,133
Investment Earnings	3,126,973	3,126,973	3,001,762	(125,211)
Intergovernmental Revenue	1,211,864	1,211,864	1,166,198	(45,666)
Current Services	6,975,540	6,975,540	8,555,639	1,580,099
Other Revenue	9,619,602	9,619,602	11,694,902	2,075,300
Payments in Lieu of Services	12,015,276	12,015,276	10,306,705	(1,708,571)
Total Revenues	118,616,621	118,616,621	113,202,090	(5,414,531)
Expenditures:				
General Government:				
City Council	190,428	158,775	151,196	7,579
Management Services	1,898,331	1,791,246	1,786,402	4,844
City Treasurer	17,437	16,325	16,325	-
Human Resources	1,580,401	2,068,541	1,599,737	468,804
Information Technology	2,097,925	1,954,969	1,965,516	(10,547)
Finance	3,948,915	3,728,549	3,719,008	9,541
Building	2,783,520	2,057,367	1,940,690	116,677
Community Development	2,532,931	1,850,119	3,610,007	(1,759,888)
Public Safety:				
Fire	22,905,986	23,968,918	23,705,028	263,890
Police	42,838,229	41,228,416	40,188,240	1,040,176
Public Works	11,654,132	10,137,465	10,006,529	130,936
Culture and Recreation:				
Library	2,865,605	3,031,598	3,183,474	(151,876)
Parks	8,261,822	8,270,162	8,616,004	(345,842)
Non-Departmental:				
General Government	11,505,970	12,816,785	11,796,551	1,020,234
Debt Service - Principal & Interest	4,819,506	4,819,870	4,811,886	7,984
Capital Outlay	3,100,997	7,391,809	1,804,958	5,586,851
Total Expenditures	123,002,135	125,290,914	118,901,551	6,389,363
Excess (deficit) revenue over expenditures	(4,385,514)	(6,674,293)	(5,699,461)	974,832
Other Financing Sources (Uses):				
Transfers from other Funds	5,824,912	6,624,912	6,666,082	41,170
Transfers to other funds	6,725,257	8,025,257	5,534,351	2,490,906
Total other financing sources (uses)	(900,345)	(1,400,345)	1,131,731	2,532,076
Excess (deficit) revenues over expenditures and other financing sources (uses)	(5,285,859)	(8,074,638)	(4,567,730)	3,506,908
Fund balance - beginning	-	-	79,498,297	79,498,297
Fund balance - ending	$ -	$ -	$ 74,930,567	$ 74,930,567

Budgetary Comparison Schedule – Development Special Revenue Fund
For Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Licenses, Fees and Permits	$ 2,707,348	$ 2,707,348	$ 1,917,135	$ (790,213)
Investment Earnings	990,437	990,437	909,570	(80,867)
Intergovernmental Revenue			33,040	33,040
Other Revenues			179,477	179,477
Payments in Lieu of Services	200,640	200,640	297,600	96,960
Total Revenues	3,898,425	3,898,425	3,336,822	(561,603)
Expenditures:				
Engineering			1,009,583	(1,009,583)
Public Safety:				
Fire	3,792	3,792	121,340	(117,548)
Police			7,360	(7,360)
Public Works	156,927	156,927	328,343	(171,416)
Culture and Recreation:				
Library			9,631	(9,631)
Non-Departmental:				
Debt Service - Principal			750,000	(750,000)
Debt Service - Interest			248,592	(248,592)
Capital Outlay	3,791,991	14,308,374	1,525,454	12,782,920
Total Expenditures	3,952,710	14,469,093	4,000,303	10,468,790
Excess (deficit) revenue over expenditures	(54,285)	(10,570,668)	(663,481)	9,907,187
Other Financing Sources (Uses):				
Transfers from other Funds			6,712	6,712
Transfers to other funds	176,484	176,484	137,246	39,238
Total other financing sources (uses)	(176,484)	(176,484)	(130,534)	45,950
Excess (deficit) revenues over expenditures and other financing sources (uses)	(230,769)	(10,747,152)	(794,015)	9,953,137
Fund balance - beginning	-	-	8,350,289	8,350,289
Fund balance - ending	$ -	$ -	$ 7,556,274	$ 7,556,274

Budgetary Comparison Schedule – Redevelopment Special Revenue Fund
For Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property Taxes	$ 5,613,764	$ 5,613,764	$ 5,494,708	$ (119,056)
Investment Earnings	310,863	310,863	765,233	454,370
Other Revenues	117,701	117,701	441,312	323,611
Total Revenues	6,042,328	6,042,328	6,701,253	658,925
Expenditures:				
Finance			40,414	(40,414)
Redevelopment	750,047	993,525	2,420,597	(1,427,072)
Non-Departmental:				
Debt Service - Principal	744,235	845,616	330,000	515,616
Debt Service - Interest			515,616	(515,616)
Capital Outlay	763,000	4,076,689	-	4,076,689
Total Expenditures	2,257,282	5,915,830	3,306,627	2,609,203
Excess (deficit) revenue over expenditures	3,785,046	126,498	3,394,626	3,268,128
Other Financing Sources (Uses):				
Transfers from other Funds			899,912	899,912
Transfers to other funds				-
Total other financing sources (uses)	-	-	899,912	899,912
Excess (deficit) revenues over expenditures and other financing sources (uses)	3,785,046	126,498	4,294,538	4,168,040
Fund balance - beginning	-	-	11,238,492	11,238,492
Fund balance - ending	$ -	$ -	$ 15,533,030	$ 15,533,030

MODIFIED APPROACH FOR CITY STREETS INFRASTRUCTURE CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City is required to account for and report infrastructure capital assets. The City defines infrastructure as the basic physical assets including the street system; water purification and distribution system; water reclamation collection and treatment system; park and recreation lands and improvement system; storm water conveyance system; and buildings combined with site amenities such as parking and landscaped areas used by the City in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be divided into concrete and asphalt pavements, concrete curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems.

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its Streets Pavement System. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) condition assessments and summary of results using a measurement scale; and (3) estimation of annual amount needed to maintain and preserve the assets at the established condition assessment level.

- The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

The City commissioned a study to update the physical condition assessment of the streets and received a final report dated November 2009. The prior assessment study was completed in December 2007. The streets, primarily concrete and asphalt pavements were defined as all physical features associated with the operation of motorized vehicles that exist within the limits of right of way. City owned streets are classified based on land use, access and traffic utilization into the following four classifications: arterial/major, secondary, collector and local. This condition assessment will be performed every three years. Each street was assigned a physical condition based on 17 potential defects. A Pavement Condition Index (PCI), a nationally recognized index, was assigned to each street and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned the physical characteristics of a new street.

The following conditions were defined:

Condition	Rating
Excellent	86-100
Very Good	71-85
Good	56-70
Fair	41-55
Poor	26-40
Very Poor	11-25
Distressed	0-10

The City Policy is to achieve an average rating of 70 for all streets, which is a good rating. This rating allows minor cracking and raveling of the pavement along with minor roughness that could be noticeable to drivers traveling at the posted speeds. As of June 30, 2009, the City's street system was rated at a PCI index of 79 on the average with the detail condition as follows:

Condition	% of Streets
Excellent to Good	86%
Fair	3%
Poor to Distressed	11%

The City's streets are constantly deteriorating resulting from the following four factors: (1) traffic using the streets; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development interests trenching operations; and (4) water damage from natural precipitation and other urban runoff. The City is continuously taking actions to arrest the deterioration through short-term maintenance activities such as pothole patching, street sweeping, and sidewalk repair. The City expended $5,794,148 on street maintenance for the fiscal year ended June 30, 2009. These expenditures delayed deterioration, however the overall condition of the streets was not improved through these maintenance expenditures. The City has estimated that the amount of annual expenditures required to maintain the City's streets at the average PCI rating of 79 through the year 2018 is a minimum of $6,800,000. A schedule of the estimated annual amount required to maintain and preserve its streets at the current level compared to actual expenditures for street maintenance for the last five years is presented below.

Fiscal Year	Maintenance Requirement	Actual Expenditures	PCI Rating
2004-05	$ 3,500,000	$ 3,605,489	71
2005-06	4,000,000	7,253,669	71
2006-07	9,700,000	7,366,894	70
2007-08	9,500,000	9,498,837	75
2008-09	6,800,000	5,794,148	79

The City also has an on-going street rehabilitation program funded in the Capital Improvement Program that is intended to improve the condition rating of City streets. The rehabilitation program is formulated based on deficiencies identified as a part of its Pavement Management System (PMS). As of June 30, 2009, approximately 14% of the City's streets were rated below the average standard of 70. This represents a decrease over the prior year when the City had 19% of its streets rated below 70. The City will continue to rehabilitate these segments of the streets. Total deficiencies identified in the PMS amounted to approximately $69,300,000 for all streets over the next ten years, with $26,300,000 in deficiencies on street segments rated below the PCI of 70.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN FUNDING PROGRESS

A schedule of funding progress including the past two actuarial valuations is presented below:

Schedule of Funding Progress - Other Post-Employment Benefit Plan

Actuarial Valuation Date	Actuarial Accrued Liability (A)	Actuarial Value of Assets (B)	Unfunded Actuarial Accrued Liability (UAAL) (A) - (B)	Funded Ratio (B) / (A)	Annual Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((A - B) / C)
07/01/2007	99,363,000	-	99,363,000	0.0%	53,273,000	186.5%
07/01/2008	104,627,000	3,561,000	101,066,000	3.4%	55,005,000	183.7%

The City implemented GASB 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions during the fiscal year ended June 30, 2008. The first actuarial valuation for the City's other post employment benefits (OPEB) plan was obtained as of July 01, 2007.

For information regarding actuarial assumptions and amortization methods, see Note 15.

PENSION BENEFITS PLAN FUNDING PROGRESS

A schedule of funding progress including the past three actuarial valuations is presented below:

Schedule of Fund Progress - Pension Benefits Plan

	Actuarial Valuation Date	Actuarial Accrued Liability (AAL) (A)	Actuarial Value of Assets (B)	Unfunded Actuarial Accrued Liability (UAAL) (A) - (B)	Funded Ratio (B) / (A)	Annual Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((A - B) / C)
Miscellaneous	06/30/06	153,210,003	119,042,199	34,167,804	77.7%	33,216,410	102.9%
Employees	06/30/07	170,067,849	133,259,590	36,808,259	78.4%	36,161,760	101.8%
Group	06/30/08	206,180,050	146,662,394	59,517,656	71.1%	35,994,622	165.4%
Police Safety	06/30/06	87,089,222	72,182,093	14,907,129	82.9%	13,504,658	110.4%
Employees	06/30/07	105,975,853	79,807,507	26,168,346	75.3%	14,832,827	176.4%
Group	06/30/08	114,123,386	87,823,890	26,299,496	77.0%	15,980,585	164.6%

Supplementary Information

Supplementary Information consists of the following:

- Combining Balance Sheet – Nonmajor Governmental Funds
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds
- Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
- Combining Statement of Net Assets – Nonmajor Enterprise Funds
- Combining Statement of Revenue, Expenses, and Changes in Net Assets – Nonmajor Enterprise Funds
- Combining Statement of Cash Flows – Nonmajor Enterprise Funds
- Combining Statement of Net Assets – Internal Service Funds
- Combining Statement of Revenue, Expenses, and Changes in Net Assets – Internal Service Funds
- Combining Statement of Cash Flows – Internal Service Funds
- Fiduciary Funds Combining Statement of Changes in Assets and Liabilities

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Nonmajor Governmental Funds

Traffic Safety Fund – This fund is used to account for fines resulting from violations of the California Vehicle Code as required by provisions of the Vehicle Code Section 42200.

Gas Tax Fund – This fund is used to account for receipts and expenditures of money apportioned under Street and Highway Code Section 2105, 2106, 2107 and 2107.5 of the State of California.

Measure A Fund – This fund is used to account for money generated by a half percent sales tax approved by the voters in 1989. This money is used to maintain and construct local streets and roads.

Trip Reduction Fund – This fund is used to account for allocations made by AB2766 known as the Clean Air Act. The money is used to provide means and incentives for ridesharing in order to reduce traffic and air pollution.

City Facilities Fund – This fund is used to account for all City Facilities revenues, expenditures.

Asset Forfeiture Fund – This fund is used to account for asset seizures and forfeitures resulting from police investigations and court decisions.

Residential Refuse Fund – This fund is used to account for residential refuse billings, abandoned vehicle abatement, collections and payments to contractors.

Special Tax District Fund – This fund is used to account for revenues derived from annual assessments which are used to pay the cost incurred by the City for landscape maintenance, street light maintenance, and the City's Business Improvement District.

Other Grants and Endowments Fund – This fund is used to account for receipts and expenditures of money received from various governmental grants and various library endowments.

General Obligation Fund – This fund is used to account for tax levies from which general obligation principal and interest payments are made as they mature for the 1995 General Obligation Bonds.

Combining Financial Statements
Nonmajor Governmental Funds

Assessment Districts Fund – This fund is used to account for assessment collections and payments for principal and interest and providing reserves related to Assessment District Bonds.

Public Financing Authority Fund – This fund is used to account for debt service transactions including revenue collections and payments of principal and interest on long-term obligations of the component unit.

HUD Grants Fund – This fund is used to account for grants from the Department of Housing and Urban Development (HUD) and expenditures for the block grant programs as approved by the City Council.

Planned Local Drainage Fund – This fund is used to account for storm water drainage fees from developers as a result of City ordinance 1279. The money is used to construct water drainage facilities within a drainage area.

Other Grants Fund – This fund is used to account for receipts and expenditures of money received from various governmental grants.

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CITY OF CORONA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Special Revenue			
	Traffic Safety	Gas Tax	Measure A	Trip Reduction
Assets:				
Cash and Investments	$ -	$ 1,057,521	$ 8,546,515	$ 227,909
Accounts Receivable, Net				
Interest Receivable		8,686	70,112	1,863
Due from Other Governmental Agencies	204,270	186,249	806,623	46,090
Long-term Receivable				
Loans Receivable				
Restricted Assets:				
Cash and Investments		16,993	309,154	
Total Assets	$ 204,270	$ 1,269,449	$ 9,732,404	$ 275,862
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable and Accrued Liabilities	$ -	$ 153,090	$ 724,887	$ 10,950
Deposits				
Due to Other Funds				
Deferred Revenues				
Interfund Advances Payable				
Liabilities Payable from Restricted Assets		16,993	309,154	
Total Liabilities	-	170,083	1,034,041	10,950
Fund Balances:				
Reserved for:				
Encumbrances		119,691	670,427	1,800
Debt Service				
Unreserved, reported in:				
Special Revenue				
Designated				
Specific Projects and Programs	204,270	979,675	8,027,936	263,112
Undesignated				
Capital Projects				
Designated				
Specific Projects and Programs				
Total Fund Balances (Deficit)	204,270	1,099,366	8,698,363	264,912
Total Liabilities and Fund Balances	$ 204,270	$ 1,269,449	$ 9,732,404	$ 275,862

Special Revenue				
City Facilities	Asset Forfeiture	Residential Refuse	Special Tax Districts	Other Grants & Endowments
$ 126,840	$ 554,204	$ 616,089	$ 8,264,840	$ 1,692,251
8,579		469,690	184	1,085
1,037	4,531	4,628	67,675	13,869
	13,936		483,191	331,806
			362,740	
$ 136,456	$ 572,671	$ 1,090,407	$ 9,178,630	$ 2,039,011
$ 78,984	$ 11,740	$ 1,015,873	$ 523,132	$ 19,730
1,390			1,300	
12,447	148,949	74,534		201,146
235,000			450,000	
			13,438	
327,821	160,689	1,090,407	987,870	220,876
		11,263	85,711	5,781
			515,130	
	411,982		7,589,919	1,812,354
(191,365)		(11,263)		
(191,365)	411,982	-	8,190,760	1,818,135
$ 136,456	$ 572,671	$ 1,090,407	$ 9,178,630	$ 2,039,011

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CITY OF CORONA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Debt Service		
	General Obligation	Assessment Districts	Public Financing Authority
Assets:			
Cash and Investments	$ 318,050	$ 748,093	$ -
Accounts Receivable, Net			
Interest Receivable	2,601	6,119	43,986
Due from Other Governmental Agencies	28,845	20,382	
Long-term Receivable		1,900,000	
Loans Receivable			
Restricted Assets:			
Cash and Investments	654,225	89,466	2,435,600
Total Assets	$ 1,003,721	$ 2,764,060	$ 2,479,586
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable and Accrued Liabilities	$ -	$ -	$ -
Deposits			
Due to Other Funds			
Deferred Revenues	17,329	1,900,000	
Interfund Advances Payable			
Liabilities Payable from Restricted Assets			
Total Liabilities	17,329	1,900,000	-
Fund Balances:			
Reserved for:			
Encumbrances			
Debt Service	986,392	864,060	2,479,586
Unreserved, reported in:			
Special Revenue			
Designated			
Specific Projects and Programs			
Undesignated			
Capital Projects			
Designated			
Specific Projects and Programs			
Total Fund Balances (Deficit)	986,392	864,060	2,479,586
Total Liabilities and Fund Balances	$ 1,003,721	$ 2,764,060	$ 2,479,586

Capital Projects			Total
HUD Grants	Planned Local Drainage	Other Grants	Other Governmental Funds
$ 395,560	$ -	$ 2,810,458	$ 25,358,330
			479,538
		13,701	238,808
117,851	182,100	2,549,103	4,970,446
			1,900,000
357,353			357,353
5,523		153,647	4,027,348
$ 876,287	$ 182,100	$ 5,526,909	$ 37,331,823
$ 59,959	$ 12,074	$ 1,186,602	$ 3,797,021
			2,690
48,159		1,345,321	1,393,480
357,353		40,821	2,752,579
			685,000
5,523		153,647	498,755
470,994	12,074	2,726,391	9,129,525
8,500		1,226,160	2,129,333
			4,845,168
			19,289,248
			(202,628)
396,793	170,026	1,574,358	2,141,177
405,293	170,026	2,800,518	28,202,298
$ 876,287	$ 182,100	$ 5,526,909	$ 37,331,823

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CITY OF CORONA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2009

	Special Revenue			
	Traffic Safety	Gas Tax	Measure A	Trip Reduction
Revenues:				
Property Taxes	$ -	$ -	$ -	$ -
Licenses, Fees and Permits				
Fines, Penalties and Forfeitures	786,328			
Special Assessments				
Investment Earnings	7,726	77,704	505,751	13,302
Intergovernmental Revenues		2,329,021	3,976,044	172,417
Current Services				
Other Revenues		40,039	2,135	
Total Revenues	794,054	2,446,764	4,483,930	185,719
Expenditures:				
Current:				
General Government		3,058	2,389	
Police				
Public Works		1,774,951	2,945,058	282,189
Parks and Community Services				
Redevelopment				
Library				
Capital Outlay		146,733	1,305,967	
Debt Service:				
Principal Retirement			569,102	
Interest and Fiscal Charges			21,342	
Total Expenditures	-	1,924,742	4,843,858	282,189
Excess of Revenues Over (Under) Expenditures	794,054	522,022	(359,928)	(96,470)
Other Financing Sources (Uses):				
Transfers In				
Transfers Out	(724,486)	(1,380,802)		
Total Other Financing Sources (Uses)	(724,486)	(1,380,802)	-	-
Special Item:				
CPFA 1999 Revenue Bonds (Note 20)				
Net Change in Fund Balances	69,568	(858,780)	(359,928)	(96,470)
Fund Balances - Beginning, as Restated	134,702	1,958,146	9,058,291	361,382
Fund Balances - Ending	$ 204,270	$ 1,099,366	$ 8,698,363	$ 264,912

Special Revenue				
City Facilities	Asset Forfeiture	Residential Refuse	Special Tax Districts	Other Grants & Endowments
$ -	$ -	$ -	$ -	$ -
44,030				
	161,185			
			8,616,036	
6,672	32,114	20,504	420,217	94,512
10,000		68,758		1,596,289
		6,158,854	16,378	283,816
330,947			71,820	
391,649	193,299	6,248,116	9,124,451	1,974,617
48,505			3,521	
	294,883			518,913
215,078		6,711,678	3,084,654	
261,750			5,582,566	871
			73,715	
				34,088
			7,512	7,785
525,333	294,883	6,711,678	8,751,968	561,657
(133,684)	(101,584)	(463,562)	372,483	1,412,960
164,006		960,587	327,123	
(136)		(23,460)	(287)	
163,870	-	937,127	326,836	-
30,186	(101,584)	473,565	699,319	1,412,960
(221,551)	513,566	(473,565)	7,491,441	405,175
$ (191,365)	$ 411,982	$ -	$ 8,190,760	$ 1,818,135

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CITY OF CORONA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2009

	Debt Service		
	General Obligation	Assessment Districts	Public Financing Authority
Revenues:			
Property Taxes	$ 718,812	$ -	$ -
Licenses, Fees and Permits			
Fines, Penalties and Forfeitures			
Special Assessments		570,786	
Investment Earnings	23,546	32,223	129,585
Intergovernmental Revenues			
Current Services			
Other Revenues			
Total Revenues	742,358	603,009	129,585
Expenditures:			
Current:			
General Government			
Police			
Public Works			
Parks and Community Services			
Redevelopment			
Library			
Capital Outlay			
Debt Service:			
Principal Retirement	495,000	325,000	
Interest and Fiscal Charges	79,848	194,245	150,025
Total Expenditures	574,848	519,245	150,025
Excess of Revenues Over (Under) Expenditures	167,510	83,764	(20,440)
Other Financing Sources (Uses):			
Transfers In			1,580
Transfers Out			
Total Other Financing Sources (Uses)	-	-	1,580
Special Item:			
CPFA 1999 Revenue Bonds (Note 20)			(2,983,603)
Net Change in Fund Balances	167,510	83,764	(3,002,463)
Fund Balances - Beginning, as Restated	818,882	780,296	5,482,049
Fund Balances - Ending	$ 986,392	$ 864,060	$ 2,479,586

Capital Projects			Total
HUD Grants	Planned Local Drainage	Other Grants	Other Governmental Funds
$ -	$ -	$ -	$ 718,812
	444,274		488,304
			947,513
			9,186,822
		155,017	1,518,873
1,107,381		5,482,774	14,742,684
			6,459,048
662	769	670	447,042
1,108,043	445,043	5,638,461	34,509,098
			57,473
			813,796
13,411	628,719		15,655,738
55,401			5,900,588
543,511			617,226
		1,317	35,405
495,720		2,847,686	4,811,403
			1,389,102
			445,460
1,108,043	628,719	2,849,003	29,726,191
-	(183,676)	2,789,458	4,782,907
	353,703		1,806,999
	(164,799)	(210,000)	(2,503,970)
-	188,904	(210,000)	(696,971)
			(2,983,603)
	5,228	2,579,458	1,102,333
405,293	164,798	221,060	27,099,965
$ 405,293	$ 170,026	$ 2,800,518	$ 28,202,298

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CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actuals

The Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual consists of the following:

- Nonmajor Special Revenue Funds
- Debt Service Funds
- Capital Project Funds

CITY OF CORONA

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Nonmajor Special Revenue Funds Year Ended June 30, 2009

	Traffic Safety			Gas Tax		
Revenues:	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
Licenses, Fees and Permits	$ -	$ -	$ -	$ -	$ -	$ -
Fines, Penalties and Forfeitures	700,000	786,328	86,328			
Special Assessments						
Investment Earnings	11,992	7,726	(4,266)	98,057	77,704	(20,353)
Intergovernmental Revenues				2,676,400	2,329,021	(347,379)
Current Services						
Other Revenues				42,922	40,039	(2,883)
Total Revenues	711,992	794,054	82,062	2,817,379	2,446,764	(370,615)
Expenditures:						
Current:						
General Government					3,058	(3,058)
Public Works				1,023,358	1,774,951	(751,593)
Parks and Community Services						
Police						
Redevelopment						
Library						
Capital Outlay				1,718,256	146,733	1,571,523
Debt Service:						
Principal Retirement						
Interest and Fiscal Charges						
Total Expenditures	-	-	-	2,741,614	1,924,742	816,872
Excess of Revenues Over (Under) Expenditures	711,992	794,054	82,062	75,765	522,022	446,257
Other Financing Sources (Uses):						
Transfers In						
Transfers Out	(711,992)	(724,486)	(12,494)	(1,207,726)	(1,380,802)	(173,076)
Total Other Financing Sources (Uses)	(711,992)	(724,486)	(12,494)	(1,207,726)	(1,380,802)	(173,076)
Net Change in Fund Balances	$ -	69,568	$ 69,568	$ (1,131,961)	(858,780)	$ 273,181
Fund Balances - Beginning, as Restated		134,702			1,958,146	
Fund Balances-Ending		$ 204,270			$ 1,099,366	

Measure A			Trip Reduction		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
339,834	505,751	165,917	12,547	13,302	755
4,530,000	3,976,044	(553,956)	175,000	172,417	(2,583)
	2,135	2,135	28		(28)
4,869,834	4,483,930	(385,904)	187,575	185,719	(1,856)
	2,389	(2,389)			
26,273	2,945,058	(2,918,785)	325,342	282,189	43,153
12,690,834	1,305,967	11,384,867			
590,444	569,102	21,342			
	21,342	(21,342)			
13,307,551	4,843,858	8,463,693	325,342	282,189	43,153
(8,437,717)	(359,928)	8,077,789	(137,767)	(96,470)	41,297
		-			
-	-	-	-	-	-
$ (8,437,717)	(359,928)	$ 8,077,789	$ (137,767)	(96,470)	$ 41,297
	9,058,291			361,382	
	$ 8,698,363			$ 264,912	

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Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended June 30, 2009

	City Facilities			Asset Forfeiture		
Revenues:	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
Licenses, Fees and Permits	$ 48,800	$ 44,030	$ (4,770)	$ -	$ -	$ -
Fines, Penalties and Forfeitures				30,000	161,185	131,185
Special Assessments						
Investment Earnings	(164)	6,672	6,836	29,712	32,114	2,402
Intergovernmental Revenues	10,000	10,000				
Current Services						
Other Revenues	292,316	330,947	38,631			
Total Revenues	350,952	391,649	40,697	59,712	193,299	133,587
Expenditures:						
Current:						
General Government	48,505	48,505				
Public Works	220,426	215,078	5,348			
Parks and Community Services	257,081	261,750	(4,669)			
Police				467,643	294,883	172,760
Redevelopment						
Library						
Capital Outlay	13,684		13,684			
Debt Service:						
Principal Retirement						
Interest and Fiscal Charges						
Total Expenditures	539,696	525,333	14,363	467,643	294,883	172,760
Excess of Revenues Over (Under) Expenditures	(188,744)	(133,684)	55,060	(407,931)	(101,584)	306,347
Other Financing Sources (Uses):						
Transfers In	187,565	164,006	(23,559)			
Transfers Out		(136)	(136)			
Total Other Financing Sources (Uses)	187,565	163,870	(23,695)	-	-	-
Net Change in Fund Balances	$ (1,179)	30,186	$ 31,365	$ (407,931)	(101,584)	$ 306,347
Fund Balances - Beginning, as Restated		(221,551)			513,566	
Fund Balances-Ending		$ (191,365)			$ 411,982	

Residential Refuse			Special Tax Districts		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
			7,869,631	8,616,036	746,405
18,024	20,504	2,480	352,973	420,217	67,244
75,000	68,758	(6,242)			
6,143,230	6,158,854	15,624	16,540	16,378	(162)
			50,425	71,820	21,395
6,236,254	6,248,116	11,862	8,289,569	9,124,451	834,882
				3,521	(3,521)
6,891,524	6,711,678	179,846	3,313,281	3,084,654	228,627
			5,183,479	5,582,566	(399,087)
				73,715	(73,715)
			1,544,109	7,512	1,536,597
			5,504		5,504
6,891,524	6,711,678	179,846	10,046,373	8,751,968	1,294,405
(655,270)	(463,562)	191,708	(1,756,804)	372,483	2,129,287
612,256	960,587	348,331	818,638	327,123	(491,515)
(18,024)	(23,460)	(5,436)		(287)	(287)
594,232	937,127	342,895	818,638	326,836	(491,802)
$ (61,038)	473,565	$ 534,603	$ (938,166)	699,319	$ 1,637,485
	(473,565)			7,491,441	
	$ -			$ 8,190,760	

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CITY OF CORONA

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual Nonmajor Special Revenue Funds Year Ended June 30, 2009

	Other Grants & Endowments			Totals		
Revenues:	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
Licenses, Fees and Permits	$ -	$ -	$ -	$ 48,800	$ 44,030	$ (4,770)
Fines, Penalties and Forfeitures				730,000	947,513	217,513
Special Assessments				7,869,631	8,616,036	746,405
Investment Earnings	52,162	94,512	42,350	915,137	1,178,502	263,365
Intergovernmental Revenues	206,831	1,596,289	1,389,458	7,673,231	8,152,529	479,298
Current Services	225,000	283,816	58,816	6,384,770	6,459,048	74,278
Other Revenues				385,691	444,941	59,250
Total Revenues	483,993	1,974,617	1,490,624	24,007,260	25,842,599	1,835,339
Expenditures:						
Current:						
General Government				48,505	57,473	(8,968)
Public Works				11,800,204	15,013,608	(3,213,404)
Parks and Community Services		871	(871)	5,440,560	5,845,187	(404,627)
Police	682,568	518,913	163,655	1,150,211	813,796	336,415
Redevelopment					73,715	(73,715)
Library	34,088	34,088		34,088	34,088	
Capital Outlay	607,700	7,785	599,915	16,574,583	1,467,997	15,106,586
Debt Service:						
Principal Retirement				595,948	569,102	26,846
Interest and Fiscal Charges					21,342	(21,342)
Total Expenditures	1,324,356	561,657	762,699	35,644,099	23,896,308	11,747,791
Excess of Revenues Over (Under) Expenditures	(840,363)	1,412,960	2,253,323	(11,636,839)	1,946,291	13,583,130
Other Financing Sources (Uses):						
Transfers In				1,618,459	1,451,716	(166,743)
Transfers Out				(1,937,742)	(2,129,171)	(191,429)
Total Other Financing Sources (Uses)	-	-	-	(319,283)	(677,455)	(358,172)
(Under) Expenditures and Other Uses	$ (840,363)	1,412,960	$ 2,253,323	$ (11,956,122)	1,268,836	$ 13,224,958
Fund Balances - Beginning, as Restated		405,175			19,227,587	
Fund Balances-Ending		$ 1,818,135			$ 20,496,423	

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CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Debt Service Funds
Year Ended June 30, 2009

	General Obligation			Redevelopment		
Revenues:	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
Property Taxes	$ 597,326	$ 718,812	$ 121,486	$ 22,455,053	$ 21,978,833	$ (476,220)
Special Assessments						
Investment Earnings	14,847	23,546	8,699	1,062,317	489,913	(572,404)
Other Revenues				688,171	450	(687,721)
Total Revenues	612,173	742,358	130,185	24,205,541	22,469,196	(1,736,345)
Expenditures:						
Current:						
Redevelopment					218,946	(218,946)
Capital Outlay				10,708,346		10,708,346
Debt Service:						
Principal Retirement	579,325	495,000	84,325	15,705,158	9,315,434	6,389,724
Interest and Fiscal Charges		79,848	(79,848)		12,761,799	(6,123,222)
Total Expenditures	579,325	574,848	4,477	26,413,504	22,296,179	4,117,325
Excess of Revenues Over (Under) Expenditures	32,848	167,510	134,662	(2,207,963)	173,017	2,380,980
Other Financing Sources (Uses):						
Transfers In						
Transfers Out				(1,007,823)	(10,376,771)	(9,368,948)
Total Other Financing Sources (Uses)	-	-	-	(1,007,823)	(10,376,771)	(9,368,948)
Special Item:						
CPFA 1999 Revenue Bonds (Note 20)						
Net Change in Fund Balances	$ 32,848	167,510	$ 134,662	$ (3,215,786)	(10,203,754)	$ (6,987,968)
Fund Balances - Beginning of Year, As Restated		818,882			15,895,837	
Fund Balances-End of Year		$ 986,392			$ 5,692,083	

Assessment Districts			Public Financing Authority			Totals		
Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -	$ 23,052,379	$ 22,697,645	$ (354,734)
519,834	570,786	50,952				519,834	570,786	50,952
28,416	32,223	3,807	179,511	129,585	(49,926)	1,285,091	675,267	(609,824)
			5,686,698		(5,686,698)	6,374,869	450	(6,374,419)
548,250	603,009	54,759	5,866,209	129,585	(5,736,624)	31,232,173	23,944,148	(7,288,025)
							218,946	(218,946)
						10,708,346		10,708,346
529,149	325,000	204,149	16,835,933		(16,835,933)	33,649,565	10,135,434	23,514,131
	194,245	(194,245)		150,025	(150,025)		13,185,917	(13,185,917)
529,149	519,245	9,904	16,835,933	150,025	16,685,908	44,357,911	23,540,297	20,817,614
19,101	83,764	64,663	(10,969,724)	(20,440)	10,949,284	(13,125,738)	403,851	13,529,589
				1,580	1,580		1,580	1,580
						(1,007,823)	(10,376,771)	(9,368,948)
-	-	-	-	1,580	1,580	(1,007,823)	(10,375,191)	(9,367,368)
				(2,983,603)	(2,983,603)		(2,983,603)	(2,983,603)
$ 19,101	83,764	$ 64,663	$ (10,969,724)	(3,002,463)	$ 7,967,261	$ (14,133,561)	$ (12,954,943)	$ 1,178,618
	780,296			5,482,049			22,977,064	
	$ 864,060			$ 2,479,586			$ 10,022,121	

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Projects Funds
Year Ended June 30, 2009

	HUD Grants			Planned Local Drainage		
Revenues:	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
Licenses, Fees & Permits	$ -	$ -	$ -	$ 430,000	$ 444,274	$ 14,274
Investment Earnings	20,990		(20,990)			
Intergovernmental Revenues	2,910,259	1,107,381	(1,802,878)			
Other Revenues	2,010	662	(1,348)	8,228	769	(7,459)
Total Revenues	2,933,259	1,108,043	(1,825,216)	438,228	445,043	6,815
Expenditures:						
Current:						
Redevelopment	233,851	543,511	(309,660)			
General Government						
Planning						
Public Works		13,411	(13,411)	663,617	628,719	34,898
Library						
Parks and Community Services		55,401	(55,401)			
Capital Outlay	4,128,750	495,720	3,633,030			
Total Expenditures	4,362,601	1,108,043	3,254,558	663,617	628,719	34,898
Excess of Revenues Over (Under) Expenditures	(1,429,342)	-	1,429,342	(225,389)	(183,676)	41,713
Other Financing Sources (Uses):						
Loss on Sale of Land Held for Resale						
Proceeds from Promissory Note						
Transfers In				223,171	353,703	130,532
Transfers Out					(164,799)	(164,799)
Total Other Financing Sources (Uses)				223,171	188,904	(34,267)
Special Item:						
Developer Agreement (Note 20)						
Net Change in Fund Balances	$ (1,429,342)	-	$ 1,429,342	$ (2,218)	5,228	$ 7,446
Fund Balance - Beginning, as Restated		405,293			164,798	
Fund Balances-End of Year		$ 405,293			$ 170,026	

Other Grants			Redevelopment		
Budget	Actual	Variance	Budget	Actual	Variance
$ -	$ -	$ -	$ -	$ -	$ -
10,013	155,017	145,004	799,971	769,069	(30,902)
1,605,947	5,482,774	3,876,827			
	670	670	2,233	470,276	468,043
1,615,960	5,638,461	4,022,501	802,204	1,239,345	437,141
			4,968,547	11,080,406	(6,111,859)
			583,351	552,908	30,443
			126,877	124,619	2,258
			129,135	108,274	20,861
1,567	1,317	250			
14,958,418	2,847,686	12,110,732	15,893,315	770,626	15,122,689
14,959,985	2,849,003	12,110,982	21,701,225	12,636,833	9,064,392
(13,344,025)	2,789,458	16,133,483	(20,899,021)	(11,397,488)	9,501,533
				(472,252)	(472,252)
				5,167,326	5,167,326
			4,217,823	11,884,122	7,666,299
	(210,000)	(210,000)			
	(210,000)	(210,000)	4,217,823	16,579,196	12,361,373
				12,636,799	12,636,799
$ (13,344,025)	2,579,458	$ 15,923,483	$ (16,681,198)	17,818,507	$ 34,499,705
	221,060			53,881,685	
	$ 2,800,518			$ 71,700,192	

Continued Page 1 of 2

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Projects Funds
Year Ended June 30, 2009

	Public Facilities Projects			Totals		
Revenues:	**Budget**	**Actual**	**Variance**	**Budget**	**Actual**	**Variance**
Licenses, Fees & Permits	$ -	$ -	$ -	$ 430,000	$ 444,274	$ 14,274
Investment Earnings	228,562	767,295	538,733	1,059,536	1,691,381	631,845
Intergovernmental Revenues	5,027,325	7,783,618	2,756,293	9,543,531	14,373,773	4,830,242
Miscellaneous Revenues		10,438	10,438	12,471	482,815	470,344
Total Revenues	5,255,887	8,561,351	3,305,464	11,045,538	16,992,243	5,946,705
Expenditures:						
Current:						
Redevelopment				5,202,398	11,623,917	(6,421,519)
General Government				583,351	552,908	30,443
Planning				126,877	124,619	2,258
Public Works				792,752	750,404	42,348
Library				1,567	1,317	250
Parks and Community Services					55,401	(55,401)
Capital Outlay	43,524,371	15,425,220	28,099,151	78,504,854	19,539,252	58,965,602
Total Expenditures	43,524,371	15,425,220	28,099,151	85,211,799	32,647,818	52,563,981
Excess of Revenues Over (Under) Expenditures	(38,268,484)	(6,863,869)	31,404,615	(74,166,261)	(15,655,575)	58,510,686
Other Financing Sources (Uses):						
Loss on Sale of Land Held for Resale					(472,252)	(472,252)
Proceeds from Promissory Note					5,167,326	5,167,326
Transfers In		38,976	38,976	4,440,994	12,276,801	7,835,807
Transfers Out	(531,501)	(1,624,590)	(1,093,089)	(531,501)	(1,999,389)	(1,467,888)
Total Other Financing Sources (Uses)	(531,501)	(1,585,614)	(1,054,113)	3,909,493	14,972,486	11,062,993
Special Item:						
Developer Agreement (Note 20)					12,636,799	12,636,799
Net Change in Fund Balances	$ (38,799,985)	(8,449,483)	$ 30,350,502	$ (70,256,768)	11,953,710	$ 82,210,478
Fund Balance - Beginning, as Restated		18,574,165			73,247,001	
Fund Balances-End of Year		$ 10,124,682			$ 85,200,711	

Concluded Page 2 of 2

Combining Financial Statements
Nonmajor Enterprise Funds

Public Financing Authority Fund – This fund is used to account for debt service transactions including revenue collections and payments of principal and interest on long-term obligations of the component unit.

Public Improvement Corporation Fund – This fund is used to account for debt service transactions including revenue collections and payments of principal and interest on long-term obligations.

Transit Services Fund – This fund is used to account for the operations of the City's transportation system for a fixed route and demand response service (Corona Cruiser and Dial-A-Ride) which, along with farebox revenues, receives grants from the Transportation Development Act (TDA).

CORONA

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Incorporated
July 13, 1896

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Combining Statement of Net Assets
Nonmajor Enterprise Funds
June 30, 2009

	Nonmajor Enterprise Funds			
	Public Financing Authority	**Public Improvement Corporation**	**Transit Services**	**Totals**
Assets:				
Current Assets				
Cash and Investments	$ -	$ -	$ 845,568	$ 845,568
Accounts Receivable, Net			3,404	3,404
Interest Receivable	84,403	22	6,055	90,480
Inventories and Prepayments				
Due from Other Governments			5,207	5,207
Restricted Assets:				
Cash and Investments	7,054,379	563,278		7,617,657
Total Current Assets	7,138,782	563,300	860,234	8,562,316
Noncurrent Assets				
Capital Assets:				
Depreciable buildings, property, equipment and infrastructure, net			1,682,568	1,682,568
Total Noncurrent Assets	-	-	1,682,568	1,682,568
Total Assets	7,138,782	563,300	2,542,802	10,244,884
Liabilities:				
Current Liabilities				
Accounts Payable and Accrued Liabilities			134,069	134,069
Unearned Revenues			405,649	405,649
Claims and Judgments Payable				
Compensated Absences Payable			11,777	11,777
Total Current Liabilities	-	-	551,495	551,495
Noncurrent Liabilities				
Interfund Advances Payable	6,587,825			6,587,825
Claims and Judgments Payable				
Total Noncurrent Liabilities	6,587,825	-	-	6,587,825
Total Liabilities	6,587,825	-	551,495	7,139,320
Net Assets:				
Invested in Capital Assets, Net of Related Debt			1,682,568	1,682,568
Restricted				
Specific Projects and Programs	550,957	563,278	218,160	1,332,395
Unrestricted		22	90,579	90,601
Total Net Assets	$ 550,957	$ 563,300	$ 1,991,307	$ 3,105,564

Combining Statement of Revenues, Expenses, and Changes in Net Assets
Nonmajor Enterprise Funds
Year Ended June 30, 2009

	Nonmajor Enterprise Funds			
	Public Financing Authority	**Public Improvement Corporation**	**Transit Services**	**Totals**
Operating Revenues:				
Internal Service Charges	$ -	$ -	$ -	$ -
Intergovernmental Revenues			40,988	40,988
Other Revenues			330,726	330,726
Total Operating Revenues	-	-	371,714	371,714
Operating Expenses:				
Personnel Services			278,440	278,440
Contractual			1,428,490	1,428,490
Material and Supplies			52,227	52,227
Utilities			212,347	212,347
Depreciation			285,052	285,052
Total Operating Expenses	-	-	2,256,556	2,256,556
Operating Income (Loss)	-	-	(1,884,842)	(1,884,842)
Non-Operating Revenues:				
Operating Grants and Contributions			1,567,193	1,567,193
Investment Earnings	283,111	2,838	42,259	328,208
Interest Expense	(307,678)	(16,068)		(323,746)
Total Non-Operating Revenues	(24,567)	(13,230)	1,609,452	1,571,655
Income (Loss) Before Transfers	(24,567)	(13,230)	(275,390)	(313,187)
Capital Grants and Contributions			12,468	12,468
Transfers In	460,782		210,000	670,782
Change in Net Assets	436,215	(13,230)	(52,922)	370,063
Net Assets - Beginning	114,742	576,530	2,044,229	2,735,501
Net Assets - Ending	$ 550,957	$ 563,300	$ 1,991,307	$ 3,105,564

CITY OF CORONA

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended June 30, 2009

	Nonmajor Enterprise Funds			
	Public Financing Authority	Public Improvement Corporation	Transit Services	Totals
Cash Flows from Operating Activities:				
Receipts from Customers/Other Funds	$ -	$ -	$ 265,182	$ 265,182
Payments to Suppliers of Goods and Services			(1,811,295)	(1,811,295)
Payments to Employees for Services			(267,757)	(267,757)
Other Receipts			330,726	330,726
Net Cash Provided by (Used for) Operating Activities	-	-	(1,483,144)	(1,483,144)
Cash Flows from Noncapital Financing Activities:				
Operating Grants and Contributions			1,567,193	1,567,193
Transfers Received	460,782		210,000	670,782
Net Cash Provided by (Used for) Noncapital Financing Activities	460,782	-	1,777,193	2,237,975
Cash Flows from Capital and Related Financing Activities:				
Proceeds from Capital Grants and Contributions			12,468	12,468
Purchase of Capital Assets			(12,468)	(12,468)
Interest payments of Long-term debt	(307,678)	(16,068)		(323,746)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(307,678)	(16,068)	-	(323,746)
Cash Flows from Investing Activities:				
Interest on Investments	310,543	16,128	41,695	368,366
Net Cash Provided by Investing Activities	310,543	16,128	41,695	368,366
Net Increase in Cash and Cash Equivalents	463,647	60	335,744	799,451
Cash and Cash Equivalents				
Beginning	6,590,732	563,218	509,824	7,663,774
Ending (including $7,617,657 in restricted accounts)	$ 7,054,379	$ 563,278	$ 845,568	$ 8,463,225
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	$ -	$ -	$ (1,884,842)	$ (1,884,842)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Depreciation and Amortization			285,052	285,052
Write-off Capital Assets			4,779	4,779
Adjustment to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Accounts Receivable			(250)	(250)
Due from Other Governments			224,444	224,444
Accounts Payable and Accrued Liabilities			(5,423)	(5,423)
Unearned Revenues			(117,587)	(117,587)
Compensated Absences Payable			10,683	10,683
Net Cash Provided by (Used for) Operating Activities	$ -	$ -	$ (1,483,144)	$ (1,483,144)

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Combining Financial Statements
Internal Service Funds

Equipment Pool Fund – This fund was established by Chapter 12, Title 3 of the Municipal Code as provided by Section 53736 of the Government Code. The fund receives the unencumbered surplus funds from the Fleet Operations Fund.

Fleet Operations Fund – This fund is used to account for Motor Pool rental as the equipment is used. At year end, the surplus rent is transferred to the Equipment Pool to pay for equipment replacement.

Workers' Compensation Self-Insurance Fund – This fund was established on December 1, 1974 at which time the City became self-insured. Claims and administrative expenses are charged to this fund. Reserves are held by this fund to buffer the impact of unknown but potential losses.

Liability Risk Self-Insurance Fund – This fund is used to account for expenditures in payment of claims, administrator's expense (including legal fees) and to establish reserves against future claims.

Warehouse Fund – This fund is used to account for expenditures regarding distribution of inventory.

CITY OF CORONA

Combining Statement of Net Assets
Internal Service Funds
June 30, 2009

	Equipment Pool	Fleet Operations	Self-Insurance Workers' Compensation	Self-Insurance Liability Risk	Warehouse	Totals
Assets:						
Current Assets						
Cash and Investments	$ 4,658,387	$ 4,428,824	$ 20,813,516	$ 5,046,665	$ 29,686	$ 34,977,078
Accounts Receivable, Net	95,250		563	12,479		108,292
Interest Receivable	39,441	37,497	176,220	42,728	243	296,129
Inventories and Prepayments	179,894	231,125				411,019
Due from Other Governments	3,960					3,960
Total Current Assets	4,976,932	4,697,446	20,990,299	5,101,872	29,929	35,796,478
Liabilities:						
Current Liabilities						
Accounts Payable and Accrued Liabilities	88,560	154,102	2,152	77,240	12,924	334,978
Claims and Judgments Payable			3,107,000	851,000		3,958,000
Compensated Absences Payable		80,022			8,573	88,595
Total Current Liabilities	88,560	234,124	3,109,152	928,240	21,497	4,381,573
Noncurrent Liabilities						
Interfund Advances Payable						
Compensated Absences Payable						
Claims and Judgments Payable			8,368,272	1,582,715		9,950,987
Total Noncurrent Liabilities	-	-	8,368,272	1,582,715	-	9,950,987
Total Liabilities	88,560	234,124	11,477,424	2,510,955	21,497	14,332,560
Net Assets:						
Unrestricted	4,888,372	4,463,322	9,512,875	2,590,917	8,432	21,463,918
Total Net Assets	$ 4,888,372	$ 4,463,322	$ 9,512,875	$ 2,590,917	$ 8,432	$ 21,463,918

CITY OF CORONA

Combining Statement of Revenues, Expenses, and Changes in Net Assets
Internal Service Funds
Year Ended June 30, 2009

			Self-Insurance			
	Equipment Pool	Fleet Operations	Workers' Compensation	Liability Risk	Warehouse	Totals
Operating Revenues:						
Internal Service Charges	$ -	$ 4,029,078	$ 3,703,435	$ 1,800,000	$ 977,072	$ 10,509,585
Other Revenues	233,390	121,572	1,232	379,689		735,883
Total Operating Revenues	233,390	4,150,650	3,704,667	2,179,689	977,072	11,245,468
Operating Expenses:						
Personnel Services	1,197	1,150,099	101,900	101,827	370,547	1,725,570
Contractual	330,291	539,025	33,588	60,097		963,001
Material and Supplies	1,572,195	368,232	267,553	679,687	27,226	2,914,893
Utilities	115,444	891,472		702	2,905	1,010,523
Claims Expense			2,410,834	886,560		3,297,394
Total Operating Expenses	2,019,127	2,948,828	2,813,875	1,728,873	400,678	9,911,381
Operating Income (Loss)	(1,785,737)	1,201,822	890,792	450,816	576,394	1,334,087
Non-Operating Revenues:						
Investment Earnings	264,449	243,572	1,211,555	236,087	563	1,956,226
Total Non-Operating Revenues	264,449	243,572	1,211,555	236,087	563	1,956,226
Income (Loss) Before Transfers	(1,521,288)	1,445,394	2,102,347	686,903	576,957	3,290,313
Transfers In	2,843,553	17,199	55,618	508,623		3,424,993
Transfers Out	(275,668)	(2,368,697)	(1,267,173)	(244,710)	(596,123)	(4,752,371)
Net Income (Loss)	1,046,597	(906,104)	890,792	950,816	(19,166)	1,962,935
Net Assets - Beginning	3,841,775	5,369,426	8,622,083	1,640,101	27,598	19,500,983
Net Assets - Ending	$ 4,888,372	$ 4,463,322	$ 9,512,875	$ 2,590,917	$ 8,432	$ 21,463,918

CITY OF CORONA

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2009

	Equipment Pool	Fleet Operations	Self-Insurance Workers' Compensation	Self-Insurance Liability Risk	Warehouse Services	Totals
Cash Flows from Operating Activities:						
Receipts from Customers/Other Funds	$ (99,210)	$ 4,029,914	$ 3,702,872	$ 1,800,000	$ 977,072	$ 10,410,648
Payments to Suppliers of Goods or Services	(2,431,089)	(1,839,743)	(314,099)	(731,177)	(29,341)	(5,345,449)
Payments to Employees for Services	(1,197)	(1,152,160)	(101,900)	(101,827)	(361,974)	(1,719,058)
Receipts of Current Claims			206,000	64,000		270,000
(Decrease) in Long-Term Claims			(1,268,458)	(686,240)		(1,954,698)
Other Receipts	233,390	121,572	1,232	379,689		735,883
Net Cash Provided by (Used for) Operating Activities	(2,298,106)	1,159,583	2,225,647	724,445	585,757	2,397,326
Cash Flows from Noncapital Financing Activities:						
Transfers Received	2,843,553	17,199	55,618	508,623		3,424,993
Transfers Paid	(275,668)	(2,368,697)	(1,267,173)	(244,710)	(596,123)	(4,752,371)
Net Cash Provided by (Used for) Noncapital Financing Activities	2,567,885	(2,351,498)	(1,211,555)	263,913	(596,123)	(1,327,378)
Cash Flows from Investing Activities:						
Interest on Investments	270,380	265,080	1,239,814	235,477	743	2,011,494
Net Cash Provided by Investing Activities	270,380	265,080	1,239,814	235,477	743	2,011,494
Net Increase (Decrease) in Cash and Cash Equivalents	540,159	(926,835)	2,253,906	1,223,835	(9,623)	3,081,442
Cash and Cash Equivalents						
Beginning	4,118,228	5,355,659	18,559,610	3,822,830	39,309	31,895,636
Ending	$ 4,658,387	$ 4,428,824	$ 20,813,516	$ 5,046,665	$ 29,686	$ 34,977,078

Reconciliation of Operating Income to Net Cash Provided by Operating Activities:

Operating Income (Loss)	$ (1,785,737)	$ 1,201,822	$ 890,792	$ 450,816	$ 576,394	$ 1,334,087
Adjustment to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities						
Accounts Receivable	(95,250)	836	(563)			(94,977)
Due from Other Governments	(3,960)					(3,960)
Inventories and Prepayments		80,711				80,711
Accounts Payable and Accrued Liabilities	(413,159)	(123,786)	(12,958)	9,309	790	(539,804)
Claims and Judgments Payable			1,348,376	264,320		1,612,696
Compensated Absences Payable					8,573	8,573
Net Cash Provided by (Used for) Operating Activities	$ (2,298,106)	$ 1,159,583	$ 2,225,647	$ 724,445	$ 585,757	$ 2,397,326

Combining Financial Statements in Assets and Liabilities – Fiduciary Funds

Fiduciary Funds represent Agency Funds, which are custodial in nature and do not involve measurement of results and operations.

CORONA

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July 13, 1896

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Fiduciary Funds
Combining Statement of Changes in Assets and Liabilities
Year Ended June 30, 2009

	Pass Through Agency Fund			
	Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009
Assets				
Cash and Investments	$ 1,333,002	$ 37,231,180	$ 37,199,328	$ 1,364,854
Interest Receivable	204,563	541,567	603,212	142,918
Due from other Governmental Agencies	985,013	678,181	991,401	671,793
Restricted Assets:				
Cash and Investments	37,376,597	52,231,838	55,364,621	34,243,814
Total Assets	$ 39,899,175	$ 90,682,766	$ 94,158,562	$ 36,423,379
Liabilities				
Accounts Payable and Accrued Liabilities	$ 17,027	$ 1,153,529	$ 1,146,115	$ 24,441
Deposits	249,358	9,370	48,620	210,108
Due to Bondholders	39,632,790	1,302,026	4,745,986	36,188,830
Total Liabilities	$ 39,899,175	$ 2,464,925	$ 5,940,721	$ 36,423,379

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To Cherish Our Past - To Plan Our Future

Statistical Section

This part of the City of Corona's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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Financial Trends – These schedules contain information to help readers to understand how the City's financial performance and well-being have changed over time.

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Statistical Section

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Operating Information – These schedules contain service and infrastructure data to help readers to understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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17 Operating Indicators by Function/Program **181**

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Sources**:** *Unless otherwise noted, the information in these schedules was derived from the City's Comprehensive Financial Reports (CAFR) for the relevant year.*

CORONA

"THE CIRCLE CITY"

Incorporated
July 13, 1896

To Cherish Our Past - To Plan Our Future

CITY OF CORONA

Schedule 1
Net Assets by Component
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Governmental Activities				
Invested in capital assets net of related debt	$ 451,393,337	$ 456,849,781	$ 458,250,349	$ 422,767,976
Restricted for:				
Capital Projects	85,200,711	73,254,682	20,417,055	-
Debt Service	11,968,561	25,251,084	28,838,799	6,898,327
Specific Projects and Programs	43,585,727	38,816,368	9,483,004	8,386,210
Total Restricted	140,754,999	137,322,134	58,738,858	15,284,537
Unrestricted	245,794,117	215,990,032	269,852,046	306,059,386
Total governmental activities net assets	$ 837,942,453	$ 810,161,947	$ 786,841,253	$ 744,111,899
Business-type Activities				
Invested in capital assets, net of related debt	$ 228,912,014	$ 225,030,195	$ 211,186,996	$ 193,178,999
Restricted for:				
Specific Projects and Programs	18,188,735	17,031,575	17,317,361	7,548,512
Unrestricted	(110,940,686)	(119,578,075)	(122,594,604)	(129,904,898)
Total business-type activities net assets	$ 136,160,063	$ 122,483,695	$ 105,909,753	$ 70,822,613
Primary Government				
Invested in capital assets, net of related debt	$ 680,305,351	$ 681,879,976	$ 669,437,345	$ 443,318,631
Restricted	158,943,734	154,353,709	76,056,219	22,833,049
Unrestricted	134,853,431	96,411,957	147,257,442	348,782,832
Total Primary Government Net Assets	$ 974,102,516	$ 932,645,642	$ 892,751,006	$ 814,934,512

Note: The City implemented GASB Statement No. 34 in fiscal year ended June 30, 2000.

Fiscal Year					
2005	2004	2003	2002	2001	2000
$ 456,222,213	$ 395,841,709	$ 392,111,753	$ 392,349,900	$ 355,227,433	$ 337,699,623
386,036	9,976,958	13,310,313	13,387,098	14,800,272	15,188,534
7,982,213	13,178,815	19,091,733	21,135,725	21,920,133	32,955,987
7,729,386	-	34,135,270	34,897,216	29,685,938	409,129
16,097,635	23,155,773	66,537,316	69,420,039	66,406,343	48,553,650
239,481,478	265,838,106	42,904,348	42,277,201	64,373,569	84,200,142
$ 711,801,326	$ 684,835,588	$ 501,553,417	$ 504,047,140	$ 486,007,345	$ 470,453,415
$ 194,465,301	$ 187,392,588	$ 141,335,905	$ 151,733,910	$ 128,634,385	$ 120,684,440
673,256	26,387,128	1,709,856	8,134,689	-	-
(133,104,413)	(162,665,721)	78,188,671	44,877,402	44,231,415	45,170,290
$ 62,034,144	$ 51,113,995	$ 221,234,432	$ 204,746,001	$ 172,865,800	$ 165,854,730
$ 650,687,514	$ 583,234,297	$ 533,447,658	$ 544,083,810	$ 483,861,818	$ 458,384,063
16,770,891	49,542,901	68,247,172	77,554,728	66,406,343	48,553,650
106,377,065	103,172,385	121,093,019	87,154,603	108,604,984	129,370,432
$ 773,835,470	$ 735,949,583	$ 722,787,849	$ 708,793,141	$ 658,873,145	$ 636,308,145

CITY OF CORONA

Schedule 2
Changes in Net Assets
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Expenses				
Governmental activities:				
General government	$ 23,387,380	$ 22,014,630	$ 17,944,188	$ 17,000,514
Fire	23,118,471	22,465,104	19,824,613	19,372,402
Police	40,723,499	38,811,288	35,418,464	35,290,552
Public Works	29,252,056	28,165,830	32,887,632	28,293,319
Redevelopment	19,061,398	17,679,157	31,450,231	18,317,214
Parks and Community Services	15,431,862	13,529,315	12,504,767	12,863,536
Library	3,142,627	3,539,703	3,156,248	3,233,627
Interest and fiscal charges	16,447,756	14,913,380	12,348,977	9,164,552
Total governmental activities expenses	$ 170,565,049	$ 161,118,407	$ 165,535,120	$ 143,535,716
Business-type activities:				
Water	46,284,613	48,772,948	42,980,979	39,968,554
Wastewater	27,164,627	27,937,584	25,431,501	23,411,865
Electric	21,962,931	23,590,548	24,688,495	20,279,523
Transit	2,256,556	2,128,258	1,773,529	1,663,358
Total business-type activities expenses	97,668,727	102,429,338	94,874,504	85,323,300
Total primary government expenses	$ 268,233,776	$ 263,547,745	$ 260,409,624	$ 228,859,016
Program Revenues				
Charges for services:				
Governmental activities:				
General government	678,554	1,301,569	1,513,639	8,645,359
Fire	4,506,740	4,726,300	4,181,914	3,229,032
Police	2,817,511	3,023,714	3,246,509	3,017,477
Public Works	12,354,323	13,909,188	14,830,576	16,795,580
Redevelopment	-	1,713	1,168	-
Parks and Community Services	7,261,946	6,373,504	6,064,402	5,986,229
Library	341,989	495,603	541,166	402,660
Operating Grants and Contributions	9,404,577	8,165,995	8,270,729	7,794,735
Capital Grants and Contributions	19,967,971	17,140,582	22,362,669	23,044,293
Total governmental activities program revenues	57,333,611	55,138,168	61,012,772	68,915,365
Business-type activities:				
Charges for services:				
Water	49,629,071	44,795,972	43,261,136	36,548,936
Wastewater	26,569,560	23,379,820	21,824,979	20,211,966
Electric	23,896,507	24,824,172	24,466,921	20,962,161
Transit	371,714	363,101	316,671	270,679
Operating Grants and Contributions	1,567,193	1,454,320	1,284,236	1,233,282
Capital Grants and Contributions	6,702,937	19,829,148	31,702,614	12,696,552
Total business-type activities program revenues	108,736,982	114,646,533	122,856,557	91,923,576
Total primary government program revenues	$ 166,070,593	$ 169,784,701	$ 183,869,329	$ 160,838,941

Note: The City implemented GASB Statement No. 34 in fiscal year ended June 30, 2000.

	Fiscal Year				
2005	2004	2003	2002	2001	2000
$ 11,199,340	$ 16,972,222	$ 14,266,453	$ 11,163,604	$ 9,961,259	$ 8,834,646
17,247,894	16,102,014	15,074,400	13,081,838	11,971,891	13,044,864
32,105,270	30,248,573	30,267,856	25,520,663	23,370,509	21,364,450
25,450,529	26,768,539	24,348,477	19,712,213	19,765,894	29,485,709
13,825,131	14,878,105	16,941,126	6,892,793	7,598,465	10,994,583
12,091,432	12,272,328	12,508,067	12,699,189	12,287,167	9,830,458
3,111,361	3,040,136	3,410,263	2,705,314	2,407,180	2,286,619
10,170,977	4,844,242	18,141,782	11,383,870	15,743,435	14,340,456
$ 125,201,934	$ 125,126,160	$ 134,958,424	$ 103,159,484	$ 103,105,800	$ 110,181,785
36,073,601	34,644,300	36,292,376	26,868,711	23,957,516	28,722,363
16,876,237	15,833,862	16,941,850	14,598,053	12,817,782	16,315,555
12,855,676	20,053,738	18,880,894	6,434,253	-	-
1,615,000	1,496,799	1,280,630	1,108,456	951,286	880,134
67,420,514	72,028,699	73,395,750	49,009,473	37,726,584	45,918,052
$ 192,622,448	$ 197,154,859	$ 208,354,174	$ 152,168,957	$ 140,832,384	$ 156,099,837
1,129,140	953,897	743,077	748,646	618,371	371,560
3,197,076	1,726,756	1,549,395	1,222,672	781,302	817,253
2,687,347	2,689,863	2,740,805	2,253,332	1,854,730	2,431,298
16,124,597	15,175,883	14,074,917	13,508,012	14,043,758	18,708,020
157	1,385	-	-	-	1,389,324
5,805,482	5,159,390	4,796,231	4,558,960	4,402,648	2,220,737
324,561	293,248	237,379	164,788	149,958	163,224
12,113,704	12,211,236	11,549,543	11,788,304	9,270,943	12,106,786
9,705,129	11,271,231	14,898,908	12,355,493	13,977,720	11,755,707
51,087,193	49,482,889	50,590,255	46,600,207	45,099,430	49,963,909
29,061,220	30,633,776	27,999,085	28,475,179	24,540,847	28,154,840
13,897,603	13,245,884	13,382,760	21,292,277	11,138,059	11,608,462
13,067,845	18,287,523	16,420,890	9,265,534	-	-
234,693	256,821	131,570	120,923	107,137	67,610
1,250,281	1,234,330	1,259,614	993,988	746,072	631,354
17,754,362	15,814,606	21,081,267	18,954,473	3,889,628	-
75,266,004	79,472,940	80,275,186	79,102,374	40,421,743	40,462,266
$ 126,353,197	$ 128,955,829	$ 130,865,441	$ 125,702,581	$ 85,521,173	$ 90,426,175

Continued Page 1 of 2

CITY OF CORONA

Schedule 2
Changes in Net Assets
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Net (Expense)/Revenue				
Governmental activities	$ (113,231,438)	$ (105,980,239)	$ (104,522,348)	$ (74,620,351)
Business-type activities	11,068,255	12,217,195	27,982,053	6,600,276
Total primary government net expense	$ (102,163,183)	$ (93,763,044)	$ (76,540,295)	$ (68,020,075)
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes				
Property taxes	$ 66,704,669	$ 67,566,221	$ 63,121,766	$ 50,973,502
Special Assessments	-	-	-	-
Sales and Use Tax	29,791,137	35,894,694	39,684,799	39,915,335
Other Taxes	8,570,003	8,496,030	9,396,886	9,556,368
Total taxes	105,065,809	111,956,945	112,203,451	100,445,205
Unrestricted grants and contributions	674,076	720,480	1,977,907	3,710,301
Payments in lieu of taxes	-	-	-	-
Gain (Loss) on Sale of Capital Asset	-	-	6,438,368	-
Investment earnings	10,177,941	12,225,922	9,602,364	4,875,430
Lease and Rental Income	6,955,049	-	-	-
Miscellaneous	8,873,210	13,536,181	9,936,382	6,691,463
Transfers	(201,503)	28,400	170,294	(1,458,852)
Special Items	9,653,196	-	7,996,099	-
Total Governmental activities	141,197,778	138,467,928	148,324,865	114,263,547
Business-type activities:				
Investment earnings	4,144,071	4,385,148	3,647,928	2,491,501
Miscellaneous	-	-	-	-
Transfers	201,503	(28,400)	(170,294)	1,458,852
Total business-type activities	4,345,574	4,356,748	3,477,634	3,950,353
Total primary government	$ 145,543,352	$ 142,824,676	$ 151,802,499	$ 118,213,900
Change in Net Assets				
Governmental activities	$ 27,966,340	$ 32,487,689	$ 43,802,517	$ 39,643,196
Business-type activities	15,413,829	16,573,943	31,459,687	10,550,629
Total primary government	$ 43,380,169	$ 49,061,632	$ 75,262,204	$ 50,193,825

Fiscal Year					
2005	2004	2003	2002	2001	2000
$ (74,114,741)	$ (75,643,271)	$ (84,368,169)	$ (56,559,277)	$ (58,006,370)	$ (71,973,583)
7,845,490	7,444,241	6,879,436	30,092,901	2,695,159	(5,455,786)
$ (66,269,251)	$ (68,199,030)	$ (77,488,733)	$ (26,466,376)	$ (55,311,211)	$ (77,429,369)
$ 42,349,908	$ 32,265,783	$ 28,924,051	$ 26,238,648	$ 24,153,482	$ 21,345,165
-	839,255	1,409,389	3,290,757	3,757,317	9,175,512
34,502,809	29,471,424	25,219,925	22,966,156	-	-
4,866,205	4,200,484	6,700,169	6,409,162	26,835,838	22,397,927
81,718,922	66,776,946	62,253,534	58,904,723	54,746,637	52,918,604
1,112,066	6,547,602	7,718,551	7,560,375	6,964,417	6,083,373
8,998,347	8,238,819	9,753,104	8,128,085	8,104,303	10,180,116
-	(201,083)	-	(4,347,175)	(4,757,743)	-
2,222,270	3,678,428	3,634,423	5,461,343	8,143,691	7,324,782
8,464,284	511,074	2,966,100	3,309,382	3,261,263	5,780,845
(29,223)	24,778	(4,451,266)	(68,539)	(1,335,313)	1,133,635
-	-	-	-	-	-
102,486,666	85,576,564	81,874,446	78,948,194	75,127,255	83,421,355
1,288,738	1,281,949	2,499,040	1,623,012	2,962,770	2,904,202
482,495	-	2,744,024	-	-	-
29,223	(24,778)	4,365,931	68,539	1,335,313	(1,133,635)
1,800,456	1,257,171	9,608,995	1,691,551	4,298,083	1,770,567
$ 104,287,122	$ 86,833,735	$ 91,483,441	$ 80,639,745	$ 79,425,338	$ 85,191,922
$ 28,371,925	$ 9,933,293	$ (2,493,723)	$ 22,388,917	$ 17,120,885	$ 23,203,479
9,645,946	8,701,412	16,488,431	31,784,452	6,993,242	(3,685,219)
$ 38,017,871	$ 18,634,705	$ 13,994,708	$ 54,173,369	$ 24,114,127	$ 19,518,260

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CITY OF CORONA

Schedule 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
General Fund				
Reserved	$ 20,156,768	$ 20,672,134	$ 24,121,757	$ 75,249,936
Unreserved	54,773,799	58,818,482	70,716,157	-
Total General Fund	$ 74,930,567	$ 79,490,616	$ 94,837,914	$ 75,249,936
All Other Governmental Funds				
Reserved	$ 81,668,685	$ 83,897,261	$ 59,739,936	$ 23,685,432
Unreserved, reported in:				
Special Revenue	39,029,410	34,241,391	34,462,913	40,645,962
Capital Projects	18,110,464	16,909,462	15,510,428	8,347,703
Total all other Govermental Funds	$ 138,808,559	$ 135,048,114	$ 109,713,277	$ 72,679,097

Note: The City implemented GASB Statement No. 34 in fiscal year ended June 30, 2000.

Fiscal Year					
2005	2004	2003	2002	2001	2000
$ 13,535,692	$ 11,896,398	$ 13,451,103	$ 8,986,422	$ 10,394,564	$ 10,145,446
31,748,096	30,390,874	29,359,950	31,540,915	31,605,673	30,220,537
$ 45,283,788	$ 42,287,272	$ 42,811,053	$ 40,527,337	$ 42,000,237	$ 40,365,983
$ 71,680,887	$ 75,451,071	$ 95,977,110	$ 79,182,655	$ 99,105,126	$ 51,990,450
(619,485)	(414,006)	(379,278)	(302,030)	(296,194)	30,612,404
					18,068,736
$ 71,061,402	$ 75,037,065	$ 95,597,832	$ 78,880,625	$ 98,808,932	$ 100,671,590

Schedule 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year			
	2009	2008	2007	2006
Revenues:				
Property Taxes	$ 66,704,668	$ 67,566,222	$ 63,121,767	$ 50,973,502
Other Taxes	37,687,694	44,025,594	47,968,446	47,243,504
Licenses, fees and permits	3,986,271	3,939,938	7,565,595	12,052,807
Fines and Penalties	1,643,556	1,602,034	1,678,525	1,778,880
Special Assessments	9,186,822	7,363,443	7,472,089	7,325,244
Investment Earnings	8,221,715	10,324,740	8,337,386	4,093,836
Intergovernmental Revenues	23,725,540	18,579,692	21,122,793	20,878,547
Current Services	15,015,541	16,746,141	16,547,413	16,156,862
Payments in Lieu of Services	11,992,502	13,249,357	9,801,798	11,540,850
Other Revenues	11,854,846	11,337,159	11,567,679	10,514,261
Total Revenues	190,019,155	194,734,320	195,183,491	182,558,293
Expenditures:				
General Government	28,370,429	29,223,727	25,343,635	21,080,414
Fire	23,826,368	24,986,115	22,129,775	19,689,290
Police	41,009,396	42,602,945	39,637,054	36,165,060
Public Works	26,098,884	27,600,538	32,346,827	25,345,564
Parks and Community Services	14,516,592	14,082,791	12,371,034	11,736,757
Redevelopment	14,337,175	13,347,887	28,636,781	12,533,710
Library	3,228,510	3,910,240	3,609,419	3,432,052
Capital Outlay	24,337,661	35,001,560	22,935,456	9,338,399
Debt Service				
Principal	13,837,430	5,984,493	5,466,814	6,824,654
Interest and Fiscal Charges	16,730,459	14,389,659	11,710,584	9,263,096
Total Expenditures	206,292,904	211,129,955	204,187,379	155,408,996
Excess of Revenues over (under) expenditures	(16,273,749)	(16,395,635)	(9,003,888)	27,149,297
Other Financing Sources (Uses)				
Loss from sale of land held for resale	(472,252)	-	-	-
Issuance of Debt	5,167,326	35,874,600	51,338,901	-
Principal Retirement	-	-	-	-
Proceeds from Sale of Capital Asset	-	-	6,739,350	-
Bond Premium	-	30,601,167	-	-
Transfers in	21,302,803	(28,843,505)	37,438,933	26,507,505
Transfers out	(20,176,928)	-	(36,814,074)	(22,504,515)
Total other financing sources (uses)	5,820,949	37,632,262	58,703,110	4,002,990
Special Items	9,653,196	-	7,996,099	-
Net change in fund balances	$ (799,604)	$ 21,236,627	$ 57,695,321	$ 31,152,287
Debt service as a percentage of noncapital expenditures	20.2%	12.7%	10.5%	11.4%

Note: The City implemented GASB Statement No. 34 in fiscal year ended June 30, 2000.

Fiscal Year					
2005	2004	2003	2002	2001	2000
$ 42,349,910	$ 32,265,783	$ 28,924,050	$ 26,238,648	$ 24,153,481	$ 21,345,165
40,815,213	34,923,016	29,994,105	30,396,922	25,281,839	22,397,927
10,871,748	11,984,841	12,949,501	10,958,482	11,224,714	9,884,567
1,508,004	1,700,005	1,713,495	1,407,628	1,105,048	1,562,990
6,923,091	6,581,157	6,482,026	8,098,106	8,488,067	9,175,512
2,776,118	3,907,468	4,781,225	7,422,121	10,604,860	6,654,778
11,927,288	18,489,977	19,285,666	18,378,750	17,242,467	18,182,327
15,518,676	13,470,119	12,901,807	11,880,438	11,634,689	11,187,411
9,165,515	8,238,819	9,753,105	8,128,085	8,104,304	10,180,117
8,626,151	3,313,914	9,015,827	5,805,563	7,059,195	20,806,659
150,481,714	134,875,099	135,800,807	128,714,743	124,898,664	131,377,453
18,497,239	25,270,857	20,615,021	15,389,630	12,474,703	10,934,920
17,947,422	16,848,544	14,609,632	12,621,139	11,692,537	12,308,088
35,815,820	32,023,189	29,667,758	24,595,721	22,639,931	19,790,239
21,272,214	24,809,152	20,726,962	14,915,970	13,339,928	12,817,205
10,443,414	9,888,299	9,122,985	9,579,412	8,398,504	7,119,520
8,112,135	7,742,841	9,433,505	1,098,150	2,734,282	466,867
3,268,099	3,215,633	3,350,674	2,658,331	2,323,887	2,161,886
19,846,407	28,640,837	14,613,566	44,483,618	33,820,224	30,328,142
4,723,597	4,812,429	8,144,624	8,637,494	22,581,210	6,383,331
10,498,967	4,958,286	17,823,737	11,490,362	14,360,876	12,257,100
150,425,314	158,210,067	148,108,464	145,469,827	144,439,024	114,621,265
56,400	(23,334,968)	(12,307,657)	(16,755,084)	(19,540,360)	16,756,188
-	(201,083)		(4,347,175)	(2,214,269)	-
38,210,834	-	36,065,000	5,181,235	22,810,000	-
(38,215,000)					
	-		-	-	-
799,695	-	-	-	-	-
16,343,861	21,865,917	50,142,916	9,208,761	34,670,544	7,411,765
(16,141,034)	(20,134,948)	(54,899,336)	(9,405,294)	(35,766,887)	(6,826,657)
998,356	1,529,886	31,308,580	637,527	19,499,388	585,108
-	-	-	-	-	-
$ 1,054,756	$ (21,805,082)	$ 19,000,923	$ (16,117,557)	$ (40,972)	$ 17,341,296
12.5%	8.1%	19.1%	19.9%	33.4%	22.1%

CITY OF CORONA

Schedule 5a
Water Sales By User Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Residential		Commercial		Industrial		Public Agency		Agricultural, Irrigation and Other		Total	
	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet Total	% Total
2000	23,908	65.8	6,231	17.1	648	1.8	2,543	7.0	3,026	8.3	36,356	100
2001	23,116	66.9	5,728	16.6	485	1.4	2,214	6.4	2,988	8.7	34,531	100
2002	22,957	66.0	5,913	17.0	556	1.6	2,435	7.0	2,922	8.4	34,783	100
2003	25,896	65.1	6,723	16.9	557	1.4	2,904	7.3	3,699	9.3	39,779	100
2004	27,678	64.0	6,750	15.6	1,738	4.0	3,493	8.1	3,563	8.2	43,222	100
2005	24,905	67.0	3,463	9.0	1,450	4.0	3,271	9.0	3,391	11.0	36,480	100
2006	26,630	66.2	3,848	9.6	1,573	3.9	3,546	8.8	4,607	11.5	40,204	100
2007	29,866	66.0	4,230	9.5	1,751	3.5	3,898	9.0	5,754	12.0	45,499	100
2008	27,598	67.5	3,803	9.3	1,557	3.8	3,039	7.4	4,870	11.9	40,867	100
2009	26,761	61.5	4,916	11.3	1,592	3.8	2,973	6.8	7,280	16.7	43,522	100

Source: Corona Department of Water and Power.

CITY OF CORONA

Schedule 5b
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years (in thousands of dollars)

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Other	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2000	4,203,138	711,264	962,113	1,187,810	96,769	6,967,556	1.0145
2001	5,014,790	732,328	1,096,859	1,203,849	106,014	7,941,812	1.0135
2002	5,720,734	740,122	1,197,804	1,277,060	64,803	8,870,917	1.0086
2003	6,389,708	812,953	1,318,860	1,366,953	117,192	9,771,282	1.0079
2004	7,013,653	863,630	1,415,667	1,489,990	171,882	10,611,058	1.0061
2005	8,010,907	1,016,443	1,540,064	1,614,156	119,068	12,062,502	1.0053
2006	9,128,473	1,166,793	1,688,866	1,747,079	190,746	13,540,465	1.0043
2007	10,821,087	1,398,608	1,927,206	1,956,392	200,971	15,902,322	1.0025
2008	12,074,893	1,638,755	2,068,380	2,153,807	243,155	17,692,680	1.0018
2009	11,825,460	1,810,186	2,111,604	2,179,903	233,038	17,694,115	1.0012

Source: HdL Coren & Cone, Riverside County Assessor Combined tax rolls.

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to the actual value. Tax rates are per $1,000 of assessed value.

CITY OF CORONA

Schedule 6a
Ready to Serve Charges for Water Usage [1]
Last Eight Fiscal Years [3]

Fiscal Year [2]	Quantity Rate per 100 C.F.	Monthly Base Rates								
		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"
2002	$ 1.08	$ 11.05	$ 14.50	$ 20.75	$ 36.15	$ 52.75	$ 90.15	$ 138.50	$ 254.35	$ 374.10
2003	$ 1.08	$ 11.05	$ 14.50	$ 20.75	$ 36.15	$ 52.75	$ 90.15	$ 138.50	$ 254.35	$ 374.10
2004	$ 1.08	$ 11.05	$ 14.50	$ 20.75	$ 36.15	$ 52.75	$ 90.15	$ 138.50	$ 254.35	$ 374.10
2005	$ 1.08	$ 11.05	$ 14.50	$ 20.75	$ 36.15	$ 52.75	$ 90.15	$ 138.50	$ 254.35	$ 374.10
2005	$ 1.21	$ 12.38	$ 16.24	$ 23.24	$ 40.49	$ 59.08	$ 100.97	$ 155.12	$ 284.87	$ 418.99
2006	$ 1.33	$ 13.62	$ 17.86	$ 25.56	$ 44.54	$ 64.99	$ 111.07	$ 170.63	$ 313.36	$ 460.89
2007	$ 1.44	$ 14.71	$ 19.29	$ 27.60	$ 48.10	$ 70.19	$ 119.96	$ 184.28	$ 338.43	$ 497.76
2008	$ 1.61	$ 16.40	$ 21.51	$ 30.77	$ 53.63	$ 78.26	$ 133.76	$ 205.47	$ 377.35	$ 555.00
2009	$ 1.77	$ 18.04	$ 23.66	$ 33.85	$ 58.99	$ 86.09	$ 147.13	$ 226.02	$ 415.08	$ 610.50

1) The separate Readiness To Serve Charge to be imposed within the Overlook Owners Area shall be the amount equal to the current Readiness To Serve Charge for Domestic Service plus the amount of $10.00 per month. This separate amount of $10.00 per month shall be imposed for the period of five (5) years from the date of adoption of Ordinance No. 2569 (March 6, 2002) for Overlook Owners. Upon expiration of said 5 year period, the Readiness To Serve Charge to be imposed within the Overlook Area shall be the amount as determined for Domestic Service. The City eliminated all surcharges charged to customers outside the City limits.

2) There are instances where the rates were changed during the fiscal year.

3) Ten years of data is not available.

Source: City of Corona Department of Water and Power.

CITY OF CORONA

Schedule 6b
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years (rate per $100 of assessed value)

	City Direct Rates			Overlapping Rates [2]			
Year	Basic Rate[1]	General Obligation Debt Service	Total Direct	Corona/Norco School District	Alvord School District	Metropolitan Water District	Riverside City Community College
2000	1.0000	0.0145	1.0145	0.0237	0.1160	0.0089	0.0000
2001	1.0000	0.0135	1.0135	0.0237	0.1341	0.0088	0.0000
2002	1.0000	0.0086	1.0086	0.0237	0.1280	0.0077	0.0000
2003	1.0000	0.0079	1.0079	0.0237	0.1164	0.0067	0.0000
2004	1.0000	0.0061	1.0061	0.0237	0.0765	0.0061	0.0000
2005	1.0000	0.0053	1.0053	0.0237	0.0755	0.0058	0.0180
2006	1.0000	0.0043	1.0043	0.0146	0.0731	0.0052	0.0180
2007	1.0000	0.0025	1.0025	0.0107	0.0580	0.0047	0.0180
2008	1.0000	0.0018	1.0018	0.0379	0.0526	0.0045	0.0126
2009	1.0000	0.0012	1.0012	0.0411	0.1064	0.0043	0.0125

Notes:

1) *The City's basic property tax rate may only be increased by a majority vote of the city's residents. Rates for debt service are set based on each year's requirements.*

2) *Overlapping rates are those of local and county governments that apply to property owners within the City of Corona. Not all overlapping rates apply to all Corona property owners.*

Source: Riverside County Auditor-Controller.

Schedule 7a
Principal Water Customers
Current Year and Six Years Ago

	2009			2003		
Water Customer	Water Charges	Rank	Percent of Total Water Revenues	Water Charges	Rank	Percent of Total Water Revenues
City of Corona	$ 2,700,273	1	5.87%	$ 1,359,951	1	5.16%
Corona-Norco USD	$ 811,071	2	1.76%	$ 491,678	2	1.87%
Eagle Glen Master HOA	$ 243,687	3	0.53%	$ 232,557	3	0.88%
Integrated Protein Tech	$ 240,918	4	0.52%	$ 105,664	5	0.40%
Skanska	$ 217,707	5	0.47%			
Westdale Asset Management	$ 157,898	6	0.34%	$ 87,150	9	0.33%
EWR, Inc	$ 134,761	7	0.29%	$ 87,055	10	0.33%
Castle & Cooke California, Inc.	$ 132,547	8	0.29%			
ERP Operating Limited Partnership	$ 128,190	9	0.28%			
MG Properties	$ 110,200	10	0.24%			
Hi-Country-Corona Inc				$ 156,709	4	0.59%
GTS Property Hollywood Inc.				$ 98,758	6	0.37%
Matt Construction Corp				$ 91,584	7	0.35%
Archstone Communities				$ 90,729	8	0.34%
	$ 4,877,252		10.59%	$ 2,801,834		10.63%

Note: Data from 10 years ago was not available.

Schedule 7b
Principal Property Tax Payers
Current Year and Ten Years Ago

	2009			1999		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Watson Laboratories Inc.	$ 174,671,018	1	0.99%	$ 60,001,032	5	0.96%
Castle and Cooke Corona Inc.	155,485,542	2	0.88%			
Kaiser Foundation Health Plan Inc	139,919,959	3	0.79%	158,711,469	2	2.54%
Waterstone Apartments NF	116,806,819	4	0.66%			
Dos Lagos Lifestyle Center	112,077,558	5	0.63%			
Rexco	97,811,309	6	0.55%			
Dart Container Corporation of Calif	78,375,667	7	0.44%			
Costco Wholesale Corporation	76,389,700	8	0.43%			
Rexco Magnolia LLC	57,061,497	9	0.32%			
EQR Promenade Terrace LP	55,851,742	10	0.32%			
Dairy Farmers of America Inc.				40,988,351	1	0.66%
Corona Energy Partners Limited				22,055,440	3	0.35%
River Run Apartments				14,891,999	4	0.24%
SBD Properties				34,692,853	6	0.56%
Princeland Properties Inc.				16,077,540	7	0.26%
Price Reit Inc.				57,237,781	8	0.92%
Larry E. Bedrosian				10,903,238	9	0.17%
ERP Operating Limited Partnership				49,380,750	10	0.79%
Total	$ 1,064,450,811		6.02%	$ 464,940,453		7.45%

Source: HdL Coren & Cone, Riverside County Assessor combined tax rolls.

CITY OF CORONA

Schedule 8
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year[1]	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	$ 10,363,359	$ 9,553,479	92.19%	$ 812,296	$ 10,365,775	100.02%
2001	12,107,442	11,214,012	92.62%	533,203	11,747,215	97.02%
2002	13,399,495	12,645,821	94.38%	606,576	13,252,397	98.90%
2003	14,732,029	13,947,475	94.67%	763,871	14,711,346	99.86%
2004	15,932,786	14,583,817	91.53%	807,182	15,390,999	96.60%
2005	17,960,358	16,344,312	91.00%	1,369,934	17,714,246	98.63%
2006	18,409,599	16,237,649	88.20%	1,667,527	17,905,176	97.26%
2007	23,054,281	19,690,971	85.41%	2,300,224	21,991,195	95.39%
2008	25,254,270	20,898,139	82.75%	2,996,398	23,894,537	94.62%
2009	25,036,199	21,120,483	84.36%	3,992,067	25,112,550	100.30%

Note: 1) Amounts excluded debt service levies and Redevelopment property tax increment.

Source: City of Corona Finance Department, Riverside County Auditor-Controller's Office.

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CITY OF CORONA

Schedule 9
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (dollars in thousands, except per capita)

	Governmental Activities						
Fiscal Year	General Obligation Bonds	Redevelop-ment Bonds	Lease Revenue Bonds	Loans Payable	Lease Payable	Long-Term Agreement Payable	Special Assessment Bonds
2000	$ 6,925	$ 52,380	$ 15,625	$ 3,865	$ -	$ -	$ 17,975
2001	6,190	51,375	22,810	3,499	-	-	14,695
2002	5,410	50,320	22,560	3,115	65	-	10,555
2003	5,065	49,205	56,770	2,711	1,100	-	5,095
2004	3,955	48,030	55,840	2,308	976	-	4,025
2005	3,635	45,485	53,940	1,907	883	1,301	3,255
2006	2,535	42,755	51,975	1,485	787	1,115	2,930
2007	1,925	63,175	87,130	1,039	686	929	2,565
2008	1,445	90,940	73,390	569	583	6,882	2,225
2009	950	87,805	70,695	-	475	5,725	1,900

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

The City implemented GASB Statement No. 34 in fiscal year ended June 30, 2000. Information prior to the implementation of GASB Statement No. 34 is not available.

Business-Type Activities									
Installment Agreement Payable	Long-Term Installment Payable	Term Loan Payable	Lease Payable	Capital Leases	Certificates of Participation	Contracts Payable	Total Primary Government	Percent of Personal Income	Per Capita
$ -	$ 42,425	$ 21,989	$ 110	$ -	$ -	$ 739	162,033	6.2%	$ 1,317
-	35,585	21,097	85	-	5,940	717	161,993	n/a	1,234
-	34,900	20,789	58	-	5,685	717	154,174	5.0%	1,151
-	34,190	19,233	-	-	73,450	717	247,536	7.9%	1,807
-	33,455	18,194	-	172,628	73,175	717	413,303	n/a	2,914
432	32,690	35,171	-	172,628	101,760	717	453,804	n/a	3,150
296	31,895	43,429	-	172,628	101,310	717	453,857	n/a	3,137
173	31,070	43,322	-	172,628	100,590	717	505,949	n/a	3,462
37	30,215	41,990	-	172,628	98,145	690	519,739	n/a	3,557
2,000	29,325	39,625	-	172,628	95,645	690	507,463	n/a	3,415

Schedule 10
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years (dollars in thousands, except per capita)

	General Bonded Debt Outstanding						
Fiscal Year	General Obligation Bonds	Redevelopment Bonds	Special Assessment Bonds	Lease Revenue Bonds	Total	Percentage of Actual Value[1] of Property	Per Capita[2]
2000	$ 6,925	$ 52,380	$ 17,975	$ 15,625	$ 92,905	1.33%	$ 755
2001	6,190	51,375	14,695	22,810	95,070	1.20%	724
2002	5,410	50,320	10,555	22,560	88,845	1.00%	663
2003	5,065	49,205	5,095	56,770	116,135	1.19%	848
2004	3,955	48,030	4,025	55,840	111,850	1.05%	789
2005	3,635	45,485	3,255	53,940	106,315	0.88%	738
2006	2,535	42,755	2,930	51,975	100,195	0.74%	693
2007	1,925	63,175	2,565	87,130	154,795	0.97%	1,059
2008	1,445	90,940	2,225	73,390	168,000	0.95%	1,140
2009	950	87,805	1,900	70,695	161,350	0.91%	1,086

Notes: 1) See Schedule 5 for property value data.

2) See Schedule 14 for population data.

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

Schedule 11
Direct and Overlapping Governmental Activities Debt[1]
As of June 30, 2009 (dollars in thousands)

Direct and Overlapping Tax and Assessment Debt:	Debt Outstanding	Est. Percentage Applicable[2]	Share of Overlapping Debt
Metropolitan Water District	$ 293,425	0.799%	$ 2,344
Riverside City Community College District	141,316	22.051%	31,162
Alvord Unified School District	163,855	15.937%	26,114
Corona-Norco Unified School District	237,939	56.387%	134,167
Alvord Unified School District CFD No. 2006-1	8,850	16.860%	1,492
Corona-Norco Unified School District CFD No. 6	1,505	100.000%	1,505
Corona-Norco Unified School District CFD No. 88-1	8,795	90.618%	7,970
Corona-Norco Unified School District CFD No. 97-1	1,442	100.000%	1,442
Corona-Norco Unified School District CFD No. 99-1	3,525	100.000%	3,525
Corona-Norco Unified School District CFD No. 99-2, Imp Areas A, B, C	7,277	100.000%	7,277
Corona-Norco Unified School District CFD No. 00-1	2,495	100.000%	2,495
Corona-Norco Unified School District CFD No. 01-1, Imp Areas A & B	10,270	100.000%	10,270
Corona-Norco Unified School District CFD No. 01-2, Imp Areas A, B, C	15,705	100.000%	15,705
Corona-Norco Unified School District CFD No. 03-3, Imp Area A	5,625	100.000%	5,625
Corona-Norco Unified School District CFD No. 03-5	2,720	100.000%	2,720
Corona-Norco Unified School District CFD No. 04-2, Imp Areas 1 & 3	4,775	100.000%	4,775
City of Corona CFD No. 86-2	15,025	100.000%	15,025
City of Corona CFD No. 89-1	24,535	100.000%	24,535
City of Corona CFD No. 90-1	37,135	100.000%	37,135
City of Corona CFD No. 97-2	14,610	100.000%	14,610
City of Corona CFD No. 2000-1	7,260	100.000%	7,260
City of Corona CFD No. 2001-2	3,350	100.000%	3,350
City of Corona CFD No. 2002-1	29,040	100.000%	29,040
City of Corona CFD No. 2002-4	8,950	100.000%	8,950
City of Corona CFD No. 2003-2	10,345	100.000%	10,345
City of Corona CFD No. 2004-1	3,680	100.000%	3,680
California Statewide Communities Development Authority CFD No. 2002-1	4,340	100.000%	4,340
City of Corona 1915 Act Bonds	7,105	100.000%	7,105
Total Overlapping Tax and Assessment Debt			$ 423,962
Overlapping General Fund Obligation Debt:			
Riverside County General Fund Obligations	$ 761,195	8.528%	$ 64,915
Riverside County Pension Obligations	382,090	8.528%	32,585
Riverside County Board of Education COPs	8,270	8.528%	705
Corona-Norco Unified School District General Fund Obligations	28,035	56.387%	15,808
Alvord Unified School District General Fund Obligation Debt	2,027	15.937%	323
Total Overlapping General Fund Obligation Debt			$ 114,336
Less: Riverside County self-supporting obligations			1,395
Alvord Unified School District QZAB supported by investment fund payments			323
Total Net Direct and Overlapping General Fund Obligation Debt			$ 112,618
Gross Combined Total Overlapping Debt[3]			**$ 538,298**
Net Combined Total Overlapping Debt			**$ 536,580**
City Direct Debt:	$ 167,550	100.000%	$ 167,550
Less: City-obligated debt supported by special assessment payments			1,900
Net City Direct Debt			**$ 165,650**
Net Combined Total Direct and Overlapping Debt			**$ 702,230**

Notes: 1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Corona. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for the repaying the debt, of each overlapping government.

2) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's assessed value that is within the City's boundaries and dividing it by each unit's total assessed value.

3) Amount excluded tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Schedule 12
Legal Debt Margin Information
Last Ten Fiscal Years (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value	$ 17,694,115
Debt Limit (15% of assessed value)	2,654,117
Debt Applicable to limit:	
General obligation bonds	950
Less: Amount set aside for repayment of general obligation debt	(993)
Total net debt applicable to limit	(43)
Legal Debt Margin	$ 2,654,160

	Fiscal Year								
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	$ 1,191,272	$ 1,330,638	$ 1,465,692	$ 1,591,659	$ 1,809,375	$ 2,031,070	$ 2,385,348	$ 2,653,302	$ 2,654,117
Total net debt applicable to limit	4,727	4,091	3,505	2,871	2,298	1,719	1,158	600	(43)
Legal debt margin	$ 1,186,545	$ 1,326,547	$ 1,462,187	$ 1,588,788	$ 1,807,077	$ 2,029,351	$ 2,384,190	$ 2,652,702	$ 2,654,160
Total debt applicable to the limit as a percentage of debt limit	0.397%	0.307%	0.239%	0.180%	0.127%	0.085%	0.049%	0.023%	-0.002%

Note: Under State Finance Law, the City's outstanding general obligation debt should not exceed 15 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

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CITY OF CORONA

Schedule 13
Pledged-Revenue Coverage
Last Ten Fiscal Years (dollars in thousands)

	Lease Revenue Bonds					Special Assessment Bonds				
Fiscal Year	Lease Payments	Current Account Balance	Debt Service Principal	Debt Service Interest	Coverage	Special Assessment Collections	Current Account Balance	Debt Service Principal	Debt Service Interest	Coverage
2000	$ 1,568	$ 1,232	$ 760	$ 925	1.66	$ 4,594	$ 3,528	$ 2,940	$ 1,547	1.81
2001	16,139	1,168	15,625	1,126	1.03 [1]	3,752	3,666	3,280	1,298	1.62
2002	1,179	26	250	956	1.00	3,291	3,525	4,140	1,019	1.32
2003	1,827	2,209	790	1,749	1.59 [2]	1,410	5,579	5,460	617	1.15
2004	1,931	1,511	930	2,499	1.00	822	1,411	1,070	355	1.57
2005	3,306	1,068	1,900	2,450	1.01	582	1,020	770	283	1.52
2006	4,184	177	1,965	2,390	1.00	560	448	325	241	1.78
2007	4,501	272	2,025	2,626 [6]	1.03	543	77	365	214	1.07
2008	5,673	152	2,620	3,212	1.00	487	38	340	187	1.00
2009	5,663	150	2,695	3,118	1.00	571	28	325	162	1.23

Continued Page 1 of 2

Notes: 1) 1993 Public Improvement bonds were refunded by the 2001 Lease Revenue Refunding Bonds.
2) 2002 Lease Revenue bonds issued; capitalized interest used to make debt payments.
3) 2004 TABS issued in July 2004 partially refunded 1994 TABS.
4) 2003 COPs issued with capitalized interest.
5) 2005 COPs issued with capitalized interest.
6) 2006 Lease Revenue bonds issued; escrow used to make 2000 LRB payment.

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

CITY OF CORONA

Schedule 13
Pledged-Revenue Coverage
Last Ten Fiscal Years (dollars in thousands)

	Redevelopment Bonds				Water Revenue Bonds				Certificates of Participation				
	Net Property Tax	Debt Service			Lease	Debt Service			Lease	Current Account	Debt Service		
Fiscal Year	Increment	Principal	Interest	Coverage	Payments	Principal	Interest	Coverage	Payments	Balance	Principal	Interest	Coverage
2000	$ 5,847	$ 955	$ 3,065	1.45	$ 2,091	$ 445	$ 1,648	1.00	$ 538	$ 17	$ 235	$ 320	1.00
2001	6,038	1,005	3,015	1.50	2,283	660	1,628	1.00	516	32	240	309	1.00
2002	7,082	1,055	2,961	1.76	2,287	685	1,603	1.00	520	48	255	298	1.03
2003	7,377	1,115	2,902	1.84	2,286	710	1,577	1.00	504	47	265	286	1.00
2004	8,691	1,175	2,840	2.16	2,284	735	1,550	1.00	771	4,689	275	2,779	1.79 [4]
2005	9,306	39,455 [3]	2,545	0.22	2,286	765	1,522	1.00	1,223	2,686	435	3,469	1.00
2006	10,324	2,730	1,952	2.20	2,285	795	1,493	1.00	4,520	335	450	4,390	1.00 [5]
2007	14,559	1,735	2,109	3.79	2,286	825	1,462	1.00	5,077	343	720	4,710	1.00
2008	7,032	1,785	3,141	1.43	2,288	855	1,429	1.00	6,764	346	2,445	4,665	1.00
2009	19,419	3,135	4,475	2.55	2,281	890	1,393	1.00	6,761	323	2,500	4,582	1.00

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Notes: 1) 1993 Public Improvement bonds were refunded by the 2001 Lease Revenue Refunding Bonds.
2) 2002 Lease Revenue bonds issued; capitalized interest used to make debt payments.
3) 2004 TABS issued in July 2004 partially refunded 1994 TABS.
4) 2003 COPs issued with capitalized interest.
5) 2005 COPs issued with capitalized interest.
6) 2006 Lease Revenue bonds issued; escrow used to make 2000 LRB payment.

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

CITY OF CORONA

Schedule 14
Demographic and Economic Statistics
Last Ten Calendar Years

Year	(1) Population	Personal Income (thousands of dollars)	Per Capita Personal Income	(2) Median Age	(3) School Enrollment	(4) Unemployment Rate
2000	122,989	$ 2,629,948	$ 21,384	29.9	35,148	4.8%
2001	131,246	n/a	n/a	n/a	37,487	4.2%
2002	133,966	3,086,993	23,043	n/a	39,614	4.9%
2003	137,006	3,142,951	22,940	n/a	41,977	5.0%
2004	141,822	n/a	n/a	n/a	43,998	4.8%
2005	144,070	n/a	n/a	n/a	44,240	3.7%
2006	144,661	n/a	n/a	n/a	47,731	3.5%
2007	146,164	n/a	n/a	n/a	49,865	4.1%
2008	147,428	n/a	n/a	n/a	51,334	6.1%
2009	148,597	n/a	n/a	n/a	52,138	10.4%

Sources: 1) Population – California Department of Finance;

2) Median Age – U.S. Census Bureau;

3) School Enrollment – Corona-Norco Unified School District;

4) Unemployment Rate – California Labor Market.

Schedule 15
Principal Employers
Current Year and Nine Years Ago

	2009			2000		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Corona-Norco Unified School District	4,970	1	6.57%	3,200	1	5.22%
Kaiser Permanente	1,783	2	2.36%			
Corona Regional Medical Center	1,140	3	1.51%	800	3	1.31%
Watson Laboratories, Inc.	1,114	4	1.47%	1,000	2	1.63%
All American Asphalt	963	5	1.27%			
City of Corona	948	6	1.25%	700	5	1.14%
Fender USA Corona	600	7	0.79%	800	4	1.31%
Dart Container Corporation	500	8	0.66%			
LDI Mechanical	444	9	0.59%			
Core-Mark	308	10	0.41%	300	7	0.49%
Uniweb, Inc.				350	6	0.57%
Boone International				300	8	0.49%
Circle Seal Controls, Inc.				280	9	0.46%
International Food Source				250	10	0.41%

Source: City of Corona's Economic Development Division;
California Labor Market.

Notes: Data from ten years ago was not available.

Schedule 16
Full-time Equivalent City Government Employees by Function/Program
Last Five Fiscal Years

	Full-time Equivalent Employees				
Function/Program	2009	2008	2007	2006	2005
General Government					
Management Services	12	19	19	12	13
Human Resources	11	15	15	13	12
Information Technology	15	18	17	17	17
Finance	36	41	42	41	41
Community Development	27	24	26	21	20
Building[1]	0	24	24	23	22
Police					
Officers	179	191	191	175	167
Civilians	72	91	91	87	90
Fire					
Firefighters and officers	121	124	124	111	106
Civilians	10	23	22	22	26
Public Works	84	102	102	93	94
Redevelopment	17	16	15	17	17
Parks and Community Services	35	48	49	50	50
Library	18	20	19	18	19
Department of Water and Power	113	111	130	146	137
Transit Services (manages contract)	1	1	1	1	1
Total	751	868	887	847	832

Source: City of Corona Finance Department.

Note:

1) Building Department merged into Community Development Department during fiscal year 2008-09.

2) Data from ten years ago was not available.

CITY OF CORONA

Schedule 17
Operating Indicators by Function/Program
Last Five Fiscal Years

Function/Program	Fiscal Year 2009	2008	2007	2006	2005
Police					
Physical Arrests	5,693	5,026	5,298	4,696	4,259
Parking Violations	6,768	8,165	9,806	8,147	8,657
Traffic Violations	13,357	11,389	11,931	13,923	16,885
Fire					
Emergency Responses	9,480	10,139	10,238	9,997	9,644
Fires Extinguished	387	439	515	499	503
Inspections	2,124	2,072	1,039	865	1,529
Public Works					
Street Resurfacing (miles)	70	6	172.51	9.80	11.75
Street Lights Repaired	1,991	1,721	1,307	1,336	1,158
Potholes Filled (sq. ft)	51,223	33,936	42,000	37,389	36,294
Parks and Community Services					
Sportsfields Participation	1,307,866	828,717	486,114	459,002	462,852
Comm. Centers/Gym/Pool Participation	279,548	309,814	310,604	307,888	303,460
Other Activity Participation	249,407	217,500	153,301	126,542	128,991
Library					
Volumes in Collection	177,028	175,648	165,102	165,474	161,495
Total Volumes Borrowed	1,191,239	956,152	540,612	673,450	722,032
Water					
New Connections	269	158	504	801	656
Water Main Repairs	6	6	10	9	38
Average Daily Consumption (gallons)	38,970,000	36,490,000	35,000,000	35,200,000	38,135,000
Wastewater					
Average Daily Sewage Treatment (millions of gallons)	13	13	13	12.245	12.21
Transit Services					
Total Route Miles (round-trip)	39	39	44.4	44.7	44.7
Passengers					
Fixed Route	166,744	163,062	150,815	146,983	162,423
Dial-A-Ride	63,122	64,079	57,577	58,892	66,481

Source: Various City departments.

Note: Data from ten years ago was not available.

CITY OF CORONA

Schedule 18
Capital Asset Statistics by Function/Program
Last Five Fiscal Years

	Fiscal Year				
Function/Program	2009	2008	2007	2006	2005
Police					
Stations	1	1	1	1	1
Zone Offices	3	3	3	3	3
Patrol Units	65	74	74	66	58
Fire Stations	7	7	7	7	7
Streets					
Streets and Alleys (miles)	397.65	382.95	380.26	375.84	370.96
Streetlights [1]	11,682	11,711	11,688	11,300	10,540
Traffic Signals	166	161	163	157	153
Parks and Community Services					
Total Park Acreage	375.71	363.83	363.83	341.64	347
Playgrounds	26	30	30	29	30
Baseball/softball diamonds	35	35	33	33	32
Soccer/football fields	15	15	14	14	11
Community Centers	7	7	7	7	7
Civic Center Auditorium Seating Cap	380	380	380	250	250
Fiesta Bandshell Seating Capacity	500	500	500	500	500
Water					
Water Main (miles)	670.47	669.78	622	605.5	566
Fire Hydrants	8,496	8,421	8,300	7,904	7,611
Storage Capacity (millions of gallons)	52.7	43.6	43.6	45.9	40.9
Wastewater					
Sanitary Sewers (miles)	445.4	436.0	394.1	382.4	376.0
Storm Sewers (miles)	164.9	161.0	154.2	148.2	145.2
Treatment Capacity (millions of gallons)	15.5	14.0	14.0	18.5	15.5
Transit Services					
Minibuses					
Fixed Route	5	5	5	5	5
Dial-A-Ride	9	9	9	9	9

Source: Various City departments.

Note: 1) Number of streetlights includes only the City-owned ones.
Data from ten years ago was not available.