

# CITY OF CORONA

## C A L I F O R N I A

### ANNUAL COMPREHENSIVE FINANCIAL REPORT



**YEAR ENDED JUNE 30, 2021**





# CITY OF CORONA, CALIFORNIA

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2021



*Prepared by the City of Corona Finance Department*



**City of Corona**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2021**

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Government Finance Officers Association

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, 2020

*Christopher P. Morill*

Executive Director/CEO





December 15, 2021

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

It is with great pleasure that we present to you the City of Corona's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. The ACFR is published to serve two purposes. First, it outlines accountability for public tax dollars and the services that are funded by these resources. Second, it communicates the results of operations and the City's financial position to its constituents and provides a vital framework for future decisions about programs and services.

In order to ensure the reliability of the information in this financial report, the City contracted an independent audit firm, The Pun Group, LLP, to perform an annual audit. The goal of the audit is to provide reasonable assurance that the City's financial statements are free from material misstatement. The Pun Group, LLP issued an unmodified opinion for the City's financial statements for the fiscal year ended June 30, 2021. An "unmodified opinion" is defined as follows: The auditor concludes that the financial statements of a given entity are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Management is responsible for both the accuracy of the financial report and the completeness and fairness of the presentation. To the best of our knowledge, the information presented is accurate in all material aspects and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial activities. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the ACFR. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements are free from material misstatement.

The ACFR is prepared using the financial reporting requirements outlined by the Governmental Accounting Standards Board (GASB) statements. Three sections are presented: the *Introductory Section*, the *Financial Section*, and the *Statistical Section*. This transmittal letter is included in the *Introductory Section* and is designed to complement and should be read in conjunction with the Management's Discussion and Analysis (MD&A), which is included in the *Financial Section*. The MD&A provides an overview of the City's operations and how we performed financially. The auditor's opinion letter and a complete set of financial statements are presented in the *Financial Section*. The *Statistical Section* presents historical information about the City's finances and operations, as well as demographic and economic data.

The independent audit of the financial statements of the City of Corona is part of a broader, federally mandated audit of state and local governments ("Single Audit") designed to meet the special needs of

federal granting agencies. The standards governing Single Audit require the auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements. These reports are available in the City of Corona's separately issued Single Audit Report.

The ACFR is a required component of continuing disclosure to the bond holders as covenanted by certain bond issues.

### **Community Profile**

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 Cleveland National Forest on an alluvial plain leading down, or north to the Santa Ana River. Based on data provided by the California State Department of Finance, the City's population was 169,454 as of January 2021, ranked 31<sup>st</sup> largest among all cities in the State of California. The City limits cover approximately 39.54 square miles.

The City of Corona was established in 1886 and incorporated in 1896 under the general laws of the State of California. The City operates under a Council-Manager form of government. Five Corona citizens make up the Corona City Council and each is elected by district to a four-year term of office. The Mayor is appointed annually by and from the City Council. The City's first District Election which impacted Districts 1, 4 and 5, was held in November 2018. Districts 2 and 3 held their first elections in November 2020.

### **A Full-Service City**

The City provides full services to its citizens, including essential services such as: public safety (police and fire), streets, electric, public library, parks, community center and other public facilities, planning and zoning, public transportation (Dial-A-Ride and Corona Cruiser programs), housing and economic development programs. Water and water reclamation services are provided through the legally separate Corona Utility Authority, which functions as a department of the City of Corona. The Corona Housing Authority and the Corona Public Financing Authority are component units of the primary City government and are financially accountable to the City. Additional information on all of these legally separated entities can be found in the Notes to the Basic Financial Statements, under the Description of Reporting Entity section.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriation approved by the City Council. Each year, a proposed budget is submitted to the City Council and a public meeting is conducted to receive taxpayer and stakeholder feedback. In recent years, the City has conducted multiple budget workshops to encourage additional public input. The budget is subsequently adopted by the City Council through passage of resolutions at a normally agendaized meeting of the full City Council. The legal level of budgetary control is at the department level. The City Council may amend the budget to add or delete appropriations or move appropriations between funds at any time during the fiscal year.

### **Demographic and Economic Information**

Demographically, the City of Corona benefits from a young median age, higher education levels, higher median incomes, and higher home values compared with Riverside County and the State. As a thriving inland community, Corona is home to young families comprised of 50,298 households averaging 3.49

persons each, with a median age of 35. Annual median household income is \$86,790, and 82.7% of the population possess a high school diploma or higher according to U.S. Census data. Median home price continues to improve with median values in excess of \$646,000.

The City of Corona continues to maintain its position as the premier location for businesses looking to relocate and expand. Centrally located between Riverside and Orange Counties, Corona's geographic position attracts a highly educated and sought-after labor force. Vacancy rates in industrial, commercial, and office properties rose slightly in 2021, largely due to the economic impacts related to COVID-19, however, Corona remains above average in relation to surrounding communities. Industrial vacancy rates continue to hover around 2.0% while commercial vacancy has increased to 8.8%. Office vacancy rates are steadily increasing as well, currently at 14.0%.

New industrial development has helped to stabilize Corona's job market despite economic impacts related to the global pandemic. Job growth in Corona reported a 9.0% decrease with employment numbers declining to 78,862 in the first quarter of 2021. Corona has seen temporary volatility in the retail and hospitality sectors with impacts to job growth and periods of decreased employment. Major contributors to local economic growth are the construction, health care, and financial industries, in addition to the fast growing professional, management and technology sectors in previous years. Job growth will continue to be fueled by the more than 1.8 million square feet of industrial development under construction and the recent completion of 147,000 square feet of Class A office. The strong local job market keeps the unemployment rate in Corona at 4.8%, which is approximately 1.8% below the Riverside County average.

Fiscal Year 2021 continued to see an expanding housing market with increased median home prices and average rents for multi-family communities. With limited development opportunities, Corona has seen a lack in housing stock, a key driver for price and equity increase. Much of Corona's recent residential development has been multi-family housing, with the exception of Sierra Bella, a new family community consisting of 237 single family homes and Bedford South Corona, which will add more than 1,500 single family units when complete and Corona's newest retail development Bedford Marketplace. Both communities have seen strong sales despite the impacts of the global pandemic.

With limited opportunities for large-scale new development, Corona continues looking for opportunities to redevelop and expand currently underutilized properties. Through its ongoing commitment to stimulate the local economy, maintain essential services, and expand its labor force, the City of Corona will continue to be the premier inland Southern California city to live, work and play.

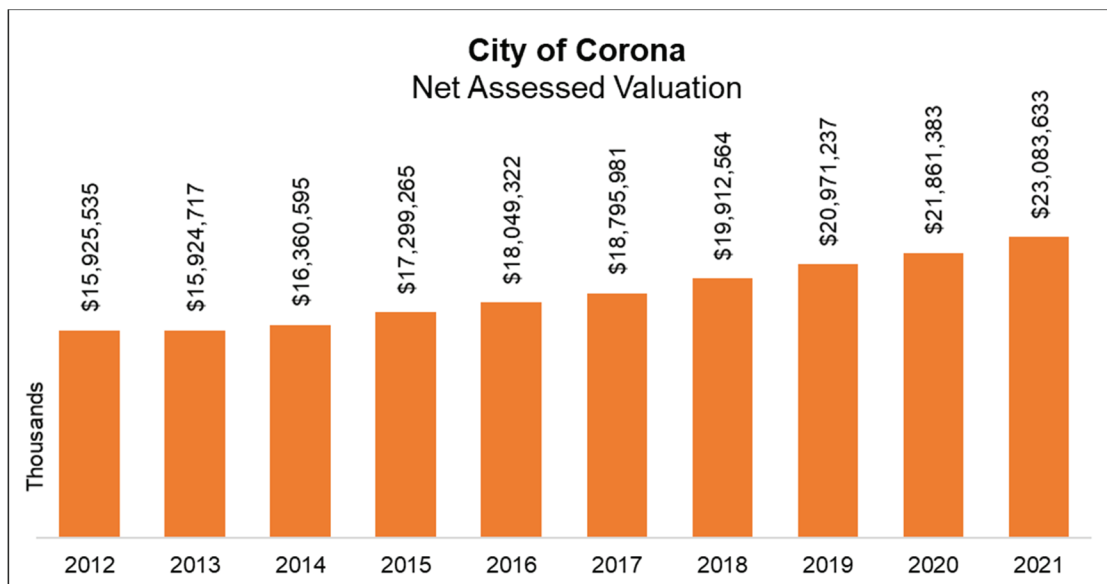
### **Financial Condition of the City**

Nationwide, the economy has continued to show strong recovery from early COVID-19 pandemic shutdowns. The national unemployment rate was 5.9% at the end of Fiscal Year 2021. However, improving economic performance does not directly translate to improved financial condition for local governments, nor opportunities to fund more services. As an example, a rise in home prices does not directly correlate to the City collecting more in property taxes. With Proposition 13, property tax is capped at 1.0%, and the property's taxable value cannot increase more than 2.0% per year. At the same time, increase in fixed cost for operating city government has outpaced its revenue growth. In December 2016, CalPERS announced the reduction of the discount rate from 7.5% to 7.0% over three years, effective Fiscal Year 2019. Also, the CalPERS Board of Administration adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortened the period over which actuarial gains and losses are amortized

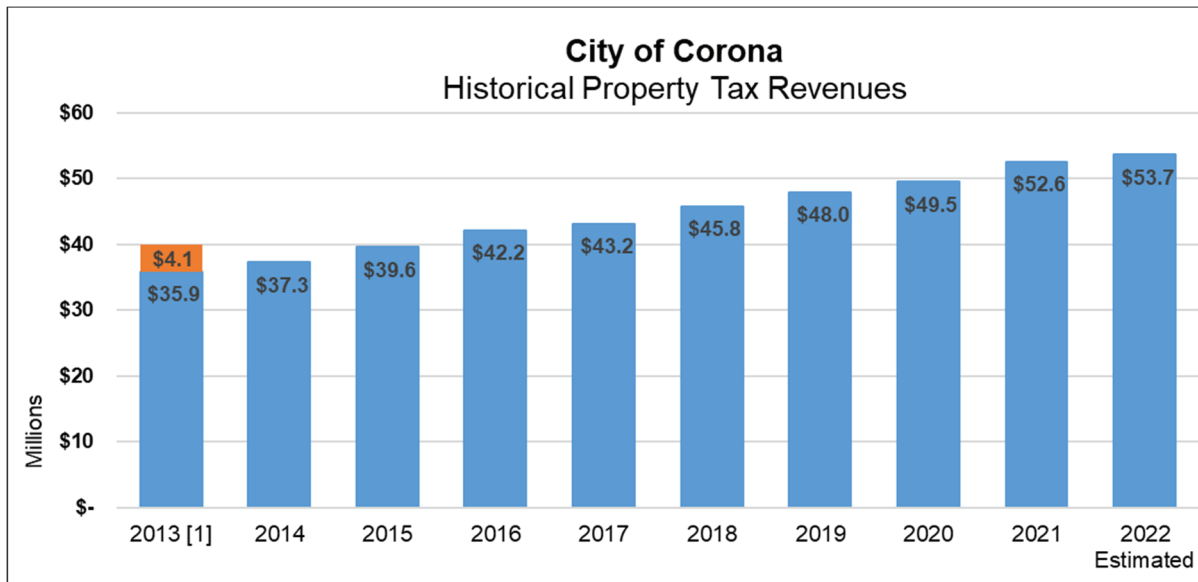
from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removed the 5-year ramp-up and ramp-down on the unfunded accrued liability (UAL) bases attributable to assumption changes and non-investment gains/losses. These changes have been applied to new UAL bases established on or after June 30, 2019.

The steep increase in non-discretionary costs places significant pressure on the City’s revenue generating capabilities, amid other state policies that continue to shift responsibilities to cities, without the necessary funding, increasing costs to law enforcement and public safety, and making it more difficult to maintain the expected levels of essential services for our residents. Revenue must grow at the same rate, or faster, as expenses to create fiscal sustainability and maintain service levels the community demands.

Property tax continues to be the largest General Fund revenue source for the City in Fiscal Year 2021. Total taxable assessed valuation in Corona for the year was \$23.1 billion, representing an increase of 5.6% from the previous year.

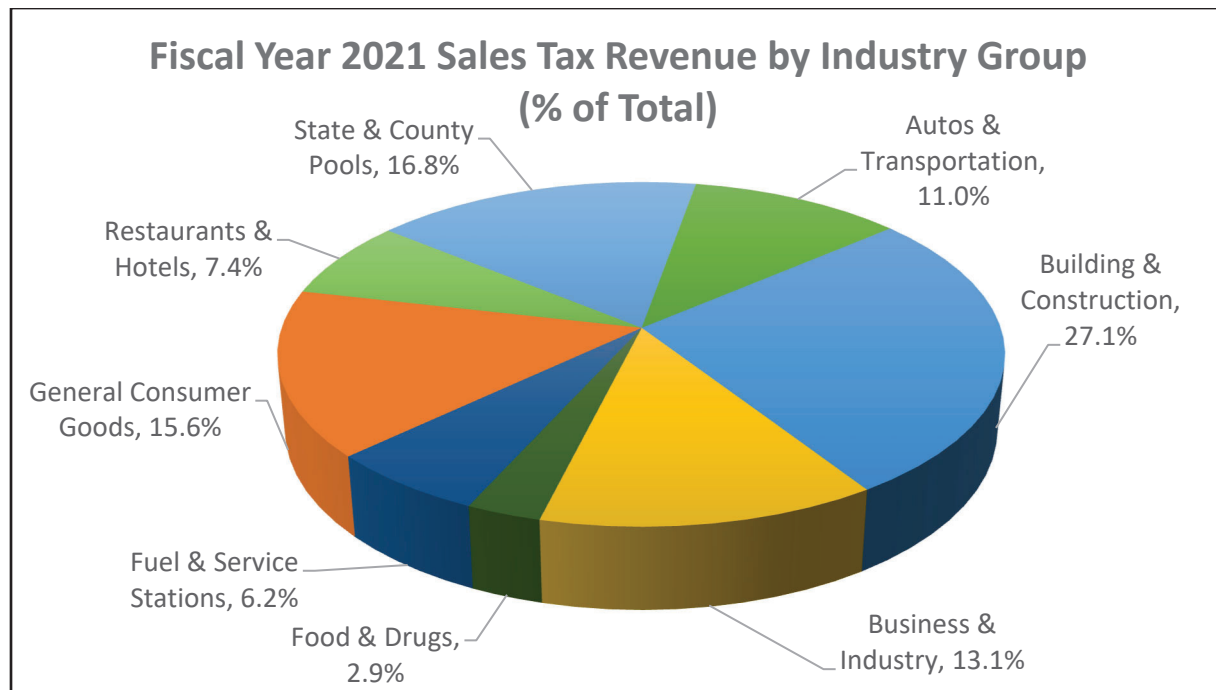


Source: HdL Coren & Cone; Riverside County Assessor combined tax rolls

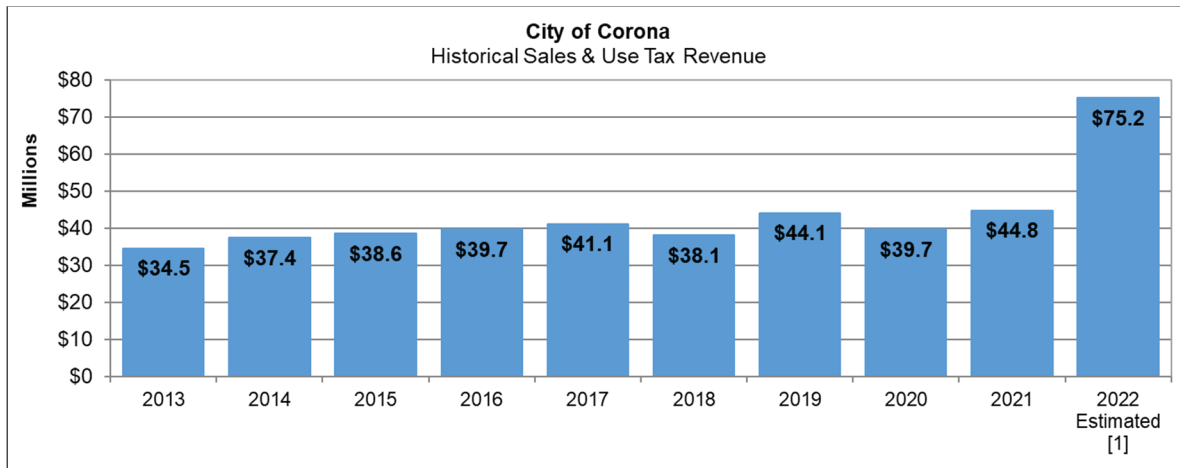


[1] FY 2013 includes one-time residual payment of \$4.1 million.

Sales tax is the second largest revenue source for the City. Taxable retail sales totaled \$3.9 billion in Fiscal Year 2021, an increase of 4.2% from the previous year. Consumer spending increased in Fiscal Year 2021, as the local economy was recovering from the COVID-19 pandemic. Much of this consumer spending is best seen in the general consumer goods, automobile purchases, business construction related industries, and State and County pool allocations. Increased automobile sales and a strong housing market are key indicators of improved consumer confidence. The diversification of the City’s sales tax base is enviable, with the building and construction sector slightly higher than other categories.



Source: HdL Coren & Cone



[1] FY 2022 estimate includes newly approved 1% sales tax measure, estimated at \$30.0 million.

### Long Term Financial Planning

Escalating pension costs are presenting a serious threat to the City’s financial sustainability. The burden of funding current pension obligations, amid continued state takeaways and the state shifting responsibilities, without the necessary funding is taking priority over spending on essential services and adding significant demands for additional locally-controlled revenue.

The City has been consistently demonstrating strong fiscal stewardship by proactively responding to the impact of the broader state-wide pension situation that is often times described as grim. This proactive stewardship includes contributing additional funds toward the City’s unfunded pension liability with CalPERS. On November 18, 2020, the City Council was presented a plan to proactively manage the City’s pension debt by considering the issuance of Pension Obligation Bonds (POB) and establishing an irrevocable Section 115 Trust. The City Council directed staff to pursue this plan of action, and approved the Official Statement and continuing Disclosure Certificate relating to POB in May 2021, with subsequent POB issuance in October 2021. More information on POB can be found in the note section regarding subsequent events.

The City continues to explore and fund new technology to improve overall operational efficiency. In addition to cutting costs, the City adopted new revenue streams by establishing City-wide community facilities districts for services. The City has been working to establish the guidelines and process for approving Cannabis businesses to operate within the City limits. The City started accepting applications in early 2021. In November 2020, a majority of voters in Corona approved a 1% sales tax measure, Measure X, effective July 1, 2021. This additional revenue stream is currently estimated to generate \$30 million in recurring funds. The City maintains a healthy General Fund reserve level, following best practices established by the Government Finance Officers Association (GFOA).

This commitment to fiscal stewardship did not go unnoticed by the rating agencies. In September 2021, the most recent credit review performed by Standard and Poor’s Financial Services (S&P), the City’s appropriation debt rating was raised from “AA-“ to “AA”, and the City’s POB was rated at “AA+”, among the positive factors the City was acknowledged for were “very strong budgetary flexibility,” “very strong liquidity,” and “adequate budgetary performance.” S&P viewed the City’s management as “strong, with good financial policies and practices” under its Financial Management Assessment methodology. In the



current climate of instability at local and regional levels of government, we are exceptionally pleased about this recognition and proud to have attained this strong rating.

### **Financial Policies and Practices**

The City has adopted various critical financial policies and practices with the goal of building a fiscally resilient government over the long-term, improving financial sustainability, all while increasing transparency and encouraging public engagement every step of the way.

#### Fund Balance Policy for the General Fund

The City established its reserves policy for the General Fund in June 2010. In June 2016, the City updated its Fund Balance Policy for the General Fund to increase the emergency contingency reserve balance to three-months of regular General Fund operating expenses. The purpose of the revised policy is to protect our community against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures, as well as the enhanced credit worthiness of the City. As of June 30, 2021, the Emergency Contingency Reserve balance was \$36.5 million.

#### Zero-Based Budgeting

The City launched zero-based budgeting in Fiscal Year 2017, following 23 years of the General Fund Expenditure Control Budget (ECB) model. Zero-based budgeting is an effective process that organizations use to review every dollar in the annual budget, continuously manage financial performance, measure return on investment, and build a culture of cost management among all departments. It is based on developing visibility into actual cost drivers and using that data visualization to set budget targets that use predictive analytics to generate successful outcomes to the bottom line. The annual budgeting process starts from zero and is very detailed, structured, and interactive to facilitate meaningful financial discussion among all departments and establish priorities with all stakeholders within the community as presented by the City Council. Our goal is to achieve significant and sustainable savings, while delivering productivity and service level improvements through actionable data generation at all levels within the budget. Implementation of this budget practice has helped leadership evaluate and balance the competing demands for enhanced services/facilities versus the increased costs of operating, building and maintaining those additional services and/or facilities.

This practice has allowed us to effectively analyze and identify budget variances during the budget process in a way that helps us more effectively program and leverage actual budget dollars. To drill down to an even more precise zero-based budget, we have continued to include an employee position vacancy factor to account for savings caused by the actual time necessary for current hiring processes and onboarding. The factor was based on a five-year look-back period for departments and classifications (safety and non-safety personnel). We will continue to identify, monitor and adjust variance factors in future budgets.

#### Debt Policy and Procedures

Following the best practice guidelines for debt management published by the GFOA, the City develops and maintains a formal Debt Policy and Procedures to ensure that debt is issued and managed prudently. The purpose of this policy is to standardize the parameters for debt issuance and management, improve the quality of decisions, provide guidance for the structure of debt issuance to ensure the most prudent, equitable, and cost-effective method of financing is chosen, and demonstrate a commitment to long-term

capital and financial planning. The current policy was approved by the City Council in August 2020 and is reviewed on an annual basis.

Investment Policy

The City’s Investment Policy outlines the guidelines and practices to be used in effectively managing the City’s available cash and investment portfolio. All available funds are to be invested in compliance with the California Government Code and other governing provisions of law. The policy lists in detail the authorized investments, as well as the percentage of portfolio limitations and the required rating for each investment type. The Investment Policy is reviewed, updated and adopted annually.

**Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Corona for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This was the 31<sup>st</sup> consecutive year that the City has received this prestigious award. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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

The preparation of the ACFR on a timely basis was made possible by the efficient and dedicated service of the staff in Finance. Staff members have our sincere appreciation for their contributions to this report. We also acknowledge the assistance of The Pun Group, LLP, in completing the ACFR.

We thank the Mayor, City Council, and the City’s executive management team for their strong leadership and support of the financial operations of the City and for maintaining the highest standards of professionalism in managing the City’s finances for the best interest of the citizens of Corona.

Respectfully submitted,

  
\_\_\_\_\_  
Jacob Ellis  
City Manager

  
\_\_\_\_\_  
Kim Sitton  
Finance Director



# CITY OF CORONA

## Elected Officials and Executive Management

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### *Elected Officials*

JACQUE CASILLAS ..... Mayor  
WES SPEAKE ..... Vice Mayor  
TONY DADDARIO ..... Councilmember  
TOM RICHINS ..... Councilmember  
JIM STEINER ..... Councilmember

CHAD WILLARDSON ..... City Treasurer

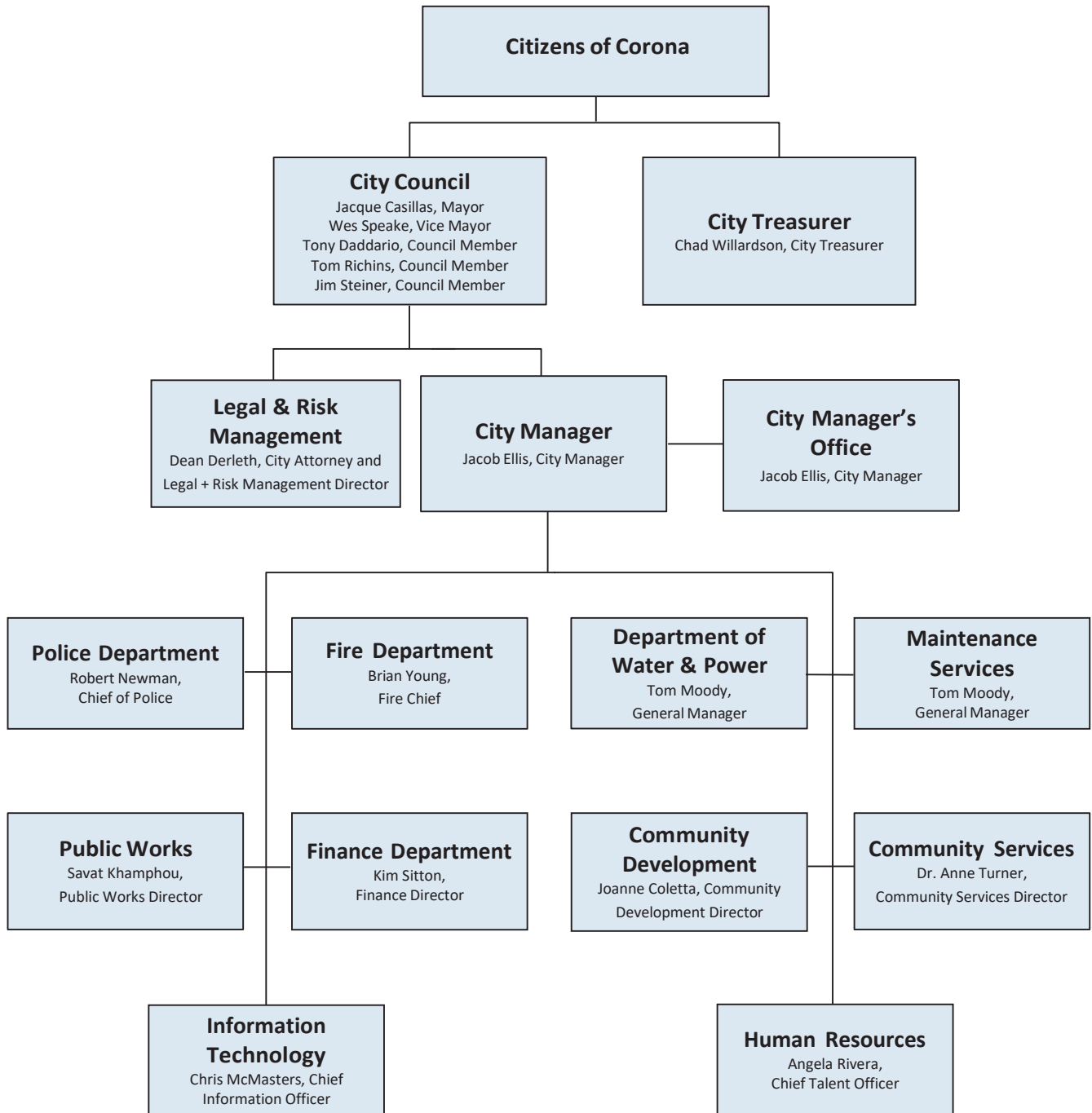
### *Executive Management*

JACOB ELLIS ..... City Manager  
ROGER BRADLEY ..... Assistant City Manager  
JOANNE COLETTA ..... Community Development Director  
DEAN DERLETH ..... City Attorney & Legal/Risk Management Director  
JESSICA GONZALES ..... Economic Development Director  
ROBERT NEWMAN ..... Chief of Police  
SAVAT KHAMPHOU ..... Public Works Director  
CHRIS MCMASTERS ..... Chief Information Officer  
SHAUGHN HULL ..... Chief Communications Officer  
ANNE TURNER ..... Community Services Director  
TOM MOODY ..... General Manager  
ANGELA RIVERA ..... Chief Talent Officer  
KIM SITTON ..... Finance Director  
BRIAN YOUNG ..... Fire Chief



# CITY OF CORONA

## Organizational Chart





## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

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 (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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**[www.pungroup.cpa](http://www.pungroup.cpa)**

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules, the Modified Approach for City Streets Infrastructure Capital Assets, the Schedule of Changes in Net Pension Liability and Related Ratios, the Schedule of City's Proportionate Share of the Net Pension Liability and Related Ratios, the Schedules of Contributions – Pensions, the Schedules of Changes in Net Other Postemployment Benefits Liability and Related Ratios, and the Schedules of Contributions – Other Postemployment Benefits on pages 5 through 22 and 119 through 138 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, the Combining and Individual Nonmajor Fund Financial Statements, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Fund Financial Statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and the Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

To the Honorable Mayor, City Council, and Citizens  
of the City of Corona  
Corona, California  
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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California  
December 5, 2021







## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Fiscal Year Ended June 30, 2021

The City of Corona's Finance team has prepared this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021, to assist users of this report to gain a better understanding of the City's financial health and history. 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

The City of Corona's financial statements prepared for the fiscal year ended June 30, 2021 comply with all applicable statements issued by the Governmental Accounting Standards Board (GASB). GASB Statement No. 84, Fiduciary Activities, was implemented by the City during the fiscal year ended June 30, 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The implementation of this Statement will improve consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship.

#### Government-Wide

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2021 by \$1,190.8 million (*net position*).
- The overall City's net position increased by \$51.3 million from the previous fiscal year, primarily due to revenues exceeding expenses by \$49.4 million. Total assets increased by \$40.3 million, total liabilities decreased by \$3.9 million, combined with a decrease in deferred outflows in the amount of \$0.5 million, and a decrease in deferred inflows in the amount of \$7.7 million primarily due to pension and OPEB related items, net position of the City saw an increase of 4.5% from the prior year.
- Total expenses for governmental activities were \$174.7 million for Fiscal Year 2021. The sources for these expenses came from program revenues of \$84.5 million, taxes in the amount of \$108.6 million, and other general revenue of \$13.1 million. For the current year, revenues from governmental activities exceeded expenses by \$31.6 million, together with a transfer out of \$0.1 million and a beginning balance restatement of \$2.2 million, net position for governmental activities increased by \$31.5 million from the previous year.
- For business-type activities, total revenues exceeded expenses by \$17.2 million. Among the total program revenue of \$123.6 million, \$117.2 million was from charges for services, \$2.2 million from operating contributions and grants, and the remaining \$4.2 million represents capital contributions and grants. Combined with investment earnings of \$0.7 million, a transfer in of \$0.1 million, and a beginning balance restatement of -\$0.3 million, the net position for business-type activities increased by \$17.9 million from the previous year.

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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**Fund Based**

- The City's governmental funds reported a combined ending fund balance of \$224.5 million, a decrease of \$5.6 million from the previous year. The net decrease was due to the combination of current year's expenditures exceeding revenues and a net transfer out. Among the total fund balance, \$124.2 million, or 55.3% are either non-spendable or restricted for specific purposes. In addition, \$42.9 million was committed by the City Council, including \$36.5 million as an emergency contingency, and \$6.4 million as designated revenues. There was \$60.6 million assigned to specific City programs and projects. Please refer to Note 14 for additional information on the categorization of the governmental funds' fund balances.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

**Government-Wide Financial Statements**

The government-wide financial statements are designed to give users a broad overview of the City's finances, similar to a private-sector business. They present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting.

There are two statements in the government-wide financial statements, the statement of net position, and the statement of activities. The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The net difference between the total of assets and deferred outflows and the total of liabilities and deferred inflows is reported as net position. Increases or decreases in net position over time may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's infrastructure assets. The statement of activities shows how the City's net position changed during the fiscal year.

Both government-wide financial statements distinguish between functions that are primarily supported by taxes and intergovernmental revenues, and functions that are intended to recover all or a significant portion of their costs through user fees and charges. The first function is identified in the statements as governmental activities, while the latter is reported as business-type activities.

Most of the City's basic services are reported in the governmental activities category, including the General Government, Fire, Police, Public Works and Maintenance Services, Library and Recreation Services, Community Development and Economic Development. Property and sales taxes, franchise fees, transient occupancy tax, business tax, investment income, and state and federal grants finance these activities. The City operates its Water and Water Reclamation utilities through its component unit, the Corona Utility Authority. These activities are reported in the business-type activities category along with Electric, Transit and Airport services.

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

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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**Fund Financial Statements**

A fund is a set of related accounts that is used to control resources that have been segregated to carry on specific activities or to attain certain objectives in accordance with special regulations, restrictions, or limitations. The City, like the state and other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds are divided into one of three categories: governmental funds, proprietary funds, or fiduciary funds.

The governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary and fiduciary activities are prepared using the economic resources measurement focus and the accrual basis of accounting.

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 manage and report 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 position and the statement of revenues, expenses and changes in fund net position. 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. 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, information technology and fleet operations 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 includes the Successor Agency, the AB109 PACT Fund, and the special taxes and assessments districts. The City's fiduciary activities are reported in separate statements of fiduciary net position, statement of changes in fiduciary net position (trust fund and custodial funds).

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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**Notes to Basic Financial Statements**

Notes to basic financial statements provide additional information that is essential to fully understand 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 on the City's budget process and the General Fund and major special revenue fund budgetary comparison schedules, the modified approach for the City's street infrastructure assets, the City's progress in funding its obligation to provide pension benefits to its employees, and the City's obligation for post-employment benefits.

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

**GOVERNMENT- WIDE FINANCIAL ANALYSIS**

The government-wide financial analysis focus on the City's net position and changes in net position of the governmental and business-type activities during the fiscal year.

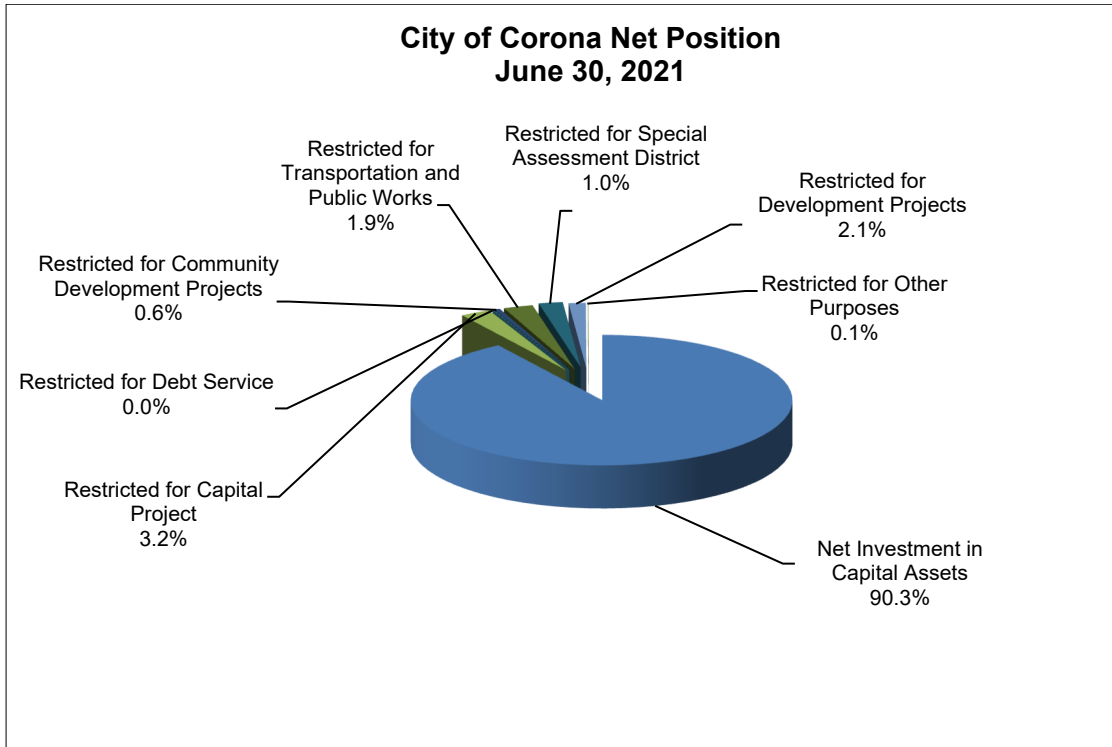
As noted earlier, the City's net position increased by \$51.3 million from the previous year. The increase in financial position was primarily due to positive operating results where revenues exceeded expenses by \$49.4 million. Among the total net position, \$1,113.6 million were invested in capital assets, net of related debt. These capital assets are essential for City operations, which include land, buildings, machinery and equipment, water and water reclamation rights, and infrastructure. Net position invested in capital assets is not available for 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 liquidated to pay for the liabilities.

The remaining \$77.2 million of total government-wide net position are composed of \$108.8 million restricted funds and (\$31.6) million unrestricted. Net position may be restricted for capital projects, debt payments, and/or special programs such as transportation and special assessment district improvements.

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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The graph below illustrates the various components of the City's net position at fiscal year ended June 30, 2021.



**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

The schedule below is a condensed version of the City's statement of net position for fiscal year ended June 30, 2021 with comparative data from the previous fiscal year:

**City of Corona's Net Position**  
(in millions)

	Governmental activities		Business-Type activities		Total	
	2021	2020	2021	2020	2021	2020
urrent and other assets	\$ 294.9	\$ 295.5	\$ 169.7	\$ 168.3	\$ 464.6	\$ 463.8
ternal balances	176.5	178.1	(176.5)	(178.1)	-	-
apital assets	784.9	752.5	421.4	414.3	1,206.3	1,166.8
<b>Total assets</b>	<b>1,256.3</b>	<b>1,226.1</b>	<b>414.6</b>	<b>404.5</b>	<b>1,670.9</b>	<b>1,630.6</b>
ferred charges on refunding	0.4	0.5	-	-	0.4	0.5
ferred pension related items	46.5	46.1	5.1	4.4	51.6	50.5
ferred OPEB related items	14.3	15.5	2.2	2.5	16.5	18.0
<b>Total deferred outflows</b>	<b>61.2</b>	<b>62.1</b>	<b>7.3</b>	<b>6.9</b>	<b>68.5</b>	<b>69.0</b>
ong-term debt	64.5	37.4	62.8	66.2	127.3	103.6
et pension liability	224.9	218.9	36.1	34.5	261.0	253.4
et OPEB liability	79.9	81.8	12.3	13.4	92.2	95.2
ther liabilities	30.6	60.0	14.4	17.2	45.0	77.2
<b>Total liabilities</b>	<b>399.9</b>	<b>398.1</b>	<b>125.6</b>	<b>131.3</b>	<b>525.5</b>	<b>529.4</b>
ferred pension related items	4.7	6.7	-	0.6	4.7	7.3
ferred OPEB related items	15.7	20.1	2.6	3.3	18.3	23.4
<b>Total deferred inflows</b>	<b>20.4</b>	<b>26.8</b>	<b>2.6</b>	<b>3.9</b>	<b>23.0</b>	<b>30.7</b>
et investment in capital assets	751.0	715.6	362.6	348.2	1,113.6	1,063.8
stricted	107.1	102.6	1.7	7.9	108.8	110.5
nrestricted	38.9	45.1	(70.5)	(79.9)	(31.6)	(34.8)
<b>Total net position</b>	<b>\$ 897.0</b>	<b>\$ 863.3</b>	<b>\$ 293.8</b>	<b>\$ 276.2</b>	<b>\$ 1,190.8</b>	<b>\$ 1,139.5</b>

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

Below are condensed financial data with comparative amounts on revenues and expenses for the current and prior year.

**City of Corona's Changes in Net Position**  
**(in millions)**

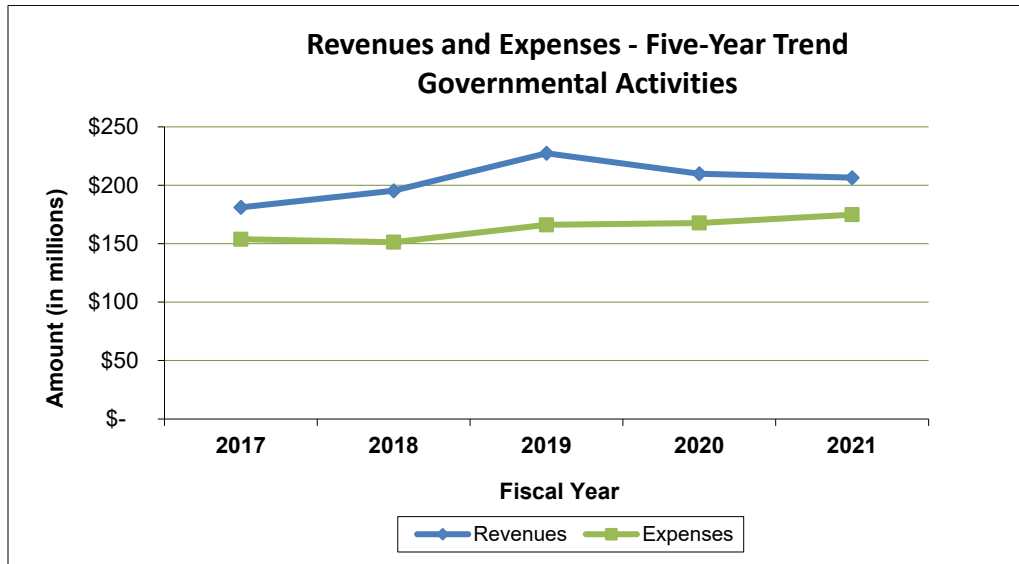
	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Revenues:</b>						
Program Revenues:						
Charges for Services	\$ 31.9	\$ 31.8	\$ 117.2	\$ 103.3	\$ 149.1	\$ 135.1
Operating Contributions and Grants	33.4	17.6	2.2	2.2	35.6	19.8
Capital Contributions and Grants	19.3	36.8	4.1	6.0	23.4	42.8
General Revenues:						
Taxes:						
Property Taxes	52.6	50.4	-	-	52.6	50.4
Sales and Use Taxes	44.8	39.7	-	-	44.8	39.7
Other Taxes	11.2	10.3	-	-	11.2	10.3
Gain on sale of capital assets	0.2	-	-	-	0.2	-
Investment Earnings	1.0	10.8	0.7	6.2	1.7	17.0
Other Income	12.1	12.5	-	4.0	12.1	16.5
<b>Total Revenues</b>	<b>206.5</b>	<b>209.9</b>	<b>124.2</b>	<b>121.7</b>	<b>330.7</b>	<b>331.6</b>
<b>Expenses:</b>						
General Government	37.6	35.2	-	-	37.6	35.2
Public Safety - Fire	32.6	29.4	-	-	32.6	29.4
Public Safety - Police	49.7	45.4	-	-	49.7	45.4
Public Works & Maintenance Services	42.9	47.4	-	-	42.9	47.4
Library and Recreation Services	3.9	3.7	-	-	3.9	3.7
Community Development	6.4	5.2	-	-	6.4	5.2
Economic Development	0.7	0.2	-	-	0.7	0.2
Interest on Long-term Debt	1.1	1.2	-	-	1.1	1.2
Water	-	-	61.4	59.0	61.4	59.0
Water Reclamation	-	-	27.6	28.8	27.6	28.8
Electric	-	-	14.6	15.2	14.6	15.2
Transit Services	-	-	2.6	3.0	2.6	3.0
Airport	-	-	0.2	0.2	0.2	0.2
<b>Total Expenses</b>	<b>174.9</b>	<b>167.7</b>	<b>106.4</b>	<b>106.2</b>	<b>281.3</b>	<b>273.9</b>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	31.6	42.2	17.8	15.5	49.4	57.7
Transfers	(0.1)	(0.7)	0.1	0.7	-	-
Special Items	-	-	-	2.1	-	2.1
<b>Change in Net Position</b>	<b>31.5</b>	<b>41.5</b>	<b>17.9</b>	<b>18.3</b>	<b>49.4</b>	<b>59.8</b>
Net Position - Beginning of Year	863.3	822.1	276.2	258.6	1,139.5	1,080.7
Restatement	2.2	(0.3)	(0.3)	(0.7)	1.9	(1.0)
<b>Net Position - End of Year</b>	<b>\$ 897.0</b>	<b>\$ 863.3</b>	<b>\$ 293.8</b>	<b>\$ 276.2</b>	<b>\$ 1,190.8</b>	<b>\$ 1,139.5</b>

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

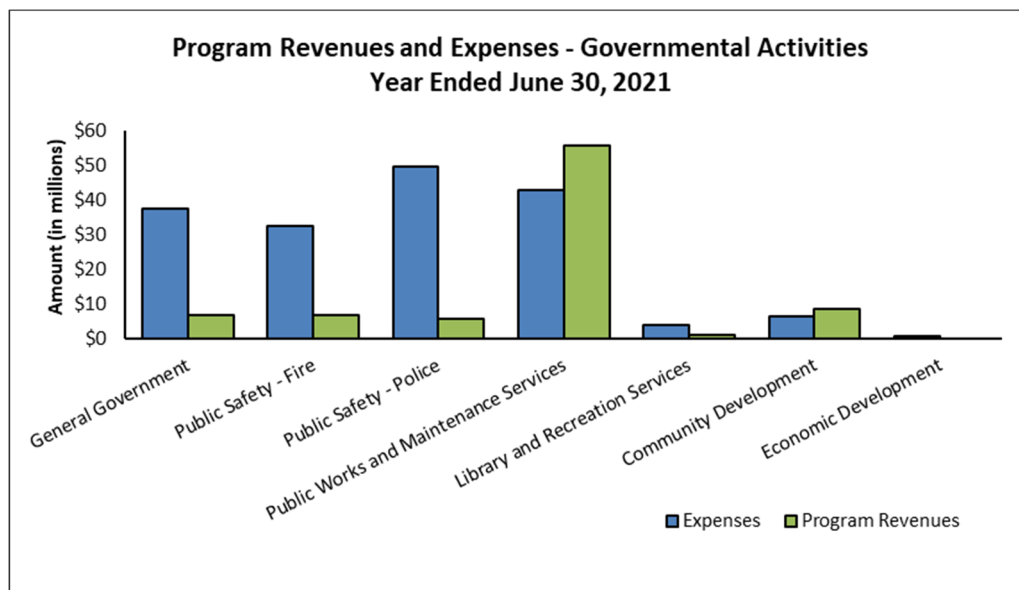
**Governmental Activities**

Total resources available during the year to finance governmental operations were \$1,071.8 million. This amount consists of the beginning net position of \$865.5 million, which includes a restatement of \$2.2 million, program revenues of \$84.6 million and general revenues of \$121.9 million. Total uses in governmental activities during the year totaled \$174.9 million and transfer of \$0.1 million. The net position for governmental activities increased by \$31.5 million to \$897.0 million as of June 30, 2021.

The chart below presents governmental activity revenues and expenses for the past five years:



The following graph shows the expenses of each governmental function compared to the program revenues generated specifically from its operations.



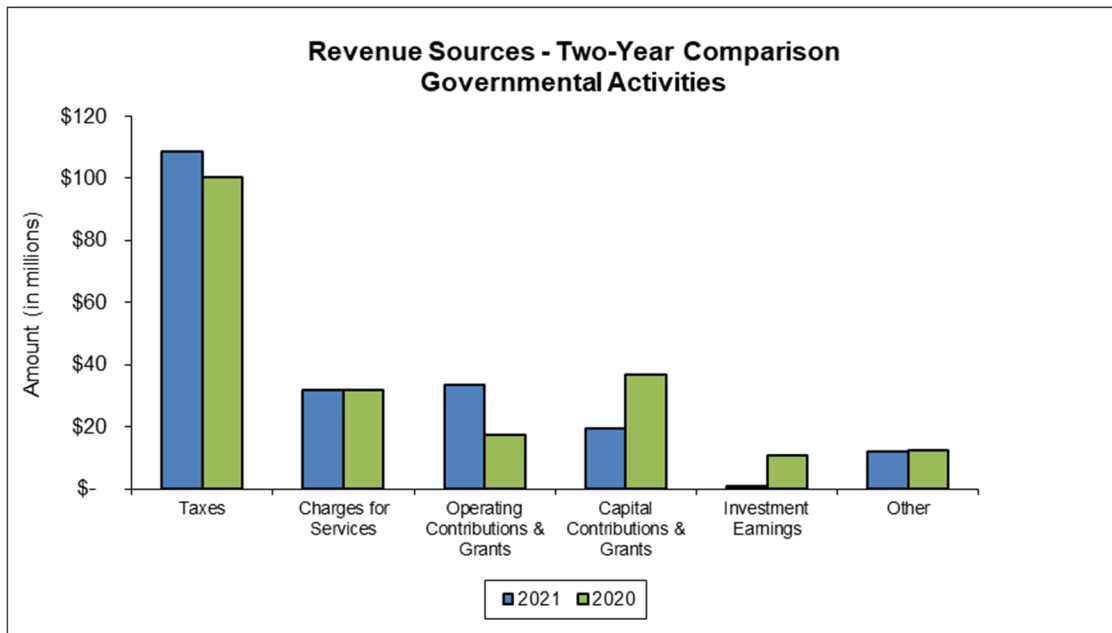


**City of Corona**  
**Management’s Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

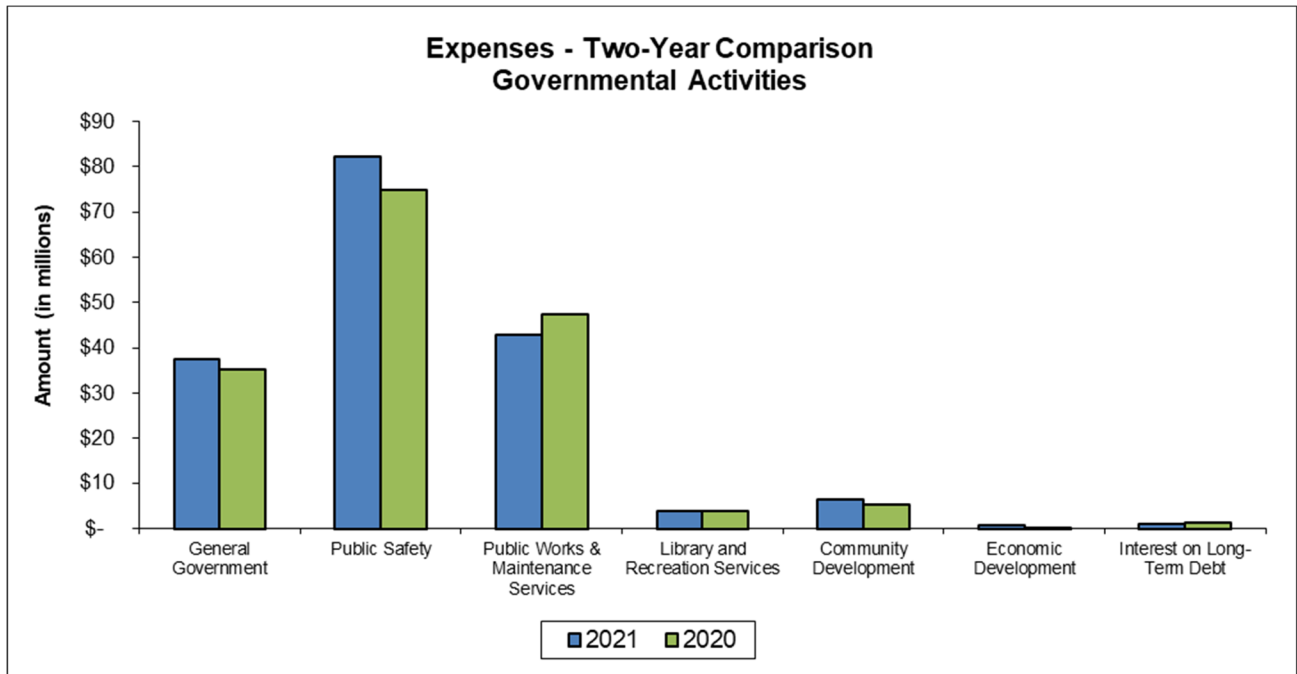
General government support services (administration, legal, human resources and financial) are primarily funded by charges to the direct operating functions they support through a cost allocation program. The public safety function (police and fire) generates program revenues as well, but property taxes, sales tax and other general revenues fund a majority of the cost. The public works and maintenance services program is responsible for maintenance and construction of the transportation system, with funding provided by gas tax, Measure A, various federal, state and local grants, special assessments, as well as other general revenues. The funding source for library and recreation services is primarily general revenues and some program fees. Community Development and Economic Development functions are funded by development related revenues as well as general revenues such as taxes, fees and investment income.

The cost of all governmental activities for fiscal year ended June 30, 2021 was \$174.9 million. As shown in the statement of activities, the amount the taxpayers ultimately funded for these activities was \$108.6 million, the remaining \$84.6 million was paid by various program revenues, including \$31.9 million by those who directly benefited from the programs, \$33.4 million from other governments and organizations that subsidized certain programs with operating grants and contributions, and \$19.3 million from capital contributions and grants.

The following two charts illustrate the total revenue and expense for the governmental activities, excluding transfers and extraordinary items for the fiscal years ended June 30, 2021 and June 30, 2020, respectively.



**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**



Highlights of the major revenue sources and expenses are listed below:

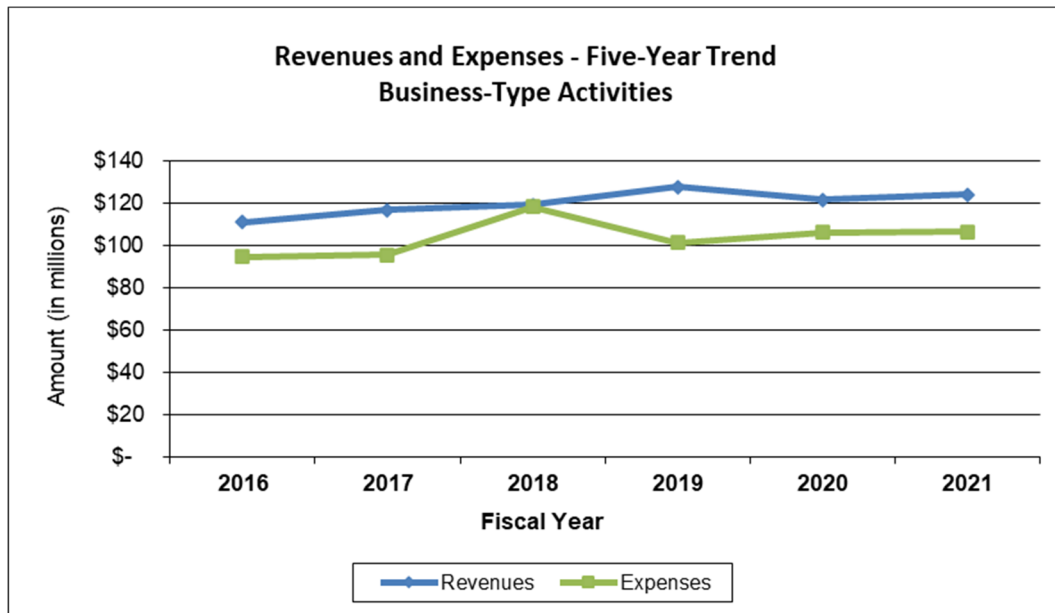
- Program revenues represent 41.0% of total revenues generated by governmental activities. Total program revenues for governmental activities in the current year were \$84.6 million, a decrease of \$1.6 million from the previous year, primarily due to a decrease in Capital contributions and grants by \$17.5 million in Public Works grants received, offset by an increase of \$15.7 million in Operating contributions and grants compared to the prior year.
- Total tax revenues were \$108.6 million for the current year, showing an increase of \$8.2 million from the previous year. Taxes comprised 52.6% of the total revenues from governmental activities, Property tax revenue represents 48.4% of total taxes, where sales and use tax revenue ranked second sharing 41.3% of total tax revenue. The remaining 10.3% were comprised of franchise fee, business license tax, transient occupancy tax, and dwelling development fee.
- Property tax revenues increased by \$2.2 million compared to prior year. Sales and use tax revenues increased by \$5.1 million in comparison to the prior year, driven by recovery of the economy from the impact of COVID-19.
- Overall governmental expenses increased by \$7.2 million from the prior year, primarily due to the allocation of additional contribution to pension unfunded accrued liability (UAL) of \$2.5 million, an increase in staffing and other compensation of \$2.9 million, and professional and contract services of \$1.6 million.

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

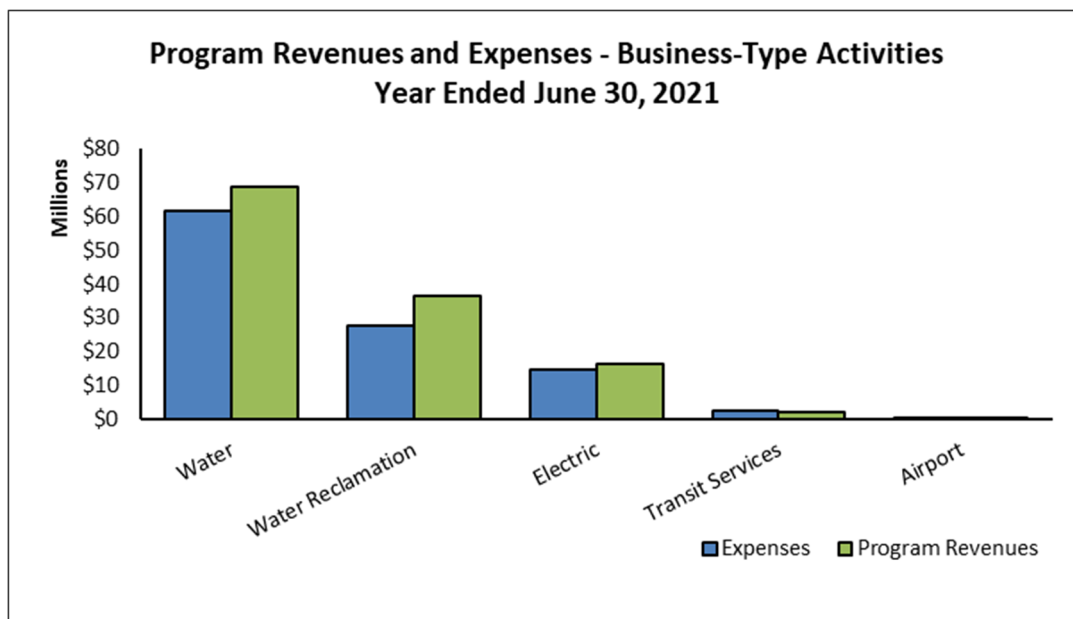
**Business-Type Activities**

The City's net position in the business-type activities increased by \$17.9 million. The primary contributor to the increase was excess revenues over expenses in the amount of \$17.2 million and investment earnings of \$0.7 million. The overall net position reported in the business-type activities was \$293.8 million as of June 30, 2021.

The chart below presents revenues and expenses in the business-type activities for the past five years.



The following graph shows the expenses of each business-type function compared to the program revenues generated specifically from its operations.



**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

Total expenses of all business-type activities for the fiscal year ended June 30, 2021 was \$106.4 million, representing an increase of \$0.2 million from the previous year. Total program revenue reported for the year was \$123.5 million. As shown in the statement of activities, the amount paid by users of the systems was \$117.2 million, reported as charge for services. Revenues from operating grants and contributions were \$2.2 million, and capital grants and contributions were \$4.1 million.

Total resources available during the year to finance business type activities were \$400.2 million. This amount consists of the beginning net position of \$275.9 million which includes a restatement of -\$0.3 million, combined with total program revenues of \$123.5 million, a transfer in of \$0.1 million, and investment earnings in the amount of \$0.7 million. After funding total expenses of \$106.4 million, net position for business-type activities increased by \$17.9 million to \$293.8 million at June 30, 2021.

Comparing to the prior year, expenses increased by \$0.2 million, primarily due to an increase of \$2.4 million in water expenses, partially offset by a decrease in water reclamation expenses of \$1.1 million and electric expenses of \$0.5 million. Revenues increased by \$2.5 million, due to \$12.0 million increase in program revenues, \$5.5 million decrease in investment earnings, and \$4.0 million decrease in other revenue.

**FUND FINANCIAL ANALYSIS**

**General Fund**

The General Fund is the primary operating fund of the City. Fund balance decreased by \$4.4 million for the fiscal year ended June 30, 2021, with an ending balance of \$122.8 million.

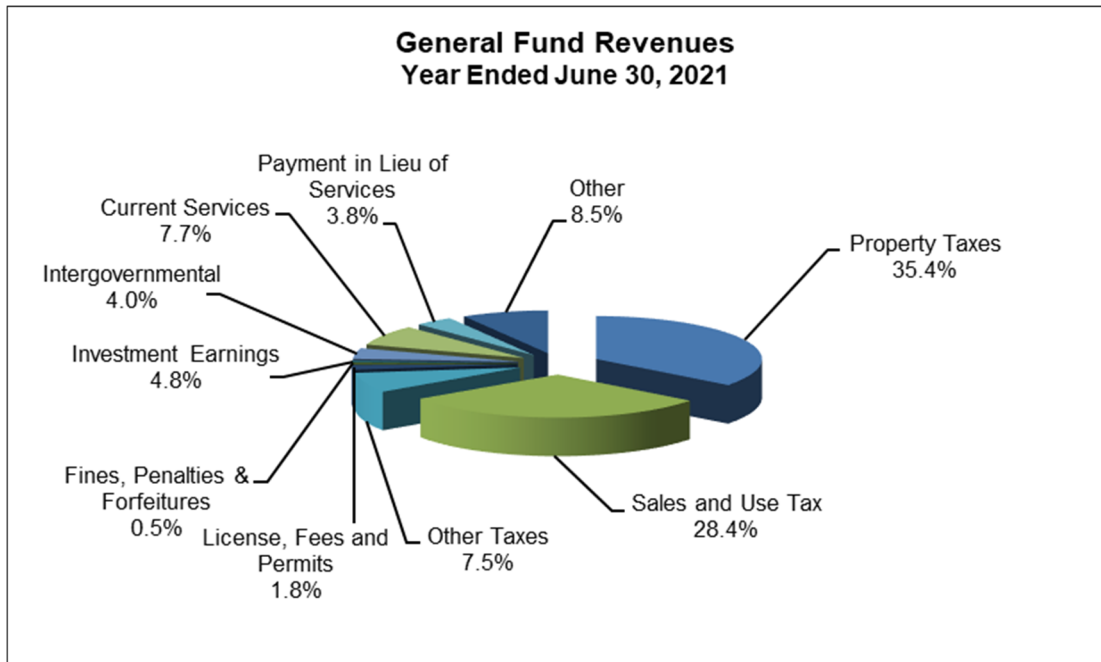
Below is a three-year trend analysis on the fund balance of the General Fund. For additional information, please refer to Note 14 in the accompanying financial statements.

**City of Corona's General Fund Fund Balance**  
**Three-Year Trend Information**  
**(in millions)**

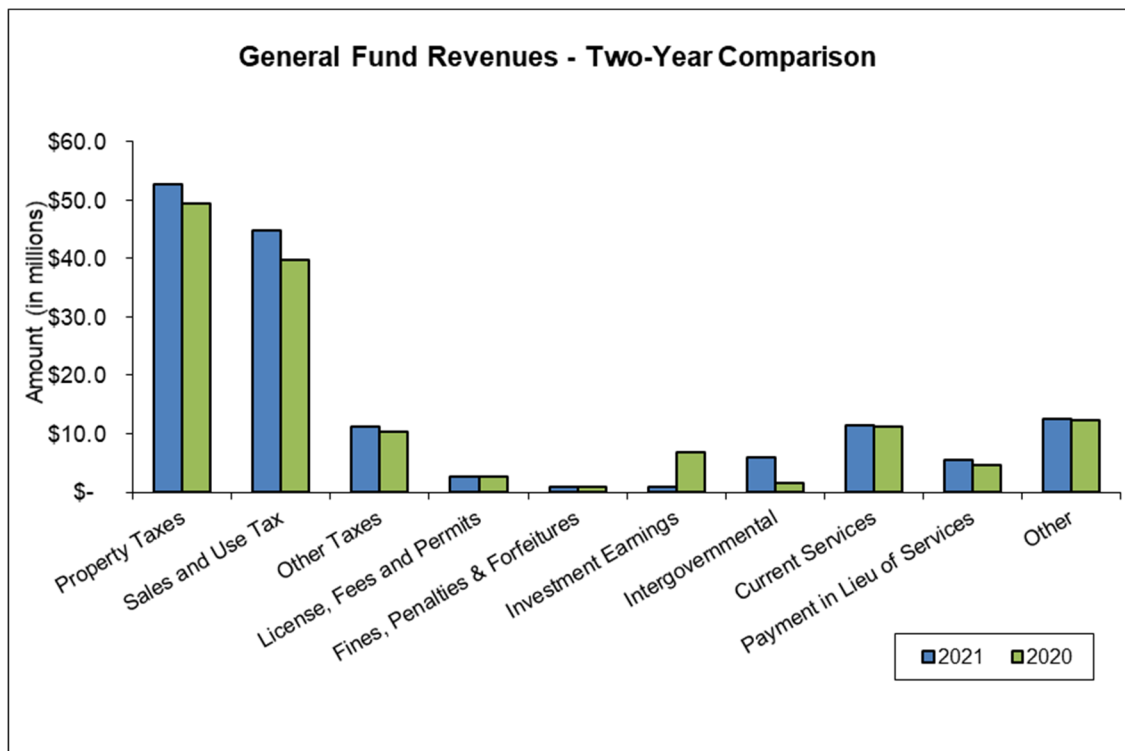
	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>
Fund Balances:			
Nonspendable	\$ 19.8	\$ 22.8	\$ 26.5
Committed	42.9	42.0	39.9
Assigned	60.1	62.4	55.5
Total Fund Balance	<u>\$ 122.8</u>	<u>\$ 127.2</u>	<u>\$ 121.9</u>
Fund Balance - Beginning	\$ 127.2	\$ 121.9	\$ 108.6
Excess Revenues over Expenditures	(5.4)	3.9	15.5
Transfers	1.0	1.4	(1.7)
Capital Leases	-	-	-
Restatement	-	-	(0.5)
Fund Balance - Ending	<u>\$ 122.8</u>	<u>\$ 127.2</u>	<u>\$ 121.9</u>

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

The graph below illustrates General Fund revenues by major sources:

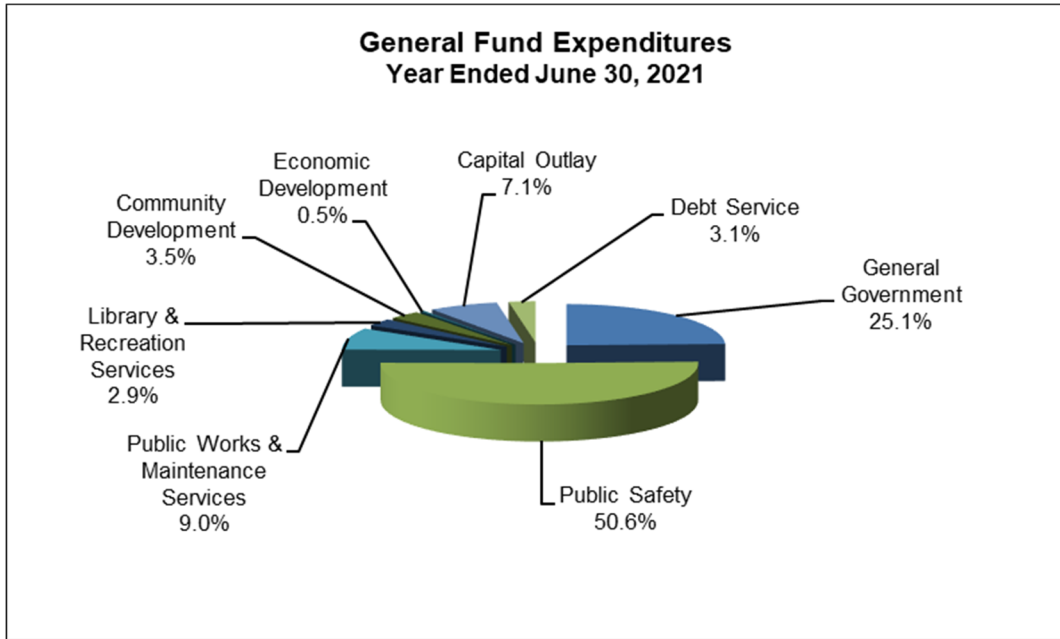


A two-year comparison of each General Fund revenue source for the fiscal years ended June 30, 2021 and June 30, 2020 is presented below:

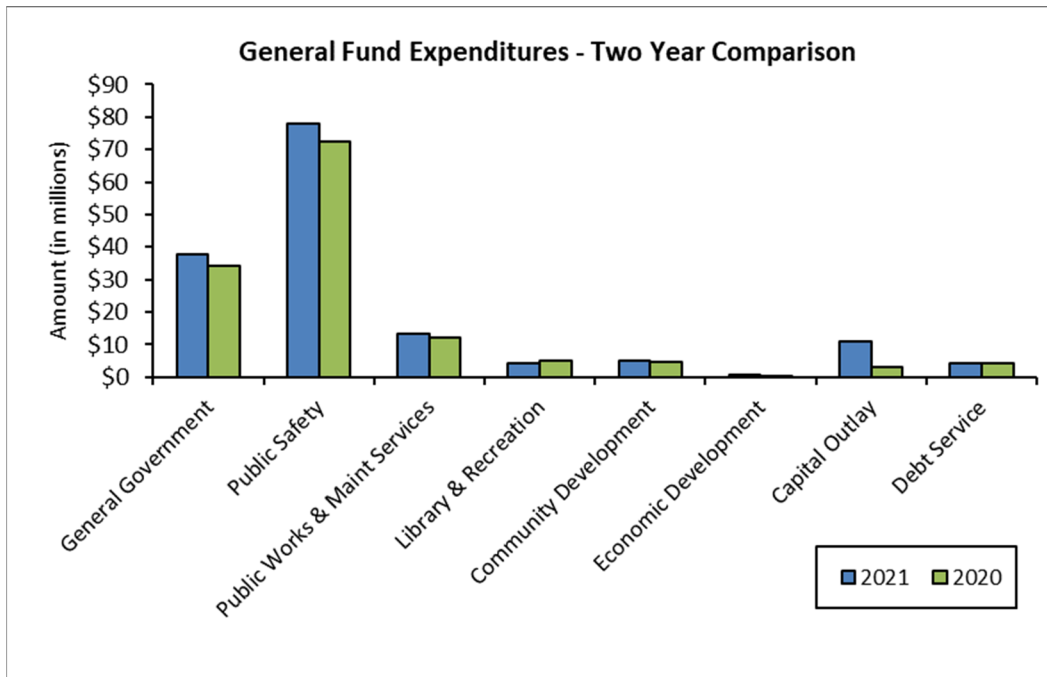


**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

The graph below illustrates General Fund expenditures by category:



A two-year comparison of each General Fund expenditure category for the fiscal years ended June 30, 2021 and June 30, 2020 is presented below:



**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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Overall General Fund revenues increased by \$8.8 million or 6.3%, compared to the previous year. Property taxes are the largest revenue source of the General Fund and increased by 6.3% in the current year. Sales and use tax is the second largest revenue source of the General Fund and increased by 12.8%. As shown in the General Fund Revenues graph, revenues increased in a majority of the revenue sources. Other tax revenues increased by 7.7%, Licenses, Fees and Permits increased by 3.8%, other revenue sources increased by 2.4%, partially offset by a decrease in Fines, Penalties, forfeitures and Investment Earnings.

Overall General Fund expenditures increased by \$18.0 million compared to the previous year. A majority of the increase is due to an increase in capital outlay of \$8.0 million, an increase in allocation of the additional PERS contribution towards the unfunded accrued liability of \$2.5 million, an increase in staffing and other compensation of \$2.9 million, increase in professional and contract service of \$1.6 million, and other operating supplies and support services of \$2.9 million.

**Other Major Governmental Funds**

The Development capital project fund reported a fund balance of \$16.3 million, a decrease of \$3.7 million from the prior year. Expenditures exceeded revenues in the current year by \$3.7 million. Primarily due to capital outlay expenses increased by \$5.0 million compared to the prior year, partially offset by an increase of \$0.9 million in license, fees and permit revenues in the current year.

The Low/Mod Income Housing Asset capital project fund reported a fund balance of \$29.9 million, an increase of \$0.5 million from the previous year. The fund balance includes \$10.7 million in cash and investments, \$2.0 million in land held for resale, and long-term receivables in the amount of \$17.3 million from various developers.

The Other Grants capital project fund reported an ending fund balance of \$0.4 million. This capital project fund consists of governmental grants and reimbursement agreements. Total revenue was \$15.5 million in the current year, a decrease of \$12.9 million over the prior year. Expenditures exceeded revenues in the current year by \$0.2 million.

**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, 2021, net capital assets totaled \$784.8 million for the governmental activities, and \$421.4 million for the business-type activities respectively. Depreciation on capital assets is recognized in the government-wide financial statements. Please refer to Note 8 of the accompanying financial statements for additional information.

The City has elected to use the "modified approach" as defined by GASB Statement No. 34 for infrastructure reporting for its street 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 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.

**City of Corona**  
**Management’s Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

The City policy is to achieve an average rating of 71, or “Good” condition for all streets. The average rating for the City’s streets at June 30, 2021 was 71, the same as the previous assessment result. The City is continuously taking action to prevent deterioration through an on-going street rehabilitation program funded in the Capital Improvement Program. The program is formulated based on deficiencies identified as part of the City’s Pavement Management System (PMS). It includes short-term maintenance activities such as pothole patching, street sweeping, and crack sealing. The City expended \$28.4 million on street maintenance during the current fiscal year. These expenditures delayed deterioration and maintained the street condition from the previous assessment. The City has estimated that the amount of annual expenditures required maintaining the current average PCI rating of 71 through the year 2022 is a minimum of \$6.0 million. Please refer to the Required Supplementary Information section of the accompanying financial statement for additional information on the City’s Pavement Management Program.

The table below presents comparative summary information on the City’s capital assets:

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

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Land	\$ 80.5	\$ 73.8	\$ 5.7	\$ 5.7	\$ 86.2	\$ 79.5
Streets	221.1	220.2	-	-	221.1	220.2
Buildings and improvements	107.0	111.7	54.2	56.0	161.2	167.7
Machinery and equipment	16.5	12.4	42.0	43.7	58.5	56.1
Infrastructure	191.6	195.2	272.4	273.8	464.0	469.0
Construction in progress	168.2	139.0	27.5	14.7	195.7	153.7
Intangible assets	-	0.2	19.6	20.4	19.6	20.6
Total Capital Assets	<u>\$ 784.8</u>	<u>\$ 752.5</u>	<u>\$ 421.4</u>	<u>\$ 414.3</u>	<u>\$ 1,206.2</u>	<u>\$ 1,166.8</u>

**DEBT ADMINISTRATION**

The City is committed to fiscal stewardship and continued its efforts to reduce its long-term debt obligation. In the most recent credit review performed by Standard and Poor’s Financial Services (S&P), the City’s appropriation debt rating was raised from “AA-” to “AA”. For additional information on City’s long-term obligation, please refer to Note 10 of the accompanying financial statements.



**City of Corona**  
**Management’s Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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	
	2021	2020	2021	2020	2021	2020
	Loans and Agreement Payable	\$ -	\$ -	\$ 26.6	\$ 28.9	\$ 26.6
Lease Payable	11.5	13.2	-	-	11.5	13.2
Capital Leases Payable	0.7	0.9	-	-	0.7	0.9
Revenue Bonds	19.6	20.9	33.7	35.8	53.3	56.7
Unamortized Bond Premium	2.2	2.4	1.3	1.4	3.5	3.8
<b>Total Outstanding Debt</b>	<b>\$ 34.0</b>	<b>\$ 37.4</b>	<b>\$ 61.6</b>	<b>\$ 66.1</b>	<b>\$ 95.6</b>	<b>\$ 103.5</b>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

General Fund appropriations and transfers out were originally adopted at \$145.8 million for Fiscal Year 2021. Final appropriations were increased by \$24.5 million to \$170.3 million. Among the budgetary increase, \$10.7 million was due to continuing appropriations from the prior year’s capital projects and grant funded activities, and \$6.7 million was for prior year committed purchases (encumbrances).

There was \$7.0 million in supplemental funding and transfers approved by the City Council subsequent to the budget adoption due to the following reasons: (1) The personnel budget increased by \$1.9 million. The Fire Department budget was adjusted by \$0.8 million for mutual aid activity (offset with increased revenue) and the Police and Fire departments received \$0.4 million in grant funding for personnel costs. Three additional positions were approved in Fiscal Year 2021 for the cannabis program, totaling \$0.3 million between the Police and Community Development departments. (2) The operating budget increased by \$0.7 million. The Economic Development Department budget was increased by \$145,190 for an economic development strategic plan and \$292,183 for the downtown revitalization plan. The Police and Fire departments were increased by \$0.2 million for grant related activity. (3) The capital improvement program budget increased by a net \$4.6 million. The majority of the increase, \$4.1 million, was for the General Fund’s portion of the acquisition of approximately 292 acres in the Skyline area. In addition, \$195,315 was included for the Water Meter Downsizing Project and \$135,000 for the Corona Mall Business Improvement District formation costs. There were budgetary reductions for other projects that were completed or no longer needed.

Below is a summary of changes made to the adopted budget:

Original Budget	\$ 145,831,981
Continued Appropriations	10,738,842
Encumbrances	6,734,247
Supplemental Changes	6,993,208
<b>Final Budget</b>	<b>\$ 170,298,278</b>

**City of Corona**  
**Management's Discussion and Analysis (Continued)**  
**For the Year Ended June 30, 2021**

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At June 30, 2021, the General Fund expenditure and transfers out budget concluded the fiscal year with a net favorable variance of \$16.0 million.

Included in the \$16.0 million savings, \$10.5 million was unspent funding for ongoing capital improvement projects. These funds will be carried over to the next fiscal year to complete the projects. In addition, \$0.8 million will be carried forward from the expenditure budget for grants and other activity approved by the City Council. Encumbered purchase orders totaling \$2.7 million will also be carried forward for activity that crosses fiscal years. After considering the noted items that will carry forward to the new fiscal year, there is a net savings of \$1.9 million. Please refer to the Required Supplementary Information section of the accompanying financial statements for additional information.

Final Budget	\$ 170,298,278
Actual Expenditures	154,124,347
Transfers Out	<u>167,318</u>
Favorable Budget Variance	<u><u>\$ 16,006,613</u></u>

**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 or need any additional financial information, please contact the City of Corona's Finance Department at 400 South Vicentia Ave., Corona, California, 92882, phone number 951-279-3500 or e-mail [finance@coronaca.gov](mailto:finance@coronaca.gov).

## **BASIC FINANCIAL STATEMENTS**



**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**City of Corona**  
**Statement of Net Position**  
**June 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and investments	\$ 226,017,989	\$ 135,174,474	\$ 361,192,463
Accounts receivable	3,133,501	14,606,787	17,740,288
Interest receivable	702,692	405,149	1,107,841
Due from other government	30,145,886	1,115,206	31,261,092
Inventories and prepaid items	1,341,611	3,045,423	4,387,034
Deposits	-	158,366	158,366
Land held for resale	3,459,648	-	3,459,648
Restricted cash and investments	169,933	4,406,346	4,576,279
<b>Total current assets</b>	<b>264,971,260</b>	<b>158,911,751</b>	<b>423,883,011</b>
<b>Noncurrent assets:</b>			
Restricted cash and investments	-	509,441	509,441
Internal balances	176,458,949	(176,458,949)	-
Long-term receivables	29,907,882	-	29,907,882
Investment in joint venture	-	10,262,128	10,262,128
<b>Capital assets:</b>			
Nondepreciable	469,734,515	52,807,892	522,542,407
Depreciable, net	315,120,369	368,630,580	683,750,949
<b>Total capital assets</b>	<b>784,854,884</b>	<b>421,438,472</b>	<b>1,206,293,356</b>
<b>Total noncurrent assets</b>	<b>991,221,715</b>	<b>255,751,092</b>	<b>1,246,972,807</b>
<b>Total assets</b>	<b>1,256,192,975</b>	<b>414,662,843</b>	<b>1,670,855,818</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	46,467,013	5,137,146	51,604,159
Other postemployment benefits related items	14,272,387	2,235,557	16,507,944
Deferred charges on refunding	447,823	-	447,823
<b>Total deferred outflows of resources</b>	<b>61,187,223</b>	<b>7,372,703</b>	<b>68,559,926</b>

**City of Corona**  
**Statement of Net Position (Continued)**  
**June 30, 2021**

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities	15,041,868	10,197,362	25,239,230
Retention payable	230,519	751,170	981,689
Accrued interest payable	258,316	1,143,756	1,402,072
Unearned revenue	3,010,688	1,254,139	4,264,827
Deposits payable	12,086,228	1,050,791	13,137,019
Long-term liabilities - due within one year	11,618,969	5,287,052	16,906,021
<b>Total current liabilities</b>	<b>42,246,588</b>	<b>19,684,270</b>	<b>61,930,858</b>
<b>Noncurrent liabilities:</b>			
Long-term liabilities - due in more than one year	52,845,849	57,503,947	110,349,796
Net pension liability	224,923,892	36,162,452	261,086,344
Net other postemployment benefits liability	79,903,127	12,294,919	92,198,046
<b>Total noncurrent liabilities</b>	<b>357,672,868</b>	<b>105,961,318</b>	<b>463,634,186</b>
<b>Total liabilities</b>	<b>399,919,456</b>	<b>125,645,588</b>	<b>525,565,044</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related items	4,741,289	-	4,741,289
Other postemployment benefits related items	15,707,392	2,562,007	18,269,399
<b>Total deferred inflows of resources</b>	<b>20,448,681</b>	<b>2,562,007</b>	<b>23,010,688</b>
<b>NET POSITION</b>			
Net investment in capital assets	751,014,897	362,609,521	1,113,624,418
Restricted for:			
Capital projects	30,373,703	-	30,373,703
Debt service	6	509,441	509,447
Special projects and programs:			
Community development projects	6,194,799	-	6,194,799
Transportation and public works	29,395,576	366,440	29,762,016
Special assessment district projects	24,246,859	-	24,246,859
Development projects	16,303,526	855,624	17,159,150
Other	565,368	-	565,368
Total restricted	107,079,837	1,731,505	108,811,342
Unrestricted	38,917,327	(70,513,075)	(31,595,748)
<b>Total net position</b>	<b>\$ 897,012,061</b>	<b>\$ 293,827,951</b>	<b>\$ 1,190,840,012</b>

**City of Corona**  
**Statement of Activities**  
**For the Year Ended June 30, 2021**

<b>Functions/Programs</b>	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General government	\$ 37,567,629	\$ 5,908,573	\$ 675,187	\$ -
Public safety - fire	32,592,271	3,889,503	2,855,121	-
Public safety - police	49,673,632	2,112,639	3,043,786	445,434
Public works and maintenance services	42,862,546	13,536,491	23,547,898	18,785,437
Library and recreation services	3,863,503	867,243	219,144	23,518
Community development	6,404,617	5,605,810	3,040,884	-
Economic development	651,741	-	-	-
Interest and fiscal charges	1,125,253	-	-	-
<b>Total governmental activities</b>	<u>174,741,192</u>	<u>31,920,259</u>	<u>33,382,020</u>	<u>19,254,389</u>
<b>Business-type Activities:</b>				
Water	61,436,086	65,486,307	392,853	2,405,704
Water reclamation	27,651,867	34,562,829	-	1,740,535
Electric	14,557,426	16,484,158	-	-
Transit services	2,563,422	63,382	1,824,070	-
Airport	187,251	591,652	10,000	-
<b>Total business-type activities</b>	<u>106,396,052</u>	<u>117,188,328</u>	<u>2,226,923</u>	<u>4,146,239</u>
<b>Total primary government</b>	<u>\$ 281,137,244</u>	<u>\$ 149,108,587</u>	<u>\$ 35,608,943</u>	<u>\$ 23,400,628</u>



**City of Corona**  
**Statement of Activities (Continued)**  
**For the Year Ended June 30, 2021**

<b>Functions/Programs</b>	Net (Expenses) Revenues and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>			
General government	\$ (30,983,869)	\$ -	\$ (30,983,869)
Public safety - fire	(25,847,647)	-	(25,847,647)
Public safety - police	(44,071,773)	-	(44,071,773)
Public works and maintenance services	13,007,280	-	13,007,280
Library and recreation services	(2,753,598)	-	(2,753,598)
Community development	2,242,077	-	2,242,077
Economic development	(651,741)	-	(651,741)
Interest and fiscal charges	(1,125,253)	-	(1,125,253)
<b>Total governmental activities</b>	(90,184,524)	-	(90,184,524)
<b>Business-type Activities:</b>			
Water	-	6,848,778	6,848,778
Water reclamation	-	8,651,497	8,651,497
Electric	-	1,926,732	1,926,732
Transit services	-	(675,970)	(675,970)
Airport	-	414,401	414,401
<b>Total business-type activities</b>	-	17,165,438	17,165,438
<b>Total primary government</b>	(90,184,524)	17,165,438	(73,019,086)
<b>General revenues and transfers:</b>			
<b>General revenues:</b>			
Taxes:			
Property taxes, levied for general purpose	52,583,004	-	52,583,004
Transient occupancy taxes	2,446,759	-	2,446,759
Sales and use taxes	44,752,843	-	44,752,843
Franchise taxes	6,244,624	-	6,244,624
Business license taxes	2,521,925	-	2,521,925
<b>Total taxes</b>	108,549,155	-	108,549,155
Investment earnings	972,402	684,844	1,657,246
Other income	12,065,796	-	12,065,796
Gain on sale of capital asset	158,800	-	158,800
<b>Total general revenues</b>	121,746,153	684,844	122,430,997
<b>Transfers</b>	(52,902)	52,902	-
<b>Changes in net position</b>	31,508,727	17,903,184	49,411,911
<b>Net position - beginning of year, as restated (Note 18)</b>	865,503,334	275,924,767	1,141,428,101
<b>Net position - end of year</b>	\$ 897,012,061	\$ 293,827,951	\$ 1,190,840,012



**FUND FINANCIAL STATEMENTS**



**GOVERNMENTAL FUND FINANCIAL STATEMENTS**

**City of Corona**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

	Capital Projects Fund			Special Revenue Funds
	General Fund	Low Mod Income Housing Asset	Other Grants	Development
<b>ASSETS</b>				
Cash and investments	\$ 94,990,769	\$ 10,651,944	\$ 67,680	\$ 26,483,653
Accounts receivable	1,617,657	(3,488)	770	-
Interest receivable	436,876	31,778	202	76,409
Due from other governments	14,230,342	-	8,698,799	-
Due from other funds	12,972,352	-	-	-
Long-term receivables	4,748,818	9,942,191	-	1,189,660
Loans receivable	-	7,335,028	2,300,000	330,043
Advance to other funds	14,675,346	-	-	-
Inventories and prepaid items	380,415	-	-	-
Land held for resale	-	1,998,648	-	-
Restricted assets:				
Cash and investments	6	-	-	58,059
<b>Total assets</b>	<u>\$ 144,052,581</u>	<u>\$ 29,956,101</u>	<u>\$ 11,067,451</u>	<u>\$ 28,137,824</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	\$ 8,230,886	\$ 4,736	\$ 2,579,232	\$ 441,497
Retention payable	8,696	-	10,676	42,034
Due to other funds	-	-	5,342,880	-
Advance from other funds	-	-	-	8,605,856
Deposit payable	9,328,514	5,898	-	2,744,911
Unearned revenue	1,870,274	-	42,915	-
<b>Total Liabilities</b>	<u>19,438,370</u>	<u>10,634</u>	<u>7,975,703</u>	<u>11,834,298</u>
<b>Deferred inflows of resources:</b>				
Unavailable revenue	1,816,048	-	2,663,512	-
<b>Fund balances:</b>				
Nonspendable	19,804,579	-	-	-
Restricted	6	29,945,467	428,236	16,303,526
Committed	42,939,942	-	-	-
Assigned	60,053,636	-	-	-
Unassigned (deficit)	-	-	-	-
<b>Total fund balances</b>	<u>122,798,163</u>	<u>29,945,467</u>	<u>428,236</u>	<u>16,303,526</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 144,052,581</u>	<u>\$ 29,956,101</u>	<u>\$ 11,067,451</u>	<u>\$ 28,137,824</u>

**City of Corona**  
**Balance Sheet (Continued)**  
**Governmental Funds**  
**June 30, 2021**

	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>		
Cash and investments	\$ 53,778,444	\$ 185,972,490
Accounts receivable	1,452,110	3,067,049
Interest receivable	157,427	702,692
Due from other governments	7,216,101	30,145,242
Due from other funds	-	12,972,352
Long-term receivables	1,717,405	17,598,074
Loans receivable	2,344,737	12,309,808
Advance to other funds	-	14,675,346
Inventories and prepaid items	-	380,415
Land held for resale	1,461,000	3,459,648
Restricted assets:		
Cash and investments with fiscal agents	111,868	169,933
<b>Total assets</b>	<b>\$ 68,239,092</b>	<b>\$ 281,453,049</b>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Accounts payable and accrued liabilities	\$ 2,482,794	\$ 13,739,145
Retention payable	169,113	230,519
Due to other funds	7,629,472	12,972,352
Advance from other funds	1,857,611	10,463,467
Deposit payable	6,905	12,086,228
Unearned revenue	1,097,499	3,010,688
<b>Total Liabilities</b>	13,243,394	52,502,399
<b>Deferred inflows of resources:</b>		
Unavailable revenue	-	4,479,560
<b>Fund balances:</b>		
Nonspendable	-	19,804,579
Restricted	57,739,090	104,416,325
Committed	-	42,939,942
Assigned	558,505	60,612,141
Unassigned (deficit)	(3,301,897)	(3,301,897)
<b>Total fund balances</b>	54,995,698	224,471,090
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 68,239,092</b>	<b>\$ 281,453,049</b>





**City of Corona**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2021**

**Total Fund Balances - Total Governmental Funds** \$ 224,471,090

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in governmental funds. Those assets consist of:

Amount reported in government-wide statement of position:

Nondepreciable assets, net of \$55,823 reported in Internal Service Funds	\$	469,678,692	
Depreciable assets, net of \$4,593,673 reported in Internal Service Funds		310,526,696	780,205,388

Some of the City's receivables for property taxes, operating and capital grant reimbursements will be collected after year end, but are not available soon enough to pay for current-period expenditures, and therefore, are reported as unavailable revenues in the governmental funds. 4,479,560

Long-term capital lease in governmental activities are not current financial resource and there are not reported in the governmental fund balance sheet 172,628,344

Net pension liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:

Pension related deferred outflows of resources, net of \$1,412,798 reported under Internal Service Funds		45,054,215	
Net pension liability, net of \$(9,945,258) reported under Internal Service Funds		(214,978,634)	
Pension related deferred inflows of resources		(4,741,289)	

Net other postemployment benefits liability and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:

OPEB related deferred outflows of resources, net of \$609,315 reported under Internal Service Funds		13,663,072	
Net OPEB liabilities, net of \$(3,325,447) reported under Internal Service Funds		(76,577,680)	
OPEB related deferred inflows of resources, net of \$(695,623) reported under Internal Service Funds		(15,011,769)	

Internal service funds are used by the City to charge the cost of materials and supplies, maintenance and repair of vehicles and equipment and printing services provided to the various departments of the City. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. Internal Service funds net position, net of \$381,274 reported in Business-type activities. 9,704,594

Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds. (258,316)

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the Statement of Net Position. Balances at June 30, 2021 are:

Unamortized deferred charges on refunding		447,823	
Long-term debt, net of \$(747,875) reported under Internal Service Funds		(31,078,492)	
Unamortized bond premium		(2,230,924)	
Compensated absences, net of \$(319,865) reported under Internal Service Funds		(8,764,921)	

**Net position of governmental activities** **\$ 897,012,061**

**City of Corona**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

	Capital Projects Fund			Special Revenue
	General Fund	Low Mod Income Housing	Other Grants	Funds
		Asset		Development
<b>REVENUES:</b>				
Taxes	\$ 108,549,155	\$ -	\$ -	\$ -
Licenses and permits	2,666,520	-	-	2,022,408
Intergovernmental	5,576,408	-	15,303,466	-
Special assessments	465,761	-	-	-
Investment earnings	959,749	73,161	465	28,203
Fines and penalties	790,144	-	-	-
Current services	11,460,991	-	-	-
Payment in lieu of services	5,630,255	-	-	166,080
Other revenues	12,606,510	559,011	242,949	39,611
<b>Total revenues</b>	<b>148,705,493</b>	<b>632,172</b>	<b>15,546,880</b>	<b>2,256,302</b>
<b>EXPENDITURES:</b>				
Current:				
General government	37,706,387	-	-	-
Public safety- fire	29,918,593	-	-	3,045
Public safety- police	48,079,545	-	-	3,866
Public works and maintenance services	13,038,948	-	-	41,095
Library and recreation services	4,391,187	-	15,588	1,919
Community development	5,048,778	139,299	-	-
Economic development	689,231	-	-	-
Capital outlay	11,008,556	-	15,765,575	5,861,531
Debt service:				
Principal retirement	3,006,263	-	-	-
Interest and fiscal charges	1,236,859	-	-	-
<b>Total expenditures</b>	<b>154,124,347</b>	<b>139,299</b>	<b>15,781,163</b>	<b>5,911,456</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(5,418,854)</b>	<b>492,873</b>	<b>(234,283)</b>	<b>(3,655,154)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,159,890	-	-	-
Transfers out	(167,318)	-	-	-
<b>Total other financing sources (uses)</b>	<b>992,572</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>(4,426,282)</b>	<b>492,873</b>	<b>(234,283)</b>	<b>(3,655,154)</b>
<b>FUND BALANCES:</b>				
Beginning of year	127,224,445	29,452,594	662,519	19,958,680
End of year	<u>\$ 122,798,163</u>	<u>\$ 29,945,467</u>	<u>\$ 428,236</u>	<u>\$ 16,303,526</u>

**City of Corona**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Governmental Funds**  
**For the Year Ended June 30, 2021**

	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>		
Taxes	\$ -	\$ 108,549,155
Licenses and permits	780,732	5,469,660
Intergovernmental	17,265,895	38,145,769
Special assessments	8,738,130	9,203,891
Investment earnings	428,828	1,490,406
Fines and penalties	-	790,144
Current services	10,158,943	21,619,934
Payment in lieu of services	-	5,796,335
Other revenues	287,736	13,735,817
<b>Total revenues</b>	37,660,264	204,801,111
<b>EXPENDITURES:</b>		
Current:		
General government- City Council	-	37,706,387
Public safety- Fire	-	29,921,638
Public safety- Police	447,573	48,530,984
Public works & maintenance services	21,367,914	34,447,957
Library and recreation services	128,542	4,537,236
Community development	1,384,569	6,572,646
Economic development	-	689,231
Capital outlay	11,047,278	43,682,940
Debt service:		
Principal retirement	-	3,006,263
Interest and fiscal charges	34,906	1,271,765
<b>Total expenditures</b>	34,410,782	210,367,047
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,249,482	(5,565,936)
<b>OTHER FINANCING SOURCES (USES):</b>		
Transfers in	114,416	1,274,306
Transfers out	(1,159,890)	(1,327,208)
<b>Total other financing sources (uses)</b>	(1,045,474)	(52,902)
<b>NET CHANGES IN FUND BALANCES</b>	2,204,008	(5,618,838)
<b>FUND BALANCES:</b>		
Beginning of year	52,791,690	230,089,928
End of year	\$ 54,995,698	\$ 224,471,090

**City of Corona**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances to the Government-Wide Statement of Activities**  
**For the Year Ended June 30, 2021**

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**Net change in fund balances - total governmental funds:** \$ (5,618,838)

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those capital assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which capital expenditures exceeded depreciation in the current period:

Capital outlay expenditures, net of \$1,779,652 reported in Internal Service Funds	\$ 43,166,322	
Capital contribution from developer	639,171	
Depreciation expense, net of \$1,036,297 reported in Internal Service Funds	<u>(12,125,666)</u>	31,679,827

The net effect of disposal of capital assets (27,623)

Certain accrued revenues such as grants do not provide current financial resources and therefore, are not reported in the governmental funds as revenues. This is the amount of the net change in these accrued revenue amounts during the current period. 172,358

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Change in compensated absences, net of \$30,619 reported in internal service funds		(538,700)
Pension expense, net of pension contribution made after measurement date		(3,714,827)
OPEB expense, net of OPEB contribution made after measurement date		4,406,350
Accrued interest for long-term debt		27,639
Deferred charges amortization		(29,855)
Principal repayment of long-term debt, net of \$(358,031) reported in Internal Service Funds		3,006,263
Bond premium amortization		148,728

Internal service funds are used by management to charge the costs of certain activities, such as workers' compensation self-insurance, general liability self-insurance, vehicles, and technology to individual funds. The net revenue (expense) of these internal service funds are reported as governmental activities (net of \$920,433) allocated to business-type activities). 1,997,405

**Change in net position of governmental activities** \$ 31,508,727

**PROPRIETARY FUND FINANCIAL STATEMENTS**

**City of Corona**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Corona Utility Authority		
	Water	Water reclamation	Electric
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 29,778,384	\$ 79,141,219	\$ 24,092,460
Accounts receivable	8,380,022	4,374,888	1,844,523
Interest receivable	89,390	236,350	71,868
Due from other governments	451,843	20,080	-
Inventories and prepaid items	3,045,402	-	21
Deposits	-	-	158,366
Restricted cash and investments	3,402,656	74,075	563,175
<b>Total current assets</b>	<b>45,147,697</b>	<b>83,846,612</b>	<b>26,730,413</b>
Noncurrent assets:			
Restricted cash and investments	-	509,441	-
Advances to other funds	-	-	1,857,611
Investment in joint venture	-	10,262,128	-
Capital assets:			
Capital assets, not being depreciated	41,568,092	9,045,948	2,193,852
Capital assets, being depreciated, net	228,013,415	129,013,271	8,488,055
Total capital assets	269,581,507	138,059,219	10,681,907
<b>Total noncurrent assets</b>	<b>269,581,507</b>	<b>148,830,788</b>	<b>12,539,518</b>
<b>Total assets</b>	<b>314,729,204</b>	<b>232,677,400</b>	<b>39,269,931</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	2,732,736	1,714,593	555,502
OPEB related items	1,211,233	777,784	198,573
<b>Total deferred outflows of resources</b>	<b>3,943,969</b>	<b>2,492,377</b>	<b>754,075</b>

(Continued)

**City of Corona**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Corona Utility Authority		
	Water	Water reclamation	Electric
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	5,614,059	1,786,582	1,668,873
Retention payable	574,868	176,302	-
Accrued interest	681,654	306,726	155,376
Unearned revenue	678,911	-	-
Deposits payable	467,236	20,000	563,175
Claims and judgments, due within one year			
Compensated absences, due within one year	351,687	204,748	62,774
Capital lease payable, due within one year	7,100	-	-
Bonds and loan payable, due within one year	3,712,978	936,773	-
<b>Total current liabilities</b>	<b>12,088,493</b>	<b>3,431,131</b>	<b>2,450,198</b>
Noncurrent liabilities:			
Advance from other funds	-	-	6,069,490
Claims and judgments, due in more than one year	-	-	-
Compensated absences, due in more than one year	367,235	185,842	-
Capital lease payable, due in more than one year	3,918	-	-
Bonds and loan payable, due in more than one year	38,291,730	18,602,013	-
Corona Utility Authority lease payable	106,819,662	65,808,682	-
Net pension liability	19,236,837	12,069,714	3,910,401
Net other postemployment benefits liability	6,669,370	4,202,996	1,154,670
<b>Total noncurrent liabilities</b>	<b>171,388,752</b>	<b>100,869,247</b>	<b>11,134,561</b>
<b>Total liabilities</b>	<b>183,477,245</b>	<b>104,300,378</b>	<b>13,584,759</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Other postemployment benefits related items	1,384,137	926,955	198,444
<b>Total deferred inflows of resources</b>	<b>1,384,137</b>	<b>926,955</b>	<b>198,444</b>
<b>NET POSITION</b>			
Net investment in capital assets	230,393,569	118,418,206	10,681,907
Restricted:			
Debt service	-	509,441	-
Transportation and public works	-	-	-
Development projects	15,320	840,304	-
Unrestricted (deficit)	(96,597,098)	10,174,493	15,558,896
<b>Total net position</b>	<b>\$ 133,811,791</b>	<b>\$ 129,942,444</b>	<b>\$ 26,240,803</b>

(Continued)

**City of Corona**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2021**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities -
	Nonmajor	Total Enterprise Funds	Internal Service Funds
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 2,162,411	\$ 135,174,474	\$ 40,045,499
Accounts receivable	7,354	14,606,787	66,452
Interest receivable	7,541	405,149	-
Due from other governments	643,283	1,115,206	644
Inventories and prepaid items	-	3,045,423	961,196
Deposits	-	158,366	-
Restricted cash and investments	366,440	4,406,346	-
<b>Total current assets</b>	<b>3,187,029</b>	<b>158,911,751</b>	<b>41,073,791</b>
Noncurrent assets:			
Restricted cash and investments	-	509,441	-
Advances to other funds	-	1,857,611	-
Investment in joint venture	-	10,262,128	-
Capital assets:			
Capital assets, not being depreciated	-	52,807,892	55,823
Capital assets, being depreciated, net	3,115,839	368,630,580	4,593,673
Total capital assets	3,115,839	421,438,472	4,649,496
<b>Total noncurrent assets</b>	<b>3,115,839</b>	<b>434,067,652</b>	<b>4,649,496</b>
<b>Total assets</b>	<b>6,302,868</b>	<b>592,979,403</b>	<b>45,723,287</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	134,315	5,137,146	1,412,798
OPEB related items	47,967	2,235,557	609,315
<b>Total deferred outflows of resources</b>	<b>182,282</b>	<b>7,372,703</b>	<b>2,022,113</b>

(Continued)



**City of Corona**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**June 30, 2021**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities -
	Nonmajor	Total Enterprise Funds	Internal Service Funds
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued liabilities	1,127,848	10,197,362	1,302,723
Retention payable	-	751,170	-
Accrued interest	-	1,143,756	-
Unearned revenue	575,228	1,254,139	-
Deposits payable	380	1,050,791	-
Claims and judgments, due within one year	-	-	3,162,387
Compensated absences, due within one year	10,992	630,201	127,723
Capital lease payable, due within one year	-	7,100	402,224
Bonds and loan payable, due within one year	-	4,649,751	-
<b>Total current liabilities</b>	<b>1,714,448</b>	<b>19,684,270</b>	<b>4,995,057</b>
Noncurrent liabilities:			
Advance from other funds	-	6,069,490	-
Claims and judgments, due in more than one year	-	-	18,160,354
Compensated absences, due in more than one year	53,209	606,286	192,142
Capital lease payable, due in more than one year	-	3,918	345,651
Bonds and loan payable, due in more than one year	-	56,893,743	-
Corona Utility Authority lease payable	-	172,628,344	-
Net pension liability	945,500	36,162,452	9,945,258
Net other postemployment benefits liability	267,883	12,294,919	3,325,447
<b>Total noncurrent liabilities</b>	<b>1,266,592</b>	<b>284,659,152</b>	<b>31,968,852</b>
<b>Total liabilities</b>	<b>2,981,040</b>	<b>304,343,422</b>	<b>36,963,909</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Other postemployment benefits related items	52,471	2,562,007	695,623
<b>Total deferred inflows of resources</b>	<b>52,471</b>	<b>2,562,007</b>	<b>695,623</b>
<b>NET POSITION</b>			
Net investment in capital assets	3,115,839	362,609,521	3,901,621
Restricted:			
Debt service	-	509,441	-
Transportation and public works	366,440	366,440	-
Development projects	-	855,624	-
Unrestricted (deficit)	(30,640)	(70,894,349)	6,184,247
<b>Total net position</b>	<b>\$ 3,451,639</b>	<b>\$ 293,446,677</b>	<b>\$ 10,085,868</b>
<b>Adjustments to reflect the consolidation of internal service fund activities related to the proprietary funds</b>		381,274	
<b>Net position of business-type activities</b>		<b>\$ 293,827,951</b>	

(Concluded)

**City of Corona**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Corona Utility Authority		
	Water	Water Reclamation	Electric
<b>OPERATING REVENUES:</b>			
Service charges	\$ 58,486,949	\$ 31,328,167	\$ 15,262,957
Fees and permits	4,261,386	2,844,851	-
Other revenues	2,737,972	389,811	1,221,201
<b>Total operating revenues</b>	<b>65,486,307</b>	<b>34,562,829</b>	<b>16,484,158</b>
<b>OPERATING EXPENSES:</b>			
Personnel services	8,448,073	5,163,411	2,179,062
Contractual services	4,427,042	1,506,203	307,400
Materials and supplies	30,903,494	11,305,785	2,478,371
Utilities	5,797,379	2,242,887	9,031,636
Depreciation	8,631,872	5,214,530	444,060
Claim expense and premium	-	-	-
<b>Total operating expenses</b>	<b>58,207,860</b>	<b>25,432,816</b>	<b>14,440,529</b>
<b>OPERATING INCOME (LOSS)</b>	<b>7,278,447</b>	<b>9,130,013</b>	<b>2,043,629</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Intergovernmental	392,853	-	-
Investment earnings	(8,129)	544,979	117,232
Interest expense	(3,602,726)	(2,419,903)	(197,743)
Gain (loss) on sale of capital assets	(118,146)	(108,956)	-
Loss on joint venture	-	(37,133)	-
<b>Total nonoperating Revenues</b>	<b>(3,336,148)</b>	<b>(2,021,013)</b>	<b>(80,511)</b>
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS:</b>			
Transfers in	51,708	1,115	79
Capital grants and contributions	2,405,704	1,740,535	-
<b>Total Transfers</b>	<b>2,457,412</b>	<b>1,741,650</b>	<b>79</b>
<b>CHANGE IN NET POSITION (DEFICIT)</b>	<b>6,399,711</b>	<b>8,850,650</b>	<b>1,963,197</b>
<b>NET POSITION :</b>			
Beginning of the year	127,412,080	121,091,794	24,277,606
End of the year	<u>\$ 133,811,791</u>	<u>\$ 129,942,444</u>	<u>\$ 26,240,803</u>

**City of Corona**  
**Statement of Revenues, Expenses, and Changes in Net Position (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities -
	Nonmajor	Total Enterprise Funds	Internal Service Funds
<b>OPERATING REVENUES:</b>			
Service charges	\$ -	\$ 105,078,073	\$ 18,780,062
Fees and permits	38,794	7,145,031	-
Other revenues	616,240	4,965,224	531,149
<b>Total operating revenues</b>	<b>655,034</b>	<b>117,188,328</b>	<b>19,311,211</b>
<b>OPERATING EXPENSES:</b>			
Personnel services	314,918	16,105,464	4,020,393
Contractual services	1,430,135	7,670,780	3,466,825
Materials and supplies	174,392	44,862,042	2,550,670
Utilities	154,658	17,226,560	1,056,173
Depreciation	676,570	14,967,032	1,036,297
Claim expense	-	-	4,394,286
<b>Total operating expenses</b>	<b>2,750,673</b>	<b>100,831,878</b>	<b>16,524,644</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(2,095,639)</b>	<b>16,356,450</b>	<b>2,786,567</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Intergovernmental	1,834,070	2,226,923	-
Investment earnings	30,762	684,844	232
Interest expense	-	(6,220,372)	(27,761)
Gain (loss) on sale of capital assets	-	(227,102)	158,800
Loss on joint venture	-	(37,133)	-
<b>Total nonoperating Revenues</b>	<b>1,864,832</b>	<b>(3,572,840)</b>	<b>131,271</b>
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS:</b>			
Transfers In	-	52,902	-
Capital grants and contributions	-	4,146,239	-
<b>Total Transfers</b>	<b>-</b>	<b>4,199,141</b>	<b>-</b>
<b>CHANGE IN NET POSITION (DEFICIT)</b>	<b>(230,807)</b>	<b>16,982,751</b>	<b>2,917,838</b>
<b>NET POSITION:</b>			
Beginning of the year, as restated (Note 18)	3,682,446	276,463,926	7,168,030
End of the year	<u>\$ 3,451,639</u>	<u>\$ 293,446,677</u>	<u>\$ 10,085,868</u>
<b>Adjustments to reflect the consolidation of the internal services fund activities related to the proprietary funds</b>		<u>\$ 920,433</u>	
<b>Changes in net position of business-type activities</b>		<u>17,903,184</u>	

**City of Corona**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Corona Utility Authority		
	Water	Water reclamation	Electric
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers and users	\$ 64,548,318	\$ 36,274,079	\$ 16,906,616
Cash paid to suppliers for goods and services	(41,566,592)	(14,851,741)	(13,099,197)
Cash paid to employees for services	(9,185,926)	(5,539,785)	(1,575,450)
Cash paid for insurance or claims	-	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>13,795,800</b>	<b>15,882,553</b>	<b>2,231,969</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental grant received	167,501	1,038	-
Transfers from other funds	51,708	1,115	79
<b>Net cash provided by noncapital financing activities</b>	<b>219,209</b>	<b>2,153</b>	<b>79</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(12,819,303)	(4,420,073)	(455,912)
Proceed from sale of capital assets	29,127	(2,949)	-
Repayment of capital advances from other funds	-	-	(989,932)
Principal paid on long-term debt	(3,600,668)	(905,669)	-
Interest paid on long-term debt	(3,751,365)	(2,452,656)	(224,873)
Issuance of capital lease	-	-	-
<b>Net cash used in capital and related financing activities</b>	<b>(20,142,209)</b>	<b>(7,781,347)</b>	<b>(1,670,717)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	44,648	613,283	146,528
Investment in joint venture	-	(1,903,190)	-
Repayment of advances to other funds	-	-	248,350
<b>Net cash provided (used) by investing activities</b>	<b>44,648</b>	<b>(1,289,907)</b>	<b>394,878</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(6,082,552)</b>	<b>6,813,452</b>	<b>956,209</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	39,263,592	72,911,283	23,699,426
End of year	<u>\$ 33,181,040</u>	<u>\$ 79,724,735</u>	<u>\$ 24,655,635</u>
<b>CASH AND CASH EQUIVALENTS:</b>			
Cash and investment	\$ 29,778,384	\$ 79,141,219	\$ 24,092,460
Restricted cash and investment, current	3,402,656	74,075	563,175
Restricted cash and investment, noncurrent	-	509,441	-
<b>Total cash and cash equivalents</b>	<u>\$ 33,181,040</u>	<u>\$ 79,724,735</u>	<u>\$ 24,655,635</u>

(Continued)

**City of Corona**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Corona Utility Authority		
	Water	Water reclamation	Electric
<b>INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ 7,278,447	\$ 9,130,013	\$ 2,043,629
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	8,631,872	5,214,530	444,060
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(51,509)	2,232,698	(140,717)
(Increase) decrease in inventories and prepaid items	26,606	-	588,545
(Increase) decrease in deposits	-	-	(2,673)
(Increase) decrease in deferred outflows of resources related to pension	(342,244)	(259,386)	(138,705)
(Increase) decrease in deferred outflows of resources related to OPEB	147,724	120,335	4,635
Increase (decrease) in accounts payable and accrued liabilities	(478,647)	266,715	(1,713,780)
Increase (decrease) in deposits payable	(886,480)	(521,448)	563,175
Increase (decrease) in compensated absences	217,430	32,114	(11,847)
Increase (decrease) in claims payable	-	-	-
Increase (decrease) in net pension liabilities	435,157	624,236	632,218
Increase (decrease) in OPEB liabilities	(474,528)	(518,271)	86,422
Increase (decrease) in deferred inflows of resources related to pension	(336,356)	(204,757)	(58,645)
Increase (decrease) in deferred inflows of resources related to OPEB	(371,672)	(234,226)	(64,348)
Total adjustment	6,517,353	6,752,540	188,340
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 13,795,800</b>	<b>\$ 15,882,553</b>	<b>\$ 2,231,969</b>

(Continued)

**City of Corona**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities -
	Nonmajor	Total Enterprise Funds	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers and users	\$ 649,853	\$ 118,378,866	\$ 19,328,441
Cash paid to suppliers for goods and services	(792,550)	(70,310,080)	(7,204,480)
Cash paid to employees for services	(571,375)	(16,872,536)	(4,685,624)
Cash paid for insurance or claims	-	-	(4,270,663)
<b>Net cash provided by (used in) operating activities</b>	<b>(714,072)</b>	<b>31,196,250</b>	<b>3,167,674</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental grant received	1,589,486	1,758,025	2,843
Transfers from other funds	-	52,902	-
<b>Net cash provided by noncapital financing activities</b>	<b>1,589,486</b>	<b>1,810,927</b>	<b>2,843</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(23,111)	(17,718,399)	(1,779,652)
Proceed from sale of capital assets	-	26,178	158,800
Repayment of capital advances from other funds	-	(989,932)	-
Principal paid on long-term debt	-	(4,506,337)	(358,031)
Interest paid on long-term debt	-	(6,428,894)	(27,761)
Issuance of capital lease	-	-	201,028
<b>Net cash used in capital and related financing activities</b>	<b>(23,111)</b>	<b>(29,617,384)</b>	<b>(1,805,616)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	29,912	834,371	232
Investment in joint venture	-	(1,903,190)	-
Repayment of advances to other funds	-	248,350	-
<b>Net cash provided (used) by investing activities</b>	<b>29,912</b>	<b>(820,469)</b>	<b>232</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>882,215</b>	<b>2,569,324</b>	<b>1,365,133</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	1,646,636	137,520,937	38,680,366
End of year	<u>\$ 2,528,851</u>	<u>\$ 140,090,261</u>	<u>\$ 40,045,499</u>
<b>CASH AND CASH EQUIVALENTS:</b>			
Cash and investment	\$ 2,162,411	\$ 135,174,474	\$ 40,045,499
Restricted cash and investment, current	366,440	4,406,346	-
Restricted cash and investment, noncurrent	-	509,441	-
<b>Total cash and cash equivalents</b>	<u>\$ 2,528,851</u>	<u>\$ 140,090,261</u>	<u>\$ 40,045,499</u>

(Continued)

**City of Corona**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2021**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities -
	Nonmajor	Total Enterprise Funds	Internal Service Funds
<b>INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (2,095,639)	\$ 16,356,450	2,786,567
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	676,570	14,967,032	1,036,297
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(5,121)	2,035,351	17,230
(Increase) decrease in inventories and prepaid items	-	615,151	(609,627)
(Increase) decrease in deposits	-	(2,673)	-
(Increase) decrease in deferred outflows of resources related to pension	(6,842)	(747,177)	(179,597)
(Increase) decrease in deferred outflows of resources related to OPEB	35,492	308,186	120,059
Increase (decrease) in accounts payable and accrued liabilities	975,925	(949,787)	511,120
Increase (decrease) in deposits payable	(60)	(844,813)	-
Increase (decrease) in compensated absences	6,231	243,928	30,619
Increase (decrease) in claims payable	-	-	123,580
Increase (decrease) in net pension liabilities	(57,103)	1,634,508	245,896
Increase (decrease) in OPEB liabilities	(170,860)	(1,077,237)	(508,794)
Increase (decrease) in deferred inflows of resources related to pension	(17,937)	(617,695)	(173,518)
Increase (decrease) in deferred inflows of resources related to OPEB	(54,728)	(724,974)	(232,158)
Total adjustment	1,381,567	14,839,800	381,107
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (714,072)</b>	<b>\$ 31,196,250</b>	<b>\$ 3,167,674</b>

(Concluded)





**FIDUCIARY FUND FINANCIAL STATEMENTS**



**City of Corona**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2021**

	Private-Purpose Trust Fund Successor Agency Trust Fund	Custodial Funds
<b>ASSETS</b>		
Cash and investments	6,617,044	2,421,945
Interest receivable	-	7,225
Due from other governments	-	147,684
Other assets	-	72,610
Restricted:		
Cash and investments with fiscal agent	6,978,525	12,009,747
<b>Total assets</b>	<b>13,595,569</b>	<b>14,659,211</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related items	11,606	-
OPEB related items	32,686	-
<b>Total deferred outflows of resources</b>	<b>44,292</b>	<b>-</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued liabilities	676,243	6,354
Retention payable	3,203	-
Deposits payable	-	62,059
Due to other governments	3,557,916	-
Bonds payable, due within one year	4,365,000	-
Noncurrent liabilities:		
Bonds payable, due in more than one year	38,748,443	-
Net pension liability	81,710	-
Net OPEB liability	175,510	-
<b>Total liabilities</b>	<b>47,608,025</b>	<b>68,413</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
OPEB related items	39,400	-
<b>Total deferred inflows of resources</b>	<b>39,400</b>	<b>-</b>
<b>NET POSITION</b>		
Restricted for:		
Held in trust	(34,007,564)	-
Organization and other governments	-	14,590,798
<b>Total net position</b>	<b>\$ (34,007,564)</b>	<b>\$ 14,590,798</b>

**City of Corona**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2021**

	Private-Purpose Trust Fund Successor Agency Trust Fund	Custodial Funds
<b>ADDITIONS:</b>		
Redevelopment property tax trust fund	\$ 11,056,025	-
Assessment revenue	-	\$ 7,009,833
Investment earning	2,380	101,970
Proceeds from district debt issuance	-	11,195,271
Other revenue	-	55,482
<b>Total additions</b>	<u>11,058,405</u>	<u>18,362,556</u>
<b>DEDUCTIONS:</b>		
Administrative expenses	29,892	-
Developer payments	2,040,968	11,103,742
Payments for district expenses	-	1,115,823
Payments for district debt service	3,255,864	12,516,434
<b>Total deductions</b>	<u>5,326,724</u>	<u>24,735,999</u>
<b>Change in net position</b>	<u>5,731,681</u>	<u>(6,373,443)</u>
<b>NET POSITION:</b>		
Beginning of year, as restated (Note 18)	<u>(39,739,245)</u>	<u>20,964,241</u>
End of year	<u>\$ (34,007,564)</u>	<u>\$ 14,590,798</u>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**



**City of Corona**  
**Index to the Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2021**

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**City of Corona**  
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**For the Year Ended June 30, 2021**

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**City of Corona**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies**

The basic financial statements of the City of Corona, California, (the “City”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

**A. *Financial 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. 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 provides full services to its citizens, including: public safety (police and fire), streets, electric, public library, recreation, parks and other public facilities, planning and zoning, public transportation (Dial-A-Ride and Corona Cruiser programs), housing and economic development programs. Water and water reclamation services are provided through the legally separate Corona Utility Authority, which functions as a department of the City of Corona.

The financial statements include the financial activities of the City of Corona, the primary government, and its component units, which are the Corona Public Financing Authority (the “CPFA”), the Corona Utility Authority (the “Authority”), and the Corona Housing Authority (the “CHA”). Financial information for the City and these component units are 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 CPFA, the Authority, and the CHA, as such, these entities are presented on a blended basis.

**Blended Component Unit**

Management determined that the following component unit should be blended based on the criteria above:

Although the following is legally separate from the City, it has been “blended” as though it is part of the City because the component unit’s governing body is substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component unit; and/or the component unit provides services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly to it.

The Corona Public Financing Authority (the “CPFA”) 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 former Corona Redevelopment Agency (the “Agency”) for the purpose of acting as a vehicle for various financing activities of the City and the Agency. Upon dissolution of the former Corona Redevelopment Agency, the Authority becomes a public body duly organized and existing under the Amended and Restated Joint Exercise of Powers Agreement, dated February 6, 2013, by and among the City, the Corona Housing Authority and the Successor Agency to the Corona Redevelopment Agency, and under the Constitution and laws of the State. The Authority was formed for the purpose of assisting the City in the financing and refinancing of public capital improvements by exercising the powers referred to in the JPA Agreement, including the power to issue bonds to pay the costs of public improvements. The CPFA's Board of Directors is the Corona City Council. The funds of the CPFA 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. Separate financial statements are not prepared.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**A. Financial Reporting Entity (Continued)**

The Corona Utility Authority (the “CUA”) is a joint powers authority which was established on February 6, 2002 pursuant to a Joint Exercise of Powers Agreement between the City and the Agency 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 and the City's executive management. The funds of the Authority have been included in the business-type activities in the financial statements. Separate financial statements are not prepared.

The Corona Housing Authority (the “CHA”) was established on February 16, 2011, pursuant to the California Housing Authority Law codified under State of California Health and Safety Code, Section 34200 et seq. The City Council became the commissioners of governing board of the CHA. The CHA was formed for purposes of providing sanitary and safe housing for people of very low, low or moderate income within the City's territorial jurisdiction. This is achieved by building, acquiring, managing and maintaining residential rental units and providing financial assistance for rentals or ownership in the private real estate market. City staff provides management assistance to the CHA. Upon the dissolution of the former Corona Redevelopment Agency pursuant to Assembly Bill X1 26, the CHA elected to become the successor agency to the former Corona Redevelopment Agency's housing functions (the “Housing Successor”). Pursuant to Senate Bill 341, the CHA oversees the Low- and Moderate-Income Housing Asset fund. The funds of the CHA have been included in the governmental activities in the financial statements. Separate financial statements are not prepared.

The City had no discretely presented component units.

**B. Basis of Accounting and 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 by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. City 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 Government-Wide Financial 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 Position. The Statement of Activities presents changes in net position. 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. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Fiduciary activities are not included in these statements.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***B. Basis of Accounting and Measurement Focus (Continued)***

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position 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 following interfund activities have been eliminated:

- Due from and to other funds
- Advances to and from other funds
- Transfers in and out

*Governmental Fund Financial Statements*

A Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances are presented for all major governmental funds and aggregated nonmajor funds. Accompanying schedules are presented to reconcile and explain the differences in fund balances as presented in these statements, to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

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 Sheet. The Statement of Revenues, Expenditures and Change in Fund Balances presents increases (revenue 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.

Revenues are recorded when received in cash, except those 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 AQMD funds received after the 60-day accrual period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, sales taxes, federal and state grants. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The City 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 Low Mod Income Housing Asset (Housing Successor) Capital Projects Fund accounts for the transactions related to low- and moderate-income housing activities pursuant to SB 341 and as prescribed in the Housing Element of the City's General Plan.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**B. Basis of Accounting and Measurement Focus (Continued)**

- The Other Grants Capital Projects Funds account for receipts and expenditures of funding received from various governmental grants.
- The Development Special Revenue Funds are used to account for Quimby and various development impact fees (DIF) received. The use of DIF funds is governed by Section 66006 of the Government Code.

Proprietary Fund Financial Statements

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 noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. 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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Water, Water Reclamation, Electric, Transit, and Airport funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the costs of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities and business-type activities in the Government-Wide Financial Statements. The City’s internal service funds include five individual funds which provide services directly to other City funds. These areas of service include fleet operations, workers’ compensation, liability risk, warehouse, and information technology. These funds provide service to other City departments on a cost reimbursement basis.

The City reports the following major proprietary funds:

- Water Enterprise Fund - accounts for the operation and maintenance of the City's water utility, a self-supporting activity which provides services on a user charge basis to residents and businesses located in the City.
- Water Reclamation Enterprise Fund - accounts for the operation and maintenance of the City's water reclamation utility, a self-supporting activity which provides services on a user charge basis to residents and businesses located in the City.
- Electric Enterprise Fund - account for the operation of the City's electric utility distribution system, a self-supporting activity which renders services on a user charge basis to businesses as well as residents located in the City.

Both the Water and the Water Reclamation utilities are owned by the Authority. The Authority operates both the Water and Water Reclamation systems pursuant to separate management agreements with the City.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***B. Basis of Accounting and Measurement Focus (Continued)***

A separate column representing internal service funds 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 has Fleet Operation, Workers' Compensation, Liability Risk, Warehouse, Information Technology Internal Service Funds that provide services directly to other City funds.

*Fiduciary Fund Financial Statements*

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and private purpose trust funds. Both custodial funds and the private purpose trust funds are accounted for on the full accrual basis of accounting where the assets associated with the activity are controlled by the City and the assets are not derived 1) solely from the government's own-source revenues or 2) from government-mandated nonexchange transactions or voluntary nonexchange transactions.

The City reports the following two types of fiduciary funds:

*Private-Purpose Trust Fund* - The Successor Agency Trust for the former Corona Redevelopment Agency (Successor Agency) was established on February 1, 2012 in accordance to the Assembly Bill X1 26 that provides for the dissolution of all redevelopment agencies in the State of California. The establishment of the Successor Agency was approved by the City Council on January 11, 2012 through City Resolution No. 2012-004. Effective February 1, 2012, successor agencies in California will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated. The activities of the Successor Agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

*Custodial Funds* - To accounts for assets for the benefit of organizations or other governments that are not part of the City. In addition, the assets are not derived from the City's provision of goods or services to those individuals, organizations, or other governments. Two funds are reported under the custodial fund type, the AD/CFD Fund and the AB109 PACT Fund. The AD/CFD Fund was established to account for receipt of special taxes and assessments used to pay principal and interest on related bonds that are not direct City liabilities, as well as receipt and disbursement of capital project bond proceeds related to bonds that are not direct obligations of the City. The AB109 PACT Fund was created on December 16, 2015 to account for activities of the Riverside County Post-Release Accountability and Compliance Team (PACT). The City of Corona is one of the seven, member agencies of PACT, and serves as the trustee for PACT. Funding for PACT comes from the State of California in accordance with AB 109, Public Safety Realignment Act of 2011.

***C. Cash, Cash Equivalents and Investments***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. The City pools cash resources of its various funds, including the Successor Agency Private Purpose Trust Fund 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 at each month based on ending cash and investment balances of each fund.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**C. Cash, Cash Equivalents and Investments (Continued)**

All cash and investments of proprietary funds are held in the City's investment pool as well. These cash pools have the general characteristics of a demand deposit account, therefore, all cash and investments in the proprietary funds are considered cash and cash equivalents for Statement of Cash Flows purposes.

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. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining the amount, the City uses the Market Approach, one of the three acceptable valuation techniques. Market approach uses prices generated for identical or similar assets or liabilities.

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. All investments in LAIF were reported at amortized cost, which approximates fair value.

**D. Cash and Investments with Fiscal Agents**

Cash and investments with fiscal agents are restricted for the redemption of bonded debt and for acquisition and construction of capital projects.

**E. Fair Value Measurement**

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosure about fair value measurement. Investments, unless otherwise specified at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

- Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

**F. Interfund Transactions**

Outstanding short-term borrowing between funds are reported to as "due from/to other funds". Interfund loans are reported as advances to and from other funds and are eliminated upon consolidation. Advances to other funds are presented as nonspendable in General Fund's fund balance to indicate that they are not in a spendable form. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Interfund 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.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**G. Inventories and Prepaid Items**

Inventories within the various fund types consist of materials and supplies which are valued at cost on a first-in, first-out basis. Reported expenditures reflect the consumption method of recognizing inventory-related expenditures.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements by using purchase method.

A nonspendable fund balance has been reported in the governmental funds to show that inventories and prepaid items do not constitute “available spendable resources,” even though they are a component of current assets.

**H. Capital Assets**

In the Government-Wide Financial Statements, capital assets are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Donated capital assets are valued at their acquisition value. 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 defines infrastructure assets 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, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets acquired under capital lease are capitalized at the net present value of the total lease payments.

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 the most recent physical assessment of its street pavement condition in October 2017. The Citywide condition assessments are performed every three years, with each year focusing on specific regions of the City. 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 City's policy relative to maintaining the street assets is to achieve an average rating of 71 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. Please refer to the Required Supplementary Information section of this report for additional information on the modified approach.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**H. Capital Assets (Continued)**

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, 2019. 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.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method. The lives used for depreciation purposes are as follows:

Assets	Years
Buildings and improvements	20-50
Computer Software	5
Equipment	3-20
Improvements	20
Infrastructure	25-65

**I. Deferred Outflows and Inflows of Resources**

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenue until that time.

**J. Unearned and Unavailable Revenue**

Unearned revenue is reported for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the government-wide financial statements are grant revenues received in advance.

In the governmental fund financial statements, unavailable revenue is reported when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City reports unavailable revenue when an asset is reported in governmental fund financial statements but the revenue is not available.



**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**K. *Compensated Absences***

Under certain circumstances and according to the 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. These amounts for annual leave are expected to be paid in future years from future resources.

**L. *Claims Payable***

Claims payable in the Internal Service Fund represents estimates of claims against the City. The estimated claims payable represents the City's best estimate of the amount to be paid on workers' compensation and general liability claims. Losses for claims incurred but not reported are also recorded if the probable amount of loss can be reasonably estimated. The City is self-insured for general liability in the amount of \$500,000 per claim for both City and workers' compensation for \$1,000,000 per claim for the City. Excess coverage is provided by Public Risk Innovation, Solutions, and Management ("PRISM").

**M. *Long-Term Debt***

In the Government-Wide Financial Statements and Proprietary Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred. In accordance to GASB Statement No. 65, *Item Previously Reported an Assets and Liabilities*, debt issuance costs except for any portion related to prepaid insurance were recognized as expense in the period incurred. Premium or discount not considered as part of the reacquisition price was amortized over the life of the bond.

The governmental fund financial statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

**N. *Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***O. Other Postemployment Benefits (“OPEB”)***

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s OPEB Plan and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are reported OPEB reporting:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the sources of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

***P. Property Taxes***

Under California law, property taxes are assessed and collected by the counties for up to 1% of assessed property value, plus other increases approved by the voters. Property taxes collected are pooled and then allocated to the cities based on complex formulas. Property taxes are assessed, collected and allocated by Riverside County throughout the fiscal year. The following are key dates pertaining to property taxes:

January 1	Lien Date
July 1 to June 30	Levy Date
November 1 and February 1	Due Dates
December 11 and April 11	Delinquent Dates

Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue. 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 former 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".

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***Q. Net Position and Fund Balances***

In the Government-Wide Financial Statements and proprietary fund financial statements, net position is classified as follows:

*Net Investment in Capital Assets* – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of retention payable and debt that are attributable to the acquisition, construction, or improvement of those assets, and related deferred outflows and inflows of resources, net of unspent debt proceeds.

*Restricted* – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

*Unrestricted* – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the Governmental Fund Financial Statements, fund balances are classified as follows:

*Nonspendable* – Nonspendable fund balances are items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, or items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

*Restricted* – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

*Committed* – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment.

- *General Fund Emergency Contingency* – The City’s General Fund balance committed for emergency contingencies has been set by resolution and is for specific uses listed as the declaration of a state or federal state of emergency or a local emergency as defined in Corona Municipal Code Section 2.52.020. A state of emergency is the existence of conditions of disasters which may result in property damage, death and or/ injuries to the community. An emergency may also result from natural events that did not result in a request for state or federal assistance.
- *Designated Revenues* – Designated Revenues are committed by minute action of the City Council. Upon receipt of the revenues and at the request of the specific department, funds may be appropriated for departmental use with the recommendation of the Finance Director, or with approval of City Council, depending on the amount of request.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

***Q. Net Position and Fund Balances (Continued)***

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government’s intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized by resolution the City Manager or the City Fiscal Officer for that purpose.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

***R. Spending Policy***

*Government-Wide Financial Statements and the Proprietary Fund Financial Statements*

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City’s policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

*Governmental Fund Financial Statements*

When expenditures are incurred for purposes for which all restricted, committed, assigned and unassigned fund balances are available, the City’s policy is to apply in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

***S. Use of Estimates***

The preparation of the basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**T. Implementation of New GASB Pronouncement**

During the fiscal year ended June 30, 2021, the city implemented the following new GASB pronouncements:

- In January 2017, GASB issued Statement No. 84, *Fiduciary Activities* (GASB Statement No. 84), to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities of all state and local governments. It also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. See Note 18 for restatement of beginning net position as result of implementation.
- In October 2021, GASB issues Statement No. 98, *The Annual Comprehensive Financial Report*, to establish the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. Implementation of this did not have a material effect on the financial statements.

**Note 2 – Stewardship, Compliance and Accountability**

Deficit Net Position

At June 30, 2021, Public Facility Project Capital Projects Funds had a deficit fund balance of \$3,301,897. The Warehouse Internal Service Fund and Information Technology Internal Service Fund had deficit net position of \$54,162 and \$3,021,719, respectively. The deficits will be eliminated with future public facility fees and interdepartmental charges. The Successor Agency Trust Fund had a deficit net position in the amount of \$34,007,564 and will be eliminated with future redevelopment property trust fund revenue.

**Note 3 – Cash and Investments**

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds. Certain restricted funds which are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investments with fiscal agents.

The City had the following cash and investments at June 30, 2021:

	Government-Wide Statement of Net Position		Fiduciary Fund	Total
	Governmental Activities	Business-Type Activities	Statement of Net Position	
Cash and investments	\$ 226,017,989	\$ 135,174,474	\$ 9,038,989	\$ 370,231,452
Restricted cash and investments	169,933	4,915,787	18,988,272	24,073,992
<b>Total cash and investments</b>	<b>\$ 226,187,922</b>	<b>\$ 140,090,261</b>	<b>\$ 28,027,261</b>	<b>\$ 394,305,444</b>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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

The City’s cash and investments at June 30, 2021, in more detail:

Deposits with financial institution	\$	3,730,192
Petty cash		10,148
<b>Total cash</b>		<u>3,740,340</u>
Investments		368,100,095
Investments with fiscal agent		22,465,009
<b>Total investments</b>		<u>390,565,104</u>
<b>Total cash and investments</b>		<u><u>\$ 394,305,444</u></u>

**A. Deposits**

The carrying amounts of the City’s demand deposits were \$3,730,192 at June 30, 2021. Bank balances at that date were \$3,618,713, the total amount of which was collateralized or insured with accounts held by the 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.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits. The City may waive collateral requirements for cash deposits, deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (“FDIC”). The City did not waive the collateral requirement for deposits insured by FDIC.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the 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 fund.

**B. Investments**

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

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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

**B. Investments (Continued)**

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investments in One Issuer
United States Treasury Bills, Bonds and Notes	5 Years	None	None
United States Government Sponsored Agency Securities	5 Years	75%	None
Negotiable Certificates of Deposit	3 Years	20%	None
Banker's Acceptance Notes	180 days	20%	25%
Corporate Notes	5 Years	30%	None
Commercial Paper	270 days	25%	10% of the issuer outstanding paper
Local Agency Investment Fund (LAIF)	N/A	None	\$65 million per account
Repurchase Agreement	14 days	10%	None
Mutual Funds	N/A	20%	None
Bonds	N/A	25%	None
Diversified management companies	N/A	10%	None
Non-Government issued Mortgage-backed pass-through securities, collateralized Mortgage obligations and Asset-backed securities	5 years	15% of investing agency's surplus	None
Supernational	5 years		10%

N/A - Not Applicable

**C. Local Agency Investment Fund (“LAIF”)**

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City’s investments with LAIF at June 30, 2021, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: 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: generally, mortgage-backed securities that 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 (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2021, the City had \$55,507,924 invested in LAIF, which had invested 14% of the pool investment funds in Structured Notes and Asset-Backed Securities. The fair value of the City’s portion in the pool is the same as the value of the pool shares and reported at amortized cost.

**D. Fair Value Measurement**

At June 30, 2021, investments are reported at fair value. The following table presents the fair value measurements of investments on a recurring basis and the levels with GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2021:

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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

**D. Fair Value Measurement (Continued)**

Investment Type	Measurement Input				Total
	Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Uncategorized		
Local Agency Investment Fund	\$ -	\$ -	\$ 55,507,924	\$ 55,507,924	
Money Market Funds	-	-	1,021,833	1,021,833	
United States Government Sponsored					
Enterprise Securities	-	88,541,988	-	88,541,988	
US Treasury bills	78,351,499	-	-	78,351,499	
Collateralized Mortgage obligation	-	21,004,034	-	21,004,034	
Asset Backed Securities	-	28,045,570	-	28,045,570	
Corporate Notes	-	71,228,033	-	71,228,033	
Negotiable Certificates of Deposit	-	500,184	-	500,184	
Municipal Bonds	-	3,571,378	-	3,571,378	
Supernational Obligations	-	20,327,652	-	20,327,652	
Held by Bond Trustee:					
Money Market Funds	-	-	22,465,009	22,465,009	
<b>Total</b>	<b>\$ 78,351,499</b>	<b>\$ 233,218,839</b>	<b>\$ 78,994,766</b>	<b>\$ 390,565,104</b>	

**E. 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 investments to a maximum maturity of five years. At June 30, 2021, the City had the following investment maturities:

Investment Type	Remaining Maturity (In Months)			Total
	12 Months or Less	13-24 Months	25-60 Months	
Local Agency Investment Fund	\$ 55,507,924	\$ -	\$ -	\$ 55,507,924
Money Market Funds	1,021,833	-	-	1,021,833
United States Government Sponsored				
Enterprise Securities	7,799,694	10,458,676	70,283,618	88,541,988
US Treasury bills	1,263,868	13,612,260	63,475,371	78,351,499
Collateralized Mortgage obligation	1,604,460	7,823,341	11,576,233	21,004,034
Asset Backed Securities	-	2,141,203	25,904,367	28,045,570
Corporate Notes	3,438,252	16,873,088	50,916,693	71,228,033
Negotiable Certificates of Deposit	500,184	-	-	500,184
Municipal Bonds	-	-	3,571,378	3,571,378
Supernational Obligations	4,042,544	3,667,802	12,617,306	20,327,652
Held by Bond Trustee:				
Money Market Funds	22,465,009	-	-	22,465,009
<b>Total</b>	<b>\$ 97,643,768</b>	<b>\$ 54,576,370</b>	<b>\$ 238,344,966</b>	<b>\$ 390,565,104</b>

**Credit Risk** – Generally, Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating, by Standard and Poor's and Moody's at June 30, 2021 for each investment type:



**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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

**E. Risk Disclosures (Continued)**

Credit Risk (Continued)

Investment Type	Fair Value at January 00, 1900	Minimum Legal Rating	AAA	Other	Not Required to be Rated
Local Agency Investment Fund	\$ 55,507,924	Not Rated	\$ -	\$ -	\$ 55,507,924
Money Market Funds	1,021,833	N/A	-	-	1,021,833
United States Government Sponsored					
Enterprise Securities	88,541,988	N/A	88,541,988	-	-
US Treasury bills	78,351,499	N/A	78,351,499	-	-
Collateralized Mortgage obligation	21,004,034	AA	13,444,951	-	7,559,083
Asset Backed Securities	28,045,570	AA	19,790,337	-	8,255,233
Corporate Notes	71,228,033	A	1,875,441	69,352,592	-
Negotiable Certificates of Deposit	500,184	A1/P1	-	500,184	-
Municipal Bonds	3,571,378	A	-	3,571,378	-
Supernational Obligations	20,327,652	AA	20,327,652	-	-
Held by Bond Trustee:					
Money Market Funds	22,465,009	N/A	-	-	22,465,009
<b>Total</b>	<b>\$ 390,565,104</b>		<b>\$ 222,331,868</b>	<b>\$ 73,424,154</b>	<b>\$ 94,809,082</b>

N/A - Not Required

The actual rating for the “Other” Category above as follows:

Investment Type	AA+	AA	AA-	A+	A	A-	Total
Corporate Notes	\$ 2,298,025	\$ 9,581,532	\$ 7,478,611	\$ 7,311,766	\$ 22,243,793	\$ 20,438,865	\$69,352,592

Concentration of Credit Risk

The City’s investment policy states that the City operates its investment pool with many state and self-imposed constraints. It does not buy stocks and it does not speculate. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in specific maturity, a specific issuer, or a specific class of securities.

The City will diversify its investment by security type, institution and maturity/call dates. The City’s investment policy states that no more than 50% of the City’s total investment portfolio shall be invested in a single security type or with a single financial institution. The only exception to these maturity limits shall be the investment in U.S. Treasury and authorized pools. Unless matched to a specific cash flow, the city shall not directly invest in securities maturing more than five years from the date of purchase.

At June 30, 2021, investment subject to portfolio restriction in any one issue that represent 5% or more of total City investments is as follows:

Issuers	Investment Type	Amount	Percentage
Federal Home Loan Bank	US Government Sponsored Enterprise Securities	\$ 24,656,109	7%
Federal Home Loan Mortgage Corporation	US Government Sponsored Enterprise Securities	26,349,708	7%
Federal National Mortgage Association	US Government Sponsored Enterprise Securities	37,536,171	10%

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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

**E. Risk Disclosures (Continued)**

Custodial Credit Risk

The Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of a third party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of the third party. At June 30, 2021, none of the City’s deposits or investments were exposed to custodial credit risk.

**Note 4 – Investment in Joint Venture**

In July 2012, the City entered into an agreement with the Western Riverside County Regional Wastewater Authority (the “WRCRWA”) and became a voting member of the WRCRWA. The WRCRWA was formed in 1992 pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies, for the purpose of constructing, maintaining, operating, and managing facilities for the collection, transmission, treatment and disposal of wastewater, the reclamation of wastewater, and the use of reclaimed wastewater for any beneficial purpose.

WRCRWA is composed of five-member agencies: City of Corona, Jurupa Community Services District, Western Municipal Water District, Home Gardens Sanitary District, and the City of Norco. The member agencies support the operating costs and capital costs through fixed and variable rates established by WRCRWA's Board of Directors. The governing body of WRCRWA is a Board of Directors, which consists of ten individuals, two appointed by each member.

WRCRWA owns and operates a 14 Million Gallons per Day (MGD) tertiary wastewater treatment plant. The plant capacity owned by its member agencies are shown as follows:

<u>Member Agencies</u>	<u>Current MGD</u>
City of Corona	2.62
Jurupa Community Services District	6.00
City of Norco	2.70
Western Municipal Water District	1.93
Home Gardena Sanitary District	0.75
<b>Total</b>	<b><u>14.00</u></b>

The City’s investment in WRCRWA for the fiscal year ended June 30, 2021 was \$10,262,128.

Unaudited financial information of the Authority for the fiscal year ended June 30, 2021, was summarized as follows:

<b>Western Riverside County Regional Wastewater Authority Net Position:</b>	
Total assets	\$ 115,990,625
Total liabilities	(67,189,530)
Deferred Inflow of resources	(350,000)
<b>Total net position (deficit)</b>	<b><u>\$ 48,451,095</u></b>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 4 – Investment in Joint Venture (Continued)**

<b>Western Riverside County Regional Wastewater Authority Changes in Net Position:</b>	
Operating revenues	\$ 8,550,002
Operating expenses	<u>(8,063,879)</u>
Operating revenue before depreciation	<u>486,123</u>
Depreciation	<u>(4,144,860)</u>
<b>Operating loss</b>	<u>(3,658,737)</u>
Nonoperating revenue	3,460,319
<b>Change in net position</b>	<u>(198,418)</u>
Beginning net position	<u>48,649,513</u>
Ending net position	<u><u>\$ 48,451,095</u></u>

Financial statements of the Authority can be obtained from the WRCRWA office at 450 Alessandro Boulevard, Riverside, California 92517, for audited financial information.

**Note 5 – Land Held for Resale**

Land held for resale consists of real property acquired by the City and held for resale to private developers. The amount recorded as land held for resale and the corresponding fund balance classified as restricted as of June 30, 2021 was \$1,998,648 in the Low Mod Income Housing Asset Capital Projects Fund and \$1,461,000 in the HUD Grants Capital Projects Fund

**Note 6 – Long-Term Receivables**

At June 30, 2021, the balances of the long-term receivables were as follows:

Governmental Funds	Long-Term Receivable	Loans Receivable	Total
General Fund	\$ 4,748,818	\$ -	\$ 4,748,818
Low Mod Income Housing Assets Capital Projects Fund	9,942,191	7,335,028	17,277,219
Other Grants Capital Projects Funds	-	2,300,000	2,300,000
Development Special Revenue Funds	1,189,660	330,043	1,519,703
Nonmajor Governmental Funds	<u>1,717,405</u>	<u>2,344,737</u>	<u>4,062,142</u>
Total	<u><u>\$ 17,598,074</u></u>	<u><u>\$ 12,309,808</u></u>	<u><u>\$ 29,907,882</u></u>

General Fund

- Various City/former Corona Redevelopment Agency loans totaled \$3,557,916 as of June 30, 2021. The loans were approved by the Oversight Board on May 30, 2013. Finding of Completion was issued by the California Department of Finance on April 8, 2013. Repayments of these City loans from the Successor Agency were scheduled to commence after Fiscal Year 2014-15 after the SERAF Loan was paid in full.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 6 – Long-Term Receivables (Continued)**

General Fund (Continued)

- Reimbursement receivables from developers for the Temescal Canyon Communications Tower totaling \$243,704.
- Reimbursement receivables from developers for South Corona area Community Facilities Plan totaling \$172,198.
- Notes receivables from developers for the sale of land totaling \$775,000.

Low Mod Income Housing Asset Capital Projects Fund

- Long-term receivables from developers totaling \$9,942,191.
- Loans receivables from developers and homeowners for home improvement loan and first-time home buyer programs totaling \$7,335,028.

Other Grants Capital Projects Funds reported \$2,300,000 loans receivable from developers for building affordable housing.

Development Special Revenue Funds

- Long-term receivables for deferred fees from developers totaling \$1,189,660.
- Loans receivable from the developers totaling \$330,043.

Nonmajor Governmental Funds

- The nonmajor governmental funds (HUD Grants Capital Projects Fund) reported long-term receivables from developers in the amount of \$1,717,405 for development of low-income housing.
- The nonmajor governmental funds (HUD Grants Capital Projects Fund) reported loans receivable in the amount of \$2,344,737 for residential rehabilitation, home improvement, and first-time home buyer programs.

**Note 7 – Interfund Transactions**

**A. Government-Wide Financial Statements**

Internal Balances - At June 30, 2021, the City had the following internal receivable and payable, which represents internal service charges between the governmental activities and business-type activities:

	<b>Internal Receivable</b>
<b>Internal Payable</b>	Governmental Activities
Business-Type Activities	\$ 176,458,949

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 7 – Interfund Transactions (Continued)**

**A. Government-Wide Financial Statements (Continued)**

Included in the internal balances are net advances to/from other funds in the amount of \$4,211,879, net of internal services fund activities related to business-type activities in the amount of \$381,274, and the following capital lease obligations:

In February 2002, in the year when CUA was formed (See Note 1A), the CUA entered into capital leases with the City to lease the City's Water and Water Reclamation facilities (the "Lease Agreements"). The terms of the leases are 55 years. The leases will terminate on February 6, 2056, at which time the CUA could renew the capital leases 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. The related debt has been recorded accordingly resulting in a lease payable for an amount equal to the net capital assets recorded on the City's financial statements.

Per the Lease Agreements, maximum lease payments are calculated with a discount rate of 6.0%. The original lease payments since Fiscal Year 2001-02 through Fiscal Year 2007-08 were established as 5.0% to 8.0% of the corresponding utility sales revenues of that year, equivalent to discounting the lease principal amounts by a range from 1.2% to 3.0%. Starting Fiscal Year 2008-09 and continued to the next fiscal year, the lease payment was calculated with a 3.5% to 4.0% growth factor over the previous fiscal year, equivalent to discounting the lease principal amounts by 3.2% for Water Utilities and 2.8% for Water Reclamation Utilities. In Fiscal Year 2011-12, the annual lease payment for Water Utility was calculated with a discount rate of 6.0% with a catch-up payment for the prior years in the amount of \$311,015, and the Water Reclamation Utility's lease payment was discounted at 5.7% of the lease principal amount. For fiscal years 2013-14 and 2014-15, the lease payment for Water and Water Reclamation utilities were calculated with a discount rate of 5.0% and 4.4%, respectively. For fiscal year ended June 30, 2021, the lease payments for Water and Water Reclamation utilities were calculated with a discount rate of 6%.

Per the Lease Agreements, all lease payments are considered interest payments toward the lease obligation. The CUA's obligations under the Lease Agreements will cease, discharged and excused upon the date the aggregate amount of payments made by the CUA to the City equals the amount of the principal amount of the lease obligation.

The following internal balances – lease payable and receivables were outstanding at June 30, 2021:

<b>Lease Payable</b>	<b>Lease Receivable</b>	
	Governmental Activities	
Water Utility Enterprise Fund	\$	106,819,662
Water Reclamation Utilities Enterprise Fund		65,808,682
Total	\$	172,628,344

During the year ended June 30, 2021, the following interfund transactions were paid by the CUA to the City:

<b>Lease</b>	<b>Interest</b>
Water Utility Enterprise Fund	\$ 2,720,530
Water Reclamation Utilities Enterprise Fund	1,828,883
Total	\$ 4,549,413

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 7 – Interfund Transactions (Continued)**

**A. Government-Wide Financial Statements (Continued)**

At June 30, 2021, the future minimum lease payments required under the leases for the Water Utility are presented below:

Year Ending June 30,	Principal	Interest
2022	\$ -	\$ 2,571,803
2023	-	2,430,513
2024	-	2,296,287
2025	-	2,168,773
2026	-	2,047,634
2027-2031	-	8,622,799
2032-2036	-	6,384,858
2037-2041	-	4,653,183
2042-2046	-	3,313,247
2047-2051	-	2,074,719
2052-2056	-	699,107
Total Future Lease Payments	-	37,262,923
Present Value of Total Lease Payment	\$ 106,819,662	

At June 30, 2021, the future minimum lease payments required under the capital leases for the Water reclamation utility lease receivable are presented below:

Year Ending June 30,	Principal	Interest
2022	\$ -	\$ 1,730,689
2023	-	1,637,405
2024	-	1,548,785
2025	-	1,464,595
2026	-	1,384,616
2027-2031	-	5,856,554
2032-2036	-	4,378,992
2037-2041	-	3,235,685
2042-2046	-	2,351,011
2047-2051	-	1,688,656
2052-2056	-	1,468,098
Total Future Lease Payments	-	26,745,086
Present Value of Total Lease Payment	\$ 65,808,682	

Transfers – For the year ended June 30, 2021, the City had the following net transfers:

Transfers Out	Transfers In
Governmental Activities	Business-Type Activities
\$	52,902

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 7 – Interfund Transactions (Continued)**

**B. Fund Financial Statements**

Due From/To Other Funds - At June 30, 2021, the City had the following due from/to other funds:

	<b>Due To Other Funds</b>				
	<b>Governmental Funds</b>				
	Other Grants Capital Projects Fund	Nonmajor Governmental Funds	Total		
<b>Due From Other Funds</b>					
<b>Governmental Fund:</b>					
General Fund	\$ 5,342,880	\$ 7,629,472	\$ 12,972,352		

The above amounts resulted from temporary reclassifications made at June 30, 2021 to cover cash shortfalls.

Advances To/From Other Funds – At June 30, 2021, the City had the following advances:

	<b>Advances from Other Funds</b>					
	<b>Governmental Funds</b>		<b>Proprietary Fund</b>			
	Development Special Revenue Fund	Nonmajor Governmental Funds	Electric Enterprise Fund	Total		
<b>Advances To Other Funds</b>						
<b>Governmental Fund:</b>						
General Fund	\$ 8,605,856	\$ -	\$ 6,069,490	\$ 14,675,346		
<b>Proprietary Fund:</b>						
Electric Enterprise Fund	-	1,857,611	-	1,857,611		
Total	\$ 8,605,856	\$ 1,857,611	\$ 6,069,490	\$ 16,532,957		

The General Fund made cash advances to the Development Special Revenue Fund (Park Development “Quimby”) over the years to help the fund to repay its outstanding 2001 Lease Revenue Bonds. These bonds were issued to refund the 1989 and 1993 Lease Revenue Bonds issued by the then Corona Public Improvement Corporation. Bond proceeds were used to acquire park land throughout the City. Repayment to the General Fund will continue to be made from development impact fees collected with future development. At June 30, 2021, the outstanding balance of the interfund loan was \$8,525,888. The General Fund also has another interfund loan with Development Special Revenue Fund (Temescal Canyon Fire Facility Fee Fund) in the amount of \$79,968.

A loan was made from the General Fund to the Electric Enterprise Fund to pay for certain capital improvement projects, and to call the outstanding 2005 Clearwater Cogeneration Projects Certificates of Participation. At June 30, 2021, the outstanding balance payable from the Electric Enterprise Fund to the General Fund was in the amount of \$6,069,490.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 7 – Interfund Transactions (Continued)**

**B. Fund Financial Statements (Continued)**

In September 2017, the Electric Enterprise Fund made a loan to the Special Tax Districts Special Revenue Funds to advance funding for the LED street and safety light retrofit project. Repayment is expected to be made over a 10-year period, the available revenue. At June 30, 2021, the outstanding balance was in the amount of \$1,857,611.

Transfers In/Out – During the year ended June 30, 2021, the City had the following transfers in/out:

<b>Transfers In</b>	<b>Transfers Out</b>		Total
	General Fund	Nonmajor Governmental Funds	
<b>Governmental Fund:</b>			
General Fund	\$ -	\$ 1,159,890	\$ 1,159,890
Nonmajor Governmental Funds	114,416	-	114,416
<b>Proprietary Fund:</b>			
Water Enterprise Fund	51,708	-	51,708
Water Reclamation Enterprise Fund	1,115	-	1,115
Electric Enterprise Fund	79	-	79
Total	<u>\$ 167,318</u>	<u>\$ 1,159,890</u>	<u>\$ 1,327,208</u>

Administratively, resources may be transferred from one City fund to another. The purpose of the majority of transfers was to provide funding for other funds with the City Council’s approvals. The Nonmajor Governmental Funds (Gas Tax Special Revenue Fund) transferred \$1,159,890 to the General Fund for the payment of street maintenance cost.



**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 8 – Capital Assets**

**A. Governmental Activities**

A summary of changes in the capital assets for the governmental activities for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Transfers	Additions	Deletions	Balance June 30, 2021
<b>Capital assets, not being depreciated:</b>					
Land	\$ 73,811,034	\$ -	\$ 6,646,355	\$ -	\$ 80,457,389
Streets	220,187,797	910,614	-	-	221,098,411
Construction in progress	138,983,192	(9,106,321)	38,301,844	-	168,178,715
<b>Total capital assets, not being depreciated</b>	<b>432,982,023</b>	<b>(8,195,707)</b>	<b>44,948,199</b>	<b>-</b>	<b>469,734,515</b>
<b>Capital assets, being depreciated:</b>					
Buildings and improvements	236,060,733	219,561	-	-	236,280,294
Machinery and equipment	41,999,356	5,893,872	636,946	(2,661,796)	45,868,378
Computer software	959,782.00	-	-	-	959,782
Infrastructure	336,771,782	2,082,274	-	-	338,854,056
<b>Total capital assets, being depreciated</b>	<b>615,791,653</b>	<b>8,195,707</b>	<b>636,946</b>	<b>(2,661,796)</b>	<b>621,962,510</b>
<b>Less accumulated depreciation for:</b>					
Buildings and improvements	(124,341,226)	-	(4,965,298)	-	(129,306,524)
Machinery and equipment	(29,616,987)	-	(2,365,338)	2,634,173	(29,348,152)
Computer software	(808,040)	-	(136,825)	-	(944,865)
Infrastructure	(141,548,098)	-	(5,694,502)	-	(147,242,600)
<b>Total accumulated depreciation</b>	<b>(296,314,351)</b>	<b>-</b>	<b>(13,161,963)</b>	<b>2,634,173</b>	<b>(306,842,141)</b>
<b>Total capital assets, being depreciated, net</b>	<b>319,477,302</b>	<b>8,195,707</b>	<b>(12,525,017)</b>	<b>(27,623)</b>	<b>315,120,369</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 752,459,325</b>	<b>\$ -</b>	<b>\$ 32,423,182</b>	<b>\$ (27,623)</b>	<b>\$ 784,854,884</b>

Depreciation expense was charged to functions of the governmental activities for the year ended June 30, 2021 as follows:

General government	\$ 2,988,885
Public safety - fire	357,073
Public safety - police	531,877
Public works	709,065
Maintenance service	7,513,344
Library and recreation	25,422
Internal service	1,036,297
<b>Total depreciation expense - governmental activities</b>	<b>\$ 13,161,963</b>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 8 – Capital Assets (Continued)**

**B. Business-Type Activities**

A summary of changes in the capital assets for the business-type activities for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Transfers	Additions	Deletions	Balance June 30, 2021
<b>Capital assets, not being depreciated:</b>					
Land	\$ 5,716,877	\$ -	\$ -	\$ -	\$ 5,716,877
Water and pumping rights	19,644,651	-	-	-	19,644,651
Construction in progress	14,737,377	(5,205,117)	17,938,659	(24,555)	27,446,364
<b>Total capital assets, not being depreciated</b>	<b>40,098,905</b>	<b>(5,205,117)</b>	<b>17,938,659</b>	<b>(24,555)</b>	<b>52,807,892</b>
<b>Capital assets, being depreciated:</b>					
Buildings and improvements	105,619,370	-	446,078	-	106,065,448
Machinery and equipment	117,320,903	1,147,147	2,235,334	(953,254)	119,750,130
Computer software	1,770,193	-	-	-	1,770,193
Infrastructure	387,166,818	4,057,970	1,696,762	(182,644)	392,738,906
<b>Total capital assets, being depreciated</b>	<b>611,877,284</b>	<b>5,205,117</b>	<b>4,378,174</b>	<b>(1,135,898)</b>	<b>620,324,677</b>
<b>Less accumulated depreciation for:</b>					
Buildings and improvements	(49,599,695)	-	(2,310,304)	-	(51,909,999)
Machinery and equipment	(73,668,851)	-	(5,291,053)	843,949	(78,115,955)
Computer software	(1,023,220)	-	(323,888)	-	(1,347,108)
Infrastructure	(113,342,470)	-	(7,041,787)	63,222	(120,321,035)
<b>Total accumulated depreciation</b>	<b>(237,634,236)</b>	<b>-</b>	<b>(14,967,032)</b>	<b>907,171</b>	<b>(251,694,097)</b>
<b>Total capital assets, being depreciated, net</b>	<b>374,243,048</b>	<b>5,205,117</b>	<b>(10,588,858)</b>	<b>(228,727)</b>	<b>368,630,580</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 414,341,953</b>	<b>\$ -</b>	<b>\$ 7,349,801</b>	<b>\$ (253,282)</b>	<b>\$ 421,438,472</b>

Depreciation expense was charged to functions of the business-type activities for the year ended June 30, 2021 as follows:

Business-type activities:	
Water	\$ 8,631,872
Water Reclamation	5,214,530
Electric	444,060
Transit Service	662,274
Airport	14,296
<b>Total depreciation expense - business-type activities</b>	<b>\$ 14,967,032</b>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 8 – Capital Assets (Continued)**

**B. Business-Type Activities (Continued)**

Below is a summary of infrastructure assets of the City as of June 30, 2021:

Description	Historical Cost	Accumulated Depreciation	Net Cost
<b>Governmental activities:</b>			
<b>Modified approach</b>			
Street pavement system	221,098,411	-	221,098,411
<b>Basic approach</b>			
Curbing	80,597,002	(41,291,788)	39,305,214
Sidewalks	87,795,063	(44,677,831)	43,117,232
Signs and lights	46,909,143	(17,007,465)	29,901,678
Storm drains	116,430,496	(41,570,973)	74,859,523
Fiberoptics	5,899,801	(2,644,985)	3,254,816
Electric	1,206,136	(48,245)	1,157,891
Water reclamation	16,415	(1,313)	15,102
Subtotal basic approach	<u>338,854,056</u>	<u>(147,242,600)</u>	<u>191,611,456</u>
<b>Total governmental activities</b>	<u><u>559,952,467</u></u>	<u><u>(147,242,600)</u></u>	<u><u>412,709,867</u></u>
<b>Business-type activities:</b>			
<b>Basic approach</b>			
Fiberoptics	235,951	(187,632)	48,319
Curbing	200	(28)	172
Sidewalks	283,178	(8,835)	274,343
Electric	7,030,599	(1,728,289)	5,302,310
Signs and lights	361,508	(63,833)	297,675
Storm drains	191,468	(9,576)	181,892
Water	264,717,789	(85,414,170)	179,303,619
Water reclamation	119,918,213	(32,908,672)	87,009,541
<b>Total business-type activities</b>	<u><u>392,738,906</u></u>	<u><u>(120,321,035)</u></u>	<u><u>272,417,871</u></u>

**Construction in Progress and Capital Project Commitments**

The City has active construction projects as of June 30, 2021. These projects include street construction in areas of newly developed housing, pavement rehabilitation, and various water and water reclamation upgrades and replacements. At year end, the City's construction in progress totaled \$195,625,079.

The following material construction commitments existed at June 30, 2021:

Project Name	Contract Amount	Expenditures to date as of June 30, 2021	Remaining Commitments
<b>Governmental activities:</b>			
McKinley Street Grade Separation	\$ 27,379,192	\$ 15,124,789	\$ 12,254,403
Foothill PKWY Westerly Ext.	4,264,055	4,135,879	128,176
<b>Business-type activities:</b>			
WRF1 Biosolids Process Upgrade	1,867,967	1,728,229	139,738
WRF3 Decommission pumping	6,534,742	1,147,525	5,387,217
Keith Water Storage tank	5,472,364	4,663,108	809,256
Mangular Blending Facility	4,845,305	535,658	4,309,647
<b>Total material construction commitments</b>	<u><u>50,363,625</u></u>	<u><u>27,335,188</u></u>	<u><u>23,028,437</u></u>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 9 – Compensated Absences**

Under certain circumstances and accordingly to the negotiated labor agreements, City employees are allowed to accumulate annual leave. The annual leave amount is accrued and accounted for as compensated absences in the government-wide and proprietary fund statements.

The following is a summary of compensated absences payable transactions for the year ended June 30 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in More Than One Year
<b>Governmental activities:</b>						
Compensated absences	\$ 8,515,467	\$ 4,982,554	\$ (4,413,235)	\$ 9,084,786	\$ 4,935,455	\$ 4,149,331
<b>Business-type activities</b>						
Compensated absences	\$ 992,559	\$ 862,074	\$ (618,146)	\$ 1,236,487	\$ 630,201	\$ 606,286

The General Fund and Internal Service Funds are used to liquidate the compensated absences for governmental activities. The Enterprise Funds are used to liquidate the compensated absences for business-type activities.

**Note 10 – Long-Term Liabilities**

**A. Governmental Activities**

A summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in More Than One Year
<b>Governmental Activities:</b>						
<u>Public Offering:</u>						
2016 Lease Revenue Refunding Bonds	\$ 20,860,000	\$ -	\$ (1,300,000)	\$ 19,560,000	\$ 1,355,000	\$ 18,205,000
Unamortized bond premium	2,379,652	-	(148,728)	2,230,924	-	2,230,924
Total Public Offering	23,239,652	-	(1,448,728)	21,790,924	1,355,000	20,435,924
<u>Direct Borrowing:</u>						
2012 Refunding Lease	13,224,755	-	(1,706,263)	11,518,492	1,763,903	9,754,589
Computer network equipment lease	415,792	-	(204,854)	210,938	210,938	-
Vehicle leases	489,086	201,028	(153,177)	536,937	191,286	345,651
Total Direct Borrowing	14,129,633	201,028	(2,064,294)	12,266,367	2,166,127	10,100,240
Compensated absences	8,515,467	4,982,554	(4,413,235)	9,084,786	4,935,455	4,149,331
Claims and judgments	21,199,161	2,858,101	(2,734,521)	21,322,741	3,162,387	18,160,354
<b>Total governmental activities</b>	<b>\$ 67,083,913</b>	<b>\$ 8,041,683</b>	<b>\$(10,660,778)</b>	<b>\$ 64,464,818</b>	<b>\$ 11,618,969</b>	<b>\$ 52,845,849</b>

2016 Lease Revenue Refunding Bonds

On July 7, 2016, the CPFA issued the 2016 Lease Revenue Refunding Bonds in the amount of \$24,520,000 to refund the CPFA 2006 Lease Revenue Bonds Series C, which were issued to pay the costs of the Corporate Yard Expansion project. The bonds issued at a premium of \$2,974,564 and bear interest rates from 2.000% to 5.000% per annum. Interest is paid semiannually on May 1 and November 1 of each year, commencing May 1, 2017. Annual installments ranging from \$880,000 to \$1,590,000 are due through November 1, 2036. The bonds are payable from the revenues to be received by the CPFA from the City as lease payments for the right to use certain real property.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

2016 Lease Revenue Refunding Bonds (Continued)

The future annual debt service requirements for the 2016 Lease Revenue Refunding Bonds are listed below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,355,000	\$ 753,150	\$ 2,108,150
2023	1,415,000	697,750	2,112,750
2024	1,475,000	639,950	2,114,950
2025	1,530,000	579,850	2,109,850
2026	1,590,000	517,450	2,107,450
2027-2031	4,865,000	1,843,875	6,708,875
2032-2036	6,015,000	670,725	6,685,725
2037	1,315,000	19,725	1,334,725
Total	<u>\$ 19,560,000</u>	<u>\$ 5,722,475</u>	<u>\$ 25,282,475</u>

2012 Refunding Lease

On June 1, 2012, the City entered into the 2012 Refunding Lease financing agreement with Compass Mortgage Corporation, a private lender, in the amount of \$25,265,511 to refund the CPFA Lease Revenue 2002 Series B bonds originally issued in the amount of \$35,000,000 to pay the costs of the design, construction and acquisition of the City Hall facility. The 2002 Series B bonds were refunded in its entirety in September 2012. The 2012 Refunding Lease is payable over a fifteen-year period.

As of June 30, 2021, the net present value of future minimum lease payments required under the capital lease was \$11,518,492. The future minimum lease payments are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	1,763,903	371,219	2,135,122
2023	1,823,488	311,634	2,135,122
2024	1,885,087	250,035	2,135,122
2025	1,948,766	186,356	2,135,122
2026	2,014,597	120,526	2,135,123
2027	2,082,651	52,471	2,135,122
Total	<u>\$ 11,518,492</u>	<u>\$ 1,292,241</u>	<u>\$ 12,810,733</u>

Computer Network Equipment Lease

On October 20, 2017, the City entered into a lease agreement with Key Government Finance, a private lender, in the amount of \$1,403,261 to finance the purchase of Cisco Networking equipment. The lease is payable over a five-year period.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 10 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

As of June 30, 2021, the net present value of future minimum lease payments required under the capital lease was \$201,028. The future minimum lease payments are presented below:

Year Ending June 30,	
2022	\$ 217,202
Total minimum lease payments	217,202
Less: amount representing interest	(6,264)
Present value of future minimum lease payment	\$ 210,938

Vehicle Leases

On February 17, 2016, the City entered into a lease agreement with Enterprise FM Trust, a private lender, in the amount of \$255,551 to finance City vehicles. The lease is payable over a five-year period.

During the year ended June 30, 2021, the City entered into additional lease agreement in the amount totaling to \$201,028. The lease is payable over five-year period.

As of June 30, 2021, the net present value of future minimum lease payments required under the capital lease was \$536,937. The future minimum lease payments are presented below:

Year Ending June 30,	
2022	\$ 201,629
2023	195,994
2024	92,370
2025	62,611
2026	15,368
Total minimum lease payments	567,972
Less: amount representing interest	(31,035)
Present value of future minimum lease payment	\$ 536,937

Compensated Absences

The balance at June 30, 2021, was \$9,084,786. See Note 9 for more detailed information.

Claims and Judgments

The balance at June 30, 2021, was \$21,322,741. See Note 11 for more details.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities**

The following is a summary of changes in long-term liabilities for business-type activities for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in More Than One Year
<b>Business-Type activities</b>						
<u>Public Offering:</u>						
2012 Water Revenue Bonds	\$ 26,390,000	\$ -	\$ (1,530,000)	\$ 24,860,000	\$ 1,595,000	\$ 23,265,000
2013 Wastewater Revenue Bonds	9,470,000	-	(615,000)	8,855,000	640,000	8,215,000
Total Revenue Bonds	<u>35,860,000</u>	<u>-</u>	<u>(2,145,000)</u>	<u>33,715,000</u>	<u>2,235,000</u>	<u>31,480,000</u>
Bond Premium - Water	1,151,475	-	(88,575)	1,062,900	-	1,062,900
Bond Premium - Wastewater	227,165	-	(18,931)	208,234	-	208,234
Total Premium	<u>1,378,640</u>	<u>-</u>	<u>(107,506)</u>	<u>1,271,134</u>	<u>-</u>	<u>1,271,134</u>
Total Public Offering	<u>37,238,640</u>	<u>-</u>	<u>(2,252,506)</u>	<u>34,986,134</u>	<u>2,235,000</u>	<u>32,751,134</u>
<u>Direct Borrowing:</u>						
Brine Line Installment Agreement	7,091,080	-	(387,268)	6,703,812	398,886	6,304,926
WMWD Contract Payable	690,390	-	-	690,390	-	690,390
State Loan C-06-4802-110	10,713,277	-	(1,677,163)	9,036,114	1,719,092	7,317,022
State Loan C-06-7834-110	10,417,713	-	(290,669)	10,127,044	296,773	9,830,271
Capital Lease	17,255	-	(6,237)	11,018	7,100	3,918
Total Direct Borrowing	<u>28,929,715</u>	<u>-</u>	<u>(2,361,337)</u>	<u>26,568,378</u>	<u>2,421,851</u>	<u>24,146,527</u>
Compensated absences	992,559	862,074	(618,146)	1,236,487	630,201	606,286
<b>Total business-Type activities</b>	<u><u>\$ 67,160,914</u></u>	<u><u>\$ 862,074</u></u>	<u><u>\$ (5,231,989)</u></u>	<u><u>\$ 62,790,999</u></u>	<u><u>\$ 5,287,052</u></u>	<u><u>\$ 57,503,947</u></u>

2012 Corona Utility Authority Water Revenue Bonds

On August 1, 2012, the Corona Utility Authority issued the 2012 Water Revenue bonds in the amount of \$35,880,000 (plus a net original issue premium of \$5.8 million) with interest rates ranging from 1.0% to 5.0% to refund several outstanding City debts and to fund certain capital improvement projects for the Water Utility. The CUA 2012 Water Revenue bonds possessed an underlying credit rating of "AA" from Standard & Poor's.

The refunded debts were the CPFA 1998 Water Revenue bonds and the recycled water portion of the 2003 Certificates of Participation (Clearwater Cogen/Recycled Water Project). Of the total proceeds, \$12.3 million was to fund for the construction of certain reservoir and blending facilities.

The outstanding bonds bear interest rates from 2.0% to 5.0% and are due in annual installments ranging from \$1,165,000 to \$2,395,000 through 2030 with term bonds in the amount of \$5,155,000 due on September 1, 2032. The bonds are considered a liability of the Water Utility fund.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

The future annual debt service requirements for the 2012 CUA Water Revenue bonds are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,595,000	\$ 1,144,000	\$ 2,739,000
2023	1,655,000	1,070,725	2,725,725
2024	1,740,000	985,850	2,725,850
2025	1,830,000	896,600	2,726,600
2026	1,915,000	812,550	2,727,550
2027-2031	10,970,000	2,620,250	13,590,250
2032-2033	5,155,000	260,875	5,415,875
Total	<u>\$ 24,860,000</u>	<u>\$ 7,790,850</u>	<u>\$ 32,650,850</u>

2013 Corona Utility Authority Wastewater Revenue Bonds

On June 26, 2013, the Corona Utility Authority issued the 2013 Wastewater Revenue bonds in the amount of 20,890,000 (plus a net original issue premium of \$2.1 million) with interest rates ranging from 2.0% to 5.0%, to refund several outstanding City debts, and to fund certain capital improvement projects for the Water Reclamation Utility. The CUA 2013 Wastewater Revenue bonds possessed an underlying credit rating of "AA" from Standard & Poor's.

The refunded debts included the Biosolids Project portion of the 2003 Certificates of Participation (Clearwater Cogen/Recycled Water Project), the outstanding CPIC 1997 Certificates of Participation (Sunkist Plant), and the State Water Resources Control Board loan contract # 6-807- 5850-0 (WWTP#1). Of the total proceeds, \$3.9 million was to fund the improvement of certain influent screening, aeration and centrifuge facilities at Water Reclamation Facility No. 1.

The outstanding bonds bear interest rates from 2.0% to 5.0% and are due in annual installments ranging from \$590,000 to \$2,400,000 through 2028 with term bonds in the amount of \$2,860,000 due on September 1, 2031. The bonds are considered a liability of the Water Reclamation Utility fund. The future annual debt service requirements for the 2013 CUA Wastewater Revenue bonds are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 640,000	\$ 379,900	\$ 1,019,900
2023	665,000	353,800	1,018,800
2024	690,000	323,250	1,013,250
2025	725,000	287,875	1,012,875
2026	760,000	250,750	1,010,750
2027-2031	4,385,000	677,575	5,062,575
2032	990,000	19,800	1,009,800
Total	<u>\$ 8,855,000</u>	<u>\$ 2,292,950</u>	<u>\$ 11,147,950</u>



**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

Brine Line System Discharge Right Agreement

On November 5, 2014, the City Council and the Corona Utility Authority Board authorized an agreement for the assignment of California Rehabilitation Center's wastewater discharge rights by and among the City of Corona, the Western Municipal Water District of Riverside County, the California Department of Corrections and Rehabilitation, and the City of Norco. The City of Corona purchased 750,000 gallons per day wastewater disposal right from the City of Norco through the Santa Ana Regional Interceptor (SARI) or Inland Empire Brine Line for a total amount of \$9,864,651. Initial principal payment of \$1,000,000 was made in June 2015, and the remaining balance was to be amortized at an interest rate of 3.00% over 20 years through 2035. Annual payment is \$600,000. As of June 30, 2021, outstanding balance on the debt was \$6,703,812. The future annual debt service requirements per the agreement are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 398,886	\$ 201,114	\$ 600,000
2023	410,852	189,148	600,000
2024	423,178	176,822	600,000
2025	435,873	164,127	600,000
2026	448,949	151,051	600,000
2027-2031	2,455,039	544,961	3,000,000
2032-2035	2,131,035	157,287	2,288,322
Total	<u>\$ 6,703,812</u>	<u>\$ 1,584,510</u>	<u>\$ 8,288,322</u>

Western Municipal Water District 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, 2021 was \$690,390, with 50% of the obligation attributable to the Water Utility and 50% attributable to Water Reclamation Utility. There is no debt service payment schedule for the contract payable.

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 future customers within the City. The loan is payable over a period of 20 years at an interest rate of 2.50% in equal annual installments of \$1,944,995 through 2026. The amount outstanding at June 30, 2021 was \$9,036,114. Annual future debt service requirements for the loan are presented below:

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

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

Year Ending June 30,	Principal	Interest	Total
2022	\$ 1,719,092	\$ 225,903	\$ 1,944,995
2023	1,762,070	182,926	1,944,996
2024	1,806,121	138,874	1,944,995
2025	1,851,275	93,721	1,944,996
2026	1,897,556	47,439	1,944,995
Total	<u>\$ 9,036,114</u>	<u>\$ 688,863</u>	<u>\$ 9,724,977</u>

State Revolving Fund Loan Contract No. C-06-7834-110

On February 1, 2014, the City and the State Water Resources Control Board of the State of California entered into a State Revolving Fund Loan Contract No. C-06-7834-110 for a maximum amount of \$11,259,585, for the construction of the tertiary filtration project at the Water Reclamation Facility No. 2. The construction of the tertiary filtration process will allow for the production of 3.67 million gallons per day of peak capacity of Title 22 reclaimed water. The loan is payable over a period of 30 years at an interest rate of 2.10% in equal annual installments of \$509,441 through 2046. The amount outstanding at June 30, 2021 was \$10,127,044. Annual future debt service requirements for the loan are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 296,773	\$ 212,668	\$ 509,441
2023	303,006	206,436	509,442
2024	309,369	200,073	509,442
2025	315,865	193,576	509,441
2026	322,498	186,943	509,441
2027-2031	1,716,969	830,237	2,547,206
2032-2036	1,904,983	642,222	2,547,205
2037-2041	2,113,586	433,620	2,547,206
2042-2046	2,345,031	202,175	2,547,206
2047	498,964	10,478	509,442
Total	<u>\$ 10,127,044</u>	<u>\$ 3,118,428</u>	<u>\$ 13,245,472</u>

Water Fund Vehicle Capital Lease

In Fiscal Year 2018-19, the City entered into a lease agreement with Enterprise FM Trust, a private lender, in the amount of \$34,653 to finance City vehicles. The lease is payable over a five-year period. As of June 30, 2021, the net present value of future minimum lease payments required under the capital lease was \$11,018.

The future minimum lease payments are presented below:

Year Ending June 30,	
2022	\$ 7,419
2023	4,095
Total minimum lease payments	11,514
Less: amount representing interest	(496)
Present value of future minimum lease payment	<u>\$ 11,018</u>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**B. Business-Type Activities (Continued)**

Pledged Revenues

The City has pledged, as security for its water revenue bonds and term loans, a portion of the utility customer revenues, net of specified operating expenses, to repay \$52,878,158 in outstanding debts as of June 30, 2021. These debts were to provide financing for various capital projects of the City, including the construction of certain water system and wastewater treatment facilities. The bonds and loans are payable solely from the City's utility customer net revenues. Annual principal and interest payments on these bonds are expected to require less than 20% of net revenues subject to the pledge. The total remaining debt service including interest to be paid on these obligations are \$66,769,249. Principal and interest paid for the current year was \$6,144,731, and total customer net revenue subject to pledge was \$30,756,045.

Compensated Absences

The balance at June 30, 2021, was \$1,236,487. See Note 9 for more detailed information.

**C. Fiduciary Funds**

The following long-term obligations were approved by California State Department of Finance (“DOF”) as enforceable obligations and were considered as accounting liabilities in accordance with GAAP.

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in More Than One Year
<b>Fiduciary Activities:</b>						
<u>Public Offering</u>						
2007 Temescal Canyon Project Area Tax Allocation	\$ 13,665,000	\$ -	\$ (875,000)	\$ 12,790,000	\$ 880,000	\$ 11,910,000
2007 Project Area "A" Taxable Tax Allocation Bonds	22,670,000	-	(645,000)	22,025,000	685,000	21,340,000
2015 Tax allocation refunding bonds, Series "A"	10,240,000	-	(2,665,000)	7,575,000	2,800,000	4,775,000
Unamortized Bond Premium	964,591	-	(241,148)	723,443	-	723,443
<b>Total fiduciary activities</b>	<b>\$ 47,539,591</b>	<b>\$ -</b>	<b>\$ (4,426,148)</b>	<b>\$ 43,113,443</b>	<b>\$ 4,365,000</b>	<b>\$ 38,748,443</b>

The Successor Agency's outstanding bonds from public offerings of \$42,390,000, contain a provision that if any event of default should occur, the trustee shall at the written direction of the Bond Owners of a majority in aggregate principal amount outstanding, and upon receipt of the prior written consent of the Bond Insurer, declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**C. Fiduciary Funds (Continued)**

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 bore interest from 4.00% to 4.50% and were due in annual installments ranging from \$495,000 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 bore interest at 4.50% and is due November 1, 2032.

The annual debt service requirements for the 2007 Temescal Canyon Tax Allocation Bonds are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 880,000	\$ 550,409	\$ 1,430,409
2023	890,000	511,506	1,401,506
2024	900,000	472,156	1,372,156
2025	940,000	431,703	1,371,703
2026	975,000	389,603	1,364,603
2027-2031	5,595,000	1,238,209	6,833,209
2032-2033	2,610,000	118,800	2,728,800
Total	<u>\$ 12,790,000</u>	<u>\$ 3,712,386</u>	<u>\$ 16,502,386</u>

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 bore interest from 4.69% to 6.25% and were due in annual installments ranging from \$315,000 to \$1,140,000, with term bonds of \$23,850,000 due September 1, 2027. The annual debt service requirements for the 2007 Project Area "A" Tax Allocation Bonds are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 685,000	\$ 1,356,024	\$ 2,041,024
2023	730,000	1,311,777	2,041,777
2024	785,000	1,264,402	2,049,402
2025	3,760,000	1,122,280	4,882,280
2026	4,145,000	875,091	5,020,091
2027-2028	11,920,000	777,372	12,697,372
Total	<u>\$ 22,025,000</u>	<u>\$ 6,706,946</u>	<u>\$ 28,731,946</u>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

**C. Fiduciary Funds (Continued)**

2015 Tax Allocation Refunding Bonds Series A

The \$16,895,000 of the Subordinate Tax Allocation Refunding Bonds Series A were issued to refund a portion of the 1996 Set-Aside Tax Allocation Bonds and 2004 Project Area "A" Tax Allocation Bonds. The bonds bore interest from 3.00% to 5.00% and were due in annual installments ranging from \$1,635,000 to \$2,800,000, with term bonds of \$2,445,000 due September 1, 2023.

The annual debt service requirements for the 2015 Tax Allocation Refunding Bonds Series A are presented below:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 2,800,000	\$ 308,750	\$ 3,108,750
2023	2,330,000	180,500	2,510,500
2024	2,445,000	61,125	2,506,125
Total	\$ 7,575,000	\$ 550,375	\$ 8,125,375

Pledged Revenue

Due to the dissolution of the former Corona Redevelopment Agency, the tax increment funds that were pledged to the bondholders were no longer received in full by the Agency. AB X1 26 restructured the former redevelopment agencies' revenue from tax increment to Redevelopment Property Tax Trust Fund ("RPTTF"). RPTTF funds are distributed semi-annually to the Successor Agency to pay enforceable obligations approved by the DOF on the Recognized Obligations Payment Schedule ("ROPS"). The total principal and interest remaining on the Successor Agency debt obligations were \$53,359,707 with annual debt service requirements as listed above. For the current year, the total RPTTF funds available to the Successor Agency for the payment of these indebtedness was \$11,056,025 and the debt service payments on the bonds was \$6,552,960.

**D. Non-City Obligation**

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, 2021, the special assessment district bonds' balances outstanding were:

	Balance at June 30, 2021
<b>Assessment Districts:</b>	
AD 96-1, Series 1997 A	\$ 65,000
AD 96-1, Series 1997 B	175,000
AD 96-1, Series 1999 A	615,000
<b>Total Assessment Districts</b>	<b>\$ 855,000</b>

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 10 – Long-Term Liabilities (Continued)**

***D. Non-City Obligation (Continued)***

*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.

The following Community Facilities Districts Bonds are currently active:

	<u>Balance at June 30, 2021</u>
<b>Community Facilities Districts</b>	
\$ 9,525,000    CFD 97-2, Refunding 2014 Series A Bonds	\$ 3,475,000
\$ 13,455,000    CFD 2002-1 Dos Lagos 2017 Special Tax Refunding	11,480,000
\$ 7,125,000    CFD 2002-1 Dos Lagos 2017 IA Special Tax Refunding	6,205,000
\$ 7,010,000    CFD 2002-4 2017 Special Tax Refunding Bond	5,890,000
\$ 5,475,000    CFD 2016-2 2018 Special Tax Bonds	5,255,000
\$ 9,000,000    CFD 2018-1 Bedford IA1, 2018 Special Tax Bonds	8,950,000
\$ 3,650,000    CFD 2017-2 Valencia/Seville 2018 Special Tax Bonds	3,580,000
\$ 4,175,000    CFD 2000-1, 2020 Special Tax Refunding Bond	3,715,000
\$ 2,150,000    CFD 2001-2, 2020 Special Tax Refunding Bond	1,925,000
\$ 5,200,000    CFD 2003-2, 2020 Special Tax Refunding Bond	4,745,000
\$ 2,505,000    CFD 2004-1, 2020 Special Tax Refunding Bond	2,320,000
\$ 10,240,000    CFD 2018-1 Bedford IA1, 2020 Special Tax Bonds	10,240,000
<b>Total Community Facilities Districts</b>	<u><u>\$ 67,780,000</u></u>

***E. 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 Agency. The Bonds are not secured by or payable from revenues or assets of the City or Agency. Neither the faith and credit nor the taxing power of the City, the 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, 2021, the aggregate principal amount of Conduit Debt Obligations outstanding totaled \$127,394.

***F. Bond Requirement***

The City adopted an Administrative Policy No. 300.22, City Bond Compliance, on July 23, 2012. The purpose of the policy is to ensure all requirements of the federal and state law necessary to preserve the tax advantages of the City bonds are continuously complied with for the requisite periods. The policy covers the investment and expenditure of bond proceeds, the use of bond-financed facilities and other administrative requirements including continuing disclosure, arbitrage calculation and records retention.

At June 30, 2021, management believes the City and its component units are in compliance with all covenants of the various debt indentures.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 11 – Risk Management**

**A. Workers' Compensation Insurance**

The City's self-insured retention is \$1,000,000 with an excess policy insuring claims over \$4,000,000 up to a limit of \$45,000,000. Departments are charged a percentage of the total estimated insurance, claims expense and premiums based on payroll costs. The actuarial estimated liability for pending and incurred, but not reported claims at June 30, 2021 has been included in the Claims Payable amount for the same reporting period. As of June 30, 2021, the City's workers' compensation self-insurance program was funded at a confidence level of 80%.

The following table presents claims and judgments payable for the City's workers' compensation self-insurance program for the year ended June 30, 2021, and its two preceding years:

Year Ended	Balance at July 1	Current Year Claims and Changes in Estimates	Current Year Claim Payments	Balance at June 30
June 30, 2019	\$ 20,456,838	\$ 618,559	\$ (1,329,681)	\$ 19,745,716
June 30, 2020	19,745,716	1,267,601	(1,332,648)	19,680,669
June 30, 2021	19,680,669	2,964,991	(2,612,001)	20,033,659

**B. General Liability Insurance**

The City's self-insured retention is \$500,000 with an excess policy insuring claims over \$500,000 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, 2021 has been included in the Claims Payable amount for the same reporting period. These liabilities are recognized on government-wide statements. As of June 30, 2021, the City's General Liability self-insurance program was funded above the confidence level of 90%.

The following table presents claims and judgments payable for the general liability self-insurance program, including property losses, for the year ended June 30, 2021, and its two preceding years:

Year Ended	Balance at July 1	Current Year Claims and Changes in Estimates	Current Year Claim Payments	Balance at June 30
June 30, 2019	\$ 2,452,638	\$ 223,267	\$ (223,267)	\$ 2,452,638
June 30, 2020	2,452,638	(748,391)	(185,755)	1,518,492
June 30, 2021	1,518,492	(106,890)	(122,520)	1,289,082

**C. Property Losses (Excluding Earthquake or Flood)**

The City's property losses are covered by insurance policies for covered value of \$100,000,000 with deductibles ranging from \$2,500 to \$50,000. The estimated liability for pending and incurred but not reported claims at June 30, 2021 has been incorporated in the financial statements as claims and judgement payable in the Liability Risk Internal Service Fund and are based on history only.

**D. Adequacy of Coverage**

There have been no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in each of the past three fiscal years

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 12 – Pension Plan**

**A. General Information about the Pension Plan**

Plan Description

The City contribution to the California Public Employees Retirement System (“CalPERS”), an agent multiple-employer defined benefit pension plan for miscellaneous employees and safety police employees and a cost-sharing multiple-employer defined benefit plan for safety fire employees. 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 statute and City ordinance. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2019 Annual Actuarial Valuation Report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions under both plans are established by State Statute and City Resolution as follows:

	Miscellaneous Agent Plan		Safety - Police Agent Plan		Safety - Fire Cost-Sharing Plan	
	Classic	PEPRA	Classic	PEPRA	Classic	PEPRA
	Prior to	On or after	Prior to	After	Prior to	After
Hire date	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013	January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 62	3.0% @ 50	2.7% @ 57	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50 yrs	52 yrs	50 yrs	50 yrs	50 yrs	50 yrs
Monthly benefits, as a % of eligible compensation	2.0%-2.7%, 50 yrs -55 yrs, respectively	1.0%-2.5%, 52 yrs - 62 yrs, respectively	3.0%, 50 yrs	2.0% - 2.7%, 50 yrs -57 yrs, respectively	3.0%, 50 yrs	2.0% - 2.7%, 50 yrs -57 yrs, respectively
Required Contribution Rates:						
Employee (Measurement Period)	8.00%	5.75%	9.00%	12.50%	9.00%	12.75%
Employee (FY20-21)	8.00%	5.75%	9.00%	12.50%	9.00%	13.75%
Employer (Measurement Period)	10.705%	10.705%	22.346%	22.346%	23.654%	13.786%
Employer (FY20-21)	11.703%	11.703%	23.749%	23.749%	25.540%	13.884%

Participants are eligible for non-industrial disability retirement if they become disabled and have at least 5 years credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8 percent of final compensation, multiplied by service years.

Industrial disability benefits are not offered to miscellaneous employees. The City provides industrial disability retirement benefits to safety employees only. The industrial disability retirement benefit is a monthly allowance equal to 50 percent of final compensation.



**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 12 – Pension Plan (Continued)**

**A. General Information about the Pension Plan (Continued)**

Benefit Provided (Continued)

An employee's beneficiary may receive the basic death benefit if the employee becomes deceased while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six month's salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death. Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2 percent.

Employees Covered by Benefit Terms

At June 30, 2019, the valuation date, the following employees were covered by the benefit terms:

	Plans			
	Miscellaneous	Safety - Police	Safety - Fire	
			Classic	PEPRA
Active employees	346	144	74	14
Transferred and terminated employees	677	31	63	3
Retired Employees and Beneficiaries	746	187	123	-
Total	1,769	362	260	17

Contributions

Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The required contribution rates are shown in the Benefit Provided Section at pages 92 and 93.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 12 – Pension Plan (Continued)**

**B. Net Pension Liability**

Actuarial Methods and Assumption Used to Determine Total Pension Liability

The June 30, 2019 valuation was rolled forward to determine the June 30, 2020 total pension liability, based on following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.625%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.875%
Investment Rate of Return	7.25% net of pension plan investment and administrative expense; includes inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015
Mortality Rate Table <sup>(1)</sup>	Derived using CalPERS' Membership Data for all Funds.

<sup>(1)</sup>The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Change of Assumptions

In 2020, there were no changes of assumptions.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 12 – Pension Plan (Continued)**

**B. Net Pension Liability (Continued)**

Long-term Expected Rate of Return (Continued)

The expected real rates of return by asset class are as followed:

Asset Class <sup>(1)</sup>	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>2</sup>	Real Return Years 11+ <sup>3</sup>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

<sup>(1)</sup> In the CalPERS's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>2</sup> An expected inflation rate of 2.00% used

<sup>3</sup> An expected inflation rate of 2.92% used

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 12 – Pension Plan (Continued)**

**C. Changes in the Net Pension Liability**

The following table shows the changes in net pension liability for the City’s Miscellaneous Plan recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2019 (Valuation Date)	\$ 368,780,480	\$ 256,128,115	\$ 112,652,365
Changes Recognized for the Measurement Period:			
Service Cost	4,466,642	-	4,466,642
Interest on the total pension liability	25,962,850	-	25,962,850
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Difference between expected and actual experience	1,615,820	-	1,615,820
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	13,255,939	(13,255,939)
Contributions from employees	-	2,223,117	(2,223,117)
Net investment income	-	12,851,320	(12,851,320)
Benefit payments, including refunds of employee contributions	(19,025,658)	(19,025,658)	-
Administrative Expense	-	(361,078)	361,078
Other	-	-	-
Net Changes during July 1, 2019 to June 30, 2020	13,019,654	8,943,640	4,076,014
Balance at June 30, 2020 (Measurement Date)	\$ 381,800,134	\$ 265,071,755	\$ 116,728,379

The following table shows the changes in net pension liability for the City’s Safety Police Plan recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2019 (Valuation Date)	\$ 270,594,391	\$ 177,771,149	\$ 92,823,242
Changes Recognized for the Measurement Period:			
Service Cost	5,552,558	-	5,552,558
Interest on the total pension liability	19,147,726	-	19,147,726
Changes of benefit terms	-	-	-
Changes of assumptions	-	-	-
Difference between expected and actual experience	418,217	-	418,217
Net plan to plan resource movement	-	-	-
Contributions from the employer	-	15,780,216	(15,780,216)
Contributions from employees	-	1,611,310	(1,611,310)
Net investment income	-	9,184,495	(9,184,495)
Benefit payments, including refunds of employee contributions	(11,977,056)	(11,977,056)	-
Administrative Expense	-	(250,614)	250,614
Other	-	-	-
Net Changes during July 1, 2019 to June 30, 2020	13,141,445	14,348,351	(1,206,906)
Balance at June 30, 2020 (Measurement Date)	\$ 283,735,836	\$ 192,119,500	\$ 91,616,336

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 12 – Pension Plan (Continued)**

**C. Changes in the Net Pension Liability (Continued)**

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the City’s safety fire plan’s proportionate share of the risk pool collective net pension liability over the measure period.

	Safety Plan - Fire		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2019 (Valuation Date)	180,753,930	132,682,132	\$ 48,071,798
Balance at June 30, 2020 (Measurement Date)	188,753,382	135,930,043	52,823,339
Net changes during 2019-20	7,999,452	3,247,911	4,751,541

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2019). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (“TPL”) determines the net pension liability (“NPL”) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2020). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2020 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2019-20).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan’s share of the actuarial accrued liability. FNP is allocated based on the rate plan’s share of market value assets.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.
- (5) The plan’s TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan’s NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Deferred outflows of resources, deferred inflows of resources, and pension expense are allocated based on the City’s share of net pension liability at the end of measurement date.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 12 – Pension Plan (Continued)**

**C. Changes in the Net Pension Liability (Continued)**

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The City’s proportionate share of the net pension liability was as follows:

	<b>Safety Plan</b>
	<b>Fire</b>
June 30, 2019	0.4691%
June 30, 2020	0.4855%
Change - Increase (Decrease)	0.0164%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	<b>Plan's Net Pension Liability/(Asset)</b>		
	<b>Discount Rate</b>	<b>Current Discount</b>	<b>Discount Rate</b>
	<b>- 1% (6.15%)</b>	<b>Rate (7.15%)</b>	<b>+ 1% (8.15%)</b>
Miscellaneous Plan	\$ 169,246,223	\$ 116,728,379	\$ 73,750,685
Safety Plan - Police	\$ 132,880,887	\$ 91,616,336	\$ 58,044,156
Safety Plan - Fire	\$ 79,507,578	\$ 52,823,339	\$ 30,926,396

Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report.

**D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2021, the City recognized pension expense in the amounts of \$12,842,864, \$15,398,169 and \$8,915,344 for the miscellaneous plan, safety police and safety fire plan, respectively.

As of measurement date of June 30, 2020, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	<b>Miscellaneous Plan</b>	
	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Contribution made after measurement period	\$ 13,698,657	\$ -
Changes of assumptions	-	-
Difference between expected and actual experience	1,006,650	-
Net difference between projected and actual earning on pension plan investments	1,871,685	-
Total	\$ 16,576,992	\$ -

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 12 – Pension Plan (Continued)**

**D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (Continued)**

<b>Safety Plan - Police</b>		
	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Contribution made after measurement period	\$ 13,995,784	\$ -
Changes of assumptions	2,202,115	(202,973)
Difference between expected and actual experience	2,697,908	(153,476)
Net difference between projected and actual earning on pension plan investments	1,332,728	-
Total	\$ 20,228,535	\$ (356,449)

<b>Safety Plan - Fire</b>		
	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Contribution made after measurement period	\$ 6,225,062	\$ -
Changes of assumptions	-	(175,957)
Difference between expected and actual experience	4,096,182	-
Net difference between projected and actual earning on pension plan investments	2,698,433	(1,550,360)
Adjustment due to differences in proportions	1,790,561	-
Difference between City's contribution and proportionate share of contribution:	-	(2,658,523)
Total	\$ 14,810,238	\$ (4,384,840)

The amounts above are net of outflows and inflows recognized in the 2019-2020 measurement period expense.

The expected average remaining service lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSL for the miscellaneous plan, safety police plan and the safety fire plan risk pool for the 2019-20 measurement period is 2.3, 3.9, and 3.8 years, which was obtained by dividing the total service years of 3,893, 1,404 and 548,581 (the sum of remaining service lifetimes of the active employees) by 1,730, 362 and 145,663 (the total number of participants: active, inactive, and retired), respectively.

\$13,698,657, \$13,995,784, and \$6,225,602 reported as deferred outflows of resources related to pensions for miscellaneous plan and safety plan, respectively, resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability and collectively net pension liability, respectively, in the year ending June 30, 2021.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in the future pension expense as follows:

Measurement Period Ending June 30	<b>Deferred Outflows/(Inflows) of Resources</b>		
	<b>Miscellaneous</b>	<b>Safety Police</b>	<b>Safety Fire</b>
2021	\$ (266,944)	\$ 2,441,846	\$ 861,569
2022	861,946	1,523,096	1,604,800
2023	1,228,569	1,169,837	1,158,720
2024	1,054,764	741,523	575,247
Total	\$ 2,878,335	\$ 5,876,302	\$ 4,200,336

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 13 – Other Postemployment Benefits (“OPEB”)**

**A. General Information about the OPEB Plan**

Plan Description

The City's OPEB includes retiree medical and life insurance benefits, or, in some cases, an HRA contribution toward medical coverage of the retiree's choosing.

In October 2007, the City Council executed the City of Corona Retirement Benefits Plan, a single-employer plan, for funding the Other Post-Employment Benefits (OPEB). In March 2008, the City Council passed a resolution authorizing the City to prefund its OPEB obligation through the California Employers' Retiree Benefit Trust Program (CERBT), an IRC Section 115 trust fund dedicated to prefunding OPEB for all eligible California public agencies. CERBT is administered by the California Public Employees' Retirement System (CalPERS) Board of Administration.

The City's funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. "Prefunding" is the term used when an agency consistently contributes an amount based on an actuarially determined contribution (ADC) each year. GASB 75 allows prefunded plans to use a discount rate that reflects the expected earnings on trust assets.

The City has been and continues to prefund its OPEB liability, contributing 100% or more of the Actuarially Determined Contributions each year. Therefore, with the City's approval, the discount rate used in this valuation is 6.80%, the long-term expected return on trust assets.

Eligibility and Membership Covered by Benefit Terms

Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS, which requires attainment of age 50 (age 52, if a miscellaneous member new to PERS on or after January 1, 2013) with 5 years of State or public agency service or approved disability retirement. In addition, the employee must begin his or her retirement warrant within 120 days of terminating employment with the City to be eligible to continue medical coverage through the City and be entitled to the PEMHCA subsidy described below.

The employee must begin his or her retirement warrant within 120 days of terminating employment with the City to be eligible to continue medical coverage through the City and be entitled to the employer subsidy. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement or during any future open enrollment period. Coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

At June 30, 2020 measurement date, the following numbers of participants were covered by the benefit terms:

Active plan members	585
Inactive plan members currently receiving benefits	603
Inactive plan members entitled to but not receiving benefits	36
Total	<u>1,224</u>



**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)**

**A. General Information about the OPEB Plan (Continued)**

Contributions

The plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. For the measurement date ended June 30, 2020, the City's cash contributions were \$ 10,489,894 in total payments, which were recognized as a reduction to the OPEB liability.

**B. Net OPEB Liability**

The OPEB liability was measured as of June 30, 2020, and total liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

Significant Actuarial Assumptions Used for Total OPEB Liability

The total OPEB liability, measured as of June 30, 2020, was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Asset Valuation Method	Market value of assets
Long Term return on Assets	6.8% as of June 30, 2020 and June 30, 2019 net of plan investment expense
Discount Rate	6.8% as of June 30, 2020 and June 30, 2019
Inflation	2.75%
Salary Increases	3.25% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years
Mortality Improvement	CalPERS 2017 Experience Study; Project with MW Scale
Healthcare Trend	6.5% in 2022, decrease until reaches 5% in 2024 and thereafter.

Change in assumptions

In 2020, There were no changes in assumptions.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.80%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)**

**B. Net OPEB Liability (Continued)**

Expected Long-Term Rates of Return

Asset Class	Target Allocation	Long-term Real Return Years 1 - 10*	Real Return Years 11+*
Global Equity	59.00%	4.80%	5.98%
Fixed Income	25.00%	1.10%	2.62%
Global Real Estate (REITs) <sup>(1)</sup>	8.00%	3.20%	5.00%
Treasury Inflation Protected Securities	5.00%	0.25%	1.46%
Commodities	3.00%	1.50%	2.87%
	<u>100.00%</u>		

\* Real rates of return come from a geometric representation of returns that assume a general inflation rate of 2% for years 1-10 and 2.92% for years 11+.

**C. Change in Net OPEB Liability**

The following presents the changes in the net OPEB liability for the governmental activities’ Retiree Health Plan:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at June 30, 2019	\$ 141,932,834	\$ 46,553,682	\$ 95,379,152
Changes Recognized for the Measurement Period:			
Service Cost	1,053,465	-	1,053,465
Interest on the total OPEB liability	9,441,454	-	9,441,454
Expected investment income	-	3,286,048	(3,286,048)
Employer contribution	-	11,847,476	(11,847,476)
Changes of benefit terms	-	-	-
Administrative Expenses	-	(23,600)	23,600
Benefit payments	(8,282,764)	(8,282,764)	-
Assumption changes	-	-	-
Plan experience	-	-	-
Investment experience	-	(1,609,409)	1,609,409
Contributions from the employer	-	-	-
Net Changes during July 1, 2019 to June 30, 2020	<u>2,212,155</u>	<u>5,217,751</u>	<u>(3,005,596)</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 144,144,989</u>	<u>\$ 51,771,433</u>	<u>\$ 92,373,556</u>

Sensitivity of the Net OPEB Liability to Change in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8 percent) or 1-percentage-point higher (7.80 percent) than the current discount rate:

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)**

**C. Change in Net OPEB Liability (Continued)**

Sensitivity of the Net OPEB Liability to Change in the Discount Rate (Continued)

Plan's Net OPEB Liability		
Discount Rate -1% (5.80%)	Current Discount Rate (6.80%)	Discount Rate +1 % (7.80%)
\$ 110,199,082	\$ 92,373,556	\$ 77,648,985

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Net OPEB Liability		
Healthcare Cost Trend Rate - 1%	Healthcare Cost Trend Rate	Healthcare Cost Trend Rate + 1%
\$ 77,194,510	\$ 92,373,556	\$ 110,715,136

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the measurement period ended June 30, 2020, the City recognized OPEB expense of \$3,939,475. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of Resources	Deferred inflows of Resources
Contribution made after measurement period	\$ 10,489,894	\$ -
Changes in assumptions	4,950,796	(1,402,081)
Difference between expected and actual experience	-	(16,906,718)
Net difference between projected and actual earning on OPEB plan investments	1,099,940	-
Total	\$ 16,540,630	\$ (18,308,799)

The \$10,489,894 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as a reduction of the net OPEB liability during the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as expense as follows:

Measurement Period Ending June 30	Deferred Outflows/(Inflows) of Resources
2020	\$ (3,292,998)
2021	(3,098,152)
2022	(3,061,337)
2023	(2,805,576)
Total	\$ (12,258,063)

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 14- Classification of Fund Balances**

At June 30, 2021, fund balances are classified in the governmental funds as follows:

	General Fund	Capital Projects Funds		Special Revenue Funds Development	Nonmajor Governmental Funds	Total Governmental Funds
		Low Mod Income Housing Assets	Other Grants			
<b>Fund Balances:</b>						
<b>Nonspendable:</b>						
Inventories and prepaid items	\$ 380,415	\$ -	\$ -	\$ -	\$ -	\$ 380,415
Long-term receivable	4,748,818	-	-	-	-	4,748,818
Advance to other funds	14,675,346	-	-	-	-	14,675,346
<b>Total nonspendable</b>	<b>19,804,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,804,579</b>
<b>Restricted:</b>						
Housing and community development	-	29,945,467	-	-	6,194,799	36,140,266
Development projects	-	-	-	16,303,526	-	16,303,526
Street maintenance	-	-	-	-	27,423,135	27,423,135
Trip reduction	-	-	-	-	1,379,559	1,379,559
Asset forfeiture	-	-	-	-	414,254	414,254
Special tax districts	-	-	-	-	21,583,347	21,583,347
Other grants	-	-	428,236	-	151,114	579,350
Residential refuse	-	-	-	-	592,882	592,882
Debt service	6	-	-	-	-	6
<b>Total restricted</b>	<b>6</b>	<b>29,945,467</b>	<b>428,236</b>	<b>16,303,526</b>	<b>57,739,090</b>	<b>104,416,325</b>
<b>Committed:</b>						
Emergency contingency	36,522,368	-	-	-	-	36,522,368
Designated revenues	6,417,574	-	-	-	-	6,417,574
<b>Total committed</b>	<b>42,939,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,939,942</b>
<b>Assigned:</b>						
Budget balancing measures	43,614,486	-	-	-	-	43,614,486
Continuing appropriations	13,701,648	-	-	-	-	13,701,648
Other purposes	2,737,502	-	-	-	558,505	3,296,007
<b>Total assigned</b>	<b>60,053,636</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>558,505</b>	<b>60,612,141</b>
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,301,897)</b>	<b>(3,301,897)</b>
<b>Total Fund Balance</b>	<b>\$ 122,798,163</b>	<b>\$ 29,945,467</b>	<b>\$ 428,236</b>	<b>\$ 16,303,526</b>	<b>\$ 54,995,698</b>	<b>\$ 224,471,090</b>

**Note 15 –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 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.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 15 – Commitments and Contingencies (Continued)**

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.

On July 18, 2012, the City Council and the Corona Utility Authority Board approved addendum No. 6 to the Joint Exercise of Powers Agreement creating the Western Riverside County Regional Wastewater Authority (WRCRWA) admitted the City of Corona as a voting member of the WRCRWA. WRCRWA was formed as a joint powers authority in 1992 to construct and operate a regional wastewater conveyance, treatment and disposal system to serve its member agencies. Other member agencies include Home Gardens Sanitary District, Jurupa Community Services District, City of Norco, and Western Municipal Water District of Riverside County. To become a voting member of WRCRWA, the City was required to pay \$4 million as buy-in which represented membership and the WRCRWA's construction loan reserve requirement. The construction loan amount on the State Revolving Fund (SRF) loan for the WRCRWA Treatment Plan Expansion project was \$74,110,619. The current participants and their obligated contribution on this loan through June 30, 2021, were as follows:

	<b>Percent</b>
City of Corona	42.42%
Jurupa Community Services District	46.02%
City of Norco	9.10%
Western Municipal Water District	0.88%
Home Gardens Sanitary District	1.58%
Total	100.00%

On February 13, 2016, an incident occurred at the Water Reclamation Facility No. 1 causing 4.1 million gallons of fully treated water with chlorine residual released into a nearby creek. All necessary regulatory notifications were addressed in a timely manner, however, there might be a mandatory fine as well as an administrative fine assessed by the State Water Resources Control Board. The amount of the fine could not be reasonably estimated as of the financial statement date and would be solely determined by the State. As of date, the City has not received any notices of violation from the State.

As of June 30, 2021, in the opinion of City Administration, there were no additional outstanding matters that would have a significant effect on the financial position of the City.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

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**Note 16 – Tax Abatement**

In prior years, the City entered into various tax abatement agreements with local businesses. The abatements may be granted to any business located within or promising to relocate to the City. For the fiscal year ended June 30, 2021, the City abated taxes totaling \$4,925,039. Under this program, the City has the following tax abatement agreements:

- A sales tax abatement to a commercial fueling and energy operation facility for expanding operations within the City of Corona, resulting in a significant new local sales tax revenues. Per the agreement, the City shall pay an amount equal to 50% of sales tax revenues received in excess of \$250,000. In Fiscal Year 2021 the abatement amounted to \$274,580.
- A sales tax reduction for a material production and construction company for creating employment opportunities and revenues within the City. Per the agreement, if during any fiscal year, sales tax revenues exceed \$1,000,000 the amount abated shall be a sum equal to 50% of the sales tax revenues in excess of \$250,000. If during any fiscal year, sales tax revenues are no less than \$500,000 and no more than \$1,000,000 the amount abated shall be a sum equal to 25% of the sales tax revenues in excess of \$250,000. If during any fiscal year, sales tax revenues are less than \$500,000 the City shall not pay the business. In Fiscal Year 2021 the abatement amounted to \$92,538.
- A sales tax reduction for construction and operation of an automotive dealership within the City. Per the agreement, the City shall make annual payments for 15 years in an amount equal to 50% of the sales tax revenues received in excess of \$200,000 annually, up to a maximum of \$6,000,000. In Fiscal Year 2021 the abatement amounted to \$279,913.
- A sales tax reduction for a warehouse wholesaler for building and operating a new store within the City. Per the agreement, sales tax revenues shall be allocated each year to the City from the first \$200,000 of revenues, the next \$200,000 to the developer and the balance allocated 50% to the City and 50% to the developer. In Fiscal Year 2021 the abatement amounted to \$1,235,531.
- A sales tax reduction for a commercial business involving the retail sale of construction materials for generating significant new tax revenues and maintaining sales office operations within the City. Per the agreement, the City shall pay quarterly in an amount equal to 50% of the sales tax revenues received. In Fiscal Year 2021 the abatement amounted to \$2,831,842.
- A sales tax reduction for a wholesale apparel retailer, for locating a new regional sales office within the City. Per the agreement, the City shall pay quarterly in an amount equal to 50% of the sales tax revenues received. Covenant Payments shall be equal to 60% of taxable sales if sales tax revenue exceeds \$2,500,000, the Owner hires 150 new employees and Owner invests at least \$51,500,000 into the City. In Fiscal Year 2021 the abatement amounted to \$210,635.

**Note 17 – Subsequent Events**

On October 14, 2021, the City issued \$276 million in pension obligation bonds. As part of the City's proactive debt management approach, staff began exploring the issuance of pension obligation bonds in the fall of 2020. On November 18, 2020, the City Manager presented the information to the City Council. Based on that presentation, staff moved forward with the needed documents, and the City Council formally approved the project on January 6, 2021. The original estimated savings was approximately \$109 million, as compared to the payment schedule from the CalPERS June 2019 actuarial reports. In May 2021, the City Council also adopted a Pension Management Policy to address any future unfunded liabilities assessed by CalPERS through the annual valuation process. While the City's pension obligation bonds were pending in the judicial validation process with the Riverside County courts, the June 2020 actuarial reports were issued. The bonds were officially issued on October 14, 2021. With the historic low-interest rates, the updated savings is an estimated \$166 million, as compared to the payment schedules from the June 2020 actuarial reports.

**City of Corona**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2021**

**Note 18 – Restatement of Beginning Net Position**

The beginning net position was restated as following:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Proprietary Fund (Nonmajor) Airport Enterprise Fund</b>	<b>Fiduciary Fund Custodial Fund</b>
Net Position at July 1, 2020, as previously reported	\$ 863,285,256	\$ 276,189,172	\$ 3,112,690	\$ -
Unavailable revenue	2,218,078	-	-	-
Unearned revenue	-	(264,405)	(264,405)	-
Due to bond holders reported in Agency Fund	-	-	-	21,080,735
Deposits payable	-	-	-	(116,494)
Net Position at July 1, 2020, as restated	<u>\$ 865,503,334</u>	<u>\$ 275,924,767</u>	<u>\$ 2,848,285</u>	<u>\$ 20,964,241</u>

Governmental activities beginning net position was restated to recognized revenue for grant expenditures incurred but the receivable not collected soon enough for current spending for the governmental funds. Unearned revenue in the amount of \$2,218,078 was reclassified to unavailable revenue for the Other Grants Capital Projects Fund at July 1, 2020.

Business-type activities and Airport Nonmajor Enterprise Fund beginning net position was restated to report correction to unearned revenue for advance funding received.

Fiduciary Fund beginning net position was restated as result of implementation of GASB 84 and to reclassify due to bond holders reported in the Agency Fund to beginning fiduciary net position and deposits payable.





**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**



**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 99,278,075	\$ 102,045,718	\$ 108,549,155	\$ 6,503,437
Licenses and permits	1,934,300	2,187,192	2,666,520	479,328
Intergovernmental	2,260,500	5,652,115	5,576,408	(75,707)
Special assessments	367,407	428,494	465,761	37,267
Investment earnings	2,545,125	3,106,679	959,749	(2,146,930)
Fines and penalties	969,000	435,179	790,144	354,965
Current services	10,186,508	9,626,638	11,460,991	1,834,353
Payment in lieu of services	5,631,787	5,631,787	5,630,255	(1,532)
Other revenues	11,771,819	12,429,532	12,606,510	176,978
<b>Total revenues</b>	<u>134,944,521</u>	<u>141,543,334</u>	<u>148,705,493</u>	<u>7,162,159</u>
<b>EXPENDITURES:</b>				
Current:				
General government	37,366,918	37,870,694	37,706,387	164,307
Public safety- fire	28,116,983	29,446,881	29,918,593	(471,712)
Public safety- police	48,477,470	49,699,535	48,079,545	1,619,990
Public works and maintenance services	13,658,070	14,391,284	13,038,948	1,352,336
Library and recreation services	5,253,718	5,438,654	4,391,187	1,047,467
Community development	5,246,387	5,385,753	5,048,778	336,975
Economic development	516,090	1,069,992	689,231	380,761
Capital outlay	2,952,972	22,698,091	11,008,556	11,689,535
Debt service:				
Principal retirement	3,006,263	3,006,263	3,006,263	-
Interest and fiscal charges	1,237,110	1,237,110	1,236,859	251
<b>Total expenditures</b>	<u>145,831,981</u>	<u>170,244,257</u>	<u>154,124,347</u>	<u>16,119,910</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(10,887,460)</u>	<u>(28,700,923)</u>	<u>(5,418,854)</u>	<u>23,282,069</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,092,100	1,092,100	1,159,890	67,790
Transfers out	-	(54,021)	(167,318)	(113,297)
<b>Total other financing sources (uses)</b>	<u>1,092,100</u>	<u>1,038,079</u>	<u>992,572</u>	<u>(45,507)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (9,795,360)</u>	<u>\$ (27,662,844)</u>	<u>(4,426,282)</u>	<u>\$ 23,236,562</u>
<b>FUND BALANCE:</b>				
Beginning of year			127,224,445	
End of year			<u>\$ 122,798,163</u>	

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule - Development Special Revenue Funds**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Licenses and permits	\$ 3,033,000	\$ 4,295,883	\$ 2,022,408	\$ (2,273,475)
Investment earnings	522,647	501,430	28,203	(473,227)
Payment in lieu of services	192,000	139,200	166,080	26,880
Other revenues	-	4,237	39,611	35,374
<b>Total revenues</b>	<u>3,747,647</u>	<u>4,940,750</u>	<u>2,256,302</u>	<u>(2,684,448)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety- fire	3,045	3,045	3,045	-
Public safety- police	3,866	3,866	3,866	-
Public works and maintenance services	41,095	41,095	41,095	-
Library and recreation services	1,919	1,919	1,919	-
Capital outlay	2,062,174	21,468,311	5,861,531	15,606,780
<b>Total expenditures</b>	<u>2,112,099</u>	<u>21,518,236</u>	<u>5,911,456</u>	<u>15,606,780</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,635,548	(16,577,486)	(3,655,154)	12,922,332
<b>OTHER FINANCING (USES):</b>				
Transfers out	(97,049)	(97,049)	-	97,049
<b>Total other financing (uses)</b>	<u>(97,049)</u>	<u>(97,049)</u>	<u>-</u>	<u>97,049</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1,538,499</u>	<u>\$ (16,674,535)</u>	<u>(3,655,154)</u>	<u>\$ 13,019,381</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>19,958,680</u>	
End of year			<u>\$ 16,303,526</u>	

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Notes to the Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2021**

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**Budgetary Information**

Through the budget process, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The annual budget establishes the foundation of effective financial management by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the City's performance in all of its functional areas. It assures the efficient and effective uses of the City's economic resources, as well as ensuring the highest priorities are accomplished for the fiscal year. It also serves as a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees and other public agencies.

The City's budget cycle is on an annual basis, which serves a fiscal period from July 1 to June 30. The City's budgets are developed consistent with generally accepted principles and procedures. There are no significant non-budgeted financial activities. For governmental funds, revenues are budgeted by entitlements, grants, and estimates of future development and economic growth. Expenditures and transfers are budgeted based upon available financial resources.

The City of Corona's budget is prepared and based on five expense categories; personnel, non-personnel (such as supplies and services), capital outlay, debt service and capital improvement projects. The first two listed are considered operational in nature and are known as recurring costs. Capital outlays refer to minor equipment purchases which are generally infrequent and valued at less than \$50,000. Capital outlays are paid for out of the operating fund. Debt service refers to principal and interest payments on borrowed funds (such as bonds or long-term loans). Capital improvement projects (CIP) are asset acquisitions and/or major facilities, systems, and infrastructure improvements which cost over \$50,000. These reside "outside" of the operational budget and are an example of a one-time cost.

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 funds most of the City services including public safety, recreation, and community development. In Fiscal Year 2021, the City was in the fifth year of a 'zero-based' budget procedure, which is a rigorous, structured approach in evaluating each dollar that is appropriated to fund critical City services and programs. Prior to that change, the City utilized an 'expenditure control budget' (ECB) procedure for 23 years, as outlined in previously adopted budget resolutions. The 'zero-based' budget approach is more responsive to service needs which may expand and contract over time.

The budget process begins as a team effort in January of each year. The Finance Department works in cooperation with all City departments to formulate revenue projections for the upcoming fiscal year. From this, the individual departments use the projected revenues to prioritize and recommend the next fiscal year's objectives. The City Manager's Office and the Finance Department jointly review each budget proposal, revenue assumptions, and all current financial obligations, before preparing the proposed document for the City Council. The City Council reviews the budget at multiple budget workshops, with the final adoption scheduled in June.

**Budgets and Budgetary Accounting**

The City follows these 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 Public meetings are 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. However, grants may carry forward (continuing appropriation) to the next fiscal year as determined by the grant funding time period.
- 5 Continuing appropriations are re-budgeted by the City Council as part of the adoption of subsequent year's budget.
- 6 Legally adopted budget appropriations are set for the General Fund, Special Revenue, Debt service and Capital Projects funds.
- 7 The legal level of budgetary control is at the department level. A Department Director 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. Departments consolidated and presented under the General Government category are managerial and support departments that include City Council, City Treasurer, Management Services, Finance, Human Resources, Legal and Risk Management, and General Government (non-departmental).
- 8 Budgets for General Fund, Special Revenue, Debt Service and Capital Projects funds are adopted on a basis consisted with generally accepted accounting principles.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Notes to the Budgetary Comparison Schedule (Continued)**  
**For the Year Ended June 30, 2021**

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**General Fund**

General Fund appropriations and transfers out were originally adopted at \$145.8 Million for Fiscal Year 2020-21. Final appropriations were increased by \$24.5 Million to \$170.3 Million. Among the budgetary increase, \$10.7 Million was due to continuing appropriations from the prior year's capital projects and grant funded activities and \$6.7 Million was for prior year committed purchases (encumbrances). There was \$7.0 Million in supplemental funding and transfers approved by the City Council subsequent to the budget adoption due to the following reasons:

- The personnel budget increased by \$1.9 Million in Fiscal Year 2020-21. The Fire Department budget was adjusted by \$0.8 Million for mutual aid activity (offset with increased revenue), the Police and Fire departments received \$0.4 Million in grant funding for personnel costs. The Cannabis Program was approved early in Fiscal Year 2020-21. As a result, three additional positions were approved. The Police Department budget was increased by \$0.2 Million, and the Community Development budget was increased by \$0.1 Million.
- The operating budget was increased by a total of \$0.7 Million. The Economic Development Department budget was increased by \$145,190 to initiate an economic development strategic plan and by \$292,183 for the downtown revitalization plan project. The Police and Fire departments were increased by \$0.2 Million for grant related activity.
- The capital outlay budget was increased by a net total of \$4.6 Million. There was \$4.1 Million approved for the General Fund's portion to acquire approximately 292 acres in the Skyline area. The acquisition provides residents with continued access to the Cleveland National Forest by way of Corona's Skyline, Tin Mine, Skinsuit, and Hagador Canyon Trails. In addition, \$195,315 was appropriated for the Water Meter Downsizing Project and \$135,000 for the Corona Mall Business Improvement District formation costs. There were budgetary reductions for other projects that were completed or no longer needed.

Revenues and transfers in received in Fiscal Year 2020-21 had a favorable variance of \$8.3 Million, due to the following reasons:

- The Taxes category accounts for the majority of the variance for Revenue and Transfers. Property taxes were higher than estimated by \$3.3 Million, Sales tax was higher than estimated by \$2.6 Million, and Other Taxes were higher than estimated by \$0.7 Million. As the City was coming out of the pandemic environment, these areas out-performed the original estimates.
- The current services category was also higher than budgeted by \$1.8 Million. Approximately \$1.0 Million of the variances is related to building activities such as planning application fees, plan check, and engineering/inspection fees. There is an increase of \$0.4 Million for recreation activities. Additionally, with the acceptance of cannabis applications, the related revenue was \$0.4 Million higher than anticipated.
- Investment earnings has a negative variance of \$2.1 Million which includes book entries (\$2.0 Million) for investment gains and losses.

The expenditures and transfers out in FY 2020-21 had a favorable variance of \$16.0 Million. Included in the \$16.0 Million savings, \$10.5 Million is unspent funding for ongoing capital improvement projects. These funds will be carried over to the next fiscal year to complete the projects. Additionally, a total of \$0.8 Million will carry forward in the operating budget, as approved by the City Council. Of the \$0.8 Million carryover funds, there is \$0.6 Million for the homeless program operations and \$0.2 Million for grants in the Fire Department, Police Department, and Library and Recreation Services. Purchase orders totaling \$2.7 Million encumbered in Fiscal Year 2020-21 will also be carried forward for activity that crosses fiscal years.

After considering the budgets carrying forward into Fiscal Year 2021-22, as noted above, the net savings for Fiscal Year 2020-21 is \$1.9 Million. The savings is primarily from the personnel budget due to vacancies throughout the year. The General Government group also had a negative variance of \$0.3 Million in the personnel budget category due to larger retiree costs that originally anticipated. The Fire Department had a negative variance of \$0.6 Million, largely due to costs associated with mutual aid assignments. For the mutual aid assignments, there is increased revenue that helps to offset the additional costs. The Police Department personnel budget experienced a savings of \$1.6 Million and Public Works/Maintenance Services finished the year with a savings of \$0.5 Million. The Library and Recreation Services recognized a savings for \$0.7 Million, due to personnel vacancies as many programs were cancelled due to the COVID-19 pandemic.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Modified Approach for City Streets Infrastructure Capital Assets**  
**For the Year Ended June 30, 2021**

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The City accounts for and reports its infrastructure capital assets in accordance with GASB Statement No. 34. Infrastructure assets are defined as the basic physical systems including street, water purification and distribution system, water reclamation collection and treatment facilities, park and recreation lands and improvement; stormwater conveyance system, and buildings combined with site amenities such as parking and landscaped areas used by the City in the conduct of City 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 in its core financial systems.

The City has elected to use the "modified approach" as defined by GASB Statement No. 34 for infrastructure reporting for its concrete and asphalt pavement system. Under the modified approach, 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 within three regions of the City annually. The prior assessment study was completed in October 2016. The most recent assessments were performed using the StreetSaver software. The results from the assessments are shown below:

<u>Assessment Date</u>	<u>PCI Rating</u>
October 2016	73
September 2017	71
September 2018	73
October 2019	72
October 2020	71
November 2021	71

The streets, primarily Portland Cement Concrete (PCC) and Asphalt Concrete (AC) pavement, 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 three classifications: arterial/major, collector, and local. The Citywide condition assessment will be performed every three years, with each year focusing on specific regions of the City. 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 with the corresponding rating:

<u>Condition</u>	<u>Rating</u>
Good to Excellent	71-100
Fair	51-70
Poor	26-50
Very Poor	0-25

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Modified Approach for City Streets Infrastructure Capital Assets (Continued)**  
**For the Year Ended June 30, 2021**

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The City's policy is to maintain an average rating of 71, or "Good" condition, for all streets. This rating level 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 October 2021, the City's street system was rated at a PCI index of 71 on the average for the entire network. A breakdown by condition is as follows:

<u>Condition</u>	<u>% of Streets</u>
Good to Excellent	45%
Fair	45%
Poor	9%
Very Poor	1%

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 interest trenching operations; and (4) water damage from natural precipitation and other urban runoff. The City is continuously taking actions to prevent deterioration through an ongoing street rehabilitation program funded in the Capital Improvement Program. The program is formulated based on deficiencies identified as a part of the City's Pavement Management System (PMS). It includes short-term maintenance activities such as pothole patching, street sweeping, and crack sealing. The City expended \$28,349,295 on street maintenance for the fiscal year ended June 30, 2021. These expenditures delayed deterioration and maintained the street condition from the previous assessment. The condition of the streets remained 71 in the current year same as last year. A majority of the current year expenditures were incurred by the I15/Cajalco Arantine Hills project and the McKinley Grade Separation project. The City has estimated that the amount of annual expenditures required to maintain the current average PCI rating of 71 through the year 2022 is a minimum of \$6,000,000. A schedule of the estimated annual amount required to maintain and preserve the City's streets at the current level compared to actual expenditures for street maintenance for the last five years is presented below:

<u>Fiscal Year</u>	<u>Requirement</u>	<u>Expenditures</u>	<u>Rating</u>
2016-2017	\$ 4,800,000	\$ 5,297,756	73
2017-2018	4,800,000	20,576,034	71
2018-2019	4,800,000	36,631,051	73
2019-2020	4,800,000	37,286,497	72
2020-2021	6,000,000	28,349,295	71

As of June 30, 2021, approximately 55% of the City's streets were rated below the average policy standard of 71. In the most recent physical condition assessment of all City streets, it was estimated that in addition to the minimum annual maintenance requirement of \$6.0 million, the total deferred work to rehabilitate all roads amounted to \$71.8 million as of June 30, 2021.



**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**For the Year Ended June 30, 2021**

**Last Ten Fiscal Years<sup>1</sup>**

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous Plan**

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
<b>Total pension liability</b>					
Service cost	\$ 5,035,483	\$ 4,563,432	\$ 4,295,676	\$ 4,540,608	\$ 4,516,596
Interest	21,435,216	22,262,610	23,066,815	23,517,716	24,208,803
Differences between expected and actual experience	-	(1,751,061)	(1,961,004)	(5,673,578)	(536,160)
Changes of assumptions	-	(5,796,569)	-	20,736,400	(1,534,054)
Benefit payments, including refunds of employee contributions	(13,231,513)	(13,719,331)	(14,718,032)	(15,593,323)	(17,027,780)
<b>Net change in total pension liability</b>	<b>13,239,186</b>	<b>5,559,081</b>	<b>10,683,455</b>	<b>27,527,823</b>	<b>9,627,405</b>
<b>Total pension liability - beginning</b>	<b>289,900,911</b>	<b>303,140,097</b>	<b>308,699,178</b>	<b>319,382,633</b>	<b>346,910,456</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 303,140,097</b>	<b>\$ 308,699,178</b>	<b>\$ 319,382,633</b>	<b>\$ 346,910,456</b>	<b>\$ 356,537,861</b>
<b>Pension fiduciary net position</b>					
Contributions - employer	\$ 7,535,692	\$ 8,615,040	\$ 8,408,391	\$ 10,548,137	\$ 20,944,590
Contributions - employee	2,168,466	2,099,982	1,975,493	1,875,784	1,905,754
Net investment income	29,675,543	4,430,161	1,044,158	22,406,369	18,381,353
Benefit payments, including refunds of employee contributions	(13,231,513)	(13,719,331)	(14,718,032)	(15,593,323)	(17,027,780)
Net plan to plan resources movement	-	-	-	-	(531)
Administrative expense	-	(224,286)	(121,423)	(289,120)	(334,672)
Other miscellaneous income/expense	-	-	-	-	(635,548)
<b>Net change in plan fiduciary net position</b>	<b>26,148,188</b>	<b>1,201,566</b>	<b>(3,411,413)</b>	<b>18,947,847</b>	<b>23,233,166</b>
<b>Plan fiduciary net position - beginning<sup>2</sup></b>	<b>171,884,699</b>	<b>198,032,887</b>	<b>199,234,453</b>	<b>195,823,040</b>	<b>214,770,887</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 198,032,887</b>	<b>\$ 199,234,453</b>	<b>\$ 195,823,040</b>	<b>\$ 214,770,887</b>	<b>\$ 238,004,053</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 105,107,210</b>	<b>\$ 109,464,725</b>	<b>\$ 123,559,593</b>	<b>\$ 132,139,569</b>	<b>\$ 118,533,808</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>65.33%</b>	<b>64.54%</b>	<b>61.31%</b>	<b>61.91%</b>	<b>66.75%</b>
<b>Covered payroll<sup>3</sup></b>	<b>\$ 27,891,234</b>	<b>\$ 26,820,056</b>	<b>\$ 25,968,300</b>	<b>\$ 24,590,351</b>	<b>\$ 24,554,723</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>376.85%</b>	<b>408.15%</b>	<b>475.81%</b>	<b>537.36%</b>	<b>482.73%</b>

<sup>1</sup> Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

**Notes to Schedule:**

Benefit Changes: There were no changes in benefits

Changes of Assumptions: In 2019 and 2020, there were no changes of assumptions. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios (Continued)**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous Plan**

Measurement period	2018-19	2019-20
<b>Total pension liability</b>		
Service cost	\$ 4,280,881	\$ 4,466,642
Interest	25,059,830	25,962,850
Differences between expected and actual experience	715,766	1,615,820
Changes of assumptions	-	-
Benefit payments, including refunds of employee contributions	(17,813,858)	(19,025,658)
<b>Net change in total pension liability</b>	12,242,619	13,019,654
<b>Total pension liability - beginning</b>	356,537,861	368,780,480
<b>Total pension liability - ending (a)</b>	<u>\$ 368,780,480</u>	<u>\$ 381,800,134</u>
<b>Pension fiduciary net position</b>		
Contributions - employer	\$ 17,933,587	\$ 13,255,939
Contributions - employee	1,990,044	2,223,117
Net investment income	16,183,603	12,851,320
Benefit payments, including refunds of employee contributions	(17,813,858)	(19,025,658)
Net plan to plan move	-	-
Administrative expense	(169,845)	(361,078)
Other miscellaneous income/expense	531	-
<b>Net change in plan fiduciary net position</b>	18,124,062	8,943,640
<b>Plan fiduciary net position - beginning</b>	238,004,053	256,128,115
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 256,128,115</u>	<u>\$ 265,071,755</u>
<b>Plan net pension liability - ending (a) - (b)</b>	<u>\$ 112,652,365</u>	<u>\$ 116,728,379</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<u>69.45%</u>	<u>69.43%</u>
<b>Covered payroll</b>	<u>\$ 23,197,580</u>	<u>\$ 24,461,346</u>
<b>Plan net pension liability as a percentage of covered payroll</b>	<u>485.62%</u>	<u>477.20%</u>

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**For the Year Ended June 30, 2021**

**Last Ten Fiscal Years<sup>1</sup>**

**California Public Employees' Retirement System Defined Pension Plan - Safety Police Plan**

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
<b>Total pension liability</b>					
Service cost	\$ 4,618,139	\$ 4,735,543	\$ 4,874,596	\$ 5,711,294	\$ 5,925,006
Interest	13,684,244	14,549,722	15,292,872	16,152,688	17,126,542
Differences between expected and actual experience	-	642,707	(1,847,830)	(1,030,480)	1,568,431
Changes of assumptions	-	(3,951,003)	-	14,785,639	(583,544)
Benefit payments, including refunds of employee contributions	(7,151,132)	(7,482,701)	(8,102,489)	(8,569,669)	(10,101,119)
<b>Net change in total pension liability</b>	<b>11,151,251</b>	<b>8,494,268</b>	<b>10,217,149</b>	<b>27,049,472</b>	<b>13,935,316</b>
<b>Total pension liability - beginning</b>	<b>183,723,079</b>	<b>194,874,330</b>	<b>203,368,598</b>	<b>213,585,747</b>	<b>240,635,219</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 194,874,330</b>	<b>\$ 203,368,598</b>	<b>\$ 213,585,747</b>	<b>\$ 240,635,219</b>	<b>\$ 254,570,535</b>
<b>Pension fiduciary net position</b>					
Contributions - employer	\$ 5,431,639	\$ 6,390,487	\$ 7,032,238	\$ 7,414,869	\$ 7,944,109
Contributions - employee	1,462,671	1,517,507	1,599,970	1,841,663	1,706,509
Net investment income	19,983,092	2,973,078	707,298	16,030,928	13,353,137
Benefit payments, including refunds of employee contributions	(7,151,132)	(7,482,701)	(8,102,489)	(8,569,669)	(10,101,119)
Net plan to plan resources movement	-	-	-	-	(390)
Administrative expense	-	(155,162)	(84,027)	(205,265)	(242,374)
Other miscellaneous income/expense	-	-	-	-	(460,273)
<b>Net change in plan fiduciary net position</b>	<b>19,726,270</b>	<b>3,243,209</b>	<b>1,152,990</b>	<b>16,512,526</b>	<b>12,199,599</b>
<b>Plan fiduciary net position - beginning</b>	<b>114,905,084</b>	<b>134,631,354</b>	<b>137,874,563</b>	<b>139,027,553</b>	<b>155,540,079</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 134,631,354</b>	<b>\$ 137,874,563</b>	<b>\$ 139,027,553</b>	<b>\$ 155,540,079</b>	<b>\$ 167,739,678</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 60,242,976</b>	<b>\$ 65,494,035</b>	<b>\$ 74,558,194</b>	<b>\$ 85,095,140</b>	<b>\$ 86,830,857</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>69.09%</b>	<b>67.80%</b>	<b>65.09%</b>	<b>64.64%</b>	<b>65.89%</b>
<b>Covered payroll</b>	<b>\$ 15,848,108</b>	<b>\$ 16,848,270</b>	<b>\$ 17,276,613</b>	<b>\$ 17,998,531</b>	<b>\$ 18,658,498</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>380.13%</b>	<b>388.73%</b>	<b>431.56%</b>	<b>472.79%</b>	<b>465.37%</b>

<sup>1</sup> Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

**Notes to Schedule:**

Benefit Changes: There were no changes in benefits

Changes of Assumptions: In 2019 and 2020, there were no changes of assumptions. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios (Continued)**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Safety Police Plan**

Measurement period	2018-19	2019-20
<b>Total pension liability</b>		
Service cost	\$ 5,440,494	\$ 5,552,558
Interest	18,247,956	19,147,726
Differences between expected and actual experience	3,515,370	418,217
Changes of assumptions	-	-
Benefit payments, including refunds of employee contributions	(11,179,964)	(11,977,056)
<b>Net change in total pension liability</b>	16,023,856	13,141,445
<b>Total pension liability - beginning</b>	254,570,535	270,594,391
<b>Total pension liability - ending (a)</b>	<u>\$ 270,594,391</u>	<u>\$ 283,735,836</u>
<b>Pension fiduciary net position</b>		
Contributions - employer	\$ 8,647,659	\$ 15,780,216
Contributions - employee	1,554,430	1,611,310
Net investment income	11,128,659	9,184,495
Benefit payments, including refunds of employee contributions	(11,179,964)	(11,977,056)
Net plan to plan move	-	-
Administrative expense	(119,703)	(250,614)
Other miscellaneous income/expense	390	-
<b>Net change in plan fiduciary net position</b>	10,031,471	14,348,351
<b>Plan fiduciary net position - beginning</b>	167,739,678	177,771,149
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 177,771,149</u>	<u>\$ 192,119,500</u>
<b>Plan net pension liability - ending (a) - (b)</b>	<u>\$ 92,823,242</u>	<u>\$ 91,616,336</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<u>65.70%</u>	<u>67.71%</u>
<b>Covered payroll</b>	<u>\$ 17,096,107</u>	<u>\$ 17,137,525</u>
<b>Plan net pension liability as a percentage of covered payroll</b>	<u>542.95%</u>	<u>534.59%</u>

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Safety Fire Plan**

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
City's proportion of the net pension liability	0.460390%	0.463050%	0.454250%	0.440050%	0.469000%
City's proportionate share of the net pension liability	\$ 28,647,492	\$ 31,783,428	\$ 39,306,263	\$ 43,640,517	\$ 44,243,817
City's covered payroll	\$ 9,308,854	\$ 9,624,801	\$ 9,885,314	\$ 10,511,383	\$ 10,100,596
City's proportionate share of the net pension liability as a percentage of its covered payroll	<u>307.74%</u>	<u>330.22%</u>	<u>397.62%</u>	<u>415.17%</u>	<u>438.03%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>78.83%</u>	<u>77.78%</u>	<u>73.76%</u>	<u>73.61%</u>	<u>74.38%</u>

<sup>1</sup> Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

**Notes to Schedule:**

Benefit Changes: There were no changes in benefits

Changes of Assumptions: In 2019 and 2020, there were no changes of assumptions. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)**  
**For the Year Ended June 30, 2021**

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Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Safety Fire Plan**

Measurement period	2018-19	2019-20
City's proportion of the net pension liability	0.440950%	0.485490%
City's proportionate share of the net pension liability	\$ 48,071,798	\$ 52,823,339
City's covered payroll	\$ 9,911,459	\$ 9,614,463
City's proportionate share of the net pension liability as a percentage of its covered payroll	485.01%	549.42%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	72.01%

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions**  
**For the Year Ended June 30, 2021**

**Last Ten Fiscal Years<sup>1</sup>**

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous Plan**

Fiscal year	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 7,535,692	\$ 8,615,040	\$ 8,408,391	\$ 10,548,137	\$ 10,844,590
Contributions in relation to the actuarially determined contribution	(7,535,692)	(8,615,040)	(8,408,391)	(10,548,137)	(20,944,590)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ (10,100,000)
Covered payroll <sup>2</sup>	\$ 27,891,234	\$ 26,820,056	\$ 25,968,300	\$ 24,590,351	\$ 24,554,723
Contributions as a percentage of covered payroll	27.02%	32.12%	32.38%	42.90%	85.30%

1 Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

2 Includes on year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-2021; 3 percent payroll growth assumption for fiscal years ended June 30, 2014-2017.

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020-21 were derived from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	15 year smoothed market
Inflation	2.625%
Salary increases	varies by entry age and service
Payroll Growth	2.875%
Investment rate of return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Year Ended June 30, 2021**

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Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous Plan**

Fiscal year	2019	2020	2021
Actuarially determined contribution	\$ 11,933,587	\$ 13,255,939	\$ 13,698,657
Contributions in relation to the actuarially determined contribution	(17,933,587)	(13,255,939)	(13,698,657)
Contribution deficiency (excess)	\$ (6,000,000)	\$ -	\$ -
Covered payroll <sup>2</sup>	\$ 23,197,580	\$ 24,461,346	\$ 25,134,033
Contributions as a percentage of covered payroll.	77.31%	54.19%	54.50%



**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions**  
**For the Year Ended June 30, 2021**

**Last Ten Fiscal Years<sup>1</sup>**

**California Public Employees' Retirement System Defined Pension Plan - Safety Police Plan**

Fiscal year	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 5,431,639	\$ 6,390,487	\$ 7,032,238	\$ 7,414,869	\$ 7,944,109
Contributions in relation to the actuarially determined contribution	(5,431,639)	(6,390,487)	(7,032,238)	(7,414,869)	(7,944,109)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 15,848,108	\$ 16,848,270	\$ 17,276,613	\$ 17,998,531	\$ 18,658,498
Contributions as a percentage of covered payroll.	34.27%	37.93%	40.70%	41.20%	42.58%

1 Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

2 Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020-21 were derived from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	15 year smoothed market
Inflation	2.625%
Salary increases	varies by entry age and service
Payroll Growth	2.875%
Investment rate of return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Year Ended June 30, 2021**

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Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Safety Police Plan**

Fiscal year	2019	2020	2021
Actuarially determined contribution	\$ 8,647,659	\$ 9,780,216	\$ 13,995,784
Contributions in relation to the actuarially determined contribution	(8,647,659)	(15,780,216)	(13,995,784)
Contribution deficiency (excess)	\$ -	\$ (6,000,000)	\$ -
Covered payroll <sup>2</sup>	\$ 17,096,107	\$ 17,137,525	\$ 17,608,807
Contributions as a percentage of covered payroll.	50.58%	92.08%	79.48%

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Safety Fire Plan**

Fiscal year	2014	2015	2016	20217	2018
Actuarially determined contribution	\$ 4,045,566	\$ 4,239,757	\$ 4,648,267	\$ 3,537,799	\$ 3,772,862
Contributions in relation to the actuarially determined contribution	(4,045,566)	(4,239,757)	(4,648,267)	(3,537,799)	(3,772,862)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll <sup>2</sup>	\$ 9,588,119	\$ 9,624,801	\$ 9,885,314	\$ 10,511,383	\$ 10,100,596
Contributions as a percentage of covered payroll	42.19%	44.05%	47.02%	33.66%	37.35%

<sup>1</sup> Historical information is presented only for measurement periods for which GASB No. 68 is presented for periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

<sup>2</sup> Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

**Notes to Schedule:**

**Benefit Changes:** The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden

**Changes of Assumptions:** In 2019, there were no changes of assumptions. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Year Ended June 30, 2021**

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Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System Defined Pension Plan - Safety Fire Plan**

Fiscal year	2019	2020	2021
Actuarially determined contribution	\$ 4,307,750	4,869,618	6,225,062
Contributions in relation to the actuarially determined contribution	(4,307,750)	(4,869,618)	(6,225,062)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll <sup>2</sup>	\$ 9,911,459	\$ 9,849,137	\$ 9,614,463
Contributions as a percentage of covered payroll	43.46%	49.44%	64.75%

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years<sup>1</sup>

**Other Postemployment Benefits ("OPEB") Plan**

Measurement period	2016-17 <sup>1</sup>	2017-18	2018-19	2019-20
<b>Total OPEB liability</b>				
Service cost	\$ 1,391,792	\$ 1,437,025	\$ 1,674,724	\$ 1,053,465
Interest	10,487,715	10,832,995	11,059,411	9,441,454
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	(25,689,430)	-
Changes of assumptions	-	8,986,849	(2,130,435)	-
Benefit payments, including refunds of employee contributions	(6,931,922)	(7,431,858)	(7,890,228)	(8,282,764)
<b>Net change in total pension liability</b>	<b>4,947,585</b>	<b>13,825,011</b>	<b>(22,975,958)</b>	<b>2,212,155</b>
<b>Total OPEB liability - beginning</b>	<b>146,136,196</b>	<b>151,083,781</b>	<b>164,908,792</b>	<b>141,932,834</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 151,083,781</b>	<b>\$ 164,908,792</b>	<b>\$ 141,932,834</b>	<b>\$ 144,144,989</b>
<b>OPEB fiduciary net position</b>				
Contributions - employer	\$ 10,000,838	\$ 10,445,297	\$ 10,006,129	\$ 11,847,476
Net investment income	3,235,963	2,899,746	2,770,796	1,676,639
Benefit payments, including refunds of employee contributions	(6,931,922)	(7,431,858)	(7,890,228)	(8,282,764)
Administrative expense	(16,420)	(19,731)	(9,161)	(23,600)
Other expenses	-	(47,396)	-	-
<b>Net change in plan fiduciary net position</b>	<b>6,288,459</b>	<b>5,846,058</b>	<b>4,877,536</b>	<b>5,217,751</b>
<b>Plan fiduciary net position - beginning</b>	<b>29,541,629</b>	<b>35,830,088</b>	<b>41,676,146</b>	<b>46,553,682</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 35,830,088</b>	<b>\$ 41,676,146</b>	<b>\$ 46,553,682</b>	<b>\$ 51,771,433</b>
<b>Plan net OPEB liability - ending (a) - (b)</b>	<b>\$ 115,253,693</b>	<b>\$ 123,232,646</b>	<b>\$ 95,379,152</b>	<b>\$ 92,373,556</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<b>23.72%</b>	<b>25.27%</b>	<b>32.80%</b>	<b>35.92%</b>
<b>Covered-employee payroll</b>	<b>\$ 65,624,320</b>	<b>\$ 63,618,121</b>	<b>\$ 62,361,582</b>	<b>\$ 67,841,626</b>
<b>Plan net OPEB liability as a percentage of covered-employee payroll</b>	<b>175.63%</b>	<b>193.71%</b>	<b>152.95%</b>	<b>136.16%</b>

1 Historical information is presented only for measurement periods after GASB 75 implementation in fiscal year of 2017-18 (measurement period of 2016-17). Additional years of information will be displayed as it becomes available.

**City of Corona**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions - Other Postemployment Benefits**  
**For the Year Ended June 30, 2021**

Last Ten Fiscal Years<sup>1</sup>

**Other Postemployment Benefits ("OPEB") Plan**

Fiscal year	2017	2018	2019	2020	2021
Actuarially determined contribution	\$ 10,000,838	\$ 10,443,091	\$ 10,760,239	\$ 11,087,025	\$ 10,481,185
Contributions in relation to the actuarially determined contribution	(10,000,838)	(10,445,297)	(10,006,129)	(11,847,476)	(10,489,894)
Contribution deficiency (excess)	\$ -	\$ (2,206)	\$ 754,110	\$ (760,451)	\$ (8,709)
Covered payroll <sup>2</sup>	\$ 65,624,320	\$ 63,618,121	\$ 62,361,582	\$ 67,841,626	\$ 68,613,350
Contributions as a percentage of covered payroll. <sup>2</sup>	15.24%	16.42%	16.05%	17.46%	15.29%

1 Historical information is presented only for measurement periods after GASB 75 implementation in fiscal year of 2017-18 (measurement period of 2016-17). Additional years of information will be displayed as it becomes available.

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2019 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Asset valuation method	Market valuation of assets
Discount Rate	6.80%
Payroll Growth	3.25%
General Inflation Rate	2.75% per year
Health Trend	7.5% in 2019, step down 0.5% per year to 5.0% by 2024

## **SUPPLEMENTARY INFORMATION**





**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Low Mod Income Housing Asset Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Investment earnings	\$ 178,506	\$ 173,922	\$ 73,161	\$ (100,761)
Current services	25,000	73,000	-	(73,000)
Other revenues	559,011	559,011	559,011	-
<b>Total revenues</b>	<u>762,517</u>	<u>805,933</u>	<u>632,172</u>	<u>(173,761)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	228,897	245,271	139,299	105,972
<b>Total expenditures</b>	<u>228,897</u>	<u>245,271</u>	<u>139,299</u>	<u>105,972</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 533,620</u>	<u>\$ 560,662</u>	492,873	<u>\$ (67,789)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>29,452,594</u>	
End of year			<u>\$ 29,945,467</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Other Grants Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 11,899,316	\$ 11,247,749	\$ 15,303,466	\$ 4,055,717
Investment earnings	472	835	465	(370)
Other revenues	-	1,630,819	242,949	(1,387,870)
<b>Total revenues</b>	<u>11,899,788</u>	<u>12,879,403</u>	<u>15,546,880</u>	<u>2,667,477</u>
<b>EXPENDITURES:</b>				
Current:				
Library and recreation services	-	67,108	15,588	51,520
Capital outlay	250,000	84,476,412	15,765,575	68,710,837
<b>Total expenditures</b>	<u>250,000</u>	<u>84,543,520</u>	<u>15,781,163</u>	<u>68,762,357</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 11,649,788</u>	<u>\$ (71,664,117)</u>	<u>(234,283)</u>	<u>\$ 71,429,834</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>662,519</u>	
End of year			<u>\$ 428,236</u>	

## NONMAJOR GOVERNMENTAL FUNDS

### Nonmajor Special Revenue Funds:

**Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

**Gas Tax Fund** – accounts 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** - accounts 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** - accounts for allocations made by AB 2766 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.

**Asset Forfeiture Fund** - accounts for asset seizures and forfeitures resulting from police investigations and court decisions.

**Special Tax District Fund** - accounts 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** - accounts for receipts and expenditures of money received from various governmental grants and various library endowments.

**Residential Refuse Fund** - accounts for receipts from refuse billings and collections to pay for vendor services and impact roadways.

### Nonmajor Capital Project Fund:

**Public Facility Project Fund**- accounts for transactions related to proceeds from debt and other resources and their use to acquire and construct certain capital facilities.

**HUD Grants Fund** - accounts 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** - accounts for storm water drainage fees developers as a result of City ordinance 1279. The money is used to construct water drainage facilities within a drainage area.

**City of Corona**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2021**

	Special Revenue Funds			
	Gas Tax	Measure A	Trip Reduction	Asset Forfeiture
<b>ASSETS</b>				
Cash and investments	\$ 7,832,703	\$ 18,313,363	\$ 1,319,764	\$ 717,418
Accounts receivable	137	5,139	-	-
Interest receivable	23,359	54,635	3,937	2,140
Due from other governments	304,047	1,739,836	55,862	-
Long term receivables	-	-	-	-
Loans receivable, net	-	-	-	-
Land held for resale	-	-	-	-
Restricted cash and investments	-	-	-	-
<b>Total assets</b>	<b>\$ 8,160,246</b>	<b>\$ 20,112,973</b>	<b>\$ 1,379,563</b>	<b>\$ 719,558</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 154,021	\$ 650,601	\$ 4	\$ 5,586
Retention payable	9,305	36,157	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Deposit payable	-	-	-	-
Unearned revenue	-	-	-	299,718
<b>Total liabilities</b>	<b>163,326</b>	<b>686,758</b>	<b>4</b>	<b>305,304</b>
<b>Fund Balances (Deficits):</b>				
Restricted	7,996,920	19,426,215	1,379,559	414,254
Assigned	-	-	-	-
Unassigned (deficits)	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>7,996,920</b>	<b>19,426,215</b>	<b>1,379,559</b>	<b>414,254</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,160,246</b>	<b>\$ 20,112,973</b>	<b>\$ 1,379,563</b>	<b>\$ 719,558</b>

(Continued)

**City of Corona**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2021**

	Special Revenue Funds			Capital Projects Funds
	Special Tax Districts	Other Grants & Endowments	Residential Refuse	Public Facility Project
<b>ASSETS</b>				
Cash and investments	\$ 23,612,334	\$ 963,898	\$ 363	\$ -
Accounts receivable	67,946	(1,062)	1,379,833	-
Interest receivable	70,492	2,864	-	-
Due from other governments	170,520	111,018	82,956	2,498,218
Long term receivables	-	-	-	-
Loans receivable, net	-	-	-	-
Land held for resale	-	-	-	-
Restricted cash and investments	17,535	-	94,333	-
<b>Total assets</b>	<b>\$ 23,938,827</b>	<b>\$ 1,076,718</b>	<b>\$ 1,557,485</b>	<b>\$ 2,498,218</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 438,533	\$ 224,446	\$ 906,961	\$ 2,523
Retention payable	57,786	-	-	-
Due to other funds	-	54,699	-	5,797,592
Advance from other funds	1,857,611	-	-	-
Deposit payable	1,550	-	-	-
Unearned revenue	-	646,459	57,642	-
<b>Total liabilities</b>	<b>2,355,480</b>	<b>925,604</b>	<b>964,603</b>	<b>5,800,115</b>
<b>Fund Balances (Deficits):</b>				
Restricted	21,583,347	151,114	592,882	-
Assigned	-	-	-	-
Unassigned (deficits)	-	-	-	(3,301,897)
<b>Total fund balances (deficits)</b>	<b>21,583,347</b>	<b>151,114</b>	<b>592,882</b>	<b>(3,301,897)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 23,938,827</b>	<b>\$ 1,076,718</b>	<b>\$ 1,557,485</b>	<b>\$ 2,498,218</b>

(Continued)

**City of Corona**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2021**

	Capital Projects Funds		Total Nonmajor Governmental Funds
	HUD Grants	Planned Local Drainage	
<b>ASSETS</b>			
Cash and investments	\$ 755,453	\$ 263,148	\$ 53,778,444
Accounts receivable	6	111	1,452,110
Interest receivable	-	-	157,427
Due from other governments	1,945,021	308,623	7,216,101
Long term receivables	1,717,405	-	1,717,405
Loans receivable, net	2,344,737	-	2,344,737
Land held for resale	1,461,000	-	1,461,000
Restricted cash and investments	-	-	111,868
<b>Total assets</b>	<b>\$ 8,223,622</b>	<b>\$ 571,882</b>	<b>\$ 68,239,092</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 86,742	\$ 13,377	2,482,794
Retention payable	65,865	-	169,113
Due to other funds	1,777,181	-	7,629,472
Advance from other funds	-	-	1,857,611
Deposit payable	5,355	-	6,905
Unearned revenue	93,680	-	1,097,499
<b>Total liabilities</b>	<b>2,028,823</b>	<b>13,377</b>	<b>13,243,394</b>
<b>Fund Balances (Deficits):</b>			
Restricted	6,194,799	-	57,739,090
Assigned	-	558,505	558,505
Unassigned (deficits)	-	-	(3,301,897)
<b>Total fund balances (deficits)</b>	<b>6,194,799</b>	<b>558,505</b>	<b>54,995,698</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,223,622</b>	<b>\$ 571,882</b>	<b>\$ 68,239,092</b>

(Concluded)

**City of Corona**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			
	Gas Tax	Measure A	Trip Reduction	Asset Forfeiture
<b>REVENUES:</b>				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,528,002	5,438,977	219,695	228,772
Special assessments	-	-	-	-
Investment earnings	90,231	108,256	(9,131)	4,997
Current services	-	-	-	-
Other revenues	12,424	12,180	-	-
<b>Total revenues</b>	<b>6,630,657</b>	<b>5,559,413</b>	<b>210,564</b>	<b>233,769</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety- Police	-	-	-	105,893
Public works & maintenance services	2,401,494	1,107,913	18,469	-
Library and recreation services	-	-	-	-
Community development	-	-	-	-
Capital outlay	243,626	3,509,648	-	-
Debt service:				
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>2,645,120</b>	<b>4,617,561</b>	<b>18,469</b>	<b>105,893</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>3,985,537</b>	<b>941,852</b>	<b>192,095</b>	<b>127,876</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	(1,159,890)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(1,159,890)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>2,825,647</b>	<b>941,852</b>	<b>192,095</b>	<b>127,876</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year	5,171,273	18,484,363	1,187,464	286,378
End of year	<u>\$ 7,996,920</u>	<u>\$ 19,426,215</u>	<u>\$ 1,379,559</u>	<u>\$ 414,254</u>

(Continued)

**City of Corona**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Special Revenue Funds			Capital Projects Funds
	Special Tax Districts	Other Grants & Endowments	Residential Refuse	Public Facility Project
<b>REVENUES:</b>				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	650,290	124,231	1,715,753
Special assessments	8,738,130	-	-	-
Investment earnings	227,659	8,199	(2,815)	-
Current services	62,552	52,875	10,043,516	-
Other revenues	88,342	-	-	-
<b>Total revenues</b>	<b>9,116,683</b>	<b>711,364</b>	<b>10,164,932</b>	<b>1,715,753</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety- Police	-	341,680	-	-
Public works & maintenance services	6,901,869	-	10,095,710	-
Library and recreation services	-	82,324	46,218	-
Community development	-	-	-	-
Capital outlay	843,400	200,000	-	4,825,645
Debt service:				
Interest and fiscal charges	34,906	-	-	-
<b>Total expenditures</b>	<b>7,780,175</b>	<b>624,004</b>	<b>10,141,928</b>	<b>4,825,645</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>1,336,508</b>	<b>87,360</b>	<b>23,004</b>	<b>(3,109,892)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,118	-	113,298	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,118</b>	<b>-</b>	<b>113,298</b>	<b>-</b>
<b>NET CHANGES IN FUND BALANCES</b>	<b>1,337,626</b>	<b>87,360</b>	<b>136,302</b>	<b>(3,109,892)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year	20,245,721	63,754	456,580	(192,005)
End of year	<u>\$ 21,583,347</u>	<u>\$ 151,114</u>	<u>\$ 592,882</u>	<u>\$ (3,301,897)</u>

(Continued)



**City of Corona**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2021**

	Capital Projects Funds		Total Nonmajor Governmental Funds
	HUD Grants	Planned Local Drainage	
<b>REVENUES:</b>			
Licenses and permits	\$ -	\$ 780,732	\$ 780,732
Intergovernmental	2,360,175	-	17,265,895
Special assessments	-	-	8,738,130
Investment earnings	-	1,432	428,828
Current services	-	-	10,158,943
Other revenues	49,802	124,988	287,736
<b>Total revenues</b>	2,409,977	907,152	37,660,264
<b>EXPENDITURES:</b>			
Current:			
Public safety- Police	-	-	447,573
Public works & maintenance services	-	842,459	21,367,914
Library and recreation services	-	-	128,542
Community development	1,384,569	-	1,384,569
Capital outlay	1,424,959	-	11,047,278
Debt service:			
Interest and fiscal charges	-	-	34,906
<b>Total expenditures</b>	2,809,528	842,459	34,410,782
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(399,551)	64,693	3,249,482
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	114,416
Transfers out	-	-	(1,159,890)
<b>Total other financing sources (uses)</b>	-	-	(1,045,474)
<b>NET CHANGES IN FUND BALANCES</b>	(399,551)	64,693	2,204,008
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of year	6,594,350	493,812	52,791,690
End of year	\$ 6,194,799	\$ 558,505	\$ 54,995,698

(Concluded)

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Gas Tax Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 6,327,300	\$ 6,639,000	\$ 6,528,002	\$ (110,998)
Investment earnings	81,232	110,757	90,231	(20,526)
Other revenues	-	35	12,424	12,389
<b>Total revenues</b>	<u>6,408,532</u>	<u>6,749,792</u>	<u>6,630,657</u>	<u>(119,135)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works & maintenance services	5,486,662	8,136,341	2,401,494	5,734,847
Capital outlay	-	-	243,626	(243,626)
<b>Total expenditures</b>	<u>5,486,662</u>	<u>8,136,341</u>	<u>2,645,120</u>	<u>5,491,221</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>921,870</u>	<u>(1,386,549)</u>	<u>3,985,537</u>	<u>5,372,086</u>
<b>OTHER FINANCING (USES):</b>				
Transfers out	<u>(1,092,100)</u>	<u>(1,092,100)</u>	<u>(1,159,890)</u>	<u>(67,790)</u>
<b>Total other financing (uses)</b>	<u>(1,092,100)</u>	<u>(1,092,100)</u>	<u>(1,159,890)</u>	<u>(67,790)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (170,230)</u>	<u>\$ (2,478,649)</u>	<u>2,825,647</u>	<u>\$ 5,304,296</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>5,171,273</u>	
End of year			<u>\$ 7,996,920</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Measure A Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 3,655,000	\$ 4,455,000	\$ 5,438,977	\$ 983,977
Investment earnings	310,769	329,184	108,256	(220,928)
Other revenues	-	4,388	12,180	7,792
<b>Total revenues</b>	<u>3,965,769</u>	<u>4,788,572</u>	<u>5,559,413</u>	<u>770,841</u>
<b>EXPENDITURES:</b>				
Current:				
Public works & maintenance services	165,537	1,017,253	1,107,913	(90,660)
Capital outlay	4,489,000	17,313,285	3,509,648	13,803,637
<b>Total expenditures</b>	<u>4,654,537</u>	<u>18,330,538</u>	<u>4,617,561</u>	<u>13,712,977</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (688,768)</u>	<u>\$ (13,541,966)</u>	941,852	<u>\$ 14,483,818</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>18,484,363</u>	
End of year			<u>\$ 19,426,215</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Trip Reduction Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 210,000	\$ 210,000	\$ 219,695	\$ 9,695
Investment earnings	28,549	20,356	(9,131)	(29,487)
<b>Total revenues</b>	<u>238,549</u>	<u>230,356</u>	<u>210,564</u>	<u>(19,792)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works & maintenance services	28,400	29,450	18,469	10,981
<b>Total expenditures</b>	<u>28,400</u>	<u>29,450</u>	<u>18,469</u>	<u>10,981</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 210,149</u>	<u>\$ 200,906</u>	192,095	<u>\$ (8,811)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,187,464</u>	
End of year			<u>\$ 1,379,559</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Asset Forfeiture Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ 213,702	\$ 228,772	\$ 15,070
Investment earnings	9,387	7,473	4,997	(2,476)
<b>Total revenues</b>	<u>9,387</u>	<u>221,175</u>	<u>233,769</u>	<u>12,594</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety- Police	122,900	158,284	105,893	52,391
<b>Total expenditures</b>	<u>122,900</u>	<u>158,284</u>	<u>105,893</u>	<u>52,391</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (113,513)</u>	<u>\$ 62,891</u>	127,876	<u>\$ 64,985</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>286,378</u>	
End of year			<u>\$ 414,254</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Special Tax District Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Special assessments	\$ 8,462,190	\$ 8,589,527	\$ 8,738,130	\$ 148,603
Investment earnings	360,281	369,172	227,659	(141,513)
Current services	59,786	59,786	62,552	2,766
Other revenues	56,710	70,553	88,342	17,789
<b>Total revenues</b>	<u>8,938,967</u>	<u>9,089,038</u>	<u>9,116,683</u>	<u>27,645</u>
<b>EXPENDITURES:</b>				
Current:				
Public works & maintenance services	7,904,759	9,119,427	6,901,869	2,217,558
Capital outlay	-	1,559,330	843,400	715,930
Debt service:				
Interest and fiscal charges	37,908	37,908	34,906	3,002
<b>Total expenditures</b>	<u>7,942,667</u>	<u>10,716,665</u>	<u>7,780,175</u>	<u>2,936,490</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>996,300</u>	<u>(1,627,627)</u>	<u>1,336,508</u>	<u>2,964,135</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	97,049	97,049	1,118	(95,931)
<b>Total other financing sources</b>	<u>97,049</u>	<u>97,049</u>	<u>1,118</u>	<u>(95,931)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1,093,349</u>	<u>\$ (1,530,578)</u>	<u>1,337,626</u>	<u>\$ 2,868,204</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>20,245,721</u>	
End of year			<u>\$ 21,583,347</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Other Grants & Endowments Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 284,004	\$ 1,288,472	\$ 650,290	\$ (638,182)
Investment earnings	11,076	14,714	8,199	(6,515)
Current services	55,000	55,000	52,875	(2,125)
<b>Total revenues</b>	<u>350,080</u>	<u>1,358,186</u>	<u>711,364</u>	<u>(646,822)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety- Police	271,280	409,581	341,680	67,901
Library and recreation services	-	106,847	82,324	24,523
Capital outlay	-	200,000	200,000	-
<b>Total expenditures</b>	<u>271,280</u>	<u>716,428</u>	<u>624,004</u>	<u>92,424</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 78,800</u>	<u>\$ 641,758</u>	87,360	<u>\$ (554,398)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>63,754</u>	
End of year			<u>\$ 151,114</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Residential Refuse Special Revenue Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 111,301	\$ 70,000	\$ 124,231	\$ 54,231
Investment earnings	-	-	(2,815)	(2,815)
Fines and penalties	131,599	-	-	-
Current services	10,739,570	9,969,196	10,043,516	74,320
<b>Total revenues</b>	<u>10,982,470</u>	<u>10,039,196</u>	<u>10,164,932</u>	<u>125,736</u>
<b>EXPENDITURES:</b>				
Current:				
Public works & maintenance services	10,905,909	11,095,418	10,095,710	999,708
Library and recreation services	36,301	175,082	46,218	128,864
<b>Total expenditures</b>	<u>10,942,210</u>	<u>11,270,500</u>	<u>10,141,928</u>	<u>1,128,572</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>40,260</u>	<u>(1,231,304)</u>	<u>23,004</u>	<u>1,254,308</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	-	-	113,298	113,298
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>113,298</u>	<u>113,298</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 40,260</u>	<u>\$ (1,231,304)</u>	<u>136,302</u>	<u>\$ 1,367,606</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>456,580</u>	
End of year			<u>\$ 592,882</u>	



**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Public Facility Project Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 3,000,000	\$ 3,000,000	\$ 1,715,753	\$ (1,284,247)
<b>Total revenues</b>	<u>3,000,000</u>	<u>3,000,000</u>	<u>1,715,753</u>	<u>(1,284,247)</u>
<b>EXPENDITURES:</b>				
Capital outlay	-	5,579,977	4,825,645	754,332
<b>Total expenditures</b>	<u>-</u>	<u>5,579,977</u>	<u>4,825,645</u>	<u>754,332</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 3,000,000</u>	<u>\$ (2,579,977)</u>	(3,109,892)	<u>\$ (529,915)</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			(192,005)	
End of year			<u>\$ (3,301,897)</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**HUD Grants Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 1,495,407	\$ 2,195,407	\$ 2,360,175	\$ 164,768
Current services	-	86,460	-	(86,460)
Other revenues	-	87,822	49,802	(38,020)
<b>Total revenues</b>	<u>1,495,407</u>	<u>2,369,689</u>	<u>2,409,977</u>	<u>40,288</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	209,737	405,681	1,384,569	(978,888)
Capital outlay	1,608,328	4,603,195	1,424,959	3,178,236
<b>Total expenditures</b>	<u>1,818,065</u>	<u>5,008,876</u>	<u>2,809,528</u>	<u>2,199,348</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (322,658)</u>	<u>\$ (2,639,187)</u>	(399,551)	<u>\$ 2,239,636</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			<u>6,594,350</u>	
End of year			<u>\$ 6,194,799</u>	

**City of Corona**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Planned Local Drainage Capital Projects Fund**  
**For the Year Ended June 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Licenses and permits	\$ 766,094	\$ 767,699	\$ 780,732	\$ 13,033
Investment earnings	-	1,202	1,432	230
Other Revenues	255,550	124,988	124,988	-
<b>Total revenues</b>	<u>1,021,644</u>	<u>893,889</u>	<u>907,152</u>	<u>13,263</u>
<b>EXPENDITURES:</b>				
Current:				
Public works & maintenance services	1,134,164	1,271,286	842,459	428,827
<b>Total expenditures</b>	<u>1,134,164</u>	<u>1,271,286</u>	<u>842,459</u>	<u>428,827</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (112,520)</u>	<u>\$ (377,397)</u>	64,693	<u>\$ 442,090</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>493,812</u>	
End of year			<u>\$ 558,505</u>	



## NONMAJOR ENTERPRISE FUNDS

**Transit Service Enterprise 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, and grants from the Transportation Development Act (TDA).

**Airport Enterprise Fund** – This fund is used to account for the operations of the City's municipal airport. The airport provides services to general aviation aircraft for recreation purposes only. It is a self-supporting activity based on rental charges and state grants.



**City of Corona**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2021**

	<u>Transit Services</u>	<u>Airport</u>	<u>Total</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash and investments	\$ 951,001	\$ 1,211,410	\$ 2,162,411
Accounts receivable	2,678	4,676	7,354
Interest receivable	3,927	3,614	7,541
Due from other government	643,283	-	643,283
Restricted cash and investments	366,440	-	366,440
<b>Total current assets</b>	<u>1,967,329</u>	<u>1,219,700</u>	<u>3,187,029</u>
<b>Noncurrent assets:</b>			
Capital assets:			
Capital assets, being depreciated, net	3,067,892	47,947	3,115,839
<b>Total noncurrent assets</b>	<u>3,067,892</u>	<u>47,947</u>	<u>3,115,839</u>
<b>Total assets</b>	<u>5,035,221</u>	<u>1,267,647</u>	<u>6,302,868</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	134,315	-	134,315
OPEB related items	47,967	-	47,967
<b>Total deferred outflows of resources</b>	<u>182,282</u>	<u>-</u>	<u>182,282</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable	1,122,232	5,616	1,127,848
Unearned revenue	574,778	450	575,228
Deposit payable	-	380	380
Compensated absences, due within one year	10,992	-	10,992
<b>Total current liabilities</b>	<u>1,708,002</u>	<u>6,446</u>	<u>1,714,448</u>
<b>Noncurrent liabilities:</b>			
Compensated absences, due in more than one year	53,209	-	53,209
Net pension liability	945,500	-	945,500
Net OPEB liability	267,883	-	267,883
<b>Total non-current liabilities</b>	<u>1,266,592</u>	<u>-</u>	<u>1,266,592</u>
<b>Total liabilities</b>	<u>2,974,594</u>	<u>6,446</u>	<u>2,981,040</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB related items	52,471	-	52,471
<b>Total deferred inflows of resources</b>	<u>52,471</u>	<u>-</u>	<u>52,471</u>
<b>NET POSITION</b>			
Investment in capital assets	3,067,892	47,947	3,115,839
Unrestricted (deficit)	(877,454)	1,213,254	335,800
<b>Total net position</b>	<u>\$ 2,190,438</u>	<u>\$ 1,261,201</u>	<u>\$ 3,451,639</u>

**City of Corona**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2021**

	Transit Services	Airport	Total
<b>OPERATING REVENUES:</b>			
Fees and permits	\$ -	\$ 38,794	\$ 38,794
Other revenues	63,382	552,858	616,240
<b>Total operating revenues</b>	<u>63,382</u>	<u>591,652</u>	<u>655,034</u>
<b>OPERATING EXPENSES:</b>			
Personnel services	314,805	113	314,918
Contractual services	1,399,539	30,596	1,430,135
Materials and supplies	45,399	128,993	174,392
Utilities	141,405	13,253	154,658
Depreciation	662,274	14,296	676,570
<b>Total operating expenses</b>	<u>2,563,422</u>	<u>187,251</u>	<u>2,750,673</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(2,500,040)</u>	<u>404,401</u>	<u>(2,095,639)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Intergovernmental	1,824,070	10,000	1,834,070
Investment earnings	18,123	12,639	30,762
<b>Total nonoperating Revenues</b>	<u>1,842,193</u>	<u>22,639</u>	<u>1,864,832</u>
<b>CHANGE IN NET POSITION</b>	(657,847)	427,040	(230,807)
<b>NET POSITION:</b>			
Beginning of the year, as restated (Note 18)	2,848,285	834,161	3,682,446
End of the year	<u>\$ 2,190,438</u>	<u>\$ 1,261,201</u>	<u>\$ 3,451,639</u>



**City of Corona**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Year Ended June 30, 2021**

	Transit	Airport	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers and users	\$ 61,847	\$ 588,006	\$ 649,853
Cash paid to suppliers for goods and services	(608,782)	(183,768)	(792,550)
Cash paid to employees for services	(409,442)	(161,933)	(571,375)
<b>Net cash provided by (used in) operating activities</b>	<b>(956,377)</b>	<b>242,305</b>	<b>(714,072)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental grant received	1,579,431	10,055	1,589,486
<b>Net cash provided by noncapital financing activities</b>	<b>1,579,431</b>	<b>10,055</b>	<b>1,589,486</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(23,111)	-	(23,111)
<b>Net cash (used in) capital and related financing activities</b>	<b>(23,111)</b>	<b>-</b>	<b>(23,111)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	16,854	13,058	29,912
<b>Net cash provided investing activities</b>	<b>16,854</b>	<b>13,058</b>	<b>29,912</b>
<b>Net increase in cash and cash equivalents</b>	<b>616,797</b>	<b>265,418</b>	<b>882,215</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	700,644	945,992	1,646,636
End of year	<u>\$ 1,317,441</u>	<u>\$ 1,211,410</u>	<u>\$ 2,528,851</u>
<b>CASH AND CASH EQUIVALENTS:</b>			
Cash and investments	\$ 951,001	\$ 1,211,410	\$ 2,162,411
Restricted cash and investments	366,440	-	366,440
<b>Total cash and cash equivalents</b>	<b>\$ 1,317,441</b>	<b>\$ 1,211,410</b>	<b>\$ 2,528,851</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (2,500,040)	\$ 404,401	\$ (2,095,639)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	662,274	14,296	676,570
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(1,535)	(3,586)	(5,121)
(Increase) decrease in deferred outflows of resources related to pension	(6,842)	-	(6,842)
(Increase) decrease in deferred outflows of resources related to OPEB	4,647	30,845	35,492
Increase (decrease) in accounts payable and accrued liabilities	977,574	(1,649)	975,925
Increase (decrease) in deposits payable	-	(60)	(60)
Increase (decrease) in compensated absences	6,231	-	6,231
Increase (decrease) in net pension liability	(57,103)	-	(57,103)
Increase (decrease) in net OPEB liability	(8,717)	(162,143)	(170,860)
Increase (decrease) in deferred inflows of resources related to pension	(17,937)	-	(17,937)
Increase (decrease) in deferred inflows of resources related to OPEB	(14,929)	(39,799)	(54,728)
Total adjustments	1,543,663	(162,096)	1,381,567
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (956,377)</b>	<b>\$ 242,305</b>	<b>\$ (714,072)</b>



## INTERNAL SERVICE FUNDS

**Fleet Operations Fund** – This fund is used to account for lease of equipment to City departments as the equipment is used. Rental charges include amounts accumulated in the fund to pay for equipment replacements as needed

**Workers' Compensation Self-Insurance Fund** – This fund was established on December 1, 1974 at which time the City became self-insured. Claims and administrative expense 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 expenses 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 expenses regarding distribution of inventory.

**Information Technology Fund** – This fund is used to account for software subscriptions, licenses, equipment, and administrative costs of the information Technology Department on behalf of the other funds

**City of Corona**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2021**

	Fleet Operations	Self-Insurance	
		Workers' Compensation	Liability Risk
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 6,903,750	\$ 25,132,132	\$ 2,213,281
Accounts receivable	10,635	50,833	-
Due from other governments	644	-	-
Inventories and prepaid items	184,738	-	776,458
<b>Total current assets</b>	<b>7,099,767</b>	<b>25,182,965</b>	<b>2,989,739</b>
Noncurrent assets:			
Capital assets, not depreciated	46,570	-	-
Capital assets, being depreciated, net	4,032,369	-	-
<b>Total noncurrent assets</b>	<b>4,078,939</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>11,178,706</b>	<b>25,182,965</b>	<b>2,989,739</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	290,186	-	-
OPEB related items	227,076	-	-
<b>Total deferred outflows of resources</b>	<b>517,262</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	293,604	172,701	787,656
Claim payable, due within one year	-	2,838,258	324,129
Compensated absences, due within one year	43,343	-	-
Capital lease payable, due within one year	191,286	-	-
<b>Total current liabilities</b>	<b>528,233</b>	<b>3,010,959</b>	<b>1,111,785</b>
Noncurrent liabilities:			
Compensated absences, due more than one year	-	-	-
Capital lease payable, due more than one year	345,651	-	-
Claim payable, due more than one year	-	17,195,401	964,953
Net pension liability	2,042,747	-	-
Net OPEB liability	1,247,043	-	-
<b>Total noncurrent liabilities</b>	<b>3,635,441</b>	<b>17,195,401</b>	<b>964,953</b>
<b>Total liabilities</b>	<b>4,163,674</b>	<b>20,206,360</b>	<b>2,076,738</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB related items	260,151	-	-
<b>Total deferred inflows of resources</b>	<b>260,151</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>			
Net investment in capital assets	3,542,002	-	-
Unrestricted (deficit)	3,730,141	4,976,605	913,001
<b>Total net position</b>	<b>\$ 7,272,143</b>	<b>\$ 4,976,605</b>	<b>\$ 913,001</b>

(Continued)

**City of Corona**  
**Combining Statement of Net Position (Continued)**  
**Internal Service Funds**  
**June 30, 2021**

	Warehouse	Information Technology	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 462,260	\$ 5,334,076	\$ 40,045,499
Accounts receivable	-	4,984	66,452
Due from other governments	-	-	644
Inventories and prepaid items	-	-	961,196
<b>Total current assets</b>	<b>462,260</b>	<b>5,339,060</b>	<b>41,073,791</b>
Noncurrent assets:			
Capital assets, not depreciated	-	9,253	55,823
Capital assets, being depreciated net	-	561,304	4,593,673
<b>Total noncurrent assets</b>	<b>-</b>	<b>570,557</b>	<b>4,649,496</b>
<b>Total assets</b>	<b>462,260</b>	<b>5,909,617</b>	<b>45,723,287</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	51,406	1,071,206	1,412,798
OPEB related items	35,995	346,244	609,315
<b>Total deferred outflows of resources</b>	<b>87,401</b>	<b>1,417,450</b>	<b>2,022,113</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	4,719	44,043	1,302,723
Claim payable, due within one year	-	-	3,162,387
Compensated absences, due within one year	1,368	83,012	127,723
Capital lease payable, due within one year	-	210,938	402,224
<b>Total current liabilities</b>	<b>6,087</b>	<b>337,993</b>	<b>4,995,057</b>
Noncurrent liabilities:			
Compensated absences, due more than one year	-	192,142	192,142
Capital lease payable, due more than one year	-	-	345,651
Claim payable, due more than one year	-	-	18,160,354
Net pension liability	361,858	7,540,653	9,945,258
Net OPEB liability	193,985	1,884,419	3,325,447
<b>Total noncurrent liabilities</b>	<b>555,843</b>	<b>9,617,214</b>	<b>31,968,852</b>
<b>Total liabilities</b>	<b>561,930</b>	<b>9,955,207</b>	<b>36,963,909</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB related items	41,893	393,579	695,623
<b>Total deferred inflows of resources</b>	<b>41,893</b>	<b>393,579</b>	<b>695,623</b>
<b>NET POSITION</b>			
Net investment in capital assets	-	359,619	3,901,621
Unrestricted (deficit)	(54,162)	(3,381,338)	6,184,247
<b>Total net position</b>	<b>\$ (54,162)</b>	<b>\$ (3,021,719)</b>	<b>\$ 10,085,868</b>

(Concluded)

**City of Corona**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2021**

	Fleet Operations	Self-Insurance	
		Workers' Compensation	Liability Risk
<b>OPERATING REVENUES:</b>			
Service charges	\$ 3,650,856	\$ 2,150,897	\$ 1,631,850
Other revenues	530,252	-	-
<b>Total operating revenues</b>	<b>4,181,108</b>	<b>2,150,897</b>	<b>1,631,850</b>
<b>OPERATING EXPENSES:</b>			
Personnel services	618,554	-	-
Contractual services	108,362	1,875	26,803
Materials and supplies	1,748,754	74,434	-
Utilities	809,536	-	-
Depreciation expense	755,644	-	-
Claims and premium	43	3,312,251	1,081,992
<b>Total operating expenses</b>	<b>4,040,893</b>	<b>3,388,560</b>	<b>1,108,795</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>140,215</b>	<b>(1,237,663)</b>	<b>523,055</b>
<b>NONOPERATING REVENUE (EXPENSES):</b>			
Investment earnings	232	-	-
Interest expense	(27,761)	-	-
Gain on sale of capital assets	158,800	-	-
<b>Total nonoperating expenses</b>	<b>131,271</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>271,486</b>	<b>(1,237,663)</b>	<b>523,055</b>
<b>NET POSITION:</b>			
Beginning of the year	7,000,657	6,214,268	389,946
End of the year	\$ 7,272,143	\$ 4,976,605	\$ 913,001

(Continued)

**City of Corona**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position (Continued)**  
**Internal Service Funds**  
**For the Year Ended June 30, 2021**

	Warehouse	Information Technology	Total
<b>OPERATING REVENUES:</b>			
Service charges	\$ 363,356	\$ 10,983,103	\$ 18,780,062
Other revenues	-	897	531,149
<b>Total operating revenues</b>	<b>363,356</b>	<b>10,984,000</b>	<b>19,311,211</b>
<b>OPERATING EXPENSES:</b>			
Personnel services	86,002	3,315,837	4,020,393
Contractual services	34,229	3,295,556	3,466,825
Materials and supplies	97,801	629,681	2,550,670
Utilities	1,003	245,634	1,056,173
Depreciation expense	-	280,653	1,036,297
Claims and premium	-	-	4,394,286
<b>Total operating expenses</b>	<b>219,035</b>	<b>7,767,361</b>	<b>16,524,644</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>144,321</b>	<b>3,216,639</b>	<b>2,786,567</b>
<b>NONOPERATING REVENUE (EXPENSES):</b>			
Investment earnings	-	-	232
Interest expense	-	-	(27,761)
Gain on sale of capital assets	-	-	158,800
<b>Total nonoperating expenses</b>	<b>-</b>	<b>-</b>	<b>131,271</b>
<b>CHANGE IN NET POSITION</b>	<b>144,321</b>	<b>3,216,639</b>	<b>2,917,838</b>
<b>NET POSITION:</b>			
Beginning of the year	(198,483)	(6,238,358)	7,168,030
End of the year	<u>\$ (54,162)</u>	<u>\$ (3,021,719)</u>	<u>\$ 10,085,868</u>

(Concluded)

**City of Corona**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2021**

	Governmental Activities - Internal Service Funds		
	Fleet Operations	Workers' Compensation Self-Insurance	Liability Risk Self-Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers and users	\$ 4,189,122	\$ 2,165,097	\$ 1,631,850
Cash paid to suppliers for goods and services	(2,636,841)	(51,601)	(46,082)
Cash paid to employees for services	(990,407)	(70,545)	(90,763)
Cash paid for insurance or claims	-	(2,959,261)	(1,311,402)
<b>Net cash provided by (used in) operating activities</b>	<b>561,874</b>	<b>(916,310)</b>	<b>183,603</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental grants received	2,843	-	-
<b>Net cash provided by noncapital financing activities</b>	<b>2,843</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(1,770,399)	-	-
Proceed from sale of capital assets	158,800	-	-
Principal paid on capital leases	(153,177)	-	-
Interest paid on capital leases	(27,761)	-	-
Issuance of capital lease	201,028	-	-
<b>Net cash (used in) capital and related financing activities</b>	<b>(1,591,509)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	232	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,026,560)</b>	<b>(916,310)</b>	<b>183,603</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	7,930,310	26,048,442	2,029,678
End of year	<u>\$ 6,903,750</u>	<u>\$ 25,132,132</u>	<u>\$ 2,213,281</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>			
Operating loss	\$ 140,215	\$ (1,237,663)	\$ 523,055
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	755,644	-	-
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	8,014	14,200	-
(Increase) decrease in inventories and prepaid items	(11,607)	-	(776,458)
(Increase) decrease in pension related deferred outflows of resources	(8,026)	-	-
(Increase) decrease in OPEB related deferred outflows of resources	28,748	16,330	19,958
Increase (decrease) in accounts payable and accrued liabilities	35,427	44,707	777,178
Increase (decrease) in claims payable	-	352,990	(229,410)
Increase (decrease) in compensated absences	(3,040)	-	-
Increase (decrease) in net pension liability	(176,501)	-	-
Increase (decrease) in net OPEB liability	(97,803)	(85,841)	(104,917)
Increase (decrease) in pension related deferred inflows of resources	(39,701)	-	-
Increase (decrease) in OPEB related deferred inflows of resources	(69,496)	(21,033)	(25,803)
Total adjustments	<u>421,659</u>	<u>321,353</u>	<u>(339,452)</u>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 561,874</b>	<b>\$ (916,310)</b>	<b>\$ 183,603</b>



**City of Corona**  
**Combining Statement of Cash Flows (Continued)**  
**Internal Service Funds**  
**For the Year Ended June 30, 2021**

	Governmental Activities - Internal Service Funds		
	Warehouse	Information Technology	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash receipts from customers and users	\$ 363,356	\$ 10,979,016	\$ 19,328,441
Cash paid to suppliers for goods and services	(152,963)	(4,316,993)	(7,204,480)
Cash paid to employees for services	(154,789)	(3,379,120)	(4,685,624)
Cash paid for insurance or claims	-	-	(4,270,663)
<b>Net cash provided by (used in) operating activities</b>	<b>55,604</b>	<b>3,282,903</b>	<b>3,167,674</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental grants received	-	-	2,843
<b>Net cash provided by noncapital financing activities</b>	<b>-</b>	<b>-</b>	<b>2,843</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	-	(9,253)	(1,779,652)
Proceed from sale of capital assets	-	-	158,800
Principal paid on capital leases	-	(204,854)	(358,031)
Interest paid on capital leases	-	-	(27,761)
Issuance of capital lease	-	-	201,028
<b>Net cash (used in) capital and related financing activities</b>	<b>-</b>	<b>(214,107)</b>	<b>(1,805,616)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	-	-	232
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>55,604</b>	<b>3,068,796</b>	<b>1,365,133</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	406,656	2,265,280	38,680,366
End of year	<u>\$ 462,260</u>	<u>\$ 5,334,076</u>	<u>\$ 40,045,499</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>			
Operating loss	\$ 144,321	\$ 3,216,639	\$ 2,786,567
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	-	280,653	1,036,297
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	-	(4,984)	17,230
(Increase) decrease in inventories and prepaid items	-	178,438	(609,627)
(Increase) decrease in pension related deferred outflows of resources	157	(171,728)	(179,597)
(Increase) decrease in OPEB related deferred outflows of resources	5,736	49,287	120,059
Increase (decrease) in accounts payable and accrued liabilities	(4,780)	(341,412)	511,120
Increase (decrease) in claims payable	-	-	123,580
Increase (decrease) in compensated absences	(2,689)	36,348	30,619
Increase (decrease) in net pension liability	(43,686)	466,083	245,896
Increase (decrease) in net OPEB liability	(25,388)	(194,845)	(508,794)
Increase (decrease) in pension related deferred inflows of resources	(7,256)	(126,561)	(173,518)
Increase (decrease) in OPEB related deferred inflows of resources	(10,811)	(105,015)	(232,158)
Total adjustments	<u>(88,717)</u>	<u>66,264</u>	<u>381,107</u>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 55,604</b>	<b>\$ 3,282,903</b>	<b>\$ 3,167,674</b>



## **CUSTODIAL FUNDS**

Custodial Funds are used to account for assets for the benefit of organizations or other governments that are not part of the City. In addition, the assets are not derived from the City's provision of goods or services to those individuals, organizations, or other governments.

**Assessment District and Community Facility District (AD/CFD) Funds** - These funds are used to account for receipt of special taxes and assessments used to pay principal and interest on related bonds that are not direct City liabilities, as well as receipt and disbursement of capital project bond proceeds related to the bonds that are not direct obligations of the City.

**AB109 PACT Fund** - This fund is used to account for resources accumulated for the Riverside County Post-Release Accountability and Compliance Team ("PACT"). The AB 109 PACT was created on December 16, 2015. The City of Corona is one of the seven member agencies of PACT, and serve a the trustee of PACT. Funding for PACT comes from the State of California in accordance with AB109, Public Safety Realignment Act of 2011.



**City of Corona**  
**Combining Statement of Fiduciary Net Position**  
**Custodial Funds**  
**For the Year Ended June 30, 2021**

	AD/CFD Fund	AB109 PACT	Total
<b>ASSETS</b>			
Cash and investments	\$ 2,396,804	\$ 25,141	\$ 2,421,945
Restricted cash and investments	12,009,747	-	12,009,747
Interest receivable	7,150	75	7,225
Due from other governments	147,684	-	147,684
Other assets	-	72,610	72,610
<b>Total assets</b>	<b>14,561,385</b>	<b>97,826</b>	<b>14,659,211</b>
<b>LIABILITIES</b>			
Accounts payable	6,354	-	6,354
Deposits payable	62,059	-	62,059
<b>Total liabilities</b>	<b>68,413</b>	<b>-</b>	<b>68,413</b>
<b>NET POSITION</b>			
Restricted for:			
Organization and other governments	\$ 14,492,972	\$ 97,826	\$ 14,590,798

**City of Corona**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2021**

	<u>AD/CFD Fund</u>	<u>AB109 PACT</u>	<u>Total</u>
<b>ADDITIONS:</b>			
Assessment revenue	\$ 7,009,833	\$ -	\$ 7,009,833
Investment earnings	108,730	(6,760)	101,970
Proceeds from district debt issuance	11,195,271	-	11,195,271
Other additions	55,482	-	55,482
<b>Total additions</b>	<u>18,369,316</u>	<u>(6,760)</u>	<u>18,362,556</u>
<b>DEDUCTIONS:</b>			
Developer payments	11,103,742	-	11,103,742
Payments for district expenses	1,115,823	-	1,115,823
Payments for district debt service	12,516,434	-	12,516,434
<b>Total deductions</b>	<u>24,735,999</u>	<u>-</u>	<u>24,735,999</u>
<b>Change in net position</b>	(6,366,683)	(6,760)	(6,373,443)
<b>NET POSITION:</b>			
Beginning of year, as restated (Note 18)	20,859,655	104,586	20,964,241
End of year	<u>\$ 14,492,972</u>	<u>\$ 97,826</u>	<u>\$ 14,590,798</u>

## **STATISTICAL SECTION**





**City of Corona**  
**Statistical Section Overview**  
**(Unaudited)**

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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 the reader to understand how the City's financial performance and well-being have changed over time.

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**City of Corona**  
**Schedule 1**  
**Net Position by Component**  
**Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 751,014,897	\$ 715,567,718	\$ 690,776,881	\$ 661,445,807	\$ 638,468,424
Restricted for:					
Capital Projects	30,373,703	30,073,897	34,034,394	35,250,894	26,832,918
Debt Service	6	8,627,925	6,490,959	5,100,103	3,439,357
Transportation and Public Works	29,395,576	21,690,954	22,272,787	18,493,153	16,363,749
Special Assessment District	24,246,859	11,617,840	12,625,790	11,114,013	14,377,296
Development Projects	16,303,526	23,608,622	21,365,909	9,137,699	5,276,971
Community Development Projects	6,194,799	6,594,350			
Other Purposes	565,368	350,132	382,770	309,562	725,421
Total Restricted	<u>107,079,837</u>	<u>102,563,720</u>	<u>97,172,609</u>	<u>79,405,424</u>	<u>67,015,712</u>
Unrestricted	<u>38,917,327</u>	<u>45,153,818</u>	<u>34,147,614</u>	<u>23,749,730</u>	<u>106,765,363</u>
<b>Total Governmental Activities Net Position</b>	<u><u>\$ 897,012,061</u></u>	<u><u>\$ 863,285,256</u></u>	<u><u>\$ 822,097,104</u></u>	<u><u>\$ 764,600,961</u></u>	<u><u>\$ 812,249,499</u></u>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	\$ 362,609,521	\$ 348,173,650	\$ 346,111,296	\$ 334,581,059	\$ 324,512,188
Restricted for:					
Capital Projects	-	6,735,454	6,735,454	6,735,454	6,735,454
Debt Service	509,441	-	-	-	-
Transportation and Public Works	366,440	377,421	369,860	261,195	697,391
Development Projects	855,624	792,804	792,804		
Total Restricted	<u>1,731,505</u>	<u>7,905,679</u>	<u>7,898,118</u>	<u>6,996,649</u>	<u>7,432,845</u>
Unrestricted	<u>(70,513,075)</u>	<u>(79,890,157)</u>	<u>(95,417,283)</u>	<u>(111,330,380)</u>	<u>(86,423,631)</u>
<b>Total Business-Type Activities Net Position</b>	<u><u>\$ 293,827,951</u></u>	<u><u>\$ 276,189,172</u></u>	<u><u>\$ 258,592,131</u></u>	<u><u>\$ 230,247,328</u></u>	<u><u>\$ 245,521,402</u></u>
<b>Primary Government</b>					
Net Investment in Capital Assets	\$ 1,113,624,418	\$ 1,063,741,368	\$ 1,036,888,177	\$ 996,026,866	\$ 962,980,612
Restricted	108,811,342	110,469,399	105,070,727	86,402,073	74,448,557
Unrestricted	<u>(31,595,748)</u>	<u>(34,736,339)</u>	<u>(61,269,669)</u>	<u>(87,580,650)</u>	<u>20,341,732</u>
<b>Total Primary Government Net Position</b>	<u><u>\$ 1,190,840,012</u></u>	<u><u>\$ 1,139,474,428</u></u>	<u><u>\$ 1,080,689,235</u></u>	<u><u>\$ 994,848,289</u></u>	<u><u>\$ 1,057,770,901</u></u>

**City of Corona**  
**Schedule 1**  
**Net Position by Component (Continued)**  
**Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year				
	2016	2015	2014	2013	2012
<b>Governmental Activities</b>					
Net Investment in Capital Assets	\$ 618,953,633	\$ 587,861,831	\$ 557,314,076	\$ 542,474,178	\$ 547,427,503
Restricted for:					
Capital Projects	24,440,919	23,435,434	31,326,722	87,678,260	95,362,651
Debt Service	2,416,841	2,653,417	2,770,292	2,772,671	3,418,104
Transportation and Public Works	15,401,285	19,206,895	19,224,575	16,083,567	14,494,532
Special Assessment District	17,074,793	15,602,868	13,862,186	12,404,874	11,655,625
Development Projects	8,866,182	5,939,085	1,934,349	4,703,812	6,763,589
Community Development Projects					
Other Purposes	514,174	560,289	803,053	1,173,375	708,280
Total Restricted	68,714,194	67,397,988	69,921,177	124,816,559	132,402,781
Unrestricted	96,234,263	90,173,729	270,365,217	265,060,487	251,564,898
<b>Total Governmental Activities Net Position</b>	<b>\$ 783,902,090</b>	<b>\$ 745,433,548</b>	<b>\$ 897,600,470</b>	<b>\$ 932,351,224</b>	<b>\$ 931,395,182</b>
<b>Business-Type Activities</b>					
Net Investment in Capital Assets	\$ 312,540,296	\$ 286,045,985	\$ 275,218,430	\$ 281,276,333	\$ 274,761,353
Restricted for:					
Capital Projects	7,205,941	6,898,174	10,780,901	-	-
Debt Service	-	6,061,277	6,813,257	8,435,288	10,969,563
Transportation and Public Works	611,272	830,088	1,317,690	130,390	637,926
Development Projects					
Total Restricted	7,817,213	13,789,539	18,911,848	8,565,678	11,607,489
Unrestricted	(96,745,399)	(92,820,840)	(91,326,475)	(100,444,897)	(107,169,420)
<b>Total Business-Type Activities Net Position</b>	<b>\$ 223,612,110</b>	<b>\$ 207,014,684</b>	<b>\$ 202,803,803</b>	<b>\$ 189,397,114</b>	<b>\$ 179,199,422</b>
<b>Primary Government</b>					
Net Investment in Capital Assets	\$ 931,493,929	\$ 873,907,816	\$ 832,532,506	\$ 823,750,511	\$ 822,188,856
Restricted	76,531,407	81,187,527	88,833,025	133,382,237	144,010,270
Unrestricted	(511,136)	(2,647,111)	179,038,742	164,615,590	144,395,478
<b>Total Primary Government Net Position</b>	<b>\$ 1,007,514,200</b>	<b>\$ 952,448,232</b>	<b>\$ 1,100,404,273</b>	<b>\$ 1,121,748,338</b>	<b>\$ 1,110,594,604</b>

**City of Corona**  
**Schedule 2**  
**Changes in Net Position**  
**Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>Expenses</b>					
Governmental Activities:					
General Government	\$ 37,567,629	\$ 35,158,626	\$ 33,591,975	\$ 21,282,982	\$ 28,273,481
Public Safety - Fire	32,592,271	29,429,998	29,004,569	29,892,569	26,004,329
Public Safety - Police	49,673,632	45,363,320	51,665,087	52,237,558	47,773,812
Public Works & Maintenance Services	42,862,546	47,417,239	41,082,525	38,699,371	35,763,511
Library and Recreation Services	3,863,503	3,720,964	4,301,828	3,815,661	5,281,168
Community Development	6,404,617	5,179,409	4,666,834	3,691,471	4,736,871
Economic Development	651,741	219,500	391,110	329,276	4,927,998
Interest and Fiscal Charges	1,125,253	1,239,678	1,347,268	1,398,132	1,034,468
<b>Total Governmental Activities Expenses</b>	<b>\$ 174,741,192</b>	<b>\$ 167,728,734</b>	<b>\$ 166,051,196</b>	<b>\$ 151,347,020</b>	<b>\$ 153,795,638</b>
Business-Type Activities:					
Water	61,436,086	59,032,333	54,241,684	66,216,277	52,922,440
Water Reclamation	27,651,867	28,852,053	28,218,102	31,543,999	24,258,766
Electric	14,557,426	15,159,666	15,597,164	16,913,151	15,559,948
Transit Services	2,563,422	2,972,289	3,153,161	3,391,384	2,826,701
Airport	187,251	150,703	180,033	146,287	166,860
<b>Total Business-Type Activities Expenses</b>	<b>106,396,052</b>	<b>106,167,044</b>	<b>101,390,144</b>	<b>118,211,098</b>	<b>95,734,715</b>
<b>Total Primary Government Expenses</b>	<b>\$ 281,137,244</b>	<b>\$ 273,895,778</b>	<b>\$ 267,441,340</b>	<b>\$ 269,558,118</b>	<b>\$ 249,530,353</b>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government*	5,908,573	4,942,880	7,377,481	10,394,661	18,216,829
Public Safety - Fire	3,889,503	4,048,936	4,914,360	5,076,947	4,087,577
Public Safety - Police	2,112,639	2,274,242	2,282,448	2,172,690	1,090,884
Public Works & Maintenance Services	13,536,491	14,552,360	17,033,637	15,271,111	15,757,571
Library and Recreation Services	867,243	1,919,806	2,882,270	2,582,847	1,690,619
Community Development	5,605,810	4,084,790	4,868,485	3,718,706	2,112,169
Economic Development	-	-	-	-	-
Operating Grants and Contributions	33,382,020	17,568,917	17,177,545	15,235,243	13,607,731
Capital Grants and Contributions	19,254,389	36,780,592	46,130,203	32,940,776	23,356,504
<b>Total Governmental Activities Program Revenues</b>	<b>84,556,668</b>	<b>86,172,523</b>	<b>102,666,429</b>	<b>87,392,981</b>	<b>79,919,884</b>
Business-Type activities:					
Charges for Services:					
Water	65,486,307	55,238,024	56,486,220	56,153,664	51,435,658
Water Reclamation	34,562,829	30,984,409	31,394,607	31,114,187	31,271,134
Electric	16,484,158	16,346,238	16,971,319	17,772,585	16,789,626
Transit Services	63,382	297,111	364,025	359,652	445,604
Airport	591,652	398,281	341,505	265,996	298,868
Operating Grants and Contributions	2,226,923	2,185,674	1,813,204	3,195,967	2,876,392
Capital Grants and Contributions	4,146,239	6,004,436	6,915,473	4,992,185	13,061,722
<b>Total Business-Type Activities Program Revenues</b>	<b>123,561,490</b>	<b>111,454,173</b>	<b>114,286,353</b>	<b>113,854,236</b>	<b>116,179,004</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 208,118,158</b>	<b>\$ 197,626,696</b>	<b>\$ 216,952,782</b>	<b>\$ 201,247,217</b>	<b>\$ 196,098,888</b>

(Continued)

**City of Corona**  
**Schedule 2**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year				
	2016	2015	2014	2013	2012
<b>Expenses</b>					
Governmental Activities:					
General Government	\$ 27,435,359	\$ 24,481,334	\$ 23,974,508	\$ 22,853,992	\$ 20,551,027
Public Safety - Fire	24,447,062	24,052,304	23,062,147	22,702,313	21,506,851
Public Safety - Police	44,341,895	42,939,535	40,779,963	40,357,283	39,791,147
Public Works & Maintenance Services	39,647,786	33,544,227	39,591,302	43,533,983	41,086,166
Library and Recreation Services	6,463,940	6,559,251	4,417,913	2,825,606	2,640,592
Community Development	5,933,581	3,806,766	3,453,020	-	-
Economic Development	4,422,141	3,107,755	5,344,121	6,877,725	12,860,222
Interest and Fiscal Charges	1,910,542	2,016,105	2,172,050	2,953,366	3,648,700
<b>Total Governmental Activities Expenses</b>	<b>\$ 154,602,306</b>	<b>\$ 140,507,277</b>	<b>\$ 142,795,024</b>	<b>\$ 142,104,268</b>	<b>\$ 142,084,705</b>
Business-Type Activities:					
Water	51,177,312	55,714,372	58,165,289	57,605,446	55,837,945
Water Reclamation	25,004,508	26,500,708	29,160,167	29,060,647	30,224,698
Electric	20,082,535	15,192,888	13,373,418	14,675,785	14,569,429
Transit Services	2,732,394	2,477,893	2,355,405	2,286,292	2,148,857
Airport	197,702	282,969	281,771	301,454	307,538
<b>Total Business-Type Activities Expenses</b>	<b>99,194,451</b>	<b>100,168,830</b>	<b>103,336,050</b>	<b>103,929,624</b>	<b>103,088,467</b>
<b>Total Primary Government Expenses</b>	<b>\$ 253,796,757</b>	<b>\$ 240,676,107</b>	<b>\$ 246,131,074</b>	<b>\$ 246,033,892</b>	<b>\$ 245,173,172</b>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government*	18,556,870	20,774,890	16,938,527	19,341,407	19,419,682
Public Safety - Fire	3,679,300	3,142,720	4,264,876	4,242,725	3,926,888
Public Safety - Police	1,082,045	1,065,181	2,070,221	3,011,565	3,079,224
Public Works & Maintenance Services	15,708,292	20,011,693	20,068,114	20,993,799	20,043,766
Library and Recreation Services	1,481,845	1,014,872	319,806	318,831	264,464
Community Development	2,116,832	2,420,301	3,316,624	-	-
Economic Development	-	-	666,394	707,126	-
Operating Grants and Contributions	13,468,867	11,780,932	12,555,412	13,760,057	12,350,047
Capital Grants and Contributions	40,508,675	27,197,609	20,783,935	5,620,168	8,977,103
<b>Total Governmental Activities Program Revenues</b>	<b>96,602,726</b>	<b>87,408,198</b>	<b>80,983,909</b>	<b>67,995,678</b>	<b>68,061,174</b>
Business-Type activities:					
Charges for Services:					
Water	48,753,278	52,620,052	55,937,613	53,906,208	50,243,765
Water Reclamation	30,755,583	30,735,952	30,626,667	30,620,212	29,472,121
Electric	17,057,728	16,760,206	17,182,310	17,138,240	16,531,675
Transit Services	427,417	432,281	406,202	415,615	633,355
Airport	272,217	288,820	316,402	280,915	265,838
Operating Grants and Contributions	5,116,662	4,160,035	1,640,359	1,635,598	1,531,791
Capital Grants and Contributions	6,954,812	13,485,750	4,225,256	3,453,420	11,730,500
<b>Total Business-Type Activities Program Revenues</b>	<b>109,337,697</b>	<b>118,483,096</b>	<b>110,334,809</b>	<b>107,450,208</b>	<b>110,409,045</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 205,940,423</b>	<b>\$ 205,891,294</b>	<b>\$ 191,318,718</b>	<b>\$ 175,445,886</b>	<b>\$ 178,470,219</b>

(Continued)

\* For 2016 and prior, General Government's program revenue was restated to reclassify Lease and Rental Income from General Revenues to Program Revenues.

**City of Corona**  
**Schedule 2**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>Net (Expense)/Revenue</b>					
Governmental Activities	\$ (90,184,524)	\$ (81,556,211)	\$ (63,384,767)	\$ (63,954,039)	\$ (73,875,754)
Business-Type Activities	17,165,438	5,287,129	12,896,209	(4,356,862)	20,444,289
Total Primary Government Net Expense	<u>\$ (73,019,086)</u>	<u>\$ (76,269,082)</u>	<u>\$ (50,488,558)</u>	<u>\$ (68,310,901)</u>	<u>\$ (53,431,465)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Taxes					
Property Taxes	\$ 52,583,004	\$ 50,397,965	\$ 48,123,700	\$ 45,646,490	\$ 43,059,232
Sales and Use Tax	44,752,843	39,657,924	44,125,758	38,118,548	41,145,616
Other Taxes	11,213,308	10,369,076	11,640,957	10,490,863	9,565,580
Total taxes	<u>108,549,155</u>	<u>100,424,965</u>	<u>103,890,415</u>	<u>94,255,901</u>	<u>93,770,428</u>
Investment Earnings	972,402	10,810,066	9,042,370	540,824	623,227
Miscellaneous	12,065,796	12,544,603	11,764,807	13,123,627	6,892,170
Unrestricted Grants and Contributions	-	-	-	-	-
Gain/(Loss) on Sale of Capital Asset	158,800	-	-	-	-
Extraordinary Items	-	-	-	-	-
Transfers	(52,902)	(706,869)	(1,896,122)	(2,744,512)	44,970
Special Items	-	-	-	3,037,670	-
Total Governmental Activities	<u>121,693,251</u>	<u>123,072,765</u>	<u>122,801,470</u>	<u>108,213,510</u>	<u>101,330,795</u>
Business-Type Activities:					
Investment Earnings	684,844	6,237,118	5,010,211	334,927	199,758
Other Income	-	4,001,432	8,542,261	4,887,538	479,465
Gain/(Loss) on Sale of Capital Asset	-	-	-	-	-
Transfers	52,902	706,869	1,896,122	2,744,512	(44,970)
Extraordinary Item - Impairment of Capital Asset	-	2,052,000	-	-	-
Total Business-Type Activities	<u>737,746</u>	<u>12,997,419</u>	<u>15,448,594</u>	<u>7,966,977</u>	<u>634,253</u>
Total Primary Government	<u>\$ 122,430,997</u>	<u>\$ 136,070,184</u>	<u>\$ 138,250,064</u>	<u>\$ 116,180,487</u>	<u>\$ 101,965,048</u>
<b>Change in Net Position</b>					
Governmental Activities	\$ 31,508,727	\$ 41,516,554	\$ 59,416,703	\$ 44,259,470	\$ 27,455,041
Business-Type Activities	17,903,184	18,284,548	28,344,803	3,610,115	21,078,542
Total Primary Government	<u>\$ 49,411,911</u>	<u>\$ 59,801,102</u>	<u>\$ 87,761,506</u>	<u>\$ 47,869,585</u>	<u>\$ 48,533,583</u>

(Continued)

**City of Corona**  
**Schedule 2**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year				
	2016	2015	2014	2013	2012
<b>Net (Expense)/Revenue</b>					
Governmental Activities	\$ (57,999,580)	\$ (53,099,079)	\$ (71,620,834)	\$ (84,625,187)	\$ (86,111,861)
Business-Type Activities	10,143,246	18,314,266	6,998,759	3,520,584	7,320,578
Total Primary Government Net Expense	<u>\$ (47,856,334)</u>	<u>\$ (34,784,813)</u>	<u>\$ (64,622,075)</u>	<u>\$ (81,104,603)</u>	<u>\$ (78,791,283)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Taxes					
Property Taxes	\$ 42,156,726	\$ 38,656,150	\$ 36,462,210	\$ 41,238,344	\$ 45,754,306
Sales and Use Tax	39,663,795	36,608,600	35,623,651	32,969,847	31,190,815
Other Taxes	9,349,800	10,566,662	9,099,819	8,249,945	8,546,497
Total taxes	<u>91,170,321</u>	<u>85,831,412</u>	<u>81,185,680</u>	<u>82,458,136</u>	<u>85,491,618</u>
Investment Earnings	3,172,905	1,988,557	2,296,081	470,023	4,047,070
Miscellaneous	4,765,043	3,686,771	2,096,681	2,355,179	3,637,541
Unrestricted Grants and Contributions	-	-	407	145,742	76,014
Gain/(Loss) on Sale of Capital Asset	-	-	-	-	-
Extraordinary Items	-	5,054,583	(56,854,230)	(8,033,621)	57,030,346
Transfers	14,540	-	(916,819)	(547,690)	(163,000)
Special Items	-	-	-	-	-
Total Governmental Activities	<u>99,122,809</u>	<u>96,561,323</u>	<u>27,807,800</u>	<u>76,847,769</u>	<u>150,119,589</u>
Business-Type Activities:					
Investment Earnings	1,839,114	862,948	1,189,440	2,450,042	4,019,878
Other Income	45,168	493	1,996,793	3,890,307	-
Gain/(Loss) on Sale of Capital Asset	-	(10,207)	2,497,251	-	-
Transfers	(14,540)	-	916,819	547,690	163,000
Extraordinary Item - Impairment of Capital Asset	-	-	-	-	-
Total Business-Type Activities	<u>1,869,742</u>	<u>853,234</u>	<u>6,600,303</u>	<u>6,888,039</u>	<u>4,182,878</u>
Total Primary Government	<u>\$ 100,992,551</u>	<u>\$ 97,414,557</u>	<u>\$ 34,408,103</u>	<u>\$ 83,735,808</u>	<u>\$ 154,302,467</u>
<b>Change in Net Position</b>					
Governmental Activities	\$ 41,123,229	\$ 43,462,244	\$ (43,813,034)	\$ 2,739,179	\$ 76,096,058
Business-Type Activities	12,012,988	19,167,500	13,599,062	10,408,623	11,503,456
Total Primary Government	<u>\$ 53,136,217</u>	<u>\$ 62,629,744</u>	<u>\$ (30,213,972)</u>	<u>\$ 13,147,802</u>	<u>\$ 87,599,514</u>

(Concluded)

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

	Fiscal Year				
	2021	2020	2019	2018	2017
General Fund					
Nonspendable	\$ 19,804,579	\$ 22,787,534	\$ 26,492,072	\$ 31,465,340	\$ 33,241,909
Restricted	6	-	-	-	-
Committed	42,939,942	41,987,810	39,899,272	36,247,833	33,898,271
Assigned	60,053,636	62,449,057	55,495,036	40,855,061	41,979,112
Total General Fund	<u>\$ 122,798,163</u>	<u>\$ 127,224,401</u>	<u>\$ 121,886,380</u>	<u>\$ 108,568,234</u>	<u>\$ 109,119,292</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	104,416,319	102,563,720	97,172,609	79,405,424	66,631,585
Assigned	558,505	493,812	396,813	389,356	432,652
Unassigned	(3,301,897)	(192,005)	(48,500)	(48,501)	(48,525)
Total all other Governmental Funds	<u>\$ 101,672,927</u>	<u>\$ 102,865,527</u>	<u>\$ 97,520,922</u>	<u>\$ 79,746,279</u>	<u>\$ 67,015,712</u>



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

	Fiscal Year				
	2016	2015	2014	2013	2012
General Fund					
Nonspendable	\$ 34,124,977	\$ 24,378,784	\$ 23,595,803	\$ 22,797,277	\$ 15,070,684
Restricted	-	-	-	-	-
Committed	33,511,464	23,815,795	23,494,027	22,804,343	18,279,947
Assigned	33,141,625	50,696,555	44,748,578	41,298,885	43,205,474
Total General Fund	<u>\$ 100,778,066</u>	<u>\$ 98,891,134</u>	<u>\$ 91,838,408</u>	<u>\$ 86,900,505</u>	<u>\$ 76,556,105</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ 18,926,818	\$ 3,615,772	\$ 61,512,775	\$ 61,220,936
Restricted	59,493,942	42,982,365	41,755,471	22,103,295	27,425,735
Assigned	9,428,541	5,825,674	1,299,482	17,604,929	19,215,798
Unassigned	(85,423)	(151,869)	-	-	-
Total all other Governmental Funds	<u>\$ 68,837,060</u>	<u>\$ 67,582,988</u>	<u>\$ 46,670,725</u>	<u>\$ 101,220,999</u>	<u>\$ 107,862,469</u>

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

	Fiscal Year				
	2021	2020	2019	2018	2017
<b>Revenues:</b>					
Property Taxes	\$ 52,583,004	\$ 49,470,941	\$ 47,994,974	\$ 45,775,246	\$ 43,170,396
Sales Taxes	44,752,843	39,657,924	44,125,758	38,118,548	41,145,616
Other Taxes	11,213,308	10,369,076	10,806,717	10,443,823	9,421,375
Licenses, Fees and Permits	5,469,660	4,459,005	14,334,965	6,530,878	5,682,991
Fines and Penalties	790,144	1,183,944	1,260,265	1,243,873	1,467,593
Special Assessments	9,203,891	8,906,312	8,599,669	8,518,569	8,281,089
Investment Earnings	1,490,406	10,810,066	9,042,370	540,761	623,227
Intergovernmental Revenues	38,145,769	27,400,952	23,459,273	19,642,952	26,038,928
Current Services	21,619,934	21,047,563	21,810,063	21,536,206	19,260,514
Payments in Lieu of Services	5,796,335	4,734,340	7,732,356	9,973,782	10,113,191
Other Revenues	13,735,817	30,985,010	38,087,702	35,312,655	14,111,953
<b>Total Revenues</b>	<b>204,801,111</b>	<b>209,025,133</b>	<b>227,254,112</b>	<b>197,637,293</b>	<b>179,316,873</b>
<b>Expenditures:</b>					
General Government	37,706,387	34,223,230	32,612,219	33,897,611	25,520,135
Public Safety - Fire	29,921,638	25,727,486	25,393,135	26,668,495	25,855,247
Public Safety - Police	48,530,984	47,307,419	45,914,260	47,426,516	46,885,033
Public Works & Maintenance Services	34,447,957	38,963,202	33,876,327	32,492,756	27,172,763
Library and Recreation Services	4,537,236	5,058,205	5,140,160	5,153,298	5,197,923
Community Development	6,572,646	5,703,942	5,249,767	4,807,968	4,816,552
Economic Development	689,231	264,656	444,925	421,117	4,930,642
Capital Outlay	43,682,940	35,810,526	38,969,422	35,320,776	30,579,173
Debt Service					
Principal	3,006,263	2,905,509	2,814,099	3,324,719	2,853,939
Interest and Fiscal Charges	1,271,765	1,343,061	1,445,283	1,533,230	1,408,493
<b>Total Expenditures</b>	<b>210,367,047</b>	<b>197,307,236</b>	<b>191,859,597</b>	<b>191,046,486</b>	<b>175,219,900</b>
Excess of Revenues Over/(Under) Expenditures	(5,565,936)	11,717,897	35,394,515	6,590,807	4,096,973
<b>Other Financing Sources/(Uses)</b>					
Issuance of Debt	-	-	-	-	24,520,000
Principal Retirement	-	-	-	-	(27,212,450)
Bond Premium	-	-	-	-	2,974,564
Capital Leases	-	-	-	1,403,261	-
Transfers In	1,274,306	2,508,422	1,382,903	5,533,474	6,291,621
Transfers Out	(1,327,208)	(3,215,291)	(3,764,070)	(6,296,428)	(5,677,217)
<b>Total Other Financing Sources/(Uses)</b>	<b>(52,902)</b>	<b>(706,869)</b>	<b>(2,381,167)</b>	<b>640,307</b>	<b>896,518</b>
<b>Extraordinary Items</b>					
	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>\$ (5,618,838)</b>	<b>\$ 11,011,028</b>	<b>\$ 33,013,348</b>	<b>\$ 7,231,114</b>	<b>\$ 4,993,491</b>
Debt Service as a Percentage of					
Non-capital Expenditures	2.6%	2.6%	2.8%	3.1%	2.9%

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

	Fiscal Year				
	2016	2015	2014	2013	2012
<b>Revenues:</b>					
Property Taxes	\$ 42,175,687	\$ 38,896,950	\$ 36,721,899	\$ 39,447,422	\$ 45,754,306
Sales Taxes	39,663,796	38,565,868	37,430,489	34,529,611	32,725,933
Other Taxes	9,255,961	7,598,684	6,835,935	6,370,589	6,238,073
Licenses, Fees and Permits	7,947,593	9,599,549	2,777,719	2,462,107	5,817,125
Fines and Penalties	1,338,341	1,041,887	1,068,778	1,717,820	1,841,074
Special Assessments	8,801,035	9,438,713	9,439,079	9,477,719	9,296,683
Investment Earnings	3,169,381	1,988,557	2,296,081	470,023	4,047,070
Intergovernmental Revenues	41,588,677	27,601,255	29,487,199	15,312,882	15,731,101
Current Services	18,375,839	17,276,984	17,287,466	16,003,725	14,392,726
Payments in Lieu of Services	10,202,448	12,638,674	10,644,539	8,999,739	9,544,525
Other Revenues	13,314,649	15,300,761	14,900,407	18,919,899	17,714,051
<b>Total Revenues</b>	<b>195,833,407</b>	<b>179,947,882</b>	<b>168,889,591</b>	<b>153,711,536</b>	<b>163,102,667</b>
<b>Expenditures:</b>					
General Government	25,200,855	21,735,399	23,938,276	23,088,936	20,711,464
Public Safety - Fire	25,894,695	24,874,714	24,247,894	22,965,971	22,921,163
Public Safety - Police	45,080,687	41,966,882	41,161,796	39,770,719	41,751,356
Public Works & Maintenance Services	33,621,625	27,777,052	35,125,462	37,909,062	38,237,264
Library and Recreation Services	4,669,898	4,677,992	4,440,588	2,758,037	2,720,741
Community Development	5,953,143	3,829,120	3,422,846	3,019,174	2,971,829
Economic Development	4,422,141	3,107,755	2,529,859	816,342	9,560,505
Capital Outlay	43,444,050	34,342,416	23,609,928	7,769,015	4,349,725
Debt Service					
Principal	2,800,122	3,672,900	3,545,895	3,654,332	7,082,070
Interest and Fiscal Charges	1,953,345	2,064,757	2,210,669	2,719,421	7,547,454
<b>Total Expenditures</b>	<b>193,040,561</b>	<b>168,048,987</b>	<b>164,233,213</b>	<b>144,471,009</b>	<b>157,853,571</b>
Excess of Revenues Over/(Under) Expenditures	2,792,846	11,898,895	4,656,378	9,240,527	5,249,096
<b>Other Financing Sources/(Uses)</b>					
Issuance of Debt	-	-	-	-	-
Principal Retirement	-	-	-	-	-
Bond Premium	-	-	-	-	-
Capital Leases	-	-	-	-	-
Transfers In	2,588,851	2,315,815	3,767,587	3,771,227	4,533,758
Transfers Out	(1,987,900)	(1,739,145)	(1,124,534)	(1,250,885)	(5,582,646)
<b>Total Other Financing Sources/(Uses)</b>	<b>600,951</b>	<b>576,670</b>	<b>2,643,053</b>	<b>2,520,342</b>	<b>(1,048,888)</b>
<b>Extraordinary Items</b>	<b>-</b>	<b>-</b>	<b>(56,854,230)</b>	<b>(8,033,621)</b>	<b>(19,852,703)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 3,393,797</b>	<b>\$ 12,475,565</b>	<b>\$ (49,554,799)</b>	<b>\$ 3,727,248</b>	<b>\$ (15,652,495)</b>
Debt Service as a Percentage of					
Non-capital Expenditures	3.2%	4.3%	4.1%	4.6%	9.5%

**City of Corona**  
**Schedule 5a**  
**Water Sales By User Type<sup>1</sup>**  
**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
2012	22,735	65.5	3,662	10.6	1,184	3.4	3,355	9.6	3,768	10.9	34,704	100.0
2013	23,283	64.8	3,480	9.7	1,225	3.4	3,711	10.3	4,243	11.8	35,942	100.0
2014	23,979	66.8	3,188	10.8	1,254	4.7	597	1.9	8,077	15.8	37,095	100.0
2015	21,621	63.0	3,024	8.8	1,090	3.2	510	1.5	8,061	23.5	34,306	100.0
2016	18,876	62.9	2,726	9.1	958	3.2	391	1.3	7,054	23.5	30,005	100.0
2017	19,668	65.0	2,814	9.3	998	3.3	383	1.3	6,412	21.2	30,275	100.0
2018	21,703	63.6	2,884	8.5	1,092	3.2	400	1.2	8,020	23.5	34,099	100.0
2019	19,981	63.6	2,711	8.6	1,031	3.3	353	1.1	7,324	23.3	31,400	100.0
2020	21,340	65.5	2,645	8.1	1,012	3.1	361	1.1	7,246	22.2	32,604	100.0
2021	22,864	65.8	2,630	7.6	1,054	3.0	362	1.0	7,856	22.6	34,766	100.0

*Note: 1) Amounts include reclaimed water sales.*

*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
2012	\$ 10,406,831	\$ 2,101,432	\$ 2,108,882	\$ 1,602,344	\$ 293,954	\$ 15,925,535	1.0000
2013	10,441,897	2,124,926	2,121,234	1,500,847	264,187	15,924,717	1.0000
2014	10,909,040	2,126,622	2,142,615	1,462,220	279,902	16,360,595	1.0000
2015	11,717,313	2,165,931	2,215,181	1,501,930	301,090	17,299,265	1.0000
2016	12,263,772	2,245,287	2,304,917	1,589,670	354,324	18,049,322	1.0000
2017	12,889,324	2,271,239	2,344,708	1,626,588	335,878	18,795,981	1.0000
2018	13,784,933	2,348,687	2,457,625	1,681,325	360,006	19,912,564	1.0000
2019	14,411,691	2,617,996	2,620,278	1,680,616	359,344	20,971,237	1.0000
2020	15,133,389	2,736,983	2,708,635	1,764,358	481,982	21,861,383	1.0000
2021	15,997,437	2,826,228	2,952,503	1,794,076	486,611	23,083,633	1.0000

*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.*

*Source: HdL Coren & Cone, Riverside County Assessor Combined Tax Rolls*



**City of Corona  
Schedule 6a  
Potable Water Rates  
Last Ten Fiscal Years**

Monthly Base Rates										
Fiscal Year <sup>1</sup>	Quantity Rate per 100 C.F. <sup>2</sup>	Ready-To-Serve Charge								
		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"
2012	1.92 <sup>3</sup>	18.44	24.18	34.59	60.29	87.98	150.37	230.99	424.21	623.93
2013	2.04 <sup>4</sup>	18.88	24.76	35.42	61.73	90.09	153.98	236.53	434.39	638.90
2014	2.10 <sup>5</sup>	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2015	2.10 <sup>5</sup>	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2016	2.10 <sup>5</sup>	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2017	2.10 <sup>5</sup>	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2018	2.10 <sup>5</sup>	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2019	2.10 <sup>5</sup>	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2020	1.57 <sup>5</sup>	22.28	29.98	45.38	83.88	130.08	276.38	491.98	1,238.88	2,162.88
2021	1.65 <sup>5</sup>	23.40	31.48	47.65	88.08	136.59	290.20	516.58	1,300.83	2,271.03

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

2) For Fiscal Year 2009-10 and forward, the stated rate per 100 C.F. is for Residential Tier 1 of the Budget Based Water Rate Structure adopted with Ordinance No. 3025, effective March 19, 2010.

3) For Fiscal Year 2011-12, the quantity rate includes a pass-through charge from WMWD of \$0.03 per 100 C.F. for Tier 1 rates.

4) For Fiscal Year 2012-13, the quantity rate includes a pass-through charge from WMWD of \$0.08 per 100 C.F. for Tier 1 rates.

5) Starting Fiscal Years 2013-14, the quantity rate included a pass-through charge from WMWD of \$0.03 per 100 C.F. for Tier 1 rates.

Source: Corona Department of Water and Power

**City of Corona**  
**Schedule 6b**  
**Reclaimed Water Rates**  
**Last Ten Fiscal Years**

Monthly Base Rates											
Fiscal Year <sup>1</sup>	Quantity Rate per 100 C.F. <sup>2</sup>	Ready-To-Serve Charge									
		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	
2012	\$ 1.44	\$ 18.04	\$ 23.66	\$ 33.85	\$ 58.99	\$ 86.09	\$ 147.13	\$ 226.02	\$ 415.08	\$ 610.50	
2013	1.48	18.53	24.30	34.76	60.58	88.41	151.10	232.12	426.29	626.98	
2014	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52	
2015	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52	
2016	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52	
2017	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52	
2018	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52	
2019	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52	
2020	1.65	18.12	23.74	34.97	63.06	96.77	203.51	360.81	905.74	1,579.89	
2021	1.79	19.75	25.88	38.12	68.74	105.48	221.83	393.28	987.26	1,722.08	

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

2) For Fiscal Year 2009-10 and forward, the stated rate per 100 C.F. is for Tier 1 of the Budget Based Water Rate Structure adopted with Ordinance No. 3025, effective March 19, 2010.

Source: Corona Department of Water and Power



**City of Corona**  
**Schedule 6c**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years (rate per \$100 of assessed value)**

Year	City Direct Rates			Overlapping Rates <sup>2</sup>			
	Basic Rate <sup>1</sup>	General Obligation Debt Service	Total Direct	Corona/Norco School District	Alvord School District	Metropolitan Water District	Riverside City Community College
2012	1.0000	0.0000	1.0000	0.0661	0.1185	0.0037	0.0170
2013	1.0000	0.0000	1.0000	0.0654	0.1184	0.0035	0.0170
2014	1.0000	0.0000	1.0000	0.0684	0.1757	0.0035	0.0177
2015	1.0000	0.0000	1.0000	0.0647	0.1723	0.0035	0.0179
2016	1.0000	0.0000	1.0000	0.0854	0.1534	0.0035	0.0173
2017	1.0000	0.0000	1.0000	0.0942	0.1530	0.0035	0.0165
2018	1.0000	0.0000	1.0000	0.0831	0.1500	0.0035	0.0162
2019	1.0000	0.0000	1.0000	0.0903	0.1506	0.0035	0.0148
2020	1.0000	0.0000	1.0000	0.0939	0.1445	0.0035	0.0148
2021	1.0000	0.0000	1.0000	0.0982	0.1371	0.0035	0.0147

*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: HdL Coren & Cone, Riverside County Assessor 2011/12-2020/21 Tax Rate Table

**City of Corona**  
**Schedule 7a**  
**Principal Water Customers**  
**Current Year and Nine Years Ago**

Water Customer	2021			2012		
	Water Charges	Rank	Percent of Total Water Revenues	Water Charges	Rank	Percent of Total Water Revenues
City of Corona	\$ 3,560,959	1	6.28%	\$ 2,973,379	1	6.12%
Corona-Norco USD	918,892	2	1.62%	890,421	2	1.83%
CLI Atlas LLC	460,187	3	0.81%			
Fairfield Waterstone, LLC	347,381	4	0.61%			
Eagle Glen Master HOA	317,935	5	0.56%	217,478	4	0.45%
Eagle Glen Country Club, LLC	270,793	6	0.48%			
Aseptic Solutions USA	199,500	7	0.35%	148,459	9	0.31%
Breit MF Promenade Terrace LLC	176,188	8	0.31%			
Silverstrand Construction	173,864	9	0.31%			
Hills of Corona	147,548	10	0.26%			
MG Properties				454,110	3	0.94%
EWR, Inc.				180,665	5	0.37%
Waterstone at Corona Pointe				167,221	6	0.34%
Integrated Protein Tech				155,941	7	0.32%
Brookwood Villa Apartments				149,767	8	0.31%
Avalonbay Communities, Inc.				146,969	10	0.30%
	<u>\$ 6,573,247</u>		<u>11.59%</u>	<u>\$ 5,484,410</u>		<u>11.29%</u>

Source: Corona Department of Water and Power

**City of Corona**  
**Schedule 7b**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

<u>Taxpayer</u>	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
SCG Atlas Ashton LLC	\$ 290,216,736	1	1.26%			
Castle and Cooke Corona Inc.	173,115,465	2	0.75%	168,970,180	2	1.06%
Fairfield Waterstone LLC	142,060,600	3	0.62%			
Corona North Retail Development	125,207,200	4	0.54%			
Rexco	120,285,525	5	0.52%			
Breit MF Promenade Terrace LLC	101,174,940	6	0.44%			
Artisan Corona Apartments LLC	100,941,478	7	0.44%			
TC Palisades LLC	94,447,510	8	0.41%			
Costco Wholesale Corporation	90,618,009	9	0.39%			
Corona Industrial Park LLD	89,906,605	10	0.39%			
Watson Laboratories Inc				182,465,420	1	1.15%
Kaiser Foundation Health Plan Inc				124,973,107	3	0.78%
Waterstone Apartments NF				119,710,626	4	0.75%
Price Reit Inc				76,271,792	5	0.48%
Dart Container Corporation of Calif				72,180,895	6	0.45%
223 1 DL Holdings				71,926,584	7	0.45%
Dix Leasing Corporation				60,120,374	8	0.38%
IBM Credit LLC				53,195,439	9	0.33%
Rexco Magnolia				48,108,163	10	0.30%
<b>Total</b>	<b><u>\$ 1,327,974,068</u></b>		<b><u>5.76%</u></b>	<b><u>\$ 977,922,580</u></b>		<b><u>6.13%</u></b>

Source: HdL Coren & Cone, Riverside County Assessor 2020/21 & 2011/12 Combined Tax Rolls and the SBE Non Unitary Tax Roll



**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 <sup>1</sup>	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections <sup>2</sup>	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 22,448,815	\$ 20,689,087	92.16%	\$ 1,155,344	\$ 21,844,431	97.31%
2013	22,560,351	21,235,423	94.13%	979,403	22,214,826	98.47%
2014	23,176,657	22,171,735	95.66%	808,121	22,979,856	99.15%
2015	24,628,905	23,778,058	96.55%	695,420	24,473,478	99.37%
2016	25,563,557	24,694,504	96.60%	585,598	25,280,102	98.89%
2017	26,689,890	26,019,467	97.49%	528,723	26,548,190	99.47%
2018	28,136,170	27,463,023	97.61%	514,039	27,977,062	99.43%
2019	29,448,060	28,882,342	98.08%	411,473	29,293,815	99.48%
2020	31,140,439	30,216,472	97.03%	394,599	30,611,071	98.30%
2021	31,992,547	31,618,089	98.83%	830,154	32,448,243	101.42%

Notes:

- 1) Amounts exclude debt service levies and former Redevelopment property tax increment.
- 2) Amounts excluded interest and penalties.

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

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

Fiscal Year	Governmental Activities								
	General Obligation Bonds	Pension Obligation Bonds	Lease Revenue Bonds	Unamortized Bond Premium	Capital Lease Payable	Lease Payable	Long-Term Agreement Payable	Special Assessment Bonds	
2012	\$ -	\$ -	\$ 62,020	\$ -	\$ -	\$ 25,283	\$ -	\$ 660	
2013	-	-	33,270	-	-	23,719	-	515	
2014	-	-	31,250	-	-	22,353	-	355	
2015	-	-	29,145	-	-	20,955	-	185	
2016	-	-	27,975	-	-	19,510	-	-	
2017	-	-	24,520	2,826	-	18,016	-	-	
2018	-	-	23,335	2,677	1,047	16,472	-	-	
2019	-	-	22,115	2,528	1,062	14,875	-	-	
2020	-	-	20,860	2,379	905	13,225	-	-	
2021	-	-	19,560	2,231	748	11,518	-	-	

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

*Source: Corona Finance Department*

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

Fiscal Year	Business-Type Activities								Total Primary Government	Percent of Personal Income	Per Capita
	Installment Agreement Payable	Long-Term Installment Payable	Term Loan Payable	Certificates of Participation	Revenue Bonds	Unamortized Bond Premium	Lease Payable	Contracts Payable			
2012	\$ 1,485	\$ 26,430	\$ 32,176	\$ 87,495	\$ -	\$ -	\$ -	\$ 690	\$ 236,239	5.6%	\$ 1,539
2013	1,299	-	21,362	64,380	60,791	-	-	690	206,026	4.9%	\$ 1,314
2014	1,104	-	19,951	24,480	57,630	-	-	690	157,813	3.8%	\$ 992
2015	9,766	-	19,142	23,785	54,067	-	-	690	157,735	3.8%	\$ 991
2016	9,221	-	26,111	-	50,294	-	-	690	133,801	3.1%	\$ 813
2017	8,656	-	26,729	-	44,710	1,701	-	690	127,848	2.9%	\$ 762
2018	8,072	-	24,927	-	41,380	1,594	-	690	120,194	2.6%	\$ 713
2019	7,467	-	23,052	-	37,935	1,486	24	690	111,234	2.3%	\$ 662
2020	7,091	-	21,131	-	35,860	1,379	17	690	103,537	2.0%	\$ 615
2021	6,704	-	19,163	-	33,715	1,271	11	690	95,600	1.8%	\$ 564

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

*Source: Corona Finance Department*





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

Fiscal Year	General Bonded Debt Outstanding						Total General Bonded Debt	Less Net Position Restricted for Debt Repayment	Net General Bonded Debt	Percentage of Actual Value <sup>1</sup> of Property	Per Capita <sup>2</sup>
	General Obligation Bonds	Redevelopment Bonds <sup>3</sup>	Special Assessment Bonds	Lease Payable	Unamortized Bond Premium	Lease Revenue Bonds					
2012	\$ -	\$ -	\$ 660	\$ 25,283	\$ -	\$ 62,020	\$ 87,963	\$ 3,418	\$ 84,545	0.53%	\$ 386
2013	-	-	515	23,719	-	33,270	57,504	2,773	54,731	0.34%	349
2014	-	-	355	22,353	-	31,250	53,958	2,770	51,188	0.31%	322
2015	-	-	185	20,955	-	29,145	50,285	2,653	47,632	0.28%	299
2016	-	-	-	19,510	-	27,975	47,485	2,417	45,068	0.25%	274
2017	-	-	-	18,016	2,826	24,520	45,362	3,439	41,923	0.22%	250
2018	-	-	-	16,472	2,677	23,335	42,484	5,100	37,384	0.19%	222
2019	-	-	-	14,875	2,528	22,115	39,518	6,491	33,027	0.16%	196
2020	-	-	-	13,225	2,379	20,860	36,464	8,628	27,836	0.13%	165
2021	-	-	-	11,518	2,231	19,560	33,309	-	33,309	0.14%	197

**Note:** 1) See Schedule 5b for property value data.

2) Population data can be found in Schedule 14.

3) No longer considered general bonded debt as the result of the dissolution of the former Corona Redevelopment Agency as of February 1, 2012.

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

Source: Corona Finance Department

**City of Corona**  
**Schedule 11**  
**Direct and Overlapping Governmental Activities Debt<sup>1</sup>**  
**As of June 30, 2021 (dollars in thousands)**

<b><u>Direct and Overlapping Tax and Assessment Debt:</u></b>	Debt Outstanding	Est. Percentage Applicable <sup>2</sup>	City's Share of Overlapping Debt
Metropolitan Water District	\$ 26,830	0.707%	\$ 190
Riverside City Community College District	351,058	19.172%	67,305
Alvord Unified School District	205,386	12.861%	26,415
Corona-Norco Unified School District	513,748	54.197%	278,436
Alvord Unified School District CFD No. 2006-1	6,520	8.333%	543
Corona-Norco Unified School District CFD No. 97-1	721	100.000%	721
Corona-Norco Unified School District CFD No. 99-1	1,938	100.000%	1,938
Corona-Norco Unified School District CFD No. 99-2, Imp Areas A, B, C	4,337	100.000%	4,337
Corona-Norco Unified School District CFD No. 00-1	1,555	100.000%	1,555
Corona-Norco Unified School District CFD No. 01-1, Imp Areas A & B	6,005	100.000%	6,005
Corona-Norco Unified School District CFD No. 01-2, Imp Areas A, B, C	10,330	100.000%	10,330
Corona-Norco Unified School District CFD No. 03-3, Imp Area A & B	3,240	100.000%	3,240
Corona-Norco Unified School District CFD No. 03-5	1,655	100.000%	1,655
Corona-Norco Unified School District CFD No. 04-2, Imp Areas 1 & 3	3,410	100.000%	3,410
Corona-Norco Unified School District CFD No. 17-1	3,500	100.000%	3,500
City of Corona CFD No. 97-2	3,475	100.000%	3,475
City of Corona CFD No. 2000-1	3,715	100.000%	3,715
City of Corona CFD No. 2001-2	1,925	100.000%	1,925
City of Corona CFD No. 2002-1	11,480	100.000%	11,480
City of Corona CFD No. 2002-1, Imp Area 1	6,205	100.000%	6,205
City of Corona CFD No. 2002-4	5,890	100.000%	5,890
City of Corona CFD No. 2003-2	4,745	100.000%	4,745
City of Corona CFD No. 2004-1	2,320	100.000%	2,320
City of Corona CFD No. 2016-2	5,255	100.000%	5,255
City of Corona CFD No. 2017-2	3,580	100.000%	3,580
City of Corona CFD No. 2018-1 Improvement Area 1, 2018 Series	8,950	100.000%	8,950
City of Corona CFD No. 2018-1 Improvement Area 1, 2020 Series	10,240	100.000%	10,240
California Statewide Communities Development Authority Community Facilities District No. 2002-1	2,900	100.000%	2,900
California Statewide Communities Development Authority assessment District No. 2002-1 21-01	1,395	100.000%	1,395
City of Corona 1915 Act Bonds	855	100.000%	855
<b>Total Overlapping Tax and Assessment Debt</b>			<b>482,510</b>
<b><u>Direct and Overlapping General Fund Debt:</u></b>			
<b>Overlapping General Fund Obligations</b>			
Riverside County General Fund Obligations	\$ 717,526	7.368%	\$ 52,867
Riverside County Pension Obligations Bonds	881,575	7.368%	64,954
Corona-Norco Unified School District General Fund Obligations	23,729	54.197%	12,860
Western Municipal Water District General Fund Obligations	6,815	22.602%	1,540
<b>Total Overlapping General Fund Obligations</b>			<b>\$ 132,221</b>
<b>Direct General Fund Obligations:</b>			
City of Corona General Fund Obligations	31,078		\$ 31,078
Unamortized Bond Premium	2,231		2,231
<b>Total Direct General Fund Obligations</b>		100.000%	<b>\$ 33,309</b>
<b>Total Direct and Overlapping General Fund Obligations</b>			<b>\$ 165,530</b>
Less: Riverside County Supported Obligations			-
<b>Total Net Direct and Overlapping General Fund Obligations</b>			<b>\$ 165,530</b>
<b>Total Direct Debt</b>			<b>\$ 33,309</b>
<b>Total Gross Overlapping Debt</b>			<b>\$ 614,731</b>
<b>Total Net Overlapping Debt</b>			<b>\$ 614,731</b>
<b>Gross Combined Total Direct and Overlapping Debt<sup>3</sup></b>			<b>\$ 648,040</b>
<b>Net Combined Total Direct and Overlapping Debt</b>			<b>\$ 648,040</b>

**City of Corona**  
**Schedule 11**  
**Direct and Overlapping Governmental Activities Debt<sup>1</sup> (Continued)**  
**As of June 30, 2021 (dollars in thousands)**

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Notes to Schedule 11

- 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) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value, except for community facilities district overlapping debt which was estimated by determining the special tax charged on property within the City, divided by the community facilities district's total special tax for the fiscal year.
- 3) Amount excluded tax and revenue anticipation notes, enterprise revenue bonds, mortgage revenue bonds, Successor Agency's tax allocation bonds and non-bonded capital lease obligations.

*Source: Corona Finance Department, California Municipal Statistics, Inc.*

**City of Corona**  
**Schedule 12**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years (dollars in thousands)**

**Legal Debt Margin Calculation for Fiscal Year 2021**

Assessed Value	\$	23,083,633
Debt Limit (15% of assessed value)		3,462,545
Debt Applicable to limit:		
General obligation debt		33,309
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		33,309
Legal Debt Margin	\$	3,429,236

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt Limit	\$ 2,388,830	\$ 2,388,708	\$ 2,454,089	\$ 2,594,890	\$ 2,707,398
Total net debt applicable to limit	60,498	56,989	53,603	50,100	47,485
<b>Legal debt margin</b>	<b>\$ 2,328,332</b>	<b>\$ 2,331,719</b>	<b>\$ 2,400,486</b>	<b>\$ 2,544,790</b>	<b>\$ 2,659,913</b>
Total debt applicable to the limit as a percentage of debt limit	2.533%	2.386%	2.184%	1.931%	1.754%

*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.*

*Source: Corona Finance Department*

**City of Corona**  
**Schedule 12**  
**Legal Debt Margin Information (Continued)**  
**Last Ten Fiscal Years (dollars in thousands)**

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	Fiscal Year				
	2017	2018	2019	2020	2021
Debt Limit	\$ 2,819,397	\$ 2,986,885	\$ 3,145,686	\$ 3,279,207	\$ 3,462,545
Total net debt applicable to limit	<u>42,536</u>	<u>43,531</u>	<u>40,580</u>	<u>37,369</u>	<u>33,309</u>
<b>Legal debt margin</b>	<b>\$ 2,776,861</b>	<b>\$ 2,943,354</b>	<b>\$ 3,105,106</b>	<b>\$ 3,241,838</b>	<b>\$ 3,429,236</b>
Total debt applicable to the limit as a percentage of debt limit	1.509%	1.457%	1.290%	1.140%	0.962%

**City of Corona**  
**Schedule 13**  
**Pledged Revenue Coverage**  
**Last Ten Fiscal Years (dollars in thousands)**

Fiscal Year	Lease Revenue Bonds					Special Assessment Bonds				
	Lease Payments	Current Account Balance	Debt Service		Coverage	Special Assessment Collections	Current Account Balance	Debt Service		Coverage
			Principal	Interest				Principal	Interest	
2012	\$ 5,669	\$ 166	\$ 2,995	\$ 2,801	1.01	\$ 212	\$ 238	\$ 365	\$ 67	1.04
2013	30,825 <sup>1</sup>	11	28,750	2,075	1.00	212	5	145	47	1.13
2014	3,394	19	2,020	1,365	1.01	208	4	160	34	1.09
2015	3,373	19	2,105	1,281	1.00	192	1	170	22	1.01
2016	2,353	19	1,170	1,216	0.99	192	0	185	7	1.00
2017	30,614 <sup>5</sup>	9	27,975	1,367	1.04	-	-	-	-	-
2018	2,117	1	1,185	931	1.00	-	-	-	-	-
2019	2,121	-	1,220	901	1.00	-	-	-	-	-
2020	2,112	-	1,255	857	1.00	-	-	-	-	-
2021	2,106	-	1,300	806	1.00	-	-	-	-	-

- Notes: <sup>1</sup> Includes the defeasance of 2002 Lease Revenue bonds.  
<sup>2</sup> Includes the defeasance of the 1998 Water Revenue bonds.  
<sup>3</sup> Includes the defeasance of 1997 COPs and 2003 COPs.  
<sup>4</sup> Includes the advanced redemption of 2005 COPs.  
<sup>5</sup> Includes the defeasance of 2006 Lease Revenue bonds.  
<sup>6</sup> Apply new method - Utility Revenues derived from Pledged Revenue note.

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

Source: Corona Finance Department

**City of Corona**  
**Schedule 13**  
**Pledged Revenue Coverage (Continued)**  
**Last Ten Fiscal Years (dollars in thousands)**

Fiscal Year	Revenue Bonds				Certificates of Participation				
	Utility Revenues	Debt Service		Coverage	Lease Payments	Current Account Balance	Debt Service		Coverage
Principal	Interest	Principal	Interest						
2012	\$ 2,278	\$ 1,005	\$ 1,273	1.00	\$ 7,063	\$ 24	\$ 2,825	\$ 4,261	1.00
2013	29,597 <sup>2</sup>	26,430	1,491	1.06	7,391	22	2,935	4,154	1.05
2014	3,187	1,165	2,022	1.00	60,552 <sup>3</sup>	2,143	60,080	2,611	1.00
2015	5,689	3,455	2,234	1.00	1,063	756	695	1,123	1.00
2016	5,809	3,655	2,144	1.00	24,341 <sup>4</sup>	0	23,785	555	1.00
2017	5,809	3,775	2,034	1.00	-	-	-	-	-
2018	28,093	5,166	2,537	3.65 <sup>6</sup>	-	-	-	-	-
2019	36,011	5,320	2,370	4.68	-	-	-	-	-
2020	26,851	3,996	2,222	4.32	-	-	-	-	-
2021	30,756	4,113	2,032	5.01	-	-	-	-	-





**City of Corona**  
**Schedule 14**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

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	(1)	(1)	(1)	(1)	(2)	(1)
Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	150,416	4,031,149	26,800	31.5	52,914	10.9%
2011	154,520	4,124,911	26,695	31.5	53,153	10.1%
2012	156,823	4,232,339	26,988	32.0	53,437	7.0%
2013	159,132	4,179,125	26,262	32.2	53,782	6.1%
2014	159,109	4,164,996	26,177	32.6	53,739	6.4%
2015	164,659	4,340,504	26,360	33.4	53,354	5.2%
2016	167,759	4,420,877	26,352	33.9	53,157	4.7%
2017	168,574	4,554,614	27,018	34.4	53,294	3.5%
2018	168,101	4,803,427	28,574	34.7	53,002	3.3%
2019	168,248	5,138,227	30,539	34.9	52,557	3.1%
2020	169,454	5,437,772	32,089	35.0	51,318	8.2%

Sources: (1) HdL, Coren & Cone;  
(2) California Department of Education -  
Corona-Norco Unified School District, School Year 2020/21 Enrollment.

**City of Corona**  
**Schedule 15**  
**Principal Employers**  
**Current Year and Nine Years Ago**

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Corona-Norco Unified School District	5,478	1	6.80%	4,686	1	5.42%
Kaiser Permanente	1,335	2	1.66%	575	7	0.66%
Corona Regional Medical Center	1,166	3	1.45%	1,260	2	1.46%
Fender USA Corona	960	4	1.19%	850	4	0.98%
Monster Energy	865	5	1.07%	410	8	0.47%
City of Corona	668	6	0.83%	797	5	0.92%
All American Asphalt	650	7	0.81%			
Veg Fresh Farms	650	8	0.81%			
TWR Framing Enterprises	605	9	0.75%	400	9	0.46%
Thermal Structures	302	10	0.37%			
Watson Laboratories, Inc.				907	3	1.05%
Arizona Pipeline				600	6	0.69%
Dart Container Corporation				384	10	0.44%
<b>Total</b>	<b>12,679</b>		<b>15.74%</b>	<b>10,869</b>		<b>12.55%</b>

Source: Corona Economic Development Department

**City of Corona**  
**Schedule 16**  
**Full-Time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Full-Time Equivalent Employees									
	2021	2020	2019	2018**	2017	2016*	2015*	2014*	2013*	2012
<b>General Government</b>										
Elected Officials	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Management Services	14.07	13.33	14.07	9.90	10.35	9.73	9.73	9.85	9.84	8.00
Legal & Risk Management <sup>1</sup>	6.72	6.34	6.19	6.52	7.67	6.67	6.01	5.29	5.01	0.00
Administrative Services <sup>2,7,8</sup>	0.00	31.74	40.92	38.56	42.23	42.56	34.30	36.31	37.40	0.00
Human Resources <sup>2,7</sup>	11.48	9.39								8.50
Information Technology	25.03	24.47	23.99	17.25	13.89	15.09	12.41	13.98	13.86	13.00
Finance <sup>2</sup>	31.93									27.00
<b>Police</b>										
Officers	158.00	153.00	149.00	162.00	162.00	162.00	159.00	157.00	153.50	152.00
Civilians	86.70	83.25	80.40	88.01	88.39	85.90	79.13	80.62	77.97	60.00
<b>Fire</b>										
Firefighters and officers	111.48	108.00	107.00	113.00	113.00	112.00	112.00	112.00	111.50	112.00
Civilians	5.32	7.76	7.75	8.20	4.88	6.48	7.18	6.06	6.49	5.00
Public Works <sup>3</sup>	35.75	35.75	35.75	35.75	29.05	29.75	31.57	33.78	78.07	74.00
Maintenance Services <sup>3</sup>	34.15	42.11	42.11	42.76	43.63	45.00	44.53	41.76	26.09	0.00
Community Development <sup>4</sup>	23.89	22.14	22.14	25.00	26.48	26.00	22.08	18.02	17.00	17.00
Economic Development <sup>5</sup>	4.00	2.00	2.00	3.00	3.00	2.00	1.00	4.00	4.00	5.50
Library and Recreation Services <sup>6</sup>		72.99	72.74	69.06	70.67	68.04	63.50	64.69	66.62	15.00
Community Services Department <sup>9</sup>	86.36									
Department of Water and Power	111.60	109.60	110.02	108.91	119.18	119.68	120.79	121.76	112.75	112.00
Transit Services	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00
Parks and Community Services <sup>6</sup>										22.00
<b>Total</b>	<b>754.48</b>	<b>729.87</b>	<b>722.08</b>	<b>735.92</b>	<b>742.42</b>	<b>738.90</b>	<b>710.23</b>	<b>712.12</b>	<b>727.10</b>	<b>638.00</b>

\* Data for Fiscal Year 2016 and prior was restated to Full Time Equivalents (FTE) from full-time positions.

\*\* Data for Fiscal Year 2018 was updated to FTE Authorized information.

Note:

<sup>1</sup> Formerly City Attorney's Office. During Fiscal Year 2014-15, Risk Management Division merged into the City Attorney's Office and formed Legal & Risk Management Department.

<sup>2</sup> Formerly Finance Department. During Fiscal Year 2014-15, Human Resources Department merged into Finance and formed Administrative Services Department.

<sup>3</sup> Public Works Department was reorganized during Fiscal Year 2013-14, various maintenance functions were removed from Public Works, and a new department, Maintenance Services was established to assume these functions.

<sup>4</sup> During Fiscal Year 2014-15, Housing Division was merged into Community Development Department.

<sup>5</sup> Formerly Housing and Economic Development, during Fiscal Year 2014-15, the Housing component was merged into Community Development Department.

<sup>6</sup> Parks and Community Services Department was dissolved during Fiscal Year 2013-14, Recreation Division was merged with Library and formed Library and Recreation Department, other functions was merged with Maintenance Services Department.

<sup>7</sup> Human Resources Department separated from Administrative Services Department in Fiscal Year 2019-20.

<sup>8</sup> Formerly Administrative Services Department.

<sup>9</sup> Formerly Library and Recreation Services Department.

Source: Corona Finance Department

**City of Corona**  
**Schedule 17**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Police					
Physical Arrests	2,345	2,282	2,992	2,895	3,403
Parking Violations	2,731	9,574	8,851	6,228	4,993
Traffic Violations	6,051	4,718	6,133	9,024	11,896
Fire					
Emergency Responses	14,422	13,810	13,141	13,041	12,981
Fires Extinguished	524	451	362	435	382
Inspections	979	1,652	1,092	2,726	1,934
Public Works/Maintenance Services					
Street Resurfacing (miles)	44	75	37	51	39
Street Lights Repaired	415	437	418	495	1,045
Potholes Filled (sq. ft)	20,204	46,850	22,332	35,700	75,000
Community Services - Recreation					
Sportsfields Participation	404,679	370,799	269,168	248,617 <sup>2</sup>	2,190,246
Comm. Centers/Gym/Pool	28,393	111,007	169,888	249,885	282,797
Other Activity Participation	222,473	226,205	135,399	171,679	226,294
Community Services - Library					
Volumes in Collection	210,747	183,794	165,760	168,148	167,586
Total Volumes Borrowed <sup>1</sup>	182,733	284,375	411,592 <sup>4</sup>	783,626	648,522 <sup>3</sup>
Water					
New Connections	634	389	511	391	166
Water Main Repairs	95	86	72	36	69
Average Daily Consumption (millions of gallons)	33.2	31.2	30.2	33.0	30.4
Wastewater					
Average Daily Sewage Treatment (millions of gallons)	12.8	12.6	14.3	13.8	14.3
Transit Services					
Total Route Miles (round-trip)	47.7	47.7	47.7	47.5	47.5
Passengers					
Fixed Route	76,645	100,186	118,366	129,972	132,469
Dial-A-Ride	13,386	39,989	52,580	58,089	65,580

<sup>1</sup> Total Volumes Borrowed were restated for years between 2011 and 2016 to exclude the number of visits to Corona Library's website.

<sup>2</sup> Reporting method changed - report by actual enrollment/attendance numbers.

<sup>3</sup> Total Volume Borrowed was overstated by 309,505 in Fiscal Year 16/17. The correction was updated for Fiscal Year 16/17 in Fiscal Year 17/18.

<sup>4</sup> Reduction in Total Volumes Borrowed was due to the elimination of 11 databases during the fiscal year.

Source: Various Departments.

**City of Corona**  
**Schedule 17**  
**Operating Indicators by Function/Program (Continued)**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2016</u> <sup>1</sup>	<u>2015</u> <sup>1</sup>	<u>2014</u> <sup>1</sup>	<u>2013</u> <sup>1</sup>	<u>2012</u> <sup>1</sup>
Police					
Physical Arrests	5,583	5,337	5,422	4,709	4,472
Parking Violations	3,974	4,098	4,119	3,612	4,976
Traffic Violations	12,132	11,133	11,147	9,316	8,691
Fire					
Emergency Responses	12,112	11,263	11,131	10,942	9,843
Fires Extinguished	381	346	397	415	326
Inspections	1,966	1,757	2,217	1,591	1,929
Public Works/Maintenance Services					
Street Resurfacing (miles)	41	72	72	48	8
Street Lights Repaired	1,342	846	598	808	1,093
Potholes Filled (sq. ft)	15,076	15,978	13,185	16,085	13,316
Community Services - Recreation					
Sportsfields Participation	1,760,600	1,898,300	1,670,668	1,664,800	2,325,101
Comm. Centers/Gym/Pool	211,410	189,519	158,431	144,981	216,729
Other Activity Participation	244,430	232,264	244,593	247,768	232,701
Community Services - Library					
Volumes in Collection	164,421	167,432	136,128	174,585	170,435
Total Volumes Borrowed <sup>1</sup>	1,073,736	927,956	861,842	846,171	1,128,969
Water					
New Connections	1,408	173	498	482	80
Water Main Repairs	78	84	49	36	37
Average Daily Consumption (millions of gallons)	28.4	32.6	34.9	32.0	31.0
Wastewater					
Average Daily Sewage Treatment (millions of gallons)	14.0	13.1	12.6	13.4	13.0
Transit Services					
Total Route Miles (round-trip)	47.5	39.0	39.0	39.0	39.0
Passengers					
Fixed Route	150,002	168,303	169,745	163,054	153,783
Dial-A-Ride	63,162	66,015	68,852	65,635	61,285

<sup>1</sup> Total Volumes Borrowed were restated for years between 2011 and 2016 to exclude the number of visits to Corona Library's website.

<sup>2</sup> Reporting method changed - report by actual enrollment/attendance numbers.

<sup>3</sup> Total Volume Borrowed was overstated by 309,505 in Fiscal Year 16/17. The correction was updated for Fiscal Year 16/17 in Fiscal Year 17/18.

<sup>4</sup> Reduction in Total Volumes Borrowed was due to the elimination of 11 databases during the fiscal year.

Source: Various Departments.

**City of Corona**  
**Schedule 18**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	2	2	2	2	2	2	2	2	2
Patrol Units	65	62	68	65	55	59	59	53	53	53
Fire Stations	7	7	7	7	7	7	7	7	7	7
<b>Streets</b>										
Streets and Alleys (miles)	463	444	408	408	406	403	404	403	406	403
Streetlights <sup>1</sup>	15,117	15,117	12,380	12,380	12,587	12,059	12,022	11,888	11,271	11,353
Traffic Signals	191	190	188	184	182	179	173	170	169	169
<b>Community Services - Recreation</b>										
Total Park Acreage	378	376	376	376	376	376	376	376	376	376
Playgrounds	27	27	27	27	27	27	27	27	27	27
Baseball/softball diamonds	36	36	36	36	36	36	36	36	36	36
Soccer/football fields	18	18	18	18	18	18	18	18	18	18
Community Centers	7	7	7	7	7	7	7	7	7	7
Civic Center Auditorium Seating Cap	380	380	380	380	380	380	380	380	380	380
Fiesta Bandshell Seating Capacity	500	500	500	500	500	500	500	500	500	500
<b>Water</b>										
Water Main (miles)	736	736	719	697	687	683	694	681	681	677
Fire Hydrants	9,760	10,062	9,548	9,300	9,222	9,197	9,174	9,087	8,918	8,996
Storage Capacity <sup>2</sup> (millions of gallons)	55	52	52	52	51	51	51	51	51	51
<b>Wastewater</b>										
Sanitary Sewers (miles)	464	464	458	440	435	434	452	444	444	444
Storm Sewers (miles)	225	223	171	171	167	167	172	171	166	166
Treatment Capacity (millions of gallons)	16	16	16	16	16	16	16	16	16	16
<b>Transit Services</b>										
<b>Minibuses</b>										
Fixed Route	7	7	7	7	7	7	6	6	4	4
Dial-A-Ride	13	13	13	11	11	13	11	10	12	10

Source: Various City departments.

Note: <sup>1</sup> Includes only City-owned street lights.

<sup>2</sup> Potable & reclaimed water storage capacity.