

City of Fontana



Comprehensive Annual Financial Report Fiscal Year Ending June 30, 2020 Fontana, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

City of Fontana California

Acquanetta Warren, Mayor

Phillip W. Cothran, Mayor Pro Tem

Peter Garcia, Council Member

John B. Roberts, Council Member

Jesus "Jesse" Sandoval, Council Member

(At Date of Issuance)

Mark Denny, City Manager

PREPARED BY CITY OF FONTANA MANAGEMENT SERVICES DEPARTMENT

Lisa A. Strong, Management Services Director/Deputy City Treasurer

George Pirsko, Accounting Manager

For information about the City of Fontana please visit our website at www.fontana.org.

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Year Ended June 30, 2020

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City of Fontana

CALIFORNIA

March 31, 2021

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 comprehensive annual financial report of the City of Fontana for the fiscal year ended June 30, 2020.

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 of 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, 2020, 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, 2020, 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 42.4 square miles and has an estimated population of 213,000. 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; waste water 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 Management Services 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. As the Inland Empire continued to recover and expand since 2011, the COVID-19 pandemic disrupted lives and businesses alike. The Inland Empire's housing markets are strengthening, new home builders are finally reentering the market, job growth is strong and consumer spending is increasing. With the current economic recovery going into its tenth year, growth is expected to slow and a downturn in the next few years seems likely.

Strong Jobs, Balanced Growth. After experiencing eight straight years of job gains the Inland Empire, along with the rest of the State, saw significant job reductions in the wake of the government COVID -19 shut down of the non-essential portions of the economy. There were four sectors that saw the greatest job losses: travel and amusement (-12,000 or -31.4%); eating and drinking (-33,700 or -24.6%); consumer service (-8,300 or -18.1%); and retailers (-13,600 or -7.5%). Though some small stores may never reopen, full job recovery is anticipated during 2022.

Retail Sales Are Increasing. Taxable sales are a major revenue source for cities. Due to the government COVID -19 shutdown, taxable retail sales declined 3.9% from June 2019 to June 2020 within the City. During calendar year 2019 sales in San Bernardino County rose 2.9%. The COVID -19 impact on San Bernardino County saw the quarter ending March 2020 rise 1.1% then fall 7.8% for the quarter ending June 2020.

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 barriers for consumers to obtain financing is keeping prices steady with San Bernardino County's home prices increasing 10.8% from June 2019 to June 2020. Affordability remains high in the Inland Empire where 43-54 percent of home buyers can afford the median priced home; however, affordability is still an ongoing issue in the coastal communities where only 24-27 percent of homebuyers can afford a median priced home. This affordability factor is driving buyers inland, but so far lack of supply has prevented this.

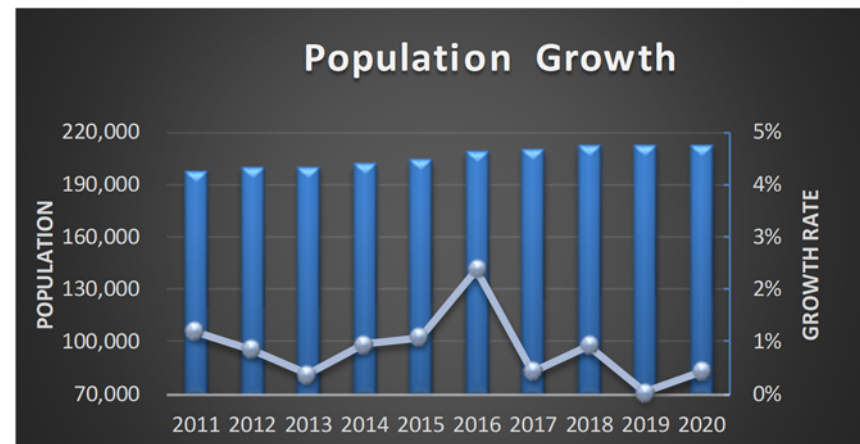
The median home prices for the City of Fontana are up 9.4% for existing homes (\$470,082) and up 2.1% for new homes (\$517,790), which is reflected in the growth of assessed valuations for the city of 6.4 percent to \$22.355 billion. The cities (Ontario, Rancho Cucamonga, and Rialto) that surround the City of Fontana had a new home median price growth of 18.3%.

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 5 years and expects that trend to continue over the next decade.

The Arboretum Specific Plan is coming to fruition. This specific plan is envisioned as a master-planned community located on over 500 acres in the northern portion of the City that will add approximately 3,500 residential units, 2 school sites, private and public recreation facilities and an activity center to the city. Phase 1 of this 4-phase master-planned community commenced in 2020 adding 175 residential units and is expected to continue in the coming year.

The center of San Bernardino County's growth is moving west into Fontana. The population has grown 8 percent over the past ten years and, at 213,000 Fontana is the second largest city in San Bernardino County, the third largest in the Inland Empire, and twentieth in the State.

With the constant addition of new residential units in the City, it is expected that the City's population will continue to increase as well and is estimated to exceed 280,900 by the year 2040.



The City of Fontana continued to see a number of significant events during the past year despite the slowly recovering economy and resulting budget constraints.

Significant Events of FY 2019-20

- **Auto Center:** Construction has been completed and Fontana Mazda opened for business at the corner of Sierra Avenue and South Highland Avenue in August 2019. Construction is set to begin on Fontana Hyundai in Fall 2020.
- **Sierra and Ramona proposed Multifamily Apartments:** Groundbreaking was held in January 2020 on this 60-unit affordable apartment community located on the southwest corner of Sierra and Ramona Avenues. Completion is anticipated in Spring 2021.



- **South Fontana Sports Park:** The conceptual design has been finalized for this new 17-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. Construction plans and documents are being drafted.
- **Veterans Memorial Wall:** This memorial wall honors veterans from all military branches with eight granite walls describing the conflicts in which our veterans have served. The wall was opened to the public in May 2020 although the opening ceremony has been delayed due to the COVID-19 pandemic.

- **ABS Energy Project:** This project includes the installation of energy efficient measures such as lighting, heating ventilation and air-conditioning (HVAC), system controls, cool roofing and solar photovoltaic (PV) energy at a variety of City facilities. LED retrofits of all interior and exterior lighting was completed in October 2019. The removal of approximately 50 old HVAC units and replacement with new energy efficient units was completed in February 2020. The removal and replacement of existing roofs with new cool roofs at City Hall, Human Resources and Center Stage was completed in June 2020. The installation of solar photovoltaic (PV) carports and rooftop panels at City Hall, Police Department, East Annex, Senior Center, Community Services, and Village of Heritage was completed in June 2020. The Public Works building is on hold pending completion of the County channel project.



- **Pavement Rehabilitation Program:** The program targeted various areas of the City and completed 6 lane miles of street segments with various treatments from minor overlays to complete reconstruction for a total expenditure of \$1,265,601, and slurry sealed 15 lane miles for a total expenditure of \$1,250,858, since July 1, 2019. In addition, 82 sidewalks were removed and replaced, and 424 locations were horizontally cut for a total expenditure of \$152,210 mitigating 537 trip hazards.

Challenges Ahead

While the City works its way through the COVID-19 pandemic and the changes that evolve from it, there are other challenges that lie ahead. The following is a summary of challenges that the City will face over the next few years.

- **COVID-19 Pandemic.** The uncertainty of how long the presence of the virus will disrupt the U.S. economy has made forecasting local government revenues extremely challenging. The consumer's return to previous spending habits may not be immediate, particularly with respect to leisure travel, dining and discretionary spending. All projections contained within this budget assume that the state's **orders** affecting businesses and gatherings will continue through the 2020-21 fiscal year.
- **State Budget.** The Governor acknowledges in his May Revision that the world has changed dramatically since his proposed budget in January. The May Revision cancels new initiatives, draws down on reserves, borrows from special funds, temporarily increases revenues and reflects savings through directing agencies and departments to increase efficiency and streamline existing efforts. It also reflects reductions to base programs and employee compensation that will be necessary to address the remaining budget gap should the federal government not provide additional necessary funding to support public health, safety and education. While the May Revision does provide for a balanced budget next year, a significant structural out-year deficit would remain, increasing to over \$16 billion by Fiscal Year 2023-24.

- **California Public Employees Retirement System (CalPERS).** PERS rates continue to rise each year. The recent reduction of the discount rate assumption from 7.5% to 7.0% has resulted in sharper rate increases that began with Fiscal Year 2018-19. In order to help close the budget gap created by the loss of revenue due to the COVID-19 pandemic, \$1.3 million of the City's PERS Rate Stability Reserve was used leaving a balance of \$4.4 million. At First Quarter of FY 2020-21 this was replenished after evaluating the results of FY 2019-20.
- **Unfunded Liability.** The annual required contribution to fund the City's retiree health program for both current and future retirees has been calculated to be \$2.5 million (excludes implicit subsidy amount) for the next year. The 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 \$7.00 million from various funds was allocated in the FY 2020-21 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 2020-21 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 23, 2020, the City Council adopted the fiscal year 2020-2021 budget. 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 2020 and totaled \$758.9 million for the seven-year fiscal period ending June 30, 2027. 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, 2020, 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, 2020, the City has \$37.4 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 \$3,174 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, 2019. This is the twenty-seventh 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 comprehensive annual 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 Comprehensive Annual Financial Report conforms to the Certificate of Achievement program requirements and are submitting it to the GFOA to determine its eligibility for a certificate for the fiscal year ended June 30, 2020.

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 is the nineteenth 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 will continue to participate in the program.

The City of Fontana has received the League of California Cities Helen Putnam Award for Excellence in Financial Management in recognition of the following innovative and business-like products:

- 2001 - **Financial Highlights**, a "Readers' Digest" version of the City's annual financial report;
- 1998 - **Financial Performance Reporting Program**, a "user-friendly" monthly report of the City's financial condition with focus on the General Fund;
- 1997 - **User Fee Program**, a comprehensive and accurate fee schedule supporting all of the City's fees, charges and rates; and
- 1996 - **Municipal Services Fiscal Impact Fee Program**, a process of estimating and reporting the fiscal impacts of residential and industrial construction projects on the cost of recurring City services and implementing a cost/benefit approach to funding new development as an alternative to using General Fund sources.

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 comprehensive annual financial report could not have been accomplished on a timely basis 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 Management Services staff, and specifically to George Pirsko, Genivive Schwarzkopf, Justin Marietta, Gloria Duran, Michael Tran, and Margo Arispuro. 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,

A handwritten signature in black ink, appearing to read 'Lisa A. Strong', with a stylized, flowing script.

Lisa A. Strong
Management Services Director/Deputy City Treasurer

CITY OF FONTANA

LIST OF PRINCIPAL OFFICIALS

(At Date of Issuance)

ELECTED OFFICIALS

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

Janet Koehler-Brooks, City Treasurer
Tonia Lewis, City Clerk

ADMINISTRATIVE STAFF

Mark Denny	City Manager
Phil Burum	Deputy City Manager / Development Services
Vacant	Deputy City Manager / Administrative Services
Jeffrey Birchfield	Fire Chief
Ramon Ebert	Information Technology Director
William P. Green	Police Chief
Orlando Hernandez	Interim Community Development Director
Keith Kramer	Public Works Director
Garth W. Nelson	Community Services Director
Karen Porlas	Deputy City Clerk
Ricardo Sandoval	Engineering Director
Lisa A. Strong	Management Services Director
Rakesha Thomas	Human Resources Director

The Certificate of Achievement for Excellence in Financial Reporting (Certificate of Achievement) is recognized as the highest award in government financial reporting. The Government Finance Officers Association (GFOA) established the Certificate of Achievement Program in 1945 to encourage government units to publish excellent comprehensive annual financial reports (Annual Reports) and to provide peer recognition and educational assistance to the *officials* preparing Annual Reports. Units choosing to participate in the program submit copies of their Annual Reports for review by an impartial Special Review Committee (SRC) of qualified judges. Reports meeting program standards are awarded Certificates of Achievement.

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.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Fontana
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

Citizens of Fontana

Elected Officials

Mayor
City Council
City Treasurer
City Clerk

City Attorney

City Manager

Mark R. Denny

Administrative Services

Vacant
Deputy City Manager

Office of the City Clerk
Karen Porlas

Community Services
Garth W. Nelson

Information Technology
Ramon Ebert

Management Services
Lisa A. Strong

Human Resources

Rakesha Thomas

Police Department

William P. Green
Police Chief

Fire Protection District

Jeffrey Birchfield
Fire Chief

Development Services

Vacant
Deputy City Manager

Community Development
Ulla A. K. A. A. A.

Engineering
Ricardo Sandoval

Public Works
Keith M. Kramer

20FJ/202€ Organizational Chart

City-wide

Effective 7/1/2020
Budgeted 600 FTE City
Budgeted 456 Part-Time
Budgeted 7 Intern Positions
132 FTE Fire

City Council
City of Fontana
Fontana, California

Independent Auditors' 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, California, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the

effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fontana, California, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows and the statement of revenues, expenditures and changes in fund balance - budget to actual of the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, the *schedule of changes in net pension liability*, the *schedule of pension plan contributions*, and the *schedule of changes in total OPEB liability* be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fontana's basic financial statements. The *combining and individual nonmajor fund financial statements and schedules*, the *introductory section* and the *statistical section* are presented for purposes of additional analysis and are not a required part of the basic financial statements. The *combining and individual nonmajor fund financial statements and schedules* are the responsibility of management and were derived from and relates 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 schedules* are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The *introductory section* and the *statistical section* have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2021 on our consideration of the City of Fontana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 City of Fontana's internal control over financial reporting and compliance.

Davis Farr LLP

Irvine, California
March 31, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS

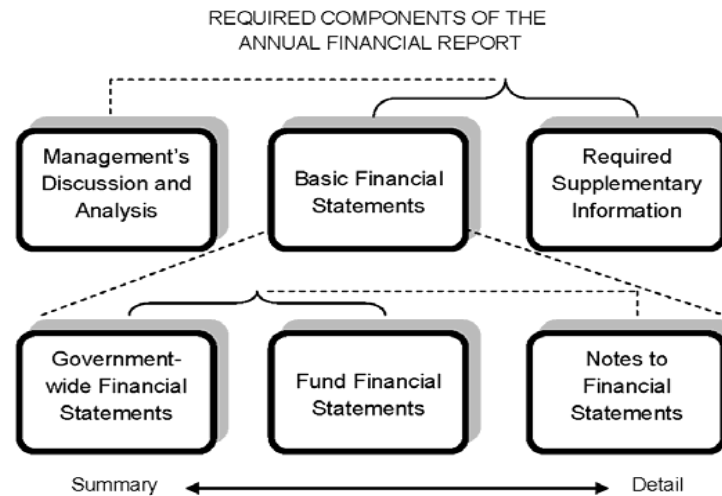
This narrative overview and analysis of the City of Fontana's financial activities for the fiscal year ended June 30, 2020 is presented by the management of the City of Fontana to readers of the City's financial statements. Management encourages readers to consider the information presented here in conjunction 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 \$1,005.2 million as of June 30, 2020 ("current fiscal year"). Of this amount, \$244.8 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 \$13.5 million, and \$746.9 million accounts for investments in capital assets in excess of related debt.
- The City's total net position decreased \$10.8 million during the current fiscal year. The decrease is primarily due to the effects of the COVID-19 pandemic on the City's operations and the reduction in capital assets of \$14.6 million. The \$14.6 million was mitigated by the reduction in operating costs of \$1.9 million for the Community Services function caused by the pandemic shutdown.
- As of the fiscal year end, the City's Governmental Funds ending fund balances were \$433.1 million, an increase of approximately \$8.8 million or 2.1% from the prior fiscal year. Of this balance, \$227.8 million is either nonspendable or restricted for use set by various legal requirements, \$5.7 million is committed by the City Council for PERS rate fluctuations and \$199.6 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 \$98.5 million, an increase of approximately \$3.8 million or 4.0% from the previous year. The General Fund's fund balance consists of \$1.7 million in nonspendable and restricted fund balance, \$5.7 million committed for the purposes of PERS rate fluctuations, and \$91.0 million in assigned and unassigned fund balances. See page 14 for further discussion.
- The City's business-type activities yielded operating revenues of \$1.9 million less than the recorded operating expenses of \$26.8 million.
- General Fund revenues were \$4.0 million more than the final budget, and expenditures were \$2.7 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 16 of the notes to the financial statements for more information on the dissolution.

The government-wide financial statements can be found on pages 19 and 20 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 48 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 Capital Reinvestment Fund, the Future Capital Projects Fund, Sewer Expansion, and the Traffic Mitigation Capital Project Fund, which are considered to be major funds. Data for the other 41 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 and the Housing Authority Low/Mod Housing 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 21-27 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.

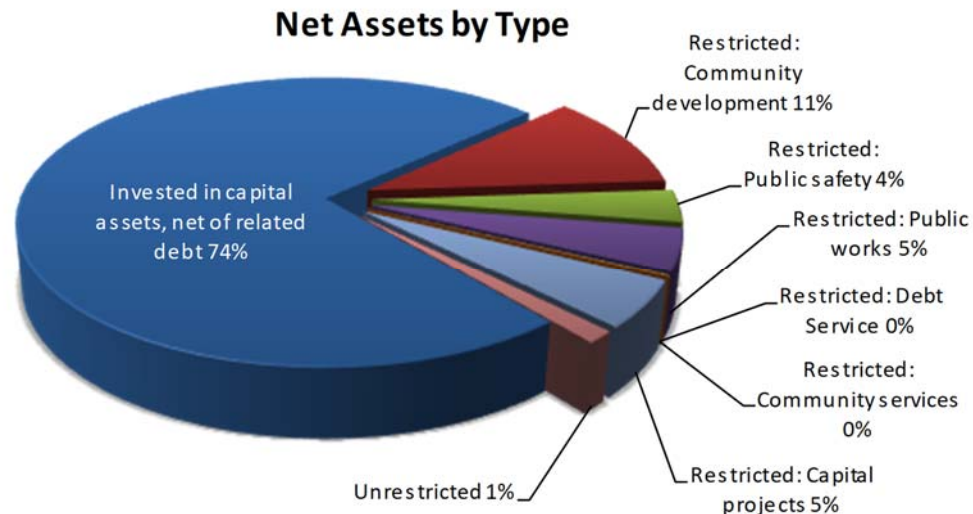
Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found on pages 28-30 of this report.

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 31-32 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 33-86 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, 2020, assets exceeded liabilities by \$1,005.2 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 \$746.9 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 (\$244.8 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$13.5 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)

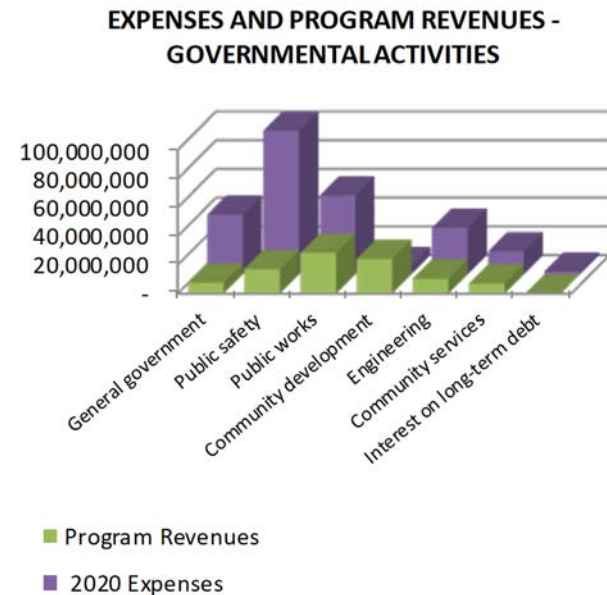
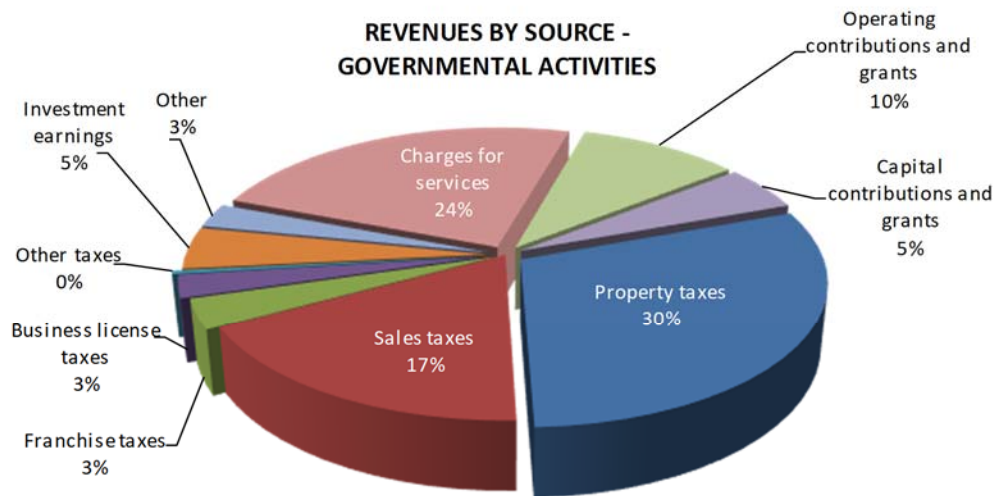
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 487,975	\$ 474,317	\$ 29,815	\$ 29,268	\$ 517,790	\$ 503,585
Capital assets	734,281	746,279	64,886	67,520	799,167	813,799
Total assets	<u>1,222,256</u>	<u>1,220,596</u>	<u>94,701</u>	<u>96,788</u>	<u>1,316,957</u>	<u>1,317,384</u>
Deferred outflows of resources	<u>37,512</u>	<u>33,149</u>	<u>1,113</u>	<u>1,317</u>	<u>38,625</u>	<u>34,466</u>
Long-term liabilities outstanding	288,919	277,525	14,953	12,928	303,872	290,453
Other liabilities	40,249	38,747	2,415	2,728	42,664	41,475
Total liabilities	<u>329,168</u>	<u>316,272</u>	<u>17,368</u>	<u>15,656</u>	<u>346,536</u>	<u>331,928</u>
Deferred inflows of resources	<u>3,712</u>	<u>3,778</u>	<u>144</u>	<u>154</u>	<u>3,856</u>	<u>3,932</u>
Net position:						
Net investment in capital assets	689,365	701,531	57,530	59,255	746,895	760,786
Restricted	244,762	245,588	-	-	244,762	245,588
Unrestricted	(7,239)	(13,424)	20,772	23,040	13,533	9,616
Total net position	<u>\$ 926,888</u>	<u>\$ 933,695</u>	<u>\$ 78,302</u>	<u>\$ 82,295</u>	<u>\$ 1,005,190</u>	<u>\$ 1,015,990</u>

Changes in Net Position

(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for services	\$ 57,785	\$ 65,280	\$ 24,923	\$ 23,117	\$ 82,708	\$ 88,397
Operating grants and contributions	24,473	17,436	-	-	24,473	17,436
Capital grants and contributions	12,457	14,410	108	803	12,565	15,213
General Revenues:						
Property taxes	73,706	65,123	-	-	73,706	65,123
Sales tax	42,959	44,565	-	-	42,959	44,565
Franchise taxes	8,401	7,603	-	-	8,401	7,603
Business license taxes	6,280	6,419	-	-	6,280	6,419
Transient occupancy taxes	960	1,085	-	-	960	1,085
Motor vehicle in lieu	168	102	-	-	168	102
Investment earnings	11,543	13,863	492	663	12,035	14,526
Other	3,748	2,379	-	-	3,748	2,379
Total revenues	242,480	238,265	25,523	24,583	268,003	262,848
Expenses:						
General Government	41,457	33,660	-	-	41,457	33,660
Public Safety	102,005	96,951	-	-	102,005	96,951
Public Works	53,058	46,895	-	-	53,058	46,895
Community Development	5,692	5,781	-	-	5,692	5,781
Engineering	32,263	31,262	-	-	32,263	31,262
Community Services	15,554	17,458	-	-	15,554	17,458
Interest on long-term debt	2,002	1,982	-	-	2,002	1,982
Sewer	-	-	26,760	22,027	26,760	22,027
Water	-	-	12	20	12	20
Total expenses	252,031	233,989	26,772	22,047	278,803	256,036
Change in net position before transfers	(9,551)	4,276	(1,249)	2,536	(10,800)	6,812
Transfers	2,744	2,665	(2,744)	(2,665)	-	-
Change in net position	(6,807)	6,941	(3,993)	(129)	(10,800)	6,812
Net Position - beginning of year as restated	933,695	926,754	82,295	82,424	1,015,990	1,009,178
Net Position - end of year	\$ 926,888	\$ 933,695	\$ 78,302	\$ 82,295	\$ 1,005,190	\$ 1,015,990

Governmental activities



The most significant revenues of the governmental activities are general taxes (53%), which include property taxes (30%), sales and use taxes (17%), and various other taxes (6%), and general revenues (8%), which include various other revenues (3%) and investment earnings (5%). Program revenues are 39% of the total revenues of the governmental activities, which include charges for services (24%), operating grants and contributions (10%), and capital grants and contributions (5%).

Public safety (police and fire) is the most significant (41%) of all governmental activities' expenses, followed by public works (21%), general government (16%), engineering (13%), community services (6%), community development (2%), and interest on long-term debt (1%). Included in these amounts is depreciation expense, which is 14% of the total expenses for governmental activities.

Governmental activities revenues increased by \$4.3 million (1.8%) in the current fiscal year. The changes in revenues are a result of the following:

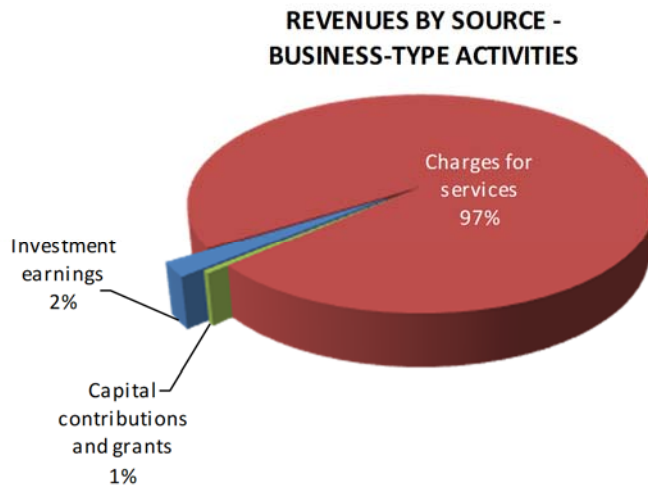
- General tax revenues** increased by \$7.5 million (6.0%) which is primarily due to increased property taxes and franchise taxes even under the effects of the pandemic shutdown. Sales tax revenues decreased \$1.6 million from the prior year as the Governor ordered a shutdown of many businesses across the State. Property tax revenues increased by \$8.6 million because of increased assessed valuation. Other taxes decreased by \$0.3 million.

- **General revenues (not including general taxes)** decreased by \$0.8 million (-4.2%), primarily the result of decreases in investment earnings due to declining interest rates.
- **Charges for services** decreased by \$7.5 million (-11.5%) mostly attributed to the COVID shutdown 1) a decrease of \$4.9 million of Community Development revenue related to development activity primarily with a decrease of \$2.7 million in Circulation Mitigation revenue; 2) a decrease of \$2.6 million in Engineering; 3) a decrease in Police of \$1.9 million; 4) a decrease of \$1.5 million of Community Services revenue related to recreation activities; 5) a decrease of \$0.8 million primarily in the General Government capital projects fund related to development activity; and offset by an increase of \$4.2 million in Public Works.
- **Operating contributions and grants** increased by \$7.0 million (40.3%) to \$24.5 million primarily due to an increase in grant related revenues managed by Police, Community Services, and Engineering.
- **Capital contributions and grants** decreased by \$2.0 million (-13.5%) to \$12.5 million primarily due to a decrease in Public Works grants of \$3.7 million and mostly offset by an increase in Community Development revenues of \$1.0 million.

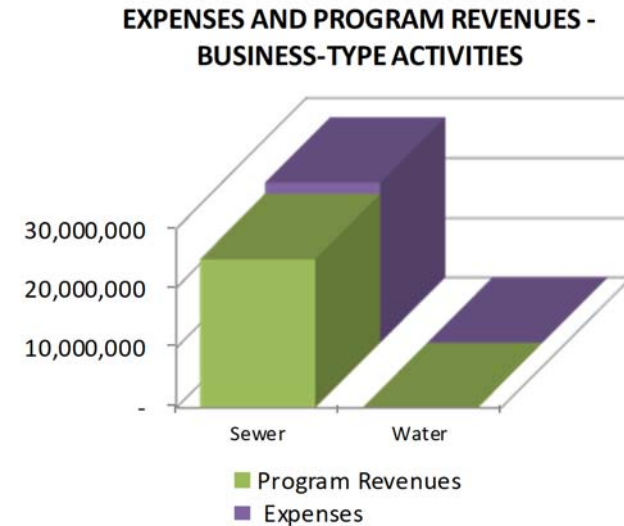
Governmental activities expenses increased by \$18.0 million (7.7%) in the current fiscal year. The most significant changes in governmental expenses was:

- **General government expenses** increased \$7.8 million (23.2%); this increase is primarily attributable to the increase in the claims liability and increased payments on operating covenants.
- **Public safety expenses** increased \$5.1 million (5.2%); Police expenses includes an increase of \$2.7 million for salaries and benefits and net pension and OPEB obligations. Fire expenses includes an increase of \$1.3 million for the fire services contract with San Bernardino County Fire.
- **Public works expenses** increased \$6.2 million (13.1%); this increase is primarily attributable to costs incurred with the construction of the West Fontana Channel along with various other capital projects.
- **Community services expenses** decreased \$1.9 million (-10.9%); this decrease is primarily attributable to the COVID-19 shutdown on recreation classes, aquatics, and sports.
- **Engineering expenses** increased \$1.0 million (3.2%); this increase is primarily attributable to the purchase of various land parcels and right of way acquisitions.

Business-type activities



Business-type activities net position decreased by \$4.0 million (-4.9%).



Business-type activities revenues increased by \$0.9 million (3.8%) in the current fiscal year.

- **Investment earnings** decreased by \$0.2 million (-25.8%), a result of declining investment interest rates.
- **Charges for services** increased by \$1.8 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** decreased by \$0.7 million (-86.6%) primarily due to the negative effect of the COVID pandemic on local development activity.

Total expenses increased \$4.7 million (21.4%) in the current fiscal year; primarily due to the allocation of other post-employment costs and increased processing costs charged by IEUA and the City of Rialto.

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 \$433.1 million, an increase of \$8.8 million (2.1%) from the previous year. Of this total amount, \$199.6 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 (\$12.9 million), restricted (\$214.9 million) or committed (\$5.7 million) and is not available for new spending. The nonspendable fund balance consists of 1) land held for resale of \$9.8 million 2) deposits on account (\$0.1 million), 3) inventories held (\$1.2 million), and 4) loan receivables (\$1.9 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 14 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 \$27.5 million, while total fund balance reached \$98.5 million, which was \$3.8 million or 4.0% 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 \$5.7 million for purposes of PERS rate fluctuations.

General fund revenues decreased \$2.1 million (-1.8%) from the previous fiscal year; this decrease is primarily due to:

- As expected, sales tax revenue decreased \$1.6 million as the governor issued stay-at-home orders and closed businesses deemed nonessential.
- An increase in property taxes of \$2.5 million shows there was no immediate impact from the COVID-19 lockdowns, this is because the property tax rolls cut-off in December (2018) and was finalized before July (2019).
- Other taxes were mixed with some (Franchise Taxes) not showing any harm from the stay-at-home orders while others (Transient Occupancy Tax) being negatively impacted by the COVID-19 fallout.
- The remaining revenue groups (charges for services, fines and forfeitures, interest revenue, and other revenue) decreased \$3.2 million (-14.0%) reflecting the impact of the stay-at-home orders throughout the country.

General fund expenditures increased \$5.4 million (4.6%) from the previous fiscal year, the increased costs were primarily due to:

- An increase in personnel costs of \$4.4 million across all departments.
- An increase in operating covenant payments of \$0.7 million.
- An increase in information technology software and hardware costs of \$0.4 million.
- A decrease in settlement costs of \$0.8 million.

The Fire Protection District special revenue fund has a fund balance of \$22.7 million. The Fire Protection District accounts for all of the operating activities of the Fire District. The fund balance increased \$8.8 million during the current fiscal year; current year revenues and transfer in (\$46.1 million) exceeded current year expenditures and transfers out (\$37.3 million). Revenues increased \$6.2 million (15.4%) primarily as a result of property tax valuation increases. Expenditures increased \$1.3 million (4.5%) primarily as a result in increased contract costs with the San Bernardino County Fire for fire protection services.

The Housing Authority special revenue fund has a fund balance of \$87.9 million. The fund balance decreased by \$0.2 million during the fiscal year. The decrease is primarily due to an increase in transfers out (\$0.5 million) for cost allocation reflective of higher operating costs in the base year.

The Capital Reinvestment fund has a total fund balance of \$10.2 million. The fund balance decreased during the current fiscal year by \$1.9 million due to a \$2.6 million reduction to transfers in from the General Fund as a planned expenditure was paid from a different fund.

The Future Capital Projects fund has a total fund balance of \$47.1 million. The fund balance decreased during the current fiscal year by \$5.1 million due to expenditures on a city-wide energy efficiency project.

The Sewer Expansion Fund has a total fund balance of \$1.2 million. The fund balance increased slightly during the current fiscal year by \$0.1 million due to an increase in investment earnings (\$0.1 million) due to higher average monthly cash balances earning interest and netted against a small incurred expenditure.

The Traffic Mitigation capital project fund has a fund balance of \$0.1 million. The fund balance increased during the current fiscal year by \$3.6 million as a result of development impact fees collected offset by minimal project expenditures from several capital projects not being completed during the fiscal year and being carried over to the next fiscal year.

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 \$20.8 million. The total decrease in net position was \$4.0 million, primarily due to an increase in personnel costs of \$3.6 million, an increase in contractual costs of \$1.4 million, and a decrease in capital contributions of \$0.7 million, which were offset by an increase in sewer revenue (\$1.8 million).

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 25 of this report.

Revenues:

During the year the original budget was amended to decrease revenues by \$6.5 million. The decrease is primarily due to:

- an increase in property tax revenue (\$1.5 million),
- a decrease in sales tax of \$2.7 million, because of the COVID-19 stay-at-home orders and the closing of nonessential businesses,
- to build up the self-insurance reserves, \$4.8 million more of transfers in revenue was added, and
- offset by a decrease in community services revenues (\$1.6 million) because of social distancing requirements.

General Fund revenues of \$114.9 million were \$4.0 million more than the final budget for revenues of \$110.9 million. The reduction from the adopted budget of \$117.4 million was due to the COVID-19 stay-at-home orders. The positive variance to the final budget was primarily due to:

- higher than expected tax revenues (\$5.4 million) compared to the final budget, which was decreased by \$1.2 million from the adopted budget,
- lower than expected charges for services (\$0.3 million),
- lower than expected fine and forfeitures (\$0.1 million),
- higher than expected investment earnings (\$0.5 million), and
- lower than expected other revenue (\$1.6 million).

Expenditures:

During the year the original budget the General Fund was amended to increase appropriations by \$1.8 million, the increase in appropriations was due to various requests throughout the fiscal year; such as:

- increased for additional claims/settlements and related legal costs of \$0.5 million,
- decreased for personnel costs by \$1.7 million across all departments,
- increased \$1.4 million for professional services such as; inspection, plan check services and landscaping services, and

General Fund expenditures were less than budgeted. Of the total appropriations of \$126.3 million, approximately 2.2%, or \$2.7 million were unspent. The majority of the savings (\$1.4 million) was in unspent information technology equipment replacement that will be carried over to the next fiscal year, as well as additional savings (\$1.0 million) was related to personnel costs in the police department, and \$0.9 million in the community services department due to COVID-19 stay-at-home and social distancing requirements.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for governmental and business-type activities as of June 30, 2020, amounts to \$799.2 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 decrease in the City's investment in capital assets for the current fiscal year was \$14.6 million (-1.8%). Major capital asset events during the current fiscal year included the following:

- Added 27 new vehicles and disposed of an additional 33 vehicles in the City's fleet,
- Purchased 2 parcels of land and sold 4 others for a net decrease of \$2.8 million,
- Completed the Auto Center Monument Improvement project,
- Completed 3 traffic signal projects, 3 street improvement projects, and a traffic management system project.

Capital Assets
(Net of depreciation)
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 198,813	\$ 201,647	\$ -	\$ -	\$ 198,813	\$ 201,647
Building and improvements	162,424	173,320	1,198	1,245	163,622	174,565
Machinery and equipment	5,547	5,581	18	29	5,565	5,610
Vehicles	11,087	11,846	-	-	11,087	11,846
Infrastructure	328,027	340,376	63,305	66,147	391,332	406,523
Intangibles	3,805	3,431	-	-	3,805	3,431
Construction in progress	24,578	10,078	365	100	24,943	10,178
Total	\$ 734,281	\$ 746,279	\$ 64,886	\$ 67,521	\$ 799,167	\$ 813,800

Additional information on the City's capital assets can be found in Note 5 on pages 50-53 of this report.

Long-term debt. At the end of the current fiscal year, the City's total long-term debt outstanding is \$303.9 million. This amount is comprised of \$161.4 million net pension liability, \$66.3 million other post-employment benefits liability, \$37.4 million of lease revenue bonds which are secured by future revenue sources from the lease of City property and \$38.8 million of various other loans and obligations payable.

Outstanding Debt
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Lease revenue bonds	\$ 37,415	\$ 38,580	\$ -	\$ -	\$ 37,415	\$ 38,580
Net pension liability	156,343	141,306	5,058	4,461	161,401	145,767
Claims and judgments	14,869	11,784	-	-	14,869	11,784
Compensated absences	9,447	9,172	281	202	9,728	9,374
Other post employment benefits liability	64,064	69,989	2,258	-	66,322	69,989
Other debt	6,781	6,694	7,356	8,265	14,137	14,959
Total outstanding debt	\$ 288,919	\$ 277,525	\$ 14,953	\$ 12,928	\$ 303,872	\$ 290,453

Additional information on the City's long-term debt can be found in Note 7 on pages 56-59 of this report.

Economic Factors and Next Year's Budget and Rates

In preparing the budget for Fiscal Year 2020-21, 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 2020-21 is financially balanced and includes:

- General Fund designation of fund balance for contingencies of 15% of recurring appropriations.
- An increase in budgeted revenues of \$0.8 million (or 0.7%) in the General Fund is primarily attributed to the following:
 - a decrease in sales tax revenue of \$0.5 million reflecting the positive economic trends seen statewide,
 - an increase in property tax revenue of \$1.5 million reflecting a 5.1% projected increase in city-wide assessed valuation,
 - an increase in development-related revenues of \$1.0 million reflecting slowly improving economic conditions,
 - an increase in business-related and recreation revenues of \$0.1 million,
 - a decrease in other revenues of \$0.8 million or 20.7%,
 - a decrease in contributions from other agencies of \$1.2 million, and
 - and an increase in the group of interest and rentals, franchise fees, and reimbursables of \$0.8 million.
- An increase in budgeted expenditures of \$3.9 million or (3.8%) in the General Fund is primarily attributed to the following;
 - \$3.5 million increase in personnel services that includes one new position,
 - \$0.4 million decrease in operating costs,
 - \$0.6 million increase in contractual services,
 - \$0.0 million, or no change, for internal service charges though the percentage of the total General Fund expenditures dropped to 7.2% from 7.4%
 - \$0.1 million decrease in capital expenditures.
 - and \$0.3 million increase in other financing uses.

An allocation of \$20.6 million of funding for new and ongoing projects across all funds that is \$3.4 million or 19.7% more than FY 2019-20.

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 Management Services Department at the City of Fontana, 8353 Sierra Avenue, Fontana, CA 92335.

CITY OF FONTANA
Statement of Net Position
June 30, 2020

Exhibit A

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 337,474,771	\$ 21,843,311	\$ 359,318,082
Receivables:			
Accounts	2,634,926	1,113,186	3,748,112
Assessments	434,380	-	434,380
Interest	3,929,635	61,376	3,991,011
Loans	83,056,528	5,146,873	88,203,401
Loans to Successor Agency	27,307,900	3,305,829	30,613,729
Allowance for doubtful accounts	(351,749)	(3,305,829)	(3,657,578)
Internal balances	(1,586,451)	1,586,451	-
Receivable from Successor Agency	107,688	-	107,688
Due from other governments	17,066,617	7,438	17,074,055
Inventories	1,447,232	55,630	1,502,862
Deposits	69,025	-	69,025
Land held for resale	9,753,773	-	9,753,773
Restricted assets:			
Cash with fiscal agent	6,631,560	-	6,631,560
Capital assets not being depreciated	223,390,208	365,511	223,755,719
Capital assets, net of depreciation	510,890,332	64,520,905	575,411,237
Total assets	<u>1,222,256,375</u>	<u>94,700,681</u>	<u>1,316,957,056</u>
Deferred Outflows of Resources:			
Deferred outflows of resources - pension related	34,698,274	1,014,225	35,712,499
Deferred outflows of resources - OPEB related	2,813,572	99,157	2,912,729
Total deferred outflows of resources	<u>37,511,846</u>	<u>1,113,382</u>	<u>38,625,228</u>
Liabilities:			
Accounts payable	13,411,592	1,597,774	15,009,366
Deposits payable	531,747	764,040	1,295,787
Interest payable	637,670	44,357	682,027
Due to other governments	22,348,929	-	22,348,929
Due to Successor Agency	-	8,269	8,269
Unearned revenue	2,589,730	-	2,589,730
Retentions payable	728,752	-	728,752
Noncurrent liabilities:			
Due within one year	12,376,146	1,092,784	13,468,930
Due in more than one year			
Net pension liability	156,342,600	5,058,511	161,401,111
OPEB liability	64,064,198	2,257,769	66,321,967
Other	56,136,541	6,543,691	62,680,232
Total liabilities	<u>329,167,905</u>	<u>17,367,195</u>	<u>346,535,100</u>
Deferred Inflows of Resources:			
Deferred inflows of resources - pension related	3,711,758	144,447	3,856,205
Total deferred inflows of resources	<u>3,711,758</u>	<u>144,447</u>	<u>3,856,205</u>
Net Position:			
Net investment in capital assets	689,365,068	57,530,519	746,895,587
Restricted for:			
Community development	107,412,398	-	107,412,398
Public safety	36,304,227	-	36,304,227
Public works	46,898,084	-	46,898,084
Debt service	525,593	-	525,593
Government-access channel	1,341,403	-	1,341,403
Capital projects	52,280,073	-	52,280,073
Unrestricted	<u>(7,238,288)</u>	<u>20,771,902</u>	<u>13,533,614</u>
Total net position	<u>\$ 926,888,558</u>	<u>\$ 78,302,421</u>	<u>\$ 1,005,190,979</u>

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Activities
For the Year Ended June 30, 2020

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	\$ 384,960	\$ -	\$ -	\$ -	\$ -	\$ (384,960)	\$ -	\$ (384,960)
City administration	9,626,950	-	-	-	-	(9,626,950)	-	(9,626,950)
Management services	6,594,541	1,796,539	-	54,625	1,851,164	(4,743,377)	-	(4,743,377)
Information technology	10,836,538	-	-	-	-	(10,836,538)	-	(10,836,538)
Human resources	14,014,070	5,817,905	-	-	5,817,905	(8,196,165)	-	(8,196,165)
Public safety:								
Police	69,408,755	3,641,016	12,540,071	-	16,181,087	(53,227,668)	-	(53,227,668)
Fire	32,595,961	817,747	-	-	817,747	(31,778,214)	-	(31,778,214)
Public works	53,238,207	23,543,756	3,232,102	1,517,607	28,293,465	(24,944,742)	-	(24,944,742)
Community development	5,691,710	15,716,301	3,344,493	5,194,645	24,255,439	18,563,729	-	18,563,729
Community services	15,553,958	2,042,342	5,034,730	-	7,077,072	(8,476,886)	-	(8,476,886)
Engineering	32,262,875	4,589,191	321,496	5,690,578	10,601,265	(21,661,610)	-	(21,661,610)
Interest on long-term debt	2,001,629	-	-	-	-	(2,001,629)	-	(2,001,629)
Total governmental activities	<u>252,210,155</u>	<u>57,964,797</u>	<u>24,472,892</u>	<u>12,457,455</u>	<u>94,895,144</u>	<u>(157,315,011)</u>	<u>-</u>	<u>(157,315,011)</u>
Business-type activities:								
Sewer	26,759,827	24,922,787	-	108,539	25,031,326	-	(1,728,501)	(1,728,501)
Water	12,200	-	-	-	-	-	(12,200)	(12,200)
Total business-type activities	<u>26,772,027</u>	<u>24,922,787</u>	<u>-</u>	<u>108,539</u>	<u>25,031,326</u>	<u>-</u>	<u>(1,740,701)</u>	<u>(1,740,701)</u>
Total functions/programs	<u>\$ 278,982,182</u>	<u>\$ 82,887,584</u>	<u>\$ 24,472,892</u>	<u>\$ 12,565,994</u>	<u>\$ 119,926,470</u>	<u>(157,315,011)</u>	<u>(1,740,701)</u>	<u>(159,055,712)</u>

General revenues:

Taxes:

Property taxes, levied for general purpose	73,705,908	-	73,705,908
Sales taxes	42,958,630	-	42,958,630
Franchise taxes	8,400,846	-	8,400,846
Business license taxes	6,280,132	-	6,280,132
Transient occupancy taxes	960,057	-	960,057
Total taxes	<u>132,305,573</u>	<u>-</u>	<u>132,305,573</u>

Intergovernmental, unrestricted:

Motor vehicle in lieu	167,850	-	167,850
Investment earnings	11,543,571	491,853	12,035,424
Other	3,747,676	-	3,747,676

Transfers

Total general revenues and transfers	<u>150,508,817</u>	<u>(2,252,294)</u>	<u>148,256,523</u>
Change in net position	<u>(6,806,194)</u>	<u>(3,992,995)</u>	<u>(10,799,189)</u>
Net position at beginning of year	933,694,752	82,295,416	1,015,990,168
Net position at end of year	<u>\$ 926,888,558</u>	<u>\$ 78,302,421</u>	<u>\$ 1,005,190,979</u>

See accompanying notes to financial statements

CITY OF FONTANA

Balance Sheet
Governmental Funds
June 30, 2020

Exhibit C

	General	Special Revenue		Capital Project				Other Governmental Funds	Total Governmental Funds
		Fire Protection District	Housing Authority	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Traffic Mitigation		
Assets:									
Cash and investments	\$ 64,089,378	22,542,504	15,439,579	5,853,560	19,212,474	16,061,558	20,699,450	164,179,685	328,078,188
Receivables:									
Accounts	2,297,648	13,795	-	-	-	-	-	318,168	2,629,611
Assessments	-	-	-	-	-	-	-	434,380	434,380
Interest	178,668	36,677	2,651,834	-	60,544	-	73,735	904,674	3,906,132
Loans	-	-	72,340,928	-	-	-	-	10,715,600	83,056,528
Loans to Successor Agency	27,307,900	-	-	-	-	-	-	-	27,307,900
Allowance for doubtful accounts	(200,484)	-	-	-	-	-	-	(151,265)	(351,749)
Due from other funds	3,143,191	301	-	-	-	-	-	-	3,143,492
Due from other governments	8,873,464	112,950	-	-	-	-	-	8,080,203	17,066,617
Inventories	327,065	-	-	-	-	-	-	878,310	1,205,375
Deposits	69,025	-	-	-	-	-	-	-	69,025
Land held for resale	-	-	-	4,502,879	5,250,894	-	-	-	9,753,773
Advances to other funds	-	-	-	-	23,604,090	-	-	-	23,604,090
Restricted assets:									
Cash with fiscal agent	376,900	-	118,598	-	-	-	-	6,136,062	6,631,560
Total assets	<u>\$ 106,462,755</u>	<u>22,706,227</u>	<u>90,550,939</u>	<u>10,356,439</u>	<u>48,128,002</u>	<u>16,061,558</u>	<u>20,773,185</u>	<u>191,495,817</u>	<u>506,534,922</u>
Liabilities, Deferred Inflows and Fund Balances:									
Liabilities:									
Accounts payable	\$ 6,413,800	5,539	11,861	173,113	742,417	913,170	839,614	4,055,798	13,155,312
Deposits payable	526,500	-	5,247	-	-	-	-	-	531,747
Retentions payable	-	-	-	4,157	319,397	-	1,026	404,172	728,752
Due to other funds	-	619	-	-	-	-	6,289	3,028,896	3,035,804
Due to other governments	967	-	-	-	-	13,906,443	-	8,441,519	22,348,929
Unearned revenue	50	-	-	-	-	-	-	2,589,680	2,589,730
Advances from other funds	-	-	-	-	-	-	19,823,290	3,780,800	23,604,090
Total liabilities	<u>6,941,317</u>	<u>6,158</u>	<u>17,108</u>	<u>177,270</u>	<u>1,061,814</u>	<u>14,819,613</u>	<u>20,670,219</u>	<u>22,300,865</u>	<u>65,994,364</u>
Deferred inflows of resources:									
Unavailable revenues	<u>1,045,592</u>	<u>4,175</u>	<u>2,601,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,803,628</u>	<u>7,455,074</u>
Total deferred inflows of resources	<u>1,045,592</u>	<u>4,175</u>	<u>2,601,679</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,803,628</u>	<u>7,455,074</u>
Fund balances:									
Nonspendable	396,090	-	-	4,502,879	5,250,894	-	-	2,784,341	12,934,204
Restricted	1,341,403	22,695,894	87,932,152	-	-	-	-	102,924,793	214,894,242
Committed	5,700,690	-	-	-	-	-	-	-	5,700,690
Assigned	27,473,651	-	-	5,676,290	41,815,294	1,241,945	-	61,335,626	137,542,806
Unassigned	63,564,012	-	-	-	-	-	102,966	(1,653,436)	62,013,542
Total fund balances	<u>98,475,846</u>	<u>22,695,894</u>	<u>87,932,152</u>	<u>10,179,169</u>	<u>47,066,188</u>	<u>1,241,945</u>	<u>102,966</u>	<u>165,391,324</u>	<u>433,085,484</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 106,462,755</u>	<u>\$ 22,706,227</u>	<u>\$ 90,550,939</u>	<u>\$ 10,356,439</u>	<u>\$ 48,128,002</u>	<u>\$ 16,061,558</u>	<u>\$ 20,773,185</u>	<u>\$ 191,495,817</u>	<u>\$ 506,534,922</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, 2020

Exhibit D

Fund balances of governmental funds	\$ 433,085,484
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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.	728,681,887
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Deferred outflows are not an available resources and, therefore, are not reported in the funds.	37,511,846
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Long-term liabilities, including net pension liability, are not due and payable in the current period and, therefore, is not recognized in the funds.	(288,919,485)
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Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.	(637,670)
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Deferred inflows represent an acquisition of net position that applies to a future period so it will not be recognized until that time.	(3,711,758)
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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.	13,423,180
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	7,455,074
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Net position of governmental activities	<u>\$ 926,888,558</u>
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See accompanying notes to financial statements

CITY OF FONTANA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

Exhibit E

	General	Special Revenue		Capital Projects				Other Governmental Funds	Totals
		Fire Protection District	Housing Authority	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Traffic Mitigation		
Revenues:									
Taxes	\$ 87,885,403	43,965,250	-	-	-	-	-	490,722	132,341,375
Licenses and permits	5,719,326	817,747	-	-	-	-	-	3,190,040	9,727,113
Intergovernmental	1,392,634	-	-	-	-	-	11,640	31,576,576	32,980,850
Charges for services	11,933,119	-	-	-	-	23,748	4,441,421	6,380,639	22,778,927
Fines and forfeitures	730,726	19,137	-	-	-	-	-	2,985,629	3,735,492
Special assessments	-	-	-	-	-	-	-	18,136,360	18,136,360
Investment earnings (loss)	5,137,597	344,613	549,778	109,046	472,380	330,860	563,486	3,815,212	11,322,972
Contribution from property owners	-	-	-	-	-	-	-	5,194,646	5,194,646
Other revenue	2,094,444	-	128,433	570,689	-	-	-	2,190,236	4,983,802
Total revenues	114,893,249	45,146,747	678,211	679,735	472,380	354,608	5,016,547	73,960,060	241,201,537
Expenditures:									
Current:									
General government:									
City council and commissions	384,960	-	-	-	-	-	-	-	384,960
City administration	7,328,145	-	-	-	-	-	-	2,128,368	9,456,513
Management services	3,605,035	-	334,156	86,168	-	-	410,151	1,707,101	6,142,611
Information technology	8,333,508	-	-	516,100	-	-	-	5,433	8,855,041
Human resources	10,361,954	-	-	-	-	-	-	11,834	10,373,788
Public safety:									
Police	62,242,899	-	-	-	-	-	-	3,763,239	66,006,138
Fire	-	31,099,474	-	-	-	-	-	672,892	31,772,366
Public works	12,644,001	-	-	2,988,263	4,623,885	65,709	-	40,717,002	61,038,860
Community development	4,260,620	-	-	-	-	-	-	-	4,260,620
Community services	10,827,166	-	-	-	-	-	-	2,821,235	13,648,401
Engineering	3,538,752	-	-	218,503	935,949	-	1,542,945	13,969,014	20,205,163
Debt Service:									
Principal	-	-	-	-	-	-	-	1,165,000	1,165,000
Interest	-	-	-	-	-	-	-	2,021,463	2,021,463
Total expenditures	123,527,040	31,099,474	334,156	3,809,034	5,559,834	65,709	1,953,096	68,982,581	235,330,924
Excess (deficiency) of revenues over (under) expenditures	(8,633,791)	14,047,273	344,055	(3,129,299)	(5,087,454)	288,899	3,063,451	4,977,479	5,870,613
Other Financing Sources (Uses):									
Transfers in	16,100,667	1,006,100	-	1,375,535	-	-	596,129	9,094,122	28,172,553
Transfers out	(4,383,641)	(6,261,400)	(536,900)	(173,919)	-	(239,661)	(75,000)	(14,234,575)	(25,905,096)
Sale of capital assets	674,505	-	-	-	-	-	-	-	674,505
Total other financing sources (uses)	12,391,531	(5,255,300)	(536,900)	1,201,616	-	(239,661)	521,129	(5,140,453)	2,941,962
Net change in fund balances	3,757,740	8,791,973	(192,845)	(1,927,683)	(5,087,454)	49,238	3,584,580	(162,974)	8,812,575
Fund Balances:									
Beginning of fiscal year	94,718,106	13,903,921	88,124,997	12,106,852	52,153,642	1,192,707	(3,481,614)	165,554,298	424,272,909
End of fiscal year	\$ 98,475,846	22,695,894	87,932,152	10,179,169	47,066,188	1,241,945	102,966	165,391,324	433,085,484

See accompanying notes to financial statements

CITY OF FONTANA

Exhibit F

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

Net change in fund balances - total governmental funds	\$ 8,812,575
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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.	22,522,124
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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.	(674,505)
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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.	(33,788,762)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as unavailable revenues in the funds.	1,002,968
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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.	1,165,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(3,427,910)
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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.	2,264,789
--	-----------

Adjustments made to the OPEB liability do not use current financial resources and, therefore, are not recognized in the funds.	5,895,405
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Adjustments made to the Net Pension Liability do not use current financial resources and, therefore, are not recognized in the funds.	(10,577,878)
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Change in net position of governmental activities	<div style="border-top: 1px solid black; border-bottom: 3px double black; padding: 2px 0;">\$ (6,806,194)</div>
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See accompanying notes to financial statements

CITY OF FONTANA

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual For the Year Ended June 30, 2020

Exhibit G

Page 1 of 3

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 83,654,700	\$ 82,454,700	\$ 87,885,403	\$ 5,430,703
Licenses and permits	5,514,100	5,514,100	5,719,326	205,226
Intergovernmental	2,463,590	1,654,440	1,392,634	(261,806)
Charges for services	13,690,510	12,227,513	11,933,119	(294,394)
Fines and forfeitures	788,450	788,450	730,726	(57,724)
Investment earnings	4,418,800	4,618,800	5,137,597	518,797
Other revenue	6,879,070	3,676,206	2,094,444	(1,581,762)
Total revenues	117,409,220	110,934,209	114,893,249	3,959,040
Expenditures:				
Current:				
General government:				
City council and commissions	379,110	380,480	384,960	(4,480)
City administration	5,607,260	6,815,390	7,328,145	(512,755)
Management services	2,993,750	3,419,930	3,605,035	(185,105)
Information technology	9,122,820	9,843,112	8,333,508	1,509,604
Human resources	9,385,850	10,124,320	10,361,954	(237,634)
Public safety:				
Police	62,620,080	63,061,554	62,242,899	818,655
Public works	13,159,600	13,095,257	12,644,001	451,256
Community development	4,322,180	4,471,298	4,260,620	210,678
Community services	13,506,190	11,684,495	10,827,166	857,329
Engineering	3,333,380	3,374,555	3,538,753	(164,198)
Total expenditures	124,430,220	126,270,391	123,527,040	2,743,350
Excess (deficit) of revenues over expenditures	(7,021,000)	(15,336,182)	(8,633,791)	6,702,391
Other Financing Sources (Uses):				
Transfers in	26,737,870	31,183,546	16,100,667	(15,082,879)
Transfers out	(22,348,400)	(24,466,881)	(4,383,641)	20,083,240
Sale of capital assets	(1,200)	451,200	674,505	223,305
Total other financing sources (uses)	4,388,270	7,167,865	12,391,531	5,223,666
Net change in fund balances	(2,632,730)	(8,168,317)	3,757,740	11,926,057
Fund balances - beginning	90,550,094	82,506,230	94,718,106	12,211,876
Fund balances - ending	\$ 87,917,364	\$ 74,337,913	\$ 98,475,846	\$ 24,137,933

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
For the Year Ended June 30, 2020

Exhibit G
Page 2 of 3

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive (Negative)
Revenues:				
Taxes	\$ 34,060,000	\$ 34,060,000	\$ 43,965,250	\$ 9,905,250
Licenses and permits	805,000	805,000	817,747	12,747
Charges for services	20,000	20,000	19,137	(863)
Investment earnings	34,430	34,430	344,613	310,183
Total revenues	<u>34,919,430</u>	<u>34,919,430</u>	<u>45,146,747</u>	<u>10,227,317</u>
Expenditures:				
Public safety:				
Fire	<u>30,399,200</u>	<u>31,206,637</u>	<u>31,099,474</u>	<u>107,163</u>
Total expenditures	<u>30,399,200</u>	<u>31,206,637</u>	<u>31,099,474</u>	<u>107,163</u>
Excess (deficit) of				
revenues over expenditures	<u>4,520,230</u>	<u>3,712,793</u>	<u>14,047,273</u>	<u>10,334,480</u>
Other Financing Sources (Uses):				
Transfers out	<u>(4,832,300)</u>	<u>(5,255,300)</u>	<u>(5,255,300)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,832,300)</u>	<u>(5,255,300)</u>	<u>(5,255,300)</u>	<u>-</u>
Net change in fund balances	<u>(312,070)</u>	<u>(1,542,507)</u>	<u>8,791,973</u>	<u>10,334,480</u>
Fund balances - beginning	<u>8,681,493</u>	<u>8,411,811</u>	<u>13,903,921</u>	<u>5,492,110</u>
Fund balances - ending	<u>\$ 8,369,423</u>	<u>\$ 6,869,304</u>	<u>\$ 22,695,894</u>	<u>\$ 15,826,590</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
For the Year Ended June 30, 2020

Exhibit G
Page 3 of 3

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ 561,100	\$ 561,100	\$ 549,778	\$ (11,322)
Other revenue	111,000	126,000	128,433	2,433
Total revenues	672,100	687,100	678,211	(8,889)
Expenditures:				
Current:				
General government:				
City administration	372,960	4,442,861	334,156	4,108,705
Capital outlay	-	1,500	-	1,500
Total expenditures	372,960	4,444,361	334,156	4,110,205
Excess (deficit) of revenues over expenditures	299,140	(3,757,261)	344,055	4,101,316
Other Financing Sources (Uses):				
Transfers out	-	-	(536,900)	(536,900)
Total other financing sources (uses)	-	-	(536,900)	(536,900)
Net change in fund balances	299,140	(3,757,261)	(192,845)	3,564,416
Fund balances - beginning	87,844,495	83,763,236	88,124,997	4,361,761
Fund balances - ending	\$ 88,143,635	\$ 80,005,975	\$ 87,932,152	\$ 7,926,177

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Net Position
Proprietary Funds
June 30, 2020

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	\$ 21,280,555	562,756	21,843,311	9,396,583
Accounts receivables	1,113,186	-	1,113,186	5,315
Interest receivable	59,787	1,589	61,376	23,503
Loans receivable	3,775,406	1,371,467	5,146,873	-
Loans to Successor Agency	3,305,829	-	3,305,829	-
Allowance for doubtful accounts	(3,305,829)	-	(3,305,829)	-
Due from other governments	7,438	-	7,438	-
Inventories	55,630	-	55,630	241,857
Total current assets	<u>26,292,002</u>	<u>1,935,812</u>	<u>28,227,814</u>	<u>9,667,258</u>
Noncurrent Assets:				
Capital assets, not being depreciated	365,511	-	365,511	-
Capital assets, net of depreciation	64,520,905	-	64,520,905	5,598,653
Total noncurrent assets	<u>64,886,416</u>	<u>-</u>	<u>64,886,416</u>	<u>5,598,653</u>
Total assets	<u>91,178,418</u>	<u>1,935,812</u>	<u>93,114,230</u>	<u>15,265,911</u>
Deferred Outflows of Resources:				
Deferred outflows of resources - pension related	1,014,225	-	1,014,225	-
Deferred outflows of resources - OPEB related	99,157	-	99,157	-
Total deferred outflows of resources	<u>1,113,382</u>	<u>-</u>	<u>1,113,382</u>	<u>-</u>
Liabilities:				
Current Liabilities:				
Accounts payable	1,597,774	-	1,597,774	256,280
Deposits payable	764,040	-	764,040	-
Interest payable	44,357	-	44,357	-
Due to other funds	-	8,269	8,269	-
Due to Successor Agency	-	341	341	-
Compensated absences payable - current	244,871	-	244,871	-
Loans payable - current	847,913	-	847,913	-
Total current liabilities	<u>3,498,955</u>	<u>8,610</u>	<u>3,507,565</u>	<u>256,280</u>
Noncurrent Liabilities:				
Compensated absences payable	35,707	-	35,707	-
Loans payable	6,507,984	-	6,507,984	-
Net pension liability	5,058,511	-	5,058,511	-
Net OPEB liability	2,257,769	-	2,257,769	-
Total noncurrent liabilities	<u>13,859,971</u>	<u>-</u>	<u>13,859,971</u>	<u>-</u>
Total liabilities	<u>17,358,926</u>	<u>8,610</u>	<u>17,367,536</u>	<u>256,280</u>
Deferred Inflows of Resources:				
Deferred inflows of resources - pension related	<u>144,447</u>	<u>-</u>	<u>144,447</u>	<u>-</u>
Net Position:				
Net investment in capital assets	57,530,519	-	57,530,519	5,598,653
Unrestricted	<u>17,257,908</u>	<u>1,927,202</u>	<u>19,185,110</u>	<u>9,410,978</u>
Total net position	<u>\$ 74,788,427</u>	<u>1,927,202</u>	<u>76,715,629</u>	<u>15,009,631</u>
Reconciliation of Net Position to the Statement of Net Position				
Net Position per Statement of Net Position - Proprietary Funds			76,715,629	
Accumulated adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>1,586,792</u>	
Net position per Statement of Net Position			<u>\$ 78,302,421</u>	

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2020

Exhibit I

	Business-type Activities Enterprise Funds			Governmental Activities
		Non-Major Enterprise Fund - Water		Internal Service Fund - Fleet Operations
	Sewer Operations	Operations	Totals	
Operating Revenues:				
Charges for services	\$ 24,820,268	-	24,820,268	6,374,770
Other revenue	102,519	-	102,519	53,602
Total revenues	24,922,787	-	24,922,787	6,428,372
Operating Expenses:				
Personnel costs	6,219,644	-	6,219,644	875,901
Operating costs	735,316	-	735,316	1,622,099
Contractual	17,013,714	12,200	17,025,914	688,117
Depreciation	2,899,634	-	2,899,634	1,483,690
Total operating expenses	26,868,308	12,200	26,880,508	4,669,807
Operating income (loss)	(1,945,521)	(12,200)	(1,957,721)	1,758,565
Non-Operating Revenues (Expenses):				
Investment earnings	479,168	12,685	491,853	193,098
Interest payments	(151,510)	-	(151,510)	-
Gain (loss) on sale of capital assets	-	-	-	96,086
Total non-operating revenues (expenses)	327,658	12,685	340,343	289,184
Income (loss) before contributions and transfers	(1,617,863)	485	(1,617,378)	2,047,749
Capital contributions - connection fees	108,539	-	108,539	-
Transfers in	162,173	-	162,173	476,690
Transfers out	(2,906,320)	-	(2,906,320)	-
Change in net position	(4,253,471)	485	(4,252,986)	2,524,439
Net Position:				
Beginning of fiscal year	79,041,898	1,926,717	80,968,615	12,485,192
Net position at end of year	\$ 74,788,427	1,927,202	76,715,629	15,009,631
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			(4,252,986)	
Adjustment to reflect the consolidation of internal service activities related to enterprise funds			259,991	
Changes in Net Position of Business-Type Activities per Statement of Activities			\$ (3,992,995)	

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

Exhibit J

	Business-type Activities			Governmental Activities
	Enterprise Funds			Internal Service Fund - Fleet Operations
	Sewer Operations	Non-Major Enterprise Fund - Water Operations	Totals	
Cash Flow from Operating Activities:				
Cash received from customers	\$ 24,764,026	-	24,764,026	6,487,046
Cash payments to suppliers of goods and services	(18,052,882)	(25,729)	(18,078,611)	(2,515,310)
Cash payments to employees for services	(3,092,087)	-	(3,092,087)	(875,901)
Net cash provided by (used for) operating activities	3,619,057	(25,729)	3,593,328	3,095,835
Cash Flows from Noncapital Financing Activities:				
Transfers received	162,173	8,610	170,783	476,690
Transfers paid	(2,906,320)	-	(2,906,320)	-
Net cash provided by (used for) noncapital financing activities	(2,744,147)	8,610	(2,735,537)	476,690
Cash Flows from Capital and Related Financing Activities:				
Payments for debt service - principal payments	(908,982)	-	(908,982)	-
Payments for debt service - interest payments	(155,959)	-	(155,959)	-
Capital contributions	108,539	-	108,539	-
Acquisition and construction of capital assets	(265,543)	-	(265,543)	(1,330,002)
Net cash provided by (used for) capital and related financing activities	(1,221,945)	-	(1,221,945)	(1,330,002)
Cash Flows from Investing Activities:				
Investment earnings	1,017,733	89,609	1,107,342	201,163
Net cash provided by investing activities	1,017,733	89,609	1,107,342	201,163
Net increase (decrease) in cash and cash equivalents	670,698	72,490	743,188	2,443,686
Cash and cash equivalents - beginning of year	20,609,857	490,266	21,100,123	6,952,897
Cash and cash equivalents - end of year	\$ 21,280,555	562,756	21,843,311	9,396,583
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	(1,945,521)	(12,200)	(1,957,721)	1,758,565
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	\$ 2,899,634	-	2,899,634	1,483,690
Changes in Assets and Liabilities:				
Accounts receivable	(153,940)	-	(153,940)	14,864
Deposits	-	-	-	70,038
Due from other governments	(4,822)	-	(4,822)	-
Inventories	-	-	-	(26,228)
Deferred outflows - pension related	302,299	-	302,299	-
Deferred outflows - OPEB related	(99,157)	-	(99,157)	-
Accounts payable	(322,779)	(13,529)	(336,308)	(205,094)
Deposits payable	18,928	-	18,928	-
Accrued compensated absences	78,164	-	78,164	-
Deferred inflows - pension related	(9,154)	-	(9,154)	-
Net pension liability	597,636	-	597,636	-
Net OPEB liability	2,257,769	-	2,257,769	-
Net cash provided by (used for) operating activities	\$ 3,619,057	(25,729)	3,593,328	3,095,835

There were no non-cash investing, capital or financing activities for the year ended June 30, 2020.

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

Exhibit K

	Agency Funds	Private Purpose Trust Fund Successor Agency of the Former RDA
Assets:		
Cash and investments	\$ 8,503,993	693,766
Receivables (net):		
Assessments	464,534	-
Interest	-	1,127,686
Loans receivable	-	2,826,181
Allowance for doubtful accounts	-	(1,971,279)
Due from other funds	-	8,269
Restricted assets:		
Cash and investments	20,338,561	19,950,218
Total assets	<u>29,307,088</u>	<u>22,634,841</u>
Liabilities:		
Accounts payable	\$ 277,785	-
Deposits payable	7,579,381	-
Interest payable	-	2,586,304
Due to other funds	103,700	8,713
Due to bondholders	21,346,222	-
Long-term liabilities:		
Due in one year	-	15,798,907
Due in more than one year	-	470,083,430
Total liabilities	<u>\$ 29,307,088</u>	<u>488,477,354</u>
Net Position:		
Held in trust for other purposes		<u>(465,842,513)</u>
Total Net Position		<u>(465,842,513)</u>

See accompanying notes to financial statements

CITY OF FONTANA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2020

Exhibit L

	Private Purpose Trust Fund Successor Agency of the Former RDA
Additions:	
Contributions from other governments	\$ 34,624,444
Interest and change in fair value of investments	64,799
Other revenue	555,794
	<hr/>
Total additions	35,245,037
	<hr/>
Deductions:	
Administrative expenses	10,142
Interest expense	18,090,231
Contractual services	194,428
Contributions to other governments	672,922
	<hr/>
Total deductions	18,967,723
	<hr/>
Changes in net position	16,277,314
	<hr/>
Net Position - Beginning of the Year	(482,119,827)
	<hr/>
Net Position - End of the Year	\$ (465,842,513)
	<hr/> <hr/>

See accompanying notes to financial statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 agency funds and a private purpose trust fund. Agency funds are used to account for situations where the government's role is purely custodial. All assets reported in an agency fund are offset by a liability to the part on whose behalf they are held. Agency funds have no measurement focus. Private purpose trust 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 Capital Reinvestment Fund accounts for discretionary infrastructure projects.

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 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 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.

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

Agency Funds – to account for assets held by the City in a custodial capacity as a trustee or as an agent. These assets include deposits placed with the City by developers, individuals and groups to obtain future services; and special taxes and assessments used to pay principal and interest on related bonds with no direct City liability. These deposits are reduced by payments and/or refunds to individuals or entities at some future time. Agency funds are custodial in nature and do not involve measurement of results of operations.

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.

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.

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

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, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources related to pensions arising from certain changes in the collective net pension liability and opeb liability.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has several 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.

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.

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, 2020, the City had bonded indebtedness of \$37,415,000 against its debt limit of \$3,174,012,826, which is 1.18 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.

GASB 68 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, 2018
Measurement Date (MD)	June 30, 2019
Measurement Period (MP)	July 1, 2018 to June 30, 2019

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, 2018
Measurement Date (MD)	June 30, 2019
Measurement Period (MP)	July 1, 2018 to June 30, 2019

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 \$290,964,856 long-term liabilities difference is as follows:

Lease revenue bonds payable	\$ 37,415,000
Loan payables	4,074,021
Claims and judgments	14,868,907
Compensated absences	9,447,091
Other post employment benefits liability	156,342,600
Net pension liability	64,064,198
Bond premium to be amortized	<u>2,707,668</u>
Net adjustment to reduce <i>fund balances of governmental funds</i> to arrive at <i>net position of governmental activities</i>	<u>\$ 288,919,485</u>

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 \$1,165,000 difference are as follows:

Principal repayments:	
Lease revenue bonds	\$ 1,165,000
Net adjustment to increase net changes in <i>fund balances</i> of <i>governmental funds</i> to arrive at changes in <i>net position</i> of <i>governmental activities</i>	<u>\$ 1,165,000</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 \$3,427,910 are as follows:

Claims and judgments	\$ 3,285,238
Compensated absences	275,029
Accrued interest	(19,834)
Amortization of bond premiums/discounts	<u>(112,523)</u>
Net adjustment to increase net changes in <i>fund balances</i> of <i>governmental funds</i> to arrive at changes in <i>net position</i> of <i>governmental activities</i>	<u>\$ 3,427,910</u>

II. STEWARDSHIP

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).

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, 2020. 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 \$154,383,797. 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 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>
General Fund			
General Government			
City council and commissions	\$ 384,960	\$ 380,480	\$ 4,480
City administration	7,328,145	6,815,390	512,755
Management services	3,605,035	3,419,930	185,105
Human resources	10,361,954	10,124,320	237,634
Engineering services	3,538,753	3,374,555	164,198

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, 2020 are as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Special Revenue Funds			
Traffic Safety	\$ 316,829	\$ 130,540	\$ 186,289
State Seizure	163,809	159,940	3,869
Fire Protection District Grants	301,663	301,364	299

A budgetary comparison schedule not presented for the Down Payment Assistance special revenue fund 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, 2020, the following funds had deficit fund balances:

Special Revenue Funds:

Gas Tax	\$ (88,675)
Grants	(1,129,913)
Federal Law Enforcement Block Grant	(462)
Fire Protection District Grants	(301)

Fiduciary Funds:

Successor Agency	(465,842,513)
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These deficit fund balances will be addressed through future year revenues and transfers.

III. DETAILED NOTES ON ALL FUNDS

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.

	Cash and Investments	Restricted Assets Cash with Fiscal Agent	Total
Governmental activities	\$ 337,474,771	\$ 6,631,560	\$ 344,106,331
Business-type activities	21,843,311	-	21,843,311
Fiduciary funds	9,197,759	40,288,779	49,486,538
	<u>\$ 368,515,841</u>	<u>\$ 46,920,339</u>	<u>\$ 415,436,180</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, Financial Futures and Financial Option Contracts, or California State and Local Agency Obligations even though such investments are authorized under the California Government Code. All investments present at June 30, 2020 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.

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, 2020, the carrying amount of the City's deposits was \$13,525,700 and the bank balance was \$17,388,900. The \$3,863,200 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, 2020, the City’s investment in medium term notes, federal securities and money market funds consisted of the following:

<u>Federal Securities</u>	<u>Moody's Rating</u>	<u>Money Market Funds</u>	<u>Moody's Rating</u>
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, 2020, 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.

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	15%
Negotiable Certificates of Deposit	30%
Corporate Obligations	30%
Mutual Funds	15%
Mortgage Pass-Through Securities	20%
Certificates of Deposits	100%

With respect to concentration risk, as of June 30, 2020, the City is in compliance with the restrictions of the investment policy.

In addition, GASB 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2020, the City has investments with the following issuers which exceed 5% of the total investment value:

Federal Home Loan Bank Note (FHLB)	\$ 72,445,450	18.007%
Federal Home Loan Mortgage Corp.	50,586,304	12.573%

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, 2020, the City had the following investments and maturities:

	Investment Maturities				Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	
U.S Government Securities	\$ 30,142,950	\$ 15,201,000	\$ 30,729,554	\$ 62,082,000	\$ 138,155,504
State Investment Pool	96,255,624	-	-	-	96,255,624
Mutual Funds	167,916,504	-	-	-	167,916,504
	<u>\$ 294,315,078</u>	<u>\$ 15,201,000</u>	<u>\$ 30,729,554</u>	<u>\$ 62,082,000</u>	<u>\$ 402,327,632</u>

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, 2020:

Investments Measured at Fair Value

	Fair Value Hierarchy			Total Fair Value
	Level 1	Level 2	Level 3	
U.S Government Securities	\$ -	\$ 138,155,504	\$ -	\$ 138,155,504
Total investments measured at fair value	\$ -	\$ 138,155,504	\$ -	\$ 138,155,504

Investments Not Reported in Fair Value Hierarchy

	Net Asset Value
Mutual Funds	\$ 167,916,504
State Investment Pool (LAIF)	96,255,624
Total investments not reported in fair value hierarchy	<u>\$ 264,172,128</u>
Total investments held	<u>\$ 402,327,632</u>

Note 4. Receivables

Receivables as of June 30, 2020, 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 Project			Nonmajor
	General	Fire Protection District	Housing Authority	Future Capital Projects	Traffic Mitigation	Sewer Expansion	Governmental Funds
Accounts	\$ 2,297,648	\$ 13,795	\$ -	\$ -	\$ -	\$ -	\$ 318,168
Assessments	-	-	-	-	-	-	434,380
Interest	178,668	36,677	2,651,834	60,544	73,735	-	904,674
Loans	-	-	72,340,928	-	-	-	10,715,600
Loans to Successor Agency	27,307,900	-	-	-	-	-	-
	<u>\$ 29,784,216</u>	<u>\$ 50,472</u>	<u>\$ 74,992,762</u>	<u>\$ 60,544</u>	<u>\$ 73,735</u>	<u>\$ -</u>	<u>\$ 12,372,822</u>
Less allowance for doubtful accounts	200,484	-	-	-	-	-	151,265
	<u><u>\$ 29,583,732</u></u>	<u><u>\$ 50,472</u></u>	<u><u>\$ 74,992,762</u></u>	<u><u>\$ 60,544</u></u>	<u><u>\$ 73,735</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 12,221,557</u></u>

	Sewer Operations	Nonmajor Proprietary Funds	Internal Service Funds	Fiduciary Funds	Total
Accounts	\$ 1,113,186	\$ -	\$ 5,315	\$ -	\$ 3,748,112
Assessments	-	-	-	463,899	898,279
Interest	59,787	1,589	23,503	1,127,686	5,118,697
Loans	3,775,406	1,371,467	-	2,826,181	91,029,582
Loans to Successor Agency	3,305,829	-	-	-	30,613,729
	<u>\$ 8,254,208</u>	<u>\$ 1,373,056</u>	<u>\$ 28,818</u>	<u>\$ 4,417,766</u>	<u>\$ 131,408,399</u>
Less allowance for doubtful accounts	3,305,829	-	-	1,971,279	5,628,857
	<u><u>\$ 4,948,379</u></u>	<u><u>\$ 1,373,056</u></u>	<u><u>\$ 28,818</u></u>	<u><u>\$ 2,446,487</u></u>	<u><u>\$ 125,779,542</u></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, 2020.

Due to the uncollectability of the loans to the Successor Agency, an allowance for doubtful accounts has been recorded at June 30, 2020 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 \$27,307,900 in the General fund.

Note 5. Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance June 30, 2019	Transfers	Increases	Decreases	Balance June 30, 2020
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 201,647,671	\$ -	\$ 203,333	\$ (3,038,509)	\$ 198,812,495
Construction in progress	10,077,902	(3,515,767)	19,515,357	(1,499,779)	24,577,713
Total capital assets, not being depreciated	211,725,573	(3,515,767)	19,718,690	(4,538,288)	223,390,208
Capital assets, being depreciated					
Buildings and improvements	292,106,310	-	908,694	-	293,015,004
Machinery and equipment	24,201,785	-	1,397,718	(21,114)	25,578,389
Vehicles	31,630,450	-	1,445,449	(1,616,663)	31,459,236
Infrastructure	825,564,681	3,206,727	4,920,095	-	833,691,503
Intangibles	5,683,734	309,040	126,423	-	6,119,197
	1,179,186,960	3,515,767	8,798,379	(1,637,777)	1,189,863,329
Less accumulated depreciation for:					
Buildings and improvements	(118,786,402)	-	(11,804,336)	-	(130,590,738)
Machinery and equipment	(18,620,857)	-	(1,415,777)	5,717	(20,030,917)
Vehicles	(19,784,261)	-	(2,205,126)	1,616,663	(20,372,724)
Infrastructure	(485,188,902)	-	(20,475,920)	-	(505,664,822)
Intangibles	(2,252,829)	-	(60,967)	-	(2,313,796)
	(644,633,251)	-	(35,962,126)	1,622,380	(678,972,997)
Total capital assets, being depreciated, net	534,553,709	3,515,767	(27,163,747)	(15,397)	510,890,332
Governmental activities capital assets, net	\$ 746,279,282	\$ -	\$ (7,445,057)	\$ (4,553,685)	\$ 734,280,540

	Beginning Balance June 30, 2019	Transfers	Increases	Decreases	Balance June 30, 2020
Business-type activities:					
Capital assets, not being depreciated					
Construction in progress	\$ 99,968	\$ -	\$ 265,543	\$ -	\$ 365,511
Total capital assets, not being depreciated	99,968	-	265,543	-	365,511
Capital assets, being depreciated					
Buildings and improvements	1,798,150	-	-	-	1,798,150
Machinery and equipment	614,962	-	-	(11,351)	603,611
Infrastructure	116,035,868	-	-	-	116,035,868
Intangibles	64,698	-	-	-	64,698
	118,513,678	-	-	(11,351)	118,502,327
Less accumulated depreciation for:					
Buildings and improvements	(553,414)	-	(46,244)	-	(599,658)
Machinery and equipment	(585,831)	-	(11,243)	11,351	(585,723)
Infrastructure	(49,889,196)	-	(2,842,147)	-	(52,731,343)
Intangibles	(64,698)	-	-	-	(64,698)
	(51,093,139)	-	(2,899,634)	11,351	(53,981,422)
Total capital assets, being depreciated, net	67,420,539	-	(2,899,634)	-	64,520,905
Business-type activities capital assets, net	\$ 67,520,507	\$ -	\$ (2,634,091)	\$ -	\$ 64,886,416

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

Governmental activities:

General government	\$ 3,539,712
Public safety	3,139,423
Public works	6,043,768
Community development	1,262,260
Community services	1,541,154
Engineering	18,952,120
Total Depreciation charged to functions	<u>34,478,437</u>
Charged to Internal Service Fund	<u>1,483,689</u>
Total Governmental Activities	<u>\$ 35,962,126</u>

Business-type activities:

Sewer Operations	2,899,634
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The following material construction commitments existed at June 30, 2020:

Project Name	Contract Amount	Expenditures to date as of June 30, 2020	Remaining Commitments
Central City Park	\$ 10,549,707	\$ 5,105,250	\$ 5,444,457
Energy Services Proj Park Lighting	3,882,602	1,650,629	2,231,973
San Sevaine PH I	6,644,818	607,783	6,037,035
Foothill: Hemlock-Almeria Arterial	1,800,000	166,638	1,633,362

Note 6. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2020, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Fire Protection District	\$ 619
	Traffic Mitigation	6,289
	Non-major Governmental Funds	
	Gas Tax	222,103
	Traffic Congestion Relief	1,563,496
	Road Maintenance and Rehabilitation	5,561
	Community Services Reimbursements	1,001,012
	Community Facilities Districts Capital Projects	236,423
	Non-major Proprietary Funds	
	Water Utility	341
Fire Protection District	Fire Protection District Grants	301
	Total	<u>\$ 3,036,145</u>

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

Advances to/from other funds:

Receivable Fund	Payable Fund	Amount
Future Capital Projects	Capital Improvements	\$ 1,485,800
	Storm Drain	2,295,000
	Traffic Mitigation	<u>19,823,290</u>
	Total	<u>\$ 23,604,090</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 and Capital Reinvestment 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.

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:						
	General	Fire Protection District	Capital Reinvestment	Traffic Mitigation	Nonmajor Governmental Funds	Sewer Operations	Internal Service Fund
Transfer out:							
General	\$ -	-	\$ 1,375,535	-	\$ 2,789,796	-	\$ 218,310
Fire Protection District	3,979,300	-	-	-	2,282,100	-	-
Housing Authority	536,900	-	-	-	-	-	-
Capital Reinvestment	173,919	-	-	-	-	-	-
Traffic Mitigation	75,000	-	-	-	-	-	-
Sewer Expansion	239,661	-	-	-	-	-	-
Nonmajor Governmental Funds	8,261,687	1,006,100	-	596,129	4,022,226	162,173	186,260
Sewer Operations	2,834,200	-	-	-	-	-	72,120
	<u>\$ 16,100,667</u>	<u>\$ 1,006,100</u>	<u>\$ 1,375,535</u>	<u>\$ 596,129</u>	<u>\$ 9,094,122</u>	<u>\$ 162,173</u>	<u>\$ 476,690</u>
							<u>\$ 28,811,416</u>

Note 7. Long-Term Debt

Long-term debt activity for the year ended June 30, 2020, was as follows:

	Beginning Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities:						
Lease Revenue Bonds	\$ 38,580,000	\$ -	\$ 1,165,000	\$ 37,415,000	\$ 1,230,000	\$ 36,185,000
Claims and judgments	11,783,836	5,729,677	2,644,606	14,868,907	3,336,978	11,531,929
Compensated absences	9,172,062	7,173,300	6,898,271	9,447,091	6,994,364	2,452,727
Loan payable - SANBAG	3,873,854	200,167	-	4,074,021	814,804	3,259,217
Total Long-Term Debt - City	<u>\$ 63,409,752</u>	<u>\$ 13,103,144</u>	<u>\$ 10,707,877</u>	<u>\$ 65,805,019</u>	<u>\$ 12,376,146</u>	<u>\$ 53,428,873</u>
Total Governmental Activity Long-Term Debt	<u>\$ 63,409,752</u>	<u>\$ 13,103,144</u>	<u>\$ 10,707,877</u>	<u>\$ 65,805,019</u>	<u>\$ 12,376,146</u>	<u>\$ 53,428,873</u>
		Unamortized bond premium		<u>2,707,668</u>		<u>2,707,668</u>
				<u>\$ 68,512,687</u>		<u>\$ 56,136,541</u>
Business-Type Activities:						
Compensated absences	\$ 202,414	\$ 323,035	\$ 244,871	\$ 280,578	\$ 244,871	\$ 35,707
Loans payable	8,264,879	-	908,982	7,355,897	847,913	6,507,984
Total Business-Type Activity Long-Term Debt	<u>\$ 8,467,293</u>	<u>\$ 323,035</u>	<u>\$ 1,153,853</u>	<u>\$ 7,636,475</u>	<u>\$ 1,092,784</u>	<u>\$ 6,543,691</u>

Lease Revenue Bonds

2010 Lease Revenue Bonds

In December 2010, the Fontana Public Financing Authority issued \$5,420,000 of Lease Revenue Bonds. The proceeds of the issue were used to finance the reconstruction of Fire Station # 71. The bonds pay interest semi-annually at rates ranging from 5.72% to 8.41% and mature from September 2013 through September 2042. Principal and interest payments are made from the lease income for certain real property and the improvements thereon.

	2010 Lease Revenue Bonds		
	Principal	Interest	Total
2021	\$ 70,000	\$ 425,979	\$ 495,979
2022	80,000	420,664	500,664
2023	85,000	414,339	499,339
2024	95,000	406,947	501,947
2025	110,000	398,529	508,529
2026-2030	725,000	1,831,875	2,556,875
2031-2035	1,105,000	1,456,316	2,561,316
2036-2041	1,610,000	980,325	2,590,325
2042-2043	1,265,000	74,455	1,339,455
Totals	<u>\$ 5,145,000</u>	<u>\$ 6,409,429</u>	<u>\$ 11,554,429</u>

2014 Lease Revenue Bonds

	Principal	Interest	Total
2021	\$ 1,160,000	\$ 1,455,550	\$ 2,615,550
2022	1,220,000	1,396,050	2,616,050
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
2026-2030	8,170,000	4,853,625	13,023,625
2031-2035	10,350,000	2,631,675	12,981,675
2036-2041	7,335,000	447,700	7,782,700
Totals	<u>\$ 32,270,000</u>	<u>\$ 14,585,125</u>	<u>\$ 46,855,125</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 \$43,935,000. 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.

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 to the project is the “public share” contribution in the amount of \$4,074,021. The city has ten years to pay back the amount without interest. The outstanding balance as of June 30, 2020 is \$4,074,021.

SANBAG			
Fiscal Year			
Ending	Principal	Interest	Total
2021	\$ 814,804	\$ -	\$ 814,804
2022	407,402	-	407,402
2023	407,402	-	407,402
2024	407,402	-	407,402
2025	407,402	-	407,402
2026-2029	1,629,609	-	1,629,609
Totals	<u>\$ 4,074,021</u>	<u>\$ -</u>	<u>\$ 4,074,021</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.

San Bernardino Trunk Sewer - State Revolving Fund Loans									
Fiscal Year	Trunk Sewer Phase		Lift Station Phase		Force Main Phase		Combined Loans		
Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2021	\$ 434,231	\$ 68,010	\$ 180,352	\$ 32,825	\$ 233,330	\$ 36,071	\$ 847,913	\$ 136,906	\$ 984,819
2022	442,201	60,040	183,393	29,784	237,561	31,841	863,155	121,665	984,820
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 - 2029	1,453,059	53,663	768,561	48,331	739,532	28,445	2,961,152	130,439	3,091,591
Totals	<u>\$ 3,705,390</u>	<u>\$ 312,535</u>	<u>\$ 1,701,245</u>	<u>\$ 181,529</u>	<u>\$ 1,949,262</u>	<u>\$ 165,721</u>	<u>\$ 7,355,897</u>	<u>\$ 659,785</u>	<u>\$ 8,015,682</u>

Mello-Roos Community Facilities Districts

Between 1988 and 2020, eleven 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, 2020.

Special Tax Bonds	Date of Issue	Original Issue Amount	Outstanding Amount at June 30, 2020
CFD # 7 (County Club Estates)	July 2005	\$ 3,985,000	\$ 1,985,000
CFD # 11 (Heritage West End)	November 2011	8,800,000	5,300,000
CFD # 12 (Sierra Lakes)	July 2005	26,920,000	15,140,000
CFD # 22 (Sierra Hills South)	June 2014	31,260,000	25,870,000
CFD # 31 (Citrus Heights North)	July 2018	18,485,000	17,840,000
CFD # 37 (Montelago)	September 2005	4,590,000	3,095,000
CFD # 70 (Avellino)	July 2013	2,750,000	2,425,000
CFD # 71 (Sierra Crest)	July 2016	5,915,000	5,475,000
CFD #74B (Citrus/Summit)	June 2019	4,045,000	4,045,000
CFD # 80 (Bella Strada)	August 2017	11,125,000	10,795,000
CFD # 81 (Gabriella)	March 2018	7,180,000	7,035,000
CFD #86	February 2020	5,025,000	5,025,000
Total Special Tax Bonds		<u>\$ 130,080,000</u>	<u>\$ 104,030,000</u>

IV. OTHER INFORMATION

Note 8. 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 three years. The amount of settlements has not exceeded the amount of insurance coverage for each of the past three 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, 2018	<u>\$ 12,470,719</u>
Claims incurred (including IBNRs)	2,653,733
Claims paid/dismissed	<u>(3,340,616)</u>
Claims payable, June 30, 2019	<u>\$ 11,783,836</u>
Claims incurred (including IBNRs)	5,729,677
Claims paid/dismissed	<u>(2,644,606)</u>
Claims payable, June 30, 2020	<u>\$ 14,868,907</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 9. 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 10. 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 11. 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, 2019 measurement date, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	557
Inactive employees or beneficiaries currently receiving benefits	242
Inactive employees entitled to, but not yet receiving benefits	<u>0</u>
Total	<u><u>799</u></u>

Contributions

The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ending June 30, 2020, the City's cash contributions were \$2,370,000 in the form of current premiums, which is funded through the General fund, and the estimated implied subsidy was \$755,988 resulting in total payments of \$3,125,988.

OPEB Liability

The City's OPEB liability was measured as of June 30, 2019 and was determined by an actuarial valuation dated June 30, 2018 that was rolled forward to determine the June 30, 2019 OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	3.51%
Inflation	2.50%
Salary Increases	2.75% per annum, in aggregate
Mortality Rate ⁽¹⁾	Derived using CalPERS' Membership Data for all funds
Pre-Retirement Turnover ⁽²⁾	Derived using CalPERS' Membership Data for all funds
Healthcare Trend Rate	Based on recent premium experience assuming 5%-6.5% increase due to market trends then reduced to a rate reflecting medical price inflation

Notes:

⁽¹⁾ Pre-retirement mortality information was derived from data collected during 1997 to 2011 CalPERS Experience Study dated January 2014 and post-retirement mortality information was derived from the 2007 to 2011 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

⁽²⁾ The pre-retirement turnover information was developed based on CalPERS' specific data. For more details, please refer to the 2007 to 2011 Experience Study Report. The Experience Study Report may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.51 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:

	Increase (Decrease)
	Total OPEB Liability
Balance at June 30, 2019 (Measurement Date June 30, 2018)	\$ 69,989,078
Changes recognized for the measurement period:	
Service cost	1,114,136
Interest	2,442,178
Differences between expected and actual experience	(1,274,244)
Changes of assumptions	(3,295,758)
Benefit payments	(2,653,423)
Net Changes	(3,667,111)
Balance at June 30, 2020 (Measurement Date June 30, 2019)	\$ 66,321,967

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, 2019:

	1% Decrease (2.51%)	Current Discount Rate (3.51%)	1% Increase (4.51%)
OPEB Liability	\$76,262,603	\$ 66,321,967	\$58,299,697

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, 2019:

	1% Decrease (5.50% decreasing to 3.50%)	Current Healthcare Cost Trend Rates (6.5% decreasing to 4.50%)	1% Increase (7.5% decreasing to 5.50%)
OPEB Liability	\$57,858,006	\$ 66,321,967	\$76,840,128

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

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of \$1,355,578. As of fiscal year ended June 30, 2020, 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	\$ 2,912,729	\$ -
Total	\$ 2,912,729	\$ -

The \$2,912,729 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2021.

Note 12. 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 (for funding, but not accounting purposes), and membership information are listed in the Plan's June 30, 2018 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, 2020, 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					
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57	2.5% @ 55	2% @ 55
Final Average Compensation Period	Highest 1-year salary	Final 3-year average	Final 3-year average	Highest 1-year salary	Final 3-year average
Benefit vesting schedule	5 yrs credited service	5 yrs credited service	5 yrs credited service	5 yrs credited service	5 yrs credited service
Benefit payments	Monthly	Monthly	Monthly	Monthly	Monthly
Retirement age	50 and above	50 and above	50 and above	55 and above	55 and above
Monthly benefit basis	Benefit factor, years of	Benefit factor, years of	Benefit factor, years of	Benefit factor, years of	Benefit factor, years of
Required employee contribution rates	9%	9%		8%	7%
To be paid by employee	-	9%	50% of Normal Costs	3%	8%
To be paid by the City	9%	-		5%	-
Required employer contribution rates	19.221%	19.221%	19.221%	9.032%	9.032%

Employees Covered

As of the June 30, 2019 measurement date, the following employees were covered by the benefit terms for each Plan:

	Safety	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	171	452
Inactive employees entitled to but not yet receiving benefits	66	877
Active employees	185	560
Total	422	1,889

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 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, 2018 valuation was rolled forward to determine the June 30, 2019 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 MO-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. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

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
Global 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 CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; inflation Assets are included in both Global Equity Securities and Global Debt Securities.

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

³ An 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. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. This report 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, 2020 are as follows:

Total Pension Liability	\$502,609,925
Plan's Fiduciary Net Position	<u>341,208,814</u>
Net Pension Liability	<u>\$161,401,111</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	67.89%

Pension expense

At June 30, 2020, the City recognized pension expense for CalPERs of \$26,565,632.

Deferred Outflows/Inflows

At June 30, 2020, 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	\$ 17,061,843	\$ -
Differences between Expected and Actual Experience	9,995,294	(650,161)
Changes of Assumptions	8,655,362	(1,375,418)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(1,830,626)
Total	\$ 35,712,499	\$ (3,856,205)

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: 6/30/2018 (VD)	\$261,242,997	\$166,987,612	\$94,255,385
Changes Recognized for the Measurement Period:			
Service Cost	6,391,012		6,391,012
Interest on the Total Pension Liability	18,942,663		18,942,663
Changes of Benefit Terms	-		-
Differences between Expected and Actual Experience	6,274,697		6,274,697
Changes of Assumptions	-		-
Net Plan to Plan Resource Movement		-	-
Contributions from the Employer		9,196,355	(9,196,355)
Contributions from Employees		2,639,928	(2,639,928)
Net Investment Income		11,157,517	(11,157,517)
Benefit Payments, including Refunds of Employee Contributions	(11,561,706)	(11,561,706)	-
Administrative Expense		(119,166)	119,166
Other Miscellaneous Income/(Expense)		388	(388)
Net Changes during 2018-19	20,046,666	11,313,316	8,733,350
Balance at: 6/30/2019 (MD)	\$281,289,663	\$178,300,928	\$102,988,735

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: 6/30/2018 (VD)	\$204,257,961	\$152,746,701	\$51,511,260
Changes Recognized for the Measurement Period:			
Service Cost	5,057,352		5,057,352
Interest on the Total Pension Liability	14,869,142		14,869,142
Changes of Benefit Terms	-		-
Differences between Expected and Actual Experience	5,210,993		5,210,993
Changes of Assumptions	-		-
Net Plan to Plan Resource Movement		-	-
Contributions from the Employer		5,841,667	(5,841,667)
Contributions from Employees		2,369,932	(2,369,932)
Net Investment Income		10,133,426	(10,133,426)
Benefit Payments, including Refunds of Employee Contributions	(8,075,186)	(8,075,186)	-
Administrative Expense		(109,003)	109,003
Other Miscellaneous Income/(Expense)		349	(349)
Net Changes during 2018-19	17,062,301	10,161,185	6,901,116
Balance at: 6/30/2019 (MD)	\$221,320,262	\$162,907,886	\$58,412,376

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:

	Discount Rate – 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability Safety	\$144,671,169	\$102,988,735	\$69,069,747
Plan's Net Pension Liability Misc.	\$90,598,614	\$58,412,371	\$32,095,569

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, 2019 was 5.5 years, which was obtained by dividing the total service years of 2,316 (the sum of remaining service lifetimes of the active employees) by 422 (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 EARS� for the Miscellaneous Plan for the measurement period ending June 30, 2019 was 3.5 years, which was obtained by dividing the total service years of 6,647 (the sum of remaining service lifetimes of the active employees) by 1,888 (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.

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

For the measurement period ending June 30, 2019 (the measurement date), the City of Fontana recognized a pension expense of \$14,882,930 for the Safety Plan.

As of June 30, 2020, 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	\$ 10,449,901	\$ -
Differences between Expected and Actual Experience	6,273,156	(263,029)
Changes of Assumptions	7,277,841	(943,059)
Net Difference between Projected and Actual Earnings on Pension Plan	-	(982,143)
Total	\$ 24,000,898	\$ (2,188,231)

Employer contributions of \$10,449,901, 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, 2021.

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
2020	\$ 3,887,483
2021	2,517,941
2022	3,002,703
2023	1,384,212
2024	570,427
Thereafter	-

For the measurement period ending June 30, 2019 (the measurement date), the City of Fontana recognized a pension expense of \$11,682,701 for the Miscellaneous Plan.

As of June 30, 2020, 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	\$ 6,611,942	\$ -
Differences between Expected and Actual Experience	3,722,138	(387,132)
Changes of Assumptions	1,377,521	(432,359)
Net Difference between Projected and Actual Earnings on Pension Plan	-	(848,483)
Total	\$ 11,711,601	\$ (1,667,974)

Employer contributions of \$6,611,942, 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, 2021.

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
2020	\$ 2,828,352
2021	(53,185)
2022	502,535
2023	153,983
2024	-
Thereafter	-

Note 13. 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 14. 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 Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in Administrative Policy # 20-32.

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, 2020 are presented below:

	General	Special Revenue		Capital Project				Other Governmental Funds	Totals
		Fire Protection District	Housing Authority	Capital Reinvestment	Future Capital Projects	Sewer Expansion	Traffic Mitigation		
Fund balances:									
Nonspendable									
Deposits	\$ 69,025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,025
Inventories	327,065	-	-	-	-	-	-	878,310	1,205,375
Land held for resale	-	-	-	4,502,879	5,250,894	-	-	-	9,753,773
Loan receivables	-	-	-	-	-	-	-	1,906,031	1,906,031
Restricted									
Community facilities districts	-	-	-	-	-	-	-	36,999,286	36,999,286
Community services	-	-	-	-	-	-	-	82,621	82,621
Debt service reserve	-	-	-	-	-	-	-	6,073,506	6,073,506
Government-access channel	1,341,403	-	-	-	-	-	-	-	1,341,403
Housing & community development	-	-	87,932,152	-	-	-	-	1,204,584	89,136,736
Lighting and landscaping	-	-	-	-	-	-	-	6,887,640	6,887,640
Municipal Services Impact	-	-	-	-	-	-	-	19,832,288	19,832,288
Public safety	-	22,695,894	-	-	-	-	-	8,759,588	31,455,482
Transportation	-	-	-	-	-	-	-	19,253,049	19,253,049
Solid waste mitigation	-	-	-	-	-	-	-	3,831,930	3,831,930
Committed									
PERS reserve	5,700,690	-	-	-	-	-	-	-	5,700,690
Assigned									
Capital projects	104,211	-	-	5,676,290	41,815,294	1,241,945	-	61,000,450	109,838,190
Equipment replacement	2,036,141	-	-	-	-	-	-	-	2,036,141
Retiree benefits	25,333,299	-	-	-	-	-	-	-	25,333,299
Unassigned	63,564,012	-	-	-	-	-	102,966	(1,317,959)	62,349,019
Total fund balances	<u>\$ 98,475,846</u>	<u>\$ 22,695,894</u>	<u>\$ 87,932,152</u>	<u>\$ 10,179,169</u>	<u>\$ 47,066,188</u>	<u>\$ 1,241,945</u>	<u>\$ 102,966</u>	<u>\$ 165,391,324</u>	<u>\$ 433,085,484</u>

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:

- 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, 2020, is \$8,514,643 and is included in the unassigned fund balance in the General Fund.

Note 15: 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, 2020, the District reported \$33,663,995 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.

b. Capital Assets

An analysis of capital assets as of June 30, 2020, follows:

	Balance June 30, 2019 as Previously Reported	Increases	Decreases	Balance June 30, 2020
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	-	-	16,404,903
Machinery and equipment	1,751,577	442,982	-	2,194,559
Vehicles	12,247,732	125,323	(590,326)	11,782,729
Infrastructure	<u>1,012,418</u>	<u>-</u>	<u>-</u>	<u>1,012,418</u>
	<u>31,416,630</u>	<u>568,305</u>	<u>(590,326)</u>	<u>31,394,609</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,286,896)	(468,459)	-	(3,755,355)
Machinery and equipment	(764,303)	(196,751)	-	(961,054)
Vehicles	(6,797,757)	(571,508)	590,326	(6,778,939)
Infrastructure	<u>(171,136)</u>	<u>(33,823)</u>	<u>-</u>	<u>(204,959)</u>
	<u>(11,020,092)</u>	<u>(1,270,541)</u>	<u>590,326</u>	<u>(11,700,307)</u>
Total capital assets, being depreciated, net	<u>20,396,538</u>	<u>(702,236)</u>	<u>-</u>	<u>19,694,302</u>
Total Capital assets, net	<u>\$ 21,518,538</u>	<u>\$ (702,236)</u>	<u>\$ -</u>	<u>\$ 20,816,302</u>

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

Governmental Activities:	
Public safety – fire protection	\$ 1,270,541

c. Long-Term Debt

The District does not have any outstanding debt as of June 30, 2020.

d. Fund Balance

The district reports fund balances in accordance with the classifications consistent with the City, see Note 14 for more information on the types and descriptions of the fund balance classifications. The details of the fund balances as of June 30, 2020 are presented below:

	<u>Special Revenue</u>		<u>Capital Project</u>	
	<u>Fire Protection District</u>	<u>Fire Protection District CFD</u>	<u>Fire Protection District</u>	
				<u>Totals</u>
Fund balances:				
Restricted				
Public safety	22,695,894	4,256,897	-	26,952,791
Assigned				
Equipment replacement	-	-	6,893,096	6,893,096
Total fund balances	<u>\$ 22,695,894</u>	<u>\$ 4,256,897</u>	<u>\$ 6,893,096</u>	<u>\$ 33,845,887</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 \$30,343,680 to the County for these services during the fiscal year ending June 30, 2020. 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, 2020 are as follows:

Salaries and benefits	\$ 23,527,578
Services and supplies	3,692,640
Station expenses	1,025,984
Fire Prevention services	299,752
County contract management fee	<u>1,797,726</u>
Total contract expenses	<u>\$ 30,343,680</u>

Note 16. 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, 2020, 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, 2020, 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.

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	\$ 693,766
Cash and investments with fiscal agent	<u>19,950,218</u>
	<u>\$ 20,643,984</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, 2020 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, 2020 was \$1,900,000. 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, 2020 was \$84,021. 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.

c. Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2020, follows:

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020	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	195,490,000	-	11,255,000	184,235,000	11,695,000	172,540,000
2018 Tax Allocation Refunding Bonds	31,580,000	-	2,865,000	28,715,000	3,005,000	25,710,000
 <u>Other Redevelopment Agency:</u>						
Advances from City	31,594,895	-	981,167	30,613,728	1,098,907	29,514,821
Owner participation agreements	206,240,819	102,137	-	206,342,956	-	206,342,956
Total Redevelopment Agency	<u>\$ 464,905,714</u>	<u>\$ 102,137</u>	<u>\$ 15,101,167</u>	<u>\$ 449,906,684</u>	<u>\$ 15,798,907</u>	<u>\$ 434,107,777</u>
		Unamortized bond premium		<u>35,975,653</u>		<u>35,975,653</u>
				<u>\$ 485,882,337</u>		<u>\$ 470,083,430</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
2021	\$ 11,695,000	\$ 8,627,000	\$ 20,322,000
2022	11,300,000	8,073,963	19,373,963
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
2026-2030	68,740,000	22,331,363	91,071,363
2031-2035	51,550,000	5,462,375	57,012,375
2036	5,665,000	171,225	5,836,225
Totals	<u>\$ 184,235,000</u>	<u>\$ 65,578,182</u>	<u>\$ 249,813,182</u>

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
2021	\$ 3,005,000	\$ 1,360,625	\$ 4,365,625
2022	3,160,000	1,206,500	4,366,500
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
2026-2027	12,100,000	927,000	13,027,000
Totals	<u>\$ 28,715,000</u>	<u>\$ 6,109,875</u>	<u>\$ 34,824,875</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. The principal balance of the advances at June 30, 2020 was \$26,520,062.
2. Advances between the City and the Agency for administrative and other costs. The principal balance of the advances at June 30, 2020 was \$4,102,380. Repayments on this loan are pending the approval of the State Department of Finance.

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, 2020 does not include \$719,754,777 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 \$316,232,953 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 \$34,624,444 and the debt service obligation on the bonds was \$29,036,127.

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, 2020, 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 17. 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 18. Commitments and Contingencies

The effects of the COVID-19 outbreak and governmental actions responsive to it are altering the behavior of businesses and consumers in a manner that is having significant impacts on global and local economies. In addition, financial markets in the United States and globally have seen significant declines and experienced significant volatility attributed to COVID-19 concerns. Potential impacts to the City associated with the COVID-19 outbreak include, but are not limited to, increasing costs and challenges to maintain a safe community, cancellations of public events, and disruption of the regional and local economy with corresponding decreases in the City's revenues.

The COVID-19 outbreak is ongoing, and the duration and severity of the outbreak and the economic and other actions that may be taken by governmental authorities to contain the outbreak or to treat its impact are uncertain. The ultimate impact of COVID-19 on the operations and finances of the City is unknown. The City implemented various cost containment measures during the year and amended its Fiscal Year 2020-21 budget, which includes consideration of the effect of the COVID-19 outbreak and an anticipated recession. The City continues to actively monitor the regional and local economy so that any further financial impacts can be anticipated and disruption to services can be avoided.

CITY OF FONTANA

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

Safety Plan

Measurement Period	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY						
Service Cost	\$ 6,391,012	\$ 6,252,517	\$ 6,181,410	\$ 5,464,647	\$ 5,255,619	\$ 5,261,265
Interest	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	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	(11,561,706)	(10,323,275)	(9,330,793)	(8,666,808)	(8,043,006)	(7,265,033)
Net Change in Total Pension Liability	20,046,666	14,302,940	27,964,408	13,246,810	8,454,412	11,829,462
Total Pension Liability – Beginning	261,242,997	246,940,057	218,975,649	205,728,839	197,274,427	185,444,965
Total Pension Liability – Ending (a)	\$ 281,289,663	\$ 261,242,997	\$ 246,940,057	\$ 218,975,649	\$ 205,728,839	\$ 197,274,427
PLAN FIDUCIARY NET POSITION						
Contributions – Employer	9,196,355	8,215,736	7,706,792	6,985,270	6,756,772	6,213,039
Contributions – Employee	2,639,928	2,577,060	2,509,352	2,505,888	2,177,122	1,764,545
Net Investment Income	11,157,517	13,214,512	15,449,532	710,225	2,956,715	19,674,310
Benefit Payments, Including Refunds of Employee Contributions	(11,561,706)	(10,323,275)	(9,330,793)	(8,666,808)	(8,043,006)	(7,265,033)
Other Changes in Net Fiduciary Position	(118,778)	(696,076)	(203,553)	(83,139)	(153,538)	-
Net Change in Fiduciary Net Position	11,313,316	12,987,957	16,131,330	1,451,436	3,694,065	20,386,861
Plan Fiduciary Net Position – Beginning	166,987,612	153,999,655	137,868,325	136,416,889	132,722,824	112,335,963
Plan Fiduciary Net Position – Ending (b)	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)	\$ 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	63.39%	63.92%	62.36%	62.96%	66.31%	67.28%
Covered Payroll	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	459.03%	432.71%	434.06%	383.00%	344.47%	333.42%

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms specific to the plan

Changes of Assumptions: In 2019, 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 six 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	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY						
Service Cost	\$ 5,057,352	\$ 4,814,030	\$ 4,788,249	\$ 4,194,877	\$ 4,254,965	\$ 4,004,767
Interest	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	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	(8,075,186)	(7,673,900)	(6,602,614)	(6,385,882)	(5,914,227)	(5,994,855)
Net Change in Total Pension Liability	17,062,301	9,335,699	21,775,461	8,379,772	5,983,883	9,157,228
Total Pension Liability – Beginning	204,257,961	194,922,262	173,146,801	164,767,029	158,783,146	149,625,918
Total Pension Liability – Ending (a)	\$ 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	5,841,667	5,081,435	4,478,806	4,452,429	3,868,104	3,657,678
Contributions – Employee	2,369,932	2,238,093	2,148,688	2,157,198	2,068,784	2,016,250
Net Investment Income	10,133,426	12,059,314	14,325,541	622,155	2,781,662	18,466,862
Benefit Payments, Including Refunds of Employee Contributions	(8,075,186)	(7,673,900)	(6,602,614)	(6,385,882)	(5,914,227)	(5,994,855)
Other Changes in Net Fiduciary Position	(108,649)	(640,045)	(188,255)	(77,240)	(142,590)	-
Net Change in Fiduciary Net Position	10,161,190	11,064,543	14,175,372	768,660	2,661,733	18,145,935
Plan Fiduciary Net Position – Beginning	152,746,701	141,682,158	127,506,786	126,738,126	124,076,393	105,930,458
Plan Fiduciary Net Position – Ending (b)	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)	\$ 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	73.61%	74.78%	72.69%	73.64%	76.92%	78.14%
Covered Payroll	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	194.19%	176.38%	183.92%	161.00%	134.75%	138.55%

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms specific to the plan

Changes of Assumptions: In 2019, 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 six years of information is being presented.

CITY OF FONTANA

Schedule of Plan Contributions

Safety Plan

Fiscal Year	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 10,449,901	\$ 9,132,884	\$ 8,215,736	\$ 7,706,792	\$ 6,985,270	\$ 6,756,772	\$ 6,213,039
Contributions in Relation to the Actuarially Determined Contribution	(10,449,901)	(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>
Covered Payroll	\$ 23,782,391	\$ 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	43.94%	40.71%	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 2019-20 were from the June 30, 2017 public agency valuations.

GASB 68 was implemented in FY 2014-15, therefore only the seven most recent years of information is being presented.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2017 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.25% Net of Pension Plan Investment Expenses, including Inflation.
Retirement Age	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

CITY OF FONTANA

Schedule of Plan Contributions

Miscellaneous Plan

Fiscal Year	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 6,611,942	\$ 5,810,203	\$ 5,081,435	\$ 4,478,806	\$ 4,452,429	\$ 3,868,104	\$ 3,657,678
Contributions in Relation to the	(6,611,942)	(5,810,203)	(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>
Covered Payroll	\$ 31,885,209	\$ 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	20.74%	19.32%	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 2019-20 were from the June 30, 2017 public agency valuations.

GASB 68 was implemented in FY 2014-15, therefore only the seven most recent years of information is being presented.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2017 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.25% Net of Pension Plan Investment Expenses, including Inflation.
Retirement Age	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB 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	2019	2018	2017
TOTAL OPEB LIABILITY			
Service cost	\$ 1,114,136	\$ 1,109,799	\$ 1,073,307
Interest on the total OPEB liability	2,442,178	2,377,354	2,345,864
Actual and expected experience difference	(1,274,244)	-	-
Changes in assumptions	(3,295,758)	(1,014,856)	-
Changes in benefit terms	-	-	-
Benefit payments	<u>(2,653,423)</u>	<u>(2,591,180)</u>	<u>(2,467,790)</u>
Net change in total OPEB liability	(3,667,111)	(118,883)	951,381
Total OPEB liability - beginning	<u>69,989,078</u>	<u>70,107,961</u>	<u>69,156,580</u>
Total OPEB liability - ending (a)	<u>\$ 66,321,967</u>	<u>\$ 69,989,078</u>	<u>\$ 70,107,961</u>
Covered-employee payroll	\$ 52,516,604	\$ 50,986,994	\$ 50,359,691
Net OPEB liability as a percentage of covered-employee payroll	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.

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.

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.

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.

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.

Non-Major Governmental Funds

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

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

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

Non-Major Governmental Funds

Capital Project Funds (continued)

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.

Community Facilities Districts - To account for bond proceeds used to finance infrastructure improvements in the City's various capital project districts.

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

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	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	\$ -	18,480,829	95,884	138,318	19,775,324	2,809,777	-	741,585	59,778
Receivables:									
Accounts	-	-	-	-	-	-	-	30,951	-
Assessments	-	-	-	-	-	-	-	-	-
Interest	893	53,757	247	404	56,964	9,898	3,643	342,490	120
Loans	-	-	-	-	-	-	-	6,757,168	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-
Due from other governments	408,099	2,867,450	5,941	-	-	1,094,251	560,912	183,859	-
Inventories	98,909	-	779,401	-	-	-	-	-	-
Cash with fiscal agent	-	-	-	-	-	-	-	-	-
Total Assets	\$ 507,901	21,402,036	881,473	138,722	19,832,288	3,913,926	564,555	8,056,053	59,898
Liabilities, Deferred Inflows and Fund Balances:									
Liabilities:									
Accounts payable	\$ 374,473	415,305	6,166	-	-	81,996	29,354	657	-
Retentions payable	-	14,579	-	-	-	-	-	-	-
Due to other funds	222,103	1,563,496	-	-	-	-	5,561	-	-
Due to other governments	-	-	-	-	-	-	-	7,099,658	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Total Liabilities	596,576	1,993,380	6,166	-	-	81,996	34,915	7,100,315	-
Deferred inflows of resources:									
Unavailable revenues	-	2,114,512	-	-	-	-	-	178,505	-
Fund balances:									
Nonspendable	98,909	-	779,401	-	-	-	-	-	-
Restricted		17,294,144	95,906	138,722	19,832,288	3,831,930	529,640	777,233	59,898
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	(187,584)	-	-	-	-	-	-	-	-
Total fund balances	(88,675)	17,294,144	875,307	138,722	19,832,288	3,831,930	529,640	777,233	59,898
Total liabilities, deferred inflows of resources and fund balances	\$ 507,901	21,402,036	881,473	138,722	19,832,288	3,913,926	564,555	8,056,053	59,898

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

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	Special Revenue								
	State Seizure	Federal Seizure	Grants	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	423,568	6,411,029	1,784,165	404,847	-	583,019	1,721,936	1,409,000	4,724
Receivables:									
Accounts	-	-	-	20,000	-	-	17,000	-	-
Assessments	-	-	-	-	-	-	-	-	-
Interest	782	18,677	-	-	-	-	4,881	3,595	-
Loans	-	-	-	1,043,605	-	-	-	-	8,796
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	1,391,929	371,300	-	-	-	66,373	-
Inventories	-	-	-	-	-	-	-	-	-
Cash with fiscal agent	-	-	-	-	-	-	-	-	-
Total Assets	424,350	6,429,706	3,176,094	1,839,752	-	583,019	1,743,817	1,478,968	13,520
Liabilities, Deferred Inflows and Fund Balances:									
Liabilities:									
Accounts payable	50,594	45,960	984,111	111,389	-	49,623	2,156	188,425	-
Retentions payable	-	-	18,264	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	1,043,605	-	-	-	-	-
Unearned revenue	-	-	2,164,332	53	-	425,270	-	-	25
Advances from other funds	-	-	-	-	-	-	-	-	-
Total Liabilities	50,594	45,960	3,166,707	1,155,047	-	474,893	2,156	188,425	25
Deferred inflows of resources:									
Unavailable revenues	-	-	1,139,300	270,849	462	3,204	-	-	-
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	373,756	6,383,746	-	413,856	-	104,922	1,741,661	1,290,543	13,495
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	(1,129,913)	-	(462)	-	-	-	-
Total fund balances	373,756	6,383,746	(1,129,913)	413,856	(462)	104,922	1,741,661	1,290,543	13,495
Total liabilities, deferred inflows of resources and fund balances	424,350	6,429,706	3,176,094	1,839,752	-	583,019	1,743,817	1,478,968	13,520

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

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	Special Revenue						Debt Service	Capital Projects	
	Community Services Reimbursements	Fontana Community Foundation	Fire Protection District CFD	Fire Protection District Grants	Landscape Maintenance Districts	Lighting District #3 Hunter's Ridge	Community Facilities Districts	General Debt Service	Storm Drain
Assets:									
Cash and investments	-	137,566	4,245,022	-	7,078,915	42,484	33,060,902	-	17,214,394
Receivables:									
Accounts	-	-	-	-	-	-	136	-	-
Assessments	-	-	-	-	110,701	548	323,131	-	-
Interest	-	402	11,875	-	19,241	99	92,173	-	48,610
Loans	-	-	-	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	(38,813)	(146)	(112,306)	-	-
Due from other governments	1,120,840	-	-	-	8,001	89	1,159	-	-
Inventories	-	-	-	-	-	-	-	-	-
Cash with fiscal agent	-	-	-	-	-	-	-	524,445	-
	<u>1,120,840</u>	<u>137,968</u>	<u>4,256,897</u>	<u>-</u>	<u>7,178,045</u>	<u>43,074</u>	<u>33,365,195</u>	<u>524,445</u>	<u>17,263,004</u>
Liabilities, Deferred Inflows and Fund Balances:									
Liabilities:									
Accounts payable	37,207	-	-	-	333,479	-	760,774	-	2,553
Retentions payable	-	-	-	-	-	-	-	-	1,490
Due to other funds	1,001,012	-	-	301	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	2,295,000
Total Liabilities	<u>1,038,219</u>	<u>-</u>	<u>-</u>	<u>301</u>	<u>333,479</u>	<u>-</u>	<u>760,774</u>	<u>-</u>	<u>2,299,043</u>
Deferred inflows of resources:									
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	82,621	137,968	4,256,897	-	6,844,566	43,074	32,604,421	524,445	-
Assigned	-	-	-	-	-	-	-	-	14,963,961
Unassigned	-	-	-	(301)	-	-	-	-	-
Total fund balances	<u>82,621</u>	<u>137,968</u>	<u>4,256,897</u>	<u>(301)</u>	<u>6,844,566</u>	<u>43,074</u>	<u>32,604,421</u>	<u>524,445</u>	<u>14,963,961</u>
Total liabilities, deferred inflows of resources and fund balances	<u>1,120,840</u>	<u>137,968</u>	<u>4,256,897</u>	<u>-</u>	<u>7,178,045</u>	<u>43,074</u>	<u>33,365,195</u>	<u>524,445</u>	<u>17,263,004</u>

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

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Capital Projects

	San Sevaine Flood Control	Upper Etiwanda Flood Control Development	Park Development	Landscape Improvements	Library Capital Improvement	Police Facility	General Government Improvement	Capital Improvements	Underground Utilities
Assets:									
Cash and investments	759,709	46,789	5,950,860	5,813,151	474,677	2,900,108	10,082,573	8,099,687	298,418
Receivables:									
Accounts	-	-	-	-	-	-	-	224,000	-
Assessments	-	-	-	-	-	-	-	-	-
Interest	1,914	137	19,089	16,786	1,179	7,933	28,217	26,765	737
Loans	-	-	-	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Cash with fiscal agent	-	-	-	-	-	-	-	-	-
Total Assets	<u>761,623</u>	<u>46,926</u>	<u>5,969,949</u>	<u>5,829,937</u>	<u>475,856</u>	<u>2,908,041</u>	<u>10,110,790</u>	<u>8,350,452</u>	<u>299,155</u>
Liabilities, Deferred Inflows and Fund Balances:									
Liabilities:									
Accounts payable	2,353	-	368,131	20,670	-	-	-	20,016	-
Retentions payable	-	-	68,554	-	-	225	-	136,020	-
Due to other funds	-	-	-	-	-	-	-	-	-
Due to other governments	298,256	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	1,485,800	-
Total Liabilities	<u>300,609</u>	<u>-</u>	<u>436,685</u>	<u>20,670</u>	<u>-</u>	<u>225</u>	<u>-</u>	<u>1,641,836</u>	<u>-</u>
Deferred inflows of resources:									
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Assigned	461,014	46,926	5,533,264	5,809,267	475,856	2,907,816	10,110,790	6,708,616	299,155
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>461,014</u>	<u>46,926</u>	<u>5,533,264</u>	<u>5,809,267</u>	<u>475,856</u>	<u>2,907,816</u>	<u>10,110,790</u>	<u>6,708,616</u>	<u>299,155</u>
Total liabilities, deferred inflows of resources and fund balances	<u>761,623</u>	<u>46,926</u>	<u>5,969,949</u>	<u>5,829,937</u>	<u>475,856</u>	<u>2,908,041</u>	<u>10,110,790</u>	<u>8,350,452</u>	<u>299,155</u>

CITY OF FONTANA
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

Schedule 1
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	Capital Projects					Total Other Governmental Funds
	Fire Assessment	Affordable Housing Trust	Fire Protection District	Fontana Housing Authority	Community Facilities Districts	
Assets:						
Cash and investments	717,810	3,761,146	6,876,469	1,731,533	43,689	164,179,685
Receivables:						
Accounts	-	-	-	26,081	-	318,168
Assessments	-	-	-	-	-	434,380
Interest	2,119	27,190	17,151	86,649	57	904,674
Loans	-	1,000,000	-	1,906,031	-	10,715,600
Allowance for doubtful accounts	-	-	-	-	-	(151,265)
Due from other governments	-	-	-	-	-	8,080,203
Inventories	-	-	-	-	-	878,310
Cash with fiscal agent	-	-	-	-	5,611,617	6,136,062
Total Assets	<u>719,929</u>	<u>4,788,336</u>	<u>6,893,620</u>	<u>3,750,294</u>	<u>5,655,363</u>	<u>191,495,817</u>
Liabilities, Deferred Inflows and Fund Balances:						
Liabilities:						
Accounts payable	-	-	524	120,802	49,080	4,055,798
Retentions payable	-	-	-	9,065	155,975	404,172
Due to other funds	-	-	-	-	236,423	3,028,896
Due to other governments	-	-	-	-	-	8,441,519
Unearned revenue	-	-	-	-	-	2,589,680
Advances from other funds	-	-	-	-	-	3,780,800
Total Liabilities	<u>-</u>	<u>-</u>	<u>524</u>	<u>129,867</u>	<u>441,478</u>	<u>22,300,865</u>
Deferred inflows of resources:						
Unavailable revenues	<u>-</u>	<u>16,166</u>	<u>-</u>	<u>80,630</u>	<u>-</u>	<u>3,803,628</u>
Fund balances:						
Nonspendable	-	-	-	1,906,031	-	2,784,341
Restricted	-	-	-	-	5,549,061	102,924,793
Assigned	719,929	4,772,170	6,893,096	1,633,766	-	61,335,626
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(335,176)</u>	<u>(1,653,436)</u>
Total fund balances	<u>719,929</u>	<u>4,772,170</u>	<u>6,893,096</u>	<u>3,539,797</u>	<u>5,213,885</u>	<u>165,391,324</u>
Total liabilities, deferred inflows of resources and fund balances	<u>719,929</u>	<u>4,788,336</u>	<u>6,893,620</u>	<u>3,750,294</u>	<u>5,655,363</u>	<u>191,495,817</u>

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2020

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	Special Revenue							
		Traffic Congestion Relief	Traffic Safety	Prop 1B	Municipal Services Fiscal Impact	Solid Waste Mitigation	Road Maintenance And Rehabilitation	Home Program
	Gas Tax							
Revenues:								
Taxes	\$ -	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	4,900,309	5,070,560	-	-	-	-	3,673,164	1,503,611
Charges for services	-	-	-	-	1,318,860	3,877,467	-	-
Fines and forfeitures	-	-	78,114	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	6,119	427,428	2,031	3,207	453,418	75,759	21,905	-
Contributions from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	3,413	-	-	-	-	-
Total revenues	4,906,428	5,497,988	83,558	3,207	1,772,278	3,953,226	3,695,069	1,503,611
Expenditures:								
Current:								
General government:								
City Administration	-	-	-	-	-	-	-	1,625,000
Management services	-	-	-	-	-	-	-	54,417
Information technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	4,423,575	-	-	-	-	3,519,703	3,718,813	-
Community services	-	-	-	-	-	29,887	-	-
Engineering	-	6,175,227	316,830	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	4,423,575	6,175,227	316,830	-	-	3,549,590	3,718,813	1,679,417
Excess (deficiency) of revenues over (under) expenditures	482,853	(677,239)	(233,272)	3,207	1,772,278	403,636	(23,744)	(175,806)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(773,500)	(99,900)	-	-	(855,000)	(429,000)	-	-
Total other financing sources (uses)	(773,500)	(99,900)	-	-	(855,000)	(429,000)	-	-
Net change in fund balances	(290,647)	(777,139)	(233,272)	3,207	917,278	(25,364)	(23,744)	(175,806)
Fund Balances:								
Beginning of fiscal year	201,972	18,071,283	1,108,579	135,515	18,915,010	3,857,294	553,384	953,039
End of fiscal year	\$ (88,675)	17,294,144	875,307	138,722	19,832,288	3,831,930	529,640	777,233

CITY OF FONTANA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2020

Schedule 2
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	Special Revenue							
	Crime Prevention Seizure	State Seizure	Federal Seizure	Grants	Housing and Community Development Block Grant	Federal Law Enforcement Block Grant	AB 3229 State COPS Program	Office of Traffic Safety
Revenues:								
Taxes	-	-	-	-	-	-	-	454,920
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	9,264,350	1,547,184	-	358,640	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	37,121	210,353	2,660,041	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	2,224	13,588	147,556	-	-	-	-	38,879
Contributions from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	7,433	1,393,322	-	-	-	-
Total revenues	39,345	223,941	2,815,030	10,657,672	1,547,184	-	358,640	493,799
Expenditures:								
Current:								
General government:								
City Administration	-	-	-	37,950	463,466	-	-	-
Management services	-	-	-	-	955,106	-	-	-
Information technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	20,031	163,809	2,225,355	645,260	237,217	-	358,640	72,255
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	8,386,622	-	-	-	-
Community services	-	-	-	5,834	-	-	-	-
Engineering	-	-	-	2,048,964	38,396	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	20,031	163,809	2,225,355	11,124,630	1,694,185	-	358,640	72,255
Excess (deficiency) of revenues over (under) expenditures	19,314	60,132	589,675	(466,958)	(147,001)	-	-	421,544
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(91,800)	-	-	(166,260)
Total other financing sources (uses)	-	-	-	-	(91,800)	-	-	(166,260)
Net change in fund balances	19,314	60,132	589,675	(466,958)	(238,801)	-	-	255,284
Fund Balances:								
Beginning of fiscal year	40,584	313,624	5,794,071	(662,955)	652,657	(462)	104,922	1,486,377
End of fiscal year	59,898	373,756	6,383,746	(1,129,913)	413,856	(462)	104,922	1,741,661

CITY OF FONTANA
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	Special Revenue							
	Air Quality Management District	Down Payment Assistance	Community Services Reimbursements	Fontana Community Foundation	Fire Protection District CFD	Fire Protection District Grants	Landscape Maintenance Districts	Lighting District #3 Hunter's Ridge
Revenues:								
Taxes	-	-	-	-	-	-	6,434	93
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	4,743,830	-	-	301,362	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	286,303	-	4,114,521	35,088
Investment earnings	29,401	-	-	3,190	95,133	-	155,758	833
Contributions from property owners	-	-	-	-	-	-	-	-
Other revenue	321,496	-	-	-	-	-	-	-
Total revenues	350,897	-	4,743,830	3,190	381,436	301,362	4,276,713	36,014
Expenditures:								
Current:								
General government:								
City Administration	-	1,204	-	-	-	-	-	-
Management services	2,000	-	-	-	-	-	-	-
Information technology	-	-	-	-	-	-	-	-
Human resources	11,834	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	7,496	301,663	-	-
Public works	-	-	-	-	-	-	4,410,430	23,568
Community services	-	-	2,785,513	-	-	-	-	-
Engineering	188,406	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	202,240	1,204	2,785,513	-	7,496	301,663	4,410,430	23,568
Excess (deficiency) of revenues over (under) expenditures	148,657	(1,204)	1,958,317	3,190	373,940	(301)	(133,717)	12,446
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	647,760	-
Transfers out	(13,600)	-	(406,369)	-	-	-	(538,500)	(4,100)
Total other financing sources (uses)	(13,600)	-	(406,369)	-	-	-	109,260	(4,100)
Net change in fund balances	135,057	(1,204)	1,551,948	3,190	373,940	(301)	(24,457)	8,346
Fund Balances:								
Beginning of fiscal year	1,155,486	14,699	(1,469,327)	134,778	3,882,957	-	6,869,023	34,728
End of fiscal year	1,290,543	13,495	82,621	137,968	4,256,897	(301)	6,844,566	43,074

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	Special Revenue	Debt Service	Capital Projects					
	Community Facilities Districts	General Debt Service	Storm Drain	San Sevaine Flood Control	Upper Etiwanda Flood Control Development	Park Development	Landscape Improvements	Library Capital Improvement
Revenues:								
Taxes	29,275	-	-	-	-	-	-	-
Licenses and permits	-	-	1,879,405	65,613	-	-	-	221,726
Intergovernmental	-	90,716	-	-	-	-	-	-
Charges for services	16,304	-	-	-	-	-	402,574	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	13,700,448	-	-	-	-	-	-	-
Investment earnings	739,672	908	389,307	15,862	1,086	148,523	133,565	9,639
Contributions from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	14,485,699	91,624	2,268,712	81,475	1,086	148,523	536,139	231,365
Expenditures:								
Current:								
General government:								
City Administration	-	-	-	-	-	-	-	-
Management services	-	5,720	-	-	-	-	-	-
Information technology	-	-	5,433	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	7,626,201	-	-	-	-	1,967,849	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	1,005,614	92,744	-	39,310	386,590	-
Debt service:								
Principal	-	1,165,000	-	-	-	-	-	-
Interest	-	1,942,761	-	-	-	-	-	-
Total expenditures	7,626,201	3,113,481	1,011,047	92,744	-	2,007,159	386,590	-
Excess (deficiency) of revenues over (under) expenditures	6,859,498	(3,021,857)	1,257,665	(11,269)	1,086	(1,858,636)	149,549	231,365
Other Financing Sources (Uses):								
Transfers in	639,280	2,929,385	561,561	121,330	-	1,454,509	52,161	107,193
Transfers out	(5,644,190)	-	(489,900)	(14,000)	-	(428,700)	(4,700)	(111,000)
Total other financing sources (uses)	(5,004,910)	2,929,385	71,661	107,330	-	1,025,809	47,461	(3,807)
Net change in fund balances	1,854,588	(92,472)	1,329,326	96,061	1,086	(832,827)	197,010	227,558
Fund Balances:								
Beginning of fiscal year	30,749,833	616,917	13,634,635	364,953	45,840	6,366,091	5,612,257	248,298
End of fiscal year	32,604,421	524,445	14,963,961	461,014	46,926	5,533,264	5,809,267	475,856

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	Capital Projects						
	Police Facility	General Government Improvement	Capital Improvements	Underground Utilities	Fire Assessment	Affordable Housing Trust	Fire Protection District
Revenues:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	312,908	-	-	-	122,743	587,645	-
Intergovernmental	-	-	-	-	-	122,850	-
Charges for services	-	596,990	-	168,444	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Investment earnings	63,840	225,968	207,839	5,967	16,863	87,592	141,067
Contributions from property owners	-	-	-	-	-	-	-
Other revenue	-	-	463,884	-	-	-	-
Total revenues	<u>376,748</u>	<u>822,958</u>	<u>671,723</u>	<u>174,411</u>	<u>139,606</u>	<u>798,087</u>	<u>141,067</u>
Expenditures:							
Current:							
General government:							
City Administration	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-
Information technology	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-
Public safety:							
Police	39,064	-	-	-	-	-	1,608
Fire	-	-	-	-	-	-	363,733
Public works	-	-	2,957,007	-	-	-	4,200
Community services	-	-	-	-	-	-	-
Engineering	-	-	94,425	-	-	-	968
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	<u>39,064</u>	<u>-</u>	<u>3,051,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>370,509</u>
Excess (deficiency) of revenues over (under) expenditures	<u>337,684</u>	<u>822,958</u>	<u>(2,379,709)</u>	<u>174,411</u>	<u>139,606</u>	<u>798,087</u>	<u>(229,442)</u>
Other Financing Sources (Uses):							
Transfers in	105,831	160,048	-	-	32,964	-	2,282,100
Transfers out	(45,400)	-	(90,500)	-	(309,359)	-	(296,900)
Total other financing sources (uses)	<u>60,431</u>	<u>160,048</u>	<u>(90,500)</u>	<u>-</u>	<u>(276,395)</u>	<u>-</u>	<u>1,985,200</u>
Net change in fund balances	398,115	983,006	(2,470,209)	174,411	(136,789)	798,087	1,755,758
Fund Balances:							
Beginning of fiscal year	<u>2,509,701</u>	<u>9,127,784</u>	<u>9,178,825</u>	<u>124,744</u>	<u>856,718</u>	<u>3,974,083</u>	<u>5,137,338</u>
End of fiscal year	<u>2,907,816</u>	<u>10,110,790</u>	<u>6,708,616</u>	<u>299,155</u>	<u>719,929</u>	<u>4,772,170</u>	<u>6,893,096</u>

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	Capital Projects		Total Other Governmental Funds
	Fontana Housing Authority	Community Facilities District	
Revenues:			
Taxes	-	-	\$ 490,722
Licenses and permits	-	-	3,190,040
Intergovernmental	-	-	31,576,576
Charges for services	-	-	6,380,639
Fines and forfeitures	-	-	2,985,629
Special assessments	-	-	18,136,360
Investment earnings	137,346	13,739	3,815,212
Contributions from property owners	-	5,194,646	5,194,646
Other revenue	688	-	2,190,236
Total revenues	<u>138,034</u>	<u>5,208,385</u>	<u>73,960,060</u>
Expenditures:			
Current:			
General government:			
City Administration	748	-	2,128,368
Management services	689,858	-	1,707,101
Information technology	-	-	5,433
Human resources	-	-	11,834
Public safety:			
Police	-	-	3,763,239
Fire	-	-	672,892
Public works	-	3,679,034	40,717,002
Community services	-	-	2,821,234
Engineering	-	3,581,540	13,969,014
Debt service:			
Principal	-	-	1,165,000
Interest	-	78,702	2,021,463
Total expenditures	<u>690,606</u>	<u>7,339,276</u>	<u>68,982,580</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(552,572)</u>	<u>(2,130,891)</u>	<u>4,977,480</u>
Other Financing Sources (Uses):			
Transfers in	-	-	9,094,122
Transfers out	(68,000)	(3,353,898)	(14,234,576)
Total other financing sources (uses)	<u>(68,000)</u>	<u>(3,353,898)</u>	<u>(5,140,454)</u>
Net change in fund balances	(620,572)	(5,484,789)	(162,974)
Fund Balances:			
Beginning of fiscal year	4,160,369	10,698,674	165,554,298
End of fiscal year	<u>3,539,797</u>	<u>5,213,885</u>	<u>165,391,324</u>

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	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	5,515,630	5,515,630	4,900,309	(615,321)	3,450,980	17,958,543	5,070,560	(12,887,983)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	2,050	2,050	6,119	4,069	250,370	250,370	427,428	177,058
Other revenue	-	-	-	-	-	-	-	-
Total revenues	5,517,680	5,517,680	4,906,428	(611,252)	3,701,350	18,208,913	5,497,988	(12,710,925)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	4,933,020	4,839,092	4,423,575	415,517	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	1,992,400	29,269,619	6,175,227	23,094,392
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	4,933,020	4,839,092	4,423,575	415,517	1,992,400	29,269,619	6,175,227	23,094,392
Excess (deficiency) of revenues over (under) expenditures	584,660	678,588	482,853	(195,735)	1,708,950	(11,060,706)	(677,239)	10,383,467
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(773,500)	(773,500)	(773,500)	-	(99,900)	(99,900)	(99,900)	-
Total other financing sources (uses)	(773,500)	(773,500)	(773,500)	-	(99,900)	(99,900)	(99,900)	-
Net change in fund balances	(188,840)	(94,912)	(290,647)	(195,735)	1,609,050	(11,160,606)	(777,139)	10,383,467
Fund balances - beginning	201,972	201,972	201,972	-	18,071,283	18,071,283	18,071,283	-
Fund balances - ending	\$ 13,132	\$ 107,060	\$ (88,675)	\$ (195,735)	\$ 19,680,333	\$ 6,910,677	\$ 17,294,144	\$ 10,383,467

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	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	60,000	60,000	78,114	18,114	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	3,260	3,260	2,031	(1,229)	1,860	1,860	3,207	1,347
Other revenue	20,000	20,000	3,413	(16,587)	-	-	-	-
Total revenues	83,260	83,260	83,558	298	1,860	1,860	3,207	1,347
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	156,540	130,540	316,830	(186,290)	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	156,540	130,540	316,830	(186,290)	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(73,280)	(47,280)	(233,272)	(185,992)	1,860	1,860	3,207	1,347
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	(73,280)	(47,280)	(233,272)	(185,992)	1,860	1,860	3,207	1,347
Fund balances - beginning	1,108,579	1,108,579	1,108,579	-	135,515	135,515	135,515	-
Fund balances - ending	\$ 1,035,299	\$ 1,061,299	\$ 875,307	\$ (185,992)	\$ 137,375	\$ 137,375	\$ 138,722	\$ 1,347

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	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	1,318,860	135,360	3,000,000	3,000,000	3,877,467	877,467
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	258,070	258,070	453,428	195,358	34,960	34,960	75,759	40,799
Other revenue	-	-	-	-	-	-	-	-
Total revenues	1,441,570	1,441,570	1,772,288	330,718	3,034,960	3,034,960	3,953,226	918,266
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	2,728,730	4,764,453	3,519,703	1,244,750
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	47,130	47,130	29,887	17,243
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	2,775,860	4,811,583	3,549,590	1,261,993
Excess (deficiency) of revenues over (under) expenditures	1,441,570	1,441,570	1,772,288	330,718	259,100	(1,776,623)	403,636	2,180,259
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(855,000)	(855,000)	(855,000)	-	(409,000)	(429,000)	(429,000)	-
Total other financing sources (uses)	(855,000)	(855,000)	(855,000)	-	(409,000)	(429,000)	(429,000)	-
Net change in fund balances	586,570	586,570	917,288	330,718	(149,900)	(2,205,623)	(25,364)	2,180,259
Fund balances - beginning	18,915,010	18,915,010	18,915,010	-	3,857,294	3,857,294	3,857,294	-
Fund balances - ending	\$ 19,501,580	\$ 19,501,580	\$ 19,832,298	\$ 330,718	\$ 3,707,394	\$ 1,651,671	\$ 3,831,930	\$ 2,180,259

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	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	3,508,950	4,433,144	3,673,164	(759,980)	795,000	2,277,333	1,503,611	(773,722)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	5,300	5,300	21,905	16,605	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	3,514,250	4,438,444	3,695,069	(743,375)	795,000	2,277,333	1,503,611	(773,722)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	648,000	2,343,245	1,625,000	718,245
Management services	-	-	-	-	72,000	65,846	54,417	11,429
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	3,508,950	4,433,144	3,718,813	714,331	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	3,508,950	4,433,144	3,718,813	714,331	720,000	2,409,091	1,679,417	729,674
Excess (deficiency) of revenues over (under) expenditures	5,300	5,300	(23,744)	(29,044)	75,000	(131,758)	(175,806)	(44,048)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	5,300	5,300	(23,744)	(29,044)	75,000	(131,758)	(175,806)	(44,048)
Fund balances - beginning	553,384	553,384	553,384	-	953,039	953,039	953,039	-
Fund balances - ending	\$ 558,684	\$ 558,684	\$ 529,640	\$ (29,044)	\$ 1,028,039	\$ 821,281	\$ 777,233	\$ (44,048)

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	Special Revenue							
	Crime Prevention Seizure				State Seizure			
	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	16,000	16,000	37,121	21,121	100,000	100,000	210,353	110,353
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	790	790	2,224	1,434	4,820	4,820	13,588	8,768
Other revenue	-	-	-	-	-	-	-	-
Total revenues	16,790	16,790	39,345	22,555	104,820	104,820	223,941	119,121
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	31,500	31,500	20,031	11,469	44,470	159,940	163,809	(3,869)
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	31,500	31,500	20,031	11,469	44,470	159,940	163,809	(3,869)
Excess (deficiency) of revenues over (under) expenditures	(14,710)	(14,710)	19,314	34,024	60,350	(55,120)	60,132	115,252
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	(14,710)	(14,710)	19,314	34,024	60,350	(55,120)	60,132	115,252
Fund balances - beginning	40,584	40,584	40,584	-	313,624	313,624	313,624	-
Fund balances - ending	\$ 25,874	\$ 25,874	\$ 59,898	\$ 34,024	\$ 373,974	\$ 258,504	\$ 373,756	\$ 115,252

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	Special Revenue							
	Federal Seizure				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	-	-	-	-	790,220	20,176,183	9,264,350	(10,911,833)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	1,100,000	2,400,000	2,660,041	260,041	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	76,380	76,380	147,556	71,176	-	-	-	-
Other revenue	18,600	37,200	7,433	(29,767)	-	2,939,801	1,393,322	(1,546,479)
Total revenues	1,194,980	2,513,580	2,815,030	301,450	790,220	23,115,984	10,657,672	(12,458,312)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	98,020	98,020	37,950	60,070
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	2,167,940	4,215,433	2,225,355	1,990,078	234,320	1,359,852	645,260	714,592
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	109,880	10,009,763	8,386,622	1,623,141
Community development	-	-	-	-	-	625,000	-	625,000
Community services	-	-	-	-	-	11,369	5,834	5,535
Engineering	-	-	-	-	348,000	9,974,156	2,048,964	7,925,192
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	2,167,940	4,215,433	2,225,355	1,990,078	790,220	22,078,160	11,124,630	10,953,530
Excess (deficiency) of revenues over (under) expenditures	(972,960)	(1,701,853)	589,675	2,291,528	-	1,037,824	(466,958)	(1,504,782)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	(972,960)	(1,701,853)	589,675	2,291,528	-	1,037,824	(466,958)	(1,504,782)
Fund balances - beginning	5,794,071	5,794,071	5,794,071	-	(662,955)	(662,955)	(662,955)	-
Fund balances - ending	\$ 4,821,111	\$ 4,092,218	\$ 6,383,746	\$ 2,291,528	\$ (662,955)	\$ 374,869	\$ (1,129,913)	\$ (1,504,782)

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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	2,885,000	4,874,012	1,547,184	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-
Total revenues	2,885,000	4,874,012	1,547,184	-	-	-	-
Expenditures:							
Current:							
General government:							
City administration	-	790,849	463,466	-	-	-	-
Management services	1,835,290	3,284,161	955,106	-	-	-	-
Information Technology	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-
Public safety:							
Police	232,500	237,217	237,217	-	-	-	-
Fire	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Community services	67,500	69,508	-	-	-	-	-
Engineering	-	38,396	38,396	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-
Total expenditures	2,135,290	4,420,131	1,694,185	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	749,710	453,881	(147,001)	-	-	-	-
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	(91,800)	(91,800)	(91,800)	-	-	-	-
Total other financing sources (uses)	(91,800)	(91,800)	(91,800)	-	-	-	-
Net change in fund balances	657,910	362,081	(238,801)	-	-	-	-
Fund balances - beginning	652,657	652,657	652,657	(462)	(462)	(462)	-
Fund balances - ending	\$ 1,310,567	\$ 1,014,738	\$ 413,856	\$ (462)	\$ (462)	\$ (462)	\$ -

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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	\$ -	\$ -	\$ -	\$ -	\$ 325,000	\$ 454,920	\$ 129,920
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	350,000	502,480	(143,840)	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Investment earnings	-	-	-	12,900	12,900	38,879	25,979
Other revenue	-	-	-	-	-	-	-
Total revenues	350,000	502,480	(143,840)	337,900	337,900	493,799	155,899
Expenditures:							
Current:							
General government:							
City administration	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-
Public safety:							
Police	450,000	558,724	200,084	199,500	199,500	72,255	127,245
Fire	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-
Total expenditures	450,000	558,724	200,084	199,500	199,500	72,255	127,245
Excess (deficiency) of revenues over (under) expenditures	(100,000)	(56,244)	56,244	138,400	138,400	421,544	283,144
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(166,260)	(166,260)	-
Total other financing sources (uses)	-	-	-	-	(166,260)	(166,260)	-
Net change in fund balances	(100,000)	(56,244)	56,244	138,400	(27,860)	255,284	283,144
Fund balances - beginning	104,922	104,922	104,922	1,486,377	1,486,377	1,486,377	-
Fund balances - ending	\$ 4,922	\$ 48,678	\$ 104,922	\$ 1,624,777	\$ 1,458,517	\$ 1,741,661	\$ 283,144

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	Special Revenue							
	Air Quality Management District				Community Services Reimbursements			
	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	-	-	-	-	3,620,790	3,845,889	4,743,830	897,941
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	11,780	11,780	29,401	17,621	-	-	-	-
Other revenue	277,510	358,010	321,496	(36,514)	-	-	-	-
Total revenues	289,290	369,790	350,897	(18,893)	3,620,790	3,845,889	4,743,830	897,941
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	14,500	2,000	12,500	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	16,000	16,000	11,834	4,166	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	126,910	-	126,910	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	3,215,690	3,442,589	2,785,514	657,075
Engineering	-	1,354,631	188,406	1,166,225	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	16,000	1,512,041	202,240	1,309,801	3,215,690	3,442,589	2,785,514	657,075
Excess (deficiency) of revenues over (under) expenditures	273,290	(1,142,251)	148,657	1,290,908	405,100	403,300	1,958,316	1,555,016
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(13,600)	(13,600)	(13,600)	-	(405,100)	(405,100)	(406,368)	(1,268)
Total other financing sources (uses)	(13,600)	(13,600)	(13,600)	-	(405,100)	(405,100)	(406,368)	(1,268)
Net change in fund balances	259,690	(1,155,851)	135,057	1,290,908	-	(1,800)	1,551,948	1,553,748
Fund balances - beginning	1,155,486	1,155,486	1,155,486	-	(1,469,327)	(1,469,327)	(1,469,327)	-
Fund balances - ending	\$ 1,415,176	\$ (365)	\$ 1,290,543	\$ 1,290,908	\$ (1,469,327)	\$ (1,471,127)	\$ 82,621	\$ 1,553,748

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	Fontana Community Foundation				Fire Protection District CFD			
	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	-	-	-	-	285,000	285,000	286,303	1,303
Investment earnings	1,850	1,850	3,190	1,340	51,380	51,380	95,133	43,753
Other revenue	-	-	-	-	-	-	-	-
Total revenues	1,850	1,850	3,190	1,340	336,380	336,380	381,436	45,056
Expenditures:								
Current:								
General government:								
City administration	500	500	-	500	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	225,000	242,714	7,496	235,218
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	500	500	-	500	225,000	242,714	7,496	235,218
Excess (deficiency) of revenues over (under) expenditures	1,350	1,350	3,190	1,840	111,380	93,666	373,940	280,274
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balances	1,350	1,350	3,190	1,840	111,380	93,666	373,940	280,274
Fund balances - beginning	134,778	134,778	134,778	-	3,882,957	3,882,957	3,882,957	-
Fund balances - ending	\$ 136,128	\$ 136,128	\$ 137,968	\$ 1,840	\$ 3,994,337	\$ 3,976,623	\$ 4,256,897	\$ 280,274

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Special Revenue							
Fire Protection District Grants				Landscape Maintenance District			
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	\$ -	\$ -	\$ -	\$ -	\$ 20,280	\$ 6,434	\$ (13,846)
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	301,364	301,362	(2)	-	-	-
Charges for services	-	-	-	-	10,000	-	(10,000)
Fines and forfeitures	-	-	-	-	-	4,114,521	4,114,521
Special assessments	-	-	-	-	15,561,860	155,758	(15,654,767)
Investment earnings	-	-	-	-	426,880	-	(426,880)
Other revenue	-	-	-	-	-	-	-
Total revenues	-	301,364	301,362	(2)	16,019,020	4,276,713	(11,990,972)
Expenditures:							
Current:							
General government:							
City administration	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-
Public safety:							
Police	-	-	-	-	-	-	-
Fire	-	301,364	301,663	(299)	-	-	-
Public works	-	-	-	-	11,445,530	4,410,430	8,363,378
Community development	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-
Total expenditures	-	301,364	301,663	(299)	11,445,530	4,410,430	8,363,378
Excess (deficiency) of revenues	-	-	(301)	(301)	4,573,490	(133,717)	(3,627,594)
over (under) expenditures	-	-	(301)	(301)	4,573,490	(133,717)	(3,627,594)
Other Financing Sources (Uses):							
Transfers in	-	-	-	-	1,271,270	647,760	(639,280)
Transfers out	-	-	-	-	(5,057,590)	(538,500)	4,519,090
Total other financing sources (uses)	-	-	-	-	(3,786,320)	109,260	3,879,810
Net change in fund balances	-	-	(301)	(301)	787,170	(24,457)	252,216
Fund balances - beginning	-	-	-	-	6,869,023	6,869,023	-
Fund balances - ending	\$ -	\$ -	\$ (301)	\$ (301)	\$ 7,656,193	\$ 6,844,566	\$ 252,216

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	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	\$ 20	\$ 20	\$ 93	\$ 73	\$ 17,780	\$ 17,780	\$ 29,275	\$ 11,495
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	10,000	10,000	16,304	6,304
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	34,000	34,000	35,088	1,088	12,472,760	12,721,425	13,700,448	979,023
Investment earnings	350	350	833	483	381,080	381,080	739,672	358,592
Other revenue	-	-	-	-	-	-	-	-
Total revenues	34,370	34,370	36,014	1,644	12,881,620	13,130,285	14,485,699	1,355,414
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	32,000	32,000	23,568	8,432	8,029,610	9,126,718	7,626,201	1,500,517
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	32,000	32,000	23,568	8,432	8,029,610	9,126,718	7,626,201	1,500,517
Excess (deficiency) of revenues over (under) expenditures	2,370	2,370	12,446	10,076	4,852,010	4,003,567	6,859,498	2,855,931
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	639,280	639,280	639,280	-
Transfers out	(4,100)	(4,100)	(4,100)	-	(4,638,090)	(4,638,090)	(5,644,190)	(1,006,100)
Total other financing sources (uses)	(4,100)	(4,100)	(4,100)	-	(3,998,810)	(3,998,810)	(5,004,910)	(1,006,100)
Net change in fund balances	(1,730)	(1,730)	8,346	10,076	853,200	4,757	1,854,588	1,849,831
Fund balances - beginning	34,728	34,728	34,728	-	30,749,833	30,749,833	30,749,833	-
Fund balances - ending	\$ 32,998	\$ 32,998	\$ 43,074	\$ 10,076	\$ 31,603,033	\$ 30,754,590	\$ 32,604,421	\$ 1,849,831

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	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	193,770	193,770	90,716	(103,054)	-	404,460	-	(404,460)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	908	908	88,540	88,540	109,046	20,506
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	948,850	570,689	(378,161)
Total revenues	193,770	193,770	91,624	(102,146)	88,540	1,441,850	679,735	(762,115)
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	20,000	20,000	5,720	14,280	-	675,180	86,168	589,012
Technology services	-	-	-	-	900,000	1,781,818	516,100	1,265,718
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	2,800,000	4,875,486	2,988,263	1,887,223
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	100,000	577,996	218,503	359,493
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	1,165,000	1,165,000	1,165,000	-	-	-	-	-
Interest	1,942,770	1,942,770	1,942,761	9	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	3,127,770	3,127,770	3,113,481	14,289	3,800,000	7,910,480	3,809,034	4,101,446
Excess (deficiency) of revenues over (under) expenditures	(2,934,000)	(2,934,000)	(3,021,857)	(87,857)	(3,711,460)	(6,468,630)	(3,129,299)	3,339,331
Other Financing Sources (Uses):								
Transfers in	2,934,010	2,934,010	2,929,385	(4,625)	3,800,000	1,375,535	1,375,535	-
Transfers out	-	-	-	-	(188,540)	(188,540)	(173,919)	14,621
Total other financing sources (uses)	2,934,010	2,934,010	2,929,385	(4,625)	3,611,460	1,186,995	1,201,616	14,621
Net change in fund balances	10	10	(92,472)	(92,482)	(100,000)	(5,281,635)	(1,927,683)	3,353,952
Fund balances - beginning	616,917	616,917	616,917	-	12,106,852	12,106,852	12,106,852	-
Fund balances - ending	\$ 616,927	\$ 616,927	\$ 524,445	\$ (92,482)	\$ 12,006,852	\$ 6,825,217	\$ 10,179,169	\$ 3,353,952

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	Capital Projects							
	Future Capital Projects				Traffic 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	-	-	-	-	-	-	11,640	11,640
Charges for services	-	-	-	-	-	-	4,441,421	4,441,421
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	341,240	341,240	472,380	131,140	-	-	563,486	563,486
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	341,240	341,240	472,380	131,140	-	-	5,016,547	5,016,547
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	3,873,854	410,151	3,463,703
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	6,958,554	4,623,885	2,334,669	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	800,000	1,539,089	935,949	603,140	7,080	15,625,203	1,542,945	14,082,258
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	800,000	8,497,643	5,559,834	2,937,809	7,080	19,499,057	1,953,096	17,545,961
Excess (deficiency) of revenues over (under) expenditures	(458,760)	(8,156,403)	(5,087,454)	3,068,949	(7,080)	(19,499,057)	3,063,451	22,562,508
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	596,129	596,129
Transfers out	-	-	-	-	(75,000)	(75,000)	(75,000)	-
Total other financing sources (uses)	-	-	-	-	(75,000)	(75,000)	521,129	596,129
Net change in fund balances	(458,760)	(8,156,403)	(5,087,454)	3,068,949	(82,080)	(19,574,057)	3,584,580	23,158,637
Fund balances - beginning	52,153,642	52,153,642	52,153,642	-	(3,481,614)	(3,481,614)	(3,481,614)	-
Fund balances - ending	\$ 51,694,882	\$ 43,997,239	\$ 47,066,188	\$ 3,068,949	\$ (3,563,694)	\$ (23,055,671)	\$ 102,966	\$ 23,158,637

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	Capital Projects							
	Storm Drain				San Sevaïne 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	2,575,000	2,575,000	1,879,405	(695,595)	325,000	325,000	65,613	(259,387)
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	205,280	205,280	389,307	184,027	7,160	7,160	15,862	8,702
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	2,780,280	2,780,280	2,268,712	(511,568)	332,160	332,160	81,475	(250,685)
Expenditures:								
Current:								
General government:								
City administration	40	24	24	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	7,650	5,249	5,409	(160)	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	117,310	10,448,241	1,005,614	9,442,627	100,960	100,960	92,744	8,216
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	125,000	10,453,514	1,011,047	9,442,467	100,960	100,960	92,744	8,216
Excess (deficiency) of revenues over (under) expenditures	2,655,280	(7,673,234)	1,257,665	8,930,899	231,200	231,200	(11,269)	(242,469)
Other Financing Sources (Uses):								
Transfers in	-	-	561,561	561,561	-	-	121,330	121,330
Transfers out	(489,900)	(489,900)	(489,900)	-	(14,000)	(14,000)	(14,000)	-
Total other financing sources (uses)	(489,900)	(489,900)	71,661	561,561	(14,000)	(14,000)	107,330	121,330
Net change in fund balances	2,165,380	(8,163,134)	1,329,326	9,492,460	217,200	217,200	96,061	(121,139)
Fund balances - beginning	13,634,635	13,634,635	13,634,635	-	364,953	364,953	364,953	-
Fund balances - ending	\$ 15,800,015	\$ 5,471,501	\$ 14,963,961	\$ 9,492,460	\$ 582,153	\$ 582,153	\$ 461,014	\$ (121,139)

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	Capital Projects							
	Upper Etiwanda Flood Control				Park Development			
	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	630	630	1,086	456	-	-	148,523	148,523
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	630	630	1,086	456	-	-	148,523	148,523
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	273,770	6,117,568	1,787,898	4,329,670
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	7,540	559,522	219,261	340,261
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	281,310	6,677,090	2,007,159	4,669,931
Excess (deficiency) of revenues over (under) expenditures	630	630	1,086	456	(281,310)	(6,677,090)	(1,858,636)	4,818,454
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	1,454,509	1,454,509
Transfers out	-	-	-	-	(428,700)	(428,700)	(428,700)	-
Total other financing sources (uses)	-	-	-	-	(428,700)	(428,700)	1,025,809	1,454,509
Net change in fund balances	630	630	1,086	456	(710,010)	(7,105,790)	(832,827)	6,272,963
Fund balances - beginning	45,840	45,840	45,840	-	6,366,091	6,366,091	6,366,091	-
Fund balances - ending	\$ 46,470	\$ 46,470	\$ 46,926	\$ 456	\$ 5,656,081	\$ (739,699)	\$ 5,533,264	\$ 6,272,963

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	Capital Projects							
	Landscape Improvements				Library Capital Improvement			
	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	-	-	-	-	-	-	221,726	221,726
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	402,574	402,574	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	133,565	133,565	-	-	9,639	9,639
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	536,139	536,139	-	-	231,365	231,365
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	30,080	2,799,186	386,590	2,412,596	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	30,080	2,799,186	386,590	2,412,596	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(30,080)	(2,799,186)	149,549	2,948,735	-	-	231,365	231,365
Other Financing Sources (Uses):								
Transfers in	-	-	52,161	52,161	-	-	107,193	107,193
Transfers out	(4,700)	(4,700)	(4,700)	-	(111,000)	(111,000)	(111,000)	-
Total other financing sources (uses)	(4,700)	(4,700)	47,461	52,161	(111,000)	(111,000)	(3,807)	107,193
Net change in fund balances	(34,780)	(2,803,886)	197,010	3,000,896	(111,000)	(111,000)	227,558	338,558
Fund balances - beginning	5,612,257	5,612,257	5,612,257	-	248,298	248,298	248,298	-
Fund balances - ending	\$ 5,577,477	\$ 2,808,371	\$ 5,809,267	\$ 3,000,896	\$ 137,298	\$ 137,298	\$ 475,856	\$ 338,558

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	Capital Projects							
	Police Facility				General Government Improvement			
	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	-	-	312,908	312,908	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	596,990	596,990
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	63,840	63,840	-	-	225,968	225,968
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	376,748	376,748	-	-	822,958	822,958
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	819,903	39,064	780,839	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	-	819,903	39,064	780,839	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	(819,903)	337,684	1,157,587	-	-	822,958	822,958
Other Financing Sources (Uses):								
Transfers in	-	-	105,831	105,831	-	-	160,048	160,048
Transfers out	(45,400)	(45,400)	(45,400)	-	-	-	-	-
Total other financing sources (uses)	(45,400)	(45,400)	60,431	105,831	-	-	160,048	160,048
Net change in fund balances	(45,400)	(865,303)	398,115	1,263,418	-	-	983,006	983,006
Fund balances - beginning	2,509,701	2,509,701	2,509,701	-	9,127,784	9,127,784	9,127,784	-
Fund balances - ending	\$ 2,464,301	\$ 1,644,398	\$ 2,907,816	\$ 1,263,418	\$ 9,127,784	\$ 9,127,784	\$ 10,110,790	\$ 983,006

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	Capital Projects							
	Capital Improvements				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	-	-	-	-	-	-	168,444	168,444
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	127,980	127,980	207,839	79,859	-	-	5,967	5,967
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	300,000	2,705,774	463,884	(2,241,890)	-	-	-	-
Total revenues	427,980	2,833,754	671,723	(2,162,031)	-	-	174,411	174,411
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	300,000	10,655,466	2,957,007	7,698,459	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	3,340,821	94,425	3,246,396	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	300,000	13,996,287	3,051,432	10,944,855	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	127,980	(11,162,533)	(2,379,709)	8,782,824	-	-	174,411	174,411
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(90,500)	(90,500)	(90,500)	-	-	-	-	-
Total other financing sources (uses)	(90,500)	(90,500)	(90,500)	-	-	-	-	-
Net change in fund balances	37,480	(11,253,033)	(2,470,209)	8,782,824	-	-	174,411	174,411
Fund balances - beginning	9,178,825	9,178,825	9,178,825	-	124,744	124,744	124,744	-
Fund balances - ending	\$ 9,216,305	\$ (2,074,208)	\$ 6,708,616	\$ 8,782,824	\$ 124,744	\$ 124,744	\$ 299,155	\$ 174,411

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2020

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	Capital Projects							
	Sewer Expansion				Fire Assessment			
	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	-	-	-	-	-	-	122,743	122,743
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	23,748	23,748	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	114,200	114,200	330,860	216,660	-	-	16,863	16,863
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	114,200	114,200	354,608	240,408	-	-	139,606	139,606
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	(725,000)	(725,000)	65,709	(790,709)	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	643,072	-	643,072
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	(725,000)	(725,000)	65,709	(790,709)	-	643,072	-	643,072
Excess (deficiency) of revenues over (under) expenditures	839,200	839,200	288,899	550,301	-	(643,072)	139,606	782,678
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	32,964	32,964
Transfers out	(114,200)	(114,200)	(239,661)	(125,461)	(306,830)	(306,830)	(309,359)	(2,529)
Total other financing sources (uses)	(114,200)	(114,200)	(239,661)	(125,461)	(306,830)	(306,830)	(276,395)	30,435
Net change in fund balances	725,000	725,000	49,238	675,762	(306,830)	(949,902)	(136,789)	813,113
Fund balances - beginning	1,192,707	1,192,707	1,192,707	-	856,718	856,718	856,718	-
Fund balances - ending	\$ 1,917,707	\$ 1,917,707	\$ 1,241,945	\$ 675,762	\$ 549,888	\$ (93,184)	\$ 719,929	\$ 813,113

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2020

Schedule 3
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	Capital Projects							
	Affordable Housing Trust				Fire Protection District			
	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	-	-	587,645	587,645	-	-	-	-
Intergovernmental	-	-	122,850	122,850	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	87,592	87,592	67,510	67,510	141,067	73,557
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	798,087	798,087	67,510	67,510	141,067	73,557
Expenditures:								
Current:								
General government:								
City administration	-	-	-	-	-	-	-	-
Management services	500	1,000,500	-	1,000,500	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	14,453	1,608	12,845
Fire	-	-	-	-	839,000	1,076,150	363,733	712,417
Public works	-	-	-	-	-	18,005	4,200	13,805
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	650,000	650,000	968	649,032
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-
Total expenditures	500	1,000,500	-	1,000,500	1,489,000	1,758,608	370,509	1,388,099
Excess (deficiency) of revenues over (under) expenditures	(500)	(1,000,500)	798,087	1,798,587	(1,421,490)	(1,691,098)	(229,442)	1,461,656
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	2,282,100	2,282,100	2,282,100	-
Transfers out	-	-	-	-	-	-	(296,900)	(296,900)
Total other financing sources (uses)	-	-	-	-	2,282,100	2,282,100	1,985,200	(296,900)
Net change in fund balances	(500)	(1,000,500)	798,087	1,798,587	860,610	591,002	1,755,758	1,164,756
Fund balances - beginning	3,974,083	3,974,083	3,974,083	-	5,137,338	5,137,338	5,137,338	-
Fund balances - ending	\$ 3,973,583	\$ 2,973,583	\$ 4,772,170	\$ 1,798,587	\$ 5,997,948	\$ 5,728,340	\$ 6,893,096	\$ 1,164,756

CITY OF FONTANA
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2020

Schedule 3
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	Capital Projects							
	Fontana Housing Authority				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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	137,346	137,346	-	-	13,739	13,739
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	688	688	-	-	-	-
Total revenues	-	-	138,034	138,034	-	-	13,739	13,739
Expenditures:								
Current:								
General government:								
City administration	2,500	2,500	748	1,752	-	-	-	-
Management services	597,050	944,300	689,858	254,442	-	-	-	-
Technology services	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety:								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	5,643,415	3,679,034	1,964,381
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	4,573,770	3,581,540	992,230
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	78,702	78,702	-
Total expenditures	599,550	946,800	690,606	256,194	-	10,295,887	7,339,276	2,956,611
Excess (deficiency) of revenues over (under) expenditures	(599,550)	(946,800)	(552,572)	394,228	-	(10,295,887)	(7,325,537)	(2,942,872)
Other Financing Sources (Uses):								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	(3,328,739)	(3,353,898)	(25,159)
Total other financing sources (uses)	-	-	-	-	-	(3,328,739)	1,840,748	5,169,487
Net change in fund balances	(599,550)	(946,800)	(552,572)	394,228	-	(13,624,626)	(5,484,789)	2,226,615
Fund balances - beginning	4,160,369	4,160,369	4,160,369	-	10,698,674	10,698,674	10,698,674	-
Fund balances - ending	\$ 3,560,819	\$ 3,213,569	\$ 3,607,797	\$ 394,228	\$ 10,698,674	\$ (2,925,952)	\$ 5,213,885	\$ 2,226,615

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 (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.

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.

CITY OF FONTANA
Combining Statement of Net Position
All Agency Funds
June 30, 2020

Schedule 4

	Community Facilities District #2 Heritage	Community Facilities District #3 Hunter's Ridge	Community Facilities District #4 Walnut Village	Community Facilities District #7 Country Club	Community Facilities District #11 Heritage West	Community Facilities District #12 Sierra Lakes	Community Facilities District #22 Sierra Hills South	Community Facilities District #31 Citrus Heights	Community Facilities District #85 The Meadows	Community Facilities District #89 Belrose
Assets:										
Cash and investments	\$ -	2,481	-	-	-	1,045	-	-	364,223	142,359
Receivables (net):										
Assessments	75,681	1,781	393	8,376	13,431	13,658	246,854	49,196	7,404	6,340
Interest	-	-	-	-	-	-	-	-	-	-
Restricted assets:										
Cash and investments	-	-	-	607,009	2,133,965	4,410,403	4,691,057	2,841,825	-	-
Total Assets	<u>\$ 75,681</u>	<u>4,262</u>	<u>393</u>	<u>615,385</u>	<u>2,147,396</u>	<u>4,425,106</u>	<u>4,937,911</u>	<u>2,891,021</u>	<u>371,627</u>	<u>148,699</u>
Liabilities:										
Accounts payable	\$ -	-	-	-	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	-	-	-	-	-
Due to other funds	5,066	-	-	-	-	-	-	-	-	-
Due to bondholders	70,615	4,262	393	615,385	2,147,396	4,425,106	4,937,911	2,891,021	371,627	148,699
Total Liabilities	<u>\$ 75,681</u>	<u>4,262</u>	<u>393</u>	<u>615,385</u>	<u>2,147,396</u>	<u>4,425,106</u>	<u>4,937,911</u>	<u>2,891,021</u>	<u>371,627</u>	<u>148,699</u>
	Community Facilities District #37 Montelago	Community Facilities District #70 Avellino	Community Facilities District #71 Sierra Crest	Community Facilities District #80 Bella Strada	Community Facilities District #81 Gabriella	Community Facilities District #74B Citrus-Summit	Community Facilities District #86 Etiwanda Ridge	Trust Deposits	Community Facilities District #88 Sierra Crest II	Totals
Assets:										
Cash and investments	\$ -	-	-	-	-	-	-	7,955,165	38,720	8,503,993
Receivables (net):										
Assessments	6,928	2,734	2,471	7,147	7,871	8,759	5,510	-	-	464,534
Restricted assets:										
Cash and investments	1,003,162	468,973	656,575	1,698,024	922,149	396,741	508,678	-	-	20,338,561
Total Assets	<u>\$ 1,010,090</u>	<u>471,707</u>	<u>659,046</u>	<u>1,705,171</u>	<u>930,020</u>	<u>405,500</u>	<u>514,188</u>	<u>7,955,165</u>	<u>38,720</u>	<u>29,307,088</u>
Liabilities:										
Accounts payable	\$ -	-	-	-	-	-	-	277,785	-	277,785
Deposits payable	-	-	-	-	-	-	-	7,578,746	635	7,579,381
Due to other funds	-	-	-	-	-	-	-	98,634	-	103,700
Due to bondholders	1,010,090	471,707	659,046	1,705,171	930,020	405,500	514,188	-	38,085	21,346,222
Total Liabilities	<u>\$ 1,010,090</u>	<u>471,707</u>	<u>659,046</u>	<u>1,705,171</u>	<u>930,020</u>	<u>405,500</u>	<u>514,188</u>	<u>7,955,165</u>	<u>38,720</u>	<u>29,307,088</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

Schedule 5
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	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
<u>Community Facilities District #2 - Heritage</u>				
Assets:				
Cash and investments	\$ -	79,723	79,723	-
Receivables (net):				
Assessments	74,646	76,774	75,739	75,681
Total Assets	<u>\$ 74,646</u>	<u>156,497</u>	<u>155,462</u>	<u>75,681</u>
Liabilities:				
Due to bondholders	\$ 74,646	156,497	155,462	75,681
Total Liabilities	<u>\$ 74,646</u>	<u>156,497</u>	<u>155,462</u>	<u>75,681</u>
<u>Community Facilities District #3 - Hunter's Ridge</u>				
Assets:				
Cash and investments	\$ 2,467	13	-	2,480
Receivables (net):				
Assessments	1,782	-	-	1,782
Total Assets	<u>\$ 4,249</u>	<u>13</u>	<u>-</u>	<u>4,262</u>
Liabilities:				
Due to bondholders	\$ 4,249	13	-	4,262
Total Liabilities	<u>\$ 4,249</u>	<u>13</u>	<u>-</u>	<u>4,262</u>
<u>Community Facilities District #4 - Walnut Village</u>				
Assets:				
Receivables (net):				
Assessments	\$ 393	-	-	393
Total Assets	<u>\$ 393</u>	<u>-</u>	<u>-</u>	<u>393</u>
Liabilities:				
Due to bondholders	\$ 393	-	-	393
Total Liabilities	<u>\$ 393</u>	<u>-</u>	<u>-</u>	<u>393</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

Schedule 5
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	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
<u>Community Facilities District #7 - Country Club</u>				
Assets:				
Receivables (net):				
Assessments	\$ 5,412	257,325	254,361	8,376
Restricted assets:				
Cash and investments	639,496	1,278,884	1,311,371	607,009
Total Assets	<u>\$ 644,908</u>	<u>1,536,209</u>	<u>1,565,732</u>	<u>615,385</u>
Liabilities:				
Due to bondholders	\$ 644,908	1,536,209	1,565,732	615,385
Total Liabilities	<u>\$ 644,908</u>	<u>1,536,209</u>	<u>1,565,732</u>	<u>615,385</u>
<u>Community Facilities District #11 - Heritage West End</u>				
Assets:				
Receivables (net):				
Assessments	\$ 3,999	786,479	777,047	13,431
Restricted assets:				
Cash and investments	2,121,035	3,986,831	3,973,901	2,133,965
Total Assets	<u>\$ 2,125,034</u>	<u>4,773,310</u>	<u>4,750,948</u>	<u>2,147,396</u>
Liabilities:				
Due to bondholders	\$ 2,125,034	4,773,310	4,750,948	2,147,396
Total Liabilities	<u>\$ 2,125,034</u>	<u>4,773,310</u>	<u>4,750,948</u>	<u>2,147,396</u>
<u>Community Facilities District #12 - Sierra Lakes</u>				
Assets:				
Cash and investments	\$ -	\$ 1,674,888	\$ 1,673,844	\$ 1,044
Receivables (net):				
Assessments	\$ 12,664	1,671,980	1,670,986	13,658
Restricted assets:				
Cash and investments	4,563,444	3,594,208	3,747,248	4,410,404
Total Assets	<u>\$ 4,576,108</u>	<u>6,941,076</u>	<u>7,092,078</u>	<u>4,425,106</u>
Liabilities:				
Due to bondholders	\$ 4,576,108	6,941,076	7,092,078	4,425,106
Total Liabilities	<u>\$ 4,576,108</u>	<u>6,941,076</u>	<u>7,092,078</u>	<u>4,425,106</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

Schedule 5
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	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<u>Community Facilities District #22 - Sierra Hills South</u>				
Assets:				
Receivables (net):				
Assessments	\$ 459,698	2,695,875	2,908,719	246,854
Restricted assets:				
Cash and investments	4,406,105	5,552,481	5,267,529	4,691,057
Total Assets	<u>\$ 4,865,803</u>	<u>8,248,356</u>	<u>8,176,248</u>	<u>4,937,911</u>
Liabilities:				
Due to bondholders	\$ 4,865,803	8,248,356	8,176,248	4,937,911
Total Liabilities	<u>\$ 4,865,803</u>	<u>8,248,356</u>	<u>8,176,248</u>	<u>4,937,911</u>
<u>Community Facilities District #31 - Citrus Heights North</u>				
Assets:				
Receivables (net):				
Assessments	\$ 37,432	1,647,233	1,635,470	49,195
Restricted assets:				
Cash and investments	2,656,933	3,109,507	2,924,614	2,841,826
Total Assets	<u>\$ 2,694,365</u>	<u>4,756,740</u>	<u>4,560,084</u>	<u>2,891,021</u>
Liabilities:				
Due to bondholders	\$ 2,694,365	4,756,740	4,560,084	2,891,021
Total Liabilities	<u>\$ 2,694,365</u>	<u>4,756,740</u>	<u>4,560,084</u>	<u>2,891,021</u>
<u>Community Facilities District #37 - Montelago</u>				
Assets:				
Receivables (net):				
Assessments	\$ 5,875	290,345	289,292	6,928
Restricted assets:				
Cash and investments	1,029,057	631,180	657,075	1,003,162
Total Assets	<u>\$ 1,034,932</u>	<u>921,525</u>	<u>946,367</u>	<u>1,010,090</u>
Liabilities:				
Due to bondholders	\$ 1,034,932	921,525	946,367	1,010,090
Total Liabilities	<u>\$ 1,034,932</u>	<u>921,525</u>	<u>946,367</u>	<u>1,010,090</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

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	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<u>Community Facilities District #70 - Avellino</u>				
Assets:				
Receivables (net):				
Assessments	\$ 2,043	241,384	240,693	2,734
Restricted assets:				
Cash and investments	448,234	464,170	443,431	468,973
Total Assets	<u>\$ 450,277</u>	<u>705,554</u>	<u>684,124</u>	<u>471,707</u>
Liabilities:				
Due to bondholders	\$ 450,277	705,554	684,124	471,707
Total Liabilities	<u>\$ 450,277</u>	<u>705,554</u>	<u>684,124</u>	<u>471,707</u>
<u>Community Facilities District #71 - Sierra Crest</u>				
Assets:				
Receivables (net):				
Assessments	\$ 8,047	375,483	381,058	2,472
Restricted assets:				
Cash and investments	611,275	723,225	677,926	656,574
Total Assets	<u>\$ 619,322</u>	<u>1,098,708</u>	<u>1,058,984</u>	<u>659,046</u>
Liabilities:				
Due to bondholders	\$ 619,322	1,098,708	1,058,984	659,046
Total Liabilities	<u>\$ 619,322</u>	<u>1,098,708</u>	<u>1,058,984</u>	<u>659,046</u>
<u>Community Facilities District #80 - Bella Strada</u>				
Assets:				
Receivables (net):				
Assessments	\$ 4,238	902,324	899,415	7,147
Restricted assets:				
Cash and investments	1,538,407	1,644,480	1,484,863	1,698,024
Total Assets	<u>\$ 1,542,645</u>	<u>2,546,804</u>	<u>2,384,278</u>	<u>1,705,171</u>
Liabilities:				
Due to bondholders	\$ 1,542,645	2,546,804	2,384,278	1,705,171
Total Liabilities	<u>\$ 1,542,645</u>	<u>2,546,804</u>	<u>2,384,278</u>	<u>1,705,171</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
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For the Year Ended June 30, 2020

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	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<u>Community Facilities District #81 - Gabriella</u>				
Assets:				
Receivables (net):				
Assessments	\$ 10,732	506,847	509,708	7,871
Restricted assets:				
Cash and investments	879,493	967,855	925,199	922,149
Total Assets	<u>\$ 890,225</u>	<u>1,474,702</u>	<u>1,434,907</u>	<u>930,020</u>
Liabilities:				
Due to bondholders	\$ 890,225	1,474,702	1,434,907	930,020
Total Liabilities	<u>\$ 890,225</u>	<u>1,474,702</u>	<u>1,434,907</u>	<u>930,020</u>
<u>Community Facilities District #74B - Citrus-Summit</u>				
Assets:				
Cash and investments	\$ 1,130	216,666	217,796	-
Receivables (net):				
Assessments	369	225,055	216,665	8,759
Restricted assets:				
Cash and investments	333,823	327,104	264,186	396,741
Total Assets	<u>\$ 335,322</u>	<u>768,825</u>	<u>698,647</u>	<u>405,500</u>
Liabilities:				
Due to bondholders	\$ 335,322	768,825	698,647	405,500
Total Liabilities	<u>\$ 335,322</u>	<u>768,825</u>	<u>698,647</u>	<u>405,500</u>
<u>Community Facilities District #86 - Etiwanda Ridge</u>				
Assets:				
Cash and investments	\$ 10,615	253,341	263,956	-
Receivables (net):				
Assessments	-	258,845	253,335	5,510
Restricted assets:				
Cash and investments	-	514,928	6,250	508,678
Total Assets	<u>\$ 10,615</u>	<u>1,027,114</u>	<u>523,541</u>	<u>514,188</u>
Liabilities:				
Due to bondholders	\$ 10,615	1,027,114	523,541	514,188
Total Liabilities	<u>\$ 10,615</u>	<u>1,027,114</u>	<u>523,541</u>	<u>514,188</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

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	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<u>Community Facilities District #85 - The Meadows</u>				
Assets:				
Cash and investments	\$ -	364,223	-	364,223
Receivables (net):				
Assessments	-	369,710	362,306	7,404
Total Assets	<u>\$ -</u>	<u>733,933</u>	<u>362,306</u>	<u>371,627</u>
Liabilities:				
Deposits payable	-	733,933	362,306	371,627
Total Liabilities	<u>\$ -</u>	<u>733,933</u>	<u>362,306</u>	<u>371,627</u>
<u>Community Facilities District #88 - Sierra Crest II</u>				
Assets:				
Cash and investments	\$ -	38,720	-	38,720
Receivables (net):				
Assessments	-	37,881	38,516	(635)
Total Assets	<u>\$ -</u>	<u>76,601</u>	<u>38,516</u>	<u>38,085</u>
Liabilities:				
Deposits payable	-	76,601	38,516	38,085
Total Liabilities	<u>\$ -</u>	<u>76,601</u>	<u>38,516</u>	<u>38,085</u>
<u>Community Facilities District #89 - Belrose</u>				
Assets:				
Cash and investments	\$ -	142,359	-	142,359
Receivables (net):				
Assessments	-	147,950	141,610	6,340
Total Assets	<u>\$ -</u>	<u>290,309</u>	<u>141,610</u>	<u>148,699</u>
Liabilities:				
Deposits payable	-	290,309	141,610	148,699
Total Liabilities	<u>\$ -</u>	<u>290,309</u>	<u>141,610</u>	<u>148,699</u>
<u>Trust Deposits</u>				
Assets:				
Cash and investments	\$ 9,216,243	18,018,500	19,279,578	7,955,165
Total Assets	<u>\$ 9,216,243</u>	<u>18,018,500</u>	<u>19,279,578</u>	<u>7,955,165</u>
Liabilities:				
Deposits payable	9,216,243	18,018,500	19,279,578	7,955,165
Total Liabilities	<u>\$ 9,216,243</u>	<u>18,018,500</u>	<u>19,279,578</u>	<u>7,955,165</u>

CITY OF FONTANA
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2020

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	<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and investments	\$ 9,230,455	20,788,433	21,514,897	8,503,991
Receivables (net):				
Assessments	627,330	10,491,490	10,654,920	463,900
Restricted assets:				
Cash and investments	<u>19,227,302</u>	<u>22,794,853</u>	<u>21,683,593</u>	<u>20,338,562</u>
Total Assets	<u><u>\$ 29,085,087</u></u>	<u><u>54,074,776</u></u>	<u><u>53,853,410</u></u>	<u><u>29,306,453</u></u>
Liabilities:				
Deposits payable	\$ 9,216,243	19,119,343	19,822,010	8,513,576
Due to bondholders	<u>19,868,844</u>	<u>34,955,433</u>	<u>34,031,400</u>	<u>20,792,877</u>
Total Liabilities	<u><u>\$ 29,085,087</u></u>	<u><u>54,074,776</u></u>	<u><u>53,853,410</u></u>	<u><u>29,306,453</u></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.

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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.	142
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.	148
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.	152
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.	156
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.	158

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				
	2020	2019	2018	2017	2016
Governmental Activities					
Net investment in capital assets	\$ 689,365,068	\$ 701,530,830	\$ 720,068,559	\$ 735,790,188	\$ 755,220,959
Restricted	244,761,778	245,587,568	232,841,328	227,128,252	226,420,563
Unrestricted	(7,238,288)	(13,423,646)	(26,155,824)	9,377,716	2,951,934
Total governmental activities net position	<u>926,888,558</u>	<u>933,694,752</u>	<u>926,754,063</u>	<u>972,296,156</u>	<u>984,593,456</u>
Business-type activities					
Net investment in capital assets	\$ 57,530,519	\$ 59,255,628	\$ 61,076,764	\$ 61,798,043	\$ 63,050,134
Unrestricted	20,771,902	23,039,788	21,347,594	22,291,772	23,458,142
Total business-type activities net position	<u>78,302,421</u>	<u>82,295,416</u>	<u>82,424,358</u>	<u>84,089,815</u>	<u>86,508,276</u>
Primary Government					
Net investment in capital assets	746,895,587	760,786,458	781,145,323	797,588,231	818,271,093
Restricted	244,761,778	245,587,568	232,841,328	227,128,252	226,420,563
Unrestricted	13,533,614	9,616,142	(4,808,230)	31,669,488	26,410,076
Total primary government net position	<u>1,005,190,979</u>	<u>1,015,990,168</u>	<u>1,009,178,421</u>	<u>1,056,385,971</u>	<u>1,071,101,732</u>
	Fiscal Year				
	2015	2014	2013	2012	2011
Governmental Activities					
Net investment in capital assets	\$ 691,627,257	\$ 703,125,448	\$ 676,166,540	\$ 672,341,983	\$ 223,511,085
Restricted	204,759,026	196,764,945	201,817,790	195,161,021	150,478,343
Unrestricted	(13,247,617)	93,002,321	71,378,200	101,455,109	185,447,345
Total governmental activities net position	<u>883,138,666</u>	<u>992,892,714</u>	<u>949,362,530</u>	<u>968,958,113</u>	<u>559,436,773</u>
Business-type activities					
Net investment in capital assets	\$ 65,035,187	\$ 62,610,261	\$ 63,626,343	\$ 65,695,817	\$ 65,645,477
Unrestricted	23,099,758	27,641,399	28,233,609	29,652,481	38,838,065
Total business-type activities net position	<u>88,134,945</u>	<u>90,251,660</u>	<u>91,859,952</u>	<u>95,348,298</u>	<u>104,483,542</u>
Primary Government					
Net investment in capital assets	756,662,444	765,735,709	739,792,883	738,037,800	289,156,562
Restricted	204,759,026	196,764,945	201,817,790	195,161,021	150,478,343
Unrestricted	9,852,141	120,643,720	99,611,809	131,107,590	224,285,410
Total primary government net position	<u>971,273,611</u>	<u>1,083,144,374</u>	<u>1,041,222,482</u>	<u>1,064,306,411</u>	<u>663,920,315</u>

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental activities:										
General government	\$ 41,457,059	\$ 33,660,288	\$ 28,739,683	\$ 45,299,507	\$ 29,336,758	\$ 24,737,274	\$ 23,587,937	\$ 22,932,400	\$ 22,587,697	\$ 22,161,297
Public safety	102,004,716	96,951,615	93,262,299	84,299,901	77,928,071	76,501,195	70,609,139	65,336,580	65,101,512	64,755,767
Public works	53,058,256	46,895,115	47,117,801	40,234,605	37,524,666	69,996,558	71,174,441	72,603,025	72,025,175	63,180,797
Building & safety	-	-	-	-	-	-	-	-	-	2,146,444
Community development	5,691,710	5,781,517	9,933,299	10,454,373	9,037,714	3,882,448	3,724,782	27,999,771	25,914,815	36,682,509
Community services	15,553,958	17,458,437	17,272,167	15,370,237	14,762,425	13,474,939	12,928,629	13,072,787	12,897,105	12,458,069
Engineering	32,262,876	31,262,387	30,951,213	27,878,438	21,667,220	14,859,417	20,006,242	5,815,197	6,164,023	8,335,217
Interest on long-term debt	2,001,629	1,981,911	2,608,411	2,392,153	2,153,414	3,105,404	2,866,029	2,974,691	11,724,101	32,678,422
Total governmental activities expenses	<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>	<u>216,414,428</u>	<u>242,398,522</u>
Business-type activities:										
Sewer	26,759,827	22,026,753	22,261,294	20,786,533	18,837,548	18,010,757	16,987,089	15,577,783	14,878,804	15,096,815
Water	12,200	19,520	1,390	6,032	44,104	54,805	134,351	550,544	336,943	99,463
Total business-type activities	<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>	<u>15,215,747</u>	<u>15,196,278</u>
Total primary government expenses	<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>	<u>\$ 231,630,175</u>	<u>\$ 257,594,800</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	7,614,444	8,358,160	12,022,779	7,139,390	6,864,125	7,801,644	7,304,751	6,176,107	7,924,030	2,683,979
Public safety	4,458,763	6,379,838	6,280,045	6,190,785	6,314,166	9,987,259	4,916,477	12,868,006	4,334,408	5,029,644
Public works	23,543,756	19,315,359	19,351,719	19,257,044	19,504,058	18,706,068	16,194,872	20,454,574	16,543,066	15,338,389
Building & safety	-	-	-	-	-	-	-	-	-	2,183,905
Community development	15,716,301	20,590,089	17,949,656	16,883,104	25,591,414	12,694,452	7,586,953	8,805,067	6,861,863	3,055,406
Community services	2,042,342	3,588,342	3,282,570	3,265,356	7,679,413	6,401,350	5,988,585	7,351,146	6,535,671	5,627,995
Engineering	4,409,240	7,048,521	7,231,866	7,012,662	11,340,644	5,153,433	2,726,083	3,950,637	2,841,546	1,960,933
Operating contributions and grants	24,472,892	17,437,665	14,720,871	12,213,450	4,920,888	5,388,077	13,246,859	23,263,276	27,572,672	17,768,014
Capital contributions and grants	12,457,455	14,409,776	28,415,558	26,539,731	13,763,600	17,231,877	61,605,282	795,729	8,331,145	3,112,947
Total governmental activities program revenues	<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>	<u>80,944,401</u>	<u>56,761,212</u>
Business-type activities:										
Charges for Services:										
Sewer	24,922,787	23,116,983	21,703,872	19,539,503	18,248,953	17,131,593	15,548,412	14,805,929	14,146,207	14,187,533
Water	-	-	-	-	-	-	-	-	-	264,136
Capital contributions and grants	108,539	803,148	724,564	1,166,163	651,860	3,486,994	1,069,865	448,472	2,317,114	1,649,550
Total business-type activities program revenues	<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>	<u>16,463,321</u>	<u>16,101,219</u>
Total primary government program revenues	<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>	<u>\$ 97,407,722</u>	<u>\$ 72,862,431</u>
Net (expense)/revenue:										
Governmental activities	(157,315,011)	(136,863,520)	(120,629,809)	(127,427,692)	(96,431,960)	(123,193,075)	(85,327,337)	(127,069,909)	(135,470,027)	(185,637,310)
Business-type activities	(1,740,701)	1,873,858	165,752	(86,899)	19,161	2,553,025	(503,163)	(873,926)	1,247,574	904,941
Total primary government net expense	<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>	<u>\$ (134,222,453)</u>	<u>\$ (184,732,369)</u>

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	73,705,908	65,123,274	54,647,011	52,097,345	48,537,350	47,772,343	46,049,227	48,062,073	86,359,792	130,233,578
Sales taxes	42,958,630	44,564,309	38,663,576	37,844,293	38,442,282	34,219,832	31,440,752	29,160,503	27,052,669	23,139,684
Utility users taxes	-	-	-	-	-	-	-	-	-	2,331
Franchise taxes	8,400,846	7,603,283	7,190,939	6,680,065	7,042,887	7,428,364	6,276,563	5,882,003	6,519,006	6,040,983
Business license taxes	6,280,132	6,419,287	5,898,298	5,714,262	5,215,605	4,982,546	4,642,711	4,808,167	4,873,281	4,451,626
Transient occupancy taxes	960,057	1,085,305	1,009,734	961,122	962,089	715,570	704,132	587,452	558,097	573,676
Motor vehicle in-lieu	167,850	101,761	112,007	94,030	82,436	82,854	85,263	102,472	-	960,865
Investment earnings	11,543,571	13,862,698	5,209,144	5,645,106	8,151,890	7,362,672	8,368,054	3,169,063	6,917,905	11,908,258
Other	3,747,676	2,378,892	5,045,968	3,670,692	3,718,814	6,136,697	5,739,599	8,791,729	7,963,170	5,562,597
Gain/(Loss) on sale of capital assets	-	-	-	-	-	(557,702)	-	(836,248)	-	1,629,150
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	404,538,559	-
Transfers	2,744,147	2,665,400	1,891,022	2,262,500	2,109,800	1,815,690	1,723,160	2,309,000	2,341,500	276,931
Total governmental activities	<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>	<u>547,123,979</u>	<u>184,779,679</u>
Business-type activities:										
Investment earnings	491,853	662,600	59,813	91,915	309,412	250,299	452,288	(305,420)	454,884	493,398
Loss on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	(8,543,752)	-
Transfers	(2,744,147)	(2,665,400)	(1,891,022)	(2,262,500)	(2,109,800)	(1,815,690)	(1,723,160)	(2,309,000)	(2,341,500)	(276,931)
Total business-type activities	<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>	<u>(10,430,368)</u>	<u>216,467</u>
Total primary government	<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>	<u>\$536,693,611</u>	<u>\$184,996,146</u>
Change in Net Position										
Governmental activities	(6,806,194)	6,940,689	(962,110)	(12,458,277)	17,831,193	(13,234,209)	19,702,124	(25,033,695)	411,653,952	(857,631)
Business-type activities	(3,992,995)	(128,942)	(1,665,457)	(2,257,484)	(1,781,227)	987,634	(1,774,035)	(3,488,346)	(9,182,794)	1,121,408
Total primary government	<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>	<u>\$402,471,158</u>	<u>\$ 263,777</u>

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:										
Nondisposable	\$ 396,090	\$ 393,718	\$ 464,839	\$ 395,907	\$ 429,023	\$ 386,436	\$ 203,890	\$ 219,415	\$ 222,634	\$ 39,434,420
Restricted	1,341,403	1,236,229	1,151,682	1,071,523	1,087,820	1,158,751	890,753	3,309,252	3,056,765	2,887,380
Committed	5,700,690	6,167,070	5,207,240	5,414,716	4,726,998	2,669,111	3,190,424	3,823,671	4,556,330	5,801,236
Assigned	27,473,651	26,455,278	25,141,842	24,446,674	34,514,464	21,789,340	19,511,605	17,544,997	17,182,387	18,230,021
Unassigned	63,564,012	60,465,811	55,080,691	54,121,364	46,558,441	54,561,190	55,180,619	21,000,677	16,255,088	13,563,171
Total	<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>	<u>\$ 41,273,204</u>	<u>\$ 79,916,228</u>
Other Governmental Funds:										
Nondisposable	\$ 12,538,114	\$ 3,019,097	\$ 948,101	\$ 5,715,188	\$ 5,399,718	\$ 106,500	\$ 55,263,626	\$ 144,832,484	\$ 131,816,564	\$ 192,762,973
Restricted	213,552,839	207,168,717	194,769,129	188,197,328	187,496,268	182,582,223	179,623,689	62,146,373	62,091,651	101,819,503
Committed	-	-	-	-	-	-	-	17,507,842	17,973,535	17,708,288
Assigned	110,069,155	124,981,347	125,032,314	120,713,623	107,535,831	94,339,773	35,217,888	41,817,140	47,048,071	52,969,386
Unassigned	(1,550,470)	(5,614,358)	(13,245,428)	(17,891,929)	(24,005,611)	(31,658,357)	(28,160,897)	(36,250,997)	(32,303,611)	(116,991,588)
Total Other Governmental Funds	<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>	<u>\$ 226,626,210</u>	<u>\$ 248,268,562</u>

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Taxes	\$ 132,341,375	\$ 124,795,458	\$ 107,409,558	\$ 103,297,087	\$ 100,200,213	\$ 95,118,655	\$ 89,113,385	\$ 88,500,198	\$ 125,362,845	\$ 164,441,878
Licenses and permits	9,547,162	12,402,513	10,713,155	12,811,481	18,626,256	9,457,615	4,014,081	6,312,758	3,935,025	3,039,383
Intergovernmental	32,980,850	24,566,107	19,884,450	20,108,576	20,328,373	26,033,423	31,222,032	43,049,724	37,640,669	23,946,521
Charges for services	22,778,927	28,474,357	27,447,010	19,659,882	26,783,977	16,345,500	10,622,985	10,880,185	10,793,456	7,594,928
Fines and forfeitures	3,735,492	3,812,587	3,515,710	4,021,872	4,472,790	4,780,288	3,114,133	3,989,423	2,351,616	2,547,706
Special assessments	18,136,360	17,040,757	16,758,987	16,270,692	16,040,403	15,760,431	15,531,166	15,324,914	15,229,242	15,170,618
Investment earnings	11,322,972	13,662,906	5,203,257	5,623,634	8,110,868	7,351,178	8,292,701	3,212,107	12,792,165	12,511,646
Contribution from property owners	5,194,646	4,480,225	18,695,684	14,728,436	-	-	2,308,611	-	-	-
Other revenue	4,983,802	3,897,361	11,027,048	8,280,834	8,528,720	10,034,327	10,125,947	12,486,725	11,703,354	7,653,560
Total Revenues	241,021,586	233,132,271	220,654,859	204,802,494	203,091,600	184,881,417	174,345,041	183,756,034	219,808,372	236,906,240
Expenditures:										
General government	35,212,913	30,213,300	29,643,233	28,048,281	22,040,327	23,930,630	20,404,087	18,767,425	18,821,954	19,064,060
Public safety	97,778,504	92,004,052	87,292,864	82,284,307	77,542,546	76,649,056	69,930,455	64,854,844	64,442,561	63,809,019
Public works	60,858,909	38,512,671	37,799,200	31,924,593	29,236,066	33,682,886	32,721,384	30,082,698	32,328,157	29,054,582
Building & safety	-	-	-	-	-	-	-	-	-	2,160,273
Community development	4,260,620	4,324,744	4,597,292	5,390,496	4,048,697	3,928,595	3,720,967	5,748,414	25,874,574	36,404,204
Community services	13,648,401	15,348,654	15,439,409	14,443,168	14,190,508	13,619,422	12,915,801	13,115,209	12,925,751	12,472,879
Engineering	20,205,163	9,852,337	13,129,486	10,612,177	5,180,562	14,928,557	20,009,693	5,838,832	6,186,315	8,361,272
Capital outlay	-	12,422,973	20,640,164	11,990,495	18,772,727	14,692,362	9,802,816	33,636,349	30,177,022	29,433,396
Debt service:										
Principal	1,165,000	1,105,000	1,055,000	1,015,000	2,025,000	2,450,000	2,335,000	2,215,000	13,470,000	12,870,000
Interest	2,021,463	2,000,711	2,622,940	2,405,916	2,687,661	1,670,241	2,902,744	3,009,441	17,345,629	32,704,008
Payments on refunded bonds - prior	-	-	-	-	-	3,924,816	-	-	-	-
Debt issuance cost	-	-	-	-	-	624,562	-	-	-	149,118
Total Expenditures	235,150,973	205,784,442	212,219,588	188,114,433	175,724,094	190,101,127	174,742,947	177,268,212	221,571,963	246,482,811
Excess of revenues over (under) expenditures	\$ 5,870,613	\$ 27,347,829	\$ 8,435,271	\$ 16,688,061	\$ 27,367,506	\$ (5,219,710)	\$ (397,906)	\$ 6,487,822	\$ (1,763,591)	\$ (9,576,571)

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Other financing sources (uses)										
Transfers in	\$ 28,172,553	\$ 26,675,264	\$ 31,648,373	\$ 29,113,977	\$ 26,797,538	\$ 26,579,617	\$ 23,890,997	\$ 18,754,401	\$ 35,008,096	\$ 44,581,991
Transfers out	(25,905,096)	(24,545,777)	(29,963,316)	(27,373,831)	(24,785,743)	(24,919,027)	(22,304,337)	(16,445,401)	(33,044,386)	(44,384,060)
Long-term debt issued	-	-	-	-	-	37,675,000	3,873,854	-	832,213	8,198,714
Premium on bonds issued	-	-	-	-	-	3,429,057	-	-	-	(53,367)
Sale of capital assets	674,505	245,183	3,855	13,235	3,184,220	7,011	11,458	4,277	7,708	1,629,150
Payment to refunded bond escrow agent	-	-	-	-	-	(40,526,666)	-	-	-	-
Total other financing sources (uses)	\$ 2,941,962	\$ 2,374,670	\$ 1,688,912	\$ 1,753,381	\$ 5,196,015	\$ 2,244,992	\$ 5,471,972	\$ 2,313,277	\$ 2,803,631	\$ 9,972,428
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	(61,337,045)	-
Net change in fund balances	8,812,575	29,722,499	10,124,183	18,441,442	32,563,521	(2,974,718)	5,074,066	8,801,099	(60,297,005)	395,857
Debt service as a percentage of noncapital expenditures	1.4%	1.6%	1.9%	1.9%	3.0%	2.3%	3.2%	3.6%	16.1%	21.0%

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
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%
2012	8,853,377	1,255,754	1,775,188	2,074,513	530,738	13,428,094	0.7072%
2011	8,749,473	1,308,064	1,822,764	2,188,548	520,566	13,548,283	0.7107%

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									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
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
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	0.046	0.046	0.046	0.046	0.046	0.046	0.046	0.046	0.046	0.046
County of San Bernardino	0.170	0.170	0.170	0.170	0.170	0.170	0.170	0.170	0.170	0.170
Education Revenue Augmentation Fund	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222
Flood Control	0.028	0.028	0.028	0.028	0.028	0.028	0.028	0.028	0.028	0.028
Fontana Fire Protection District	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186
Fontana Unified School District	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273
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	0.0241	0.0153	0.0088	0.0116	0.0113	0.0109	0.0157	0.0111	0.0153	0.0091
Chaffey High School	0.0375	0.0402	0.0279	0.0319	0.0409	0.0294	0.0371	0.0101	0.0194	0.0192
Colton Unified School	0.1016	0.1116	0.0939	0.1454	0.1169	0.0973	0.1187	0.1488	0.1403	0.1304
Etiwanda Elementary Bond	0.0034	0.0286	0.0169	-	-	-	-	-	-	-
Fontana Unified School District	0.0420	0.0890	0.1113	0.1117	0.1145	0.1384	0.1516	0.1501	0.1460	0.1375
Metropolitan Water Agency - Original	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0037	0.0037
Rialto Unified School	0.0848	0.0771	0.0957	0.0992	0.1194	0.0655	0.0704	0.0736	0.0856	0.0788
San Bernardino Community College	0.0562	0.0407	0.0376	0.0350	0.0403	0.0393	0.0419	0.0459	0.0373	0.0467
San Bernardino Valley Muni Water	0.1425	0.1525	0.1525	0.1625	0.1625	0.1625	0.1625	0.1625	0.1650	0.1650
Total Tax Rate	1.4956	1.5585	1.5481	1.6008	1.6093	1.5468	1.6014	1.6056	1.6126	1.5904
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
Redevelopment Rate ⁽⁴⁾	-	-	-	-	-	-	-	-	1.0037	1.0037
Total Direct Rate ⁽⁵⁾	0.2228	0.2226	0.2225	0.2222	0.2231	0.2231	0.2230	0.7072	0.7072	0.7107

(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) RDA rate is based on the largest RDA tax rate area (TRA) and includes only rates from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.

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

Source: San Bernardino County Assessor 2010/11 - 2019/20 Tax Rate Table

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

	2020			2011		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Tax Payer						
Duke Realty LP	\$ 142,552,795	1	0.67%	\$ -	-	0.00%
San Gabriel Valley Water Company	137,264,772	2	0.65%	125,043,695	1	0.92%
Vintage Park East LLC	131,420,454	3	0.62%	113,572,251	2	0.84%
Target Corporation	119,369,115	4	0.56%	-	-	-
Sierra Lakes Commerce LLC	109,023,747	5	0.52%	-	-	-
Citrus Avenue LLC	101,427,188	6	0.48%	-	-	-
Prologis USLV Newca 1 LLC	91,618,153	7	0.43%	-	-	-
Francisco Street LP	91,279,694	8	0.43%	-	-	-
Intex Properties Inland Empire Corp	87,030,328	9	0.41%	70,843,129	6	0.52%
DCT Jurupa Ranch LLC	83,728,342	10	0.40%	-	-	-
RRP Falcon Ridge Town Center LP	-	-	-	105,229,762	3	0.78%
California Auto Dealers Exchange LLC	-	-	-	83,026,076	4	0.61%
UST-CB Partners LP	-	-	-	73,304,448	5	0.54%
Ameron International	-	-	-	64,317,365	7	0.47%
10681 Production Avenue LLC	-	-	-	56,500,000	8	0.42%
North Fontana Investment Company LLC	-	-	-	54,268,478	9	0.40%
Summit Heights Center LP	-	-	-	51,561,867	10	0.38%
	-	-	-	-	-	-
	<u>\$ 1,094,714,588</u>		5.17%	<u>\$ 797,667,071</u>		5.89%

Source: San Bernardino County Assessor 2019/20 and 2010/11 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
2020	\$ 151,664,764	\$ 73,672,999	48.58% ⁽²⁾	N/A	\$ 73,672,999	48.58%
2019	140,080,541	65,091,616	46.47% ⁽²⁾	N/A	65,091,616	46.47%
2018	124,570,785	54,606,892	43.84% ⁽²⁾	N/A	54,606,892	43.84%
2017	117,360,061	52,046,433	44.35% ⁽²⁾	N/A	52,046,433	44.35%
2016	111,826,003	48,471,707	43.35% ⁽²⁾	N/A	48,471,707	43.35%
2015	106,226,054	47,694,338	44.90% ⁽²⁾	N/A	47,694,338	44.90%
2014	97,023,057	45,980,226	47.39% ⁽²⁾	N/A	45,980,226	47.39%
2013	94,528,426	47,985,784	50.76% ⁽²⁾	N/A	47,985,784	50.76%
2012	93,330,383	34,465,021	36.93% ⁽²⁾	N/A	34,465,021	36.93%
2011	94,513,468	91,393,702	96.70%	N/A	91,393,702	96.70%

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 is 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	Tax Allocation Bonds ⁽³⁾	Total Net General Bonded Debt					
2020	213,000	\$ -	\$ 40,122,668	\$ -	\$ 40,122,668	\$ 4,074,021	\$ 7,355,897	\$ 51,552,586	-	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
2012	200,974	3,720,029,000	57,671,813	-	57,671,813	-	13,697,898	71,369,711	1.92%	287
2011	199,898	3,651,137,000	59,821,423	421,743,515	481,564,938	-	14,419,966	495,984,904	13.58%	2,409

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
2020 Personal Income amounts 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

⁽³⁾ Due to the dissolution of the redevelopment agency on January 31, 2012, all indebtedness related to the former activities of the redevelopment agency has been removed.

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

Fiscal Year	Population ⁽¹⁾	Total Assessed Valuation ⁽²⁾		General Bonded Debt		Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt per Capita
				Lease Revenue Bonds	Total Net General Bonded Debt		
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
2012	200,974	4,449,513,025		57,671,813	57,671,813	1.30%	287
2011	199,898	4,439,875,114		59,821,423	59,821,423	1.35%	299

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, 2020

City Assessed Valuation		\$ 21,160,085,508	
	Percentage Applicable ⁽¹⁾	Total Debt 6/30/20	Net Bonded Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	0.563%	\$ 37,300,000	\$ 209,999
Chaffey Community College District	15.350%	318,275,000	48,855,213
San Bernardino Community College District	3.504%	738,367,480	25,872,396
Chaffey Joint Union High School District	7.686%	486,526,948	37,394,461
Colton Joint Unified School District	18.690%	182,403,765	34,091,264
Fontana Unified School District	77.548%	170,125,349	131,928,806
Rialto Unified School District	6.373%	107,443,793	6,847,393
Etiwanda School District	29.260%	90,391,760	26,448,629
Colton Joint Unified School District Community Facilities District #3	100.000%	5,275,000	5,275,000
Etiwanda School District Community Facilities District #4	100.000%	1,980,000	1,980,000
Etiwanda School District Community Facilities District #7	71.582%	8,015,000	5,737,297
Etiwanda School District Community Facilities District #8	33.021%	4,380,000	1,446,320
Etiwanda School District Community Facilities District #9	20.795%	7,260,000	1,509,717
Etiwanda School District Community Facilities District #2001-1	100.000%	2,795,000	2,795,000
Etiwanda School District Community Facilities District #2004-1	100.000%	18,805,000	18,805,000
City of Fontana Community Facilities Districts	100.000%	104,130,000	104,130,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		\$ 2,283,474,095	\$ 453,326,495
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>			
San Bernardino County General Fund Obligations	8.928%	239,140,000	21,350,419
San Bernardino County Pension Obligations	8.928%	237,212,638	21,178,344
San Bernardino County Flood Control District General Fund Obligation	8.928%	57,155,000	5,102,798
Chaffey Community College District General Fund Obligations	15.350%	29,955,000	4,598,093
Colton Joint Unified School District Certificates of Participation	18.690%	602,300	112,570
Fontana Unified School District Certificates of Participation	77.548%	28,615,000	22,190,360
Rialto Unified School District Certificates of Participation	6.373%	11,732,844	747,734
Cucamonga School District Certificates of Participation	5.292%	4,960,000	262,483
City of Fontana General Fund Obligations	100.000%	37,415,000	37,415,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$ 646,787,782	\$ 112,957,801
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT			112,957,801
TOTAL OVERLAPPING DEBT		\$ 2,930,261,877	566,284,296
CITY DIRECT DEBT			44,196,689
TOTAL DIRECT AND OVERLAPPING DEBT			\$ 610,480,985

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				
	2020	2019	2018	2017	2016
Total assessed value of all real and personal property	\$ 21,160,085,508 ⁽²⁾	\$ 19,666,430,280 ⁽²⁾	\$ 17,721,235,967 ⁽²⁾	\$ 16,819,161,359 ⁽²⁾	\$ 15,982,106,642 ⁽²⁾
Debt limit percentage ⁽¹⁾	15%	15%	15%	15%	15%
Total debt limit	3,174,012,826	2,949,964,542	2,658,185,395	2,522,874,204	2,397,315,996
Amount of debt applicable to debt limit	37,415,000	38,580,000	39,685,000	40,740,000	41,755,000
Legal debt margin	3,136,597,826	2,911,384,542	2,618,500,395	2,482,134,204	2,355,560,996
Total net debt applicable to the limit as a percentage of debt limit	1.18%	1.31%	1.49%	1.61%	1.74%

	Fiscal Year				
	2015	2014	2013	2012	2011
Total assessed value of all real and personal property	\$ 15,224,465,093 ⁽²⁾	\$ 13,988,600,102 ⁽²⁾	\$ 13,596,277,647 ⁽²⁾	\$ 4,449,513,025 ⁽²⁾	\$ 3,839,710,431
Debt limit percentage ⁽¹⁾	15%	15%	15%	15%	15%
Total debt limit	2,283,669,764	2,098,290,015	2,039,441,647	667,426,954	575,956,565
Amount of debt applicable to debt limit	43,780,000	52,490,000	54,825,000	57,040,000	59,160,000
Legal debt margin	2,239,889,764	2,045,800,015	1,984,616,647	610,386,954	516,796,565
Total net debt applicable to the limit as a percentage of debt limit	1.92%	2.50%	2.69%	8.55%	10.27%

⁽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 Fiscal Years

Fiscal Year	Population⁽¹⁾	Personal Income (thousands of dollars)⁽²⁾	Per Capita Personal Income	Unemployment Rate⁽³⁾
2020	213,000	\$ -	\$ -	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%
2011	199,898	3,651,137	18,265	13.7%

Note: 2020 Personal Income amounts are not available at the issuance of this report.

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	2020			2011		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Kaiser Hospital & Med. Group	6,248	1	6.37%	5,300	1	8.67%
Fontana Unified School District	5,898	2	6.01%	3,866	2	6.33%
Amazon.com Services LLC	3,008	3	3.07%			-
City of Fontana (includes part-time employees)	995	4	1.01%	1,154	3	1.89%
Estes West	352	5	0.36%			-
Water of Life Community Church	300	6	0.31%			-
Saia Motor Freight Line LLC	289	7	0.29%			-
Schlosser Forge Company	287	8	0.29%			-
Walmart Store #1756	286	9	0.29%	306	8	0.50%
Costco Wholesale #627	275	10	0.28%	268	9	0.44%
Crown Technical Systems	275	10	0.28%			-
Target (Dayton/Houston)	-		-	739	4	1.21%
Schneider National Carriers, Inc.	-		-	578	5	0.95%
Manheim Southern California	-		-	326	6	0.53%
Reddaway Inc	-		-	320	7	0.52%
Ergon Asphalt & Emulsions, Inc.	-		-	260	10	0.43%
	<u>18,213</u>		<u>18.57%</u>	<u>13,117</u>		<u>21.47%</u>

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

Source: City of Fontana, Business License.

CITY OF FONTANA
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
 Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30,									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Administrative Services	5	5	5	5	5	5	5	5	5	6
City Council	7	7	7	7	7	7	7	7	7	7
City Administration	10	10	9	9	8	8	8	6	8	8
Human Resources	9	9	9	8	8	8	7	6	6	7
Information Services	26	25	24	24	23	23	23	23	22	23
Management Services	23	22	22	22	23	23	23	21	22	23
Police										
Officers	202	199	194	194	194	190	195	197	183	185
Civilians	103	102	99	96	94	93	93	94	90	91
Development Services	4	5	5	5	4	5	4	4	4	5
Building and Safety		0	0	0	0	0	0	0	0	20
Community Development	32	31	31	29	29	29	29	29	29	18
Engineering	36	34	30	29	29	29	31	32	32	38
Public Works	96	95	94	94	93	93	93	93	93	91
Community Services	46	46	46	46	46	44	44	43	43	43
Redevelopment Agency	0	0	0	0	0	0	0	0	0	1
Total	599	590	575	568	563	557	562	560	544	566

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									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Completed recruitment for full time position	40	47	50	55	41	37	48	48	20	12
New maintenance CFD's/ Annexations formed	6	9	2	5	7	7	3	1	1	1
Police										
Arrests per sworn position	36	46	44	48	50	54	48	38	38	45
Computer Aided Dispatch Entries per Dispatcher	5,347	5,109	5,187	5,172	5,157	4,933	4,798	4,798	4,434	4,899
Number of traffic collision reports processed	3,292	3,198	3,316	3,403	3,191	2,576	2,458	2,458	2,349	2,353
Building and Code Compliance										
Building permits issued	3,665	3,529	5,565	5,100	3,400	2,800	2,800	2,500	2,900	2,200
Building inspections performed	12,870	19,858	28,560	33,000	25,000	18,000	18,000	15,000	15,000	15,000
Public Works										
Miles of pavement rehabilitation	30	33	33	33	25	15	25	25	38	15
Graffiti Hotline calls completed	3,048	3,117	4,268	4,268	5,297	4,040	3,746	6,716	9,161	9,207
Potholes filled	5,500	7,051	8,122	8,122	17,000	11,000	17,000	17,000	18,312	16,800
Community Services										
Total Number of Recreation Program Participants	1,064,659	1,900,464	1,734,000	1,799,532	1,764,532	1,729,933	1,647,555	1,863,031	1,059,435	890,091

Sources: Various City departments
2020/21 Budget Books

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

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</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	206	200	195	191	189	186	180	173	163	160
Public Works										
Lane miles of streets	1,751	1,751	1,751	1,751	1,532	1,512	1,525	1,481	1,445	1,405
Sanitary sewers (miles)	463	438	425	425	424	422	422	422	414	402
Community Services										
Parks	50	47	46	46	46	44	43	41	41	41
Playgrounds	49	47	46	46	46	44	43	41	39	39
Recreation Centers	14	10	10	10	9	9	9	9	9	9

Sources: Various City departments

CITY OF FONTANA

MISCELLANEOUS STATISTICAL INFORMATION

June 30, 2020

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:	613	Highways:	
Sanitary sewers:	463 miles	Interstate	10
Storm drains:	162 miles	Interstate	15
Streetscapes:	548 acres	Interstate	210
Parks:	419 acres	State Highway	60
Bicycle trails:	10 miles	State Highway	66
Police protection:		Rail:	
City of Fontana		Metrolink (Commuter)	
Number of stations	3	Burlington Northern/Santa Fe	
Number of personnel:		Union Pacific	
Sworn	202	Water service:	
Non-sworn	103	Cucamonga County Water District	
City employees (full time):	599	San Gabriel Valley Water Co.	
Fire protection:		West San Bernardino County Water District	
County of San Bernardino		Sewer service:	
Number of stations	7	Inland Empire Utilities Agency	
Number of personnel	111	City of Fontana	
		City of Rialto	
		Education:	
		Elementary Schools	30
		Middle Schools	7
		High Schools	5
		Continuation High Schools	2
		Adult School	1
Source:	City of Fontana Departments 2020/21 Budget Book		