

**CITY OF INDUSTRY, CALIFORNIA  
PUBLIC FACILITIES AUTHORITY  
(A COMPONENT UNIT OF THE CITY OF INDUSTRY)**

**INDEPENDENT AUDITORS' REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2020**



**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
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**For the Year Ended June 30, 2020**

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## INDEPENDENT AUDITORS' REPORT

To the Honorable City Council  
of the City of Industry Public Financing Authority  
Industry, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the City of Industry Public Financing Authority (the "IPFA"), a component unit of the City of Industry, California (the City), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the IPFA's 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 auditors' 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 auditors consider 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 and the major fund of the IPFA as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Report on Required Supplementary Information*

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who consider it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the financial statements are not affected by this missing information.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the IPFA's basic financial statements. The schedules of long-term debt are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of long-term debt 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 schedules of long-term debt are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2021, on our consideration of the IPFA'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 IPFA'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 IPFA's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Irvine, California  
January 20, 2021

## **FINANCIAL STATEMENTS**

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## **Government-Wide Financial Statements**

**City of Industry**  
**Public Facilities Authority**  
**(A Component Unit of City of Industry)**  
**Statement of Net Position**  
**June 30, 2020**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets:	
Accrued interest	\$ 5,874,863
Site lease prepayment, current	373,144
Investments with fiscal agent, restricted	<u>59,587,257</u>
Total current assets	<u>65,835,264</u>
Non-current assets:	
Prepaid items, noncurrent	4,092,273
Site lease prepayment, noncurrent	3,358,293
Investments with IUDA bonds	210,015,000
Investment in City bonds	<u>47,494,574</u>
Total non-current assets	<u>264,960,140</u>
Total assets	<u>330,795,404</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	1,000
Interest payable	<u>5,890,995</u>
Total current liabilities	<u>5,891,995</u>
Long-term liabilities:	
Due within on year	63,293,055
Due in more than one year	<u>197,855,177</u>
Total non-current liabilities	<u>261,148,232</u>
Total liabilities	<u>267,040,227</u>
<b>NET POSITION</b>	
Restricted for debt service	55,932,467
Unrestricted	<u>7,822,710</u>
Total net position	<u><u>\$ 63,755,177</u></u>

See accompanying notes to financial statements.

**City of Industry**  
**Public Facilities Authority**  
**(A Component Unit of City of Industry)**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**

		Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Governmental Activities
<b>Governmental activities:</b>			
General administration	\$ 61,149,385	\$ 57,946,632	\$ (3,202,753)
Interest and fiscal charges	17,043,176	-	(17,043,176)
Total governmental activities	<u>\$ 78,192,561</u>	<u>\$ 57,946,632</u>	<u>(20,245,929)</u>
 <b>General revenues and transfers:</b>			
Investment income			12,889,164
<b>Total General revenues and transfers:</b>			<u>12,889,164</u>
 <b>Change in net position</b>			(7,356,765)
 <b>Net position:</b>			
Beginning of year, as restated			71,111,942
End of year			<u>\$ 63,755,177</u>

See accompanying notes to financial statements.

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## **Fund Financial Statements**

**City of Industry**  
**Public Facilities Authority**  
**(A Component Unit of the City of Industry)**  
**Balance Sheet**  
**Governmental Fund**  
**June 30, 2020**

	General Fund
<hr/>	
<b>ASSETS</b>	
Investments with fiscal agent - restricted	\$ 59,587,257
Investments in City and SA to IUDA bonds	257,509,574
Accrued Interest receivable	5,874,863
Prepaid items	4,092,273
Site Lease prepayment	3,731,437
	<hr/>
Total assets	<u><u>\$ 330,795,404</u></u>
 <b>LIABILITIES AND FUND BALANCE</b>	
<b>Liabilities:</b>	
Accounts payable	1,000
Total liabilities	<hr/> <u>1,000</u>
 <b>Fund balance:</b>	
Nonspendable	7,822,710
Restricted for debt service	322,971,694
Total fund balance	<hr/> <u>330,794,404</u>
 Total liabilities and fund balance	 <u><u>\$ 330,795,404</u></u>

See accompanying notes to financial statements.

**City of Industry**  
**Public Facilities Authority**  
**(A Component Unit of the City of Industry)**  
**Reconciliation of the Governmental Fund Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2020**

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Fund balances of governmental funds	\$ 330,794,404
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Accrued interest payable on outstanding bonds payable do not require the use of current financial resources, and accordingly, are not reported as expenditures in the governmental funds.	
	<u>(5,890,995)</u>
Long-term liabilities applicable to governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities.	
Long-term liabilities are included in the statement of net position as follows:	
City Loan	(49,950,000)
Tax allocation revenue bonds	(210,015,000)
Refunding lease revenue bonds	(915,000)
Issuance discount (premium)	<u>(268,232)</u>
Subtotal	<u>(261,148,232)</u>
Net position of governmental activities	<u><u>\$ 63,755,177</u></u>

See accompanying notes to financial statements.

**City of Industry**  
**Public Facilities Authority**  
**(A Component Unit of City of Industry)**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For the Year Ended June 30, 2020**

	General Fund
<b>REVENUES:</b>	
Intergovernmental revenue	\$ 57,946,632
Interest income	12,889,164
Total revenues	<u>70,835,796</u>
<b>EXPENDITURES:</b>	
Contribution to Successor Agency to the Industry Urban-Development Agency	61,149,385
Debt Service:	
Principal retirement	118,820,000
Interest and fiscal charges	19,595,152
Total expenditures	<u>199,564,537</u>
<b>NET CHANGE IN FUND BALANCE</b>	(128,728,741)
<b>FUND BALANCE</b>	
Beginning of year, as restated	459,523,145
End of year	<u><u>\$ 330,794,404</u></u>

See accompanying notes to financial statements.



**City of Industry  
Public Facilities Authority  
(A Component Unit of the City of Industry)  
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and  
Changes in Fund Balance to the Government-Wide Statement of Net Position  
For the Year Ended June 30, 2020**

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Net change in fund balance - governmental fund	\$ (128,728,741)
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments	118,820,000
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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 accrued interest payable	2,419,015
Net change in bond premium/discount	<u>132,961</u>

Change in net position of governmental activities	<u><u>\$ (7,356,765)</u></u>
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See accompanying notes to financial statements.

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## **Notes to Financial Statements**

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**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

**A. Description of the Reporting Entity**

The City of Industry Public Facilities Authority (the IPFA) was created in 1990 by a joint exercise of power agreement and amended in 2005 between the City of Industry (the City) and the Industrial Urban Development Authority of the City of Industry (the IUDA). The agreement was made pursuant to the provisions of Article 1 through 4, Chapter 5, Division 7, Title 1 of the Government Code of the State of California, Sections 6500, et seq. On December 29, 2011, the California Supreme Court upheld Assembly Bill XI 26 that provides for the dissolution of all redevelopment agencies in the State of California. As a result, the City has elected to be the Successor Agency to the Industry Urban-Development Agency (the SA to IUDA).

IPFA exists and acts as a separate entity. The governing board of IPFA consists of a commission of five members; all members of the City Council.

IPFA was established for the purpose of establishing a vehicle to reduce local borrowing costs, and accelerate construction, repair and maintenance of needed public capital improvements. IPFA was also established to borrow money for the purpose of financing the acquisition and construction of public capital improvements. IPFA has the power to issue bonds, notes or other evidences of indebtedness, and to expend their proceeds.

The IPFA is a component unit and an integral part of the City and accordingly has also been included in the basic financial statements of the City issued as of June 30 of each year. Only the funds of IPFA are included herein; therefore, these financial statements do not purport to represent the financial position or results of operations of the City. Financial statements for IPFA and the City may be obtained from the Finance Department located at 15625 East Stafford Street, City of Industry, California.

**B. Financial Statement Presentation, Basis of Accounting and Measurement Focus**

The component unit financial statements of IPFA have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**Government-Wide Financial Statements**

The Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of governmental activities for IPFA.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all economic resources including capital assets, infrastructure assets and long-term liabilities are included in the accompanying Statement of Net Position.

**CITY OF INDUSTRY, CALIFORNIA  
PUBLIC FACILITIES AUTHORITY  
(A Component Unit of the City of Industry)  
Notes to Financial Statements  
For the Year Ended June 30, 2020**

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***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**B. Financial Statement Presentation, Basis of Accounting and Measurement Focus (Continued)**

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

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. Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures.

Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

**Fund Financial Statements**

The accounts of IPFA are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate.

Government 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. Fund financial statements are presented after the government-wide financial statements.

**Governmental Funds**

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Revenues are considered available if they are collected within 60 days after year-end. Expenditures are generally recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on long-term debt which are recognized when due.

In the fund financial statements, governmental funds are presented using the "current financial resources" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The Statement of Revenues, Expenditures, and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The proceeds of long-term debt are recorded as other financing sources rather than a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

**General Fund**

IPFA's major fund type is the General Fund, which is used to account for the accumulation of resources for, and the payment of, general long-term debt, principal, interest, and related costs.

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)***

**C. Investments**

Investments in the SA to IUDA bonds are stated at amortized cost. Short-term investments are reported at cost, which approximates fair value. Investments that exceed more than one year in maturity are valued at fair value.

Investments in fiscal agent are restricted for the use of debt service.

**D. Bond Issuance Costs and Premiums/Discounts**

Bond premiums and discounts in the government-wide financial statements are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as expense in the period incurred on the statement of changes in net position. In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, at the time the bonds are issued. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**E. Net Position**

Net Position, the difference between assets and liabilities is classified as restricted and unrestricted. Restricted net position represents constraints on resources that are restricted by external creditors, grantors, contributors, laws or regulations of other governments. Unrestricted net position is amounts which do not meet the definition of restricted net position.

**F. Fund Balance**

In the governmental fund financial statements, fund balances are classified in the following categories:

Nonspendable - items that cannot be spent because they are not in spendable form or items that are legally or contractually required to be maintained intact.

Restricted - restricted fund balances are amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; (b) imposed by law by 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 IPFA imposes upon itself at its highest level of decision making authority (the Board of Directors) through board resolutions and that remain binding unless removed in the same manner. IPFA has no committed fund balances at June 30, 2020.

Assigned - assigned fund balances are amounts that are constrained by IPFA's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a body or an official designated for that purpose. The Board of Directors is authorized for this purpose. IPFA has no assigned fund balances at June 30, 2020.

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Fund Balance (Continued)**

Unassigned - this category represents fund balances that have not been restricted, committed, or assigned to specific purposes. IPFA has no unassigned fund balances at June 30, 2020.

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, and then from unrestricted resources as committed, assigned, or unassigned amounts are considered to have been spent when expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**G. Estimates**

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

**NOTE 2 - INVESTMENTS**

Investments as of June 30, 2020, consisted of the following:

Investments with fiscal agent	\$ 59,587,257
Investments with SA to IUDA bonds	210,015,000
Investments in City bonds	47,494,574
Total cash and investments	<u>\$ 317,096,831</u>

Investments with fiscal agents are restricted for future bond principal and interest payments. As of June 30, 2020, IPFA's carrying value of these funds amounted to \$59,587,257.

**A. Investments Authorized by the Authority's Investment Policy**

Under provision of IPFA's Investment policy, and in accordance with Section 53601 and Section 53635 of the California Government Code, IPFA may invest in the following types of investments:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury obligations	5 years	None	None
U.S. government sponsored enterprise securities	5 years	None	None
Money market funds	N/A	20%	None
Banker's acceptances	180 days	40%	30%
Commercial paper	270 days	25%	10%
Local Agency Investment Fund ("LAIF")	N/A	None	None
Repurchase agreements	1 year	None	None
Los Angeles County Investment Pool	N/A	None	None
U.S. corporate bonds/notes	5 years	30%	None



**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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**NOTE 2 - INVESTMENTS (CONTINUED)**

**A. Investments Authorized by the Authority's Investment Policy (Continued)**

IPFA's Investment policy does not contain any specific provisions intended to limit IPFA's exposure to interest rate risk, credit risk, and concentration risk other than those specified in the California Government Code.

**B. Investments Authorized by Debt Agreements**

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements rather than the general provisions of the California Government Code or IPFA's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity (in months)</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury obligations	None	None	None
U.S. government sponsored enterprise securities	None	None	None
Money market funds	None	None	None
Certificates of deposit	None	None	None
Commercial paper	None	None	None
Banker's acceptances	18 months	None	None
U.S. corporate bonds/notes	None	None	None
Municipal bonds	None	None	None
Non-investment grade bonds	None	10%	None
Exchange traded funds	None	None	None
Mortgage-backed securities	None	None	None
Investment contracts	None	None	None
LAIF	None	None	None
Foreign government bonds	None	None	None
Foreign corporate bonds/notes	None	None	None

**C. Fair Value Measurement**

The IPFA categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are valued using a matrix pricing technique in where investments are valued based on the investments' relationship to benchmark quoted prices, and Level 3 inputs are significant unobservable inputs. The IPFA has the following recurring fair value measurements as of June 30, 2020:

<u>Investment Type</u>	<u>Value</u>	<u>Fair Value Measurement Level 2 Input</u>
Investments - unrestricted:		
City bonds	\$ 47,494,574 *	\$ 47,494,574

\* Valued based on institutional bond quotes.

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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**NOTE 2 - INVESTMENTS (CONTINUED)**

**D. Investment in Successor Agency to Industry Urban-Development Agency**

The IPFA to holds the investments in SA to IUDA bonds through maturity. Accordingly, these investments are reported at amortized cost instead of fair value.

**E. Risk Disclosures**

**Interest Rate Risk**

Interest rate risk is the risk of changes in market interest rates that will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in the market interest rates. The IPFA manages its exposure to interest rate risk by purchasing short-term investments and/or by timing cash flows from maturities so that a portion of the portfolio is maturing, or coming close to maturity, evenly over time as necessary to provide the cash flow and liquidity needed for operations. IPFA's long-term investments in the Successor Agency to Industry Urban-Development Agency (SA to IUDA) and the City bonds have set interest rates between 3.000% and 7.750% over the life of the bonds.

Investment Type	Amounts	Weighted Average Maturity (in months)
Investments - unrestricted:		
SA to IUDA bonds	\$ 210,015,000	23.40
City bonds	47,494,574	52.13
Investment held by fiscal agent:		
Money market funds	59,587,257	N/A
	<u>\$ 317,096,831</u>	

**Credit Risk**

Credit risk is generally 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 organization.

Investment Type	Total as of July 1, 2020	Minimum Legal Rating	A1	Aaa/P-1	Not Rated
Investments - unrestricted:					
SA to IUDA bonds	\$ 210,015,000	None	\$ -	\$ -	\$ 210,015,000
City bonds	47,494,574	None	47,494,574	-	-
Investment held by fiscal agent:					
Money market funds	59,587,257	Aaa/P+1	-	59,587,257	-
Total	<u>\$ 317,096,831</u>		<u>\$ 47,494,574</u>	<u>\$ 59,587,257</u>	<u>\$ 210,015,000</u>

**CITY OF INDUSTRY, CALIFORNIA  
PUBLIC FACILITIES AUTHORITY  
(A Component Unit of the City of Industry)  
Notes to Financial Statements  
For the Year Ended June 30, 2020**

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***NOTE 2 - INVESTMENTS (CONTINUED)***

**E. Risk Disclosures (Continued)**

**Concentration of Credit Risk**

The investment policy of IPFA contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represent 5% or more of total IPFA's investments are as follows:

Issuer	Investment Type	Amount
Successor Agency to Industry		
Urban-Development Agency	Municipal bonds	\$ 210,015,000
City of Industry	Municipal bonds	47,494,574

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 its investment or collateral securities that are in the possession of another party. The California Government Code and IPFA's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. IPFA's investments in SA to IUDA and City bonds are held by the trustee and are discussed in further detail under Note 3.

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

**NOTE 3 - INVESTMENT IN THE SA TO THE IUDA AND THE CITY BONDS**

The following schedule represents the future payments to be paid by the SA to the IUDA on the 2015A and 2015B.

SA to IUDA Bonds and by the City on the 2015 Sales Tax Revenue Subordinate Bonds, Series B.

Year Ending June 30,	Principal	Interest	Total
2021	\$ 62,270,000	\$ 15,226,221	\$ 77,496,221
2022	58,985,000	12,866,642	71,851,642
2023	55,275,000	10,479,319	65,754,319
2024	615,000	3,592,510	4,207,510
2025	645,000	3,561,760	4,206,760
2026-2030	10,430,000	17,719,886	28,149,886
2031-2035	5,275,000	15,756,466	21,031,466
2036-2040	7,505,000	13,526,702	21,031,702
2041-2045	10,810,000	10,227,688	21,037,688
2046-2050	15,695,000	5,344,012	21,039,012
2051	3,905,000	302,638	4,207,638
	<u>\$ 231,410,000</u>	<u>\$ 108,603,844</u>	<u>\$ 340,013,844</u>
Fair value adjustment	(2,455,426)		
Total	<u>\$ 228,954,574</u>		

**NOTE 4 - LONG-TERM LIABILITIES**

Summary of changes in long-term liabilities is as follows:

	Beginning Balance July 1, 2019	Additions	Deletions	Ending Balance June 30, 2020	Due Within One Year	Due in more than One Year
Governmental activities:						
Bonds payable:						
Tax allocation bonds	\$ 327,435,000	\$ -	\$ (117,420,000)	\$ 210,015,000	\$ 61,730,000	\$ 148,285,000
Lease revenue bonds	1,795,000	-	(880,000)	915,000	915,000	-
Subtotal	<u>329,230,000</u>	<u>-</u>	<u>(118,300,000)</u>	<u>210,930,000</u>	<u>62,645,000</u>	<u>148,285,000</u>
Deferred amounts:						
Unamortized premium/discount	<u>401,193</u>		<u>(132,960)</u>	<u>268,233</u>	<u>108,055</u>	<u>160,178</u>
Total bonds payable	329,631,193	-	(118,432,960)	211,198,233	62,753,055	148,445,178
City of Industry Loan	<u>50,470,000</u>	<u>-</u>	<u>(520,000)</u>	<u>49,950,000</u>	<u>540,000</u>	<u>49,410,000</u>
Total long-term liabilities	<u>\$ 380,101,193</u>	<u>\$ -</u>	<u>\$ (118,952,960)</u>	<u>\$ 261,148,233</u>	<u>\$ 63,293,055</u>	<u>\$ 197,855,178</u>

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

**NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)**

**A. Tax Allocation Revenue Bonds**

	Beginning Balance July 1, 2019	Additions	Deletions	Ending Balance June 30, 2020	Due Within One Year
Tax allocation revenue bonds:					
2015 Tax Allocation Revenue Refunding Bonds, Series A (Project No. 1)	\$ 134,400,000	\$ -	\$ (37,925,000)	\$ 96,475,000	\$ 39,090,000
2015 Tax Allocation Revenue Refunding Bonds, Series A (Project No. 2)	5,210,000	-	(770,000)	4,440,000	805,000
2015 Tax Allocation Revenue Refunding Bonds, Series B (Project No. 2)	154,155,000	-	(74,520,000)	79,635,000	17,490,000
2015 Tax Allocation Revenue Refunding Bonds, Series A (Project No. 3)	5,275,000	-	(780,000)	4,495,000	815,000
2015 Tax Allocation Revenue Refunding Bonds, Series B (Project No. 3)	28,395,000	-	(3,425,000)	24,970,000	3,530,000
Total long-term liabilities	<u>\$ 327,435,000</u>	<u>\$ -</u>	<u>\$ (117,420,000)</u>	<u>\$ 210,015,000</u>	<u>\$ 61,730,000</u>

**2015 Tax Allocation Revenue Refunding Bonds, Series A (Project No. 1)**

On July 1, 2015, the IPFA issued the \$239,525,000 Tax Allocation Revenue Refunding Bonds, Series 2015A (Civic-Recreational-Industrial Redevelopment Project No. 1) (Taxable) for the purpose of acquiring the SA to IUDA's Project No. 1 2015A Bonds, which was issued to defease all IUDA Project No. 1's 2002 Tax Allocation Refunding Bonds Series B, 2003 Tax Allocation Bonds, Series A, 2003 Tax Allocation Bonds, Series B, 2003 Subordinate Lien Tax Allocation Refunding Bonds, 2005 Subordinate Lien Tax Allocation Refunding Bonds, 2007 Subordinate Lien Tax Allocation Refunding Bonds, and 2008 Subordinate Lien Tax Allocation Refunding Bonds.

The IPFA has funded its debt service bond reserve requirement by purchasing insurance in the amount of \$23,952,000.

Principal ranges from \$6,835,000 to \$39,090,000 maturing annually through January 1, 2025. The bonds bear interests at rates range from 3.471% to 4.344%, due semiannually on January 1 and July 1. Debt service requirement to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 39,090,000	\$ 3,649,628	\$ 42,739,628
2022	30,740,000	2,292,814	33,032,814
2023	9,705,000	1,118,239	10,823,239
2024	10,105,000	725,769	10,830,769
2025	6,835,000	148,456	6,983,456
	<u>\$ 96,475,000</u>	<u>\$ 7,934,906</u>	<u>\$ 104,409,906</u>

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**For the Year Ended June 30, 2020**

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**NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)**

**A. Tax Allocation Revenue Bonds**

2015 Tax Allocation Revenue Refunding Bonds. Series A and B (Project No. 2)

On July 1, 2015, the IPFA issued the \$7,140,000 Tax Allocation Revenue Refunding Bonds, Series 2015A (Transportation-Distribution-Industrial Redevelopment Project No. 2) (Tax-Exempt) for the purpose of acquiring the SA to IUDA's Project No. 2 2015A Bonds, issued to defease all IUDA Project No. 2's outstanding 2002 Tax Allocation Refunding Bonds. The IPFA also issued the \$249,770,000 Tax Allocation Revenue Refunding Bonds, Series 2015B (Transportation-Distribution-Industrial Redevelopment Project No. 2) (Taxable) for the purpose of acquiring the SA to IUDA's Project No. 2 2015B Bonds, issued to defease a portion of 2003 Subordinate Lien Tax Allocation Refunding Bonds (with outstanding accreted value of \$178,967,753) and all IUDA Project No. 2's outstanding 2003 Tax Allocation Bonds, 2005 Subordinate Lien Tax Allocation Refunding Bonds, 2008 Subordinate Lien Tax Allocation Refunding Bonds, 2010 Subordinate Tax Allocation Refunding Bonds.

For Series A, principal ranges from \$805,000 to \$975,000 maturing annually through January 1, 2025. The bonds bear interests at rate of 5.000%, due semiannually on January 1 and July 1. Debt service requirement to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 805,000	\$ 222,000	\$ 1,027,000
2022	845,000	181,750	1,026,750
2023	885,000	139,500	1,024,500
2024	930,000	95,250	1,025,250
2025	975,000	48,750	1,023,750
	<u>\$ 4,440,000</u>	<u>\$ 687,250</u>	<u>\$ 5,127,250</u>

For Series B, the IPFA early redeemed \$57,615,000 of the bonds during the year ended June 30, 2020. The remaining principal ranges from \$17,490,000 to \$39,595,000 maturing annually through January 1, 2025. The bonds bear interests at rates ranges from 4.121% to 5.044%, due semiannually on January 1 and July 1. Debt service requirement to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 17,490,000	\$ 6,201,908	\$ 23,691,908
2022	22,550,000	5,481,146	28,031,146
2023	39,595,000	4,551,860	44,146,860
	<u>\$ 79,635,000</u>	<u>\$ 16,234,914</u>	<u>\$ 95,869,914</u>

**CITY OF INDUSTRY, CALIFORNIA**  
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**NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)**

**A. Tax Allocation Revenue Bonds (Continued)**

2015 Tax Allocation Revenue Refunding Bonds, Series A and B (Project No. 3)

On July 1, 2015, the IPFA issued the \$7,230,000 Tax Allocation Revenue Refunding Bonds, Series 2015A (Transportation-Distribution-Industrial Redevelopment Project No. 3) (Tax-Exempt) for the purpose of acquiring the SA to IUDA's Project No. 3 2015A Bonds, which was issued to defease IUDA's Project No. 3 outstanding 2002 Tax Allocation Refunding Bonds. The IPFA also issued the \$37,425,000 Tax Allocation Revenue Refunding Bonds, Series 2015B (Transportation-Distribution-Industrial Redevelopment Project No. 3) (Taxable) for the purpose of acquiring the SA to IUDA's Project No. 3 2015B Bonds, which was issued to defease IUDA's Project No. 3 2003 Tax Allocation Bonds, 2003 Subordinate Lien Tax Allocation Refunding Bonds, and 2008 Subordinate Lien Tax Allocation Refunding Bonds.

The IPFA has funded its debt service reserve fund requirement by purchasing insurance in the amount of \$4,524,216.

For Series A, principal ranges from \$815,000 to \$985,000 maturing annually through January 1, 2025. The bonds bear interests at rate of 5.000%, due semiannually on January 1 and July 1. Debt service requirement to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 815,000	\$ 224,750	\$ 1,039,750
2022	855,000	184,000	1,039,000
2023	900,000	141,250	1,041,250
2024	940,000	96,250	1,036,250
2025	985,000	49,250	1,034,250
	<u>\$ 4,495,000</u>	<u>\$ 695,500</u>	<u>\$ 5,190,500</u>

For Series B, principal ranges from \$3,530,000 to \$3,990,000 maturing annually through January 1, 2027. The bonds bear interests at rates 5.044%, due semiannually on January 1 and July 1. Debt service requirement to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 3,530,000	\$ 1,259,487	\$ 4,789,487
2022	3,435,000	1,081,434	4,516,434
2023	3,605,000	908,172	4,513,172
2024	3,795,000	726,336	4,521,336
2025	3,990,000	534,916	4,524,916
2026	3,285,000	333,660	3,618,660
2027	3,330,000	167,966	3,497,966
	<u>\$ 24,970,000</u>	<u>\$ 5,011,971</u>	<u>\$ 29,981,971</u>

**CITY OF INDUSTRY, CALIFORNIA**  
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**NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)**

**A. Tax Allocation Revenue Bonds (Continued)**

2015 Tax Allocation Revenue Refunding Bonds, Series A and B (Project No. 3) (Continued)

*Revenue Pledged*

All of the 2015 Tax Allocation Refunding Bonds are secured and payable in the following order of priority: (1) pledged tax revenue through ownership to local obligation bonds, (2) investment income with respect to the funds and accounts established under the indenture, and (3) certain override revenues until the bonds are fully paid off which is scheduled to be during the year ending 2027. Principal and interest payments outstanding at June 30, 2020 amounted to \$232,024,589.

At June 30, 2020, IPFA and the Successor Agency had funds held by the bond trustee that was and will be used to fund the bond payments on the 2015 A & B Public Facilities Authority Tax Allocation Revenue Refunding Bonds as follows:

PFA Tax Override Funds:

Tax Override Funds transferred during the year ended June 30, 2020	\$ 57,932,929
Carryover from prior year and interest income	802,294
Total Tax Override Funds Held by PFA Bond Trustee at June 30, 2020	58,735,223

Successor Agency RPTTF Funds:

Total Tax Override and SA RPTTF Funds Held by PFA Bond Trustee at June 30, 2020	<u>\$ 121,675,420</u>
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2015A & B IPFA Tax Allocation Revenue Refunding Bond Payments during the year ended June 30, 2020:

Payment Date	Principal	Interest	Total
July 1, 2020	\$ -	\$ 4,353,061	\$ 4,353,061
January 1, 2021	61,730,000	4,353,061	66,083,061
	<u>\$ 61,730,000</u>	<u>\$ 8,706,122</u>	<u>\$ 70,436,122</u>

IPFA will have approximately \$48,000,000 funds available to fund an early redemption of the 2015 A & B Public Facilities Authority Tax Allocation Revenue Refunding Bonds.

*Prior Years' Defeased Obligations*

In prior years, the IPFA defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. At June 30, 2020, the IPFA had redeemed all prior year bonds that are considered defeased.

	Beginning Balance July 1, 2019	Additions	Deletions	Ending Balance June 30, 2020	Due Within One Year
Lease revenue refunding bonds					
2010 Lease Revenue Refunding Bonds	<u>\$ 1,795,000</u>	<u>\$ -</u>	<u>\$ (880,000)</u>	<u>\$ 915,000</u>	<u>\$ 915,000</u>



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***NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)***

**A. Tax Allocation Revenue Bonds (Continued)**

2010 Lease Revenue Refunding Bonds and City Certificates of Participation

In order to assist the City in financing the construction of various projects, on August 1, 2000, IUDA and the City entered into a lease agreement for certain properties owned by the City for a one-time site lease payment in the amount of \$11,000,000. The IUDA agreed to lease back these properties to the City. In conjunction with the signing of these lease agreements on August 30, 2000, the City issued \$12,620,000 of Certificates of Participation Series 2000 bonds (2000 Certificates) to fund IUDA's site lease payment. Under the lease agreement, the certificates represented direct, undivided fractional interests of the owners in lease payments to be made by the City to IUDA.

The term of both leases ceased on the date in which all the outstanding 2000 Certificates were paid in full as discussed below.

In March 2010, the City terminated its lease agreement with IUDA and leased the properties to IPFA under a Site Lease Agreement between the City and IPFA. As consideration, IPFA paid an upfront rental payment of approximately \$8,500,000 to the City for the lease of certain properties. The funds were then used by the City to prepay the 2000 Certificates. These funds were placed in an irrevocable trust to provide for all future debt service payments on the 2000 Certificates.

In order to prepay the Site Lease, IPFA issued \$8,460,000 of 2010 Refunding Lease Revenue Bonds. Principal of \$915,000 matures on August 1, 2020. The bonds bear interests at rate of 4.250% to 4.250%, due semiannually on February 1 and August 1. Debt service requirement to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
<u>2021</u>	\$ 915,000	\$ 19,444	\$ 934,444

In order to secure payments of the bond principal and interest, IPFA then leased back the property to the City in which the City is then obligated to pay semi-annual lease payments as rental payments for the leased back properties. IPFA has assigned its right to receive the lease payments to U.S. Bank Trust National Association as trustee for the holders of the Refunding Lease Revenue Bonds.

The term of both leases will cease on the date on which all the outstanding principal and interest payments of the 2010 Refunding Lease Revenue Bonds are paid in full or a provision has been made for such payment, but not later than August 1, 2030.

**CITY OF INDUSTRY, CALIFORNIA**  
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**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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**NOTE 4 - LONG-TERM LIABILITIES (CONTINUED)**

**B. Public Facilities Authority Lease Revenue Refunding Bonds**

IPFA will amortize the site lease prepayment over the term of the lease as follows:

Year Ending June 30,	Lease Expense
2021	\$ 373,144
2022	373,144
2023	373,144
2024	373,144
2025	373,144
Thereafter	1,865,717

The following is a schedule of future minimum lease payments to be received by IPFA and paid by the City:

Year Ending June 30,	Amount
2021	\$ 937,658

**C. Loans from the City of Industry**

On December 1, 2015, the IPFA entered into loan agreement with the City to borrow \$51,460,000 for the purchase of City of Industry Subordinate Sales Tax Revenue Bonds, Series 2015B (Taxable). The loan bears interest ranges from 3.750% to 7.750% annually, due February 1 and August 1 each year. The principal payments are due on February 1 each year and range from \$540,000 to \$3,905,000. As of June 30, 2020, total outstanding balance payable to the City was in the amount of \$51,471,801, which included principal in the amount of \$49,950,000 and accrued interest in the amount of \$1,521,801.

Year Ending June 30,	Principal	Interest	Total
2021	\$ 540,000	\$ 3,668,448	\$ 4,208,448
2022	560,000	3,645,497	4,205,497
2023	585,000	3,620,298	4,205,298
2024	615,000	3,592,510	4,207,510
2025	645,000	3,561,760	4,206,760
2026-2030	3,815,000	17,218,258	21,033,258
2031-2035	5,275,000	15,756,463	21,031,463
2036-2030	7,505,000	13,526,700	21,031,700
2041-2045	10,810,000	10,227,687	21,037,687
2046-2050	15,695,000	5,344,013	21,039,013
2051	3,905,000	302,637	4,207,637
	<u>\$ 49,950,000</u>	<u>\$ 80,464,271</u>	<u>\$ 130,414,271</u>

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2020**

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***NOTE 5 - SELF-INSURANCE PLAN***

The City has established a Self-Insurance Plan (the Plan) to pay for liability claims against the City and IPFA. The Plan is administered by an insurance committee which is responsible for approving all claims of \$25,000 or less and for making a provision for having sufficient funds available to pay approved claims and legal and investigative expenses. The insurance committee has given this authority to the City Manager. Potential liabilities of claims in excess of \$250,000, up to \$10,000,000, are covered by excess liability insurance policies. At June 30, 2020, there are no pending liability claims outstanding against IPFA.

***NOTE 6 - RESTATEMENT OF NET POSITION/FUND BALANCE***

Net position and fund balance at July 1, 2019 was restated as follows:

	Governmental Activities	General Fund
Net Position/Fund balance, as originally reported	\$ 9,962,557	\$ 396,845,605
To recognize transfer of tax override payments as transfers in instead of bond payments deposits	61,149,385	61,149,385
To remove interest accrual related to advances	-	1,528,155
Net Position/Fund Balance, as restated	<u>\$ 71,111,942</u>	<u>\$ 459,523,145</u>

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## **SUPPLEMENTARY INFORMATION**

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**CITY OF INDUSTRY, CALIFORNIA  
PUBLIC FACILITIES AUTHORITY  
(A Component Unit of the City of Industry)  
Schedules of Long-Term Debt  
2010 Refunding Lease Revenue Bonds  
June 30, 2020**

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<u>Period Ending</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
8/1/2020	\$ 915,000	4.250%	\$ 19,444	\$ 934,444	\$ 934,444
Totals	<u>\$ 915,000</u>		<u>\$ 19,444</u>	<u>\$ 934,444</u>	<u>\$ 934,444</u>

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Schedules of Long-Term Debt (Continued)**  
**Tax Allocation Revenue Bonds, Series 2015A (Taxable)**  
**Civic – Recreational-Industrial Redevelopment Project No. 1**  
**June 30, 2020**

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Period Ending	Principal	Interest Rate	Interest	Debt Service	Annual Debt Service
7/1/2020	\$ -	3.471%	\$ 1,824,814	\$ 1,824,814	\$ -
1/1/2021	39,090,000	3.471%	1,824,814	40,914,814	42,739,628
7/1/2021	-	3.821%	1,146,407	1,146,407	-
1/1/2022	30,740,000	3.821%	1,146,407	31,886,407	33,032,814
7/1/2022	-	4.044%	559,119	559,119	-
1/1/2023	9,705,000	4.044%	559,120	10,264,120	10,823,239
7/1/2023	-	4.244%	362,884	362,884	-
1/1/2024	10,105,000	4.244%	362,885	10,467,885	10,830,769
7/1/2024	6,835,000	4.344%	148,456	6,983,456	6,983,456
Totals	<u>\$ 96,475,000</u>		<u>\$ 7,934,906</u>	<u>\$ 104,409,906</u>	<u>\$ 104,409,906</u>



**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
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**Schedules of Long-Term Debt (Continued)**  
**Tax Allocation Revenue Bonds, Series A (Taxable)**  
**Transportation-Distribution-Industrial Redevelopment Project No. 2**  
**June 30, 2020**

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<u>Period Ending</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
7/1/2020	\$ -	5.000%	\$ 111,000	\$ 111,000	\$ -
1/1/2021	805,000	5.000%	111,000	916,000	1,027,000
7/1/2021	-	5.000%	90,875	90,875	-
1/1/2022	845,000	5.000%	90,875	935,875	1,026,750
7/1/2022	-	5.000%	69,750	69,750	-
1/1/2023	885,000	5.000%	69,750	954,750	1,024,500
7/1/2023	-	5.000%	47,625	47,625	-
1/1/2024	930,000	5.000%	47,625	977,625	1,025,250
7/1/2024	-	5.000%	24,375	24,375	-
1/1/2025	975,000	5.000%	24,375	999,375	1,023,750
Totals	<u>\$ 4,440,000</u>		<u>\$ 687,250</u>	<u>\$ 5,127,250</u>	<u>\$ 5,127,250</u>

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Schedules of Long-Term Debt (Continued)**  
**Tax Allocation Revenue Bonds, Series 2015B (Tax-Exempt)**  
**Transportation-Distribution-Industrial Redevelopment Project No. 2**  
**June 30, 2020**

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Period Ending	Principal	Interest Rate	Interest	Debt Service	Annual Debt Service
7/1/2020	\$ -	4.121%	\$ 3,100,954	\$ 3,100,954	\$ -
1/1/2021	17,490,000	4.121%	3,100,954	20,590,954	23,691,908
7/1/2021	-	4.121%	2,740,573	2,740,573	-
1/1/2022	22,550,000	4.121%	2,740,573	25,290,573	28,031,146
7/1/2022	-	4.294%	2,275,930	2,275,930	-
1/1/2023	39,595,000	4.294%	2,275,930	41,870,930	44,146,860
Totals	<u>\$ 79,635,000</u>		<u>\$ 16,234,914</u>	<u>\$ 95,869,914</u>	<u>\$ 95,869,914</u>

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**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Schedules of Long-Term Debt (Continued)**  
**Tax Allocation Revenue Bonds, Series 2015A (Taxable)**  
**Transportation-Distribution-Industrial Redevelopment Project No. 3**  
**June 30, 2020**

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<u>Period Ending</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Debt Service</u>	<u>Annual Debt Service</u>
7/1/2020	\$ -	5.000%	\$ 112,375	\$ 112,375	\$ -
1/1/2021	815,000	5.000%	112,375	927,375	1,039,750
7/1/2021	-	5.000%	92,000	92,000	-
1/1/2022	855,000	5.000%	92,000	947,000	1,039,000
7/1/2022	-	5.000%	70,625	70,625	-
1/1/2023	900,000	5.000%	70,625	970,625	1,041,250
7/1/2023	-	5.000%	48,125	48,125	-
1/1/2024	940,000	5.000%	48,125	988,125	1,036,250
7/1/2024	-	5.000%	24,625	24,625	-
1/1/2025	985,000	5.000%	24,625	1,009,625	1,034,250
Totals	<u>\$ 4,495,000</u>		<u>\$ 695,500</u>	<u>\$ 5,190,500</u>	<u>\$ 5,190,500</u>

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Schedules of Long-Term Debt (Continued)**  
**Tax Allocation Revenue Bonds, Series 2015B (Tax-Exempt)**  
**Transportation-Distribution-Industrial Redevelopment Project No. 3**  
**June 30, 2020**

Period Ending	Principal	Interest Rate	Interest	Debt Service	Annual Debt Service
7/1/2020	\$ -	5.044%	\$ 629,744	\$ 629,744	\$ -
1/1/2021	3,530,000	5.044%	629,743	4,159,743	4,789,487
7/1/2021	-	5.044%	540,717	540,717	-
1/1/2022	3,435,000	5.044%	540,717	3,975,717	4,516,434
7/1/2022	-	5.044%	454,086	454,086	-
1/1/2023	3,605,000	5.044%	454,086	4,059,086	4,513,172
7/1/2023	-	5.044%	363,168	363,168	-
1/1/2024	3,795,000	5.044%	363,168	4,158,168	4,521,336
7/1/2024	-	5.044%	267,458	267,458	-
1/1/2025	3,990,000	5.044%	267,458	4,257,458	4,524,916
7/1/2025	-	5.044%	166,830	166,830	-
1/1/2026	3,285,000	5.044%	166,830	3,451,830	3,618,660
7/1/2026	-	5.044%	83,983	83,983	-
1/1/2027	3,330,000	5.044%	83,983	3,413,983	3,497,966
Totals	<u>\$ 24,970,000</u>		<u>\$ 5,011,971</u>	<u>\$ 29,981,971</u>	<u>\$ 29,981,971</u>

**CITY OF INDUSTRY, CALIFORNIA  
PUBLIC FACILITIES AUTHORITY  
(A Component Unit of the City of Industry)  
Schedules of Long-Term Debt (Continued)  
City of Industry Loan  
June 30, 2020**

Period Ending	Principal	Interest Rate	Interest	Debt Service	Annual Debt Service
8/1/2020	-	3.750%	1,834,224	\$ 1,834,224	\$ -
2/1/2021	540,000	4.250%	1,834,224	2,374,224	4,208,448
8/1/2021	-	4.250%	1,822,749	1,822,749	-
2/1/2022	560,000	4.500%	1,822,749	2,382,749	4,205,498
8/1/2022	-	4.500%	1,810,149	1,810,149	-
2/1/2023	585,000	4.750%	1,810,149	2,395,149	4,205,298
8/1/2023	-	4.750%	1,796,255	1,796,255	-
2/1/2024	615,000	5.000%	1,796,255	2,411,255	4,207,510
8/1/2024	-	5.000%	1,780,880	1,780,880	-
2/1/2025	645,000	5.250%	1,780,880	2,425,880	4,206,760
8/1/2025	-	5.250%	1,763,949	1,763,949	-
2/1/2026	680,000	5.550%	1,763,949	2,443,949	4,207,898
8/1/2026	-	5.550%	1,745,079	1,745,079	-
2/1/2027	715,000	5.850%	1,745,079	2,460,079	4,205,158
8/1/2027	-	5.850%	1,724,165	1,724,165	-
2/1/2028	755,000	6.150%	1,724,165	2,479,165	4,203,330
8/1/2028	-	6.150%	1,700,949	1,700,949	-
2/1/2029	805,000	6.450%	1,700,949	2,505,949	4,206,898
8/1/2029	-	6.450%	1,674,988	1,674,988	-
2/1/2030	860,000	6.750%	1,674,988	2,534,988	4,209,976
8/1/2030	-	6.750%	1,645,963	1,645,963	-
2/1/2031	915,000	7.000%	1,645,963	2,560,963	4,206,926
8/1/2031	-	7.000%	1,613,938	1,613,938	-
2/1/2032	980,000	7.250%	1,613,938	2,593,938	4,207,876
8/1/2032	-	7.250%	1,578,413	1,578,413	-
2/1/2033	1,050,000	7.250%	1,578,413	2,628,413	4,206,826
8/1/2033	-	7.250%	1,540,350	1,540,350	-
2/1/2034	1,125,000	7.250%	1,540,350	2,665,350	4,205,700
8/1/2034	-	7.250%	1,499,569	1,499,569	-
2/1/2035	1,205,000	7.250%	1,499,569	2,704,569	4,204,138
8/1/2035	-	7.250%	1,455,888	1,455,888	-
2/1/2036	1,295,000	7.250%	1,455,888	2,750,888	4,206,776
8/1/2036	-	7.250%	1,408,944	1,408,944	-
2/1/2037	1,390,000	7.500%	1,408,944	2,798,944	4,207,888
8/1/2037	-	7.500%	1,356,819	1,356,819	-
2/1/2038	1,490,000	7.500%	1,356,819	2,846,819	4,203,638
8/1/2038	-	7.500%	1,300,944	1,300,944	-
2/1/2039	1,605,000	7.500%	1,300,944	2,905,944	4,206,888
8/1/2039	-	7.500%	1,240,756	1,240,756	-

(Continued)

**CITY OF INDUSTRY, CALIFORNIA**  
**PUBLIC FACILITIES AUTHORITY**  
**(A Component Unit of the City of Industry)**  
**Schedules of Long-Term Debt (Continued)**  
**City of Industry Loan**  
**June 30, 2020**

Period Ending	Principal	Interest Rate	Interest	Debt Service	Annual Debt Service
2/1/2040	1,725,000	7.500%	1,240,756	2,965,756	4,206,512
8/1/2040	-	7.500%	1,176,069	1,176,069	-
2/1/2041	1,855,000	7.500%	1,176,069	3,031,069	4,207,138
8/1/2041	-	7.500%	1,106,506	1,106,506	-
2/1/2042	1,995,000	7.750%	1,106,506	3,101,506	4,208,012
8/1/2042	-	7.750%	1,029,200	1,029,200	-
2/1/2043	2,150,000	7.750%	1,029,200	3,179,200	4,208,400
8/1/2043	-	7.750%	945,888	945,888	-
2/1/2044	2,315,000	7.750%	945,888	3,260,888	4,206,776
8/1/2044	-	7.750%	856,181	856,181	-
2/1/2045	2,495,000	7.750%	856,181	3,351,181	4,207,362
8/1/2045	-	7.750%	759,500	759,500	-
2/1/2046	2,685,000	7.750%	759,500	3,444,500	4,204,000
8/1/2046	-	7.750%	655,456	655,456	-
2/1/2047	2,900,000	7.750%	655,456	3,555,456	4,210,912
8/1/2047	-	7.750%	543,081	543,081	-
2/1/2048	3,120,000	7.750%	543,081	3,663,081	4,206,162
8/1/2048	-	7.750%	422,181	422,181	-
2/1/2049	3,365,000	7.750%	422,181	3,787,181	4,209,362
8/1/2049	-	7.750%	291,788	291,788	-
2/1/2050	3,625,000	7.750%	291,788	3,916,788	4,208,576
8/1/2050	-	7.750%	151,319	151,319	-
2/1/2051	3,905,000	7.750%	151,319	4,056,319	4,207,638
Totals	<u>\$ 49,950,000</u>		<u>\$ 80,464,280</u>	<u>\$ 130,414,280</u>	<u>\$ 130,414,280</u>

*(Concluded)*