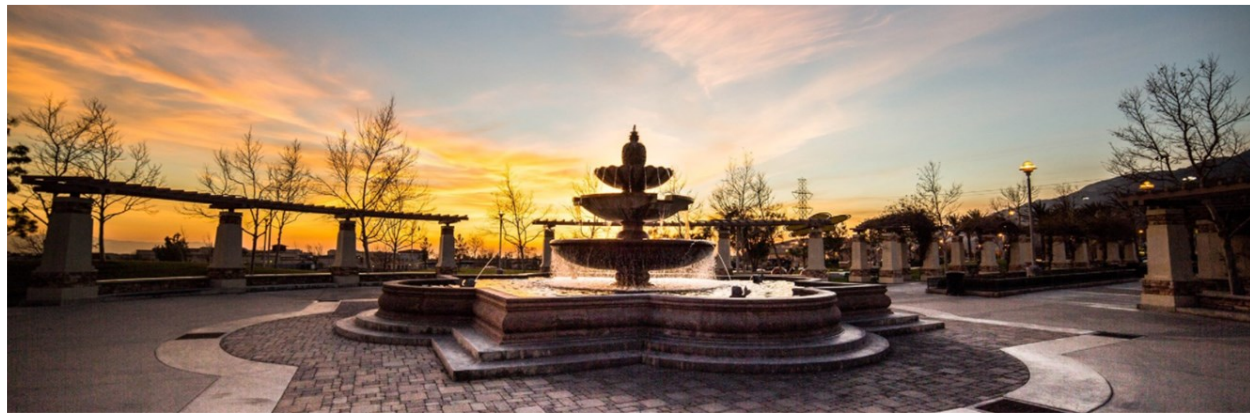




CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2022



CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
List of Principal Officials	x
Organizational Chart	xi
FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis	6
Basic Financial Statements	
Government-Wide Financial Statements	
Exhibit A - Statement of Net Position	21
Exhibit B - Statement of Activities	22

CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

Page
Number

FINANCIAL SECTION (continued)

Basic Financial Statements (continued)

Fund Financial Statements

Exhibit C - Balance Sheet – Governmental Funds	23
Exhibit D - Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	24
Exhibit E - Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	25
Exhibit F - Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Exhibit G - Statements of Revenues, Expenditures, and Changes in Fund Balances -- Budget and Actual	
General Fund	27
Fire Protection District - Special Revenue Fund	28
Housing Authority Low/Mod Housing - Special Revenue Fund	29
Economic Stimulus - Special Revenue Fund	30
Exhibit H - Statement of Net Position – Proprietary Funds	31

CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

Page
Number

FINANCIAL SECTION (continued)

Basic Financial Statements (continued)

Exhibit I - Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	32
Exhibit J - Statement of Cash Flows - Proprietary Funds	33
Exhibit K - Statement of Fiduciary Net Position	34
Exhibit L - Statement of Changes in Fiduciary Net Position	35

Notes to the Financial Statements

Note 1: Organization and Summary of Significant Accounting Policies	36
Note 2: Stewardship, Compliance and Accountability	47
Note 3: Cash and Investments	49
Note 4: Leases	53
Note 5: Receivables	54
Note 6: Capital Assets	55
Note 7: Interfund Receivables, Payables and Transfers	57
Note 8: Long-Term Debt	60
Note 9: Risk Management	64
Note 10: Litigation	64

CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

Page
Number

FINANCIAL SECTION (continued)

Basic Financial Statements (continued)

Notes to the Financial Statements (continued)

Note 11: Jointly Governed Organization	65
Note 12: Other Post-Employment Benefits	65
Note 13: Pensions	68
Note 14: Public Agency Retirement Services	78
Note 15: Classification of Fund Balances	78
Note 16: Fontana Fire Protection District	80
Note 17: Successor Agency Trust for Assets of Former Redevelopment Agency	83
Note 18: Tax Abatement	88
Note 19: Prior Period Adjustments	88

Required Supplementary Information

Schedule of Changes in Net Pension Liability and Related Ratios during the Measurement Period - Safety Plan	89
Schedule of Changes in Net Pension Liability and Related Ratios during the Measurement Period - Miscellaneous Plan	90
Schedule of Plan Contributions – Safety Plan	91
Schedule of Plan Contributions – Miscellaneous Plan	92
Schedule of Changes in Total OPEB Liability and Related Ratios	93

CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

Page
Number

FINANCIAL SECTION (continued)

Basic Financial Statements (continued)

Supplementary Information

Combining and Individual Fund Statements and Schedules

Schedule 1 - Combining Balance Sheet – Non-Major Governmental Funds	98
Schedule 2 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	103
Schedule 3 - Budgetary Comparison Schedules - Governmental Funds	108
Schedule 4 - Combining State of Net Position – All Fiduciary Funds	134
Schedule 5 - Combining Statement of Changes in Assets and Liabilities – All Fiduciary Funds	135

STATISTICAL SECTION

Net Position by Component – Last Ten Fiscal Years	138
Changes in Net Position– Last Ten Fiscal Years	139
Fund Balances – Governmental Funds – Last Ten Fiscal Years	141

CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
STATISTICAL SECTION (continued)	
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	142
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years	144
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	145
Principal Property Taxpayers – Current Year and Nine Years Ago	146
Property Tax Levies and Collections – Last Ten Fiscal Years	147
Ratio of Outstanding Debt by Type – Last Ten Fiscal Years	148
Ratio of General Bonded Debt Outstanding – Last Ten Fiscal Years	149
Direct and Overlapping Bonded Debt	150
Legal Debt Margin Information – Last Ten Fiscal Years	151
Demographic and Economic Statistics – Last Ten Fiscal Years	152
Principal Employers – Current Year and Nine Years Ago	153
Full-time City Government Employees by Function – Last Ten Fiscal Years	154

CITY OF FONTANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
STATISTICAL SECTION (continued)	
Operating Indicators by Function/Program – Last Ten Fiscal Years	155
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	156
Miscellaneous Statistical Information	157





City of Fontana

CALIFORNIA

July 13, 2023

The Honorable Mayor and City Council

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive annual financial report of the City of Fontana for the fiscal year ended June 30, 2022.

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

The City of Fontana's financial statements have been audited by Davis Farr LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Fontana for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and

significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Fontana's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Fontana was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of Fontana's separately issued Single Audit Report.

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

Profile of the Government

The City of Fontana is located about 50 miles east of Los Angeles. The City spans approximately 52.4 square miles and has an estimated population of 212,809. The City was first developed as an organized rural community through the vision of Mr. A. B. Miller. Although self-sufficient, the farming community was abruptly reshaped to accommodate the industrial revolution in 1942 with the transformation of Mr. Miller's farm into a steel mill by Henry J. Kaiser. The area became Southern California's leading producer of steel and steel-related products. The steel industry dominated the City's economy until 1984 when the steel mill closed. Today, Fontana has emerged as an affordable suburb, attracting both residents and businesses.

The City was incorporated on June 25, 1952, under the laws of the State of California and enjoys all the rights and privileges applicable to a general law city. The City is governed by a five member City Council under the Council-Manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected every two years. The mayor is elected to serve a four-year term. The mayor is elected at large and the four council members are elected by district. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City of Fontana employs approximately 600 full-time employees. Services provided include police protection; contract for fire services; the construction and maintenance of highways, streets, and other infrastructure; wastewater and sanitation services; and recreational activities and cultural events. In addition to general government activities, the City Council also serves as the

Board of Directors of the Fontana Industrial Development Authority, the Fontana Public Financing Authority, the Fontana Public Facilities Financing Authority, the Fontana Housing Authority, the Fontana Community Foundation, the Fontana Fire Protection District as well as the Successor Agency for the Former Fontana Redevelopment Agency. Therefore, these activities have been included as an integral part of the City of Fontana's financial statements. Additional information on these entities can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for the City of Fontana's financial planning and control. Each year the City Council reviews budget development guidelines for use in preparing the next year's budget. These guidelines are structured to reflect the City Council's goals and objectives and to provide the framework in which the Operating Budget is prepared. The Finance Department is responsible for compiling the estimated revenues and appropriations for the City Manager. Prior to the beginning of the new fiscal year, the City Council adopts the annual Operating Budget at a public meeting.

The City's budget policy is that all appropriations lapse at fiscal year-end. Outstanding encumbrance balances at fiscal year-end require re-approval by the City Council at the First Quarterly Budget Review. The City Council may amend the budget at any time during the fiscal year. Budget reports are presented to the City Council and the public on a quarterly basis. They include appropriation adjustments and revised revenue projections as needed. The legal level of budgetary control is set at the department level. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriate annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Fontana operates.

Local economy. The Inland Empire continued to recover from the COVID-19 pandemic, which disrupted lives and businesses alike. The Inland Empire's housing markets are strengthening, new home developers are continuing to build, job growth is strong and consumer spending is continuing to grow. Despite the increase in the interest rates by the Federal reserve, the Inland Empire's economy does not expect an economic slowdown.

Strong Jobs, Balanced Growth. After experiencing significant job reductions in the wake of the State government COVID -19 shut down of the non-essential portions of the economy with unemployment reaching a high rate of 14.7% in May 2020 Fontana has continuously decreased their unemployment rate from 4.7% in February 2022 to 4.2% in February 2023.

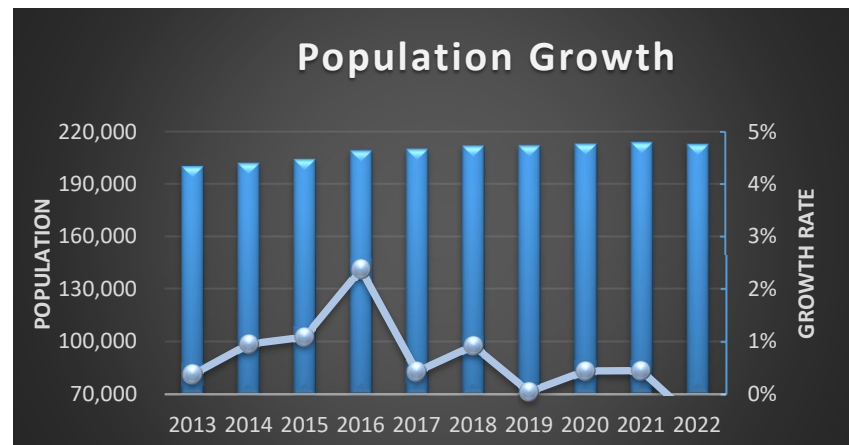
Retail Sales Are Increasing. Taxable sales are a major revenue source for cities. Due to the State government COVID -19 shutdown, taxable retail sales declined 3.9% from June 2019 to June 2020 within the City. During fiscal year 2020-21 sales tax rebounded by growing 20% from June 2020 and increased again by 10% from June 2021 to June 2022. For San Bernardino County, the taxable sales were up 13.4% in the first quarter and 7.2% in the second quarter of 2022.

Housing Market Steady Prices, Modest Sales. The Inland Empire’s housing markets, as a whole, remain stuck in a narrow band of home sales that has gone on nine years. Lack of supply combined with increased demand and barriers for consumers to obtain financing continue to drive price escalation in San Bernardino County, where home prices increased 11.8% from June 2021 to June 2022. Affordability remains high in the Inland Empire, when compared to other southern California communities. coastal communities, where 43-54 percent of home buyers can afford the median priced home. Lack of affordability in the coastal communities, where only 24-27 percent of wage earners can afford a median priced home, will continue to drive homebuyers inland.

The median home prices for the City of Fontana continued to increase in Fiscal Year 2022 and were up 12.93% for existing homes \$620,000 which is reflected in the growth of assessed valuations for the city of Fontana as it increased by about 7 percent to \$25.25 billion for FY2022.

Fontana has competitive advantages related to its neighbors in the Inland Empire as it continues to be the westernmost city with available space to accommodate both residential and industrial development. It offers new residents housing cost advantages and companies locating here can benefit from lower labor costs. Fontana continues to experience a robust level of new housing permits for the last 3 years and, based on the availability of land and redevelopment opportunities, expects that trend to continue over the next decade.

The Ventana Specific Plan is coming to fruition. Planning Area 6 of the Ventana Specific Plan brings a taste of Europe to Fontana. The project consists of 257 units and will have many recreational amenities including a fitness center, pool area, recreation room, and open plazas. Paseos and walkways will weave through the project to give it an old-world feel. The project is located at the Interstate 15 and Duncan Canyon Road.



The center of San Bernardino County’s growth is moving west into Fontana. The population has grown 7 percent over the past ten years and, at 212,809 Fontana is the second largest city in San Bernardino County, the third largest in the Inland Empire, and twentieth in the State.

With the ever-increasing demand for housing and ongoing addition of new residential units in the City, it is expected that the City’s population will exceed 280,900 by the year 2040.

The City of Fontana continued to see a number of significant events during the past year

Significant Events of FY 2021-22

- **Auto Center:** Construction has been completed and Fontana Hyundai opened for business at the corner of Sierra Avenue and South Highland Avenue in August 2021. Construction is currently underway on Fontana Chrysler, Dodge, Ram and Jeep, which is expected to be open in early 2023.
- **Energy Services Project (Parks):** The city completed the energy services project a \$3.6m project that included upgrading and replacing lighting at 30 different parks with new Light Emitting Diode (LED) fixtures. .
- **Central City Park Project:** Central City Park was accepted as complete at the beginning of Fiscal Year 2021-2022. Central City Park was opened to the public on May 6, 2021. It is a premier 14.5 Acre sports facility and community gathering place located adjacent to the existing Cypress Community Center and also serves as a trail head to the Pacific Electric Trail. The park includes (3)lighted turf fields, a concession stand/restroom building, horseshoe pits, and an inclusive ADA compliant playground.



- **South Fontana Sports Park:** Construction is underway on this 18-acre sports park with four lighted artificial turf fields for football and soccer use. The project will include parking, restroom, snack bar, playground and storage facilities. It's located on Santa Ana Avenue between Cypress Avenue and Juniper Avenue. Construction begins March 2022, with an estimated completion date of September 2023



- **9/11 Memorial Monument:** City Council identified funds for the 9/11 memorial monument project. The actual steel beam recovered from the World Trade Center site will be used as a main piece of the monument. The 18' long beam will be resurrected to its upright position as it once stood at the World Trade Center. The upright position of the beam speaks to resilience, perseverance, and strength against tragedy. The conceptual design has been approved and the detailed design is currently underway. Completion of the

project construction is projected in summer 2023, with a dedication ceremony planned for September 11, 2023.

- **Fire Station #80:** The training center (Phase 1) will be approximately 3,300 square feet with a training tower that will be incorporated into a future Fire Station #80 (Phase 2) planned for the same site (Cherry and So. Highland Avenues). Design and environmental phases began in March 2021 with construction expected to commence in 2022.
- **American Rescue Plan Act (ARPA) Grant:** To aid the country in the recovery from the government imposed COVID-19 lockdown, the U.S. Treasury issued the \$350 billion American Rescue Plan Act (ARPA). The City of Fontana was allocated \$50.3 million which includes various spending categories such as: support public health expenditures; address negative economic impacts; serve the hardest-hit communities and families; replace lost public sector revenue; provide premium pay for essential workers; and invest in water, sewer, and broadband infrastructure. The City Council has approved various eligible projects within these categories.
- **Pavement Rehabilitation Program:** The program is an ongoing program that targets various areas of the City to repair potholes, sidewalks, curb miles, and gutters.

Challenges Ahead

While the City recovers from the COVID-19 pandemic, there are other challenges that lie ahead. The following is a summary of challenges that the City will face over the next few years.

- **Inflation.** As the economy emerges from COVID-19 and the Russian-Ukrainian Crisis, a combination of the year-over-year growth and various national political decisions have brought about inflation levels not seen in decades. To cool down the record inflation growth the Federal Reserve has announced periodic interest rate hikes that in turn will raise the cost to buy homes. The affect on Fontana's housing market remains to be seen but will be watched.
- **State Budget.** The economic fallout from the pandemic happened quickly and hit the economy hard. The pandemic did its worst damage in California in the labor market. Since California's labor market underperformed the nation in 2020, the expectation is that this will translate into higher job gains for the state's economy in 2021 and future years. By the end of March 2023, the state unemployment rate was 4.4% which stayed consistent from March 2022 but decreased from 8% in March 2021. The unemployment rate for the U.S. as of March 2023 was 3.5%. California's state unemployment rate is

forecasted to be 4.7% this year and increase to 5.2% in 2024 with the slowing of job growth.

- **California Public Employees Retirement System (CalPERS).** At the July 2021 board meeting, CalPERS further reduced the discount rate assumption from 7.0% to 6.8% due to the Funding Risk Mitigation Policy, requiring the reduction of the discount rate in years of high investment returns. CalPERS also adopted new actuarial assumptions which included longer life expectancies and earlier retirement ages. the City's PERS Rate Stability Reserve has a balance of \$10.8 million.
- **Unfunded Liability.** The City's CalPERS net pension and OPEB liabilities are \$120.8 million and \$68.9 million, respectively, as of June 30, 2022. The Annual required contribution to fund the City's retiree health program for both current and future retiree has been calculated to be \$2.5 million (excludes implicit subsidy amount). The retiree health program has been closed to new hires since 1990.
- **Property Value Reassessments.** The annual Consumer Price Index (CPI) adjustment which provides the basis for changes in assessed valuations state-wide continues at the 2% level, although properties that have enjoyed Prop 8 valuation reductions are not subject to this limit.
- **Capital Reinvestment Program.** Since 1996/1997, the City Council has been investing a portion of the annual General Fund Budget back into the community in the form of capital projects (streets, parks and facilities), with a goal of 10%. A total of \$7.20 million from various funds was allocated in the FY 2022-23 Operating Budget to this critical area.
- **Proposition 218.** On November 5, 1996, the California electorate approved Proposition 218 affecting a change to the California State Constitution by making numerous changes to local government finance law. This measure impacts the generation and use of many fundamental revenue sources including fees, charges, assessments, and taxes. This proposition also changes the methods by which certain assessments and taxes are challenged by the electorate. The FY 2022-23 Operating Budget fully complied with the provisions of Proposition 218.
- **Services and Growth.** The City of Fontana has experienced significant growth over the past several years. With this growth comes the need to service a growing community. The funding sources for these additional services are revenue growth and the Municipal Services Fiscal Impact Fee Program (MSFIF).

Financial Information. Management of the City is responsible for establishing and maintaining internal control designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with U.S. generally accepted accounting principles. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurances recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

This report consists of management's representations concerning the finances of the City. As a result, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. Management asserts that, to the best of their knowledge and belief, this financial report is complete and reliable in all material respects.

Budgetary controls. The City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, special revenue funds, debt service funds, capital project funds, and all the proprietary funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances generally are re-appropriated as part of the following year's budget.

Regarding long-term financial planning, as of June 22, 2021, the City Council adopted the City's first biennial budget for fiscal years 2021-2022 and 2022-2023. Additionally, as a companion to approving the budget plan, a seven-year Capital Improvement Plan was presented to the City Council. The seven-year plan links anticipated expenditures for infrastructure development with community needs and desires and provides a citywide perspective of recommended projects and proposed funding sources. The Capital Improvement Plan was finalized in June 2021 and totaled \$806.8 million for the seven-year fiscal period ending June 30, 2028. The seven-year Capital Improvement Plan has been submitted and annually updated, in its present form, since 1991, for effective long-range planning purposes. It is City Management's belief that these two plans give City Council members an expanded opportunity to set policy and provide direction for implementation, resulting in improved management efficiency and improved financial results.

Debt administration. At June 30, 2022, the City had a number of debt issues outstanding as shown in detail in the notes to the financial statements. The City's ratios of net bonded debt to assessed valuation and the amount of net general bonded debt per capita are useful indicators of our debt position to management, citizens, and investors.

At June 30, 2022, the City has \$53.0 million in authorized, outstanding tax supported general obligation bonds with no authorized but unissued general obligation bonds. This level of general obligation debt is well below the legal limit of \$3,604 million, or 15% of assessed valuation.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for the fiscal year ended June 30, 2020. This was the twenty-eighth consecutive year that the City has received this award. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government unit and its management. In order to be awarded this certificate, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, with contents that conform to program standards. These reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe our current Annual Comprehensive Financial Report conforms to the Certificate of Achievement program requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City for its Popular Annual Financial Report for the fiscal year ended June 30, 2019. This was the twentieth consecutive year the city has received this award. This is a prestigious national award.

recognizing conformance with the highest standards for preparation of state and local government popular reports. The Award is for a period of one year only.

The City's Statement of Investment Policy was awarded a Certification of Excellence Award by the Association of Public Treasurers of the United States and Canada (APT US&C) in 2000, 2003 and 2006. The award is issued in recognition of written investment policies which meet specific criteria set forth by the Association such as selection of suitable investment instruments, custody and safekeeping, internal controls, and reporting.

Preparation of this annual comprehensive financial report could not have been accomplished on without the support and cooperation of all City of Fontana staff. These dedicated members assisted and contributed to its preparation. Special recognition is given to the Finance staff. Their efforts made it possible to improve the quality of the information being reported to the citizens, the City Council, and other users on a timely basis. Appreciation is also expressed to the Mayor, the City Council, the City Treasurer and the City Manager for their interest and support in planning and conducting the financial activities of the City in a responsible and responsive manner.

Sincerely,



Jessica Brown
Chief Financial Officer



CITY OF FONTANA

LIST OF PRINCIPAL OFFICIALS

(At Date of Issuance)

ELECTED OFFICIALS

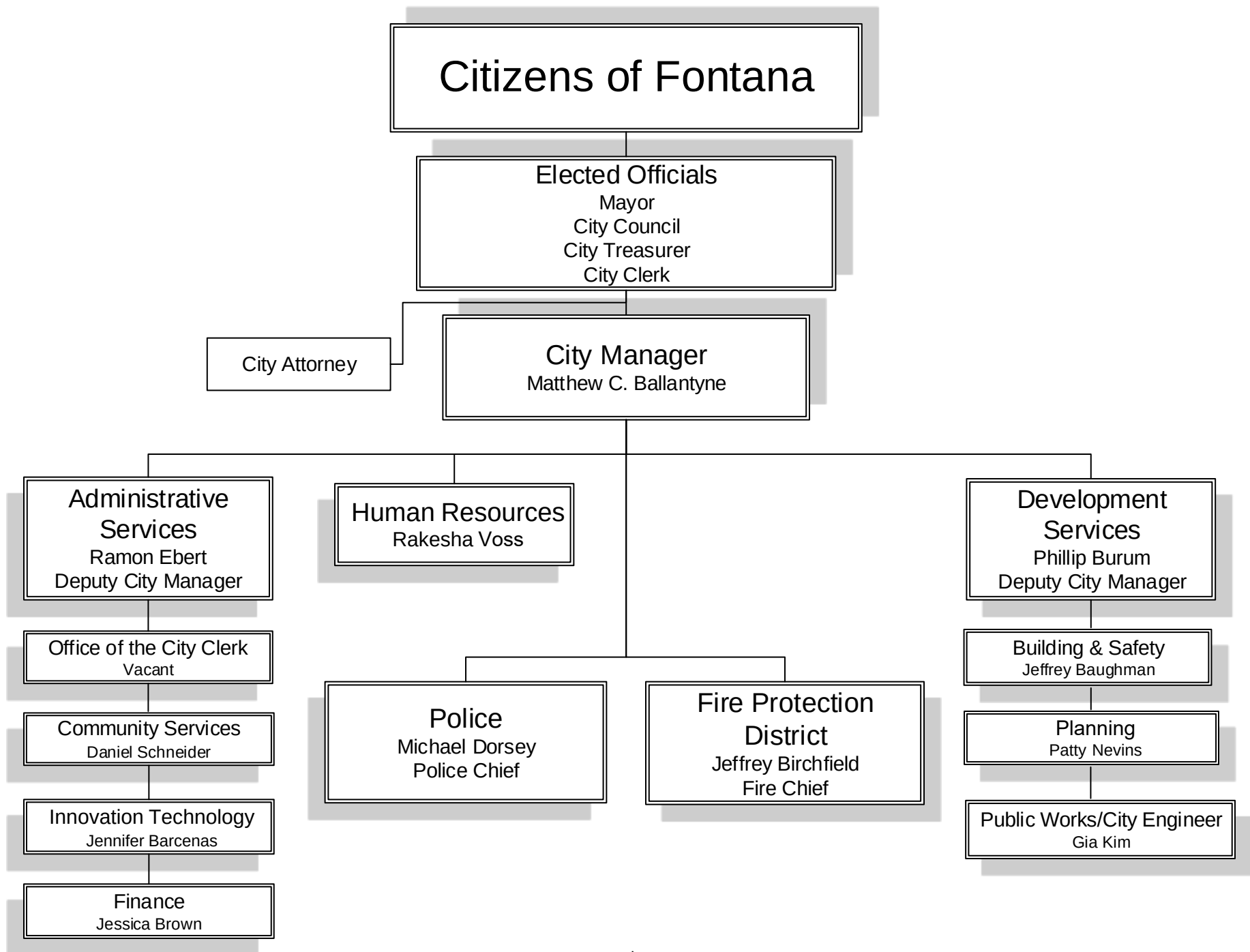
Acquanetta Warren, Mayor
Peter Garcia, Mayor Pro Tem
Phillip Cothran, Council Member
John B. Roberts, Council Member
Jesus Sandoval, Council Member

Janet Koehler-Brooks, City Treasurer
Germaine Key, City Clerk

ADMINISTRATIVE STAFF

Matthew C. Ballantyne	City Manager
Phillip Burum	Deputy City Manager / Development Services
Ramon Ebert	Deputy City Manager / Administrative Services
Jennifer Barcnas	Innovation & Technology Director
Jeffrey Baughman	Director of Building & Safety
Jeffrey Birchfield	Fire Chief
Jessica Brown	Chief Financial Officer
Michael Dorsey	Chief of Police
Gia Kim	Public Works Director / City Engineer
Patty Nevins	Director of Planning
Daniel Schneider	Community Services Director
Rakesha Voss	Director of Human Resources & Risk Management
<i>Vacant</i>	Deputy City Clerk





City Council
City of Fontana
Fontana, California

Independent Auditor's Report

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 Fontana (the "City"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, the Budget to Actual Statement of the General Fund, the Budget to Actual Statement of the Fire Protection Special Revenue Fund, the Budget to Actual Statement of the Housing Authority Low/Mod Housing Fund Special Revenue Fund, and the Budget to Actual Statement of the Economic Stimulus Special Revenue Fund, of the City of Fontana as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described further in Note 4 to the financial statements, during the year ended June 30, 2022, the City implemented Government Accounting Standard (GASB) No. 87: Lease Accounting. In addition, the financial statements reflect certain prior

period adjustments as described further in note 19 to the financial statements. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period, Schedule of Pension Plan Contributions, and Schedule of Changes in Total OPEB Liability and Related Ratios during the Measurement Period* be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 *combining and individual nonmajor fund financial statements and budget to actual schedules* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The *combining and individual nonmajor fund financial statements and budget to actual schedules* 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 nonmajor fund financial statements and budget to actual schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the City of Fontana's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the *introductory section* and *statistical section* but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2023 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 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.



Irvine, California
July 13, 2023



MANAGEMENT'S DISCUSSION AND ANALYSIS

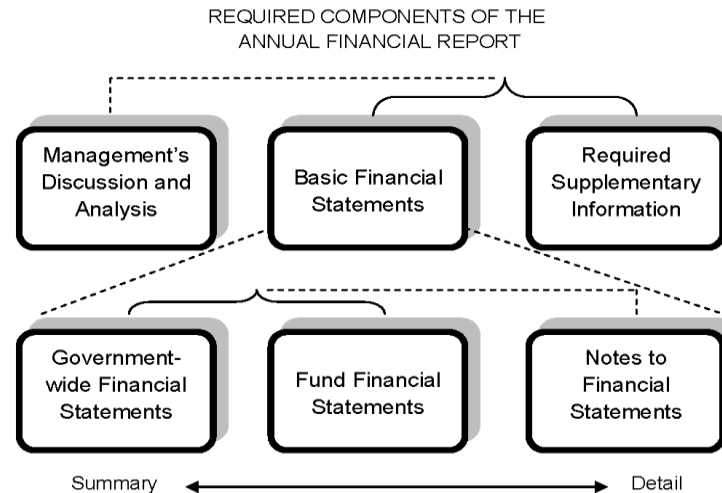
This narrative overview and analysis of the City of Fontana's financial activities for the fiscal year ended June 30, 2022 is presented by the management of the City of Fontana to readers of the City's financial statements. Management encourages readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report and the City's basic financial statements in the financial section of this report.

FINANCIAL HIGHLIGHTS

- The City's governmental and business-type activities resulted in total assets and deferred outflows of resources exceeding its liabilities and deferred inflows of resources by \$1,085.5 million as of June 30, 2022 ("current fiscal year"). Of this amount, \$272.0 million represents the portion for restricted uses as specified by entities outside of the City government, the amount for unrestricted uses in accordance with finance-related legal requirements as reflected in the City's fund structure is in a positive position at \$84.6 million, and \$728.8 million accounts for investments in capital assets in excess of related debt.
- The City's total net position increased \$25.0 million during the current fiscal year. The increase is primarily due to the \$7.4 million increase in property taxes, \$5.3 million in increase in sales tax and \$11.8 million increase in charge for services. In addition, our overall expenses decreased compared to FY2021.
- As of the fiscal year end, the City's Governmental Funds ending fund balances were \$559.3 million, an increase of approximately \$32.1 million or 6.1% from the prior fiscal year. Of this balance, \$286.2 million is either nonspendable or restricted for use set by various legal requirements, \$10.9 million is committed for PERS rate fluctuations and \$262.2 million is either assigned or unassigned based on the nature of the funding source.
- The General Fund's fund balance at the close of the current fiscal year was \$124.1 million, an increase of approximately \$7.0 million or 6% from the previous year. The General Fund's fund balance consists of \$1.9 million in nonspendable and restricted fund balance, \$10.9 million committed for the purposes of PERS rate fluctuations, and \$111.3 million in assigned and unassigned fund balances. See page 15 for further discussion.
- The City's business-type activities yielded operating revenues of \$27.2 million, while operating expenses amounted to of \$24.7 million.
- General Fund revenues were \$3.6 million more than the final budget, and expenditures were \$18.8 million less than the final budget.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: government-wide financial statements; fund financial statements; and notes to the basic financial statements.



Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, community development, community services and engineering. The business-type activities of the City include sewer and water operations.

Component units are included in the basic financial statements and consist of legally separate entities for which the City is financially accountable and that have the same governing board as the City. The blended component units include the Successor Agency of the Former Fontana Redevelopment Agency, the Fontana Public Financing Authority, the Fontana Public Facilities Financing Authority, the Fontana Housing Authority, the Fontana Industrial Development Authority, the Fontana Community Foundation and the Fontana Fire Protection District. The redevelopment agency was dissolved as of January 31, 2012 through the California Supreme Court decision on Assembly Bill 1X26. See Note 17 of the notes to the financial statements for more information on the dissolution.

The government-wide financial statements can be found on pages 21 and 22 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to the government-wide financial statements in order to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 53 individual governmental funds for financial reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, the Fire Protection District Special Revenue Fund, the Housing Authority Special Revenue Fund, the Economic Stimulus Special Revenue Fund, the Capital Reinvestment Fund, the Future Capital Projects Fund, the Sewer Expansion Fund, the Community Facility Districts Fund, and the Traffic Mitigation Capital Project Fund, which are considered to be major funds. Data for the other 44 governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the non-major funds supplementary section of this report.

The City adopts an annual appropriated budget for its general fund, special revenue funds, debt service funds, and capital project funds. A budgetary comparison statement has been provided for the General Fund, the Fire Protection District Special Revenue Fund, the Housing Authority Low/Mod Housing Special Revenue Fund, and the Economic Stimulus Special Revenue Fund in the basic financial statements and for the remaining special revenue funds, the debt service funds, and the capital project funds in the supplementary information.

The governmental fund financial statements can be found on pages 23-30 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Sewer and Water Operations. *Internal Service Funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund to account for its fleet of vehicles; because this service predominantly benefits governmental rather than business-type functions, it has been included with *governmental activities* in the government-wide financial statements.

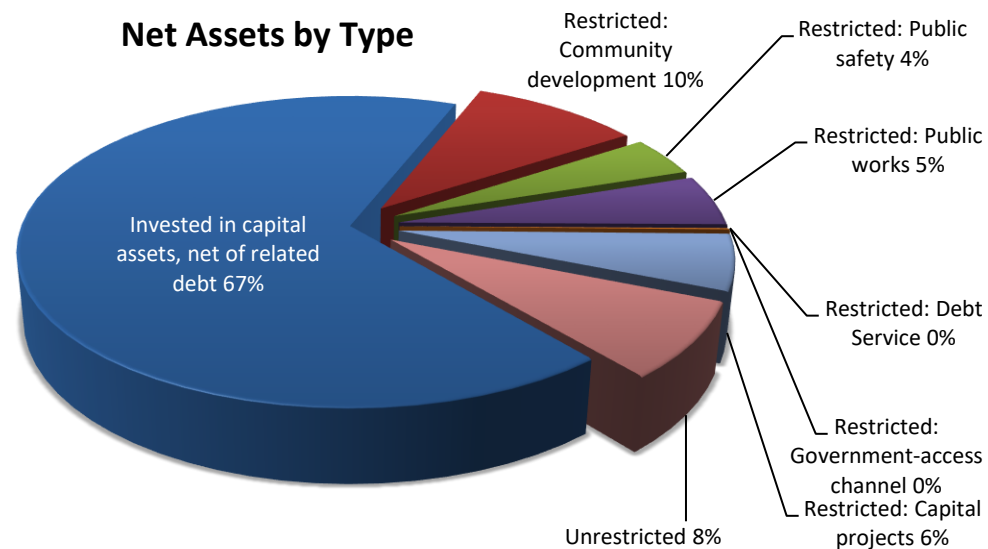
Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found on pages 31-33 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 34-35 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-92 of this report.

Government-wide Financial Analysis



As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's net position is comprised of Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position. As of June 30, 2022, assets exceeded liabilities by \$1,085.5 million.

The City's net investment in capital assets (land, buildings, infrastructure, machinery, equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding, is \$728.8 million. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position (\$272.0 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$84.6 million may be used to meet the government's ongoing obligations to citizens and creditors, unrestricted net position is in a positive position at the end of the fiscal year.

Net Position

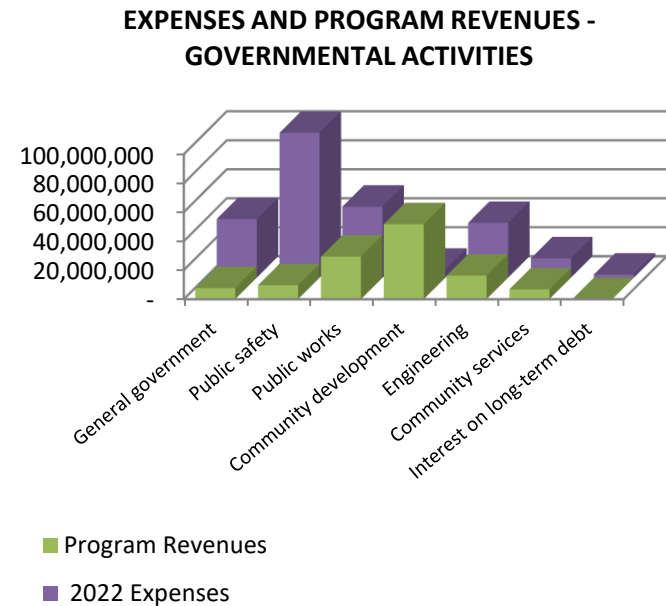
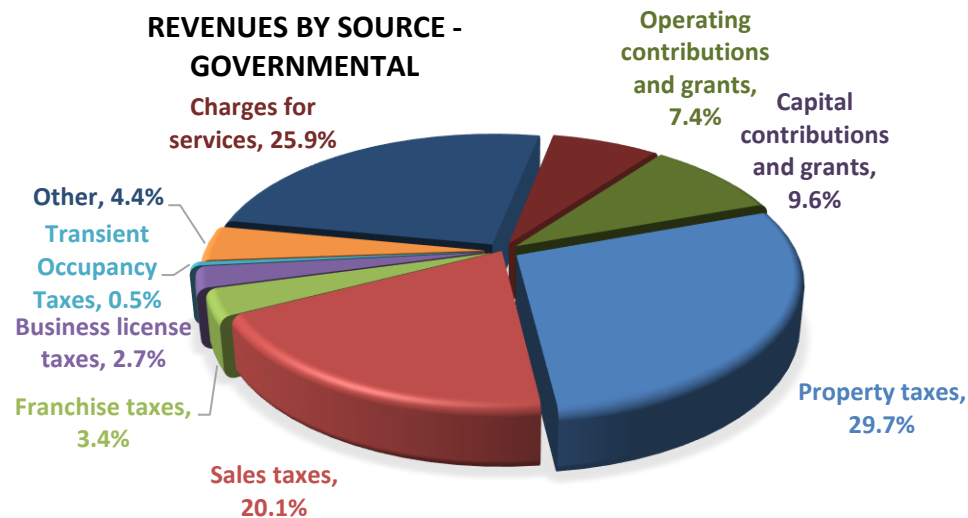
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 697,543	\$ 619,294	\$ 31,702	\$ 30,845	\$ 729,245	\$ 650,139
Capital assets	715,583	706,671	59,324	62,117	774,907	768,788
Total assets	1,413,126	1,325,965	91,026	92,962	1,504,152	1,418,927
Deferred outflows of resources	44,198	47,290	1,114	1,303	45,312	48,593
Long-term liabilities outstanding	278,868	307,057	10,962	14,806	289,830	321,863
Other liabilities	101,018	76,865	4,438	3,058	105,456	79,923
Total liabilities	379,886	383,922	15,400	17,864	395,286	401,786
Deferred inflows of resources	66,879	3,748	1,845	133	68,724	3,881
Net position:						
Net investment in capital assets	675,179	638,865	53,603	55,533	728,782	694,398
Restricted	272,038	253,988	-	-	272,038	253,988
Unrestricted	63,342	92,732	21,292	20,735	84,634	113,467
Total net position	\$ 1,010,559	\$ 985,585	\$ 74,895	\$ 76,268	\$ 1,085,454	\$ 1,061,853

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 73,330	\$ 63,006	\$ 26,819	\$ 25,359	\$ 100,149	\$ 88,365
Operating grants and contributions	20,860	46,511	-	-	20,860	46,511
Capital grants and contributions	27,263	68,782	337	198	27,600	68,980
General Revenues:						
Property taxes	84,070	76,703	-	-	84,070	76,703
Sales tax	56,727	51,408	-	-	56,727	51,408
Franchise taxes	9,749	8,670	-	-	9,749	8,670
Business license taxes	7,584	6,677	-	-	7,584	6,677
Transient occupancy taxes	1,374	1,132	-	-	1,374	1,132
Motor vehicle in lieu	459	156	-	-	459	156
Investment earnings	(10,525)	4,008	(749)	19	(11,274)	4,027
Other	11,901	9,176	(177)	14	11,724	9,190
Total revenues	282,792	336,229	26,230	25,590	309,022	361,819
Expenses:						
General Government	40,459	41,708	-	-	40,459	41,708
Public Safety	111,899	111,355	-	-	111,899	111,355
Public Works	49,008	50,078	-	-	49,008	50,078
Community Development	5,492	38,019	-	-	5,492	38,019
Engineering	37,814	24,000	-	-	37,814	24,000
Community Services	13,344	13,156	-	-	13,344	13,156
Interest on long-term debt	2,134	1,860	112	-	2,246	1,860
Gain/(Loss) on sale of capital assets	-	-	-	-	-	-
Sewer	-	-	24,542	24,980	24,542	24,980
Water	-	-	-	-	-	-
Total expenses	260,150	280,176	24,654	24,980	284,804	305,156
Change in net position before transfers	22,642	56,053	1,576	610	24,218	56,663
Transfers	2,949	2,644	(2,949)	(2,644)	-	-
Change in net position	25,591	58,697	(1,373)	(2,034)	24,218	56,663
Net Position - beginning of year as restated	984,968	926,888	76,268	78,302	1,061,236	1,005,190
Net Position - end of year	\$ 1,010,559	\$ 985,585	\$ 74,895	\$ 76,268	\$ 1,085,454	\$ 1,061,853

Governmental activities



The most significant revenues of the governmental activities are general taxes (56.4%), which include property taxes (29.7%), sales and use taxes (20.1%), and various other taxes (6.6%), and general revenues (0.7%), which include various other revenues (4.4%) and investment earnings (-3.7%). Program revenues are 42.9% of the total revenues of the governmental activities, which include charges for services (25.9%), operating grants and contributions (7.4%), and capital grants and contributions (9.6%).

Public safety (police and fire) is the most significant (43%) of all governmental activities' expenses, followed by Public works (18.8%), General government (15.6%), Engineering (14.5%), Community services (5.1%) Community development (2.1%), and interest on long-term debt (0.8%). Included in these amounts is depreciation expense, which is 14.3% of the total expenses for governmental activities.

Governmental activities revenues decreased by \$53.3 million (15.9%) in the current fiscal year. The changes in revenues are a result of the following:

- **General tax revenues** increased by \$14.9 million (10.3%) which is primarily due to increased sales tax revenue (\$5.3 million) as a result of recovery from the 2020 pandemic shutdown and high inflation rate. Property tax revenues increased by \$7.4 million because of increased assessed valuation. Other taxes increased by \$2.2 million.
- **General revenues (not including general taxes)** decreased by \$11.35 million (-86.1%), primarily the result of unrealized/realized loss on investment securities due to the Federal Reserve board raising its interest rate.

- **Charges for services** increased by \$10.3 million (16.4%) and this is mostly attributed to 1) an increase of \$3.7 million of Community Development revenue related to development activity; 2) an increase of \$5.0 million in Engineering; 3) an increase in community services of \$2.1 million.
- **Operating contributions and grants** decreased by \$25.7 million due to a one time payout of U.S. Treasury Emergency Rental Assistance Grant of \$6.4 million, and other grants related to the pandemic of \$5.3 million in FY 2021.
- **Capital contributions and grants** decreased from \$68.8 million to \$27.3 million primarily due to the decrease in creation of new CFD capital project contributions related to various land development within the city.

Governmental activities expenses decreased by \$20 million (7.1%) in the current fiscal year. The most significant changes in governmental expenses were:

- **Community development and Engineering expenses** decreased by \$18.7 million due to one-time capital acquisition under Community facilities development ,The Meadows, in the amount of \$6.18 million in FY2021. In addition, this is also attributable to increase in capital expenses in FY2021 on several traffic signals and storm drain projects throughout the City, such as Valley-Oleander Traffic Signal, Etiwanda-Slover Arterial project, and Cypress Strom Drain and other various developments such as Etiwanda Ridge.

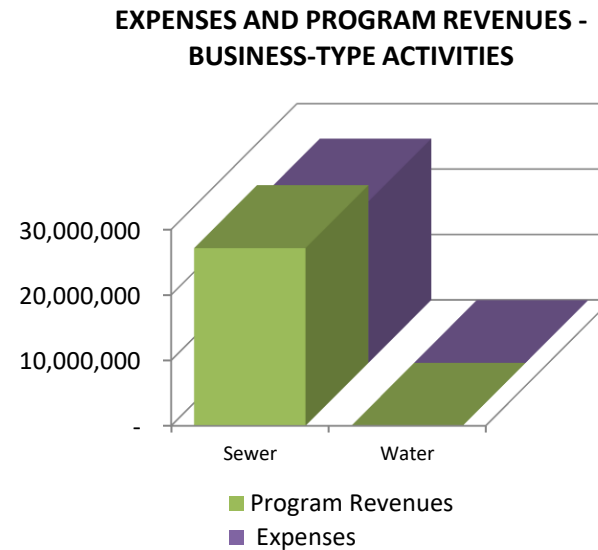
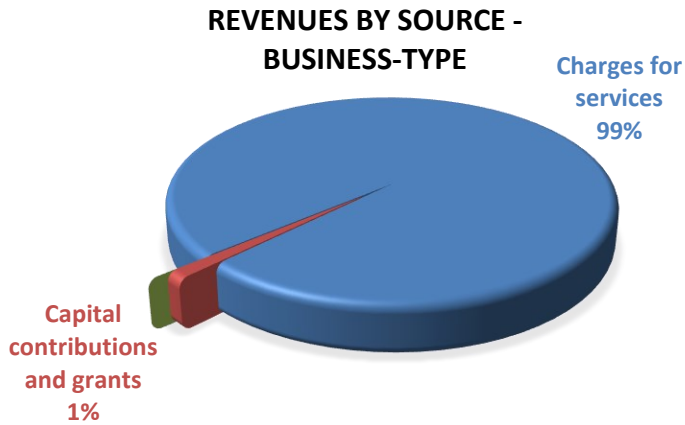
Business-type activities

Business-type activities net position decreased by \$1.3 million (-1.8%).

Business-type activities revenues for current year is in-line with prior year, showing an increase of \$0.6 million.

- **Investment earnings** decreased by \$1.0 million as a result of the Federal Reserve Board raising its interest rate as some of our City's securities were purchased at a lower interest rate.
- **Charges for services** increased by \$1.5 million primarily due to an increase in rates charged by other entities such as IEUA and City of Rialto that are collected by the city and passed through to the proper entities.
- **Capital contributions** increased by \$0.1 million due to one-time project reimbursement incurred during the current fiscal year.

Total expenses increased by \$0.32 which is in-line with prior year levels.



Financial Analysis of the City's Funds

The City of Fontana employs Fund Accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *assigned and unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$559.3 million, an increase of \$32.1 million (6.08%) from the previous year. Of this total amount, \$262.2 million constitutes *assigned or unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable (\$14.1 million), restricted (\$272.0 million) or committed (\$10.9 million) and is not available for new spending. The nonspendable fund balance consists of 1) land held for resale of \$10.0 million, 2) deposits on account of \$0.02 million, 3) inventories held (\$1.2 million), and 4) loan receivables (\$2.9 million). Restricted fund balance includes amounts that are constrained on the use of the resources by outside parties and committed fund balance includes amounts that are constrained on the use of the resources pursuant to City Council formal action. For additional details of the City's fund balances, please refer to Note 15 in the Notes to the Basic Financial Statements.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the assigned fund balance of the general fund was \$33.9 million, while total fund balance reached \$124.1 million, which was \$7.0 million or 6.0% higher than the prior year. The City's management assigns fund balance to a particular function, project or activity and may also be assigned for purposes beyond the current year. However, assigned fund balance is available for appropriation at any time. The General Fund has committed fund balance of \$10.9 million for purposes of PERS rate fluctuations.

General fund revenues decreased by \$5.7 million (4.1%) from the previous fiscal year; this decrease is primarily due to:

- Intergovernmental revenues decreased by \$9.9 million primarily due to the one time payout of U.S. Treasury Emergency Rental Assistance Grant of \$6.4 million in FY2021 and other various covid grant
- Sales tax revenue increased by \$4.9 (9.75%) million due to new signs of a resurgent economy emerge as the city saw sale tax increase from Fuel/Service stations and restaurants/hotels
- Property tax revenue increased by \$2.5 million (8.25%) due to increased assessed property valuation.
- Investment earnings decreased by \$5.8 million due to Federal Reserve Board raising its interest rate as our previous treasury securities were purchased at a lower interest rate.

General fund expenditures increased by \$5.3 million (4.1%) from the previous fiscal year, the increased costs were primarily due to:

- Due to the increase in personnel cost under public safety (police) and the return of part-time staff as facilities reopen and programs resume.

The Fire Protection District special revenue fund has a fund balance of \$38.5 million. The Fire Protection District accounts for all of the operating activities of the Fire District. The fund balance increased by \$17.3 million during the current fiscal year; current year revenues and transfer in were \$62.3 million and total expenditures and transfers out were \$45.0 million. Revenues increased \$3.7 million (7.8%) primarily as a result of property tax valuation increases. Expenditures increased \$6.5 million (19.4%) primarily as a result in increased contract costs with the San Bernardino County Fire Department for fire protection services due to inflation. In addition, there was a one-time transfer out of \$10.5 million to the fire protection district for the fire station No.81 and fire station No.80.

The Housing Authority special revenue fund has a fund balance of \$86.2 million. The fund balance decreased by \$1.5 million during the fiscal year. The decrease is primarily due to the decrease in investment earnings in the amount of \$0.6 million due to federal reserve board raising its interest and a restatement of the housing authority due to the revenue being overstated related to one of the loan receivables in the prior year in the amount of \$0.7 million.

The Capital Reinvestment fund has a total fund balance of \$15.1 million. The fund balance decreased during the current fiscal year by \$4.8 million mainly due to the one time purchase of land held for resale property in the amount of \$3.0 million during FY2022.

The Future Capital Projects fund has a total fund balance of \$42.7 million. The fund balance decreased during the current fiscal year by \$2.3 million due to expenditures related to Park Lighting Upgrade project for various parks and ball fields in the City.

The Sewer Expansion Fund has a total fund balance of \$0.36 million. The fund balance decreased slightly during the current fiscal year by \$0.8 million due to a decrease in investment earnings in the amount of 0.6 million and an interest allocation adjustment of \$0.2 million through transfer.

The Traffic Mitigation capital project fund has a fund balance of \$15.4 million. The fund balance increased during the current fiscal year by \$7.6 million as a result of circulation impact fees being collected.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Sewer and Water Operations at the end of the year amounted to \$19.5 million. The total increase in net position was \$0.47 million, primarily due to increase in charge for services.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the City's budget on a quarterly basis. The Council approves supplemental appropriations throughout the year based on individual items that are brought forward by various departments. The General Fund budgetary comparison statement can be found on page 27 of this report.

Revenues:

During the year, the original General Fund revenue budget was amended to increase revenues by \$9.3 million. The increase is primarily due to:

- an increase in sales tax of \$1.8 million, as a result of the conservative budget originally adopted due to COVID-19 and the unexpected economic recovery.
- an increase in intergovernmental revenues of \$5.0 million associated with the recognition of the State and County COVID-19 Relief Fund. allocation and Coronavirus Emergency Rental Assistance program revenue in FY2022.
- an increase in property tax revenue of \$0.4 million due to increased assessed property valuation.

General Fund revenues of \$135.9 million were \$3.6 million more than the final budget. The increase from the adopted budget of \$122.9 million was due to the conservative budget originally adopted due to COVID-19 and the unexpected economic recovery. The positive variance to the final budget was primarily due to:

- higher than expected tax revenues (\$12.1 million) compared to the final budget, which was increased by \$2.72 million from the adopted budget,
- higher than expected charges for services (\$1.8 million) compared to the final budget, which was increased by \$0.22 million from the adopted budget,
- higher than expected fine and forfeitures (\$0.08 million)
- lower than expected investment earnings (\$5.4 million)
- lower than expected licenses and permits revenue (\$1.2 million)
- lower than expected intergovernmental revenue (\$3.8 million)
- lower than expected licenses and permits (\$0.02 million)

Expenditures:

During the year, the original General Fund expenditure budget was amended to increase appropriations by \$21.45 million, the increase in appropriations was due to various requests throughout the fiscal year such as:

- increase of administrative services admin (personnel cost) in the amount of \$5.05 million.
- increase of \$3.15 million for IT department under other professional services and \$1.16 million under hardware for various IT project such as salesforce 311 and CC modernization and computer software.
- increase of \$0.67 million for various settlement claim.

General Fund expenditures were less than budgeted. Of the total appropriations of \$154.2 million, approximately 12.2%, or \$18.8 million were unspent. The budgetary savings included Treasury Emergency rental assistance in the amount of \$3.0 million, Application cost, operations cost and IT administration cost with the IT department (\$6.6 million), Personnel cost in the police department (\$1.9 million), \$2.1 million services cost in the community development and \$3.4 million in HR admin cost and risk management. The aforementioned savings will be carried over to next fiscal year.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for governmental and business-type activities as of June 30, 2022, amounts to \$774.9 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, vehicles and infrastructure (roads, highways, sewer and storm drain systems). The total change in the City's investment in capital assets net of accumulated depreciation for the current fiscal year was an increase of \$6.1 million (1%). Major capital asset events during the current fiscal year included the following:

- Developer contributions (CFD 90 Summit @ Rosena phase one and CFD 85 the Meadow) related to amounting to \$9.3 million were received.
- Several big constructions in progress projects such as So Fontana sports park, Fire station#81, helicopter purchase permit system incurred current year cost of \$12.4 million, while other small projects in aggregate incurred a total of \$11.9 million.
- The city also had a onetime purchase of land held for resale property from Rosemead properties in the amount of \$3.0 million.
- \$3.4 million worth of Structure improvements were added such as Jack Bulik Part lighting improvement (\$0.55 million), Ralph Lewis Park lighting improvement (\$0.56 million), Bill Martin park lighting improvement (\$.48 million) and other various small improvement projects.
- Various machinery, equipment, vehicles, and easements were added in current year amounting to \$4.0 million.
- Accumulated depreciation at year-end is \$38.8 million higher than prior year.

Capital Assets
(Net of depreciation)
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 161,362	\$ 156,533	\$ -	\$ -	\$ 161,362	\$ 156,533
Building and improvements	162,291	155,994	1,106	1,152	163,397	157,146
Machinery and equipment	4,248	5,386	7	11	4,254	5,397
Vehicles	13,968	12,497	-	-	13,968	12,497
Infrastructure	313,297	334,570	57,735	60,517	371,032	395,087
Intangibles	2,929	3,001	-	-	2,929	3,001
Right to use assets	106		-	-	106	-
Construction in progress	52,383	33,694	477	437	52,860	34,131
Easements	4,996	4,996	-	-	4,996	4,996
Total	\$ 715,581	\$ 706,671	\$ 59,324	\$ 62,117	\$ 774,905	\$ 768,788

Additional information on the City's capital assets can be found in Note 6 in the footnote disclosure.

Long-term debt. At the end of the current fiscal year, the City's total long-term debt outstanding is \$283.4 million. This amount is comprised of \$120.9 million net pension liability, \$68.9 million other post-employment benefits liability, \$53.0 million of lease revenue bonds which are secured by future revenue sources from the lease of City property and \$40.6 million of various other loans and obligations payable.

Outstanding Debt
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Lease revenue bonds	\$ 53,015	\$ 36,185	\$ -	\$ -	\$ 53,015	\$ 36,185
Net pension liability	118,172	171,768	2,674	5,447	120,847	177,215
Claims and judgments	20,654	13,983	-	-	20,654	13,983
Compensated absences	11,099	10,320	242	345	11,341	10,665
Other post employment benefits liability	66,534	68,947	2,325	2,430	68,859	71,377
Other debt	2,959	5,854	5,721	6,584	8,679	12,438
Total outstanding debt	<u>\$ 272,433</u>	<u>\$ 307,057</u>	<u>\$ 10,962</u>	<u>\$ 14,806</u>	<u>\$ 283,395</u>	<u>\$ 321,863</u>

Additional information on the City's long-term debt can be found in Note 8 in the footnote disclosure.

Economic Factors and Next Year's Budget and Rates

In preparing the budget for Fiscal Year 2022-23, management's goal was to produce an operating budget that adhered to City Council goals and objectives with an emphasis on cost containment. Expansion of the City's economic base continues to be a City Council priority.

The Operating Budget for Fiscal Year 2022-23 is financially balanced and includes:

- General Fund designation of fund balance for contingencies of 15% of recurring appropriations.
- A net increase in budgeted revenues of \$3.5 million (or +2.9%) in the General Fund as compared to the prior year's final budget is primarily attributed to the following:
 - An increase in sale tax revenue of \$1.1 million reflecting continuing post-pandemic recovery
 - An increase in property tax revenue of \$0.8 million assuming an anticipated growth of 3 percent in assessed valuation
 - An increase in recreation revenue of \$1.1 million projecting facilities and programs will be opened all year
- A net increase in budgeted expenditures of \$3.6 million or (+3.3%) in the General Fund as compared to the prior year's final budget is primarily attribute to contractual obligations related to full-time City staff and the return of part-time staff as facilities reopen and programs resume.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Fontana's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City's Finance Department at the City of Fontana, 8353 Sierra Avenue, Fontana, CA 92335.

CITY OF FONTANA
Statement of Net Position
June 30, 2022

Exhibit A

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 440,652,514	\$ 24,205,303	\$ 464,857,817
Receivables:			
Accounts	3,874,233	1,429,132	5,303,365
Assessments	862,452	-	862,452
Interest	5,097,581	50,683	5,148,264
Loans	82,581,632	4,200,937	86,782,569
Loans to Successor Agency	24,978,218	3,305,829	28,284,047
Allowance for doubtful accounts	(358,698)	(3,305,829)	(3,664,527)
Leases	17,689,158	-	17,689,158
Internal balances	(1,750,465)	1,750,465	-
Due from other governments	19,959,684	12,903	19,972,587
Inventories	1,346,862	52,372	1,399,234
Deposits	19,200	-	19,200
Land held for resale	10,029,872	-	10,029,872
Restricted assets:			
Cash with fiscal agent	92,562,793	-	92,562,793
Capital assets not being depreciated	218,741,384	477,105	219,218,489
Capital assets, net of depreciation	496,839,337	58,847,219	555,686,556
Total assets	<u>1,413,125,757</u>	<u>91,026,119</u>	<u>1,504,151,876</u>
Deferred Outflows of Resources:			
Deferred outflows of resources - pension related	31,737,504	678,954	32,416,458
Deferred outflows of resources - OPEB related	12,460,834	435,467	12,896,301
Total deferred outflows of resources	<u>44,198,338</u>	<u>1,114,421</u>	<u>45,312,759</u>
Liabilities:			
Accounts payable	16,899,325	3,610,686	20,510,011
Deposits payable	5,095,541	792,169	5,887,710
Interest payable	701,683	35,224	736,907
Due to other governments	24,865,560	-	24,865,560
Unearned revenue	52,796,542	-	52,796,542
Retentions payable	659,454	-	659,454
Noncurrent liabilities:			
Due within one year	13,058,614	1,120,383	14,178,997
Due in more than one year			
Net pension liability	118,172,369	2,674,376	120,846,745
OPEB liability	66,533,882	2,325,151	68,859,033
Other	81,103,155	4,842,202	85,945,357
Total liabilities	<u>379,886,125</u>	<u>15,400,191</u>	<u>395,286,316</u>
Deferred Inflows of Resources:			
Deferred inflows of resources - pension related	40,273,332	1,517,726	41,791,058
Deferred inflows of resources - OPEB related	9,351,250	326,796	9,678,046
Deferred inflows of resources - Leases	17,254,696	-	17,254,696
Total deferred inflows of resources	<u>66,879,278</u>	<u>1,844,522</u>	<u>68,723,800</u>
Net Position:			
Net investment in capital assets	675,178,954	53,603,452	728,782,406
Restricted for:			
Community development	105,924,398	-	105,924,398
Public safety	44,772,494	-	44,772,494
Public works	57,192,723	-	57,192,723
Debt service	15,368	-	15,368
Government-access channel	1,510,351	-	1,510,351
Capital projects	62,622,768	-	62,622,768
Unrestricted	63,341,636	21,292,375	84,634,011
Total net position	<u>\$ 1,010,558,692</u>	<u>\$ 74,895,827</u>	<u>\$ 1,085,454,519</u>

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Activities
Year Ended June 30, 2022

Exhibit B

Functions/Programs	Expenses	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Total	Governmental Activities	Business-type Activities	Total
Governmental activities:								
General government:								
City council and commissions	\$ 1,200,656	\$ -	\$ -	\$ -	\$ -	\$ (1,200,656)	\$ -	\$ (1,200,656)
City administration	7,003,932	-	-	-	-	(7,003,932)	-	(7,003,932)
Management services	3,838,556	1,208,266	-	54,597	1,262,863	(2,575,693)	-	(2,575,693)
Information technology	12,827,024	-	-	-	-	(12,827,024)	-	(12,827,024)
Human resources	15,589,197	6,373,262	-	-	6,373,262	(9,215,935)	-	(9,215,935)
Public safety:								
Police	70,415,712	1,082,804	7,682,166	-	8,764,970	(61,650,742)	-	(61,650,742)
Fire	41,483,715	916,218	-	-	916,218	(40,567,497)	-	(40,567,497)
Public works	49,008,197	22,934,465	4,798,048	1,656,146	29,388,659	(19,619,538)	-	(19,619,538)
Community development	5,492,363	25,431,821	4,593,322	21,704,957	51,730,100	46,237,737	-	46,237,737
Community services	13,344,407	3,181,475	3,580,908	-	6,762,383	(6,582,024)	-	(6,582,024)
Engineering	37,814,087	12,201,965	206,124	3,847,869	16,255,958	(21,558,129)	-	(21,558,129)
Interest on long-term debt	2,132,558	-	-	-	-	(2,132,558)	-	(2,132,558)
Total governmental activities	<u>260,150,404</u>	<u>73,330,276</u>	<u>20,860,568</u>	<u>27,263,569</u>	<u>121,454,413</u>	<u>(138,695,991)</u>	<u>-</u>	<u>(138,695,991)</u>
Business-type activities:								
Sewer	24,541,611	26,819,169	-	336,864	27,156,033	-	2,614,422	2,614,422
Interest on long-term debt	112,532	-	-	-	-	-	(112,532)	(112,532)
Total business-type activities	<u>24,654,143</u>	<u>26,819,169</u>	<u>-</u>	<u>336,864</u>	<u>27,156,033</u>	<u>-</u>	<u>2,501,890</u>	<u>2,501,890</u>
Total functions/programs	<u>\$ 284,804,547</u>	<u>\$ 100,149,445</u>	<u>\$ 20,860,568</u>	<u>\$ 27,600,433</u>	<u>\$ 148,610,446</u>	<u>(138,695,991)</u>	<u>2,501,890</u>	<u>(136,194,101)</u>

General revenues:

Taxes:

Property taxes, levied for general purpose	84,070,144	-	84,070,144
Sales taxes	56,726,526	-	56,726,526
Franchise taxes	9,749,087	-	9,749,087
Business license taxes	7,583,660	-	7,583,660
Transient occupancy taxes	1,374,182	-	1,374,182
Total taxes	<u>159,503,599</u>	<u>-</u>	<u>159,503,599</u>

Intergovernmental, unrestricted:

Motor vehicle in lieu	459,175	-	459,175
Investment earnings	(10,525,380)	(748,794)	(11,274,174)
Other	11,900,515	(176,562)	11,723,953

Transfers

Total general revenues and transfers	<u>164,287,109</u>	<u>(3,874,556)</u>	<u>160,412,553</u>
Change in net position	25,591,118	(1,372,666)	24,218,452
Net position at beginning of year, as restated	984,967,574	76,268,493	1,061,236,067
Net position at end of year	<u>\$ 1,010,558,692</u>	<u>\$ 74,895,827</u>	<u>\$ 1,085,454,519</u>

See accompanying notes to financial statements

CITY OF FONTANA
Balance Sheet
Governmental Funds
June 30, 2022

Exhibit C

	Special Revenue				Capital Project					Other Governmental Funds	Total Governmental Funds
	General	Fire Protection District	Housing Authority	Economic Stimulus	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Community Facilities Districts	Traffic Mitigation		
Assets:											
Cash and investments	\$ 56,667,510	\$ 38,228,944	\$ 14,893,223	\$ 50,356,428	\$ 9,890,861	\$ 7,689,424	\$ 16,840,104	\$ 21,461	\$ 42,258,220	\$ 191,648,713	\$ 428,494,888
Receivables:											
Accounts	3,610,035	28,755	-	-	3,940	-	17,934	-	566	103,026	3,764,256
Assessments	-	-	-	-	-	-	-	-	-	862,452	862,452
Interest	177,025	49,223	3,559,813	-	-	19,668	-	65	86,217	1,180,715	5,072,726
Loans	-	-	71,819,475	-	71,128	-	-	-	-	10,691,029	82,581,632
Loans to Successor Agency	24,978,218	-	-	-	-	-	-	-	-	-	24,978,218
Allowance for doubtful accounts	(207,433)	-	-	-	-	-	-	-	-	(151,265)	(358,698)
Leases	10,876,556	-	-	-	-	-	-	-	-	6,812,602	17,689,158
Deposits	7,877	-	-	-	-	-	-	-	-	11,323	19,200
Due from other funds	10,688,518	-	-	-	-	-	-	-	-	1,177	10,689,695
Due from other governments	10,595,299	333,503	-	-	-	-	-	-	-	9,030,882	19,959,684
Inventories	375,878	-	-	-	-	-	-	-	-	868,948	1,244,826
Land held for resale	-	-	-	-	5,650,178	4,379,694	-	-	-	-	10,029,872
Advances to other funds	-	-	-	-	-	30,703,911	-	-	-	-	30,703,911
Restricted assets:											
Cash with fiscal agent	31,698,881	2,933	177,835	-	-	-	-	38,618,065	-	22,065,079	92,562,793
Total assets	<u>\$ 149,468,364</u>	<u>\$ 38,643,358</u>	<u>\$ 90,450,346</u>	<u>\$ 50,356,428</u>	<u>\$ 15,616,107</u>	<u>\$ 42,792,697</u>	<u>\$ 16,858,038</u>	<u>\$ 38,639,591</u>	<u>\$ 42,345,003</u>	<u>\$ 243,124,681</u>	<u>\$ 728,294,613</u>
Liabilities, Deferred Inflows and Fund Balances:											
Liabilities:											
Accounts payable	\$ 7,399,606	\$ 151,520	\$ 12,794	\$ 241,466	\$ 468,044	\$ (21,213)	\$ -	\$ 704,260	\$ 205,328	\$ 6,734,613	\$ 15,896,418
Deposits payable	5,090,294	-	5,247	-	-	-	-	-	-	-	5,095,541
Retentions payable	-	-	-	-	61	142,411	-	206,447	3,936	306,599	659,454
Due to other funds	1,177	-	-	-	-	-	-	7,471,787	-	3,216,731	10,689,695
Due to other governments	967	-	-	-	-	-	16,494,821	-	-	8,369,772	24,865,560
Unearned revenue	-	-	-	49,999,562	-	-	-	-	-	2,796,980	52,796,542
Advances from other funds	-	-	-	-	-	-	-	-	26,691,542	4,012,369	30,703,911
Total liabilities	<u>12,492,044</u>	<u>151,520</u>	<u>18,041</u>	<u>50,241,028</u>	<u>468,105</u>	<u>121,198</u>	<u>16,494,821</u>	<u>8,382,494</u>	<u>26,900,806</u>	<u>25,437,064</u>	<u>140,707,121</u>
Deferred inflows of resources:											
Unavailable revenues	2,323,515	28,055	4,272,360	-	3,940	-	-	-	-	4,392,160	11,020,030
Leases	10,591,369	-	-	-	-	-	-	-	-	6,663,327	17,254,696
Total deferred inflows of resources	<u>12,914,884</u>	<u>28,055</u>	<u>4,272,360</u>	<u>-</u>	<u>3,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,055,487</u>	<u>28,274,726</u>
Fund balances:											
Nonspendable	383,755	-	-	-	5,650,178	4,379,694	-	-	-	3,736,208	14,149,835
Restricted	1,510,351	38,463,783	86,159,945	115,400	-	-	-	30,257,097	15,444,197	100,087,328	272,038,101
Committed	10,886,393	-	-	-	-	-	-	-	-	-	10,886,393
Assigned	33,944,406	-	-	-	9,493,884	38,291,805	363,217	-	-	104,408,453	186,501,765
Unassigned	77,336,531	-	-	-	-	-	-	-	-	(1,599,859)	75,736,672
Total fund balances	<u>124,061,436</u>	<u>38,463,783</u>	<u>86,159,945</u>	<u>115,400</u>	<u>15,144,062</u>	<u>42,671,499</u>	<u>363,217</u>	<u>30,257,097</u>	<u>15,444,197</u>	<u>206,632,130</u>	<u>559,312,766</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 149,468,364</u>	<u>\$ 38,643,358</u>	<u>\$ 90,450,346</u>	<u>\$ 50,356,428</u>	<u>\$ 15,616,107</u>	<u>\$ 42,792,697</u>	<u>\$ 16,858,038</u>	<u>\$ 38,639,591</u>	<u>\$ 42,345,003</u>	<u>\$ 243,124,681</u>	<u>\$ 728,294,613</u>

See accompanying notes to financial statements

CITY OF FONTANA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

Exhibit D

Fund balances of governmental funds	\$ 559,312,766
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity.	707,168,370
Deferred outflows are not an available resources and, therefore, are not reported in the funds.	44,198,338
Long-term liabilities, including net pension liability, OPEB liability and compensated absences, are not due and payable in the current period and, therefore, is not recognized in the funds.	(278,868,020)
Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.	(701,683)
Deferred inflows represent an acquisition of net position that applies to a future period so it will not be recognized until that time.	(49,624,582)
An Internal Service Fund is used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the Internal Service Fund must be added to the Statement of Net Position.	18,053,473
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	11,020,030
Net position of governmental activities	<u><u>\$ 1,010,558,692</u></u>

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2022

	Special Revenue				Capital Projects				Other Governmental Funds	Totals
	General	Fire Protection District	Housing Authority	Economic Stimulus	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Community Facility Districts	Traffic Mitigation	
Revenues:										
Taxes	\$ 108,183,439	\$ 50,763,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,517,348
Licenses and permits	7,218,687	940,074	-	-	-	-	-	-	-	18,797,242
Intergovernmental	2,780,614	-	-	257,551	-	-	-	-	612,115	29,659,271
Charges for services	15,407,066	-	-	-	-	-	-	-	9,443,829	31,138,289
Fines and forfeitures	696,245	-	-	-	-	-	-	-	-	775,399
Special assessments	-	-	-	-	-	-	-	-	-	18,389,887
Investment earnings (loss)	(1,966,368)	(1,155,615)	(413,973)	98,202	(311,993)	(240,539)	(526,718)	35,425	(1,309,715)	(11,566,369)
Contribution from property owners	-	-	-	-	-	-	-	21,704,957	-	21,704,957
Contribution from other governments	400,300	-	-	-	-	-	-	-	-	400,300
Other revenue	3,132,185	2,000	127,958	-	61,820	-	-	-	-	9,894,820
Total revenues	135,852,168	50,550,287	(286,015)	355,753	(250,173)	(240,539)	(526,718)	21,740,382	8,746,229	278,711,144
Expenditures:										
Current:										
General government:										
City council and commissions	1,194,130	-	-	-	-	-	-	-	-	1,194,130
City administration	5,628,870	-	-	-	-	-	-	-	-	6,002,676
Management services	3,373,760	-	536,475	250,351	381	-	-	-	-	8,264,157
Information technology	8,691,404	-	-	-	4,555,364	-	-	-	-	13,249,976
Human resources	9,160,752	-	-	-	-	-	-	-	-	9,165,558
Public safety:										
Police	70,200,864	-	-	-	-	-	-	-	-	74,163,813
Fire	-	39,440,940	-	-	-	-	-	-	-	41,174,359
Public works	14,807,433	-	-	-	6,018,724	1,595,098	-	4,634,322	-	54,771,628
Community development	6,997,587	-	-	-	-	-	-	-	-	7,086,769
Community services	11,414,027	-	-	-	-	-	-	-	-	14,835,474
Engineering	3,925,533	-	-	7,200	1,400	-	-	17,868,715	817,447	37,410,900
Debt Service:										
Principal	2,474	-	-	-	-	-	-	-	-	1,302,474
Interest	192	439,375	-	-	-	-	-	-	-	2,047,366
Issuance costs	-	-	-	-	-	-	-	-	-	477,600
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	5,089,012
Total expenditures	135,397,026	39,880,315	536,475	257,551	10,575,869	1,595,098	-	22,503,037	817,447	276,235,892
Excess (deficiency) of revenues over (under) expenditures	455,142	10,669,972	(822,490)	98,202	(10,826,042)	(1,835,637)	(526,718)	(762,655)	7,928,782	2,475,252
Other Financing Sources (Uses):										
Transfers in	15,945,288	11,774,100	-	-	6,201,797	-	2,628	-	-	52,345,864
Transfers out	(9,555,877)	(5,187,800)	(47,600)	-	(283,529)	(453,400)	(260,815)	-	(181,500)	(49,517,194)
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	23,125,000
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-	-	3,920,250
Leases	108,141	-	-	-	-	-	-	-	-	108,141
Sale of capital assets	52,830	-	-	-	156,944	-	-	-	-	209,774
Total other financing sources (uses)	6,550,382	6,586,300	(47,600)	-	6,075,212	(453,400)	(258,187)	-	(181,500)	30,191,835
Net change in fund balances	7,005,524	17,256,272	(870,090)	98,202	(4,750,830)	(2,289,037)	(784,905)	(762,655)	7,747,282	32,667,087
Fund Balances:										
Beginning of fiscal year, as restated	117,055,912	21,207,511	87,030,035	17,198	19,894,892	44,960,536	1,148,122	31,019,752	7,696,915	526,645,679
End of fiscal year	\$ 124,061,436	\$ 38,463,783	\$ 86,159,945	\$ 115,400	\$ 15,144,062	\$ 42,671,499	\$ 363,217	\$ 30,257,097	\$ 15,444,197	\$ 559,312,766

See accompanying notes to financial statements

CITY OF FONTANA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended June 30, 2022

Exhibit F

Net change in fund balances - total governmental funds	\$ 32,667,087
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	45,034,976
In the Statement of Activities, only the <i>gain/loss</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.	(83,855)
Depreciation expense on capital assets is reported in the Statement of Activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in governmental funds.	(36,650,025)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as unavailable revenues in the funds.	3,451,416
The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	(20,262,306)
The recognition of lease payables and the net change in lease payables are not recognized in the funds	(106,709)
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 governmental funds.	(7,535,125)
The Internal Service Fund is used by management to charge the costs of fleet management to individual funds. The net gain of the Internal Service Fund is reported with governmental activities.	2,035,678
Adjustments made to the OPEB liability do not use current financial resources and, therefore, are not recognized in the funds.	(786,699)
Adjustments made to the Net Pension Liability do not use current financial resources and, therefore, are not recognized in the funds.	7,826,680
Change in net position of governmental activities	<u>\$ 25,591,118</u>

See accompanying notes to financial statements

CITY OF FONTANA

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Year Ended June 30, 2022

Exhibit G

Page 1 of 4

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 93,331,550	\$ 96,048,931	\$ 108,183,439	\$ 12,134,508
Licenses and permits	6,715,900	7,235,900	7,218,687	(17,213)
Intergovernmental	1,390,500	6,533,473	2,780,614	(3,752,859)
Charges for services	13,374,070	13,598,012	15,407,066	1,809,054
Fines and forfeitures	465,500	616,000	696,245	80,245
Investment earnings (loss)	3,420,540	3,420,540	(1,966,368)	(5,386,908)
Contribution from other governments	400,300	400,300	400,300	-
Other revenue	3,820,830	4,364,190	3,132,185	(1,232,005)
Total revenues	122,919,190	132,217,346	135,852,168	3,634,822
Expenditures:				
Current:				
General government:				
City council and commissions	1,229,100	1,331,244	1,194,130	137,114
City administration	2,953,200	8,557,767	5,628,870	2,928,897
Management services	3,184,230	3,689,556	3,373,760	315,796
Information technology	8,811,410	15,280,919	8,691,404	6,589,515
Human resources	10,630,580	12,538,253	9,160,752	3,377,501
Public safety:				
Police	68,526,230	71,860,905	70,200,864	1,660,041
Public works	13,895,200	14,895,079	14,807,433	87,646
Community development	6,408,560	7,752,621	6,997,587	755,034
Community services	13,295,340	13,513,081	11,414,027	2,099,054
Engineering	3,837,470	4,525,396	3,925,533	599,863
Debt Service:				
Principal	-	276,120	2,474	273,646
Interest	-	-	192	(192)
Total expenditures	132,771,320	154,220,941	135,397,026	18,823,915
Excess (deficit) of revenues over expenditures	(9,852,130)	(22,003,595)	455,142	22,458,737
Other Financing Sources (Uses):				
Transfers in	31,292,270	33,248,654	15,945,288	(17,303,366)
Transfers out	(20,982,390)	(26,959,304)	(9,555,877)	17,403,427
Leases	-	-	108,141	108,141
Sale of capital assets	1,500	1,500	52,830	51,330
Total other financing sources (uses)	10,311,380	6,290,850	6,550,382	259,532
Net change in fund balances	459,250	(15,712,745)	7,005,524	22,718,269
Fund balances - beginning	117,055,912	117,055,912	117,055,912	-
Fund balances - ending	\$ 117,515,162	\$ 101,343,167	\$ 124,061,436	\$ 22,718,269

See accompanying notes to financial statements

CITY OF FONTANA
Fire Protection District - Special Revenue
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2022

Exhibit G
Page 2 of 4

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive (Negative)
Revenues:				
Taxes	\$ 49,440,000	\$ 49,440,000	\$ 50,763,828	\$ 1,323,828
Licenses and permits	890,000	890,000	940,074	50,074
Investment earnings	109,000	109,000	(1,155,615)	(1,264,615)
Other revenue	-	-	2,000	2,000
Total revenues	<u>50,439,000</u>	<u>50,439,000</u>	<u>50,550,287</u>	<u>111,287</u>
Expenditures:				
Public safety:				
Fire	39,613,458	39,226,670	39,440,940	(214,270)
Debt Service:				
Interest	-	439,375	439,375	-
Total expenditures	<u>39,613,458</u>	<u>39,666,045</u>	<u>39,880,315</u>	<u>(214,270)</u>
Excess (deficit) of revenues over expenditures	<u>10,825,542</u>	<u>10,772,955</u>	<u>10,669,972</u>	<u>(102,983)</u>
Other Financing Sources (Uses):				
Transfers in	1,284,100	11,774,100	11,774,100	-
Transfers out	(6,986,800)	(12,136,800)	(5,187,800)	6,949,000
Total other financing sources (uses)	<u>(5,702,700)</u>	<u>(362,700)</u>	<u>6,586,300</u>	<u>6,949,000</u>
Net change in fund balances	5,122,842	10,410,255	17,256,272	6,846,017
Fund balances - beginning	21,207,511	21,207,511	21,207,511	-
Fund balances - ending	<u>\$ 26,330,353</u>	<u>\$ 31,617,766</u>	<u>\$ 38,463,783</u>	<u>\$ 6,846,017</u>

See accompanying notes to financial statements

CITY OF FONTANA
Housing Authority Low/Mod Housing Fund - Special Revenue
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2022

Exhibit G
Page 3 of 4

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive (Negative)</u>
Revenues:				
Investment earnings (loss)	\$ 399,000	\$ 399,000	\$ (413,973)	\$ (812,973)
Other revenue	196,000	196,000	127,958	(68,042)
Total revenues	<u>595,000</u>	<u>595,000</u>	<u>(286,015)</u>	<u>(881,015)</u>
Expenditures:				
Current:				
General government:				
Management services	321,710	4,569,546	536,475	4,033,071
Total expenditures	<u>321,710</u>	<u>4,569,546</u>	<u>536,475</u>	<u>4,033,071</u>
Excess (deficit) of				
revenues over expenditures	<u>273,290</u>	<u>(3,974,546)</u>	<u>(822,490)</u>	<u>3,152,056</u>
Other Financing Sources (Uses):				
Transfers out	(56,600)	(47,600)	(47,600)	-
Total other financing sources (uses)	<u>(56,600)</u>	<u>(47,600)</u>	<u>(47,600)</u>	<u>-</u>
Net change in fund balances	216,690	(4,022,146)	(870,090)	3,152,056
Fund balances - beginning, as restated	87,030,035	87,030,035	87,030,035	-
Fund balances - ending	<u>\$ 87,246,725</u>	<u>\$ 83,007,889</u>	<u>\$ 86,159,945</u>	<u>\$ 3,152,056</u>

See accompanying notes to financial statements

CITY OF FONTANA
Economic Stimulus - Special Revenue
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Year Ended June 30, 2022

Exhibit G
Page 4 of 4

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ -	\$ 50,257,113	\$ 257,551	\$ (49,999,562)
Investment earnings	-	-	98,202	98,202
Total revenues	-	50,257,113	355,753	(49,901,360)
Expenditures:				
Current:				
General government:				
Management services	-	34,876,721	250,351	34,626,370
Police	-	3,000,000	-	3,000,000
Public works	-	12,334,892	-	12,334,892
Engineering	-	45,500	7,200	38,300
Total expenditures	-	50,257,113	257,551	49,999,562
Excess (deficit) of				
revenues over expenditures	-	-	98,202	98,202
Fund balances - beginning	17,198	17,198	17,198	-
Fund balances - ending	\$ 17,198	\$ 17,198	\$ 115,400	\$ 98,202

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Net Position
Proprietary Funds
June 30, 2022

Exhibit H

	Business-type Activities Enterprise Funds			Governmental Activities
	Non-Major Enterprise Fund -			Internal Service Fund -
	Sewer Operations	Water Operations	Totals	Fleet Operations
Assets:				
Current Assets:				
Cash and investments	\$ 23,520,005	685,298	24,205,303	12,157,626
Accounts receivables	1,429,132	-	1,429,132	109,977
Interest receivable	49,142	1,541	50,683	24,855
Loans receivable	2,980,990	1,219,947	4,200,937	-
Loans to Successor Agency	3,305,829	-	3,305,829	-
Allowance for doubtful accounts	(3,305,829)	-	(3,305,829)	-
Due from other governments	12,903	-	12,903	-
Inventories	52,372	-	52,372	102,036
Total current assets	28,044,544	1,906,786	29,951,330	12,394,494
Noncurrent Assets:				
Capital assets, not being depreciated	477,105	-	477,105	806,121
Capital assets, net of depreciation	58,847,219	-	58,847,219	7,606,230
Total noncurrent assets	59,324,324	-	59,324,324	8,412,351
Total assets	87,368,868	1,906,786	89,275,654	20,806,845
Deferred Outflows of Resources:				
Deferred outflows of resources - pension related	678,954	-	678,954	-
Deferred outflows of resources - OPEB related	435,467	-	435,467	-
Total deferred outflows of resources	1,114,421	-	1,114,421	-
Liabilities:				
Current Liabilities:				
Accounts payable	3,610,686	-	3,610,686	1,002,907
Deposits payable	792,169	-	792,169	-
Interest payable	35,224	-	35,224	-
Compensated absences payable - current	241,713	-	241,713	-
Loans payable - current	878,670	-	878,670	-
Total current liabilities	5,558,462	-	5,558,462	1,002,907
Noncurrent Liabilities:				
Loans payable	4,842,202	-	4,842,202	-
Net pension liability	2,674,376	-	2,674,376	-
Net OPEB liability	2,325,151	-	2,325,151	-
Total noncurrent liabilities	9,841,729	-	9,841,729	-
Total liabilities	15,400,191	-	15,400,191	1,002,907
Deferred Inflows of Resources:				
Deferred inflows of resources - pension related	1,517,726	-	1,517,726	-
Deferred inflows of resources - OPEB related	326,796	-	326,796	-
Total deferred inflows of resources	1,844,522	-	1,844,522	-
Net Position:				
Net investment in capital assets	53,603,452	-	53,603,452	8,412,351
Unrestricted	17,635,124	1,906,786	19,541,910	11,391,587
Total net position	\$ 71,238,576	\$ 1,906,786	\$ 73,145,362	\$ 19,803,938
Reconciliation of Net Position to the Statement of Net Position				
Net Position per Statement of Net Position - Proprietary Funds			73,145,362	
Accumulated adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			1,750,465	
Net position per Statement of Net Position			<u>\$ 74,895,827</u>	

See accompanying notes to financial statements

CITY OF FONTANA

Exhibit I

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds Year Ended June 30, 2022

	Business-type Activities Enterprise Funds			Governmental Activities
	Non-Major Enterprise Fund -			Internal Service
	Sewer Operations	Water Operations	Totals	Fund - Fleet Operations
Operating Revenues:				
Charges for services	\$ 26,737,162	-	26,737,162	8,216,785
Total revenues	<u>26,737,162</u>	<u>-</u>	<u>26,737,162</u>	<u>8,216,785</u>
Operating Expenses:				
Personnel costs	2,047,819	-	2,047,819	1,019,355
Operating costs	1,315,478	-	1,315,478	2,227,710
Contractual	18,345,329	-	18,345,329	1,213,789
Depreciation	2,832,985	-	2,832,985	1,782,888
Total operating expenses	<u>24,541,611</u>	<u>-</u>	<u>24,541,611</u>	<u>6,243,742</u>
Operating income (loss)	<u>2,195,551</u>	<u>-</u>	<u>2,195,551</u>	<u>1,973,043</u>
Non-Operating Revenues (Expenses):				
Investment earnings	(727,446)	(21,348)	(748,794)	(378,212)
Interest payments	(112,532)	-	(112,532)	-
Other revenue (expenses)	(176,562)	-	(176,562)	36,178
Gain (loss) on sale of capital assets	-	-	-	366,146
Total non-operating revenues (expenses)	<u>(1,016,540)</u>	<u>(21,348)</u>	<u>(1,037,888)</u>	<u>24,112</u>
Income (loss) before contributions and transfers	1,179,011	(21,348)	1,157,663	1,997,155
Capital contributions - connection fees	336,864	-	336,864	-
Transfers in	502,240	-	502,240	329,680
Transfers out	<u>(3,451,440)</u>	<u>-</u>	<u>(3,451,440)</u>	<u>(209,150)</u>
Change in net position	(1,433,325)	(21,348)	(1,454,673)	2,117,685
Net Position:				
Beginning of fiscal year	<u>72,671,901</u>	<u>1,928,134</u>	<u>74,600,035</u>	<u>17,686,253</u>
Net position at end of year	<u>\$ 71,238,576</u>	<u>1,906,786</u>	<u>73,145,362</u>	<u>19,803,938</u>
Reconciliation of Changes in Net Position to the Statement of Activities:				
Changes in Net Position, per the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds			(1,454,673)	
Adjustment to reflect the consolidation of internal service activities related to enterprise funds			<u>82,007</u>	
Changes in Net Position of Business-Type Activities per Statement of Activities			<u>\$ (1,372,666)</u>	

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

Exhibit J

	Business-type Activities Enterprise Funds			Governmental Activities
	Non-Major Enterprise Fund -			Internal Service Fund -
	Sewer Operations	Water Operations	Totals	Fleet Operations
Cash Flow from Operating Activities:				
Cash received from customers	\$ 26,668,274	-	26,668,274	8,150,276
Cash payments to suppliers of goods and services	(18,262,551)	-	(18,262,551)	(2,586,740)
Cash payments to employees for services	(3,128,112)	-	(3,128,112)	(1,019,355)
Net cash provided by (used for) operating activities	5,277,611	-	5,277,611	4,544,181
Cash Flows from Noncapital Financing Activities:				
Transfers received	502,240	(16,538)	485,702	396,680
Transfers paid	(2,949,200)	-	(2,949,200)	(209,150)
Net cash provided by (used for) noncapital financing activities	(2,446,960)	(16,538)	(2,463,498)	187,530
Cash Flows from Capital and Related Financing Activities:				
Payments for debt service - principal payments	(863,155)	-	(863,155)	-
Payments for debt service - interest payments	(121,665)	-	(121,665)	-
Capital contributions	336,864	-	336,864	-
Acquisition and construction of capital assets	(40,285)	-	(40,285)	(2,025,252)
Net cash provided by (used for) capital and related financing activities	(688,241)	-	(688,241)	(2,025,252)
Cash Flows from Investing Activities:				
Investment earnings	(461,322)	57,644	(403,678)	(393,219)
Net cash provided by investing activities	(461,322)	57,644	(403,678)	(393,219)
Net increase (decrease) in cash and cash equivalents	1,681,088	41,106	1,722,194	2,313,240
Cash and cash equivalents - beginning of year	21,838,917	644,192	22,483,109	9,844,386
Cash and cash equivalents - end of year	\$ 23,520,005	685,298	24,205,303	12,157,626
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$ 2,195,551	-	2,195,551	1,973,043
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
Provided (Used) by Operating Activities:				
Depreciation	2,832,985	-	2,832,985	1,782,888
Other revenue (expenses)	(176,562)	-	(176,562)	36,178
Changes in Assets and Liabilities:				
Accounts receivable	(42,319)	-	(42,319)	(102,687)
Due from other governments	149,993	-	149,993	-
Inventories	(7,393)	-	(7,393)	106,813
Deferred outflows - pension related	291,186	-	291,186	-
Deferred outflows - OPEB related	(102,481)	-	(102,481)	-
Accounts payable	1,386,375	-	1,386,375	747,946
Deposits payable	19,274	-	19,274	-
Accrued compensated absences	(103,736)	-	(103,736)	-
Deferred inflows - pension related	1,495,647	-	1,495,647	-
Deferred inflows - OPEB related	216,173	-	216,173	-
Net pension liability	(2,772,378)	-	(2,772,378)	-
Net OPEB liability	(104,704)	-	(104,704)	-
Net cash provided by (used for) operating activities	\$ 5,277,611	-	5,277,611	4,544,181

There were no non-cash investing, capital or financing activities for the year ended June 30, 2022.

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

Exhibit K

	Custodial Funds	Private Purpose Trust Fund Successor Agency of the Former RDA
Assets:		
Cash and investments	\$ 11,181,839	509,841
Receivables (net):		
Assessments	554,452	-
Interest	-	1,141,911
Loans receivable	-	2,537,912
Allowance for doubtful accounts	-	(1,971,279)
Restricted assets:		
Cash and investments	21,956,169	19,022,971
Total assets	<u>33,692,460</u>	<u>21,241,356</u>
Liabilities:		
Interest payable	-	2,232,722
Due to other governments	33,680	-
Long-term liabilities:		
Due in one year	-	15,944,833
Due in more than one year	-	434,638,316
Total liabilities	<u>33,680</u>	<u>452,815,871</u>
Net Position:		
Held for other organizations	6,694,734	-
Restricted for debt service	26,964,046	(431,574,515)
Total Net Position	<u>\$ 33,658,780</u>	<u>\$ (431,574,515)</u>

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2022

Exhibit L

	Custodial Funds	Private Purpose Trust Fund Successor Agency of the Former RDA
Additions:		
Contributions from property owners	\$ 13,965,074	\$ 35,445,029
Interest and change in fair value of investments	1,853	(35,755)
Other revenue	17,008,654	654,691
Total additions	30,975,581	36,063,965
Deductions:		
Contractual services	-	431,547
Administrative expense	758,517	6,000
Interest expense	5,028,894	17,467,023
Contributions to other governments	-	400,300
Principal payments	25,126,729	-
Total deductions	30,914,140	18,304,870
Changes in net position	61,441	17,759,095
Net Position (deficit) - Beginning of the Year	33,597,339	(449,333,610)
Net Position - End of the Year	\$ 33,658,780	\$ (431,574,515)

See accompanying notes to financial statements

Note 1. Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Fontana was incorporated on June 25, 1952, under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. It is governed by an elected five-member board. As required by generally accepted accounting principles, these financial statements present the City of Fontana (the primary government) and its component units. The City operates under a Council-Manager form of government, and currently provides a wide variety of services to its citizens, including police, public services, community development, general administrative and other services.

The inclusion of an organization within the scope of the reporting entity of the City of Fontana is based on the provisions of GASB Statement No. 14 and amended with GASB Statement No. 61. The blended component units discussed below, although legally separate entities, are in substance part of the government operation and so data from these component units has been combined herein. The following criteria were used in the determination of the blended component unit:

1. The members of the City Council also act as the governing body of the Fontana Industrial Development Authority, the Fontana Public Financing Authority, the Fontana Housing Authority (Housing Authority), the Fontana Community Foundation, the Fontana Fire Protection District (Fire District) and the Fontana Public Facilities Financing Authority.
2. The Fontana Industrial Development Authority, the Fontana Public Financing Authority, the Fontana Housing Authority, the Fontana Community Foundation, the Fontana Fire Protection District and the Fontana Public Facilities Financing Authority are managed by employees of the City. A portion of the City's general overhead costs is allocated to the Fire District and the Housing Authority.
3. The City, the Fontana Industrial Development Authority, the Fontana Public Financing Authority, the Housing Authority, the Fontana Community Foundation, the Fire District and the Fontana Public Facilities Financing Authority are financially interdependent. They provide financial benefit/burden to the City.

Blended Component Units:

The Fontana Industrial Development Authority was established February 3, 1981, pursuant to Government Code Section 91500 of the State of California for the purpose of encouraging and financing industrial development within areas of the City of Fontana. There was no activity for the year being reported therefore the Fontana Industrial Development Authority is not presented in this report.

The Fontana Public Financing Authority was established on May 2, 1989, pursuant to Government Code Section 6500 of the State of California (Joint Exercise of Powers). Its purpose is to assist in the financing of capital improvements and working capital requirements of the City, the Former Redevelopment Agency and any other eligible local agencies. Separate financial statements are not available for the Authority.

CITY OF FONTANA
Notes to the Financial Statements

The Fontana Housing Authority was established May 3, 1994, pursuant to Government Code Section 34240 of the State of California for the purpose of rehabilitating and increasing the low- and moderate-income housing stock in the City of Fontana. Separate financials statements are not available for the Authority.

The Fontana Community Foundation was established on April 27, 2005, pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986 for the purpose of aiding and assisting in the implementation, improvement and maintenance of public services that preserve and promote the health and welfare and education of local citizenry of the City of Fontana. Separate financials statements are not available for the Foundation.

The Fontana Fire Protection District was established on July 1, 2008 pursuant to the State of California Health and Safety Code Section 13800 for the purpose of providing fire suppression, emergency medical, fire prevention and education services within the city limits and the unincorporated area within the District's Sphere of Influence. Separate financials statements are not available for the District.

The Fontana Public Facilities Financing Authority was established on September 9, 2014, pursuant to Government Code Section 6500 of the State of California (Joint Exercise of Powers). Its purpose is to assist in the financing of capital improvements and working capital requirements of the City, the Fontana Fire Protection District and any other eligible local agencies. Separate financial statements are not available for the Authority.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements. For the most part, the effect of interfund activities has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or 180 days for certain intergovernmental revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The City's fiduciary funds consist of custodial funds and a private purpose trust fund. Custodial funds account for assets held by the City for other governments or individuals. Fiduciary funds are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. 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.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The Fire Protection District Special Revenue Fund accounts for revenues received as part of property taxes, permits, and fees, that are to be used for fire suppression, emergency medical, fire prevention and education services incurred by the District within the City's Sphere of Influence.

The Housing Authority Special Revenue Fund accounts for the assets and activities transferred from the Former Fontana Redevelopment Agency that will be monies to be used to increase and improve the community's supply of low and moderate income housing.

The Economic Stimulus Fund accounts for federal funds received due to COVID-19 to assist in the economic recovery of the City.

The Capital Reinvestment Fund accounts for discretionary infrastructure projects.

CITY OF FONTANA
Notes to the Financial Statements

The Future Capital Projects Fund accounts for capital improvement reimbursements from the San Bernardino County Transportation Authority (SBCTA) that is used for general infrastructure improvements throughout the City.

The Sewer Expansion Fund accounts for revenues received from development impact fees which, in turn, are reported to the Inland Empire Utilities Agency (IEUA) for capital expansion.

The Community Facilities Districts Funds account for activities related to the maintenance of City landscaped areas.

The Traffic Mitigation Capital Project Fund accounts for the revenues received from development impact fees which, in turn, are expended for traffic studies, planning and construction of traffic flow improvements.

The City reports the following major proprietary fund:

The Sewer Operations Fund is used to account for the operation of the City's sewer utility system, a self-supporting activity which renders services on a user charge basis to residences and businesses located in the City.

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds – to account for the proceeds of specific revenue resources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds – to account for the accumulation of resources for, and the payment of, long-term debt obligation principal, interest and related costs.

Capital Project Funds – to account for financial resources to be used for the acquisition or construction of major capital facilities.

Proprietary Fund Types

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the City Council is that the costs (including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

CITY OF FONTANA
Notes to the Financial Statements

Internal Service Fund – to account for financial transactions related to replacement of City-owned vehicles and equipment. These services are provided to other departments or agencies of the City, on a cost reimbursement basis.

Fiduciary Fund Types

Custodial Funds – to account for assets held by the City for other governments or individuals. These funds include debt service transactions on Community Facilities Districts bonds for which the City is not obligated.

Private Purpose Trust Fund - accounts for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 enterprise funds and the internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service fund 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 non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

d. Assets, Liabilities and Net Position or Fund Balance

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City are reported at fair value. The City's policy is generally to hold investments until maturity or until fair value equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (current portion of interfund loans) or "advances to/from other funds" (the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

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

The City has elected, by ordinance, that the duties of assessing and collecting property taxes be performed by the San Bernardino County Assessor and Tax Collector, respectively. Tax levies cover the period from July 1 to June 30 of each year. All tax liens attach annually on January 1 preceding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as of January 1. Secured property taxes are levied against real property and are due and payable in two equal installments. The first installment is due on November 1 and becomes delinquent if not paid by December 10. The second installment is due on February 1 and becomes delinquent if not paid by April 10. Unsecured personal property taxes are due on July 1 each year and become delinquent if not paid by August 31.

CITY OF FONTANA
Notes to the Financial Statements

Functional Classifications

Expenditures of the Governmental funds are classified by function. Functional classifications are defined as follows:

General Government includes legislative activities which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities which provide management or support services across more than one functional area.

Public Safety includes those activities which involve the protection of people and property.

Public Works includes those activities which involve the maintenance and improvement of City streets, roads and park department development and maintenance.

Community Development includes those activities which enhance the general quality of life and for protective inspections except those related to fire.

Community Services includes those activities which provide all cultural and recreational programs and facilities.

Engineering includes those activities which provide specialized skills and knowledge in support of the operation of government.

Inventories, Prepaids and Land Held for Resale

All inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories consist of expendable supplies held for consumption. Inventory costs are recorded as expenditures when used.

The General Fund inventory is accounted for using the consumption method and is offset by a reservation of fund balance in the fund-level statements, which indicates that it does not constitute "available spendable resources."

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Land purchased for resale is capitalized as inventory at acquisition cost or net realizable value, if lower.

Leases

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures in Footnote 4.

CITY OF FONTANA
Notes to the Financial Statements

Key estimates and judgments include how the City determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

The City used the estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Restricted Assets

Restricted assets represent unexpended bond proceeds, interest earnings thereon and reserve amounts of certificates of participation, tax allocation bonds, and special assessment bonds. Under the related resolutions and indentures, the remaining proceeds are restricted for the use of future construction of improvements to the respective projects, for debt service or for reserve requirements. The majority of these assets are held by trustees and fiscal agents.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (\$50,000 for intangibles and \$100,000 for infrastructure) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In accordance with GASB 34, the City has reported general infrastructure assets acquired in prior and current years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	40-55 years
Machinery and equipment	3-20 years
Vehicles	5-20 years
Infrastructure	20-30 years
Right to use asset	5 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, are transactions that represent a consumption of net assets that applies to a future period(s) and are not considered assets. The government has two items that qualify for reporting in this category, deferred outflows related to pensions and OPEB.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and are not considered to be liabilities. The government has four items that qualify for reporting in this category:

1. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for revenues that are measurable but are not collected within 60 days of the end of the current fiscal period or 180 days for certain intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
2. Pension related deferred inflows, is reported only on the Statement of Net Position. The government reports deferred inflows of resources related to pensions arising from certain changes in the collective net pension liability.
3. OPEB related deferred inflows, is reported only on the Statement of Net Position. The government reports deferred inflows of resources related to pensions arising from certain changes in the collective OPEB liability.
4. Lease related deferred inflows, is reported on the governmental balance sheet and the Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused personal leave which includes both vacation and sick pay benefits. All personal leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. The General Fund and the Sewer Operations Fund are typically used to liquidate these obligations. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

CITY OF FONTANA
Notes to the Financial Statements

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

The City is subject to a legal bonded indebtedness limit of 15 percent of the assessed value of all real and personal property in the City, excluding any bonded indebtedness of the Successor Agency. At June 30, 2022, the City had bonded indebtedness of \$53,015,000 against its debt limit of \$3,603,855,162, which is 1.47 percent of the total limit.

Pensions

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

Generally accepted accounting principles requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

Other Postemployment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the OPEB plan (OPEB Plan), and additions to/deductions from the OPEB Plan have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to liability information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

CITY OF FONTANA
Notes to the Financial Statements

Net position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

e. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance of governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including net pension liability, are not due and payable in the current period and, therefore, is not recognized in the funds." The detail of this \$278,868,020 long-term liabilities difference is as follows:

Lease revenue bonds payable	\$ 53,015,000
Loan payables	2,851,815
Claims and judgments	20,654,000
Compensated absences	11,099,392
Lease liability	106,709
Other post employment benefits liability	66,533,882
Net pension liability	118,172,369
Bond premium to be amortized	<u>6,434,853</u>
Net adjustment to reduce <i>fund balances of governmental funds</i> to arrive at <i>net position of governmental activities</i>	<u><u>\$ 278,868,020</u></u>

CITY OF FONTANA
Notes to the Financial Statements

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, but the issuing debt increases long-term liabilities in the statement of net position.” Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.” The detail of this \$20,262,306 difference are as follows:

Debt issued or incurred:	
Issuance of Lease Revenue Bonds	\$ 23,125,000
Principal repayments:	
Lease revenue bonds	(1,302,474)
Payment to bond escrow agent	(5,089,012)
sub-total	<u>(6,391,486)</u>
Net change in premium	<u>3,528,792</u>
Net adjustment to increase net changes in <i>fund balances of governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>	<u><u>\$ 20,262,306</u></u>

Another element of that reconciliation states that “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 governmental funds.” The details of this \$7,535,125 are as follows:

Claims and judgments	6,670,965
Compensated absences	779,160
Accrued interest	<u>85,000</u>
Net adjustment to increase net changes in <i>fund balances of governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>	<u><u>\$ 7,535,125</u></u>

Note 2. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

CITY OF FONTANA
Notes to the Financial Statements

The City uses the following procedures in establishing the budgetary data reflected in the financial statements. After January 1, department heads prepare estimates for required appropriations for the fiscal year commencing the following July 1. The proposed budget includes estimated expenditures and forecasted revenues for the fiscal year. The data is presented to the City Manager for review. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the upcoming fiscal year. The operating budget includes a summary of the proposed expenditures and financial resources of the City, as well as historical data for the preceding five fiscal periods. Public meetings are conducted at the civic center to obtain taxpayer comments. The City Council adopts the budget by June 30 through passage of an adopting resolution. Budgets were legally adopted for the General, special revenue, debt service and all capital project funds during the fiscal year ended June 30, 2022. This appropriated budget covers substantially all City expenditures. All appropriated amounts shown are as originally adopted or as amended by the City Council. During the year, supplementary appropriations in the Governmental Funds were approved in the amount of \$276,996,290. Additionally, amounts representing projects that were not completed were unappropriated at the end of the year, and reappropriated in the following year. Unexpended appropriations lapse at the year end.

The legal level of control is at the department level. Department heads are authorized to transfer budgeted amounts within their departments, within the same funds, with the approval of the City Manager. Transfers of appropriations between departments and between funds may be made only by authority of the City Council. Formal budgetary integration is employed as a management control device during the fiscal year for all governmental funds.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. There were excess expenditures over appropriations in certain funds at the department level. However, this did not result in a negative fund balance of the individual funds because of the expenditure savings from other departments in the fund and/or adequate revenues or sources in the fund to offset expenditures. Excess of expenditures over appropriations in the individual major funds at the department level are as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Fire Protection District			
Public safety			
Fire	\$ 39,440,940	\$ 39,226,670	\$ 214,270

All funds with expenditures exceeding appropriations are reviewed by the City as part of its regular quarterly budget report to ensure that adequate revenues and/or other sources are available to cover these expenditures. In the event that revenues and other sources are not sufficient to fund the following year's planned expenditures, the budget for the following fiscal year may be adjusted to ensure that there are no fund balance deficits in any funds. Excess of expenditures over appropriations at the fund level for the fiscal year ending June 30, 2022 are as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Special Revenue Funds			
Fire Protection District Grants	\$ 66,239	\$ -	\$ 66,239
Capital Project Funds			
Community Facilities District	22,503,037	21,611,912	891,125
San Sevaïne Flood Control	96,862	95,413	1,449

CITY OF FONTANA
Notes to the Financial Statements

A budgetary comparison schedule not presented for the Down Payment Assistance and TDA special revenue funds as it did not have a legally adopted annual budget. Budgetary schedules for all other governmental funds are presented in the fund financial statements or the combining and individual fund statements and schedules.

Deficit Fund Balance

As of June 30, 2022, the following funds had deficit fund balances:

Special Revenue Funds:

Grants	\$ 722,092
TDA	8,977
Housing and Community Development Block Grant	49,356
Federal Law Enforcement Block Grant	58,124
Community Services Reimbursements	153,297
ASES ELO-P	201,755
Permanent Local Housing Allocation	339,768

Fiduciary Funds:

Successor Agency	431,572,003
------------------	-------------

These deficit fund balances will be addressed through future year revenues and transfers.

Note 3. Cash and Investments

The City follows the practice of pooling cash and investments of all funds except for restricted funds generally held by outside custodians and funds in its employees' deferred compensation plans. Each fund's portion of total cash and investments is summarized by fund type in the combined balance sheet as equity in pooled cash and investments. Amounts in the City's deferred compensation plan are no longer reported on the City's balance sheet as they are held in trust.

Interest income earned on pooled cash and investments is allocated to those funds which are required by law, local ordinance, administrative action or agreements to receive interest. Such allocation is made annually, at a minimum, based on the weighted average cash balances in each fund receiving interest. Interest income from cash and investments, which are restricted, is credited directly to the related fund.

CITY OF FONTANA
Notes to the Financial Statements

	Cash and Investments	Restricted Assets Cash with Fiscal Agent	Total
Governmental activities	\$ 440,652,514	\$ 92,562,793	\$ 533,215,307
Business-type activities	24,205,303	-	24,205,303
Fiduciary funds	11,691,680	40,979,140	52,670,820
	<u>\$ 476,549,497</u>	<u>\$ 133,541,933</u>	<u>\$ 610,091,430</u>

Investments and Interest Receivable – Restricted

Restricted assets represent unexpended financing proceeds, interest earnings thereon and reserved amounts of certificates of participation, tax allocation bonds, and special assessment bonds. Under the related resolutions and indentures, the remaining proceeds are restricted for the use of future construction or improvement to the respective projects, for debt service or for reserve requirements. The majority of these assets are held by trustees and fiscal agents.

Authorized Investments

Under the provisions of the City's investment policy and in accordance with Section 53601 of the California Government Code, the City may invest in the following types of investments:

State Treasurer's Local Agency Investment Fund (LAIF)
Corporate Obligations (medium-term notes and bonds)
U.S. Government Securities
Mutual Funds
Bankers' Acceptances

Mortgage Pass-Through Securities (FHLMC or FNMA only)
Commercial Paper
Certificates of Deposit
Negotiable Certificates of Deposit
Investment Contracts

It is the City's policy not to invest in Small Business Administration Obligations (SBAs), Repurchase Agreements, Reverse Repurchase Agreements, or Financial Futures and Financial Option Contracts even though such investments are authorized under the California Government Code. All investments present at June 30, 2022 and during the fiscal year conform to the City's investment policy.

Local Agency Investment Fund (LAIF)

The LAIF is a special fund of the California State Treasury, secured by the full faith and credit of the State of California, through which local governments may pool investments. Each city may invest up to \$75,000,000 in LAIF for each entity. Investments in LAIF are highly liquid as deposits can be converted to cash within twenty-four (24) hours without loss of interest earned to such date.

CITY OF FONTANA
Notes to the Financial Statements

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the State pool is the same as the value of the pool shares.

Deposits

At June 30, 2022, the carrying amount of the City's deposits was \$111,163,573 and the bank balance was \$112,848,115. The \$1,684,542 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure an Entity's deposits by pledging government securities with a value of 110% of an Entity's deposits. California law also allows financial institutions to secure Entity deposits by pledging first trust deed mortgage notes having a value of 150% of an Entity's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local government agency.

Credit Risk

The City's investment policy limits investments in medium term notes (MTNs) and federal securities to those in a rating category of "A" or its equivalent or better by Moody's or Standard and Poor's rating service. As of June 30, 2022, the City's investment in medium term notes, federal securities and money market funds consisted of the following:

Federal Securities	Moody's Rating	Money Market Funds	Moody's Rating
Federal Home Loan Bank Note	Aaa	US Bank	Aaa
Federal Home Loan Mortgage Corporation	Aaa	First American Treasury	Aaa
Federal National Mortgage Association	Aaa	Wells Fargo Treasury Plus	Aaa

As of June 30, 2022, the City's investment in external investment pools were unrated.

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 an outside 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 an outside party. The City does not have a policy for custodial credit risk associated with deposits or investments.

CITY OF FONTANA
Notes to the Financial Statements

Concentration of Credit Risk

The City's investment policy imposes restrictions for certain types of investments with any one issuer.

Investment Type	Percentage of Pool Allowed
State Investment Pool (LAIF)	\$75 million /account
U.S. Government Securities	100%
Bankers Acceptances	40%
Commercial Paper	10%
Negotiable Certificates of Deposit	30%
Corporate Obligations	30%
Mutual Funds	10%
Mortgage Pass-Through Securities	20%
Certificates of Deposits	100%

With respect to concentration risk, as of June 30, 2022, the City is in compliance with the restrictions of the investment policy.

Investments guaranteed by the U.S. Government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

The City's investment policy limits investment maturity as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that at least 10% of the City's portfolio shall mature in one year or less. The only exception to this maturity limit shall be the investment of the gross proceeds of tax-exempt bonds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2022, the City had the following investments and maturities:

	Investment Maturities				
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	Fair Value
U.S Government Securities	\$ -	\$ -	\$ 5,337,315	0 \$ 901,992	\$ 6,239,307
Corporate Obligations	-	1,565,428	82,997,281	4,926,119	89,488,828
State Investment Pool	77,464,878	-	-	-	77,464,878
Treasury Notes	-	-	141,046,643	-	141,046,643
Municipal Bonds	444,559	146,447	74,725	-	665,731
Asset-Backed Securities	-	-	6,575,877	24,258,502	30,834,379
Certificates of Deposit	7,584,854	1,497,912	-	-	9,082,766
Money Market Mutual Funds	101,601,292	-	-	-	101,601,292
	<u>\$ 187,095,583</u>	<u>\$ 3,209,787</u>	<u>\$ 236,031,841</u>	<u>\$ 30,086,613</u>	<u>\$ 456,423,824</u>

CITY OF FONTANA
Notes to the Financial Statements

Fair Value Measurement

The City categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The City has the following recurring fair value measurements as of June 30, 2022:

Investments Measured at Fair Value

	Fair Value Hierarchy			Total Fair Value
	Level 1	Level 2	Level 3	
U.S Government Securities	\$ -	\$ 6,239,307	\$ -	\$ 6,239,307
Corporate Obligations	-	89,488,828	-	89,488,828
Treasury Notes	141,046,643	-	-	141,046,643
Municipal Bonds	-	665,731	-	665,731
Asset-Backed Securities	-	30,834,379	-	30,834,379
Certificates of Deposit	-	9,082,766	-	9,082,766
Total investments measured at fair value	\$ 141,046,643	\$ 136,311,011	\$ -	277,357,654

Investments Not Reported in Fair Value Hierarchy

	Net Asset Value
Money Market Mutual Funds	\$ 101,601,292
State Investment Pool (LAIF)	77,464,878
Total investments not reported in fair value hierarchy	179,066,170
Total investments held	\$ 456,423,824

Note 4. Leases

The City is a lessor in a noncancellable leases for use of City property for cell towers. The leases range from 5 years are required to make fixed monthly payments per month. The leases interest rates range from .31% to 1.70%. The City is a lessor in a 55-year noncancellable lease for an apartment unit complex with fixed monthly rent payments starting at \$1,667 per month with annual increase of 2%. The City recognized \$127,490 in lease revenue and \$11,115 in interest revenue during the current fiscal year related to these agreements. As of June 30, 2022, the lease receivable is \$17,689,158 and deferred inflows of resources is \$17,254,696.

The City is a lessee in a noncancellable lease for the City's use of vehicles. For further information on the City's lease liability see Footnote 8.

CITY OF FONTANA
Notes to the Financial Statements

Note 5. Receivables

Receivables as of June 30, 2022, for the City's individual major funds and non-major, proprietary major and non-major, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Special Revenue				Capital Projects				Nonmajor
	General	Fire Protection District	Housing Authority	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Community Facilities Districts	Traffic Mitigation	Governmental Funds
Accounts	\$ 3,610,035	\$ 28,755	\$ -	\$ 3,940	\$ -	\$ 17,934	\$ -	\$ 566	\$ 102,434
Assessments	-	-	-	-	-	-	-	-	862,452
Interest	177,025	49,223	3,559,813	-	19,668	-	65	86,217	1,180,715
Loans	-	-	71,819,475	71,128	-	-	-	-	10,691,029
Loans to Successor Agency	24,978,218	-	-	-	-	-	-	-	-
	<u>\$ 28,765,278</u>	<u>\$ 77,978</u>	<u>\$ 75,379,288</u>	<u>\$ 75,068</u>	<u>\$ 19,668</u>	<u>\$ 17,934</u>	<u>\$ 65</u>	<u>\$ 86,783</u>	<u>\$ 12,836,630</u>
Less allowance for doubtful accounts	207,433	-	-	-	-	-	-	-	151,265
	<u>\$ 28,557,845</u>	<u>\$ 77,978</u>	<u>\$ 75,379,288</u>	<u>\$ 75,068</u>	<u>\$ 19,668</u>	<u>\$ 17,934</u>	<u>\$ 65</u>	<u>\$ 86,783</u>	<u>\$ 12,685,365</u>

	Sewer Operations	Nonmajor Proprietary Funds	Internal Service Funds	Fiduciary Funds	Total
Accounts	\$ 1,429,132	\$ -	\$ 109,977	\$ -	\$ 5,302,773
Assessments	-	-	-	554,452	1,416,904
Interest	49,142	1,541	24,855	1,141,911	6,290,175
Loans	2,980,990	1,219,947	-	2,537,912	89,320,481
Loans to Successor Agency	3,305,829	-	-	-	28,284,047
	<u>\$ 7,765,093</u>	<u>\$ 1,221,488</u>	<u>\$ 134,832</u>	<u>\$ 4,234,275</u>	<u>\$ 130,614,380</u>
Less allowance for doubtful accounts	3,305,829	-	-	1,971,279	5,635,806
	<u>\$ 4,459,264</u>	<u>\$ 1,221,488</u>	<u>\$ 134,832</u>	<u>\$ 2,262,996</u>	<u>\$ 124,978,574</u>

Note: The allowance for doubtful accounts for non-major governmental funds is equal to 100% of the delinquent special assessments receivable at June 30, 2022.

Due to the uncollectability of the loans to the Successor Agency, an allowance for doubtful accounts has been recorded at June 30, 2022 for the loans that are pending approval by the State Department of Finance as enforceable obligations. An allowance has been recorded for these loans in the amount \$3,305,829 in Sewer Operations funds. This allowance will remain in place until the State Department of Finance makes further determinations regarding the probability of collection on the loan balances. Several loans have been approved by the State Department of Finance; thus an allowance has not been recorded for the loans in the amounts of \$24,978,218 in the General Fund.

CITY OF FONTANA
Notes to the Financial Statements

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	Beginning Balance June 30, 2021	Transfers	Increases	Decreases	Balance June 30, 2022
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 156,533,210	\$ -	\$ 4,844,074	\$ (15,000)	\$ 161,362,284
Construction in progress	33,693,678	(14,887,149)	33,576,430	-	52,382,959
Easements	4,996,141	-	-	-	4,996,141
Total capital assets, not being depreciated	<u>195,223,029</u>	<u>(14,887,149)</u>	<u>38,420,504</u>	<u>(15,000)</u>	<u>218,741,384</u>
Capital assets, being depreciated					
Buildings and improvements	298,156,101	14,843,716	3,414,166	-	316,413,983
Machinery and equipment	26,543,936	-	346,379	-	26,890,315
Vehicles	34,062,359	43,433	3,992,104	(1,346,295)	36,751,601
Right to use assets	108,141	-	-	-	108,141
Infrastructure	860,897,019	-	-	-	860,897,019
Intangibles	5,384,870	-	-	-	5,384,870
	<u>1,225,152,426</u>	<u>14,887,149</u>	<u>7,752,649</u>	<u>(1,346,295)</u>	<u>1,246,445,929</u>
Less accumulated depreciation for:					
Buildings and improvements	(142,161,885)	-	(11,961,561)	-	(154,123,446)
Machinery and equipment	(21,158,420)	-	(1,484,371)	-	(22,642,791)
Vehicles	(21,565,379)	-	(2,480,337)	1,262,442	(22,783,274)
Right to use assets	-	-	(1,825)	-	(1,825)
Infrastructure	(526,327,126)	-	(21,272,455)	-	(547,599,581)
Intangibles	(2,383,391)	-	(72,284)	-	(2,455,675)
	<u>(713,596,201)</u>	<u>-</u>	<u>(37,272,833)</u>	<u>1,262,442</u>	<u>(749,606,592)</u>
Total capital assets, being depreciated, net	<u>511,556,225</u>	<u>14,887,149</u>	<u>(29,520,184)</u>	<u>(83,853)</u>	<u>496,839,337</u>
Governmental activities capital assets, net	<u>\$ 706,779,254</u>	<u>\$ -</u>	<u>\$ 8,900,320</u>	<u>\$ (98,853)</u>	<u>\$ 715,580,721</u>

CITY OF FONTANA
Notes to the Financial Statements

	Beginning Balance June 30, 2021	Transfers	Increases	Decreases	Balance June 30, 2022
Business-type activities:					
Capital assets, not being depreciated					
Construction in progress	\$ 436,820	\$ -	\$ 40,285	\$ -	\$ 477,105
Total capital assets, not being depreciated	<u>436,820</u>	<u>-</u>	<u>40,285</u>	<u>-</u>	<u>477,105</u>
Capital assets, being depreciated					
Buildings and improvements	1,798,150	-	-	-	1,798,150
Machinery and equipment	603,611	-	-	-	603,611
Infrastructure	116,035,868	-	-	-	116,035,868
Intangibles	64,698	-	-	-	64,698
	<u>118,502,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,502,327</u>
Less accumulated depreciation for:					
Buildings and improvements	(645,903)	-	(46,244)	-	(692,147)
Machinery and equipment	(592,933)	-	(4,039)	-	(596,972)
Infrastructure	(55,518,589)	-	(2,782,702)	-	(58,301,291)
Intangibles	(64,698)	-	-	-	(64,698)
	<u>(56,822,123)</u>	<u>-</u>	<u>(2,832,985)</u>	<u>-</u>	<u>(59,655,108)</u>
Total capital assets, being depreciated, net	<u>61,680,204</u>	<u>-</u>	<u>(2,832,985)</u>	<u>-</u>	<u>58,847,219</u>
Business-type activities capital assets, net	<u>\$ 62,117,024</u>	<u>\$ -</u>	<u>\$ (2,792,700)</u>	<u>\$ -</u>	<u>\$ 59,324,324</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:			Business-type activities:
General government	\$ 3,321,940		Sewer Operations <u>\$ 2,832,985</u>
Public safety	3,009,303		
Public works	6,986,095		
Community development	1,284,657		
Community services	906,060		
Engineering	19,981,890		
Total Depreciation charged to functions	<u>35,489,945</u>		
Charged to Internal Service Fund	1,782,888		
Total Governmental Activities	<u>\$ 37,272,833</u>		

CITY OF FONTANA
Notes to the Financial Statements

The following material construction commitments existed at June 30, 2022:

Project Name	Contract Amount	Expenditures to date as of June 30, 2022	Remaining Commitments
South Fontana Sports Park	\$ 11,808,890	\$ 5,102,667	\$ 6,706,223
Fire Station No. 81	8,218,007	738,979	7,479,028
Foothill: Hemlock-Almeria Arterial	1,847,098	321,694	1,525,404
Valley Blvd at Almond Ave TS	1,092,802	590,083	502,719
Valley Blvd at Oleander Ave TS	1,211,588	698,878	512,710

Note 7. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Major Governmental Funds	
	Community Facilities Districts	7,471,787
	Non-major Governmental Funds	
	Traffic Congestion Relief	572,235
	Permanent Local Housing Allocation	321,498
	TDA	1,913
	Fontana Fire District Grants	66,239
	Federal Law Enforcement Block Grant	94,492
	Housing and Community Development Block Grant	1,032,316
	Community Services Reimbursements	926,280
	ASES ELO-P	201,758
Community Facilities Districts	General Fund	1,177
	Total	<u>\$ 10,689,695</u>

The amounts due to the General Fund are the result of negative cash balances at the end of the year.

CITY OF FONTANA
Notes to the Financial Statements

Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Future Capital Projects	Capital Improvements	\$ 1,717,369
	Storm Drain	2,295,000
	Traffic Mitigation	<u>26,691,542</u>
	Total	<u>\$ 30,703,911</u>

The advances from Future Capital Projects to the Capital Improvements fund are representative of a cooperative agreement entered into with the City of Ontario for the Etiwanda Avenue and Slover Avenue / Airport Drive Intersection Project. The City has agreed to pay for the City of Ontario's DIF share of the project. The City of Ontario will reimburse the City three years after the project construction has been accepted.

The advances from Future Capital Projects to the Storm Drain fund are representative of the cost of the Duncan Storm Drain / I-15 Freeway to Citrus Avenue project. The City is expected to be reimbursed a portion of the costs from developer, Lewis Homes.

The advances from Future Capital Projects to the Traffic Mitigation fund are representative of cooperative agreements entered into with San Bernardino Associated Governments (SANBAG) for various transportation projects throughout the City. SANBAG will repay the amounts owed to the Measure I 2010-2040 fund over a thirty-year period, as Measure I funds are collected. As part of the cooperative agreement, the City was required to fund a certain percentage of each project with Development Impact Fees (DIF) collected in the Traffic Mitigation fund. In order to complete these projects now rather than over a thirty-year period, various funds advanced the SANBAG share and DIF share of each project. There is no repayment schedule for these advances as the amounts will be repaid as collections are received.

CITY OF FONTANA
Notes to the Financial Statements

Interfund transfers:

Interfund transfers primarily consist of allocation of administrative costs, transfer of funding to capital project funds, and transfer of funding to general debt service fund.

	Transfers In:							Total
	General	Fire Protection District	Capital Reinvestment	Sewer Expansion	Nonmajor Governmental Funds	Sewer Operations	Internal Service Fund	
Transfer out:								
General	\$ -	\$ 278,000	\$ 6,201,797	\$ 2,628	\$ 2,743,772	\$ -	\$ 329,680	\$ 9,555,877
Fire Protection District	3,686,800	-	-	-	1,501,000	-	-	5,187,800
Housing Authority	47,600	-	-	-	-	-	-	47,600
Capital Reinvestment	283,529	-	-	-	-	-	-	283,529
Future Capital Improvements	453,400	-	-	-	-	-	-	453,400
Sewer Expansion	260,815	-	-	-	-	-	-	260,815
Traffic Mitigation	181,500	-	-	-	-	-	-	181,500
Nonmajor Governmental Funds	7,873,294	11,496,100	-	-	14,177,279	-	-	33,546,673
Sewer Operations	2,949,200	-	-	-	-	502,240	-	3,451,440
Internal Service Fund	209,150	-	-	-	-	-	-	209,150
	<u>\$ 15,945,288</u>	<u>\$ 11,774,100</u>	<u>\$ 6,201,797</u>	<u>\$ 2,628</u>	<u>\$ 18,422,051</u>	<u>\$ 502,240</u>	<u>\$ 329,680</u>	<u>\$ 53,177,784</u>

CITY OF FONTANA
Notes to the Financial Statements

Note 8. Long-Term Debt

Long-term debt activity for the year ended June 30, 2022, was as follows:

	Beginning Balance June 30, 2021	Additions	Retirements	Ending Balance June 30, 2022	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities:						
Lease Revenue Bonds	\$ 36,185,000	\$ 23,125,000	\$ 6,295,000	\$ 53,015,000	\$ 1,760,000	\$ 51,255,000
Claims and judgments	13,983,035	9,104,329	2,433,364	20,654,000	3,686,139	16,967,861
Compensated absences	10,320,232	7,961,288	7,182,128	11,099,392	7,182,128	3,917,264
Loan payable - SANBAG	3,259,217	-	407,402	2,851,815	407,402	2,444,413
Lease liability	-	108,534	1,825	106,709	22,945	83,764
Total Long-Term Debt - City	<u>\$ 63,747,484</u>	<u>\$ 40,299,151</u>	<u>\$ 16,319,719</u>	<u>\$ 87,726,916</u>	<u>\$ 13,058,614</u>	<u>\$ 74,668,302</u>
Total Governmental Activity Long-Term Debt	<u>\$ 63,747,484</u>	<u>\$ 40,299,151</u>	<u>\$ 16,319,719</u>	<u>\$ 87,726,916</u>	<u>\$ 13,058,614</u>	<u>\$ 74,668,302</u>
			Unamortized bond premium	6,434,853		6,434,853
				<u>\$ 94,161,769</u>		<u>\$ 81,103,155</u>
Business-Type Activities:						
Compensated absences	\$ 345,449	\$ 175,419	\$ 279,155	\$ 241,713	\$ 241,713	\$ -
Loans payable	6,584,027	-	863,155	5,720,872	878,670	4,842,202
Total Business-Type Activity Long-Term Debt	<u>\$ 6,929,476</u>	<u>\$ 175,419</u>	<u>\$ 1,142,310</u>	<u>\$ 5,962,585</u>	<u>\$ 1,120,383</u>	<u>\$ 4,842,202</u>

Lease Revenue Bonds

	2014 Lease Revenue Bonds		
	Principal	Interest	Total
2023	\$ 1,280,000	\$ 1,333,550	\$ 2,613,550
2024	1,345,000	1,267,925	2,612,925
2025	1,410,000	1,199,050	2,609,050
2026	1,480,000	1,126,800	2,606,800
2027	1,555,000	1,050,925	2,605,925
2028-2032	8,980,000	4,019,125	12,999,125
2033-2037	11,300,000	1,685,350	12,985,350
2038	2,540,000	50,800	2,590,800
Totals	<u>\$ 29,890,000</u>	<u>\$ 11,733,525</u>	<u>\$ 41,623,525</u>

2014 Lease Revenue Bonds

In November 2014, the Fontana Public Facilities Financing Authority issued \$37,675,000 of Lease Revenue Bonds. The proceeds of the issue were used to refinance 2007 Lease Revenue Bonds with an outstanding balance of \$29,890,000. The bonds pay interest semi-annually at rates ranging from 3.875% to 5.00% and mature from September 2015 through September 2037. Principal and interest payments are made from the lease income for certain real property and the improvements thereon.

CITY OF FONTANA
Notes to the Financial Statements

2021 Lease Revenue Bonds

	Principal	Interest	Total
2023	\$ 480,000	\$ 901,875	\$ 1,381,875
2024	485,000	905,800	1,390,800
2025	505,000	886,400	1,391,400
2026	525,000	866,200	1,391,200
2027	545,000	845,200	1,390,200
2028-2032	3,065,000	3,881,400	6,946,400
2033-2037	3,720,000	3,218,400	6,938,400
2038-2042	4,535,000	2,411,800	6,946,800
2043-2047	4,330,000	1,497,600	5,827,600
2048	4,935,000	607,600	5,542,600
Totals	<u>\$ 23,125,000</u>	<u>\$ 16,022,275</u>	<u>\$ 39,147,275</u>

2021 Lease Revenue Bonds

In November 2021, the Fontana Public Facilities Financing Authority issued \$23,125,000 of Lease Revenue Bonds. The proceeds of the issue were used to refinance 2010 Lease Revenue Bonds with an outstanding balance of \$5,075,000, finance the acquisition, construction and installation of certain public capital improvements and pay the costs of issuing the Lease Revenue bonds Series 2021A Bonds. The bonds pay interest semi-annually at rates of 4.00% and mature from November 2022 through November 2048. Principal and interest payments are made from the lease income for certain real property and the improvements thereon.

SANBAG Loan Payable

The City entered into an agreement with San Bernardino Associated Governments "SANBAG" for the I-15 Duncan Canyon Interchange Project. Under the agreements, SANBAG contributed \$12.0 million of State Proposition 1B Corridor Mobility Improvement funds to the project. A portion of the SANBAG funding public share to the project needs to be paid back, totaling \$4,074,021. The City has seven years to pay back the amount without interest. The outstanding balance as of June 30, 2022 is \$2,851,815.

SANBAG

Fiscal Year Ending	Principal	Interest	Total
2023	\$ 407,402	\$ -	\$ 407,402
2024	407,402	-	407,402
2025	407,402	-	407,402
2026	407,402	-	407,402
2027	407,402	-	407,402
2028-2029	814,805	-	814,805
Totals	<u>\$ 2,851,815</u>	<u>\$ -</u>	<u>\$ 2,851,815</u>

CITY OF FONTANA
Notes to the Financial Statements

Lease Liability

The City is a lessee in a noncancellable lease for the City's use of vehicles. The lease terms are in 5 year terms. The leases are required to make a fixed monthly payments ranging between \$682 - \$752 per month. The City recognized \$1,825 in principal lease payments and \$104 in interest paid during the current fiscal year related to these agreements. As of June 30, 2022, the lease liability is \$106,709.

Future principal and interest payments on the lease liability is as follows:

	Lease Liability		
	Principal	Interest	Total
2023	\$ 22,945	\$ 1,567	\$ 24,512
2024	22,945	1,226	24,171
2025	22,945	879	23,824
2026	22,945	525	23,470
2027	14,929	165	15,094
Totals	<u>\$ 106,709</u>	<u>\$ 4,362</u>	<u>\$ 111,071</u>

San Bernardino Trunk Sewer Loans

In March 2007, the City received approval from the State of California Water Resources Control Board for the San Bernardino Trunk Sewer Project. The Project was being funded by the State Revolving Fund on a reimbursement basis for construction costs incurred in relation to the project. The project was done in three phases, with each of the three phases being funded by a separate loan from the State Revolving Fund. The loans will be repaid in twenty annual installments, payments commenced in the fiscal year ended June 30, 2009.

Fiscal Year Ending	San Bernardino Trunk Sewer - State Revolving Fund Loans								
	Trunk Sewer Phase		Lift Station Phase		Force Main Phase		Combined Loans		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2023	\$ 450,317	\$ 51,923	\$ 186,485	\$ 26,692	\$ 241,868	\$ 27,533	\$ 878,670	\$ 106,148	\$ 984,818
2024	458,583	43,658	189,627	23,547	246,253	23,148	894,463	90,353	984,816
2025	466,999	35,241	192,827	20,350	250,718	18,683	910,544	74,274	984,818
2026	475,571	26,670	196,078	17,098	255,264	14,138	926,913	57,906	984,819
2027	484,300	17,941	199,385	13,792	259,892	9,510	943,577	41,243	984,820
2028 - 2029	493,187	9,053	408,913	17,441	264,605	4,798	1,166,705	31,292	1,197,997
Totals	<u>\$ 2,828,957</u>	<u>\$ 184,486</u>	<u>\$ 1,373,315</u>	<u>\$ 118,920</u>	<u>\$ 1,518,600</u>	<u>\$ 97,810</u>	<u>\$ 5,720,872</u>	<u>\$ 401,216</u>	<u>\$ 6,122,088</u>

CITY OF FONTANA
Notes to the Financial Statements

Mello-Roos Community Facilities Districts

Between 1988 and 2022, eighteen Community Facilities Districts have issued Special Tax Bonds. The bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982 and are secured by and payable solely from the revenues of an annual special assessment tax levied against land within the Districts. The bonds are not backed by the full faith and credit or taxing power of the City and do not constitute indebtedness of the City. The City is not liable for the bonds, but acts as an agent for the bondholders in collecting the assessments from property owners, forwarding the collections to bondholders and initiating foreclosure proceedings if necessary.

The transactions occurring as a result of the City acting in an agent capacity are being accounted for in an agency fund. As the bonds are financing the construction and installation of certain public improvements, the transactions relating to the construction of the improvements are being accounted for in capital project funds. The bonds are not reflected as an indebtedness of the City at June 30, 2022.

Special Tax Bonds	Date of Issue	Original Issue Amount	Outstanding Amount at June 30, 2022
CFD # 7 (County Club Estates)	July 2005	\$ 3,985,000	\$ 1,445,000
CFD # 11 (Heritage West End)	November 2011	8,800,000	2,995,000
CFD # 12 (Sierra Lakes)	July 2005	26,920,000	9,950,000
CFD # 22 (Sierra Hills South)	June 2014	31,260,000	23,235,000
CFD # 31 (Citrus Heights North)	July 2018	18,485,000	16,290,000
CFD # 31 (Citrus Heights North)	October 2021	8,025,000	8,025,000
CFD # 37 (Montelago)	September 2005	4,590,000	2,135,000
CFD # 70 (Avellino)	July 2013	2,750,000	1,975,000
CFD # 71 (Sierra Crest)	July 2016	5,915,000	5,170,000
CFD #74B (Citrus/Summit)	June 2019	4,045,000	3,885,000
CFD # 80 (Bella Strada)	August 2017	11,125,000	10,295,000
CFD # 81 (Gabriella)	March 2018	7,180,000	6,740,000
CFD #86 (Etiwanda Ridge)	February 2020	5,025,000	4,820,000
CFD #85 (The Meadows)	October 2020	22,460,000	22,090,000
CFD #88 (Sierra Crest II)	October 2020	6,510,000	6,510,000
CFD #89 (Belrose)	November 2020	5,725,000	5,540,000
CFD #90 (Summit @ Rosena I)	June 2021	22,260,000	22,260,000
CFD #87 (El Paseo)	July 2021	5,325,000	5,325,000
CFD #95 (Summit @ Rosena 2)	May 2022	9,305,000	9,305,000
Total Special Tax Bonds		<u>\$ 209,690,000</u>	<u>\$ 167,990,000</u>

Note 9. Risk Management

The City established risk management programs for workers' compensation in 1978-79 and for general liability in 1983-84, which are accounted for in the City's General Fund. The programs are supported by contributions from the other principal City funds and intra-fund transfers.

Effective with an excess coverage insurance policy on July 1, 1992, the workers' compensation program provides for self-insurance up to a maximum of \$1,000,000 per incident. The claims which exceed the limit are insured up to a maximum per incident of \$45,000,000.

Under the City's excess insurance policy for general liability, all claims incurred after October 1, 1992, are self-insured up to a maximum of \$1,000,000 per incident. The claims which exceed the limit are insured up to maximum per incident of \$25,000,000. The City is self-insured for general liability claims incurred prior to October 1, 1992.

There have been no significant changes in insurance coverage in the last four years. The amount of settlements has not exceeded the amount of insurance coverage for each of the past four fiscal years.

Liabilities under the City's self-insurance programs are accrued and charged to expenses when claims are reasonably determinable and when the existence of the City's liability is probable. The accrued liabilities for general liability include an estimate of incurred but not reported claims. The following is a summary of the changes in the claims liability over the past two fiscal years:

Claims payable, June 30, 2020	<u>\$ 14,868,907</u>
Claims incurred (including IBNRs)	3,033,796
Claims paid/dismissed	<u>(3,919,668)</u>
Claims payable, June 30, 2021	<u>\$ 13,983,035</u>
Claims incurred (including IBNRs)	10,590,633
Claims paid/dismissed	<u>(3,919,668)</u>
Claims payable, June 30, 2022	<u>\$ 20,654,000</u>

There are several other legal actions pending against the City which management considers incidental to normal operations. These actions are not covered by insurance. All liabilities to be accrued are included in the claims and judgments amount stated above.

Note 10. Litigation

The City of Fontana has been named as a defendant in numerous lawsuits and claims arising in the course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable financial loss to the City, such loss has been accrued in the accompanying financial statements.

Note 11. Jointly Governed Organization

I.R.N.E.T.

The City of Fontana is a member of Inland Regional Narcotics Enforcement Team (I.R.N.E.T.), a joint powers authority of the police departments of 10 cities in San Bernardino and Riverside Counties, and participating county, federal and state law enforcement agencies. The organization was formed September 18, 1989, with the mission to promote coordinated law enforcement efforts and to address emerging criminal justice issues, mainly in the areas of drug trafficking and money laundering. The executive council consists of police chiefs of the cities and resident agents in charge of the federal and state law enforcement agencies. All financial decisions were made by the executive council. The members received monetary distributions from the asset seizures based on their respective contribution to the effort. Financial information for I.R.N.E.T. is not available.

Note 12. Other Post-Employment Benefits Liability

Plan Description

In addition to the pension benefits described in Note 12, the City provides post-retirement health care benefits (OPEB Plan) in accordance with City Council approval to all employees who retire from the City on or after reaching age 50 or over with at least five years of PERS-credited service. The post-retirement health care benefits are provided to eligible retirees by the City, as a single-employer plan. Additional requirements are set forth in the individual contracts for executive positions or in the Memorandum of Understanding (MOUs) for the five bargaining units operating within the City. The amount the City provides on the behalf of retirees is dictated in the contracts or MOUs.

Employees Covered

As of the June 30, 2021 measurement date, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	577
Inactive employees or beneficiaries currently receiving benefits	239
Inactive employees entitled to, but not yet receiving benefits	<u>0</u>
Total	<u><u>816</u></u>

Contributions

The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ending June 30, 2022, the City's cash contributions were \$2,593,965 in the form of current premiums, which is funded through the General Fund, and the estimated implied subsidy was \$753,456 resulting in total payments of \$3,114,653.

CITY OF FONTANA
Notes to the Financial Statements

OPEB Liability

The City's OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	2.19%
Inflation	2.50%
Salary Increases	2.80% per annum, in aggregate
Mortality Rate	Derived using CalPERS' Membership Data for all funds
Pre-Retirement Turnover	Derived using CalPERS' Membership Data for all funds
Healthcare Trend Rate	Based on 2021 Getzen model that reflects actual premium increases from 2021 to 2022 followed by 5.75% non-Medicare/ 5.4% Medicare, gradually increasing to an ultimate rate of 4.04% in 2075.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.19 percent. The discount rate is the average, rounded to 5 basis points, of the range of 3-20 year municipal bond rate indices: S&P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO index, Fidelity GO AA 20 Year Bond Index. Sensitivity analysis showing a 1% increase and decrease in the discount rate is also provided.

Changes in the OPEB Liability

The changes in the OPEB liability for the OPEB Plan are as follows:

CITY OF FONTANA
Notes to the Financial Statements

	Increase (Decrease) Total OPEB Liability
Balance at June 30, 2021 (Measurement Date June 30, 2021)	\$ 71,376,998
Changes recognized for the measurement period:	
Service cost	1,973,739
Interest	1,909,977
Differences between expected and actual experience	(7,638,248)
Changes of assumptions	4,351,220
Benefit payments	(3,114,653)
Net Changes	(2,517,965)
Balance at June 30, 2022 (Measurement Date June 30, 2021)	\$ 68,859,033

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease (1.19%)	Current Discount Rate (2.19%)	1% Increase (3.19%)
OPEB Liability	\$79,748,711	\$ 68,859,033	\$60,130,303

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease (4.75% decreasing to 3.04%)	Current Healthcare Cost Trend Rates (5.75% decreasing to 4.04%)	1% Increase (6.75% decreasing to 5.04%)
OPEB Liability	\$59,983,743	\$ 68,859,033	\$79,803,585

CITY OF FONTANA
Notes to the Financial Statements

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$3,928,925. As of fiscal year ended June 30, 2022, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 2,856,591	\$ -
Changes of assumptions	10,039,710	-
Differences between expected and actual experience	-	9,678,046
Total	<u>\$ 12,896,301</u>	<u>\$ 9,678,046</u>

The \$2,856,591 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as OPEB expense as follows:

Measurement period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ 45,209
2023	45,209
2024	45,209
2025	45,209
2026	45,209
Thereafter	135,619

Note 13. Pensions

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Local Government's separate Safety (police and fire) and Miscellaneous (all other) Plans, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions

CITY OF FONTANA
Notes to the Financial Statements

(for funding, but not accounting purposes), and membership information are listed in the Plan's June 30, 2020 Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

		Safety			Miscellaneous	
		Tier I Prior to July 1, 2011	Tier II On or after July 1, 2011	Tier III After January 1, 2013	Prior to July 1, 2011	On or after July 1, 2011
Hire Date	Hire Date	3% @ 50	3% @ 55	2.7% @ 57	2.5% @ 55	2% @ 62
Benefit formula	Benefit Formula	Highest 1-year salary	Final 3-year average	Final 3-year average	Highest 1-year salary	Final 3-year average
Final Average Compensation Period	Final Average Compensation Period	5 yrs credited service	5 yrs credited service	5 yrs credited service	5 yrs credited service	5 yrs credited service
Benefit vesting schedule	Benefit Vesting Schedule	Monthly	Monthly	Monthly	Monthly	Monthly
Benefit payments	Benefit Payments	50 and above	50 and above	50 and above	55 and above	55 and above
Retirement age	Retirement Age	Benefit factor, years of service and final compensation	Benefit factor, years of service and final compensation	Benefit factor, years of service and final compensation	Benefit factor, years of service and final compensation	Benefit factor, years of service and final compensation
Monthly benefit basis	Monthly Benefit Basis					

Employees Covered

As of the June 30, 2021 measurement date, the following employees were covered by the benefit terms for each Plan:

	Safety	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	192	496
Inactive employees entitled to but not yet receiving benefits	68	962
Active employees	183	515
Total	443	1,973

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are 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

CITY OF FONTANA
Notes to the Financial Statements

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. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions; payments made by the employer are paid from the General Fund of the City.

Actuarial Methods and Assumptions used to determine Total Pension Liability

The June 30, 2020 valuation was rolled forward to determine the June 30, 2021 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection
	Allowance floor on purchasing power applies, 2.50% thereafter

¹ The mortality table used was developed based on CalPERS' specific data. 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. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.

Change of Assumptions

There were no changes of assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. 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 FONTANA
Notes to the Financial Statements

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 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.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2017.

Asset Class ¹	New Strategic Allocation	Real Return Years 1 – 10²	Real Return Years 11+³
Public Equity	50.0%	4.8%	5.98%
Global Fixed Income	28.0	1.00	2.62
Inflation Sensitive	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Estate	13.0	3.75	4.93
Liquidity	1.0	0.00	(0.92)

¹ In the System's ACFR, 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.

²An expected inflation of 2.0% used for this period.

³An expected inflation of 2.92% used for this period.

Pension Plan Fiduciary Net Position

The plan fiduciary net position (assets) disclosed in the GASB report may differ from the plan assets reported in the actuarial valuation report due to several reasons. First, CalPERS must keep Reserves for Deficiencies and Fiduciary Self Insurance. These amounts are excluded for rate setting purposes in the actuarial valuation report while required to be included for GASB reporting purposes. In addition, differences may result from early CAFR closing and final reconciled reserves.

CITY OF FONTANA
Notes to the Financial Statements

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. These reports are publicly available reports that can be obtained at <https://www.calpers.ca.gov/page/investments/about-investment-office/investment-financial-reports>.

Liability, Expense and Deferred Outflows/Inflows

The components of the net pension liability at June 30, 2022 are as follows:

Total Pension Liability	\$561,439,944
Plan's Fiduciary Net Position	<u>440,593,199</u>
Net Pension Liability	<u><u>\$120,846,745</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.48%

Pension expense

At June 30, 2022, the City recognized pension expense for CalPERS of \$10,337,507.

Deferred Outflows/Inflows

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 21,252,597	\$ -
Differences between Expected and Actual Experience	9,084,476	(625,571)
Changes of Assumptions	2,079,385	(127,276)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(41,038,211)
Total	\$ 32,416,458	\$ (41,791,058)

CITY OF FONTANA
Notes to the Financial Statements

Changes in Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period for the Safety plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2020 (VD)	\$301,863,631	\$187,544,710	\$114,318,921
Changes Recognized for the Measurement Period:			
Service Cost	6,559,973		6,559,973
Interest on the Total Pension Liability	21,409,558		21,409,558
Changes of Benefit Terms	-		-
Differences between Expected and Actual Experience	1,072,506		1,072,506
Changes of Assumptions	-		-
Net Plan to Plan Resource Movement		-	-
Contributions from the Employer		11,820,068	(11,820,068)
Contributions from Employees		2,877,842	(2,877,842)
Net Investment Income		43,154,767	(43,154,767)
Benefit Payments, including Refunds of Employee Contributions	(13,563,503)	(13,563,503)	-
Administrative Expense		(187,346)	187,346
Other Miscellaneous Income/(Expense)			-
Net Changes during 2020-21	15,478,534	44,101,828	(28,623,294)
Balance at: 6/30/2021 (MD)	\$317,342,165	\$231,646,538	\$85,695,627

CITY OF FONTANA
Notes to the Financial Statements

The following table shows the changes in net pension liability recognized over the measurement period for the Miscellaneous plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2020 (VD)	\$233,650,124	\$170,754,585	\$62,895,539
Changes Recognized for the Measurement Period:			
Service Cost	4,943,305		4,943,305
Interest on the Total Pension Liability	16,462,337		16,462,337
Changes of Benefit Terms	-		-
Differences between Expected and Actual Experience	(800,611)		(800,611)
Changes of Assumptions	-		-
Net Plan to Plan Resource Movement		-	-
Contributions from the Employer		7,329,666	(7,329,666)
Contributions from Employees		2,383,713	(2,383,713)
Net Investment Income		38,806,647	(38,806,647)
Benefit Payments, including Refunds of Employee Contributions	(10,157,377)	(10,157,377)	-
Administrative Expense		(170,573)	170,573
Other Miscellaneous Income/(Expense)			-
Net Changes during 2020-21	10,447,654	38,192,076	(27,744,422)
Balance at: 6/30/2021 (MD)	\$244,097,778	\$208,946,661	\$35,151,117

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

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 7.15 percent, 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 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

CITY OF FONTANA
Notes to the Financial Statements

	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability Safety	\$131,487,888	\$85,695,627	\$48,328,256
Plan's Net Pension Liability Misc.	\$69,915,339	\$35,151,117	\$6,716,911

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, 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 inflows and deferred outflows to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization 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).

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 Safety Plan for the measurement period ending June 30, 2021 was 5.1 years, which was obtained by dividing the total service years of 2,267 (the sum of remaining service lifetimes of the active employees) by 443 (the total number of participants). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

The EARSL for the Miscellaneous Plan for the measurement period ending June 30, 2021 was 3.2 years, which was obtained by dividing the total service years of 6,236 (the sum of remaining service lifetimes of the active employees) by 1,973 (the total number of participants). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

CITY OF FONTANA
Notes to the Financial Statements

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the measurement period ending June 30, 2021 (the measurement date), the City of Fontana recognized a pension expense of \$8,870,152 for the Safety Plan.

As of June 30, 2022, the City of Fontana reports other amounts for the Safety Plan as deferred outflow and deferred inflow of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 7,920,425	\$ -
Differences between Expected and Actual Experience	8,080,954	(75,151)
Changes of Assumptions	2,079,385	(127,276)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(21,640,151)
Total	\$ 18,080,764	\$ (21,842,578)

Employer contributions of \$7,920,425 were made after the measurement date of the net pension liability but before the end of the fiscal year; these contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023.

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

Measurement period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ (797,310)
2023	(2,415,801)
2024	(3,229,584)
2025	(5,260,575)
2026	21,031
Thereafter	-

CITY OF FONTANA
Notes to the Financial Statements

For the measurement period ending June 30, 2021 (the measurement date), the City of Fontana recognized a pension expense of \$1,557,355 for the Miscellaneous Plan.

As of June 30, 2022, the City of Fontana reports other amounts for the Miscellaneous Plan as deferred outflow and deferred inflow of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 13,332,172	\$ -
Differences between Expected and Actual Experience	1,003,522	(550,420)
Changes of Assumptions	-	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(19,398,059)
Total	\$ 14,335,694	\$ (19,948,479)

Employer contributions of \$13,332,172, were made after the measurement date of the net pension liability but before the end of the fiscal year; these contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023.

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

Measurement period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ (4,223,393)
2023	(4,682,987)
2024	(4,710,841)
2025	(5,327,736)
2026	-
Thereafter	-

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modification to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Note 14. Public Agency Retirement Services

For some City employees (regular-part-time employees) that do not qualify for inclusion in the CalPERS pension plans administered by the City, the City offers an alternative plan, the Public Agency Retirement Services Alternate Retirement System Plan (PARS ARS). Employees are enrolled, on a voluntary basis, in this defined contribution plan; the plan requires a minimum contribution of 7.5% of the employee wages and are paid by the employees only. There is no annual expense to the City for this benefit.

Note 15. Classification of Fund Balances

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is resolution.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The Chief Finance Officer is authorized to assign amounts to a specific purpose, which was established by the governing body in Administrative Policy # 20-32.

CITY OF FONTANA
Notes to the Financial Statements

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

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. In governmental funds other than the 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.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

The details of the fund balances as of June 30, 2022 are presented below:

	General	Special Revenue			Capital Project					Other Governmental Funds	Totals
		Fire Protection District	Housing Authority	Economic Stimulus	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Community Facilities Districts	Traffic Mitigation		
Fund balances:											
Nonspendable											
Deposits	\$ 7,877	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,323	\$ 19,200
Inventories	375,878	-	-	-	-	-	-	-	-	868,948	1,244,826
Land held for resale	-	-	-	-	5,650,178	4,379,694	-	-	-	-	10,029,872
Loan receivables	-	-	-	-	-	-	-	-	-	2,855,937	2,855,937
Restricted											
Community facilities districts	-	-	-	-	-	-	-	30,257,097	-	36,300,553	66,557,650
Community services	-	-	-	-	-	-	-	-	-	66,491	66,491
Debt service reserve	-	-	-	-	-	-	-	-	-	15,368	15,368
Government-access channel	1,510,351	-	-	-	-	-	-	-	-	-	1,510,351
Housing & community development	-	-	86,159,945	115,400	-	-	-	-	15,444,197	4,204,856	105,924,398
Lighting and landscaping	-	-	-	-	-	-	-	-	-	4,559,516	4,559,516
Municipal Services Impact	-	-	-	-	-	-	-	-	-	21,722,426	21,722,426
Public safety	-	38,463,783	-	-	-	-	-	-	-	6,308,710	44,772,493
Transportation	-	-	-	-	-	-	-	-	-	23,568,892	23,568,892
Solid waste mitigation	-	-	-	-	-	-	-	-	-	3,340,516	3,340,516
Committed											
PERS reserve	10,886,393	-	-	-	-	-	-	-	-	-	10,886,393
Assigned											
Capital projects	786,174	-	-	-	9,493,884	38,291,805	363,217	-	-	104,408,453	153,343,533
Equipment replacement	6,797,649	-	-	-	-	-	-	-	-	-	6,797,649
Retiree benefits	26,360,583	-	-	-	-	-	-	-	-	-	26,360,583
Unassigned	77,336,531	-	-	-	-	-	-	-	-	(1,599,859)	75,736,672
Total fund balances	\$ 124,061,436	\$ 38,463,783	\$ 86,159,945	\$ 115,400	\$ 15,144,062	\$ 42,671,499	\$ 363,217	\$ 30,257,097	\$ 15,444,197	\$ 206,632,130	\$ 559,312,766

Adequate reserve levels are a necessary component of the City's overall financial management strategy and to provide for the orderly provision of services to the citizens of the City of Fontana. Those necessary components are as follows:

CITY OF FONTANA
Notes to the Financial Statements

- Economic uncertainties, local disasters and other hardships or downturns in the local economy
- Contingencies for unforeseen operating or capital needs

The balance of these components as of June 30, 2022, is \$25,974,586 and is included in the unassigned fund balance in the General Fund.

Note 16: Fontana Fire Protection District

The Fontana Fire Protection District (the District) was formed on July 1, 2008 pursuant to the State of California Health and Safety Code commencing with Section 13800, for the purpose of providing fire protection services. The District is a component unit of the City of Fontana; the City of Fontana has oversight responsibility of the District determined by criteria such as financial interdependency, selection of governing authority and designation of management, budget control, ability to significantly influence operations, etc.

The accounts of the District have been included within the scope of the basic financial statement of the City because the City Council has financial accountability over the operations of the District. The following information is relative only to the District as a component unit, which is an integral part of the total reporting entity.

The District reports the following governmental funds:

The Fire Protection District Special Revenue Fund accounts for the cost of fire suppression, emergency medical, fire prevention and education services incurred by the District within the City's Sphere of Influence.

The Fire Protection District CFD Special Revenue Fund accounts for the special taxes levied on property developed after January 2, 2001 to finance fire protection and suppression services within the Community Facilities District.

The Fire Protection District Capital Project Fund accounts for the money expended on capital improvements and equipment replacement for the District.

a. Cash and investments

As of June 30, 2022, the District reported \$46,935,406 as cash and investments.

The District's funds are pooled with the City of Fontana's cash and investments in order to generate optimum interest income. Each fund's share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investment is included in Note 3.

CITY OF FONTANA
Notes to the Financial Statements

b. Capital Assets

An analysis of capital assets as of June 30, 2022, follows:

	Balance June 30, 2021	Increases	Decreases	Balance June 30, 2022
Capital assets, not being depreciated				
Land	\$ 1,122,000	\$ -	\$ -	\$ 1,122,000
Total capital assets, not being depreciated	<u>1,122,000</u>	<u>-</u>	<u>-</u>	<u>1,122,000</u>
Capital assets, being depreciated				
Buildings and improvements	16,404,903	8,500	-	16,413,403
Machinery and equipment	2,265,956	274,253	-	2,540,209
Vehicles	11,782,729	557,393	-	12,340,122
Infrastructure	<u>1,012,418</u>	<u>-</u>	<u>-</u>	<u>1,012,418</u>
	31,466,006	840,146	-	32,306,152
Less accumulated depreciation for:				
Buildings and improvements	(4,223,814)	(468,507)	-	(4,692,321)
Machinery and equipment	(1,181,102)	(221,050)	-	(1,402,152)
Vehicles	(7,340,256)	(569,878)	-	(7,910,134)
Infrastructure	<u>(238,782)</u>	<u>(33,823)</u>	<u>-</u>	<u>(272,605)</u>
	<u>(12,983,954)</u>	<u>(1,293,258)</u>	<u>-</u>	<u>(14,277,212)</u>
Total capital assets, being depreciated, net	<u>18,482,052</u>	<u>(453,112)</u>	<u>-</u>	<u>18,028,940</u>
Total Capital assets, net	<u>\$ 19,604,052</u>	<u>\$ (453,112)</u>	<u>\$ -</u>	<u>\$ 19,150,940</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
Public safety – fire protection	\$ 1,293,258

c. Long-Term Debt

The District does not have any outstanding debt as of June 30, 2022.

CITY OF FONTANA
Notes to the Financial Statements

d. Fund Balance

The district reports fund balances in accordance with the classifications consistent with the City, see Note 15 for more information on the types and descriptions of the fund balance classifications. The details of the fund balances as of June 30, 2022 are presented below:

	<u>Special Revenue</u>		<u>Capital Project</u>	
	<u>Fire</u>	<u>Fire</u>	<u>Fire</u>	
	<u>Protection</u>	<u>Protection</u>	<u>Protection</u>	
	<u>District</u>	<u>District CFD</u>	<u>District</u>	<u>Totals</u>
Fund balances:				
Restricted				
Public safety	\$ 38,463,783	\$ 4,328,880	\$ -	\$ 42,792,663
Assigned				
Equipment replacement	-	-	24,808,764	24,808,764
Total fund balances	<u>\$ 38,463,783</u>	<u>\$ 4,328,880</u>	<u>\$ 24,808,764</u>	<u>\$ 67,601,427</u>

e. Fire Protection Services Agreement

The District entered into a fire protection services agreement with the San Bernardino County Fire Protection District (County) effective July 1, 2018 for a period of twenty (20) years. The agreement calls for the County to provide to the District fire prevention, fire investigation, fire suppression, advance life support services, ambulance transportation service, hazardous materials, and rescue services. The District paid \$37,436,425 to the County for these services during the fiscal year ending June 30, 2022. The County also provides various administrative duties including billing and collecting of advanced life support and ambulance transportation fees for the District. The District leased its real property, furniture and fixtures, and fire apparatus and equipment to the County for one dollar for the life of the contract. The agreement calls for the County to maintain insurance for workers compensation, comprehensive general and automobile.

The details of the contract expenses for the fiscal year ending June 30, 2022 are as follows:

Salaries and benefits	\$ 30,695,113
Services and supplies	3,508,675
Station expenses	1,280,860
Fire Prevention services	329,827
County contract management fee	<u>1,622,250</u>
Total contract expenses	<u><u>\$ 37,436,725</u></u>

Note 17. Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provided for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Fontana that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-001.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies 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 Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill. This review was completed October 2014 and identified \$7,124,646 in unallowable transfers. The City has contended all unallowable transfers however the State Controller upholds its initial finding and has instructed the City to return the assets to the Successor Agency in a timely manner. As of June 30, 2022, the assets have not yet been returned to the State Controller.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

As of June 30, 2022, there is one obligation that has been denied by the State Department of Finance that is currently being contested through the California court system. The Jurupa Hills Owner Participation Agreement (OPA) has been disallowed due to insufficient documentation to support the outstanding obligation, inability to ever repay the entire debt and the opinion that the agreement appears contrary to public policy. In July 2016, the Courts ruled in favor of the Successor Agency; the State Department of Finance has filed an appeal to the ruling.

CITY OF FONTANA
Notes to the Financial Statements

After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

a. Cash and investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$ 509,841
Cash and investments with fiscal agent	<u>19,022,971</u>
	<u><u>\$ 19,532,812</u></u>

b. Loans Receivable

Loans receivable reported in the accompanying financial statements consist of the following:

1. A loan was issued for the Oleander Storm Drain on March 2003 in the amount of \$850,429. The balance of the loan at June 30, 2022 was \$850,429. The purpose of the loan was to assist the developer with infrastructure improvements. There is no set repayment schedule for this loan.
2. A loan was issued for the Chaffey College in February 2005 in the amount of \$4,000,000. The balance of the loan at June 30, 2022 was \$1,620,000. The purpose of the loan was to assist with the costs of expanding the campus located within the City of Fontana. This loan is scheduled to be repaid over a term of 30 years.
3. Various loans were issued for the San Gabriel Valley Water Company in 1988-1989 in the amount of \$330,756. The balance at the loan at June 30, 2022 was \$67,483. The loan represents the reimbursement of costs incurred by the Agency for construction of water infrastructure. This loan is scheduled to be repaid over a forty-year period.

CITY OF FONTANA
Notes to the Financial Statements

c. Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2022, follows:

	Balance June 30, 2021	Additions	Retirements	Balance June 30, 2022	Amounts Due Within One Year	Amounts Due in More Than One Year
Fiduciary Activities:						
<u>Tax Allocation Bonds and Notes:</u>						
2017 Tax Allocation Refunding Bonds	\$ 172,540,000	\$ -	\$ 11,300,000	\$ 161,240,000	\$ 11,240,000	\$ 150,000,000
2018 Tax Allocation Refunding Bonds	25,710,000	-	3,160,000	22,550,000	3,315,000	19,235,000
 <u>Other Redevelopment Agency:</u>						
Advances from City	29,514,822	-	1,230,775	28,284,047	1,389,833	26,894,214
Owner participation agreements	206,957,226	423,148	-	207,380,374	-	207,380,374
Total Redevelopment Agency	<u>\$ 434,722,048</u>	<u>\$ 423,148</u>	<u>\$ 15,690,775</u>	<u>\$ 419,454,421</u>	<u>\$ 15,944,833</u>	<u>\$ 403,509,588</u>
		Unamortized bond premium		<u>31,126,203</u>		<u>31,126,203</u>
				<u>\$ 450,580,624</u>		<u>\$ 434,635,791</u>

Tax Allocation Bonds

The Former Fontana Redevelopment Agency has issued the following Tax Allocation Bonds which are special obligations of the Successor Agency secured by pledged property tax revenues. The bonds are not a debt of the City and are not payable out of any funds or properties other than those of the Successor Agency.

2017 Tax Allocation Refunding Bonds

\$208,125,000 of *2017 Tax Allocation Refunding Bonds* were issued in November 2017. The bonds pay interest semi-annually at rates ranging from 1.50% to 3.00% and mature from October 2018 to October 2036. The proceeds were used to refinance various tax allocation bonds previously issued by the Former Redevelopment Agency of the City of Fontana.

	2017 Tax Allocation Refunding Bonds		
	Principal	Interest	Total
2023	\$ 11,240,000	\$ 7,533,525	\$ 18,773,525
2024	11,770,000	6,979,725	18,749,725
2025	12,275,000	6,399,006	18,674,006
2026	12,755,000	5,793,138	18,548,138
2027	13,380,000	5,158,500	18,538,500
2028-2032	72,345,000	14,721,525	87,066,525
2033-2037	27,475,000	2,291,800	29,766,800
Totals	<u>\$ 161,240,000</u>	<u>\$ 48,877,219</u>	<u>\$ 210,117,219</u>

CITY OF FONTANA
Notes to the Financial Statements

2018 Tax Allocation Refunding Bonds

\$31,580,000 of *2018 Tax Allocation Refunding Bonds* were issued in July 2018. The bonds mature October 1, 2027, with an interest yield of 5.00 percent. The proceeds from the bonds will be used to refinance various tax allocation bonds previously issued by the Former Redevelopment Agency of the City of Fontana for the Jurupa Hills Project Area. The refinancing resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$13.6 million.

The details of those issues are as follows:

\$ 38,800,000	1997 Series A Tax Allocation Bonds (Jurupa Hills)
<u>6,375,000</u>	1999 Series A Tax Allocation Bonds (Jurupa Hills)
<u>\$ 45,175,000</u>	

The Successor Agency completed the refinancing to reduce its total debt service payments over the next 10 years by \$14.0 million and to obtain an economic gain (difference between the present value of the old and new debt service payments of \$6.5 million.

	2018 Tax Allocation Refunding Bonds		
	Principal	Interest	Total
2023	\$ 3,315,000	\$ 1,044,625	\$ 4,359,625
2024	3,480,000	874,750	4,354,750
2025	3,655,000	696,375	4,351,375
2026	3,840,000	509,000	4,349,000
2027	4,030,000	312,250	4,342,250
2028	<u>4,230,000</u>	<u>105,750</u>	<u>4,335,750</u>
Totals	<u>\$ 22,550,000</u>	<u>\$ 3,542,750</u>	<u>\$ 26,092,750</u>

Long-Term Payables to the City of Fontana

The advances between the City and the Former Redevelopment Agency include the following:

1. A loan between the Agency and the City which resulted from the amendment to the 1991 Junior Lien Tax Allocation Bonds.
2. Advances between the City and the Agency for administrative and other costs.

CITY OF FONTANA
Notes to the Financial Statements

Payable Under Jurupa Hills Owner Participation Agreement

The Agency has entered into an owner participation agreement (OPA) with Ten-Ninety, Ltd., a private land development partnership (the Participating Owner), relating to the Jurupa Hills Project Area. The OPA requires, among other things, the reimbursement by the Agency to the Participating Owner of costs incurred for certain infrastructure and other improvements. Costs advanced, which accrue interest at 15.5%, are reimbursed from, and limited to: (i) the tax increment revenue generated in the Southridge Village portion of the Jurupa Hills Project Area and (ii) certain fees and assessments collected from benefited property owners.

In January 1992, the City, Agency and Participating Owner entered into two agreements in further implementation of the development of Southridge Village; a Facilitation Agreement and an Amendment No. 3 to OPA and Composite OPA. On March 31, 1992, a judgment was entered by the San Bernardino County Superior Court validating the provisions of these two agreements and declaring them to be legally binding upon the parties.

The Facilitation Agreement provides for specific allocations of costs and responsibilities between the City and Participating Owner with respect to certain public works items and for the discharge of the Participating Owner's obligations and responsibilities with respect to the infrastructure items for Phase I, II and III of Southridge Village.

Amendment No. 3 to OPA includes acknowledgment that the Participating Owner has completed its infrastructure obligations relating to the development of Southridge Village and provides for certain payments by the Participating Owner to the Agency and City, in order to mitigate certain negative fiscal impacts imposed by the development and continued existence of Southridge Village. As described in the agreements, the payments to the City and Agency will be in amounts equal to 35% of the residual tax increments and 50% of the assessments and other reimbursements to be paid to the Participating Owner as reimbursement for public infrastructure improvements installed by the Participating Owner.

The balance at June 30, 2022 does not include \$767,554,448 of accumulated unpaid interest that is subject to the same limitations of reimbursement from tax increment revenue, fees and assessments as is the case for costs of construction advanced. The total reimbursement costs of the project are \$206,342,956. This obligation has been disallowed by the State Department of Finance due to insufficient documentation to support the outstanding obligation, inability to ever repay the entire debt and the opinion that the agreement appears contrary to public policy. This determination is currently being challenged in the California court system by the Successor Agency. A hearing was held in July 2016, in which the courts ruled in favor of the Successor Agency.

Pledged Revenue

The Successor Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$283,116,777 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$35,445,029 and the debt service obligation on the bonds was \$28,021,777.

CITY OF FONTANA
Notes to the Financial Statements

d. Insurance

The Successor Agency is covered under the City of Fontana's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 8.

e. Commitments and Contingencies

At June 30, 2022, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

Note 18. Tax Abatement

The City occasionally enters into Operating Covenant Agreements (OCA) with local businesses as a mechanism to promote economic development in the City, retain business and create jobs. The City currently has one OCA in which the City is granting a portion of sales tax revenues generated back to the retailer as an incentive to continue operating their business in the City.

The OCA was entered into in December 2015 and has an initial term of 20 years. The City has agreed to share (50%-50%) the sales tax generated each quarter that exceeds the agreed upon base amount.

Note 19. Prior Period Adjustment

During the year ended June 30, 2022, the City made prior period adjustments as follows:

	Governmental Activities	Housing Authority	Capital Reinvestment	Other Governmental
Net position at July 1, 2021, as previously reported	\$ 985,584,603	\$ 87,708,994	\$ 19,823,764	\$ 196,624,004
Prior period adjustments:				
To correct prior year unavailable revenue	(678,959)	(678,959)	-	-
To correct loan receivable balance	71,128	-	71,128	-
To establish the TDA fund	(9,198)	-	-	(9,198)
Net position at July 1, 2021, as restated	<u>\$ 984,967,574</u>	<u>\$ 87,030,035</u>	<u>\$ 19,894,892</u>	<u>\$ 196,614,806</u>

CITY OF FONTANA

Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period

Safety Plan

Measurement Period	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY								
Service Cost	\$ 6,559,973	\$ 6,574,765	\$ 6,391,012	\$ 6,252,517	\$ 6,181,410	\$ 5,464,647	\$ 5,255,619	\$ 5,261,265
Interest	21,409,558	20,347,932	18,942,663	17,568,272	16,583,112	15,674,983	14,718,880	13,833,230
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	1,072,506	6,367,568	6,274,697	1,250,890	(544,846)	773,988	463,048	-
Changes of Assumptions	-	-	-	(445,464)	15,075,525	-	(3,940,129)	-
Benefit Payments, Including Refunds of Employee Contributions	(13,563,503)	(12,716,297)	(11,561,706)	(10,323,275)	(9,330,793)	(8,666,808)	(8,043,006)	(7,265,033)
Net Change in Total Pension Liability	15,478,534	20,573,968	20,046,666	14,302,940	27,964,408	13,246,810	8,454,412	11,829,462
Total Pension Liability – Beginning	301,863,631	281,289,663	261,242,997	246,940,057	218,975,649	205,728,839	197,274,427	185,444,965
Total Pension Liability – Ending (a)	\$ 317,342,165	\$ 301,863,631	\$ 281,289,663	\$ 261,242,997	\$ 246,940,057	\$ 218,975,649	\$ 205,728,839	\$ 197,274,427
PLAN FIDUCIARY NET POSITION								
Contributions – Employer	11,820,068	10,500,692	9,196,355	8,215,736	7,706,792	6,985,270	6,756,772	6,213,039
Contributions – Employee	2,877,842	2,720,062	2,639,928	2,577,060	2,509,352	2,505,888	2,177,122	1,764,545
Net Investment Income	43,154,767	8,990,686	11,157,517	13,214,512	15,449,532	710,225	2,956,715	19,674,310
Benefit Payments, Including Refunds of Employee Contributions	(13,563,503)	(12,716,297)	(11,561,706)	(10,323,275)	(9,330,793)	(8,666,808)	(8,043,006)	(7,265,033)
Other Changes in Net Fiduciary Position	(187,346)	(251,361)	(118,778)	(696,076)	(203,553)	(83,139)	(153,538)	-
Net Change in Fiduciary Net Position	44,101,828	9,243,782	11,313,316	12,987,957	16,131,330	1,451,436	3,694,065	20,386,861
Plan Fiduciary Net Position – Beginning	187,544,710	178,300,928	166,987,612	153,999,655	137,868,325	136,416,889	132,722,824	112,335,963
Plan Fiduciary Net Position – Ending (b)	231,646,538	187,544,710	178,300,928	166,987,612	153,999,655	137,868,325	136,416,889	132,722,824
Plan Net Pension Liability – Ending (a) - (b)	\$ 85,695,627	\$ 114,318,921	\$ 102,988,735	\$ 94,255,385	\$ 92,940,402	\$ 81,107,324	\$ 69,311,950	\$ 64,551,603
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.00%	62.13%	63.39%	63.92%	62.36%	62.96%	66.31%	67.28%
Covered Payroll	23,795,599	23,158,734	22,436,218	21,782,736	21,411,929	21,176,697	20,121,052	19,360,681
Plan Net Pension Liability as a Percentage of Covered Payroll	360.13%	493.63%	459.03%	432.71%	434.06%	383.00%	344.47%	333.42%

Notes to Schedule:

Benefit Changes: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: In 2019, 2020 and 2021, there were no changes. In 2018, demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes to the discount rate. In 2017, the accounting discount rate 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.

GASB 68 was implemented in FY 2014-15, therefore only eight years of information is being presented.

CITY OF FONTANA

Schedule of Changes in Net Pension Liability and Related Ratios During the Measurement Period

Miscellaneous Plan

Measurement Period	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY								
Service Cost	\$ 4,943,305	\$ 5,099,318	\$ 5,057,352	\$ 4,814,030	\$ 4,788,249	\$ 4,194,877	\$ 4,254,965	\$ 4,004,767
Interest	16,462,337	15,725,500	14,869,142	13,725,324	13,067,481	12,382,291	11,767,900	11,147,316
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	(800,611)	629,230	5,210,993	(556,946)	(1,186,594)	(1,811,514)	(1,027,499)	-
Changes of Assumptions	-	-	-	(972,809)	11,708,939	-	(3,097,256)	-
Benefit Payments, Including Refunds of Employee Contributions	(10,157,377)	(9,124,186)	(8,075,186)	(7,673,900)	(6,602,614)	(6,385,882)	(5,914,227)	(5,994,855)
Net Change in Total Pension Liability	10,447,654	12,329,862	17,062,301	9,335,699	21,775,461	8,379,772	5,983,883	9,157,228
Total Pension Liability – Beginning	233,650,124	221,320,262	204,257,961	194,922,262	173,146,801	164,767,029	158,783,146	149,625,918
Total Pension Liability – Ending (a)	\$ 244,097,778	\$ 233,650,124	\$ 221,320,262	\$ 204,257,961	\$ 194,922,262	\$ 173,146,801	\$ 164,767,029	\$ 158,783,146
PLAN FIDUCIARY NET POSITION								
Net Plan to Plan Resource Movement	-	-	-	(354)	13,206	-	-	-
Contributions – Employer	7,329,666	6,606,745	5,841,667	5,081,435	4,478,806	4,452,429	3,868,104	3,657,678
Contributions – Employee	2,383,713	2,313,683	2,369,932	2,238,093	2,148,688	2,157,198	2,068,784	2,016,250
Net Investment Income	38,806,647	8,280,112	10,133,426	12,059,314	14,325,541	622,155	2,781,662	18,466,862
Benefit Payments, Including Refunds of Employee Contributions	(10,157,377)	(9,124,186)	(8,075,186)	(7,673,900)	(6,602,614)	(6,385,882)	(5,914,227)	(5,994,855)
Other Changes in Net Fiduciary Position	(170,573)	(229,660)	(108,649)	(640,045)	(188,255)	(77,240)	(142,590)	-
Net Change in Fiduciary Net Position	38,192,076	7,846,694	10,161,190	11,064,543	14,175,372	768,660	2,661,733	18,145,935
Plan Fiduciary Net Position – Beginning	170,754,585	162,907,891	152,746,701	141,682,158	127,506,786	126,738,126	124,076,393	105,930,458
Plan Fiduciary Net Position – Ending (b)	208,946,661	170,754,585	162,907,891	152,746,701	141,682,158	127,506,786	126,738,126	124,076,393
Plan Net Pension Liability – Ending (a) - (b)	\$ 35,151,117	\$ 62,895,539	\$ 58,412,371	\$ 51,511,260	\$ 53,240,104	\$ 45,640,015	\$ 38,028,903	\$ 34,706,753
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.60%	73.08%	73.61%	74.78%	72.69%	73.64%	76.92%	78.14%
Covered Payroll	32,584,261	31,712,176	30,080,386	29,204,258	28,947,762	28,347,600	28,221,562	25,050,147
Plan Net Pension Liability as a Percentage of Covered Payroll	107.88%	198.33%	194.19%	176.38%	183.92%	161.00%	134.75%	138.55%

Notes to Schedule:

Benefit Changes: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: In 2019, 2020 and 2021, there were no changes. In 2018, demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes to the discount rate. In 2017, the accounting discount rate 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.

GASB 68 was implemented in FY 2014-15, therefore only eight years of information is being presented.

CITY OF FONTANA
Schedule of Plan Contributions
Safety Plan

Fiscal Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 13,332,172	\$ 11,820,068	\$ 10,500,692	\$ 9,196,355	\$ 8,215,736	\$ 7,706,792	\$ 6,985,270	\$ 6,756,772	\$ 6,213,039
Contributions in Relation to the Actuarially Determined Contribution	(13,332,172)	(11,820,068)	(10,500,692)	(9,132,884)	(8,215,736)	(7,706,792)	(6,985,270)	(6,756,772)	(6,213,039)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 24,976,011	\$ 23,795,599	\$ 23,158,734	\$ 22,436,218	\$ 21,782,736	\$ 21,411,929	\$ 21,176,697	\$ 20,121,052	\$ 19,360,681
Contributions as a Percentage of Covered Payroll	53.38%	49.67%	45.34%	40.99%	37.72%	35.99%	32.99%	33.58%	32.09%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were from the June 30, 2019 public agency valuations. GASB 68 was implemented in FY 2014-15, therefore only the eight most recent years of information is being presented.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2018 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2018 Funding Valuation Report.
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment Expenses, including 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 using 90% of Scale MP-2016 published by the Society of Actuaries.

CITY OF FONTANA
Schedule of Plan Contributions
Miscellaneous Plan

Fiscal Year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 7,920,425	\$ 7,329,666	\$ 6,606,745	\$ 5,841,667	\$ 5,081,435	\$ 4,478,806	\$ 4,452,429	\$ 3,868,104	\$ 3,657,678
Contributions in Relation to the	(7,920,425)	(7,329,666)	(6,606,745)	(5,841,667)	(5,081,435)	(4,478,806)	(4,452,429)	(3,868,104)	(3,657,678)
Actuarially Determined Contribution									
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 31,672,556	\$ 32,584,261	\$ 31,712,176	\$ 30,080,386	\$ 29,204,258	\$ 28,947,762	\$ 28,347,600	\$ 28,221,562	\$ 25,050,147
Contributions as a Percentage of Covered Payroll	25.01%	22.49%	20.83%	19.42%	17.40%	15.47%	15.71%	13.71%	14.60%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020-21 were from the June 30, 2020 public agency valuations. GASB 68 was implemented in FY 2014-15, therefore only the eight most recent years of information is being presented.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2018 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2018 Funding Valuation Report.
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment Expenses, including 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 using 90% of Scale MP-2016 published by the Society of Actuaries.

CITY OF FONTANA
Schedule of Changes in Total OPEB Liability and Related Ratios
for the Measurement Periods Ended June 30,

Measurement Period	2021	2020	2019	2018	2017
TOTAL OPEB LIABILITY					
Service cost	\$ 1,973,739	\$ 1,406,780	\$ 1,114,136	\$ 1,109,799	\$ 1,073,307
Interest on the total OPEB liability	1,909,977	2,328,825	2,442,178	2,377,354	2,345,864
Actual and expected experience difference	(7,638,248)	(3,610,614)	(1,274,244)	-	-
Changes in assumptions	4,351,220	7,714,949	(3,295,758)	(1,014,856)	-
Changes in benefit terms	-	-	-	-	-
Benefit payments	<u>(3,114,653)</u>	<u>(2,784,909)</u>	<u>(2,653,423)</u>	<u>(2,591,180)</u>	<u>(2,467,790)</u>
Net change in total OPEB liability	(2,517,965)	5,055,031	(3,667,111)	(118,883)	951,381
Total OPEB liability - beginning	<u>71,376,998</u>	<u>66,321,967</u>	<u>69,989,078</u>	<u>70,107,961</u>	<u>69,156,580</u>
Total OPEB liability - ending (a)	<u>\$ 68,859,033</u>	<u>\$ 71,376,998</u>	<u>\$ 66,321,967</u>	<u>\$ 69,989,078</u>	<u>\$ 70,107,961</u>
Covered-employee payroll	\$ 50,801,314	\$ 54,870,910	\$ 52,516,604	\$ 50,986,994	\$ 50,359,691
Net OPEB liability as a percentage of covered-employee payroll	135.55%	130.08%	126.29%	137.27%	139.21%

Notes to Schedule:

Historical information is required only for measurement periods for which GASB 75 is applicable.

Future years' information will be displayed up to 10 years as information becomes available.

Non-Major Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Gas Tax - To account for receipts and expenditures of money apportioned by the State and Highway Code §'s 2103, 2105, 2106, 2107 and 2107.5. Gas Tax moneys can only be used to construct and maintain streets and highways.

Traffic Congestion Relief – To account for the receipt of voter-approved (Measure I) tax revenue relating to the relief of traffic congestion through maintenance and upkeep of streets and highways.

Traffic Safety - To account for fines collected on vehicle code infractions and the use of expenditures for traffic safety purposes.

Prop 1B – To account for the receipts and expenditures of money allocated by the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006, Local Street and Roads Improvement Allocation. Prop 1B moneys can only be used on street improvement projects.

Municipal Services Fiscal Impact - To account for moneys paid by developers of new development projects to mitigate their negative impact on the City's services and General Fund.

Solid Waste Mitigation - To account for moneys paid by the County of San Bernardino to mitigate the use of city infrastructure for refuse disposed at the landfill just outside of city limits.

Road Maintenance and Rehabilitation – the account for receipts and expenditures of money apportioned by the State under the Road Repair and Accountability Act of 2017 for road maintenance and rehabilitation projects for cities and counties.

Home Program - To account for the activity of improving the supply of high-quality multifamily properties which are also available to low income households at affordable rent levels.

Crime Prevention Seizure - To account for the receipt of 1% of Federal seizures from illegal narcotic activities, and the expenditure of such assets to fund crime prevention programs such as DARE.

State Seizure - To account for the receipt of seized assets from illegal narcotic activities obtained through cooperation with State agencies and the expenditure of such assets for local law enforcement purposes.

Federal Seizure - To account for the receipt of seized assets from illegal narcotic activities obtained through cooperation with Federal agencies and the expenditure of such assets for local law enforcement purposes.

Non-Major Governmental Funds

Special Revenue Funds (continued)

Grants - To account for miscellaneous Federal, State and County grants requiring segregated fund accounting.

TDA/ Article 3 – To account for bicycle and pedestrian projects. SBCTA oversees the disbursement of 2% of the Local Transportation Funds (LTF) made available to counties and cities for facilities geared towards the exclusive use of pedestrians and bicyclists.

Housing and Community Development Block Grant - To account for the receipts and expenditures of the City's entitlements under Federal Community Development Block Grant (CDBG) programs of the US Department of Housing and Urban Development (HUD).

Federal Law Enforcement Block Grant - To account for Federal block grant funds used to enhance policing services.

AB 3229 State COPS Program - To account for State grant funds used to enhance policing services.

Office of Traffic Safety - To account for a State grant, matched with local funding, to augment abandoned vehicle towing.

Air Quality Management District - To account for receipts from the South Coast Air Quality Management District used for the purpose of reducing air pollution from motor vehicles.

Down Payment Assistance – To track receipts and expenditures for the HUD first time homebuyer assistance program.

Community Services Reimbursements - To account for after school programs funded through Proposition 49.

ASES ELO-P – To account for funding pertaining to afterschool and summer school enrichment programs for kindergarten (which may include transitional kindergarten) through sixth grade as described in California Education Code (EC) Section 46120.

Fontana Community Foundation- To account for costs associated with the Fontana Community Foundation, a separate legal entity governed by Section 501(c)(3) of the Internal Revenue Code of 1986 for the purpose of aiding and assisting in the implementation, improvement and maintenance of public services that preserve and promote the health and welfare and education of local citizenry of the City of Fontana.

Housing Authority AB 1486 – To account for receipts and expenditures of surplus land disposition proceeds as required for affordable housing under AB-1486.

Permanent Local Housing Allocation – To account for receipts and expenditures of the State Permanent Local Housing Allocation fund that must be used for housing-related projects and programs that assist unmet housing needs in the City.

Fire Protection District CFD- To account for special taxes levied on property developed after January 2, 2001 to finance fire protection and suppression services within the Community Facilities District.

Fire Protection District Grants - to account for Federal, State, and County grants requiring segregated fund accounting.

Landscape Maintenance Districts - To account for special benefit assessments levied on property owners for landscape maintenance in various zones throughout the City.

Non-Major Governmental Funds

Special Revenue Funds (continued)

Lighting District #3 - Hunter's Ridge - To account for special assessments imposed on property owners in the Hunter's Ridge area to pay for street lighting.

Community Facilities Districts - To account for special taxes levied on property owners in the development for landscape maintenance, parks and street lighting in the City's numerous special assessments districts.

Debt Service Funds

Debt Service funds are used to account for the accumulation of resources and the payment of general obligation bond principal and interest from governmental resources, and special assessment bond principal and interest from special assessment levies, when the government is obligated in some manner for the payment.

General Debt Service – To account for debt service payments on general City obligations.

Capital Project Funds

The Capital Project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Storm Drain - To account for receipts from drainage fees imposed on developers, for the construction of storm drainage facilities within the City limits.

San Sevaine Flood Control - To account for flood control fees collected for the construction of flood control improvements in the San Sevaine Area.

Upper Etiwanda Flood Control- To account for flood control fees collected for the construction of flood control improvements.

Park Development- To account for receipts and expenditures from park development fees for new parks and renovation of existing parks.

Landscape Improvements - To account for landscaping improvement fees used to improve landscaping Citywide.

Library Capital Improvement - To account for developer impact fees used for the construction of library facilities.

Police Facility- To account for development impact fees to fund capital improvements of police facilities and equipment.

Capital Improvements- To account for moneys expended on miscellaneous capital improvements.

Non-Major Governmental Funds

Capital Project Funds (continued)

General Government Improvement - To account for developer impact fees used for the capital construction of City facilities.

Underground Utilities - To account for developer fees used for offsetting the cost of relocating electrical and cable lines underground to enhance the appearance and the safety of the community.

Fire Assessment - To account for revenues from special tax assessments and for expenditures relating to fire prevention and protection.

Affordable Housing Trust - to account inclusionary housing and affordable housing developer impact fees to be used to construct, rehabilitate or subsidize affordable housing that complies with the Affordable Housing Trust Fund regulations.

Fire Protection District - To account for moneys expended on capital improvements and equipment replacement for the Fontana Fire Protection District.

Fontana Housing Authority- To account for costs associated with the Housing Authority, a separate legal entity governed by California State Housing Authority law. The Housing Authority uses funds from the Fontana Redevelopment Agency's Low and Moderate Income Housing Fund and Federal Department of Housing and Urban Development Program Grants to actively improve and develop quality neighborhoods and housing opportunities throughout the City of Fontana.

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Schedule 1
Page 1 of 5

	Special Revenue								
	Gas Tax	Traffic Congestion Relief	Traffic Safety	Prop 1B	Municipal Services Fiscal Impact	Solid Waste Mitigation	Road Maintenance And Rehabilitation	Home Program	Crime Prevention Seizure
Assets:									
Cash and investments	\$ 1,188,009	\$ 19,918,992	\$ 23,294	\$ 134,372	\$ 21,673,924	\$ 3,372,318	\$ 893,450	\$ 825,337	\$ 64,992
Receivables:									
Accounts	-	1,198	592	-	-	-	-	-	-
Assessments	-	-	-	-	-	-	-	-	-
Interest	3,171	43,446	19	306	48,502	6,259	3,569	534,680	116
Loans	-	-	-	-	-	-	-	6,737,858	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Due from other governments	868,525	2,102,386	15,085	-	-	1,072,449	730,417	7,853	-
Inventories	114,299	-	754,649	-	-	-	-	-	-
Restricted assets:									
Cash and investments with fiscal agent	-	29,504	-	-	-	-	-	-	-
Total Assets	<u>\$ 2,174,004</u>	<u>\$ 22,095,526</u>	<u>\$ 793,639</u>	<u>\$ 134,678</u>	<u>\$ 21,722,426</u>	<u>\$ 4,451,026</u>	<u>\$ 1,627,436</u>	<u>\$ 8,105,728</u>	<u>\$ 65,108</u>
Liabilities, Deferred Inflows and Fund Balances:									
Liabilities:									
Accounts payable	\$ 77,381	\$ 884,745	\$ -	\$ -	\$ -	\$ 38,061	\$ 355,127	\$ 2,903	\$ -
Retentions payable	-	78,394	-	-	-	-	-	-	-
Due to other funds	-	572,235	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	7,272,538	-
Unearned revenue	-	-	-	-	-	-	-	10,412	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>77,381</u>	<u>1,535,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,061</u>	<u>355,127</u>	<u>7,285,853</u>	<u>-</u>
Deferred inflows of resources:									
Unavailable revenue	-	1,650,010	-	-	-	1,072,449	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>1,650,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,072,449</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:									
Nonspendable	114,299	-	754,649	-	-	-	-	-	-
Restricted	1,982,324	18,910,142	38,990	134,678	21,722,426	3,340,516	1,272,309	819,875	65,108
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>2,096,623</u>	<u>18,910,142</u>	<u>793,639</u>	<u>134,678</u>	<u>21,722,426</u>	<u>3,340,516</u>	<u>1,272,309</u>	<u>819,875</u>	<u>65,108</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,174,004</u>	<u>\$ 22,095,526</u>	<u>\$ 793,639</u>	<u>\$ 134,678</u>	<u>\$ 21,722,426</u>	<u>\$ 4,451,026</u>	<u>\$ 1,627,436</u>	<u>\$ 8,105,728</u>	<u>\$ 65,108</u>

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Schedule 1
Page 2 of 5

	Special Revenue									
	State Seizure	Federal Seizures	Grants	TDA	Housing and Community Development Block Grant	Federal Law Enforcement Block Grant	AB 3229 State COPS Program	Office of Traffic Safety	Air Quality Management District	Down Payment Assistance
Assets:										
Cash and investments	\$ 549,610	\$ 3,153,667	\$ 1,276,218	\$ -	\$ 645	\$ -	\$ 868,364	\$ 2,411,104	\$ 1,267,380	\$ 11,291
Receivables:										
Accounts	-	-	-	-	676	-	-	91,970	-	-
Assessments	-	-	-	-	-	-	-	-	-	-
Interest	958	9,058	-	-	-	-	-	4,982	2,687	-
Loans	-	-	-	-	1,097,234	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-
Deposits	-	10,499	-	-	-	-	-	824	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	841,798	8,977	1,308,734	100,356	-	-	70,366	-
Inventories	-	-	-	-	-	-	-	-	-	-
Restricted assets:										
Cash and investments with fiscal agent	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 550,568</u>	<u>\$ 3,173,224</u>	<u>\$ 2,118,016</u>	<u>\$ 8,977</u>	<u>\$ 2,407,289</u>	<u>\$ 100,356</u>	<u>\$ 868,364</u>	<u>\$ 2,508,880</u>	<u>\$ 1,340,433</u>	<u>\$ 11,291</u>
Liabilities, Deferred Inflows and Fund Balance										
Liabilities:										
Accounts payable	\$ 1,196	\$ 111,332	\$ 74,966	\$ 7,064	\$ 167,954	\$ 5,862	\$ 20,904	\$ 8,960	\$ 628	\$ -
Retentions payable	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	1,913	1,032,316	94,492	-	-	-	-
Due to other governments	-	-	-	-	1,097,234	-	-	-	-	-
Unearned revenue	-	-	2,043,051	-	809	-	742,708	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>1,196</u>	<u>111,332</u>	<u>2,118,017</u>	<u>8,977</u>	<u>2,298,313</u>	<u>100,354</u>	<u>763,612</u>	<u>8,960</u>	<u>628</u>	<u>-</u>
Deferred inflows of resources:										
Unavailable revenue	-	-	722,091	8,977	158,332	58,126	-	-	70,366	-
Leases	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>722,091</u>	<u>8,977</u>	<u>158,332</u>	<u>58,126</u>	<u>-</u>	<u>-</u>	<u>70,366</u>	<u>-</u>
Fund balances:										
Nonspendable	-	10,499	-	-	-	-	-	824	-	-
Restricted	549,372	3,051,393	66,490	-	-	-	104,752	2,499,096	1,269,439	11,291
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(788,582)	(8,977)	(49,356)	(58,124)	-	-	-	-
Total fund balances	<u>549,372</u>	<u>3,061,892</u>	<u>(722,092)</u>	<u>(8,977)</u>	<u>(49,356)</u>	<u>(58,124)</u>	<u>104,752</u>	<u>2,499,920</u>	<u>1,269,439</u>	<u>11,291</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 550,568</u>	<u>\$ 3,173,224</u>	<u>\$ 2,118,016</u>	<u>\$ 8,977</u>	<u>\$ 2,407,289</u>	<u>\$ 100,356</u>	<u>\$ 868,364</u>	<u>\$ 2,508,880</u>	<u>\$ 1,340,433</u>	<u>\$ 11,291</u>

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Schedule 1
Page 3 of 5

	Special Revenue									
	Community Services Reimbursements	ASES ELO-P	Fontana Community Foundation	Housing Authority AB 1486	Permanent Local Housing Allocation	Fire Protection District CFD	Fire Protection District Grants	Landscape Maintenance Districts	Lighting District #3 Hunter's Ridge	Community Facilities Districts
Assets:										
Cash and investments	\$ -	\$ -	\$ 484,293	\$ 3,366,015	\$ -	\$ 4,319,110	\$ -	\$ 5,326,238	\$ 33,840	\$ 31,726,150
Receivables:										
Accounts	-	-	-	-	-	-	-	-	-	90
Assessments	-	-	-	-	-	-	-	87,700	(66)	770,890
Interest	-	-	906	7,675	-	9,770	-	11,795	106	71,215
Loans	-	-	-	-	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	(38,813)	(146)	(112,306)
Leases	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	1,177
Due from other governments	1,599,661	201,761	-	-	-	-	66,239	-	-	36,275
Inventories	-	-	-	-	-	-	-	-	-	-
Restricted assets:										
Cash and investments with fiscal agent	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 1,599,661</u>	<u>\$ 201,761</u>	<u>\$ 485,199</u>	<u>\$ 3,373,690</u>	<u>\$ -</u>	<u>\$ 4,328,880</u>	<u>\$ 66,239</u>	<u>\$ 5,386,920</u>	<u>\$ 33,734</u>	<u>\$ 32,493,491</u>
Liabilities, Deferred Inflows and Fund Balance										
Liabilities:										
Accounts payable	\$ 590,765	\$ -	\$ -	\$ -	\$ 18,270	\$ -	\$ -	\$ 861,138	\$ -	\$ 1,007,017
Retentions payable	-	-	-	-	-	-	-	-	-	-
Due to other funds	926,280	201,758	-	-	321,498	-	66,239	-	-	-
Due to other governments	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total Liabilities	<u>1,517,045</u>	<u>201,758</u>	<u>-</u>	<u>-</u>	<u>339,768</u>	<u>-</u>	<u>66,239</u>	<u>861,138</u>	<u>-</u>	<u>1,007,017</u>
Deferred inflows of resources:										
Unavailable revenue	235,913	201,758	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>235,913</u>	<u>201,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	485,199	3,373,690	-	4,328,880	-	4,525,782	33,734	31,486,474
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(153,297)	(201,755)	-	-	(339,768)	-	-	-	-	-
Total fund balances	<u>(153,297)</u>	<u>(201,755)</u>	<u>485,199</u>	<u>3,373,690</u>	<u>(339,768)</u>	<u>4,328,880</u>	<u>-</u>	<u>4,525,782</u>	<u>33,734</u>	<u>31,486,474</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,599,661</u>	<u>\$ 201,761</u>	<u>\$ 485,199</u>	<u>\$ 3,373,690</u>	<u>\$ -</u>	<u>\$ 4,328,880</u>	<u>\$ 66,239</u>	<u>\$ 5,386,920</u>	<u>\$ 33,734</u>	<u>\$ 32,493,491</u>

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Schedule 1
Page 4 of 5

	Debt Service		Capital Projects						
	General Debt Service	Storm Drain	San Sevaive Flood Control	Upper Etiwanda Flood Control Development	Park Development	Landscape Improvements	Library Capital Improvement	Police Facility	Capital Improvements
Assets:									
Cash and investments	\$ 11,416	\$ 20,514,988	\$ 1,402,853	\$ 45,453	\$ 18,454,912	\$ 5,942,576	\$ 1,256,274	\$ 3,703,188	\$ 14,565,946
Receivables:									
Accounts	-	-	-	-	-	-	-	-	-
Assessments	3,928	-	-	-	-	-	-	-	-
Interest	22	41,681	2,275	104	15,243	12,550	2,566	8,185	59,455
Loans	-	-	-	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Restricted assets:									
Cash and investments with fiscal agent	2	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 15,368</u>	<u>\$ 20,556,669</u>	<u>\$ 1,405,128</u>	<u>\$ 45,557</u>	<u>\$ 18,470,155</u>	<u>\$ 5,955,126</u>	<u>\$ 1,258,840</u>	<u>\$ 3,711,373</u>	<u>\$ 14,625,401</u>
Liabilities, Deferred Inflows and Fund Balance									
Liabilities:									
Accounts payable	\$ -	\$ 8,122	\$ 1,473	\$ -	\$ 211,228	\$ 54,357	\$ 79,000	\$ 115,744	\$ 463,367
Retentions payable	-	-	-	-	63,893	-	-	13,187	52,688
Due to other funds	-	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Advances from other funds	-	2,295,000	-	-	-	-	-	-	1,717,369
Total Liabilities	<u>-</u>	<u>2,303,122</u>	<u>1,473</u>	<u>-</u>	<u>275,121</u>	<u>54,357</u>	<u>79,000</u>	<u>128,931</u>	<u>2,233,424</u>
Deferred inflows of resources:									
Unavailable revenue	-	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	15,368	-	-	-	-	-	-	-	-
Assigned	-	18,253,547	1,403,655	45,557	18,195,034	5,900,769	1,179,840	3,582,442	12,391,977
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>15,368</u>	<u>18,253,547</u>	<u>1,403,655</u>	<u>45,557</u>	<u>18,195,034</u>	<u>5,900,769</u>	<u>1,179,840</u>	<u>3,582,442</u>	<u>12,391,977</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,368</u>	<u>\$ 20,556,669</u>	<u>\$ 1,405,128</u>	<u>\$ 45,557</u>	<u>\$ 18,470,155</u>	<u>\$ 5,955,126</u>	<u>\$ 1,258,840</u>	<u>\$ 3,711,373</u>	<u>\$ 14,625,401</u>

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2022

Schedule 1
Page 5 of 5

	Capital Projects						Total Other Governmental Funds
	General Government Improvement	Underground Utilities	Fire Assessment	Affordable Housing Trust	Fire Protection District	Fontana Housing Authority	
Assets:							
Cash and investments	\$ 11,956,296	\$ 289,773	\$ 664,824	\$ 4,448,868	\$ 4,384,573	\$ 1,118,160	\$ 191,648,713
Receivables:							
Accounts	-	-	-	-	-	8,500	103,026
Assessments	-	-	-	-	-	-	862,452
Interest	25,707	661	1,503	85,318	31,239	134,986	1,180,715
Loans	-	-	-	1,000,000	-	1,855,937	10,691,029
Allowance for doubtful accounts	-	-	-	-	-	-	(151,265)
Leases	-	-	-	-	-	6,812,602	6,812,602
Deposits	-	-	-	-	-	-	11,323
Due from other funds	-	-	-	-	-	-	1,177
Due from other governments	-	-	-	-	-	-	9,030,882
Inventories	-	-	-	-	-	-	868,948
Restricted assets:							
Cash and investments with fiscal agent	-	-	-	31,898	22,003,675	-	22,065,079
Total Assets	<u>\$ 11,982,003</u>	<u>\$ 290,434</u>	<u>\$ 666,327</u>	<u>\$ 5,566,084</u>	<u>\$ 26,419,487</u>	<u>\$ 9,930,185</u>	<u>\$ 243,124,681</u>
Liabilities, Deferred Inflows and Fund Balances:							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ 19,601	\$ 1,512,286	\$ 35,162	\$ 6,734,613
Retentions payable	-	-	-	-	98,437	-	306,599
Due to other funds	-	-	-	-	-	-	3,216,731
Due to other governments	-	-	-	-	-	-	8,369,772
Unearned revenue	-	-	-	-	-	-	2,796,980
Advances from other funds	-	-	-	-	-	-	4,012,369
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,601</u>	<u>1,610,723</u>	<u>35,162</u>	<u>25,437,064</u>
Deferred inflows of resources:							
Unavailable revenue	-	-	-	76,165	-	137,973	4,392,160
Leases	-	-	-	-	-	6,663,327	6,663,327
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,165</u>	<u>-</u>	<u>6,801,300</u>	<u>11,055,487</u>
Fund balances:							
Nonspendable	-	-	-	1,000,000	-	1,855,937	3,736,208
Restricted	-	-	-	-	-	-	100,087,328
Assigned	11,982,003	290,434	666,327	4,470,318	24,808,764	1,237,786	104,408,453
Unassigned	-	-	-	-	-	-	(1,599,859)
Total fund balances	<u>11,982,003</u>	<u>290,434</u>	<u>666,327</u>	<u>5,470,318</u>	<u>24,808,764</u>	<u>3,093,723</u>	<u>206,632,130</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,982,003</u>	<u>\$ 290,434</u>	<u>\$ 666,327</u>	<u>\$ 5,566,084</u>	<u>\$ 26,419,487</u>	<u>\$ 9,930,185</u>	<u>\$ 243,124,681</u>

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

Schedule 2
Page 1 of 5

	Special Revenue								
	Gas Tax	Traffic Congestion Relief	Traffic Safety	Prop 1B	Municipal Services Fiscal Impact	Solid Waste Mitigation	Road Maintenance And Rehabilitation	Home Program	Crime Prevention Seizure
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-
Intergovernmental	5,001,645	4,743,778	-	-	-	-	4,288,133	73,324	33,925
Charges for services	-	-	-	-	1,703,627	2,788,261	-	-	-
Fines and forfeitures	-	-	79,154	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Investment earnings	(37,670)	(615,562)	(695)	(4,185)	(674,449)	(104,071)	(29,391)	-	(434)
Other revenue	-	-	3,539	-	-	-	-	-	-
Total revenues	4,963,975	4,128,216	81,998	(4,185)	1,029,178	2,684,190	4,258,742	73,324	33,491
Expenditures:									
Current:									
General government:									
City administration	-	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	68,057	-
Information technology	-	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-	-
Public safety:									
Police	-	-	-	-	-	-	-	-	19,310
Fire	-	-	-	-	-	-	-	-	-
Public works	3,468,947	-	-	-	-	2,022,012	4,263,895	-	-
Community development	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	42,904	-	-	-
Engineering	-	4,485,114	49,751	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-
Total expenditures	3,468,947	4,485,114	49,751	-	-	2,064,916	4,263,895	68,057	19,310
Excess (deficiency) of revenues over (under) expenditures	1,495,028	(356,898)	32,247	(4,185)	1,029,178	619,274	(5,153)	5,267	14,181
Other Financing Sources (Uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	(576,500)	(99,900)	-	-	(859,000)	(449,100)	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(576,500)	(99,900)	-	-	(859,000)	(449,100)	-	-	-
Net change in fund balances	918,528	(456,798)	32,247	(4,185)	170,178	170,174	(5,153)	5,267	14,181
Fund Balances:									
Beginning of fiscal year, as restated (deficit)	1,178,095	19,366,940	761,392	138,863	21,552,248	3,170,342	1,277,462	814,608	50,927
Net change in fund balances	918,528	(456,798)	32,247	(4,185)	170,178	170,174	(5,153)	5,267	14,181
End of fiscal year (deficit)	\$ 2,096,623	\$ 18,910,142	\$ 793,639	\$ 134,678	\$ 21,722,426	\$ 3,340,516	\$ 1,272,309	\$ 819,875	\$ 65,108

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

Schedule 2
Page 2 of 5

	Special Revenue									
	State Seizure	Federal Seizure	Grants	TDA	Housing and Community Development Block Grant	Federal Law Enforcement Block Grant	AB 3229 State COPS Program	Office of Traffic Safety	Air Quality Management District	Down Payment Assistance
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542,130	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-	-	-
Intergovernmental	192,244	154,318	2,344,331	83,523	4,082,483	185,122	357,817	-	206,124	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-	-
Investment earnings	(7,461)	(99,244)	-	-	51,146	462	-	(74,747)	(39,285)	-
Other revenue	-	19,372	-	-	-	-	-	-	-	-
Total revenues	184,783	74,446	2,344,331	83,523	4,133,629	185,584	357,817	467,383	166,839	-
Expenditures:										
Current:										
General government:										
City administration	-	-	153,088	-	-	-	-	-	-	-
Management services	-	-	-	-	3,611,823	-	-	-	2,000	-
Information technology	-	-	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-	4,806	-
Public safety:										
Police	17,928	1,859,320	614,446	-	279,637	205,697	357,817	87,398	-	-
Fire	-	-	-	-	-	-	-	-	-	-
Public works	-	-	76,870	7,064	-	-	-	-	-	-
Community development	-	-	89,182	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-
Engineering	-	-	640,041	7,860	-	-	-	-	209,607	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Total expenditures	17,928	1,859,320	1,573,627	14,924	3,891,460	205,697	357,817	87,398	216,413	-
Excess (deficiency) of revenues over (under) expenditures	166,855	(1,784,874)	770,704	68,599	242,169	(20,113)	-	379,985	(49,574)	-
Other Financing Sources (Uses):										
Transfers in	-	-	100,520	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(91,800)	-	-	-	(16,100)	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	100,520	-	(91,800)	-	-	-	(16,100)	-
Net change in fund balances	166,855	(1,784,874)	871,224	68,599	150,369	(20,113)	-	379,985	(65,674)	-
Fund Balances:										
Beginning of fiscal year, as restated (deficit)	382,517	4,846,766	(1,593,316)	(77,576)	(199,725)	(38,011)	104,752	2,119,935	1,335,113	11,291
Net change in fund balances	166,855	(1,784,874)	871,224	68,599	150,369	(20,113)	-	379,985	(65,674)	-
End of fiscal year (deficit)	\$ 549,372	\$ 3,061,892	\$ (722,092)	\$ (8,977)	\$ (49,356)	\$ (58,124)	\$ 104,752	\$ 2,499,920	\$ 1,269,439	\$ 11,291

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

Schedule 2
Page 3 of 5

	Special Revenue									
	Community Services Reimbursements	ASES ELO-P	Fontana Community Foundation	Housing Authority AB 1486	Permanent Local Housing Allocation	Fire Protection District CFD	Fire Protection District Grants	Landscape Maintenance Districts	Lighting District #3 Hunter's Ridge	Community Facilities Districts
Revenues:										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,689	\$ 13	\$ 21,249
Licenses and permits	-	-	-	-	-	284,426	-	-	-	-
Intergovernmental	3,786,091	-	-	-	-	-	66,239	-	-	370,000
Charges for services	-	-	-	-	-	-	-	-	-	111,639
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	4,253,582	34,614	14,093,835
Investment earnings	-	-	(15,041)	(104,829)	-	(134,444)	-	(165,080)	(1,083)	(986,721)
Other revenue	-	-	405,000	-	-	-	-	-	-	-
Total revenues	3,786,091	-	389,959	(104,829)	-	149,982	66,239	4,095,191	33,544	13,610,002
Expenditures:										
Current:										
General government:										
City administration	-	-	42,868	-	177,850	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-	-	-
Information technology	-	-	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-	-	-
Public safety:										
Police	-	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	260,213	64,875	-	-	-
Public works	-	-	-	-	-	-	-	5,869,209	34,609	9,979,400
Community development	-	-	-	-	-	-	-	-	-	-
Community services	3,193,997	184,546	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	1,364	-	-	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Total expenditures	3,193,997	184,546	42,868	-	177,850	260,213	66,239	5,869,209	34,609	9,979,400
Excess (deficiency) of revenues over (under) expenditures	592,094	(184,546)	347,091	(104,829)	(177,850)	(110,231)	-	(1,774,018)	(1,065)	3,630,602
Other Financing Sources (Uses):										
Transfers in	-	-	-	-	-	-	-	594,090	-	445,440
Transfers out	(386,915)	(17,209)	-	-	-	(900)	-	(547,400)	(2,800)	(5,491,100)
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(386,915)	(17,209)	-	-	-	(900)	-	46,690	(2,800)	(5,045,660)
Net change in fund balances	205,179	(201,755)	347,091	(104,829)	(177,850)	(111,131)	-	(1,727,328)	(3,865)	(1,415,058)
Fund Balances:										
Beginning of fiscal year, as restated (deficit)	(358,476)	-	138,108	3,478,519	(161,918)	4,440,011	-	6,253,110	37,599	32,901,532
Net change in fund balances	205,179	(201,755)	347,091	(104,829)	(177,850)	(111,131)	-	(1,727,328)	(3,865)	(1,415,058)
End of fiscal year (deficit)	\$ (153,297)	\$ (201,755)	\$ 485,199	\$ 3,373,690	\$ (339,768)	\$ 4,328,880	\$ -	\$ 4,525,782	\$ 33,734	\$ 31,486,474

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

Schedule 2
Page 4 of 5

	Debt Service		Capital Projects						
	General Debt Service	Storm Drain	San Sevaine Flood Control	Upper Etiwanda Flood Control Development	Park Development	Landscape Improvements	Library Capital Improvement	Police Facility	Capital Improvements
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	4,373,222	977,357	-	2,299,536	-	285,160	640,651	-
Intergovernmental	39,894	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	658,150	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Special assessments	7,856	-	-	-	-	-	-	-	-
Investment earnings	(339)	(634,878)	(42,875)	(1,416)	(553,613)	(184,480)	(38,944)	(115,173)	(475,361)
Other revenue	-	-	-	-	-	-	-	-	5,908,518
Total revenues	47,411	3,738,344	934,482	(1,416)	1,745,923	473,670	246,216	525,478	5,433,157
Expenditures:									
Current:									
General government:									
City administration	-	-	-	-	-	-	-	-	-
Management services	2,970	-	-	-	-	-	-	-	-
Information technology	-	3,208	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-	-
Public safety:									
Police	-	-	-	-	-	-	-	521,396	-
Fire	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	212,631	-	87,070	-	148,254
Community development	-	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-
Engineering	-	1,201,672	96,862	-	1,239,587	108,393	-	-	4,266,323
Debt service:									
Principal	1,300,000	-	-	-	-	-	-	-	-
Interest	1,607,799	-	-	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	5,089,012	-	-	-	-	-	-	-	-
Total expenditures	7,999,781	1,204,880	96,862	-	1,452,218	108,393	87,070	521,396	4,414,577
Excess (deficiency) of revenues over (under) expenditures	(7,952,370)	2,533,464	837,620	(1,416)	293,705	365,277	159,146	4,082	1,018,580
Other Financing Sources (Uses):									
Transfers in	2,781,001	-	-	-	13,000,000	-	-	-	-
Transfers out	-	(123,000)	(13,400)	-	(219,300)	(46,900)	-	(4,600)	(13,675,900)
Proceeds of refunding bonds	644,467	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	3,920,250	-	-	-	-	-	-	-	-
Total other financing sources (uses)	7,345,718	(123,000)	(13,400)	-	12,780,700	(46,900)	-	(4,600)	(13,675,900)
Net change in fund balances	(606,652)	2,410,464	824,220	(1,416)	13,074,405	318,377	159,146	(518)	(12,657,320)
Fund Balances:									
Beginning of fiscal year, as restated (deficit)	622,020	15,843,083	579,435	46,973	5,120,629	5,582,392	1,020,694	3,582,960	25,049,297
Net change in fund balances	(606,652)	2,410,464	824,220	(1,416)	13,074,405	318,377	159,146	(518)	(12,657,320)
End of fiscal year (deficit)	\$ 15,368	\$ 18,253,547	\$ 1,403,655	\$ 45,557	\$ 18,195,034	\$ 5,900,769	\$ 1,179,840	\$ 3,582,442	\$ 12,391,977

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2022

Schedule 2
Page 5 of 5

	Capital Projects						Total Other Governmental Funds
	General Government Improvement	Underground Utilities	Fire Assessment	Affordable Housing Trust	Fire Protection District	Fontana Housing Authority	
Revenues:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 570,081
Licenses and permits	-	-	340,822	1,437,307	-	-	10,638,481
Intergovernmental	-	-	-	-	-	-	26,008,991
Charges for services	1,025,717	-	-	-	-	-	6,287,394
Fines and forfeitures	-	-	-	-	-	-	79,154
Special assessments	-	-	-	-	-	-	18,389,887
Investment earnings	(371,240)	(9,025)	(20,713)	(137,525)	(154,100)	7,391	(5,775,075)
Other revenue	-	-	-	60,057	-	174,371	6,570,857
Total revenues	654,477	(9,025)	320,109	1,359,839	(154,100)	181,762	62,769,770
Expenditures:							
Current:							
General government:							
City administration	-	-	-	-	-	-	373,806
Management services	-	-	-	-	-	418,340	4,103,190
Information technology	-	-	-	-	-	-	3,208
Human resources	-	-	-	-	-	-	4,806
Public safety:							
Police	-	-	-	-	-	-	3,962,949
Fire	-	-	-	-	1,408,331	-	1,733,419
Public works	-	-	-	1,546,090	-	-	27,716,051
Community development	-	-	-	-	-	-	89,182
Community services	-	-	-	-	-	-	3,421,447
Engineering	-	-	-	-	2,484,031	-	14,790,605
Debt service:							
Principal	-	-	-	-	-	-	1,300,000
Interest	-	-	-	-	-	-	1,607,799
Issuance costs	-	-	-	-	477,600	-	477,600
Payment to refunded bond escrow agent	-	-	-	-	-	-	5,089,012
Total expenditures	-	-	-	1,546,090	4,369,962	418,340	64,673,074
Excess (deficiency) of revenues over (under) expenditures	654,477	(9,025)	320,109	(186,251)	(4,524,062)	(236,578)	(1,903,304)
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	1,501,000	-	18,422,051
Transfers out	-	-	(291,749)	-	(10,532,900)	(100,200)	(33,546,673)
Proceeds of refunding bonds	-	-	-	-	22,480,533	-	23,125,000
Premium (discount) on bonds issued	-	-	-	-	-	-	3,920,250
Total other financing sources (uses)	-	-	(291,749)	-	13,448,633	(100,200)	11,920,628
Net change in fund balances	654,477	(9,025)	28,360	(186,251)	8,924,571	(336,778)	10,017,324
Fund Balances:							
Beginning of fiscal year, as restated (deficit)	11,327,526	299,459	637,967	5,656,569	15,884,193	3,430,501	196,614,806
Net change in fund balances	654,477	(9,025)	28,360	(186,251)	8,924,571	(336,778)	10,017,324
End of fiscal year (deficit)	\$ 11,982,003	\$ 290,434	\$ 666,327	\$ 5,470,318	\$ 24,808,764	\$ 3,093,723	\$ 206,632,130

CITY OF FONTANA
Budgetary Comparison Schedules
Governmental Funds
For the Year Ended June 30, 2022

Schedule 3
Page 1 of 24

	Special Revenue							
	Gas Tax				Traffic Congestion Relief			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	4,899,550	4,899,550	5,001,645	102,095	3,686,630	22,409,538	4,743,778	(17,665,760)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	2,650	2,650	(37,670)	(40,320)	159,000	159,000	(615,562)	(774,562)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	4,902,200	4,902,200	4,963,975	61,775	3,845,630	22,568,538	4,128,216	(18,440,322)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	3,730,430	3,767,925	3,468,947	298,978	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	2,565,110	38,147,413	4,485,114	33,662,299
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	3,730,430	3,767,925	3,468,947	298,978	2,565,110	38,147,413	4,485,114	33,662,299
Excess (deficiency) of revenues over (under) expenditures	1,171,770	1,134,275	1,495,028	360,753	1,280,520	(15,578,875)	(356,898)	15,221,977
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(576,500)	(576,500)	(576,500)	-	(99,900)	(99,900)	(99,900)	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(576,500)	(576,500)	(576,500)	-	(99,900)	(99,900)	(99,900)	-
Net change in fund balances	595,270	557,775	918,528	360,753	1,180,620	(15,678,775)	(456,798)	15,221,977
Fund balances - beginning	1,178,095	1,178,095	1,178,095	-	19,366,940	19,366,940	19,366,940	-
Fund balances - ending	\$ 1,773,365	\$ 1,735,870	\$ 2,096,623	\$ 360,753	\$ 20,547,560	\$ 3,688,165	\$ 18,910,142	\$ 15,221,977

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 2 of 24

	Special Revenue							
	Traffic Safety				Prop 1B			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	30,000	46,000	79,154	33,154	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	750	750	(695)	(1,445)	1,200	1,200	(4,185)	(5,385)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	1,500	1,500	3,539	2,039	-	-	-	-
Total revenues	32,250	48,250	81,998	33,748	1,200	1,200	(4,185)	(5,385)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	59,520	62,648	49,751	12,897	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	59,520	62,648	49,751	12,897	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(27,270)	(14,398)	32,247	46,645	1,200	1,200	(4,185)	(5,385)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	(27,270)	(14,398)	32,247	46,645	1,200	1,200	(4,185)	(5,385)
Fund balances - beginning	761,392	761,392	761,392	-	138,863	138,863	138,863	-
Fund balances - ending	\$ 734,122	\$ 746,994	\$ 793,639	\$ 46,645	\$ 140,063	\$ 140,063	\$ 134,678	\$ (5,385)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 3 of 24

	Special Revenue							
	Municipal Services Fiscal Impact				Solid Waste Mitigation			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,183,500	1,183,500	1,703,627	520,127	3,000,000	3,000,000	2,788,261	(211,739)
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	169,000	169,000	(674,449)	(843,449)	29,400	29,400	(104,071)	(133,471)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	1,352,500	1,352,500	1,029,178	(323,322)	3,029,400	3,029,400	2,684,190	(345,210)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	2,550,330	3,928,129	2,022,012	1,906,117
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	46,480	46,480	42,904	3,576
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	2,596,810	3,974,609	2,064,916	1,909,693
Excess (deficiency) of revenues over (under) expenditures	1,352,500	1,352,500	1,029,178	(323,322)	432,590	(945,209)	619,274	1,564,483
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(859,000)	(859,000)	(859,000)	-	(449,100)	(449,100)	(449,100)	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(859,000)	(859,000)	(859,000)	-	(449,100)	(449,100)	(449,100)	-
Net change in fund balances	493,500	493,500	170,178	(323,322)	(16,510)	(1,394,309)	170,174	1,564,483
Fund balances - beginning	21,552,248	21,552,248	21,552,248	-	3,170,342	3,170,342	3,170,342	-
Fund balances - ending	\$ 22,045,748	\$ 22,045,748	\$ 21,722,426	\$ (323,322)	\$ 3,153,832	\$ 1,776,033	\$ 3,340,516	\$ 1,564,483

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 4 of 24

	Special Revenue							
	Road Maintenance and Rehabilitation				Home Program			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	4,145,000	4,075,170	4,288,133	212,963	796,660	4,941,189	73,324	(4,867,865)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	10,800	10,800	(29,391)	(40,191)	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	4,155,800	4,085,970	4,258,742	172,772	796,660	4,941,189	73,324	(4,867,865)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	654,000	4,796,564	-	4,796,564
Management services	-	-	-	-	136,900	67,500	68,057	(557)
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	4,145,000	5,291,943	4,263,895	1,028,048	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	4,145,000	5,291,943	4,263,895	1,028,048	790,900	4,864,064	68,057	4,796,007
Excess (deficiency) of revenues over (under) expenditures	10,800	(1,205,973)	(5,153)	1,200,820	5,760	77,125	5,267	(71,858)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	10,800	(1,205,973)	(5,153)	1,200,820	5,760	77,125	5,267	(71,858)
Fund balances - beginning	1,277,462	1,277,462	1,277,462	-	814,608	814,608	814,608	-
Fund balances - ending	\$ 1,288,262	\$ 71,489	\$ 1,272,309	\$ 1,200,820	\$ 820,368	\$ 891,733	\$ 819,875	\$ (71,858)

CITY OF FONTANA
Budgetary Comparison Schedules
Governmental Funds
For the Year Ended June 30, 2022

Schedule 3
Page 5 of 24

	Special Revenue							
	Crime Prevention Seizure				State Seizures			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	7,500	7,500	33,925	26,425	70,000	70,000	192,244	122,244
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	1,000	1,000	(434)	(1,434)	5,600	5,600	(7,461)	(13,061)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	8,500	8,500	33,491	24,991	75,600	75,600	184,783	109,183
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	34,600	37,269	19,310	17,959	52,790	52,790	17,928	34,862
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	34,600	37,269	19,310	17,959	52,790	52,790	17,928	34,862
Excess (deficiency) of revenues over (under) expenditures	(26,100)	(28,769)	14,181	42,950	22,810	22,810	166,855	144,045
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	(26,100)	(28,769)	14,181	42,950	22,810	22,810	166,855	144,045
Fund balances - beginning	50,927	50,927	50,927	-	382,517	382,517	382,517	-
Fund balances - ending	\$ 24,827	\$ 22,158	\$ 65,108	\$ 42,950	\$ 405,327	\$ 405,327	\$ 549,372	\$ 144,045

CITY OF FONTANA
Budgetary Comparison Schedules
Governmental Funds
For the Year Ended June 30, 2022

Schedule 3
Page 6 of 24

	Special Revenue							
	Federal Seizures				Grants			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,500,000	1,500,000	154,318	(1,345,682)	475,360	13,939,850	2,344,331	(11,595,519)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	55,000	55,000	(99,244)	(154,244)	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	19,900	19,900	19,372	(528)	-	948,647	-	(948,647)
Total revenues	1,574,900	1,574,900	74,446	(1,500,454)	475,360	14,888,497	2,344,331	(12,544,166)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	210,551	153,088	57,463
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	2,099,290	3,146,040	1,859,320	1,286,720	275,520	878,466	614,446	264,020
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	75,360	147,475	76,870	70,605
Community development	-	-	-	-	-	1,022,135	89,182	932,953
Community services	-	-	-	-	-	330,962	-	330,962
Engineering	-	-	-	-	-	7,474,316	640,041	6,834,275
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	3,226,608	-	3,226,608
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	2,099,290	3,146,040	1,859,320	1,286,720	350,880	13,290,513	1,573,627	11,716,886
Excess (deficiency) of revenues over (under) expenditures	(524,390)	(1,571,140)	(1,784,874)	(213,734)	124,480	1,597,984	770,704	(827,280)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	100,520	100,520	100,520	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	100,520	100,520	100,520	-
Net change in fund balances	(524,390)	(1,571,140)	(1,784,874)	(213,734)	225,000	1,698,504	871,224	(827,280)
Fund balances - beginning	4,846,766	4,846,766	4,846,766	-	(1,593,316)	(1,593,316)	(1,593,316)	-
Fund balances - ending	\$ 4,322,376	\$ 3,275,626	\$ 3,061,892	\$ (213,734)	\$ (1,368,316)	\$ 105,188	\$ (722,092)	\$ (827,280)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 7 of 24

	Special Revenue							
	Housing and Community Development Block Grant				Federal Law Enforcement Block Grant			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	2,329,030	9,468,455	4,082,483	(5,385,972)	208,330	297,118	185,122	(111,996)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	51,146	51,146	-	-	462	462
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	2,329,030	9,468,455	4,133,629	(5,334,826)	208,330	297,118	185,584	(111,534)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	2,052,200	7,870,454	3,611,823	4,258,631	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	267,770	272,407	279,637	(7,230)	208,330	259,569	205,697	53,872
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	2,319,970	8,142,861	3,891,460	4,251,401	208,330	259,569	205,697	53,872
Excess (deficiency) of revenues over (under) expenditures	9,060	1,325,594	242,169	(1,083,425)	-	37,549	(20,113)	(57,662)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(91,800)	(91,800)	(91,800)	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(91,800)	(91,800)	(91,800)	-	-	-	-	-
Net change in fund balances	(82,740)	1,233,794	150,369	(1,083,425)	-	37,549	(20,113)	(57,662)
Fund balances - beginning	(199,725)	(199,725)	(199,725)	-	(38,011)	(38,011)	(38,011)	-
Fund balances - ending	<u>\$ (282,465)</u>	<u>\$ 1,034,069</u>	<u>\$ (49,356)</u>	<u>\$ (1,083,425)</u>	<u>\$ (38,011)</u>	<u>\$ (462)</u>	<u>\$ (58,124)</u>	<u>\$ (57,662)</u>

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 8 of 24

	Special Revenue							
	AB 3229 State COPS Program		Office of Traffic Safety					
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 360,000	\$ 360,000	\$ 542,130	\$ 182,130
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	380,000	393,292	357,817	(35,475)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	14,500	14,500	(74,747)	(89,247)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	380,000	393,292	357,817	(35,475)	374,500	374,500	467,383	92,883
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	404,430	485,533	357,817	127,716	199,500	304,193	87,398	216,795
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	404,430	485,533	357,817	127,716	199,500	304,193	87,398	216,795
Excess (deficiency) of revenues over (under) expenditures	(24,430)	(92,241)	-	92,241	175,000	70,307	379,985	309,678
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	(24,430)	(92,241)	-	92,241	175,000	70,307	379,985	309,678
Fund balances - beginning	104,752	104,752	104,752	-	2,119,935	2,119,935	2,119,935	-
Fund balances - ending	\$ 80,322	\$ 12,511	\$ 104,752	\$ 92,241	\$ 2,294,935	\$ 2,190,242	\$ 2,499,920	\$ 309,678

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 9 of 24

	Special Revenue							
	Air Quality Management District				Down Payment Assistance			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	300,000	300,000	206,124	(93,876)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	10,500	10,500	(39,285)	(49,785)	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	310,500	310,500	166,839	(143,661)	-	-	-	-
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	11,000	2,000	9,000	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	16,000	16,000	4,806	11,194	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	160,502	-	160,502	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	1,029,385	209,607	819,778	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	16,000	1,216,887	216,413	1,000,474	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	294,500	(906,387)	(49,574)	856,813	-	-	-	-
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(16,100)	(16,100)	(16,100)	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(16,100)	(16,100)	(16,100)	-	-	-	-	-
Net change in fund balances	278,400	(922,487)	(65,674)	856,813	-	-	-	-
Fund balances - beginning	1,335,113	1,335,113	1,335,113	-	11,291	11,291	11,291	-
Fund balances - ending	\$ 1,613,513	\$ 412,626	\$ 1,269,439	\$ 856,813	\$ 11,291	\$ 11,291	\$ 11,291	\$ -

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 10 of 24

	Special Revenue							
	Community Services Reimbursements				ASES ELO-P			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	3,854,890	5,693,458	3,786,091	(1,907,367)	-	4,495,120	-	(4,495,120)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	3,854,890	5,693,458	3,786,091	(1,907,367)	-	4,495,120	-	(4,495,120)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	3,531,790	5,370,358	3,193,997	2,176,361	-	4,495,120	184,546	4,310,574
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	3,531,790	5,370,358	3,193,997	2,176,361	-	4,495,120	184,546	4,310,574
Excess (deficiency) of revenues over (under) expenditures	323,100	323,100	592,094	268,994	-	-	(184,546)	(184,546)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(323,100)	(323,100)	(386,915)	(63,815)	-	-	(17,209)	(17,209)
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(323,100)	(323,100)	(386,915)	(63,815)	-	-	(17,209)	(17,209)
Net change in fund balances	-	-	205,179	205,179	-	-	(201,755)	(201,755)
Fund balances - beginning	(358,476)	(358,476)	(358,476)	-	-	-	-	-
Fund balances - ending	<u>\$ (358,476)</u>	<u>\$ (358,476)</u>	<u>\$ (153,297)</u>	<u>\$ 205,179</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (201,755)</u>	<u>\$ (201,755)</u>

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 11 of 24

	Special Revenue							
	Fontana Community Foundation				Housing Authority AB 1486			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	1,200	1,200	(15,041)	(16,241)	-	-	(104,829)	(104,829)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	295,000	405,000	110,000	-	-	-	-
Total revenues	1,200	296,200	389,959	93,759	-	-	(104,829)	(104,829)
Expenditures:								
Current:								
General government:								
City administration	500	43,250	42,868	382	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	500	43,250	42,868	382	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	700	252,950	347,091	94,141	-	-	(104,829)	(104,829)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	700	252,950	347,091	94,141	-	-	(104,829)	(104,829)
Fund balances - beginning	138,108	138,108	138,108	-	3,478,519	3,478,519	3,478,519	-
Fund balances - ending	\$ 138,808	\$ 391,058	\$ 485,199	\$ 94,141	\$ 3,478,519	\$ 3,478,519	\$ 3,373,690	\$ (104,829)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 12 of 24

	Special Revenue				Fire Protection District CFD			
	Permanent Local Housing Allocation		Variance with Final Budget		Fire Protection District CFD		Variance with Final Budget	
	Original Budget	Final Budget	Actual Amounts	Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	285,000	285,000	284,426	(574)
Intergovernmental	195,000	2,388,353	-	(2,388,353)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	35,000	35,000	(134,444)	(169,444)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	195,000	2,388,353	-	(2,388,353)	320,000	320,000	149,982	(170,018)
Expenditures:								
Current:								
General government:								
City administration	195,000	243,985	177,850	66,135	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	255,000	524,347	260,213	264,134
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	18,463	-	18,463	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	195,000	262,448	177,850	84,598	255,000	524,347	260,213	264,134
Excess (deficiency) of revenues over (under) expenditures	-	2,125,905	(177,850)	(2,303,755)	65,000	(204,347)	(110,231)	94,116
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(900)	(900)	(900)	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(900)	(900)	(900)	-
Net change in fund balances	-	2,125,905	(177,850)	(2,303,755)	64,100	(205,247)	(111,131)	94,116
Fund balances - beginning	(161,918)	(161,918)	(161,918)	-	4,440,011	4,440,011	4,440,011	-
Fund balances - ending	<u>\$ (161,918)</u>	<u>\$ 1,963,987</u>	<u>\$ (339,768)</u>	<u>\$ (2,303,755)</u>	<u>\$ 4,504,111</u>	<u>\$ 4,234,764</u>	<u>\$ 4,328,880</u>	<u>\$ 94,116</u>

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 13 of 24

	Special Revenue							
	Fire Protection District Grants				Landscape Maintenance Districts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,250	\$ 3,250	\$ 6,689	\$ 3,439
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	66,239	66,239	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	4,199,100	4,199,100	4,253,582	54,482
Investment earnings	-	-	-	-	57,400	57,400	(165,080)	(222,480)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	66,239	66,239	4,259,750	4,259,750	4,095,191	(164,559)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	64,875	(64,875)	-	-	-	-
Public works	-	-	-	-	4,719,140	6,193,649	5,869,209	324,440
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	2,200	-	2,200
Engineering	-	-	1,364	(1,364)	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	-	-	66,239	(66,239)	4,719,140	6,195,849	5,869,209	326,640
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(459,390)	(1,936,099)	(1,774,018)	162,081
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	628,390	950,390	594,090	(356,300)
Transfers out	-	-	-	-	(547,400)	(547,400)	(547,400)	-
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	80,990	402,990	46,690	(356,300)
Net change in fund balances	-	-	-	-	(378,400)	(1,533,109)	(1,727,328)	(194,219)
Fund balances - beginning	-	-	-	-	6,253,110	6,253,110	6,253,110	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -	\$ 5,874,710	\$ 4,720,001	\$ 4,525,782	\$ (194,219)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 14 of 24

	Special Revenue							
	Lighting District #3 Hunter's Ridge				Community Facilities Districts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ 50	\$ 50	\$ 13	\$ (37)	\$ 15,200	\$ 15,200	\$ 21,249	\$ 6,049
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	370,000	370,000	-
Charges for services	-	-	-	-	-	-	111,639	111,639
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	34,000	34,000	34,614	614	13,715,450	13,936,660	14,093,835	157,175
Investment earnings	300	300	(1,083)	(1,383)	273,700	273,700	(986,721)	(1,260,421)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	34,350	34,350	33,544	(806)	14,004,350	14,595,560	13,610,002	(985,558)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	32,000	34,610	34,609	1	9,931,550	11,487,920	9,979,400	1,508,520
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	14,550	17,470	-	17,470
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	32,000	34,610	34,609	1	9,946,100	11,505,390	9,979,400	1,525,990
Excess (deficiency) of revenues over (under) expenditures	2,350	(260)	(1,065)	(805)	4,058,250	3,090,170	3,630,602	540,432
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	445,440	445,440	445,440	-
Transfers out	(2,800)	(2,800)	(2,800)	-	(4,841,300)	(4,841,300)	(5,491,100)	(649,800)
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-
Premium (discount) on bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(2,800)	(2,800)	(2,800)	-	(4,395,860)	(4,395,860)	(5,045,660)	(649,800)
Net change in fund balances	(450)	(3,060)	(3,865)	(805)	(337,610)	(1,305,690)	(1,415,058)	(109,368)
Fund balances - beginning	37,599	37,599	37,599	-	32,901,532	32,901,532	32,901,532	-
Fund balances - ending	\$ 37,149	\$ 34,539	\$ 33,734	\$ (805)	\$ 32,563,922	\$ 31,595,842	\$ 31,486,474	\$ (109,368)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 15 of 24

	Debt Service				Capital Projects			
	General Debt Service				Capital Reinvestment			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	189,300	189,300	39,894	(149,406)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	7,800	7,800	7,856	56	-	-	-	-
Investment earnings	-	-	(339)	(339)	37,000	37,000	(311,993)	(348,993)
Contribution from property owners	-	-	-	-	-	-	61,820	61,820
Other revenue	-	-	-	-	-	-	-	-
Total revenues	197,100	197,100	47,411	(149,689)	37,000	37,000	(250,173)	(287,173)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	20,000	20,000	2,970	17,030	-	50	381	(331)
Information Technology	-	-	-	-	-	4,154,336	4,555,364	(401,028)
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	2,300,000	8,183,410	6,018,724	2,164,686
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	418,747	1,400	417,347
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	1,300,000	6,389,012	1,300,000	5,089,012	-	-	-	-
Interest	1,816,720	1,816,720	1,607,799	208,921	-	-	-	-
Payment to refunded bond escrow agent	-	-	5,089,012	(5,089,012)	-	-	-	-
Total expenditures	3,136,720	8,225,732	7,999,781	225,951	2,300,000	12,756,543	10,575,869	2,180,674
Excess (deficiency) of revenues over (under) expenditures	(2,939,620)	(8,028,632)	(7,952,370)	76,262	(2,263,000)	(12,719,543)	(10,826,042)	1,893,501
Other Financing Sources (Uses):								
Transfers in	2,947,040	2,947,040	2,781,001	166,039	2,300,000	6,200,000	6,201,797	1,797
Transfers out	-	-	-	-	(137,000)	(137,000)	(283,529)	(146,529)
Bond proceeds	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	644,467	644,467	-	-	-	-	-
Premium (discount) on bonds issued	-	3,920,251	3,920,250	(1)	-	-	-	-
Total other financing sources (uses)	2,947,040	7,511,758	7,345,718	166,038	2,163,000	6,063,000	6,075,212	12,212
Net change in fund balances	7,420	(516,874)	(606,652)	242,300	(100,000)	(6,656,543)	(4,750,830)	1,905,713
Fund balances - beginning	622,020	622,020	622,020	-	19,894,892	19,894,892	19,894,892	-
Fund balances - ending	\$ 629,440	\$ 105,146	\$ 15,368	\$ 242,300	\$ 19,794,892	\$ 13,238,349	\$ 15,144,062	\$ 1,905,713

CITY OF FONTANA
Budgetary Comparison Schedules
Governmental Funds
For the Year Ended June 30, 2022

Schedule 3
Page 16 of 24

	Capital Projects							
	Capital Improvements				Future Capital Projects			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	79,000	79,000	(475,361)	(554,361)	180,000	180,000	(240,539)	(420,539)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	3,050,656	5,908,518	2,857,862	-	-	-	-
Total revenues	79,000	3,129,656	5,433,157	2,303,501	180,000	180,000	(240,539)	(420,539)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	500,000	606,627	148,256	458,371	-	1,728,413	1,595,098	133,315
Community development	-	-	-	-	-	-	-	-
Community services	-	14,154	-	14,154	-	-	-	-
Engineering	2,067,420	11,832,353	4,266,323	7,566,030	-	530,800	-	530,800
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	2,567,420	12,453,134	4,414,579	8,038,555	-	2,259,213	1,595,098	664,115
Excess (deficiency) of revenues over (under) expenditures	(2,488,420)	(9,323,478)	1,018,578	10,342,056	180,000	(2,079,213)	(1,835,637)	243,576
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(353,900)	(675,900)	(13,675,900)	(13,000,000)	(453,400)	(453,400)	(453,400)	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(353,900)	(675,900)	(13,675,900)	(13,000,000)	(453,400)	(453,400)	(453,400)	-
Net change in fund balances	(2,842,320)	(9,999,378)	(12,657,322)	(2,657,944)	(273,400)	(2,532,613)	(2,289,037)	243,576
Fund balances - beginning	25,049,297	25,049,297	25,049,297	-	44,960,536	44,960,536	44,960,536	-
Fund balances - ending	\$ 22,206,977	\$ 15,049,919	\$ 12,391,975	\$ (2,657,944)	\$ 44,687,136	\$ 42,427,923	\$ 42,671,499	\$ 243,576

CITY OF FONTANA
Budgetary Comparison Schedules
Governmental Funds
For the Year Ended June 30, 2022

Schedule 3
Page 17 of 24

	Capital Projects				Community Facilities Districts			
	Sewer Expansion		Variance with Final Budget		Community Facilities Districts		Variance with Final Budget	
	Original Budget	Final Budget	Actual Amounts	Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	2,500,000	4,350,000	-	(4,350,000)	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	120,000	120,000	(526,718)	(646,718)	100	100	35,425	35,325
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	62,556	-	(62,556)
Total revenues	2,620,000	4,470,000	(526,718)	(4,996,718)	100	62,656	35,425	(27,231)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	12,075,000	12,075,000	-	12,075,000	-	899,056	4,634,322	(3,735,266)
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	4,584,010	20,712,856	17,868,715	2,844,141
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	12,075,000	12,075,000	-	12,075,000	4,584,010	21,611,912	22,503,037	(891,125)
Excess (deficiency) of revenues over (under) expenditures	(9,455,000)	(7,605,000)	(526,718)	(7,078,282)	(4,583,910)	(21,549,256)	(22,467,612)	863,894
Other Financing Sources (Uses):								
Transfers in	-	-	2,628	2,628	-	-	-	-
Transfers out	(120,000)	(120,000)	(260,815)	(140,815)	-	-	-	-
Bond proceeds	-	-	-	-	-	30,728,576	21,704,957	(9,023,619)
Bond proceeds on refunding	-	-	-	-	-	(21,959,379)	-	21,959,379
Premium on refunding bonds issued	-	-	-	-	-	4,527,108	-	(4,527,108)
Total other financing sources (uses)	(120,000)	(120,000)	(258,187)	(138,187)	-	8,769,197	21,704,957	12,935,760
Net change in fund balances	(9,575,000)	(7,725,000)	(784,905)	(6,940,095)	(4,583,910)	(12,780,059)	(762,655)	13,799,654
Fund balances - beginning	1,148,122	1,148,122	1,148,122	-	31,019,752	31,019,752	31,019,752	-
Fund balances - ending	<u>\$ (8,426,878)</u>	<u>\$ (6,576,878)</u>	<u>\$ 363,217</u>	<u>\$ (6,940,095)</u>	<u>\$ 26,435,842</u>	<u>\$ 18,239,693</u>	<u>\$ 30,257,097</u>	<u>\$ 13,799,654</u>

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 18 of 24

	Capital Projects							
	Traffic Mitigation				Storm Drain			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	2,847,000	2,847,000	4,373,222	1,526,222
Intergovernmental	67,000	485,860	612,115	126,255	-	-	-	-
Charges for services	4,905,000	7,312,420	9,443,829	2,131,409	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	219,000	219,000	(1,309,715)	(1,528,715)	144,000	144,000	(634,878)	(778,878)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	5,191,000	8,017,280	8,746,229	728,949	2,991,000	2,991,000	3,738,344	747,344
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	62	3,207	(3,145)
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	12,620	16,957,910	817,447	16,140,463	118,660	7,387,211	1,201,672	6,185,539
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	12,620	16,957,910	817,447	16,140,463	118,660	7,387,273	1,204,879	6,182,394
Excess (deficiency) of revenues over (under) expenditures	5,178,380	(8,940,630)	7,928,782	16,869,412	2,872,340	(4,396,273)	2,533,465	6,929,738
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(181,500)	(181,500)	-	(123,000)	(123,000)	(123,000)	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	(181,500)	(181,500)	-	(123,000)	(123,000)	(123,000)	-
Net change in fund balances	5,178,380	(9,122,130)	7,747,282	16,869,412	2,749,340	(4,519,273)	2,410,465	6,929,738
Fund balances - beginning	7,696,915	7,696,915	7,696,915	-	15,843,080	15,843,080	15,843,080	-
Fund balances - ending	\$ 12,875,295	\$ (1,425,215)	\$ 15,444,197	\$ 16,869,412	\$ 18,592,420	\$ 11,323,807	\$ 18,253,545	\$ 6,929,738

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 19 of 24

	Capital Projects							
	San Sevaine Flood Control		Upper Etiwanda Flood Control					
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	470,000	552,000	977,357	425,357	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	5,700	5,700	(42,875)	(48,575)	400	400	(1,416)	(1,816)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	475,700	557,700	934,482	376,782	400	400	(1,416)	(1,816)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	95,290	95,413	96,862	(1,449)	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	95,290	95,413	96,862	(1,449)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	380,410	462,287	837,620	375,333	400	400	(1,416)	(1,816)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(13,400)	(13,400)	(13,400)	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(13,400)	(13,400)	(13,400)	-	-	-	-	-
Net change in fund balances	367,010	448,887	824,220	375,333	400	400	(1,416)	(1,816)
Fund balances - beginning	579,435	579,435	579,435	-	46,973	46,973	46,973	-
Fund balances - ending	\$ 946,445	\$ 1,028,322	\$ 1,403,655	\$ 375,333	\$ 47,373	\$ 47,373	\$ 45,557	\$ (1,816)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 20 of 24

	Capital Projects							
	Park Development				Landscape Improvements			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	1,800,000	1,800,000	2,299,536	499,536	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	600,000	600,000	658,150	58,150
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	57,000	57,000	(553,613)	(610,613)	49,800	49,800	(184,480)	(234,280)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	1,857,000	1,857,000	1,745,923	(111,077)	649,800	649,800	473,670	(176,130)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	273,880	281,466	212,631	68,835	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	1,208	-	1,208	-	-	-	-
Engineering	7,740	2,788,673	1,239,587	1,549,086	3,110	4,726,869	108,393	4,618,476
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	281,620	3,071,347	1,452,218	1,619,129	3,110	4,726,869	108,393	4,618,476
Excess (deficiency) of revenues over (under) expenditures	1,575,380	(1,214,347)	293,705	1,508,052	646,690	(4,077,069)	365,277	4,442,346
Other Financing Sources (Uses):								
Transfers in	-	-	13,000,000	13,000,000	-	-	-	-
Transfers out	(219,300)	(219,300)	(219,300)	-	(46,900)	(46,900)	(46,900)	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(219,300)	(219,300)	12,780,700	13,000,000	(46,900)	(46,900)	(46,900)	-
Net change in fund balances	1,356,080	(1,433,647)	13,074,405	14,508,052	599,790	(4,123,969)	318,377	4,442,346
Fund balances - beginning	5,120,629	5,120,629	5,120,629	-	5,582,393	5,582,393	5,582,393	-
Fund balances - ending	\$ 6,476,709	\$ 3,686,982	\$ 18,195,034	\$ 14,508,052	\$ 6,182,183	\$ 1,458,424	\$ 5,900,770	\$ 4,442,346

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 21 of 24

	Capital Projects							
	Library Capital Improvement		Police Facility					
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	400,000	400,000	285,160	(114,840)	650,000	650,000	640,651	(9,349)
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	3,500	3,500	(38,944)	(42,444)	23,500	23,500	(115,173)	(138,673)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	403,500	403,500	246,216	(157,284)	673,500	673,500	525,478	(148,022)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	1,329,263	521,396	807,867
Fire	-	-	-	-	-	-	-	-
Public works	-	300,000	87,070	212,930	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	25,000	-	25,000
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	-	300,000	87,070	212,930	-	1,354,263	521,396	832,867
Excess (deficiency) of revenues over (under) expenditures	403,500	103,500	159,146	55,646	673,500	(680,763)	4,082	684,845
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(4,600)	(4,600)	(4,600)	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(4,600)	(4,600)	(4,600)	-
Net change in fund balances	403,500	103,500	159,146	55,646	668,900	(685,363)	(518)	684,845
Fund balances - beginning	1,020,694	1,020,694	1,020,694	-	3,582,959	3,582,959	3,582,959	-
Fund balances - ending	\$ 1,424,194	\$ 1,124,194	\$ 1,179,840	\$ 55,646	\$ 4,251,859	\$ 2,897,596	\$ 3,582,441	\$ 684,845

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 22 of 24

	Capital Projects							
	General Government Improvement				Underground Utilities			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,000,000	1,000,000	1,025,717	25,717	100,000	100,000	-	(100,000)
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	84,000	84,000	(371,240)	(455,240)	2,200	2,200	(9,025)	(11,225)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	1,084,000	1,084,000	654,477	(429,523)	102,200	102,200	(9,025)	(111,225)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	1,017,764	-	1,017,764	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	-	1,017,764	-	1,017,764	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	1,084,000	66,236	654,477	588,241	102,200	102,200	(9,025)	(111,225)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	1,084,000	66,236	654,477	588,241	102,200	102,200	(9,025)	(111,225)
Fund balances - beginning	11,327,526	11,327,526	11,327,526	-	299,459	299,459	299,459	-
Fund balances - ending	\$ 12,411,526	\$ 11,393,762	\$ 11,982,003	\$ 588,241	\$ 401,659	\$ 401,659	\$ 290,434	\$ (111,225)

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 23 of 24

	Capital Projects							
	Fire Assessment				Affordable Housing Trust			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	150,000	150,000	340,822	190,822	805,000	1,355,000	1,437,307	82,307
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	6,300	6,300	(20,713)	(27,013)	33,000	33,000	(137,525)	(170,525)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	60,057	60,057
Total revenues	156,300	156,300	320,109	163,809	838,000	1,388,000	1,359,839	(28,161)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	500	2,518,430	1,546,090	972,340
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	423,922	-	423,922	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	-	423,922	-	423,922	500	2,518,430	1,546,090	972,340
Excess (deficiency) of revenues over (under) expenditures	156,300	(267,622)	320,109	587,731	837,500	(1,130,430)	(186,251)	944,179
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(321,370)	(321,370)	(291,749)	29,621	-	-	-	-
Bond proceeds	-	-	-	-	-	-	-	-
Bond proceeds on refunding	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(321,370)	(321,370)	(291,749)	29,621	-	-	-	-
Net change in fund balances	(165,070)	(588,992)	28,360	617,352	837,500	(1,130,430)	(186,251)	944,179
Fund balances - beginning	637,968	637,968	637,968	-	5,656,569	5,656,569	5,656,569	-
Fund balances - ending	\$ 472,898	\$ 48,976	\$ 666,328	\$ 617,352	\$ 6,494,069	\$ 4,526,139	\$ 5,470,318	\$ 944,179

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2022

Schedule 3
 Page 24 of 24

	Capital Projects							
	Fire Protection District				Fontana Housing Authority			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	51,000	51,000	(154,100)	(205,100)	73,000	73,000	7,391	(65,609)
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	10,050	10,050	53	(9,997)
Total revenues	51,000	51,000	(154,100)	(205,100)	83,050	83,050	7,444	(75,606)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	242,950	842,950	418,339	424,611
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	12,845	-	12,845	-	-	-	-
Fire	1,726,500	3,414,700	1,408,331	2,006,369	-	-	-	-
Public works	-	13,805	-	13,805	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	5,570,000	31,803,266	2,484,031	29,319,235	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Total expenditures	7,296,500	35,244,616	3,892,362	31,352,254	242,950	842,950	418,339	424,611
Excess (deficiency) of revenues over (under) expenditures	(7,245,500)	(35,193,616)	(4,046,462)	31,147,154	(159,900)	(759,900)	(410,895)	349,005
Other Financing Sources (Uses):								
Transfers in	3,300,000	8,450,000	1,501,000	(6,949,000)	-	-	-	-
Transfers out	(42,900)	(10,532,900)	(10,532,900)	-	(93,500)	(100,200)	(100,200)	-
Bond proceeds	-	(480,533)	(477,600)	2,933	-	-	-	-
Bond proceeds on refunding	-	22,480,533	22,480,533	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-
Total other financing sources (uses)	3,257,100	19,917,100	12,971,033	(6,946,067)	(93,500)	(100,200)	(100,200)	-
Net change in fund balances	(3,988,400)	(15,276,516)	8,924,571	24,201,087	(253,400)	(860,100)	(511,095)	349,005
Fund balances - beginning	15,884,193	15,884,193	15,884,193	-	3,430,500	3,430,500	3,430,500	-
Fund balances - ending	\$ 11,895,793	\$ 607,677	\$ 24,808,764	\$ 24,201,087	\$ 3,177,100	\$ 2,570,400	\$ 2,919,405	\$ 349,005

Fiduciary Funds

Fiduciary Fund types include trust and agency funds. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Community Facilities District #2 - Heritage- To account for the Village of Heritage CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #3 - Hunter's Ridge- To account for the Hunter's Ridge CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #4 - Walnut Village - To account for the Walnut Village CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #7 - Country Club - To account for the Country Club Estates CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #11 - Heritage West End - To account for the Heritage West End CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #12 – Sierra Lakes - To account for the Sierra Lakes CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #22 – Sierra Hills South – To account for the Sierra Hills South CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #31 – Citrus Heights – To account for the Citrus Heights North CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #37 – Montelago – To account for the Montelago CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #70 - Avellino – To account for the Avellino CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #71 – Sierra Crest – To account for the Sierra Crest CFD special taxes received and the payment of debt related to bonds issued.

Fiduciary Funds

Fiduciary Funds (continued)

Community Facilities District #80 – Bella Strada – To account for the Bella Strada CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #81 – Gabriella – To account for the Gabriella CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #74 – Citrus Summit – To account for the Citrus Summit CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #85 – The Meadows – To account for the Meadows CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #88 – Sierra Crest II – To account for the Sierra Crest II CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #86 – Etiwanda Ridge – To account for the Etiwanda Ridge CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #89 – Belrose – To account for the Belrose CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #90 – Summit at Rosena – To account for Rosena CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #87 – El Paseo – To account for El Paseo CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #95 – Summit at Rosena II – To account for Rosena II CFD special taxes received and the payment of debt related to bonds issued.

Community Facilities District #106 – Mountainview – To account for Mountainview CFD special taxes received and the payment

Trust Deposits - To account for various deposits that are held by the City as collateral, guarantee of work to be done, or for code compliance. The moneys in this fund are returned to the depositor upon completion of projects and/or fulfillment of purpose.
of debt related to bonds issued.

CITY OF FONTANA
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

Schedule 5
Page 1 of 1

	CFD #2 Heritage	CFD #3 Hunter's Ridge	CFD #4 Walnut Village	CFD #7 Country Club	CFD #11 Heritage West End	CFD #12 Sierra Lakes	CFD #22 Sierra Hills South	CFD #31 Citrus Heights North	CFD #37 Montelago	CFD #70 Avellino
Assets										
Cash and investments	\$ 9,990	\$ 6,355	\$ -	\$ 117,449	\$ 164,780	\$ 446,391	\$ 1,035,524	\$ 661,614	\$ 109,046	\$ 46,297
Cash and investments with fiscal agent	-	-	-	358,060	758,182	1,968,005	4,059,764	3,423,056	390,490	228,971
Assessments receivable	67,148	-	393	9,466	4,221	(13,989)	121,069	45,654	10,763	(329)
Total Assets	77,138	6,355	393	485,575	927,183	2,400,407	5,216,357	4,130,324	510,299	274,939
Liabilities										
Accounts payable	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-
Net Position										
Held for other organizations	-	-	-	-	-	-	-	-	-	-
Held in trust for other purposes	77,138	6,355	393	485,575	927,183	2,400,407	5,216,357	4,130,324	510,299	274,939
Total net position	<u>\$ 77,138</u>	<u>\$ 6,355</u>	<u>\$ 393</u>	<u>\$ 485,575</u>	<u>\$ 927,183</u>	<u>\$ 2,400,407</u>	<u>\$ 5,216,357</u>	<u>\$ 4,130,324</u>	<u>\$ 510,299</u>	<u>\$ 274,939</u>
	CFD #71 Sierra Crest	CFD #74B Citrus Summit	CFD #80 Bella Strada	CFD #81 Gabriella	CFD #85 The Meadows	CFD #86 Etiwanda Ridge	CFD #87 El Paseo	CFD #88 Sierra Crest II	CFD #89 Belrose	CFD #90 Summit at Rosena
Assets										
Cash and investments	\$ 162,718	\$ 92,802	\$ 370,625	\$ 133,734	\$ 571,593	\$ 77,781	\$ 32,933	\$ 103,034	\$ 183,237	\$ 94,210
Cash and investments with fiscal agent	582,761	476,373	1,594,878	807,986	2,100,026	521,684	505,395	669,098	602,403	1,957,997
Assessments receivable	4,186	16,175	7,514	5,050	53,125	9,719	15,533	3,191	9,636	147,945
Total Assets	749,665	585,350	1,973,017	946,770	2,724,744	609,184	553,861	775,323	795,476	2,200,152
Liabilities										
Accounts payable	-	33,680	-	-	-	-	-	-	-	-
Total Liabilities	-	33,680	-	-	-	-	-	-	-	-
Net Position										
Held for other organizations	-	-	-	-	-	-	-	-	-	-
Held in trust for other purposes	749,665	551,670	1,973,017	946,770	2,724,744	609,184	553,861	775,323	795,476	2,200,152
Total net position	<u>\$ 749,665</u>	<u>\$ 551,670</u>	<u>\$ 1,973,017</u>	<u>\$ 946,770</u>	<u>\$ 2,724,744</u>	<u>\$ 609,184</u>	<u>\$ 553,861</u>	<u>\$ 775,323</u>	<u>\$ 795,476</u>	<u>\$ 2,200,152</u>
	CFD #95 Summit at Rosena II	CFD #106 Mountainview	Trust Deposits	Total All Custodial Funds						
Assets										
Cash and investments	\$ -	\$ 66,992	\$ 6,694,734	\$ 11,181,839						
Cash and investments with fiscal agent	950,440	-	-	21,956,169						
Assessments receivable	37,782	-	-	554,452						
Total Assets	988,222	66,992	6,694,734	33,692,460						
Liabilities										
Accounts payable	-	-	-	33,680						
Total Liabilities	-	-	-	33,680						
Net Position										
Held for other organizations	-	-	6,694,734	6,694,734						
Restricted for debt service	988,222	66,992	-	26,964,046						
Total net position	<u>\$ 988,222</u>	<u>\$ 66,992</u>	<u>\$ 6,694,734</u>	<u>\$ 33,658,780</u>						

CITY OF FONTANA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2022

Schedule 6
Page 1 of 1

	CFD #2 Heritage	CFD #3 Hunter's Ridge	CFD #4 Walnut Village	CFD #7 Country Club	CFD #11 Heritage West End	CFD #12 Sierra Lakes	CFD #22 Sierra Hills South	CFD #31 Citrus Heights North	CFD #37 Montelago
Additions:									
Contributions from property owners	\$ 3,578	\$ -	\$ -	\$ 257,500	\$ 533,179	\$ 1,470,838	\$ 2,724,421	\$ 1,764,485	\$ 237,782
Interest and change in fair value of investments	-	-	-	59	165	385	188	146	80
Other revenue	-	-	-	253,409	438,173	1,181,354	-	893,021	310,698
Total additions	3,578	-	-	510,968	971,517	2,652,577	2,724,609	2,657,652	548,560
Deductions:									
Contractual services	-	-	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	34,038	70,549	234,378	1,195,500	828,922	50,291
Principal payments	-	-	-	572,978	2,124,122	4,240,063	1,350,000	785,000	963,464
Total deductions	-	-	-	607,016	2,194,671	4,474,441	2,545,500	1,613,922	1,013,755
Change in net position	3,578	-	-	(96,048)	(1,223,154)	(1,821,864)	179,109	1,043,730	(465,195)
Net position at beginning of year	73,560	6,355	393	581,623	2,150,337	4,222,271	5,037,248	3,086,594	975,494
Net position at end of year	<u>\$ 77,138</u>	<u>\$ 6,355</u>	<u>\$ 393</u>	<u>\$ 485,575</u>	<u>\$ 927,183</u>	<u>\$ 2,400,407</u>	<u>\$ 5,216,357</u>	<u>\$ 4,130,324</u>	<u>\$ 510,299</u>
	CFD #70 Avellino	CFD #71 Sierra Crest	CFD #74B Citrus Summit	CFD #80 Bella Strada	CFD #81 Gabiella	CFD #85 The Meadows	CFD #86 Etiwanda Ridge	CFD #87 El Paseo	CFD #88 Sierra Crest II
Additions:									
Contributions from other governments	\$ 164,769	\$ 360,766	\$ 360,726	\$ 803,500	\$ 481,740	\$ 1,428,513	\$ 343,385	\$ 339,074	\$ 468,724
Interest and change in fair value of investments	43	432	11	(155)	45	40	8	75	9
Other revenue	157,591	-	-	-	-	-	-	316,950	-
Total additions	322,403	361,198	360,737	803,345	481,785	1,428,553	343,393	656,099	468,733
Deductions:									
Contractual services	-	-	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-	128,936	-
Interest expense	46,228	155,219	163,125	443,306	267,769	878,250	176,544	-	260,400
Contributions to other governments	495,791	155,000	80,000	255,000	150,000	550,000	105,000	82,506	-
Total deductions	542,019	310,219	243,125	698,306	417,769	1,428,250	281,544	211,442	260,400
Change in net position	(219,616)	50,979	117,612	105,039	64,016	303	61,849	444,657	208,333
Net position at beginning of year	494,555	698,686	434,058	1,867,978	882,754	2,724,441	547,335	109,204	566,990
Net position at end of year	<u>\$ 274,939</u>	<u>\$ 749,665</u>	<u>\$ 551,670</u>	<u>\$ 1,973,017</u>	<u>\$ 946,770</u>	<u>\$ 2,724,744</u>	<u>\$ 609,184</u>	<u>\$ 553,861</u>	<u>\$ 775,323</u>
	CFD #89 Belrose	CFD #90 Summit at Rosena	CFD #95 Summit at Rosena II	CFD #106 Mountainview	Trust Deposits	Total All Custodial Funds			
Additions:									
Contributions from other governments	\$ 406,731	\$ 1,333,106	\$ 415,265	\$ 66,992	\$ -	\$ 13,965,074			
Interest and change in fair value of investments	23	298	1	-	-	1,853			
Other revenue	-	-	950,439	-	12,507,019	17,008,654			
Total additions	406,754	1,333,404	1,365,705	66,992	12,507,019	30,975,581			
Deductions:									
Contractual services	-	-	-	-	-	-			
Administrative expense	30,743	598,838	-	-	-	758,517			
Interest expense	224,375	-	-	-	-	5,028,894			
Contributions to other governments	185,000	-	377,483	-	12,655,322	25,126,729			
Total deductions	440,118	598,838	377,483	-	12,655,322	30,914,140			
Change in net position	(33,364)	734,566	988,222	66,992	(148,303)	61,441			
Net position at beginning of year	828,840	1,465,586	-	-	6,843,037	33,597,339			
Net position at end of year	<u>\$ 795,476</u>	<u>\$ 2,200,152</u>	<u>\$ 988,222</u>	<u>\$ 66,992</u>	<u>\$ 6,694,734</u>	<u>\$ 33,658,780</u>			



CITY OF FONTANA

STATISTICAL SECTION

This part of the City of Fontana'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 financial trends, revenue capacity, debt capacity, demographics, and operating information.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	138
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales tax.	144
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	148
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	152
Operating Information	
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	154

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF FONTANA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2022	2021	2020	2019	2018
Governmental Activities					
Net investment in capital assets	\$ 675,178,954	\$ 638,864,552	\$ 689,365,068	\$ 701,530,830	\$ 720,068,559
Restricted	272,038,102	253,988,209	244,761,778	245,587,568	232,841,328
Unrestricted	63,341,636	92,731,842	(7,238,288)	(13,423,646)	(26,155,824)
Total governmental activities net position	<u>1,010,558,692</u>	<u>985,584,603</u>	<u>926,888,558</u>	<u>933,694,752</u>	<u>926,754,063</u>
Business-type activities					
Net investment in capital assets	\$ 53,603,455	\$ 55,532,997	\$ 57,530,519	\$ 59,255,628	\$ 61,076,764
Unrestricted	21,292,372	20,735,496	20,771,902	23,039,788	21,347,594
Total business-type activities net position	<u>74,895,827</u>	<u>76,268,493</u>	<u>78,302,421</u>	<u>82,295,416</u>	<u>82,424,358</u>
Primary Government					
Net investment in capital assets	728,782,409	694,397,549	746,895,587	760,786,458	781,145,323
Restricted	272,038,102	253,988,209	244,761,778	245,587,568	232,841,328
Unrestricted	84,634,008	113,467,338	13,533,614	9,616,142	(4,808,230)
Total primary government net position	<u>1,085,454,519</u>	<u>1,061,853,096</u>	<u>1,005,190,979</u>	<u>1,015,990,168</u>	<u>1,009,178,421</u>
	Fiscal Year				
	2017	2016	2015	2014	2013
Governmental Activities					
Net investment in capital assets	\$ 735,790,188	\$ 755,220,959	\$ 691,627,257	\$ 703,125,448	\$ 676,166,540
Restricted	227,128,252	226,420,563	204,759,026	196,764,945	201,817,790
Unrestricted	9,377,716	2,951,934	(13,247,617)	93,002,321	71,378,200
Total governmental activities net position	<u>972,296,156</u>	<u>984,593,456</u>	<u>883,138,666</u>	<u>992,892,714</u>	<u>949,362,530</u>
Business-type activities					
Net investment in capital assets	\$ 61,798,043	\$ 63,050,134	\$ 65,035,187	\$ 62,610,261	\$ 63,626,343
Unrestricted	22,291,772	23,458,142	23,099,758	27,641,399	28,233,609
Total business-type activities net position	<u>84,089,815</u>	<u>86,508,276</u>	<u>88,134,945</u>	<u>90,251,660</u>	<u>91,859,952</u>
Primary Government					
Net investment in capital assets	797,588,231	818,271,093	756,662,444	765,735,709	739,792,883
Restricted	227,128,252	226,420,563	204,759,026	196,764,945	201,817,790
Unrestricted	31,669,488	26,410,076	9,852,141	120,643,720	99,611,809
Total primary government net position	<u>1,056,385,971</u>	<u>1,071,101,732</u>	<u>971,273,611</u>	<u>1,083,144,374</u>	<u>1,041,222,482</u>

CITY OF FONTANA
CHANGES IN NET POSITION
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Governmental activities:										
General government	\$ 40,459,365	\$ 41,709,051	\$ 41,457,059	\$ 33,660,288	\$ 28,739,683	\$ 45,299,507	\$ 29,336,758	\$ 24,737,274	\$ 23,587,937	\$ 22,932,400
Public safety	111,899,427	111,355,247	102,004,716	96,951,615	93,262,299	84,299,901	77,928,071	76,501,195	70,609,139	65,336,580
Public works	49,008,197	50,077,996	53,058,256	46,895,115	47,117,801	40,234,605	37,524,666	69,996,558	71,174,441	72,603,025
Community development	5,492,363	38,018,696	5,691,710	5,781,517	9,933,299	10,454,373	9,037,714	3,882,448	3,724,782	27,999,771
Community services	13,344,407	13,155,951	15,553,958	17,458,437	17,272,167	15,370,237	14,762,425	13,474,939	12,928,629	13,072,787
Engineering	37,814,087	23,998,951	32,262,876	31,262,387	30,951,213	27,878,438	21,667,220	14,859,417	20,006,242	5,815,197
Interest on long-term debt	2,132,558	1,860,542	2,001,629	1,981,911	2,608,411	2,392,153	2,153,414	3,105,404	2,866,029	2,974,691
Total governmental activities expenses	<u>260,150,404</u>	<u>280,176,434</u>	<u>252,030,204</u>	<u>233,991,270</u>	<u>229,884,873</u>	<u>225,929,214</u>	<u>192,410,268</u>	<u>206,557,235</u>	<u>204,897,199</u>	<u>210,734,451</u>
Business-type activities:										
Sewer	24,541,611	24,980,302	26,759,827	22,026,753	22,261,294	20,786,533	18,837,548	18,010,757	16,987,089	15,577,783
Water	-	-	12,200	19,520	1,390	6,032	44,104	54,805	134,351	550,544
Interest on long-term debt	112,532	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>24,654,143</u>	<u>24,980,302</u>	<u>26,772,027</u>	<u>22,046,273</u>	<u>22,262,684</u>	<u>20,792,565</u>	<u>18,881,652</u>	<u>18,065,562</u>	<u>17,121,440</u>	<u>16,128,327</u>
Total primary government expenses	<u>\$ 284,804,547</u>	<u>\$ 305,156,736</u>	<u>\$ 278,802,231</u>	<u>\$ 256,037,543</u>	<u>\$ 252,147,557</u>	<u>\$ 246,721,779</u>	<u>\$ 211,291,920</u>	<u>\$ 224,622,797</u>	<u>\$ 222,018,639</u>	<u>\$ 226,862,778</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	\$ 7,581,528	\$ 8,017,410	\$ 7,614,444	\$ 8,358,160	\$ 12,022,779	\$ 7,139,390	\$ 6,864,125	\$ 7,801,644	\$ 7,304,751	\$ 6,176,107
Public safety	1,999,022	2,475,633	4,458,763	6,379,838	6,280,045	6,190,785	6,314,166	9,987,259	4,916,477	12,868,006
Public works	22,934,465	22,578,897	23,543,756	19,315,359	19,351,719	19,257,044	19,504,058	18,706,068	16,194,872	20,454,574
Community development	25,431,821	21,693,037	15,716,301	20,590,089	17,949,656	16,883,104	25,591,414	12,694,452	7,586,953	8,805,067
Community services	3,181,475	1,054,151	2,042,342	3,588,342	3,282,570	3,265,356	7,679,413	6,401,350	5,988,585	7,351,146
Engineering	12,201,965	7,186,627	4,409,240	7,048,521	7,231,866	7,012,662	11,340,644	5,153,433	2,726,083	3,950,637
Operating contributions and grants	20,860,568	46,511,190	24,472,892	17,437,665	14,720,871	12,213,450	4,920,888	5,388,077	13,246,859	23,263,276
Capital contributions and grants	27,263,569	68,781,955	12,457,455	14,409,776	28,415,558	26,539,731	13,763,600	17,231,877	61,605,282	795,729
Total governmental activities program revenues	<u>121,454,413</u>	<u>178,298,900</u>	<u>94,715,193</u>	<u>97,127,750</u>	<u>109,255,064</u>	<u>98,501,522</u>	<u>95,978,308</u>	<u>83,364,160</u>	<u>119,569,862</u>	<u>83,664,542</u>
Business-type activities:										
Charges for Services:										
Sewer	26,819,169	25,358,711	24,922,787	23,116,983	21,703,872	19,539,503	18,248,953	17,131,593	15,548,412	14,805,929
Capital contributions and grants	336,864	198,621	108,539	803,148	724,564	1,166,163	651,860	3,486,994	1,069,865	448,472
Total business-type activities program revenues	<u>27,156,033</u>	<u>25,557,332</u>	<u>25,031,326</u>	<u>23,920,131</u>	<u>22,428,436</u>	<u>20,705,666</u>	<u>18,900,813</u>	<u>20,618,587</u>	<u>16,618,277</u>	<u>15,254,401</u>
Total primary government program revenues	<u>\$ 148,610,446</u>	<u>\$ 203,856,232</u>	<u>\$ 119,746,519</u>	<u>\$ 121,047,881</u>	<u>\$ 131,683,500</u>	<u>\$ 119,207,188</u>	<u>\$ 114,879,121</u>	<u>\$ 103,982,747</u>	<u>\$ 136,188,139</u>	<u>\$ 98,918,943</u>
Net (expense)/revenue:										
Governmental activities	(138,695,991)	(101,877,534)	(157,315,011)	(136,863,520)	(120,629,809)	(127,427,692)	(96,431,960)	(123,193,075)	(85,327,337)	(127,069,909)
Business-type activities	2,501,890	577,030	(1,740,701)	1,873,858	165,752	(86,899)	19,161	2,553,025	(503,163)	(873,926)
Total primary government net expense	<u>\$ (136,194,101)</u>	<u>\$ (101,300,504)</u>	<u>\$ (159,055,712)</u>	<u>\$ (134,989,662)</u>	<u>\$ (120,464,057)</u>	<u>\$ (127,514,591)</u>	<u>\$ (96,412,799)</u>	<u>\$ (120,640,050)</u>	<u>\$ (85,830,500)</u>	<u>\$ (127,943,835)</u>

CITY OF FONTANA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	\$ 84,070,144	\$ 76,703,234	\$ 73,705,908	\$ 65,123,274	\$ 54,647,011	\$ 52,097,345	\$ 48,537,350	\$ 47,772,343	\$ 46,049,227	\$ 48,062,073
Sales taxes	56,726,526	51,408,188	42,958,630	44,564,309	38,663,576	37,844,293	38,442,282	34,219,832	31,440,752	29,160,503
Franchise taxes	9,749,087	8,670,092	8,400,846	7,603,283	7,190,939	6,680,065	7,042,887	7,428,364	6,276,563	5,882,003
Business license taxes	7,583,660	6,676,592	6,280,132	6,419,287	5,898,298	5,714,262	5,215,605	4,982,546	4,642,711	4,808,167
Transient occupancy taxes	1,374,182	1,132,091	960,057	1,085,305	1,009,734	961,122	962,089	715,570	704,132	587,452
Motor vehicle in-lieu	459,175	156,222	167,850	101,761	112,007	94,030	82,436	82,854	85,263	102,472
Investment earnings	(10,525,380)	4,007,555	11,543,571	13,862,698	5,209,144	5,645,106	8,151,890	7,362,672	8,368,054	3,169,063
Other	11,900,515	9,175,913	3,747,676	2,378,892	5,045,968	3,670,692	3,718,814	6,136,697	5,739,599	8,791,729
Gain/(Loss) on sale of capital assets	-	-	-	-	-	-	-	(557,702)	-	(836,248)
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Transfers	2,949,200	2,643,692	2,744,147	2,665,400	1,891,022	2,262,500	2,109,800	1,815,690	1,723,160	2,309,000
Total governmental activities	<u>164,287,109</u>	<u>160,573,579</u>	<u>150,508,817</u>	<u>143,804,209</u>	<u>119,667,699</u>	<u>114,969,415</u>	<u>114,263,153</u>	<u>109,958,866</u>	<u>105,029,461</u>	<u>102,036,214</u>
Business-type activities:										
Investment earnings	(748,794)	18,927	491,853	662,600	59,813	91,915	309,412	250,299	452,288	(305,420)
Other	(176,562)	13,807	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Transfers	(2,949,200)	(2,643,692)	(2,744,147)	(2,665,400)	(1,891,022)	(2,262,500)	(2,109,800)	(1,815,690)	(1,723,160)	(2,309,000)
Total business-type activities	<u>(3,874,556)</u>	<u>(2,610,958)</u>	<u>(2,252,294)</u>	<u>(2,002,800)</u>	<u>(1,831,209)</u>	<u>(2,170,585)</u>	<u>(1,800,388)</u>	<u>(1,565,391)</u>	<u>(1,270,872)</u>	<u>(2,614,420)</u>
Total primary government	<u>\$ 160,412,553</u>	<u>\$ 157,962,621</u>	<u>\$ 148,256,523</u>	<u>\$ 141,801,409</u>	<u>\$ 117,836,490</u>	<u>\$ 112,798,830</u>	<u>\$ 112,462,765</u>	<u>\$ 108,393,475</u>	<u>\$ 103,758,589</u>	<u>\$ 99,421,794</u>
Change in Net Position										
Governmental activities	25,591,118	58,696,045	(6,806,194)	6,940,689	(962,110)	(12,458,277)	17,831,193	(13,234,209)	19,702,124	(25,033,695)
Business-type activities	(1,372,666)	(2,033,928)	(3,992,995)	(128,942)	(1,665,457)	(2,257,484)	(1,781,227)	987,634	(1,774,035)	(3,488,346)
Total primary government	<u>\$ 24,218,452</u>	<u>\$ 56,662,117</u>	<u>\$ (10,799,189)</u>	<u>\$ 6,811,747</u>	<u>\$ (2,627,567)</u>	<u>\$ (14,715,761)</u>	<u>\$ 16,049,966</u>	<u>\$ (12,246,575)</u>	<u>\$ 17,928,089</u>	<u>\$ (28,522,041)</u>

CITY OF FONTANA
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ 383,755	\$ 322,558	\$ 396,090	\$ 393,718	\$ 464,839	\$ 395,907	\$ 429,023	\$ 386,436	\$ 203,890	\$ 219,415
Restricted	1,510,351	1,510,351	1,341,403	1,236,229	1,151,682	1,071,523	1,087,820	1,158,751	890,753	3,309,252
Committed	10,886,393	6,038,085	5,700,690	6,167,070	5,207,240	5,414,716	4,726,998	2,669,111	3,190,424	3,823,671
Assigned	33,944,406	33,944,406	27,473,651	26,455,278	25,141,842	24,446,674	34,514,464	21,789,340	19,511,605	17,544,997
Unassigned	77,336,531	75,240,512	63,564,012	60,465,811	55,080,691	54,121,364	46,558,441	54,561,190	55,180,619	21,000,677
Total	<u>\$ 124,061,436</u>	<u>\$ 117,055,912</u>	<u>\$ 98,475,846</u>	<u>\$ 94,718,106</u>	<u>\$ 87,046,294</u>	<u>\$ 85,450,184</u>	<u>\$ 87,316,746</u>	<u>\$ 80,564,828</u>	<u>\$ 78,977,291</u>	<u>\$ 45,898,012</u>
All Other Governmental Funds, other than General Fund:										
Nonspendable	\$ 13,766,080	\$ 12,607,667	\$ 12,538,114	\$ 3,019,097	\$ 948,101	\$ 5,715,188	\$ 5,399,718	\$ 106,500	\$ 55,263,626	\$ 144,832,484
Restricted	270,527,750	250,955,642	213,552,839	207,168,717	194,769,129	188,197,328	187,496,268	182,582,223	179,623,689	62,146,373
Committed	-	-	-	-	-	-	-	-	-	17,507,842
Assigned	152,557,359	148,248,879	110,069,155	124,981,347	125,032,314	120,713,623	107,535,831	94,339,773	35,217,888	41,817,140
Unassigned	(1,599,859)	(1,605,563)	(1,550,470)	(5,614,358)	(13,245,428)	(17,891,929)	(24,005,611)	(31,658,357)	(28,160,897)	(36,250,997)
Total Other Governmental Funds	<u>\$ 435,251,330</u>	<u>\$ 410,206,625</u>	<u>\$ 334,609,638</u>	<u>\$ 329,554,803</u>	<u>\$ 307,504,116</u>	<u>\$ 296,734,210</u>	<u>\$ 276,426,206</u>	<u>\$ 245,370,139</u>	<u>\$ 241,944,306</u>	<u>\$ 230,052,842</u>

CITY OF FONTANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Taxes	\$ 159,517,348	\$ 144,690,732	\$ 132,341,375	\$ 124,795,458	\$ 107,409,558	\$ 103,297,087	\$ 100,200,213	\$ 95,118,655	\$ 89,113,385	\$ 88,500,198
Licenses and permits	18,797,242	14,284,661	9,547,162	12,402,513	10,713,155	12,811,481	18,626,256	9,457,615	4,014,081	6,312,758
Intergovernmental	29,659,271	39,222,825	32,980,850	24,566,107	19,884,450	20,108,576	20,328,373	26,033,423	31,222,032	43,049,724
Charges for services	31,138,289	25,991,512	22,778,927	28,474,357	27,447,010	19,659,882	26,783,977	16,345,500	10,622,985	10,880,185
Fines and forfeitures	775,399	1,683,660	3,735,492	3,812,587	3,515,710	4,021,872	4,472,790	4,780,288	3,114,133	3,989,423
Special assessments	18,389,887	18,320,914	18,136,360	17,040,757	16,758,987	16,270,692	16,040,403	15,760,431	15,531,166	15,324,914
Investment earnings	(11,566,369)	4,361,840	11,322,972	13,662,906	5,203,257	5,623,634	8,110,868	7,351,178	8,292,701	3,212,107
Contribution from property owners	21,704,957	59,507,176	5,194,646	4,480,225	18,695,684	14,728,436	-	-	2,308,611	-
Other revenue	10,295,120	27,660,909	4,983,802	3,897,361	11,027,048	8,280,834	8,528,720	10,034,327	10,125,947	12,486,725
Total Revenues	<u>278,711,144</u>	<u>335,724,229</u>	<u>241,021,586</u>	<u>233,132,271</u>	<u>220,654,859</u>	<u>204,802,494</u>	<u>203,091,600</u>	<u>184,881,417</u>	<u>174,345,041</u>	<u>183,756,034</u>
Expenditures:										
General government	37,876,497	41,481,736	35,212,913	30,213,300	29,643,233	28,048,281	22,040,327	23,930,630	20,404,087	18,767,425
Public safety	115,338,172	105,542,219	97,778,504	92,004,052	87,292,864	82,284,307	77,542,546	76,649,056	69,930,455	64,854,844
Public works	54,771,628	45,845,634	60,858,909	38,512,671	37,799,200	31,924,593	29,236,066	33,682,886	32,721,384	30,082,698
Community development	7,086,769	4,597,019	4,260,620	4,324,744	4,597,292	5,390,496	4,048,697	3,928,595	3,720,967	5,748,414
Community services	14,835,474	10,832,457	13,648,401	15,348,654	15,439,409	14,443,168	14,190,508	13,619,422	12,915,801	13,115,209
Engineering	37,410,900	44,424,084	20,205,163	9,852,337	13,129,486	10,612,177	5,180,562	14,928,557	20,009,693	5,838,832
Capital outlay	-	-	-	12,422,973	20,640,164	11,990,495	18,772,727	14,692,362	9,802,816	33,636,349
Debt service:										
Principal	1,302,474	1,230,000	1,165,000	1,105,000	1,055,000	1,015,000	2,025,000	2,450,000	2,335,000	2,215,000
Interest	2,047,366	1,881,529	2,021,463	2,000,711	2,622,940	2,405,916	2,687,661	1,670,241	2,902,744	3,009,441
Payments on refunded bonds - prior	5,089,012	-	-	-	-	-	-	3,924,816	-	-
Debt issuance cost	477,600	-	-	-	-	-	-	624,562	-	-
Total Expenditures	<u>276,235,892</u>	<u>255,834,678</u>	<u>235,150,973</u>	<u>205,784,442</u>	<u>212,219,588</u>	<u>188,114,433</u>	<u>175,724,094</u>	<u>190,101,127</u>	<u>174,742,947</u>	<u>177,268,212</u>
Excess of revenues over (under) expenditures	\$ 2,475,252	\$ 79,889,551	\$ 5,870,613	\$ 27,347,829	\$ 8,435,271	\$ 16,688,061	\$ 27,367,506	\$ (5,219,710)	\$ (397,906)	\$ 6,487,822

CITY OF FONTANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Other financing sources (uses)										
Transfers in	\$ 52,345,864	\$ 44,655,190	\$ 28,172,553	\$ 26,675,264	\$ 31,648,373	\$ 29,113,977	\$ 26,797,538	\$ 26,579,617	\$ 23,890,997	\$ 18,754,401
Transfers out	(49,517,194)	(42,078,498)	(25,905,096)	(24,545,777)	(29,963,316)	(27,373,831)	(24,785,743)	(24,919,027)	(22,304,337)	(16,445,401)
Long-term debt issued	23,125,000	-	-	-	-	-	-	37,675,000	3,873,854	-
Premium on bonds issued	3,920,250	-	-	-	-	-	-	3,429,057	-	-
Sale of capital assets	209,774	11,710,810	674,505	245,183	3,855	13,235	3,184,220	7,011	11,458	4,277
Capital lease	108,141	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	(40,526,666)	-	-
Total other financing sources (uses)	\$ 30,191,835	\$ 14,287,502	\$ 2,941,962	\$ 2,374,670	\$ 1,688,912	\$ 1,753,381	\$ 5,196,015	\$ 2,244,992	\$ 5,471,972	\$ 2,313,277
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	32,667,087	94,177,053	8,812,575	29,722,499	10,124,183	18,441,442	32,563,521	(2,974,718)	5,074,066	8,801,099
Debt service as a percentage of noncapital expenditures	1.2%	1.2%	1.4%	1.6%	1.9%	1.9%	3.0%	2.3%	3.2%	3.6%

CITY OF FONTANA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other	Less: Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate
2022	\$ 15,528,346	\$ 1,795,936	\$ 4,793,734	\$ 3,155,412	\$ 1,247,727	\$ 24,025,701	0.2229%
2021	14,609,093	1,702,974	4,221,433	3,176,113	1,206,069	22,503,544	0.2229%
2020	13,789,451	1,653,449	3,865,352	3,035,990	1,184,156	21,160,086	0.2228%
2019	13,105,716	1,512,467	3,269,699	2,909,966	1,131,418	19,666,430	0.2226%
2018	12,119,011	1,424,642	2,495,301	2,790,019	1,107,737	17,721,236	0.2225%
2017	11,467,647	1,367,110	2,337,790	2,728,389	1,081,775	16,819,161	0.2222%
2016	10,881,178	1,330,490	2,154,179	2,682,921	1,066,662	15,982,106	0.2231%
2015	10,323,555	1,293,464	2,065,027	2,588,295	1,045,876	15,224,465	0.2231%
2014	9,438,839	1,246,930	1,832,288	2,094,367	623,824	13,988,600	0.2230%
2013	9,014,234	1,231,169	1,805,027	2,112,519	566,672	13,596,277	0.7072%

Notes: In 1978, the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: San Bernardino County Auditor/Controller

CITY OF FONTANA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(Rate per \$100 of assessed value)
Last Ten Fiscal Years

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Direct Rates:										
City basic rate	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032
Fontana Unified School District	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273
Education Revenue Augmentation Fund	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222
Fontana Fire Protection District	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186
County of San Bernardino	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147
Chaffey Community College	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043
Inland Empire Utilities Agency- 1969 Annex	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029
Flood Control	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026
Others	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043
Basic Levy ⁽¹⁾	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Overlapping Rates ⁽²⁾										
Chaffey Community College	0.0177	0.0111	0.0241	0.0153	0.0088	0.0116	0.0113	0.0109	0.0157	0.0111
Chaffey High School	0.0371	0.0352	0.0375	0.0402	0.0279	0.0319	0.0409	0.0294	0.0371	0.0101
Colton Unified School	0.1081	0.1031	0.1016	0.1116	0.0939	0.1454	0.1169	0.0973	0.1187	0.1488
Etiwanda Elementary Bond	0.0233	0.0283	0.0034	0.0286	0.0169	-	-	-	-	-
Fontana Unified School District	0.0520	0.0671	0.0420	0.0890	0.1113	0.1117	0.1145	0.1384	0.1516	0.1501
Metropolitan Water Agency - Original	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
Rialto Unified School	0.0829	0.0805	0.0848	0.0771	0.0957	0.0992	0.1194	0.0655	0.0704	0.0736
San Bernardino Community College	0.0534	0.0651	0.0562	0.0407	0.0376	0.0350	0.0403	0.0393	0.0419	0.0459
San Bernardino Valley Muni Water	0.1300	0.1425	0.1425	0.1525	0.1525	0.1625	0.1625	0.1625	0.1625	0.1625
Total Tax Rate	1.5080	1.5364	1.4956	1.5585	1.5481	1.6008	1.6093	1.5468	1.6014	1.6056
City Share of 1% levy per Prop 13 ⁽³⁾	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785
Total Direct Rate ⁽⁴⁾	0.2229	0.2229	0.2228	0.2226	0.2225	0.2222	0.2231	0.2231	0.2230	0.7072

(1) In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

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

(3) City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city.

(4) Total Direct Rate is the weighted average of all individual direct rates for the City of Fontana.

Source: San Bernardino County Assessor 2012/13 - 2021/22 Tax Rate Table

CITY OF FONTANA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Tax Payer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Duke Realty LP	\$ 190,372,678	1	0.79%	\$ -	-	-
GLC Fontana LLC	168,685,357	2	0.70%	-	-	-
San Gabriel Valley Water Company	144,589,954	3	0.60%	137,881,343	1	1.01%
Vintage Park East LLC	135,437,610	4	0.56%	116,715,998	2	0.86%
Target Corporation	129,474,525	5	0.54%	90,690,950	4	0.67%
Northwestern Mutual Life Insurance Co	110,338,280	6	0.46%	-	-	-
Fairfield Potomac Club LLC	109,687,838	7	0.46%	-	-	-
10824 Production Owner LLC	105,633,138	8	0.44%	-	-	-
Citrus Avenue LLC	99,271,641	9	0.41%	-	-	-
DCT Jurupa Ranch LLC	99,192,276	10	0.41%	-	-	-
RRP Falcon Ridge Town Center LP	-	-	-	103,970,937	3	0.76%
Intex Properties	-	-	-	75,426,368	5	0.55%
North Fontana Investment Company	-	-	-	61,268,736	6	0.45%
UST-CB Partners LP	-	-	-	58,607,715	7	0.43%
10681 Production Avenue LLC	-	-	-	58,063,954	8	0.43%
Ameeron International Corporation	-	-	-	57,178,789	9	0.42%
John Hancock Life Insurance Co	-	-	-	55,500,000	10	0.41%
	<u>\$ 1,292,683,297</u>		5.38%	<u>\$ 815,304,790</u>		6.00%

Source: San Bernardino County Assessor 2021/22 and 2012/13 Combined Tax Rolls

CITY OF FONTANA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years⁽¹⁾	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 177,815,170	\$ 154,626,525	86.96%	N/A	\$ 188,891,255	106.23%
2021	165,790,631	163,224,145	98.45%	N/A	172,050,509	103.78%
2020	155,079,893	150,276,972	96.90%	N/A	160,025,650	103.19%
2019	143,242,302	139,912,871	97.68%	N/A	154,079,402	107.57%
2018	127,484,458	123,578,925	96.94%	N/A	135,747,922	106.48%
2017	120,165,247	116,284,658	96.77%	N/A	125,264,871	104.24%
2016	114,393,058	110,245,843	96.37%	N/A	116,422,050	101.77%
2015	108,804,010	100,541,313	92.41%	N/A	115,888,404	106.51%
2014	99,428,467	96,197,340	96.75%	N/A	100,966,890	101.55%
2013	96,706,177	103,568,113	107.10%	N/A	95,130,535	98.37%

Notes: The amounts presented include City property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies.

(1) Data provided by the San Bernardino County Assessor's Office for collection of prior year taxes does not segregate the information by fiscal year. Therefore, the City is not able to provide this information in the above schedule.

(2) Due to the dissolution of the former redevelopment agency, the property taxes collected in the former project areas are no longer remitted to the agencies. Assembly Bill 1X26 provides that revenues will only be allocated to make payments on the indebtedness; all remaining collections will be distributed to the other taxing entities based on the tax sharing formula.

Source: San Bernardino Auditor-Controller's Office

CITY OF FONTANA
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	General Bonded Debt		Governmental Activities Term Loan	Business-type Activities Term Loan	Total Primary Government	Percentage of Personal Income	Per Capita
			General Obligation Bonds	Total Net General Bonded Debt					
2022	212,809	\$ -	\$ 59,449,893	\$ 59,449,893	\$ 2,851,815	\$ 5,720,869	\$ 68,022,577	-	279
2021	213,944	5,432,476,000	38,780,145	38,780,145	3,259,217	6,584,027	48,623,389	0.90%	181
2020	213,000	5,061,439,000	40,122,668	40,122,668	4,074,021	7,355,897	51,552,586	1.02%	188
2019	212,078	4,775,796,000	41,400,191	41,400,191	3,873,854	8,264,879	53,538,924	1.12%	195
2018	212,000	4,444,518,000	42,617,714	42,617,714	3,873,854	9,083,112	55,574,680	1.25%	201
2017	212,786	4,159,001,000	43,785,237	43,785,237	3,873,854	9,886,898	57,545,989	1.38%	206
2016	209,895	4,013,591,000	44,912,760	44,912,760	3,873,854	10,676,491	59,463,105	1.48%	214
2015	204,312	3,963,623,000	47,050,283	47,050,283	3,873,854	11,452,143	62,376,280	1.57%	230
2014	202,013	3,834,409,000	53,062,593	53,062,593	3,873,854	12,214,101	69,150,548	1.80%	263
2013	202,177	3,766,153,000	55,427,203	55,427,203	-	12,962,605	68,389,808	1.82%	274

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Personal Income amounts for the most recent fiscal year are not available at the issuance of this report.

⁽¹⁾ Source: California State Department of Finance

⁽²⁾ Source: US Census Bureau, most recent American Community Survey

CITY OF FONTANA
RATIO OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Total Assessed Valuation ⁽²⁾		General Bonded Debt	Total Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt per Capita
				Lease Revenue Bonds			
2022	212,809	\$ 24,025,701,078	(3)	\$ 59,449,893	\$ 59,449,893	0.25%	\$ 279
2021	213,944	22,503,543,501	(3)	38,780,145	38,780,145	0.17%	181
2020	213,000	21,160,085,508	(3)	40,122,668	40,122,668	0.19%	188
2019	212,078	19,666,430,280	(3)	41,400,191	41,400,191	0.21%	195
2018	212,000	17,721,235,967	(3)	42,617,714	42,617,714	0.24%	201
2017	212,786	16,819,161,359	(3)	43,785,237	43,785,237	0.26%	206
2016	209,895	15,982,106,642	(3)	44,912,760	44,912,760	0.28%	214
2015	204,312	15,224,465,093	(3)	47,050,283	47,050,283	0.31%	230
2014	202,013	13,988,600,102	(3)	53,062,593	53,062,593	0.38%	263
2013	202,177	13,596,277,647	(3)	55,427,203	55,427,203	0.41%	274

Note: General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds

⁽¹⁾ Source: State Department of Finance

⁽²⁾ Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

⁽³⁾ Due to the dissolution of the redevelopment agency on January 31, 2012, total assessed value for the City is no longer reduced by the incremental value of the redevelopment project areas.

CITY OF FONTANA
DIRECT AND OVERLAPPING BONDED DEBT
June 30, 2022

City Assessed Valuation		\$ 24,025,701,078	
	Percentage Applicable⁽¹⁾	Total Debt 6/30/22	Net Bonded Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	0.577%	\$ 20,175,000	\$ 116,410
Chaffey Community College District	15.516%	302,930,000	47,002,619
San Bernardino Community College District	3.514%	730,017,126	25,652,802
Chaffey Joint Union High School District	7.362%	513,636,737	37,813,937
Colton Joint Unified School District	17.409%	189,142,661	32,927,846
Fontana Unified School District	77.801%	269,259,841	209,486,849
Rialto Unified School District	6.982%	93,496,428	6,527,921
Etiwanda School District	29.342%	87,096,760	25,555,931
Colton Joint Unified School District Community Facilities District #3	100.000%	5,130,000	5,130,000
Etiwanda School District Community Facilities District #4	100.000%	1,270,000	1,270,000
Etiwanda School District Community Facilities District #7	74.583%	7,145,000	5,328,955
Etiwanda School District Community Facilities District #8	35.493%	3,960,000	1,405,523
Etiwanda School District Community Facilities District #9	30.332%	6,770,000	2,053,476
Etiwanda School District Community Facilities District #2001-1	100.000%	2,525,000	2,525,000
Etiwanda School District Community Facilities District #2004-1	100.000%	17,705,000	17,705,000
City of Fontana Community Facilities Districts	100.000%	167,990,000	167,990,000
California Statewide Community Facilities District ADNo. 2020-3	100.000%	840,000	840,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		<u>\$ 2,419,089,553</u>	<u>\$ 589,332,269</u>
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>			
San Bernardino County General Fund Obligations	9.025%	188,035,000	16,970,159
San Bernardino County Pension Obligations	9.025%	119,835,000	10,815,109
San Bernardino County Flood Control District General Fund Obligation	9.025%	44,780,000	4,041,395
Chaffey Community College District General Fund Obligations	15.516%	27,675,000	4,294,053
Fontana Unified School District Certificates of Participation	77.801%	20,515,000	15,960,875
Rialto Unified School District Certificates of Participation	6.982%	9,976,091	696,531
Cucamonga School District Certificates of Participation	5.091%	3,426,000	174,418
City of Fontana General Fund Obligations	100.000%	59,449,893	59,449,893
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		<u>\$ 473,691,984</u>	<u>\$ 112,402,433</u>
TOTAL OVERLAPPING DEBT		<u>\$ 2,892,781,537</u>	642,284,809
CITY DIRECT DEBT			<u>62,301,708</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u>\$ 704,586,517</u>

Notes:

⁽¹⁾ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. 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 repaying the debt, of each overlapping government.

Source: California Municipal Statistics, Inc.

CITY OF FONTANA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	Fiscal Year				
	2022	2021	2020	2019	2018
Total assessed value of all real and personal property	\$ 24,025,701,078 ⁽²⁾	\$ 22,503,543,501 ⁽²⁾	\$ 21,160,085,508 ⁽²⁾	\$ 19,666,430,280 ⁽²⁾	\$ 17,721,235,967 ⁽²⁾
Debt limit percentage ⁽¹⁾	15%	15%	15%	15%	15%
Total debt limit	3,603,855,162	3,375,531,525	3,174,012,826	2,949,964,542	2,658,185,395
Amount of debt applicable to debt limit	53,015,000	36,185,000	37,415,000	38,580,000	39,685,000
Legal debt margin	3,550,840,162	3,339,346,525	3,136,597,826	2,911,384,542	2,618,500,395
Total net debt applicable to the limit as a percentage of debt limit	1.47%	1.07%	1.18%	1.49%	1.61%

	Fiscal Year				
	2017	2016	2015	2014	2013
Total assessed value of all real and personal property	\$ 16,819,161,359 ⁽²⁾	\$ 15,982,106,642 ⁽²⁾	\$ 15,224,465,093 ⁽²⁾	\$ 13,988,600,102 ⁽²⁾	\$ 13,596,277,647
Debt limit percentage ⁽¹⁾	15%	15%	15%	15%	15%
Total debt limit	2,522,874,204	2,397,315,996	2,283,669,764	2,098,290,015	2,039,441,647
Amount of debt applicable to debt limit	40,740,000	41,755,000	43,780,000	52,490,000	54,825,000
Legal debt margin	2,482,134,204	2,355,560,996	2,239,889,764	2,045,800,015	1,984,616,647
Total net debt applicable to the limit as a percentage of debt limit	1.61%	1.74%	1.92%	2.50%	2.69%

⁽¹⁾ State of California Government Code §43605.

⁽²⁾ Due to the dissolution of the redevelopment agency on January 31, 2012, total assessed value for the City is no longer reduced by the incremental value of the redevelopment project areas.

Source: San Bernardino County Tax Assessor's Office

CITY OF FONTANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Calendar Years

Calendar Year	Population⁽¹⁾	Personal Income (thousands of dollars)⁽²⁾	Per Capita Personal Income	Unemployment Rate⁽³⁾
2022	212,809			3.4%
2021	213,944	5,432,476	25,392	4.9%
2020	213,000	5,061,439	23,763	10.1%
2019	212,078	4,775,796	22,519	3.1%
2018	212,000	4,444,518	20,965	3.6%
2017	212,786	4,159,001	19,545	5.5%
2016	209,895	4,013,591	19,122	6.2%
2015	204,312	3,963,623	19,400	7.0%
2014	202,013	3,834,409	18,981	8.7%
2013	202,177	3,766,153	18,628	8.7%
2012	200,974	3,720,029	18,510	10.0%

Sources: ⁽¹⁾ State Department of Finance
⁽²⁾ US Census Bureau, most recent American Community Society
⁽³⁾ State of California Employment Development Department

CITY OF FONTANA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2022			2013		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Kaiser Permanente	7,642	1	7.48%	4,800	2	7.74%
Fontana Unified School District	6,665	2	6.53%	4,915	1	7.93%
Amazon.Com Services LLC	3,145	3	3.08%			-
Target Stores T 553	1,788	4	1.75%			-
Kaiser Foundations Hospitals	1,783	5	1.75%			
St Bernardine Medical Center	1,775	6	1.74%			
Walmart #6060 DC Drop Yard	1,034	7	1.01%			
City of Fontana (includes part-time employees)	992	8	0.97%	1,103	3	1.78%
Walmart D C #6060	973	9	0.95%			
Saia Motor Freight Line LLC	402	10	0.39%			
Swift Transportation Co., Inc.	-		-	980	4	1.58%
Target (Dayton/Houston)	-		-	666	5	1.07%
Schneider National Carriers, Inc.	-		-	578	6	0.93%
Walmart	-		-	330	7	0.53%
Reddaway Inc.	-		-	320	8	0.52%
Synscreen Technology USA LLC	-		-	281	9	0.45%
Firth Rixson Machininbg Center	-		-	277	10	0.45%
	<u>26,199</u>		<u>25.66%</u>	<u>14,250</u>		<u>22.99%</u>

Note: "Total Employment" as used above represents the total employment of all employers located within City limits.

4915
0.0793
61979.82346

Source: City of Fontana, Business License.

CITY OF FONTANA

FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION

Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30,									
Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Administrative Services	1	5	5	5	5	5	5	5	5	5
City Council	7	7	7	7	7	7	7	7	7	7
City Administration	11	11	10	10	9	9	8	8	8	6
Human Resources	11	9	9	9	9	8	8	8	7	6
Information Services	26	26	26	25	24	24	23	23	23	23
Management Services	27	23	22	22	22	22	23	23	23	21
Police										
Officers	217	203	202	199	194	194	194	190	195	197
Civilians	95	107	102	102	99	96	94	93	93	94
Development Services	20	4	5	5	5	5	4	5	4	4
Community Development	36	32	32	31	31	29	29	29	29	29
Engineering	36	36	34	34	30	29	29	29	31	32
Public Works	95	96	96	95	94	94	93	93	93	93
Community Services	50	46	46	46	46	46	46	44	44	43
Total	632	605	596	590	575	568	563	557	562	560

Notes: A full-time employee is scheduled to work 2,080 hours per year (including leave time).

Source: City of Fontana, Office of Management & Budget

CITY OF FONTANA
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Completed recruitment for full time position	55	50	52	47	50	55	41	37	48	48
New maintenance CFD's/ Annexations formed	3	6	9	9	2	5	7	7	3	1
Police										
Arrests per sworn position	27	32	36	46	44	48	49.56	54	48	38
Computer Aided Dispatch Entries per Dispatcher	6,169	5,875	5,999	5,109	5,187	5,172	5,157	4,933	4,798	4,798
Number of traffic collision reports processed	2,565	2,700	2,697	3,198	3,316	3,403	3,191	2,576	2,458	2,458
Building and Code Compliance										
Building permits issued	3,000	3,000	3,665	3,529	5,565	5,100	3,400	2,800	2,800	2,500
Building inspections performed	20,000	20,000	12,870	19,858	28,560	33,000	25,000	18,000	18,000	15,000
Public Works										
Miles of pavement rehabilitation	25	30	33	33	33	33	25	15	25	25
Graffiti Hotline calls completed	4,000	4,200	3,117	3,117	4,268	4,268	5,297	4,040	3,746	6,716
Potholes filled	4,000	5,500	3,951	7,051	8,122	8,122	17,000	11,000	17,000	17,000
Community Services										
Total Number of Recreation Program Participants	738,806	510,469	1,064,659	1,900,464	1,734,000	1,799,532	1,764,532	1,729,933	1,647,555	1,863,031

Sources: Various City departments
2022/23 Budget Books

CITY OF FONTANA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2022</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>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Contact stations	2	2	2	2	2	2	2	2	2	2
Engineering										
Traffic signals	209	207	206	200	195	191	189	186	180	173
Public Works										
Lane miles of streets	1,751	1,751	1,751	1,751	1,751	1,751	1,532	1,512	1,525	1,481
Sanitary sewers (miles)	478	469	463	438	425	425	424	422	422	422
Community Services										
Parks	48	47	47	46	44	44	43	43	40	40
Playgrounds	44	42	42	41	39	39	38	38	35	35
Recreation Centers	14	14	14	10	10	10	9	9	9	9

Sources: Various City departments

CITY OF FONTANA

MISCELLANEOUS STATISTICAL INFORMATION

June 30, 2022

Year of incorporation:	1952	Transportation:	
Form of Government: Council - Manager		Air: Ontario International Airport	
Area in square miles:	42.4	Bus: Omnitrans County Bus Service	
Miles of streets:	628	Highways:	
Sanitary sewers:	409 miles	Interstate 10	
Storm drains:	162 miles	Interstate 15	
Streetscapes:	548 acres	Interstate 210	
Parks:	630 acres	State Highway 66	
Bicycle trails:	10.4 miles	Rail:	
Police protection:		Metrolink (Commuter)	
City of Fontana		Burlington Northern/Santa Fe	
Number of stations	3	Union Pacific	
Number of personnel:		Water service:	
Sworn	217	Cucamonga County Water District	
Non-sworn	95	San Gabriel Valley Water Co.	
City employees (full time):	632	West San Bernardino County Water District	
Fire protection:		Sewer service:	
County of San Bernardino		Inland Empire Utilities Agency	
Number of stations	7	City of Fontana	
Number of personnel	118	City of Rialto	
		Education:	
		Elementary Schools	30
		Middle Schools	7
		High Schools	5
		Continuation High Schools	2
		Online Learning	2
		Adult School	1

Source: City of Fontana Departments
2022/23 Budget Book