

City of Rialto

California

Annual Comprehensive Financial Report



Fiscal Year Ending June 31, 2022

CITY OF RIALTO, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022

PREPARED BY THE FINANCE DEPARTMENT

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INTRODUCTORY SECTION

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City of Rialto *California*

March 31, 2023

Honorable Mayor, Members of the City Council and Citizens of Rialto:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Rialto, California (City) for the fiscal year ending June 30, 2022. Responsibility for the accuracy of this data and the completeness and fairness of its presentation, including all disclosures, rests with the City. To the best of our knowledge, the enclosed data is accurate in all material respects and is reported in a manner that fairly presents the financial position and operating results of the City. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included in this report.

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). The ACFR consists of management's representations concerning the finances of the City of Rialto, California. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to both protect the City's assets from loss, theft, and misuse, and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, a public accounting firm fully licensed and qualified to perform audits of state and local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Rialto, California, for the fiscal year ending June 30, 2022, are free of material misstatements. 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 auditors concluded that there was a reasonable basis for rendering an unmodified opinion and that the City of Rialto's financial statements for the year ending June 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City 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 representation 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 will be available in the City's separately issued Single Audit Report.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A. The City's MD&A can be found immediately following the independent auditor's report in the financial section of the Annual Report.

THE REPORTING ENTITY AND ITS SERVICES

The financial reporting entity includes all the funds of the City and its component units. The City is the primary government. The component units are Rialto Public Financing Authority (Financing Authority), Rialto Utility Authority (Utility Authority), Rialto Nonprofit Public Building Authority (Building Authority), and Rialto Housing Authority (Housing Authority).

The City was incorporated in 1911 as a general law city and operates under a Council-Manager form of government.

The Financing Authority was formed in 1988 to provide a financing mechanism for the public projects of the City and the Redevelopment Agency of the City of Rialto (Agency). The Agency is now dissolved but the Authority continues to exist.

The Utility Authority was established on May 1, 2001. The Utility Authority was formed to provide for the lease, ownership, operation, maintenance, construction, and financing of the Water and Wastewater Utility systems and any other utility system or service.

The Nonprofit Public Building Authority was formed in 1988 to provide financial assistance to the City by financing, refinancing, acquiring, constructing, improving, leasing, and selling or otherwise conveying property of any kind to the City.

The Housing Authority was established on November 4, 2003 and enables the City to engage in more aggressive housing market intervention, including the acquisition of property, and rehabilitation and/or development of affordable housing.

SUCCESSOR AGENCY to the REDEVELOPMENT AGENCY of the CITY of RIALTO

The Redevelopment Agency was formed in 1977 with the objective of providing long-term financing of capital improvements designed to eliminate negative physical and economic impact in the designated project area. On December 29, 2011, the California Supreme Court upheld Assembly Bill X126 (ABX126) that provides for the dissolution of all redevelopment agencies in the State of California. Legislation states that upon dissolution of a redevelopment agency, the entity that established the redevelopment agency may elect to serve as the "Successor Agency". The Successor Agency holds the assets of the former redevelopment agency until they are distributed to other units of state and local government after the payment of enforceable obligations that were in effect as of the signing of ABX126. On September 27, 2011, the City elected to become the Successor Agency. On February 1, 2012, the Agency was dissolved and the Successor Agency to the Redevelopment Agency of the City of Rialto (Successor Agency) was created. The Successor Agency is included as a fiduciary fund (private purpose trust fund) in the ACFR.

PROFILE OF THE CITY OF RIALTO

The City of Rialto provides a full range of services to its residents with 396 full-time employees. Major services such as attorney, library, transit, street sweeping, and landscape maintenance are provided through contractual arrangements. The City provides services such as fire, police, affordable housing, economic development, planning, community compliance, recreation programs, humane services, park and facilities maintenance, street maintenance, city engineering, and administrative management services.

HISTORY OF THE CITY OF RIALTO

In 1851, the Mountain Family purchased part of the Lugo Family's Rancho San Bernardino and claimed several other portions of the bench which later became known as Rialto. This claim was later amended by the United States Government, permitting them a smaller fraction of the initial purchase.

In the fall of 1888, the first school was built, and the Brooke School District was formed. Records show that up until 1920, the Brooke School District was in continuous operation except for a very short time in 1888. The prominent Rialto Trapp family purchased the first schoolhouse in 1921, remodeled the building, and members of the family

resided in it until it was destroyed by a fire. The Rialto School District, known today as the Rialto Unified School District, was formed in 1891. The staff consisted of two teachers and a principal with separate play areas for the boys and girls.

The Chamber of Commerce was established in 1907. The Chamber incorporated in the spring of 1911. By 1911, the population had grown to 1,500 with 40 businesses and a local newspaper. The election results on October 31 of the same year were 135 for the incorporation of the city and 72 against. The City was incorporated with a Council-Manager form of government. The Mayor is elected at large to serve a four-year term. The four Council Members are elected to serve staggered four-year terms. The City of Rialto is 4 miles (6.4 km) wide and 8.5 miles (13.7 km) long and as of the 2022 US Census has a population of 103,954.

BUDGETARY CONTROL

The City prepares an annual budget consistent with Generally Accepted Accounting Principles (GAAP) for all governmental funds on a modified accrual basis where revenues are recognized when they become measurable and available to finance expenditures of the current period. Expenditures are recorded when the goods or services are received, and the liabilities are incurred.

Department Directors are responsible, not only to accomplish goals within each program, but also to monitor budget allocations consistent to the funding levels adopted by the City Council prior to July 1 of the budget year. In addition, the City maintains budgetary control through the use of an encumbrance accounting system. As purchase orders are issued the corresponding amounts are encumbered to ensure that budget amounts are not exceeded.

INTERNAL CONTROLS

The City's management is responsible for developing and establishing an internal control structure to ensure that the assets of the government are protected from loss, theft, misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of the costs and benefits requires estimates and judgements by management.

APPROPRIATION LIMIT

Article XIIB of the California Constitution (Proposition 4), commonly referred to as the "Gann Initiative" was approved by California voters in 1979, which placed limits on the amount of proceeds of taxes that State and Local agencies can appropriate and spend each year. The City's spending limitation is calculated each year and established by a resolution of the City Council as part of the Annual Budget process. Using the population and per capital income data provided by the California Department of Finance, the City's appropriation limits for fiscal year 2021/2022 amounted to \$90,435,261.

ECONOMIC CONDITION AND OUTLOOK

On March 12, 2020, the Rialto City Council adopted Resolution No. 7600 declaring the existence of a local emergency throughout the City of Rialto in response to the COVID-19 Pandemic. The City of Rialto cancelled all city events and activities and closed all City facilities to the public. Since the City's declaration of local emergency, there have been significant directives from the State of California and the San Bernardino County Department of Public Health. The County of San Bernardino Health Officer ordered the cancellation of gatherings and closing of most businesses. In addition, California Governor Gavin Newsom, issued a Stay-At-Home order for the entire state of California. This order limited the continued operations of businesses and entities to those defined as critical infrastructure by the U.S. Department of Homeland Security. The existence of a local emergency continued from fiscal year 2020 through fiscal year 2022.

Although, the City was in the midst of a local emergency the sales tax revenue was at an all time high. The fiscal year 2021 sales tax revenue of \$39,384,987 increased to a 2022 sales tax revenue of \$55,080,619. The City's 39% increase in sales tax was well above the 6.6% increase experienced by San Bernardino County. The reporting change in the distribution of sales tax to the City along with increased receipts in fuel and service stations, building and

constructions, general consumer goods, restaurants and hotels, and autos and transportation caused the increase in fiscal year 2022.

Growth in the home sales market from fiscal year 2021 to fiscal year 2022 in the Inland Empire increased by 10.4%. The median home sales price increased from \$500,000 to \$540,000 showing a 11% increase which is aligned with the San Bernardino County increase of 11.8%. The home sales market is beginning to slow down. There is a 15% decrease in sales transactions for fiscal year 2022 when being compared to fiscal year 2021. Homes on average are being sold at 101.55% of asking price, which is a reduction from fiscal year 2021 at 104.34% but still over asking price. Homes in fiscal year 2021 spent on average seven days on the market and in fiscal year 2022 this increased to ten days on the market.

The California State Public Employees Retirement System (CalPERS) is considerably underfunded due to lower than projected investment returns combined with significant losses during the 2008 Great Recession. In addition, CalPERS Board of Directors voted to lower the discount rate used in its actuarial valuations from 7.5% to 7%. All these factors resulted in increased employer normal costs and Unfunded Accrued Liabilities (UAL). Annual payments to amortize the UAL have grown from \$5.3 million in 2015 to \$11.6 million in 2022 and are projected to grow to \$15.2 million by 2030. The averaged current plan funding status of 80% is causing the City to evaluate cost management strategies to address this liability.

Federal, state, and local governments are working to limit the spread of COVID-19. Although orders intended to contain the virus have caused temporary closures of businesses and limited access to retail and service industries, the release of the COVID-19 vaccine could possibly allow the City to return to a state of normalcy. Heading into fiscal year 2023 the lasting effect of the COVID-19 virus on the City of Rialto remains uncertain. However, the increase in sales tax revenue and the growth in the home sales market is certain and will prove to be a benefit for the City.

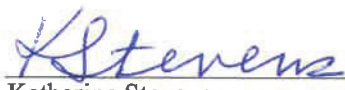
ACKNOWLEDGEMENTS

We would like to express appreciation to all City staff that assisted and contributed to the preparation of this report, particularly to the staff of the Finance Department. We would like to extend our appreciation to the Mayor and City Council for its guidance and leadership, and to the auditors, Lance, Soll & Lunghard, LLP, Certified Public Accountants for their professional assistance. As in the past, the Annual Report is available online at www.yourrialto.com.

Respectfully submitted,



Aaron Brown
Acting City Manager



Katherine Stevens
Director of Finance

Directory of Officials



DEBORAH ROBERTSON
MAYOR



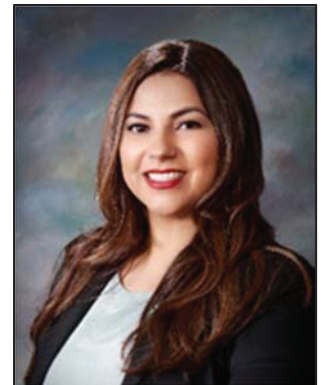
ED SCOTT
MAYOR PRO TEM



RAFAEL TRUJILLO
COUNCIL MEMBER



ANDY CARRIZALES
COUNCIL MEMBER



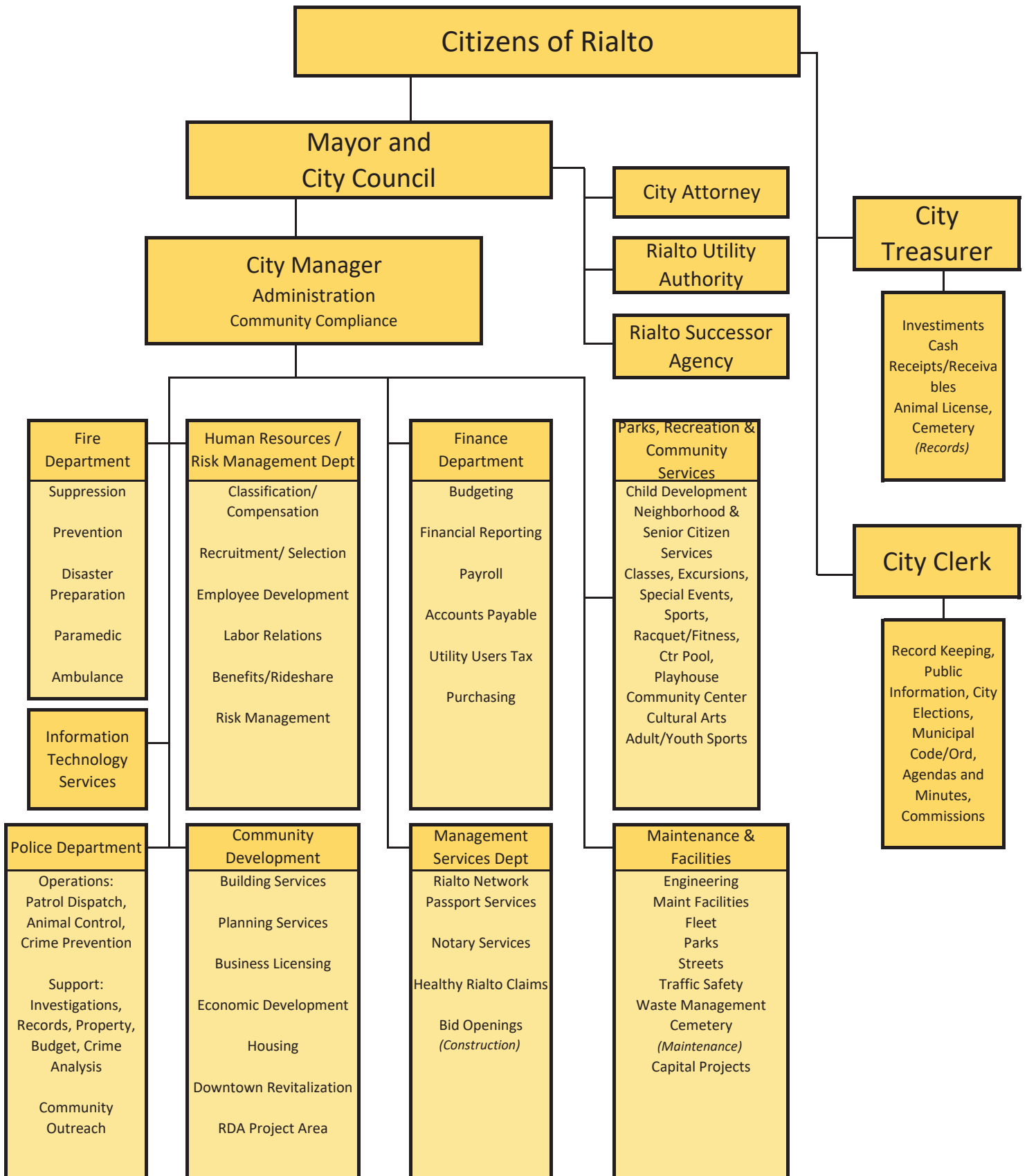
KARLA PEREZ
COUNCIL MEMBER



BARBARA A. MCGEE
CITY CLERK



EDWARD J. CARRILLO
CITY TREASURER



FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Rialto, California

Report on the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

Change in Accounting Principle

As described in the notes to the financial statements, in the fiscal year ended June 30, 2022, the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



To the Honorable Mayor and Members of the City Council
City of Rialto, California

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; budgetary comparison schedules for the General Fund, the Park Development fund, and the American Rescue Plan Act fund; the schedule of changes of plan contributions; the schedule of changes in net OPEB liability and related ratios; and the schedule of plan contributions – other post-employment benefits plan, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic



To the Honorable Mayor and Members of the City Council
City of Rialto, California

financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Lance, Solt & Lughard, LLP". The signature is written in a cursive, flowing style.

Brea, California
March 30, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Rialto has prepared this narrative overview and analysis of the financial activities of the City for the Fiscal Year ending June 30, 2022. The discussion and analysis are intended to serve as an introduction to the City's basic financial statements and to provide financial comparisons with the previous year. Please read this information in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Government – Wide

- As of June 30, 2022, the City's net position increased to \$450.9 million (see Chart 1). The net position represents the difference between the City's resources (total assets) and deferred outflows of resources, totaling \$844.2 million, versus its obligations (total liabilities) and deferred inflows of resources totaling \$393.3 million.
- Total assets increased by \$47.9 million. This was due to an increase of \$25.2 million in Cash and Investments, \$19.0 million in Accounts Receivable, and \$2.1 million in Loans and Notes Receivable; these increases were offset by \$1.7 million and a \$1.1 million decrease in Due from Other Governments and Capital Assets, respectively.
- Total liabilities decreased \$85.4 million primarily from a \$49.5 million decrease in Pension Liability, a \$25.2 million decrease in OPEB Liability and by a \$11.9 million decrease in Unearned Revenue.
- The Statement of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds reported an increase in fund balance of \$38.0 million. The key contributing factor was from an increase of \$22.4 million in the category of Taxes.

Fund Based

- Total General Fund revenues for the Fiscal Year 2022 totaled \$132.9 million, representing a \$17.0 million increase from the prior year. General Fund expenditures increased to \$120.0 million from \$93.2 compared from the prior Fiscal Year.
- Tax Revenues of \$114.5 million, increased by \$22.4 million from last year. This was due to the increase in Sales Tax from a local warehouse that moved its point-of-sale to inside the City instead of reporting to the state-pool.
- As of June 30, 2022, the General Fund - fund balance totaled \$81.7 million, of which \$24.5 million is considered non-spendable, as it represents prepaid items, deposits, advances to other funds, inventory and property held for resale. The total remaining fund balance after non-spendable items are accounted is \$57.2 million of which \$6.5 million has been committed to be used for specific capital projects. The remaining \$50.7 million is designated for both Community Development (25.7 million) and for contingencies (25.0 million). The City's General Fund Economic Uncertainty Reserve Policy for Fiscal Year 2022 is to maintain a minimum balance of 30% of the General Fund operating expenditure budget, which is \$25.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented in this report include all the activities for the City of Rialto and its component units as prescribed by GASB Statement No. 34. The City of Rialto's Annual Report consists of four parts: management's discussion and analysis (this section), the basic financial statements, required supplementary information, and supplementary information that presents combining statements for non-major governmental funds, non-major enterprise funds, and internal service funds, and agency funds. The basic financial statements include two kinds of statements that presents different views of the City.

Government-Wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the City's overall financial status in a manner similar to a private-sector business. The two government-wide financial statements are the Statement of Net Position and the Statement of Activities. Both statements report the City's net position and how it has changed during the Fiscal Year. Over time, increases or decreases in the City's net position is an indicator of whether its financial position is improving or declining.

- The Statement of Net Position is measured as the difference between (a) assets and deferred outflow of resources and (b) liabilities and deferred inflow of resources. This is one way to measure the City's financial health and position. Over time, increases or decreases in the City's net position may serve as an indicator of whether its financial health is improving or deteriorating. The statement of net position includes all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources.
- The Statement of Activities presents information on how the City's net position changed during the Fiscal Year. All changes in net position are reported when they happen regardless of the timing of related cash flows. As such, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The statement of activities reports all of the current year's revenues and expenses regardless of when cash is received or paid.

The two government-wide financial statements of the City are divided as follows:

- Governmental Activities—Most of the City's basic services are included here, such as Police, Fire, Public Works, Redevelopment, and General Government. Governmental Activities are financed by taxes, revenues from other government agencies, state/federal grants, and charges for services.
- Business-Type Activities— Certain services provided by the City are funded by customer fees. Among these are the City's water, wastewater, community services, and cemetery services.

Except for the Successor Agency, the government-wide financial statements include not only the City itself, but also legally separate component units such as: Rialto Nonprofit Public Building Authority, Rialto Public Financing Authority, Rialto Utility Authority, and Rialto Housing Authority. These component units, while legally separate from the City, provide services entirely or almost exclusively for the benefit of the City. Therefore, these component units are known as Blended Component Units with the City government because of their governance and financial relationships with the City.

Fund Financial Statements

The fund financial statements focus is on individual parts of the City government and reports the City's operations in a more detailed format than the government-wide statements.

The fund statements can be divided into three categories:

- Governmental fund statements tell how general government services such as Police, Fire, Public Works, and Special Revenue funds were financed in the short-term, as well as remaining balances for future expenditures. Most of the City's basic services are included in governmental funds, which are used to account for (1) short-term inflows and outflows of spendable resources, and (2) the remaining year-end balances available for spending. Since this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation that explains the relationship (or differences) between governmental funds and governmental activities follow each of the governmental fund statements.

The City maintains forty-one individual governmental funds that report financial transactions using the modified accrual accounting method. Information for four out of the forty-one funds is presented separately in the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances. The following four funds are major funds: General Fund, Park Development Fund, American Rescue Plan Act Fund, and the Capital Projects Fund. Data for other governmental funds (non-major) are combined into a single presentation as part of the additional required supplemental information. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements that follow the notes to the financial statements.

- Proprietary fund statements offer short-term and long-term financial information about activities the City operates, such as utilities services, airport, and the cemetery. Services for which customer fees are intended to finance the costs of operations are generally reported in proprietary funds.
- Fiduciary fund statements provide information about financial relationships in which the City acts solely as a trustee or agent for the benefit of other governmental units, private organizations, or individuals to whom the resources belong. Fiduciary funds are used to account for resources held for the benefit of parties outside of the City. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The reports are excluded from the City's government-wide financial statements because the City cannot use these assets to finance operations.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. This report also presents certain required supplementary information including budgetary comparison schedules for governmental funds. The notes for the required supplementary information presents information concerning the City's budget process.

Other Information

In addition to these required elements, combining statements and schedules that provide details about non-major governmental funds, and non-major enterprise funds, internal service funds, and agency funds are also presented.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements provide long-term and short-term information about the City's overall financial condition, using accounting methods similar to those used by private-sector companies. This analysis addresses the financial statements of the City as a whole.

Net Position

Net position represents the difference between the City's resources and its obligations. Over time, net position may serve as an indication of a government's financial position. The City's combined net position as of June 30, 2022, (shown in Table 1) was \$450.9 million.

The City utilizes the following three classifications for net position:

- **Net Investment in Capital Assets:** Net investment in capital assets (i.e., land, buildings, machinery, equipment, and infrastructure) is \$390.1 million of the total primary government net position. The City uses capital assets to provide services to citizens; however, these assets are not available for future spending.
- **Restricted:** Restricted equates to \$248.3 million and represents resources subject to external restrictions on how they may be used, such as, transportation, development, grants, and debt service reserve requirements for the outstanding bonds.
- **Unrestricted:** Unrestricted, with a deficit of \$187.9 million, completes the remaining balance of total net position. This negative total is due to the recording of a pension and OPEB liabilities.

Net Position (Table 1)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 329,284,429	\$ 286,659,206	\$ 73,216,487	\$ 66,746,841	\$ 402,500,916	\$ 353,406,047
Capital Assets	288,663,048	288,060,752	114,600,887	116,338,883	403,263,935	404,399,635
Total Assets	617,947,477	574,719,958	187,817,374	183,085,724	805,764,851	757,805,682
Deferred Pension Related Items	23,942,144	23,882,760	323,030	335,738	24,265,174	24,218,498
Deferred OPEB Related Items	14,073,713	5,594,132	140,895	54,761	14,214,608	5,648,893
Total Deferred Outflows of Resources	38,015,857	29,476,892	463,925	390,499	38,479,782	29,867,391
Noncurrent Liabilities	45,807,435	45,679,093	149,053,346	151,905,000	194,860,781	197,584,093
Other Liabilities	22,101,349	30,730,430	4,869,071	4,259,418	26,970,420	34,989,848
Net Pension Liability	80,706,410	129,688,238	732,924	1,235,101	81,439,334	130,923,339
Net OPEB Liability	23,031,390	47,965,944	230,581	469,543	23,261,971	48,435,487
Total Liabilities	171,646,584	254,063,705	154,885,922	157,869,062	326,532,506	411,932,767
Deferred Pension Related Items	35,950,805	2,120,973	289,807	-	36,240,612	2,120,973
Deferred OPEB Related Items	25,677,313	3,419,276	223,703	33,472	25,901,016	3,452,748
Deferred Lease Related Items	4,643,732	-	-	-	4,643,732	-
Total Deferred Inflows of Resources	66,271,850	5,540,249	513,510	33,472	66,785,360	5,573,721
Net Position:						
Net Investment in Capital Assets	275,950,902	274,462,552	116,338,880	116,338,883	392,289,782	390,801,435
Restricted	224,941,858	170,018,766	23,327,196	73,004	248,269,054	170,091,770
Unrestricted (Deficit)	(82,847,860)	(99,888,422)	(106,817,572)	(90,838,198)	(189,665,432)	(190,726,620)
Total Net Position	\$ 418,044,900	\$ 344,592,896	\$ 32,848,504	\$ 25,573,689	\$ 450,893,404	\$ 370,166,585

Change in Net Position

The combined net position of the primary government increased this Fiscal Year from \$370.2 million, as of June 30, 2021, to \$450.9 million on June 30, 2022 (shown in Table 2). The Governmental Activities total net position increased by \$73.5 million while Business-Type net position increased by \$7.3 million in Restatement of Net Position from a deficit of \$5.5 million and surplus of \$3.8 million from the prior year.

The most significant change to the primary government's net position was a result of total deferred inflows increasing by \$60.7 million, comprised of an increase of \$33.8 million, \$22.3 million and \$4.6 million for pension, OPEB and leases, respectively.

Another factor contributing to the increase in net position is the \$8.5 million or 28.97% increase in total deferred outflows of resources.

Change in Net Position (Table 2)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for Services	\$ 24,930,270	\$ 20,123,722	\$ 45,091,426	\$ 43,656,730	\$ 70,021,696	63,780,452
Operating Contribution and Grants	38,832,950	17,129,967	-	-	38,832,950	17,129,967
Capital Contributions and Grants	4,343,126	8,694,737	351,970	-	4,695,096	8,694,737
Sub-total Program Revenues	68,106,346	45,948,426	45,443,396	43,656,730	113,549,742	89,605,156
General Revenues:						
Property Taxes, levied for general purpose	36,620,082	32,693,790	21	-	36,620,103	32,693,790
Transient Occupancy Taxes	396,488	344,527	-	-	396,488	344,527
Sales Tax	56,003,289	40,094,356	-	-	56,003,289	40,094,356
Franchise Taxes	4,725,727	4,359,605	-	-	4,725,727	4,359,605
Business Licenses Taxes	3,738,370	3,028,073	-	-	3,738,370	3,028,073
Utility Users Tax	16,589,203	14,470,386	-	-	16,589,203	14,470,386
Motor Vehicle In-Lieu Unrestricted	118,491	76,683	-	-	118,491	76,683
Use of Money and Property (losses on investment)	(7,304,637)	947,669	(513,736)	12,403	(7,818,373)	960,072
Other	6,668,596	7,588,318	-	-	6,668,596	7,588,318
Payments from Successor Agency	-	184,850	-	-	-	184,850
RUA Lease Payment	2,000,000	2,000,000	-	(2,000,000)	2,000,000	-
RUA Contract Payments	1,141,205	1,141,212	-	-	1,141,205	1,141,212
Sub-total General Revenues	120,696,814	106,929,469	(513,715)	(1,987,597)	120,183,099	104,941,872
Total Revenues	\$ 188,803,160	\$ 152,877,895	\$ 44,929,681	\$ 41,669,133	\$ 233,732,841	\$ 194,547,028
Expenses						
General Government	38,991,453	24,316,508	-	-	38,991,453	24,316,508
Public Safety	51,306,406	75,464,556	-	-	51,306,406	75,464,556
Community Development	19,624,539	25,386,976	-	-	19,624,539	25,386,976
Interest on Long-Term Debt	470,943	507,718	-	-	470,943	507,718
Water Fund	-	-	15,211,746	13,619,253	15,211,746	13,619,253
Wastewater Fund	-	-	27,300,987	23,412,695	27,300,987	23,412,695
Airport Fund	-	-	4,293	4,449	4,293	4,449
Cemetery Fund	-	-	95,655	81,056	95,655	81,056
Total Expenses	\$ 110,393,341	\$ 125,675,758	\$ 42,612,681	\$ 37,117,453	\$ 153,006,022	\$ 162,793,211
Change in Net Position before Transfers	\$ 78,409,819	\$ 27,202,137	\$ 2,317,000	\$ 4,551,680	\$ 80,726,819	\$ 31,753,817
Transfers	(4,957,815)	(420,500)	4,957,815	420,500	-	-
Change in Net Position	\$ 73,452,004	\$ 26,781,637	\$ 7,274,815	\$ 4,972,180	\$ 80,726,819	\$ 31,753,817
Net Position at Beginning of Year	344,592,896	323,310,228	25,573,689	16,818,633	370,166,585	340,128,861
Restatement of Net Position	-	(5,498,969)	-	3,782,876	-	(1,716,093)
Net Position at End of Year	\$ 418,044,900	\$ 344,592,896	\$ 32,848,504	\$ 25,573,689	\$ 450,893,404	\$ 370,166,585

FINANCIAL ANALYSIS OF THE FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. A fund is an accounting entity with a self-balancing set of accounts that the City uses to keep track of resources that have been segregated for specific activities or objectives.

Revenues

Revenues for Fiscal Year ending June 30, 2022, were approximately \$233.7 million. The largest government-wide source of revenue for Fiscal Year 2022 comes from charges for services at \$70.0 million (see Table 3). Of this amount, \$44.9 million is from water and wastewater activities and the next largest sources of revenue are from property tax, sales tax, and other contribution/grants combined to be 56.24% of the total government-wide revenue (see Chart 1).

Compared to Fiscal Year 2021, total revenues increased by \$39.2 million or 20.14%. This resulted primarily from a \$21.7 million increase in Operating Contributions and Grants and a \$15.9 million increase in sales tax.

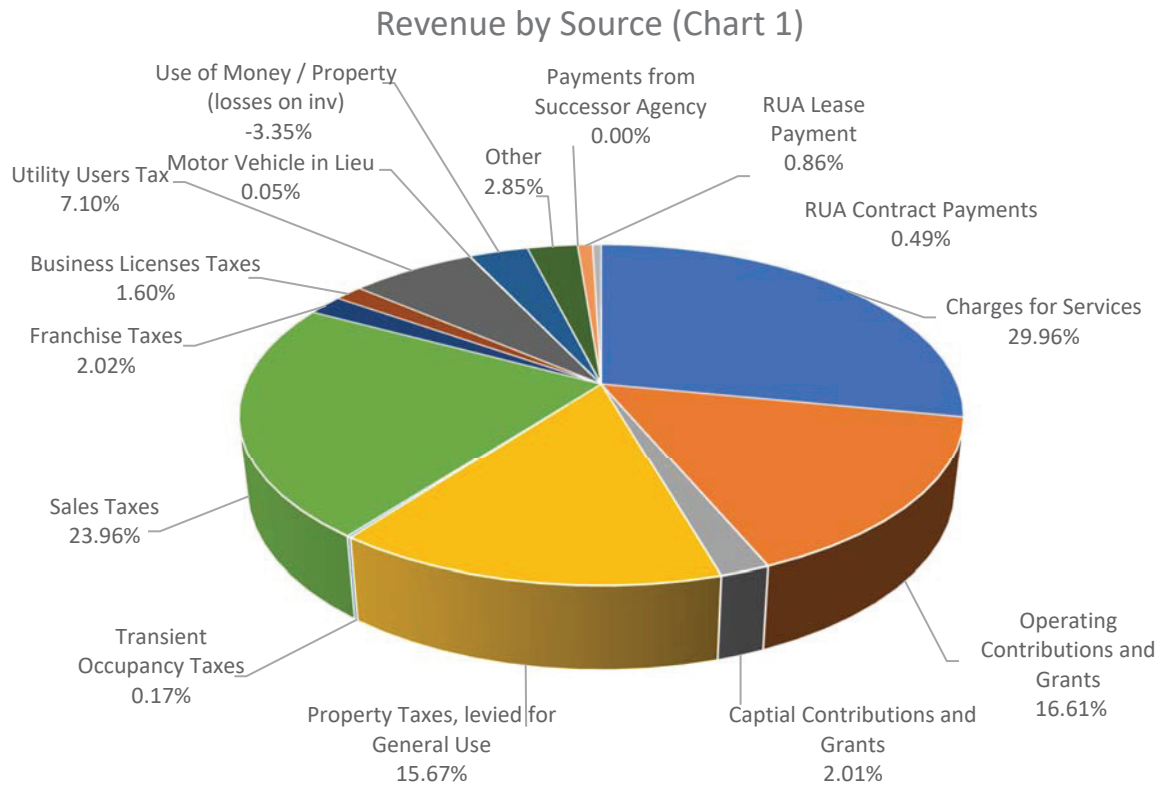
Property taxes increased by \$3.9 million or 12.01%.

Utility users tax revenue increased by \$2.1 million or 14.64% due to increased UUT-gas/electric revenue. Revenue increases were offset by a decrease of \$4.0 million and \$8.8 million for capital contributions and grants and use of money/property (losses on investments), respectively.

Table 3 provides information on the major revenue sources and comparisons between the current and prior Fiscal Year and Chart 1 provides Revenue by Source percentages.

Revenue by Source 2022 / 2021 Comparison (Table 3)

Revenue Sources	2022	% of Total Rev	2021	Change from Prior Year	% Change
Charges for Services	\$ 70,021,696	29.96%	\$ 63,780,452	\$ 6,241,244	9.79%
Operating Contributions and Grants	38,832,950	16.61%	17,129,967	21,702,983	126.70%
Capital Contributions and Grants	4,695,096	2.01%	8,694,737	(3,999,641)	-46.00%
Property Taxes, levied for General Use	36,620,103	15.67%	32,693,790	3,926,313	12.01%
Transient Occupancy Taxes	396,488	0.17%	344,527	51,961	15.08%
Sales Taxes	56,003,289	23.96%	40,094,356	15,908,933	39.68%
Franchise Taxes	4,725,727	2.02%	4,359,605	366,122	8.40%
Business Licenses Taxes	3,738,370	1.60%	3,028,073	710,297	23.46%
Utility Users Tax	16,589,203	7.10%	14,470,386	2,118,817	14.64%
Motor Vehicle in Lieu - Unrestricted	118,491	0.05%	76,683	41,808	54.52%
Use of Money / Property (losses on inv)	(7,818,373)	-3.35%	960,072	(8,778,445)	-914.35%
Other	6,668,596	2.85%	7,588,318	(919,722)	-12.12%
Payments from Successor Agency	-	0.00%	184,850	(184,850)	-100.00%
RUA Lease Payment	2,000,000	0.86%	-	2,000,000	100.00%
RUA Contract Payments	1,141,205	0.49%	1,141,212	(7)	0.00%
	\$ 233,732,841	100.00%	\$ 194,547,028	\$ 39,185,813	20.14%



Expenses

Expenses for the City totaled \$153.0 million, a decrease of 6.01% or \$9.8 million from Fiscal Year 2021.

Governmental activities totaled \$110.4 million, or 72.2% of total expenses. Governmental activities are grouped by functional activity: (1) General Government includes Administration, City Clerk, City Treasurer, Finance and Human Resources; (2) Public Safety includes Police and Fire services (3) Community Development includes Public Works, Community Compliance, Planning, Building Services and Economic Development functions; (4) Interest on Long-Term Debt; (5) Community Services are partially paid by those requesting participation in certain programs.

Business-Type activities totaled \$42.6 million, or 27.8% of total expenses. Business-Type activities are also grouped by functional activity. These typically represent activities performed in exchange for a fee: (1) Wastewater and Water utility services are provided to over 20,000 customers; (2) Airport represents residual transactions relating to the former airport; and (3) Business Other includes Cemetery services (see Chart 2).

General Government expenses increased by \$14.7 million from the prior Fiscal Year mainly due to an increase in assessments performed city wide.

Public Safety expense decreased by \$24.2 million due to decreased personnel and contract costs.

Community Development expenses decreased by \$5.8 million due to a reduction in personnel and program expense costs.

Table 4 provides information on the major expense by function and comparisons between the current and prior Fiscal Year and Chart 2 provides expense by function percentages.

Expenses by Function 2022 / 2021 Comparison (Table 3)

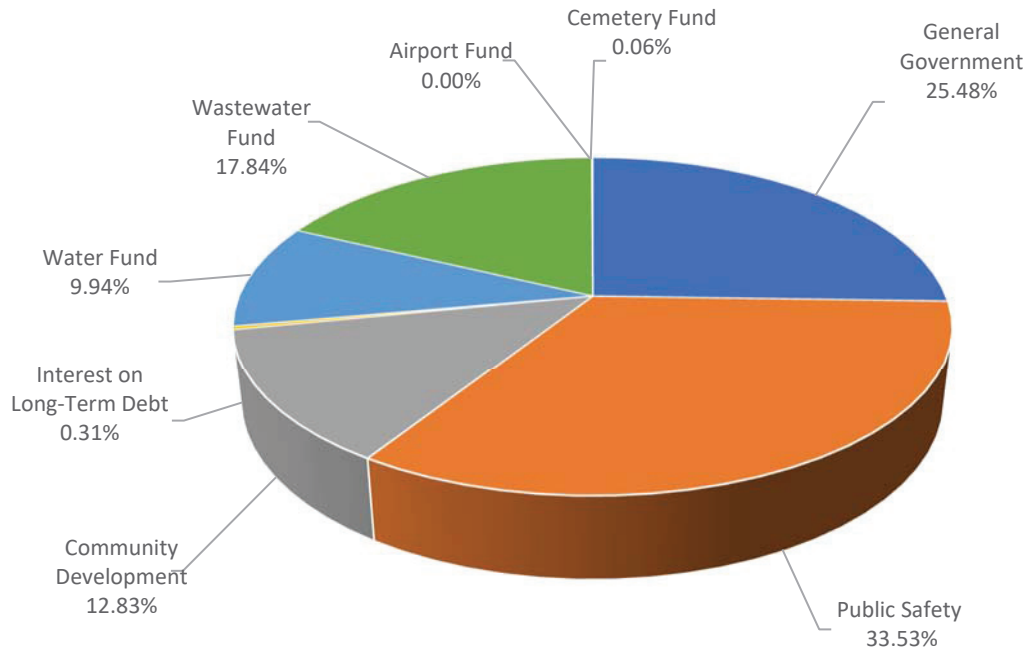
Expenses	2022	% of Total Exp	2021	Change from Prior Year	% Change
Government					
General Government	\$ 38,991,453	25.48%	\$ 24,316,508	\$ 14,674,945	60.35%
Public Safety	51,306,406	33.53%	75,464,556	(24,158,150)	-32.01%
Community Development	19,624,539	12.83%	25,386,976	(5,762,437)	-22.70%
Interest on Long-Term Debt	470,943	0.31%	507,718	(36,775)	-7.24%
Total Government	110,393,341	72.15%	\$ 125,675,758	\$ (15,282,417)	-1.60%
Business-Type					
Water Fund	15,211,746	9.94%	13,619,253	1,592,493	11.69%
Wastewater Fund	27,300,987	17.84%	23,412,695	3,888,292	16.61%
Airport Fund	4,293	0.00%	4,449	(156)	-3.51%
Cemetery Fund	95,655	0.06%	81,056	14,599	18.01%
Total Business-Type	\$ 42,612,681	27.85%	\$ 37,117,453	\$ 5,495,228	42.81%
Total Expenses	\$ 153,006,022	100.00%	\$ 162,793,211	\$ (9,787,189)	-6.01%

Governmental Activities

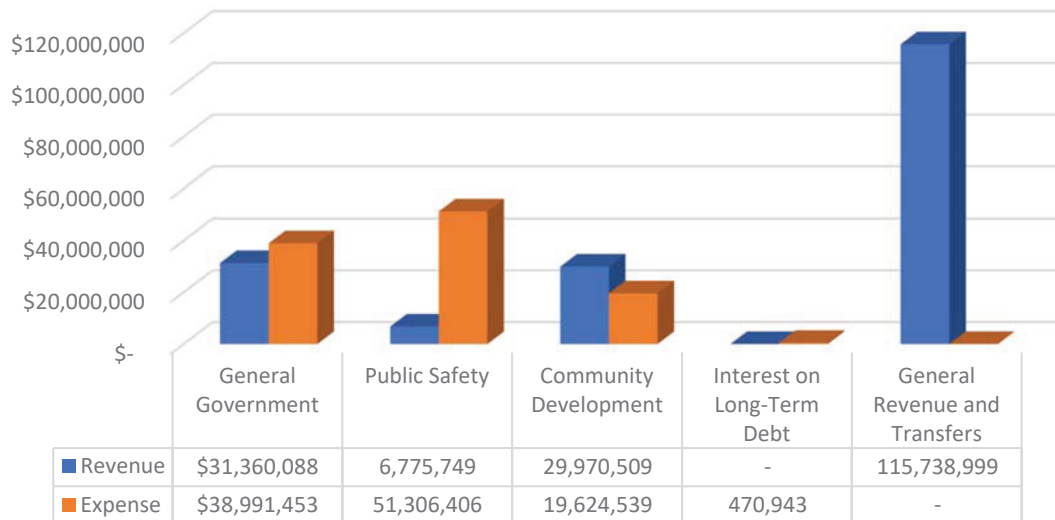
Most of the City's basic services are classified as Governmental activities, such as Police, Fire, Maintenance and Facilities, Community Development, and General Government. Governmental activities are financed by taxes, revenues from other government agencies, state/federal grants, and charges for services.

Chart 3 compares the total cost of Governmental activities separated by revenues versus expenses. The Governmental activities net difference of \$73.5 million is funded by general revenues (see Table 5) and the program revenues and major revenues show an increase of \$22.2 million primarily related to a considerable increase in sales tax (see Table 6).

Expenses by Function (Chart 2)



Governmental Activities
Program Revenue and Expenses (Chart 3)



Governmental Activities (Table 5)

	Revenue			Expenses			Net Gain (Cost)		
	2022	2021	% of Chg	2022	2021	% of Chg	2022	2021	% of Chg
Government Activities									
General Government	\$ 31,360,088	\$ 2,968,992	956.25%	\$ 38,991,453	\$ 24,316,508	60.35%	\$ (7,631,365)	\$ (21,347,516)	-64.25%
Public Safety	6,775,749	8,324,125	-18.60%	51,306,406	75,464,556	-32.01%	(44,530,657)	(67,140,431)	-33.68%
Community Development	29,970,509	34,655,309	-13.52%	19,624,539	25,386,976	-22.70%	10,345,970	9,268,333	11.63%
Interest on Long-Term Debt	-	-	-	470,943	507,718	-7.24%	(470,943)	(507,718)	-7.24%
Subtotal Governmental Activities	68,106,346	45,948,426	48.22%	110,393,341	125,675,758	-12.16%	(42,286,995)	(79,727,332)	-46.96%
General Revenue and Transfers	115,738,999	106,508,969	8.67%	-	-	0.00%	115,738,999	106,508,969	8.67%
Total Governmental Activities	\$ 183,845,345	\$ 152,457,395	20.59%	\$ 110,393,341	\$ 125,675,758	-12.16%	\$ 73,452,004	\$ 26,781,637	174.26%

Governmental Activities - Program and General Revenue (Table 6)

Revenues	2022	2021	Increase / Decrease	% of Change	% of Total Revenue
Program Revenues:					
Charges for Services	\$ 24,930,270	\$ 20,123,722	\$ 4,806,548	23.88%	13.56%
Operating Contributions and Grants	38,832,950	17,129,967	21,702,983	126.70%	21.12%
Capital Contributions and Grants	4,343,126	8,694,737	(4,351,611)	-50.05%	2.36%
Sub-total Program Revenues	68,108,368	45,950,447	22,157,920	48.22%	37.05%
General Revenues:					
Property Taxes, levied for general purpose	36,620,082	32,693,790	3,926,292	12.01%	19.92%
Transient Occupancy Taxes	396,488	344,527	51,961	15.08%	0.22%
Sales Tax	56,003,289	40,094,356	15,908,933	39.68%	30.46%
Franchise Taxes	4,725,727	4,359,605	366,122	8.40%	2.57%
Business Licenses Taxes	3,738,370	3,028,073	710,297	23.46%	2.03%
Utility Users Tax	16,589,203	14,470,386	2,118,817	14.64%	9.02%
Motor Vehicle In-Lieu Unrestricted	118,491	76,683	41,808	54.52%	0.06%
Use of Money and Property (losses on investment)	(7,304,637)	947,669	(8,252,306)	-870.80%	-3.97%
Other	6,668,596	7,588,318	(919,722)	-12.12%	3.63%
Payments from Successor Agency	-	184,850	(184,850)	-100.00%	0.00%
RUA Lease Payment	2,000,000	2,000,000	-	0.00%	1.09%
RUA Contract Payments	1,141,205	1,141,212	(7)	0.00%	0.62%
Sub-total General Revenues	120,696,814	106,929,469	13,767,345	12.88%	65.65%
Total Revenues	\$ 188,805,182	\$ 152,879,916	\$ 35,925,265	23.50%	
Transfers	(4,957,815)	(420,500)	(4,537,315)	1079.03%	-2.70%
Total Revenue and Transfers	\$ 183,847,367	\$ 152,459,416	\$ 31,387,950	20.59%	100.00%

Business Type Activities

Certain services provided by the City are funded by customer fees. Among these are the City's water, wastewater, and cemetery services.

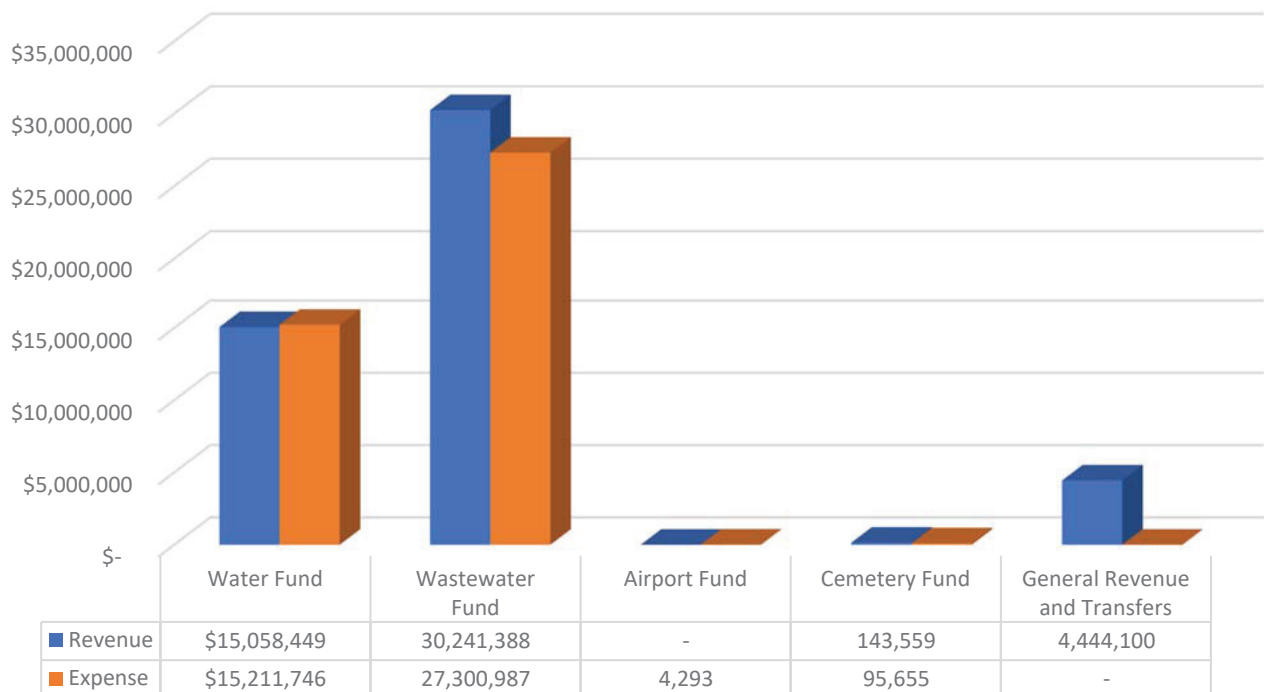
The increase in net gain for Business-Type activities was approximately \$7.3 million (see Table 7). The increase is a result of total expenses of Business-Type activities of \$42.6 million coming in under program revenue of \$49.9 million and general revenues and transfers totaling \$4.4 million (discussed below).

The \$45.4 million received in program revenues consists of charges for services and capital contributions and grants. This is an increase of \$1.8 million when compared to last year which from Covid restrictions being lifted. These revenues are depicted in Chart 4.

Business-Type activities general revenues and transfers reported a transfer of \$4.4 million. The \$6.0 million difference between Fiscal Year 2022 and 2021 was due to the decrease in subsidiaries for community services.

Wastewater revenues exceeded expenses by \$2.9 million, which in comparison to last year's \$5 million, is a decrease of \$2.1 million. The decrease is a result of an increase in contract services expense of \$1.5 million and a combined increase in expenses for other services and supplies and investment valuation adjustment totaling about \$1 million.

**Business-Type Activities
Program Revenue and Expenses (Chart 4)**



Business-Type Activities (Table 7)

	Revenue			Expenses			Net Gain (Cost)		
	2022	2021	% of Chg	2022	2021	% of Chg	2022	2021	% of Chg
Business-Type Activities									
Water Fund	\$ 15,058,449	\$ 15,085,653	-0.18%	\$ 15,211,746	\$ 13,619,253	11.69%	\$ (153,297)	\$ 1,466,400	-110.45%
Wastewater Fund	30,241,388	28,381,428	6.55%	27,300,987	23,412,695	16.61%	2,940,401	4,968,733	-40.82%
Airport Fund	-	-	0.00%	4,293	4,449	-3.51%	(4,293)	(4,449)	-3.51%
Cemetery Fund	143,559	189,649	-24.30%	95,655	81,056	18.01%	47,904	108,593	-55.89%
Subtotal Business-Type Activities	45,443,396	43,656,730	4.09%	42,612,681	37,117,453	14.80%	2,830,715	6,539,277	-56.71%
General Revenue and Transfers	4,444,100	(1,567,097)	-383.59%	-	-	0.00%	4,444,100	(1,567,097)	-383.59%
Total Business-Type Activities	\$ 49,887,496	\$ 42,089,633	18.53%	\$ 42,612,681	\$ 37,117,453	14.80%	\$ 7,274,815	\$ 4,972,180	46.31%

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to demonstrate and ensure compliance with finance-related legal requirements. The fund financial statements focus on individual parts of the City government, reporting the City's operations in more detailed way than the government-wide statements. The types of governmental funds reported by the City include the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds. The fund statements provide information on near-term inflows, outflows, and balances of spendable resources. These funds represent the reporting structure of the budget and interim council reports.

The City's governmental funds reported combined fund balances as of June 30, 2022, of \$274 million, which is an increase of \$38 million. This consists of a \$51.5 million increase in total assets and a \$11.2 million increase in total liabilities.

In accordance with the Governmental Accounting Standards Board (GASB) Statement No.54, Fund Balance Reporting and Governmental Fund Type Definition, as of June 30, 2022, the City's governmental funds' fund balances include the following classifications and balances based on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds:

First, non-spendable fund balance is the portion of net resources that cannot be spent because of their form of being a non-cash asset or a receivable. Non-spendable fund balance totaled \$24.5 million, which represents 9.0% of the total fund balance. This includes Prepaid items (\$61 thousand), Deposits (\$4.8 million), Advances to Other Funds (\$18.8 million), Inventory (\$85 thousand), and Property Held for Resale (\$120 thousand).

Second, restricted fund balance is the portion of net resources that has external enforceable limitations on use; restrictions may be changed or lifted only with the consent of resource providers. Restricted fund balance totaled approximately \$224.9 million, which accounts to 82.1% of the total fund balance. Restrictions are in Debt Service (\$563 thousand), Public Safety (\$15.4 million) and Community Development (\$208.9 million).

Third, committed fund balance is the portion of net resources to which the City Council has authorized for specific purpose. Committed fund balance of \$6.5 million, comprises 2.3% of the total fund balance, are designated for capital projects. Committed fund balances require City Council action to establish and remove restrictions.

Lastly, the residual classification for the City's General Fund is unassigned fund balance, which includes all amounts not contained in the other classifications. Total governmental unassigned fund balance is \$18.2 million, which accounts for 6.6% of total fund balance. The General Fund unassigned balance is available for contingencies.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's Final Budget differs from the Adopted Budget because it contains carry-forward appropriations and revenues for various programs or projects, supplemental revenues, carry-forward appropriations for open purchase orders from the previous year, and appropriations approved by Council throughout the Fiscal Year.

After considering all the adjustments, actual expenditures were \$7.1 million less than the Final Budget amounts.

Capital outlay expenditures were less than the budgeted appropriations by \$277 thousand due to several capital projects/purchases that were not completed or purchased by the end of Fiscal Year 2022. These included Public Safety, Public Works, and General budget for vehicles and equipment, City maintenance projects for park improvements, and City owned buildings which were all carried over to Fiscal Year 2023. Community Development expenditures were less than the budgeted appropriations by \$893 thousand due to reduced expenses for Community projects and events.

Public Safety expenditures were less than the budgeted appropriations by \$927 thousand due to salary savings.

Actual revenues received were more than budget by \$4.4 million. Taxes were \$12.2 million over appropriations, which was due to the change of one of the warehousing reporting sales taxes as a point-of-sale in Rialto instead of to the state-pool as in prior years and additional business in the City limits. Use of Money and Property was \$8.6 million more than appropriations due to the recognized Investment Loss at June 30, 2022.

Budgetary Comparison for General Fund (Table 8)

Fiscal Year 2021-22

	Budget Amounts				Final Budget Variance Favorable (Unfavorable)
	Original	Final	Variance	Actual	
Resources (Inflows):					
Taxes	\$ 76,063,120	\$ 99,782,615	\$ 23,719,495	\$ 111,985,260	\$ 12,202,645
Charges for Services	9,585,727	11,047,727	1,462,000	12,250,587	1,202,860
Intergovernmental	4,555,436	4,575,436	20,000	5,787,852	1,212,416
RUA Lease and Contract Payments	2,000,000	2,000,000	-	2,000,000	-
Licenses and Permits	5,641,235	5,641,235	-	5,840,694	199,459
Use of Money and Property	1,015,600	1,015,600	-	(7,600,400)	(8,616,000)
Miscellaneous	3,319,166	3,539,801	220,635	1,665,288	(1,874,513)
Fines and Forfeitures	652,000	652,000	-	938,527	286,527
Developer Participation	3,000				
Transfer from Other Funds	1,398,276	10,125,931	8,727,655	9,950,403	(175,528)
Proceeds from Sale of Capital Assets	-	3,375,000	3,375,000	3,422,727	47,727
Non Operating Revenues	-	-	-	-	-
Total Resources	\$ 104,233,560	\$ 141,755,345	\$ 37,524,785	\$ 146,240,938	\$ 4,485,593
Charges to Appropriations (Outflows):					
General Government	\$ 18,133,748	\$ 41,117,636	\$ 22,983,888	\$ 35,985,643	\$ 5,131,993
Public Safety	67,575,395	69,246,482	1,671,087	68,319,553	926,929
Community Development	14,060,228	15,998,743	1,938,515	15,105,609	893,134
Interest on Long-Term Debt	289,585	289,585	-	284,058	5,527
Capital Outlay	218,259	323,584	105,325	45,925	277,659
Transfers to Other Funds	3,793,510	49,173,256	45,379,746	49,173,256	-
Non Operating Expenses	162,839	162,839	-	245,684	(82,845)
Total Charges to Appropriations	\$ 104,233,564	\$ 176,312,125	\$ 72,078,561	\$ 169,159,728	\$ 7,152,397

CAPITAL ASSET & DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the City had \$403.2 million in capital assets (net of depreciation), including land and land improvements, construction in progress, buildings, vehicles, police and fire equipment, improvements, water and wastewater transmissions and distribution systems, and infrastructure.

Total capital assets (net of depreciation) decreased by \$1.1 million. This decrease included construction in progress totaling \$73.7 million (a decrease of \$5 million from last year), infrastructure of \$99.7 million (an increase of \$10.2 million from last year), furniture and equipment of \$78.9 million (a decrease of 3.7 million from last year), and an increase in "Other Improvements" of \$737 thousand.

Capital Assets (Table 9)
(net of depreciation)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2022	2021	2022	2021	2022	2021
Land & Land Easements	\$ 77,940,762	\$ 81,497,331	\$ 1,767,770	\$ 1,767,770	\$ 79,708,532	\$ 83,265,101
Structures and Improvements	65,909,684	64,488,679	5,325,788	5,828,942	71,235,472	70,317,621
Furniture and Equipment	4,991,545	6,248,242	73,878,398	76,342,310	78,869,943	82,590,552
Infrastructure	99,700,355	89,477,279	-	-	99,700,355	89,477,279
Construction in Progress	40,120,702	46,349,221	33,628,931	32,399,861	73,749,633	78,749,082
Total Assets	\$ 288,663,048	\$ 288,060,752	\$ 114,600,888	\$ 116,338,883	\$ 403,263,935	\$ 404,399,635

Some of the major capital projects from the Capital Improvement Plan that were completed in Fiscal Year 2022 were:

Street Related Projects

- Alder Widening
- Randal Ave Widening – (Cactus/Riverside)
- Traffic Signal at Pepper and Winchester
- Easton Sidewalk

Non-Transportation related projects

- Fire Station 205

Some major capital projects under construction at the end of Fiscal Year 2022 and expected to be completed by the next Fiscal Year are:

- Curb, Gutter, Sidewalk Improvements
- Street Overlay and Reconstruction of Riverside Avenue South of I-10
- Street Overlay and Reconstruction of Riverside Avenue from I-210 to Foothill Blvd.
- Street Overlay and Reconstruction of Riverside Avenue from the Metrolink Tracks South to San Bernardino Avenue
- Street Overlay of Pepper Avenue, Joint Project with the City of San Bernardino (lead)

Other major projects that are in Design, Environmental and Right of Way Acquisition Phases are:

- SR-210 Alder Avenue Interchange
- Baseline Storm Drain Project
- Public Right of Way – ADA Transition Plan
- Facilities ADA Transition Plan

Additional information pertaining to the City's capital assets can be found in Note 7 in the Notes to the Basic Financial Statements.

Outstanding Debt

The City's outstanding debt consists of debt with concessionaire, certificates of participation and other equipment financing, notes payable and advances, due to other governments, compensated absences, claims payable, other post-employment benefits and net pension liability as shown below in Table 10.

As of June 30, 2022, and 2021 respectively, the City had \$299.3 million and \$376.9 million in debt outstanding.

Net pension liability decreased by \$49.5 million and net Other Post Employment Benefit (OPEB) liability decreased by \$25.2 million from prior Fiscal Year.

Additional information pertaining to the City's liabilities related to outstanding debt, can be found in Notes 9 through 13 in the Notes to the Basic Financial Statements.

Outstanding Debt (Table 10)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2022	2021	2022	2021	2022	2021
Certificate of Participation	\$ -	\$ 270,000	\$ -	\$ -	\$ -	\$ 270,000
Capital Lease	10,738,811	11,128,200	-	-	10,738,811	11,128,200
Notes Payable	1,790,000	2,200,000	-	-	1,790,000	2,200,000
Debt with Concessionaire	-	-	148,607,723	151,447,322	148,607,723	151,447,322
Due to Other Governments	-	-	383,555	383,555	383,555	383,555
Compensated Absences	10,047,919	9,442,737	62,068	74,123	10,109,987	9,516,860
Claims Payable	23,047,370	22,638,156	-	-	23,047,370	22,638,156
Other Post-Employment Benefits	23,031,390	47,965,944	230,581	469,543	23,261,971	48,435,487
Net Pension Liability	80,706,410	129,688,238	732,924	1,235,101	81,439,334	130,923,339
Total Long-Term Debt	\$ 149,361,900	\$ 223,333,275	\$ 150,016,851	\$ 153,609,644	\$ 299,378,751	\$ 376,942,919

ECONOMIC FACTORS & OUTLOOK FOR FUTURE YEARS

The United States' booming economy came to a screeching halt with the COVID-19 pandemic. Consumer spending hit rock bottom during the last two weeks in March 2020. However, severe drops in auto sales, general consumer goods, and service stations and restaurants were largely offset by new revenue from the implementation of the South Dakota v. Wayfair decision that now requires out-of-state retailers to collect and remit California sales and use tax. Also, due to the stay-at-home order, there was a surge in online shopping that boosted receipts from the county use tax allocation pools and from online retailers who maintain and ship their inventory within California.

- COVID-19 — On March 12, 2020 the Rialto City Council adopted Resolution No. 7600 declaring the existence of local emergency throughout the City of Rialto in response to the COVID-19 pandemic. The City of Rialto cancelled all City events and activities and closed all City facilities to the public. Since the City's declaration of local emergency, there have been significant directives from the State of California and the San Bernardino County Department of Public Health. In addition, California Governor Gavin Newsom issued a Stay-At-Home order for the entire state of California. This order limited the continued operations of businesses and entities to those defined as critical infrastructure by the U.S. Department of Homeland Security. The City of Rialto has stayed in a local emergency the entirety of fiscal year 2022 with the hopes of ending the local emergency during fiscal year 2023.

- **Sales Tax** — Due to the Stay-At-Home order in response to the COVID-19 pandemic, sales tax receipts from consumer goods initially shifted downwards. Many brick and mortar stores closed or were restricted due to limited occupancy. As an alternative, consumers shifted to online shopping, which increased the City's share of the countywide use tax pool. Additionally, one of the local warehouses moved their point-of-sale to inside the City limits increasing the direct sales tax allocation. The sales tax allocation for the City of Rialto did increase by 39.68% from fiscal year 2021 to 2022.
- **Increase in Public Retirement Costs** — California Public Employees Retirement System's (CalPERS) is underfunded due to significant investment losses during the 2008 Great Recession and also from a change in actuarial assumption decreasing to 7%. These factors contributed to increased employer pension costs and Unfunded Accrued Liabilities (UAL). Annual UAL payment is expected to grow from \$10.3 million in 2021 to \$15.2 million by 2030. After fiscal year 2022 the City has made efforts to make lump sum payments to the Unfunded Accrued Liability (UAL). The effects of this \$5,000,000 council approved payment on the UAL will be shown in the City's future actuarial reports.

Although, the City of Rialto did not feel the full effect of the COVID-19 Pandemic due to an increase in Sales Tax Revenue the City did experience the prevalent economic changes caused by the Interest Rate Hikes enacted by the Federal Reserve. This interest rate hike caused Investment Losses for the City of Rialto. As a City the prices for goods and services have gone up which further puts a strain on the City's resources. This economic condition is forecasted to extend through fiscal year 2023 and 2024.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Finance Department, 150 S. Palm Avenue, Rialto, California 92376; (909) 820-2544, or visit us online at www.yourrialto.com.

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BASIC FINANCIAL STATEMENTS

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CITY OF RIALTO

STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 266,608,427	\$ 26,528,737	\$ 293,137,164
Receivables:			
Accounts	25,394,314	8,500,365	33,894,679
Notes and loans	4,592,834	661,857	5,254,691
Accrued interest	65,074	20,466	85,540
Leases	4,643,573	-	4,643,573
Internal balances	(3,573,105)	3,573,105	-
Prepaid costs	160,496	-	160,496
Deposits	4,791,464	-	4,791,464
Due from other governments	14,225,286	-	14,225,286
Inventories	124,390	-	124,390
Property held for resale	1,690,369	5,443,258	7,133,627
Concession arrangement	-	5,234,507	5,234,507
Restricted assets:			
Cash and investments in trust	-	23,254,192	23,254,192
Cash with fiscal agent	10,561,307	-	10,561,307
Capital assets not being depreciated	118,061,464	35,396,701	153,458,165
Capital assets, net of depreciation	170,601,584	79,204,186	249,805,770
Total Assets	617,947,477	187,817,374	805,764,851
Deferred Outflows of Resources:			
Pension related items	23,942,144	323,030	24,265,174
OPEB related items	14,073,713	107,532	14,181,245
Total Deferred Outflows of Resources	38,015,857	430,562	38,446,419
Liabilities:			
Accounts payable	11,004,663	3,194,195	14,198,858
Accrued liabilities	4,148,831	11,629	4,160,460
Accrued interest	73,172	-	73,172
Unearned revenue	3,900,031	8,603	3,908,634
Deposits payable	2,969,375	1,653,494	4,622,869
Due to other governments	5,277	1,150	6,427
Noncurrent liabilities:			
Due within one year			
Long-term Debt	564,666	3,072,581	3,637,247
Leases	58,959	-	58,959
Compensated absences	1,808,627	11,172	1,819,799
Claims and judgements	4,148,527	-	4,148,527
Due in more than one year			
Long-term Debt	11,964,145	145,918,697	157,882,842
Leases	124,376	-	124,376
Compensated absences	8,239,292	50,896	8,290,188
Claims and judgements	18,898,843	-	18,898,843
Net pension liability	80,706,410	732,924	81,439,334
Net OPEB liability	23,031,390	230,581	23,261,971
Total Liabilities	171,646,584	154,885,922	326,532,506
Deferred Inflows of Resources:			
Pension related items	35,950,805	289,807	36,240,612
OPEB related items	25,677,313	223,703	25,901,016
Lease related items	4,643,732	-	4,643,732
Total Deferred Inflows of Resources	66,271,850	513,510	66,785,360
Net Position:			
Net investment in capital assets	275,950,902	114,600,887	390,551,789
Restricted for:			
Community development	208,981,586	-	208,981,586
Public safety	15,396,933	-	15,396,933
Public works	-	73,004	73,004
Debt service	563,339	23,254,192	23,817,531
Unrestricted (Deficit)	(82,847,860)	(105,079,579)	(187,927,439)
Total Net Position	\$ 418,044,900	\$ 32,848,504	\$ 450,893,404

See Notes to Financial Statements.

CITY OF RIALTO

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 38,991,453	\$ 1,968,967	\$ 29,391,121	\$ -
Public safety	51,306,406	5,130,007	1,485,426	160,316
Community development	19,624,539	17,831,296	7,956,403	4,182,810
Interest on long-term debt	470,943	-	-	-
Total Governmental Activities	110,393,341	24,930,270	38,832,950	4,343,126
Business-Type Activities:				
Water Fund	15,211,746	15,058,449	-	-
Wastewater Fund	27,300,987	29,889,418	-	351,970
Airport Fund	4,293	-	-	-
Cemetery Fund	95,655	143,559	-	-
Total Business-Type Activities	42,612,681	45,091,426	-	351,970
Total Primary Government	\$ 153,006,022	\$ 70,021,696	\$ 38,832,950	\$ 4,695,096

General Revenues:

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Business licenses taxes

Utility users tax

Motor vehicle in lieu - unrestricted

Use of money and property

Other

RUA Lease Payment

RUA Contract Payments

Transfers**Total General Revenues and Transfers**

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (7,631,365)	\$ -	\$ (7,631,365)
(44,530,657)	-	(44,530,657)
10,345,970	-	10,345,970
(470,943)	-	(470,943)
(42,286,995)	-	(42,286,995)
-	(153,297)	(153,297)
-	2,940,401	2,940,401
-	(4,293)	(4,293)
-	47,904	47,904
-	2,830,715	2,830,715
(42,286,995)	2,830,715	(39,456,280)
36,620,082	21	36,620,103
396,488	-	396,488
56,003,289	-	56,003,289
4,725,727	-	4,725,727
3,738,370	-	3,738,370
16,589,203	-	16,589,203
118,491	-	118,491
(7,304,637)	(513,736)	(7,818,373)
6,668,596	-	6,668,596
2,000,000	-	2,000,000
1,141,205	-	1,141,205
(4,957,815)	4,957,815	-
115,738,999	4,444,100	120,183,099
73,452,004	7,274,815	80,726,819
344,592,896	25,573,689	370,166,585
\$ 418,044,900	\$ 32,848,504	\$ 450,893,404

CITY OF RIALTO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

		Special Revenue Funds		Capital Projects Fund
	General	Park Development Fund	American Rescue Plan Act	Capital Projects Fund
Assets:				
Pooled cash and investments	\$ 39,710,974	\$ 11,834,936	\$ -	\$ 54,465,913
Receivables:				
Accounts	5,448,633	-	14,686,553	833
Notes and loans	-	-	-	-
Accrued interest	65,074	-	-	-
Leases	4,643,573	-	-	-
Prepaid costs	60,778	-	-	99,718
Deposits	4,791,464	-	-	-
Due from other governments	11,206,829	-	-	-
Due from other funds	16,090,214	-	-	-
Advances to other funds	18,799,195	-	-	-
Inventories	84,817	-	-	-
Property held for development	719,969	-	-	-
Restricted assets:				
Cash and investments	251,221	-	-	7,089,045
Total Assets	\$ 101,872,741	\$ 11,834,936	\$ 14,686,553	\$ 61,655,509
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 5,515,989	\$ -	\$ -	\$ 2,409,887
Accrued liabilities	2,231,927	-	-	142
Deposits payable	185,181	-	-	-
Due to other governments	-	-	-	-
Advances from other funds	-	17,499,195	-	-
Unearned revenues	2,681,842	-	-	-
Due to other funds	4,873,105	-	14,686,553	-
Total Liabilities	15,488,044	17,499,195	14,686,553	2,410,029
Deferred Inflows of Resources:				
Unavailable revenues	72,781	-	-	833
Related to leases	4,643,732	-	-	-
Total Deferred Inflows of Resources	4,716,513	-	-	833
Fund Balances (Deficit):				
Nonspendable:				
Prepaid costs	60,778	-	-	-
Deposits	4,791,464	-	-	-
Advances to other funds	18,799,195	-	-	-
Inventory	84,817	-	-	-
Property held for development	719,969	-	-	-
Restricted for:				
Community development	25,773,249	-	-	59,244,647
Public safety	-	-	-	-
Debt service	-	-	-	-
Committed to:				
Capital projects	6,477,271	-	-	-
Unassigned (Deficit)	24,961,441	(5,664,259)	-	-
Total Fund Balances (Deficit)	81,668,184	(5,664,259)	-	59,244,647
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 101,872,741	\$ 11,834,936	\$ 14,686,553	\$ 61,655,509

CITY OF RIALTO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	Other Governmental Funds	Total Governmental Funds
Assets:		
Pooled cash and investments	\$ 134,355,159	\$ 240,366,982
Receivables:		
Accounts	5,155,185	25,291,204
Notes and loans	4,592,834	4,592,834
Accrued interest	-	65,074
Leases	-	4,643,573
Prepaid costs	-	160,496
Deposits	-	4,791,464
Due from other governments	3,018,457	14,225,286
Due from other funds	-	16,090,214
Advances to other funds	-	18,799,195
Inventories	-	84,817
Property held for development	970,400	1,690,369
Restricted assets:		
Cash and investments	3,221,041	10,561,307
Total Assets	\$ 151,313,076	\$ 341,362,815
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):		
Liabilities:		
Accounts payable	\$ 2,228,101	\$ 10,153,977
Accrued liabilities	1,833,483	4,065,552
Deposits payable	2,784,194	2,969,375
Due to other governments	5,277	5,277
Advances from other funds	-	17,499,195
Unearned revenues	1,218,189	3,900,031
Due to other funds	1,271,896	20,831,554
Total Liabilities	9,341,140	59,424,961
Deferred Inflows of Resources:		
Unavailable revenues	3,168,107	3,241,721
Related to leases	-	4,643,732
Total Deferred Inflows of Resources	3,168,107	7,885,453
Fund Balances (Deficit):		
Nonspendable:		
Prepaid costs	-	60,778
Deposits	-	4,791,464
Advances to other funds	-	18,799,195
Inventory	-	84,817
Property held for development	-	719,969
Restricted for:		
Community development	123,963,690	208,981,586
Public safety	15,396,933	15,396,933
Debt service	563,339	563,339
Committed to:		
Capital projects	-	6,477,271
Unassigned (Deficit)	(1,120,133)	18,177,049
Total Fund Balances (Deficit)	138,803,829	274,052,401
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 151,313,076	\$ 341,362,815

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CITY OF RIALTO

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Fund balances of governmental funds		\$ 274,052,401
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.		288,297,208
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Financed purchases	\$ (10,738,811)	
Leases liabilities	(183,335)	
Notes payable	(1,790,000)	
Compensated absences	<u>(9,846,088)</u>	(22,558,234)
Pension and OPEB related debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows and inflows of resources related to pension and OPEB are only reported on the statement of net position:		
Deferred Outflows of Resources - Pension related		23,535,761
Deferred Inflows of Resources - Pension related		(34,759,720)
Net Pension Liability		(77,694,146)
Deferred Outflows of Resources - OPEB related		13,494,624
Deferred Inflows of Resources - OPEB related		(24,620,727)
Net OPEB Liability		(22,083,717)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(73,172)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		3,241,721
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>(2,787,099)</u>
Net Position of Governmental Activities		<u>\$ 418,044,900</u>

CITY OF RIALTO

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

		Special Revenue Funds		Capital Projects Fund
		Park Development Fund	American Rescue Plan Act	Capital Projects Fund
	General			
Revenues:				
Taxes	\$ 111,985,260	\$ -	\$ -	\$ -
Licenses and permits	5,840,694	-	-	-
Intergovernmental	5,787,852	-	29,373,105	-
Charges for services	12,250,587	772,854	-	-
Use of money and property	(7,600,400)	17,935	-	(39,141)
Fines and forfeitures	938,527	-	-	-
RUA lease payments	2,000,000	-	-	-
Developer participation	-	-	-	-
Miscellaneous	1,665,288	-	-	-
Total Revenues (Losses)	132,867,808	790,789	29,373,105	(39,141)
Expenditures:				
Current:				
General government	35,985,643	-	-	-
Public safety	68,319,553	-	-	347,394
Community development	15,105,609	2,921	-	13,921
Capital outlay	45,925	-	-	3,938,181
Debt service:				
Principal retirement	245,684	-	-	-
Interest and fiscal charges	284,058	-	-	-
Total Expenditures	119,986,472	2,921	-	4,299,496
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,881,336	787,868	29,373,105	(4,338,637)
Other Financing Sources (Uses):				
Transfers in	9,950,403	5,129,319	-	46,101,110
Transfers out	(49,173,256)	-	(29,373,105)	(854,550)
Proceeds from sale of capital asset	3,422,727	-	-	-
Total Other Financing Sources (Uses)	(35,800,126)	5,129,319	(29,373,105)	45,246,560
Net Change in Fund Balances	(22,918,790)	5,917,187	-	40,907,923
Fund Balances (Deficit), Beginning of Year	104,586,974	(11,581,446)	-	18,336,724
Fund Balances (Deficit), End of Year	\$ 81,668,184	\$ (5,664,259)	\$ -	\$ 59,244,647

CITY OF RIALTO

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ 2,471,662	\$ 114,456,922
Licenses and permits	-	5,840,694
Intergovernmental	16,140,966	51,301,923
Charges for services	6,938	13,030,379
Use of money and property	276,754	(7,344,852)
Fines and forfeitures	-	938,527
RUA lease payments	-	2,000,000
Developer participation	7,256,060	7,256,060
Miscellaneous	1,670,716	3,336,004
Total Revenues (Losses)	27,823,096	190,815,657
Expenditures:		
Current:		
General government	1,346,562	37,332,205
Public safety	944,997	69,611,944
Community development	3,380,323	18,502,774
Capital outlay	7,455,470	11,439,576
Debt service:		
Principal retirement	845,609	1,091,293
Interest and fiscal charges	197,594	481,652
Total Expenditures	14,170,555	138,459,444
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,652,541	52,356,213
Other Financing Sources (Uses):		
Transfers in	690,395	61,871,227
Transfers out	(222,748)	(79,623,659)
Proceeds from sale of capital asset	-	3,422,727
Total Other Financing Sources (Uses)	467,647	(14,329,705)
Net Change in Fund Balances	14,120,188	38,026,508
Fund Balances (Deficit), Beginning of Year	124,683,641	236,025,893
Fund Balances (Deficit), End of Year	\$ 138,803,829	\$ 274,052,401

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CITY OF RIALTO

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Net change in fund balances - total governmental funds \$ 38,026,508

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	10,568,213	
Depreciation	(9,130,035)	
Loss on disposition of capital assets	<u>(963,331)</u>	474,847

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Certificat of participation principal payments	270,000	
Lease principal payments	57,004	
Financed purchases principal payments	389,389	
Notes principal payments	<u>410,000</u>	1,091,293

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

10,907

Compensated absences 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.

(580,440)

Pension and OPEB expenses reported in the governmental funds includes the annual required contributions. In the statement of Activities, Pension expense includes the change in Net Pension Liability and Net OPEB Liability and related changes in pension and OPEB amounts for deferred outflows of resources and deferred inflows of resources.

Pension expense	15,263,450	
OPEB expense	<u>11,055,695</u>	26,319,145

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.

(2,448,695)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.

10,558,439

Change in Net Position of Governmental Activities

\$ 73,452,004

CITY OF RIALTO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Airport Fund	Nonmajor Cemetery Fund
Assets:				
Current:				
Cash and investments	\$ 3,817,459	\$ 21,239,581	\$ 431,302	\$ 1,040,395
Receivables:				
Accounts	2,427,128	6,065,366	7,871	-
Notes and loans	292,598	369,259	-	-
Accrued interest	20,466	-	-	-
Due from other funds	4,873,105	-	-	-
Inventories	-	-	-	-
Land held for resale	-	-	5,443,258	-
Restricted:				
Cash and investments in trust	7,835,787	15,418,405	-	-
Total Current Assets	19,266,543	43,092,611	5,882,431	1,040,395
Noncurrent:				
Advances to other funds	-	3,000,000	-	-
Concession arrangement	5,234,507	-	-	-
Capital Assets				
Not being depreciated	2,079,804	33,316,897	-	-
Being depreciated (net of accumulated depreciation)	22,038,606	57,164,880	-	700
Total Noncurrent Assets	29,352,917	93,481,777	-	700
Total Assets	48,619,460	136,574,388	5,882,431	1,041,095
Deferred Outflows of Resources:				
Pension related items	141,636	173,095	-	8,299
OPEB related items	79,655	25,258	-	2,619
Total Deferred Outflows of Resources	221,291	198,353	-	10,918
Liabilities:				
Current:				
Accounts payable	1,508,546	1,676,254	401	8,994
Accrued liabilities	5,116	6,108	-	405
Unearned revenues	-	8,603	-	-
Deposits payable	1,049,603	602,891	1,000	-
Due to other funds	-	-	-	-
Accrued compensated absences	8,496	2,456	-	220
Accrued claims and judgments	-	-	-	-
Bonds, notes, and financed purchases	887,167	2,185,414	-	-
Total Current Liabilities	3,459,387	4,482,417	1,401	9,619
Noncurrent:				
Advances from other funds	4,300,000	-	-	-
Accrued compensated absences	39,404	10,489	-	1,003
Accrued claims and judgments	-	-	-	-
Net pension liability	188,125	526,945	-	17,854
Net OPEB liability	54,508	170,456	-	5,617
Bonds, notes, and financed purchases	31,096,273	114,822,424	-	-
Total Noncurrent Liabilities	35,678,310	115,530,314	-	24,474
Total Liabilities	39,137,697	120,012,731	1,401	34,093
Deferred Inflows of Resources:				
Pension related items	180,958	101,789	-	7,060
OPEB related items	151,424	66,830	-	5,449
Total Deferred Inflows of Resources	332,382	168,619	-	12,509
Net Position (Deficit):				
Net investment in capital assets	24,118,410	90,481,777	-	700
Restricted for capital projects	73,004	-	-	-
Restricted for water stabilization and capital projects trust	7,835,787	15,418,405	-	-
Unrestricted (Deficit)	(22,656,529)	(89,308,791)	5,881,030	1,004,711
Total Net Position (Deficit)	\$ 9,370,672	\$ 16,591,391	\$ 5,881,030	\$ 1,005,411

CITY OF RIALTO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Enterprise Funds	Governmental Activities- Internal Service Funds
	Totals	
Assets:		
Current:		
Cash and investments	\$ 26,528,737	\$ 26,241,445
Receivables:		
Accounts	8,500,365	103,110
Notes and loans	661,857	-
Accrued interest	20,466	-
Due from other funds	4,873,105	-
Inventories	-	39,573
Land held for resale	5,443,258	-
Restricted:		
Cash and investments in trust	23,254,192	-
Total Current Assets	69,281,980	26,384,128
Noncurrent:		
Advances to other funds	3,000,000	-
Concession arrangement	5,234,507	-
Capital Assets		
Not being depreciated	35,396,701	
Being depreciated (net of accumulated depreciation)	79,204,186	365,840
Total Noncurrent Assets	122,835,394	365,840
Total Assets	192,117,374	26,749,968
Deferred Outflows of Resources:		
Pension related items	323,030	406,383
OPEB related items	107,532	441,949
Total Deferred Outflows of Resources	430,562	848,332
Liabilities:		
Current:		
Accounts payable	3,194,195	850,686
Accrued liabilities	11,629	83,279
Unearned revenues	8,603	-
Deposits payable	1,653,494	-
Due to other funds	-	131,765
Accrued compensated absences	11,172	36,331
Accrued claims and judgments	-	4,148,527
Bonds, notes, and financed purchases	3,072,581	964
Total Current Liabilities	7,952,824	5,251,552
Noncurrent:		
Advances from other funds	4,300,000	-
Accrued compensated absences	50,896	165,500
Accrued claims and judgments	-	18,898,843
Net pension liability	732,924	3,012,264
Net OPEB liability	230,581	947,673
Bonds, notes, and financed purchases	145,918,697	-
Total Noncurrent Liabilities	151,233,098	23,024,280
Total Liabilities	159,185,922	28,275,832
Deferred Inflows of Resources:		
Pension related items	289,807	1,191,085
OPEB related items	223,703	919,403
Total Deferred Inflows of Resources	513,510	2,110,488
Net Position (Deficit):		
Net investment in capital assets	114,600,887	365,840
Restricted for capital projects	73,004	-
Restricted for water stabilization and capital projects trust	23,254,192	-
Unrestricted (Deficit)	(105,079,579)	(3,153,860)
Total Net Position (Deficit)	\$ 32,848,504	\$ (2,788,020)

CITY OF RIALTO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Airport Fund	Nonmajor Cemetery Fund
Operating Revenues:				
Sales and service charges	14,904,823	29,889,418	-	\$ 143,559
Miscellaneous	153,626	-	-	-
Total Operating Revenues	15,058,449	29,889,418	-	143,559
Operating Expenses:				
Administration and general	4,058,144	443	4,293	-
Cost of sales and services	8,128,429	14,264,665	-	95,273
Depreciation expense	959,813	2,358,840	-	382
Total Operating Expenses	13,146,386	16,623,948	4,293	95,655
Operating Income (Loss)	1,912,063	13,265,470	(4,293)	47,904
Nonoperating Revenues (Expenses):				
Aircraft property tax	-	-	21	-
Interest and change in fair value of investments	(174,253)	(311,713)	-	(27,770)
Interest expense	(2,065,360)	(10,677,039)	-	-
Total Nonoperating Revenues (Expenses)	(2,239,613)	(10,988,752)	21	(27,770)
Income (Loss) Before Transfers and Contributions	(327,550)	2,276,718	(4,272)	20,134
Transfers in	4,873,105	-	-	84,710
Contributions	-	351,970	-	-
Changes in Net Position	4,545,555	2,628,688	(4,272)	104,844
Net Position:				
Beginning of Year	4,825,117	13,962,703	5,885,302	900,567
End of Fiscal Year	\$ 9,370,672	\$ 16,591,391	\$ 5,881,030	\$ 1,005,411

CITY OF RIALTO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Enterprise Funds	Governmental Activities- Internal Service Funds
	Totals	
Operating Revenues:		
Sales and service charges	\$ 44,937,800	\$ 12,137,548
Miscellaneous	153,626	1,528
Total Operating Revenues	45,091,426	12,139,076
Operating Expenses:		
Administration and general	4,062,880	2,249,166
Cost of sales and services	22,488,367	12,053,173
Depreciation expense	3,319,035	112,972
Total Operating Expenses	29,870,282	14,415,311
Operating Income (Loss)	15,221,144	(2,276,235)
Nonoperating Revenues (Expenses):		
Aircraft property tax	21	-
Interest and change in fair value of investments	(513,736)	40,215
Interest expense	(12,742,399)	(1,079)
Total Nonoperating Revenues (Expenses)	(13,256,114)	39,136
Income (Loss) Before Transfers and Contributions	1,965,030	(2,237,099)
Transfers in	4,957,815	12,794,617
Contributions	351,970	-
Changes in Net Position	7,274,815	10,557,518
Net Position:		
Beginning of Year	25,573,689	(13,345,538)
End of Fiscal Year	\$ 32,848,504	\$ (2,788,020)

CITY OF RIALTO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water Fund	Wastewater Fund	Airport Fund	Nonmajor Cemetery Fund
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 14,829,915	\$ 29,686,249	\$ -	\$ 143,559
Cash paid to suppliers for goods and services	(7,936,533)	(12,262,392)	-	(109,316)
Cash paid to employees for services	(4,248,099)	(1,580,857)	(4,479)	(9,236)
Cash received from (paid to) others	153,626	-	-	185
Net Cash Provided (Used) by Operating Activities	2,798,909	15,843,000	(4,479)	25,192
Cash Flows from Non-Capital Financing Activities:				
Cash paid to other funds	(5,094,442)	(625,033)	-	-
Contributions received	-	351,970	-	-
Cash transferred in	4,873,105	-	-	84,710
Aircraft property tax	-	-	21	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(221,337)	(273,063)	21	84,710
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	(1,581,039)	-	-
Principal paid on capital debt	(834,640)	(2,004,959)	-	-
Interest paid on capital debt	(2,065,360)	(10,677,039)	-	-
Net Cash Used by Capital and Related Financing Activities	(2,900,000)	(14,263,037)	-	-
Cash Flows from Investing Activities:				
Interest received (paid)	(175,870)	(311,713)	-	(27,770)
Net Cash Provided (Used) by Investing Activities	(175,870)	(311,713)	-	(27,770)
Net Increase (Decrease) in Cash and Cash Equivalents	(498,298)	995,187	(4,458)	82,132
Cash and Cash Equivalents at Beginning of Year	12,151,544	35,662,799	435,760	958,263
Cash and Cash Equivalents at End of Year	\$ 11,653,246	\$ 36,657,986	\$ 431,302	\$ 1,040,395
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 1,912,063	\$ 13,265,470	\$ (4,293)	\$ 47,904
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	959,813	2,358,840	-	382
(Increase) decrease in accounts receivable	(57,213)	(116,963)	-	185
(Increase) decrease in inventories	-	-	-	-
(Increase) decrease in due from other governments	-	-	-	-
(Increase) decrease in deferred outflows of resources - pension related	7,935	4,463	-	310
(Increase) decrease in deferred outflows of resources - OPEB related	(56,441)	(27,671)	-	(2,022)
Increase (decrease) in accounts payable	190,978	531,746	(186)	(14,049)
Increase (decrease) in accrued liabilities	250	2,465	-	50
Increase (decrease) in due to other governments	459	691	-	-
Increase (decrease) in deposits payable	(17,236)	(85,515)	-	-
Increase (decrease) in claims and judgments	-	-	-	-
Increase (decrease) in compensated absences	(3,538)	(8,733)	-	216
Increase (decrease) in net pension liability	(312,550)	(175,809)	-	(13,818)
Increase (decrease) in net opeb liability	(148,824)	(83,714)	-	(6,424)
Increase (decrease) in deferred inflows of resources - pension related	180,958	101,789	-	7,060
Increase (decrease) in deferred inflows of resources - OPEB related	142,255	75,941	-	5,392
Total Adjustments	886,846	2,577,530	(186)	(22,718)
Net Cash Provided (Used) by Operating Activities	\$ 2,798,909	\$ 15,843,000	\$ (4,479)	\$ 25,186

See Notes to Financial Statements.

CITY OF RIALTO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Enterprise Funds	Governmental Activities- Internal Service Funds
	Totals	
Cash Flows from Operating Activities:		
Cash received from customers and users	\$ 44,659,723	\$ 12,040,467
Cash paid to suppliers for goods and services	(20,308,241)	(11,552,311)
Cash paid to employees for services	(5,842,671)	(2,235,493)
Cash received from (paid to) others	153,811	1,528
Net Cash Provided (Used) by Operating Activities	18,662,622	(1,745,809)
Cash Flows from Non-Capital Financing Activities:		
Cash paid to other funds	(5,719,475)	-
Contributions received	351,970	-
Cash transferred in	4,957,815	12,792,805
Aircraft property tax	21	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(409,669)	12,792,805
Cash Flows from Capital and Related Financing Activities:		
Acquisition and construction of capital assets	(1,581,039)	-
Principal paid on capital debt	(2,839,599)	(35,100)
Interest paid on capital debt	(12,742,399)	(112)
Net Cash Used by Capital and Related Financing Activities	(17,163,037)	(35,212)
Cash Flows from Investing Activities:		
Interest received (paid)	(515,353)	40,257
Net Cash Provided (Used) by Investing Activities	(515,353)	40,257
Net Increase (Decrease) in Cash and Cash Equivalents	574,563	11,052,041
Cash and Cash Equivalents at Beginning of Year	49,208,366	15,189,404
Cash and Cash Equivalents at End of Year	\$ 49,782,929	\$ 26,241,445
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 15,221,144	\$ (2,276,235)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:		
Depreciation	3,319,035	112,972
(Increase) decrease in accounts receivable	(173,991)	(97,081)
(Increase) decrease in inventories	-	(776)
(Increase) decrease in due from other governments	-	-
(Increase) decrease in deferred outflows of resources - pension related	12,708	52,230
(Increase) decrease in deferred outflows of resources - OPEB related	(86,134)	(392,715)
Increase (decrease) in accounts payable	708,489	92,424
Increase (decrease) in accrued liabilities	2,765	37,308
Increase (decrease) in due to other governments	1,150	-
Increase (decrease) in deposits payable	(102,751)	-
Increase (decrease) in claims and judgments	-	409,214
Increase (decrease) in compensated absences	(12,055)	24,742
Increase (decrease) in net pension liability	(502,177)	(1,191,245)
Increase (decrease) in net opeb liability	(238,962)	(650,355)
Increase (decrease) in deferred inflows of resources - pension related	289,807	1,191,085
Increase (decrease) in deferred inflows of resources - OPEB related	223,588	942,668
Total Adjustments	3,441,472	530,471
Net Cash Provided (Used) by Operating Activities	\$ 18,662,616	\$ (1,745,764)

See Notes to Financial Statements.

CITY OF RIALTO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

		Pension (and Other Employee Benefit) Trust Fund	Private-Purpose Trust Fund
	Custodial Funds	Other Post- Employment Benefit (OPEB) Trust Fund	Successor Agency Private-Purpose Trust Fund
Assets:			
Pooled cash and investments	\$ 5,774,017	\$ -	\$ 11,630,808
Receivables:			
Accounts	1,985	-	25,827
Notes and loans	-	-	6,229,153
Accrued interest	-	-	10,210
Leases	-	-	61,674
Due from other governments	160	-	-
Property held for resale	-	-	19,689,855
Restricted assets:			
Cash and investments- bond proceeds	-	-	1,520,629
Cash and investments with fiscal agents	453,574	-	4,822,612
Cash and investments held by trust	-	25,975,558	-
Capital assets:			
Capital assets, not being depreciated	-	-	290,347
Capital assets, net of accumulated depreciation	-	-	62,908
Total Assets	6,229,736	25,975,558	44,344,023
Deferred Outflows of Resources:			
Deferred charge on refunding	-	-	604,624
Total Deferred Outflows of Resources	-	-	604,624
Liabilities:			
Accounts payable	2,875	-	-
Accrued liabilities	-	-	60,756
Accrued interest	-	-	2,121,135
Unearned revenues	-	-	255,315
Deposits payable	-	-	2,761,547
Due to other governments	-	-	369,700
Due to City of Rialto	113,245	-	33,296
Long-term liabilities:			
Due in one year	-	-	4,510,000
Due in more than one year	-	-	111,253,401
Total Liabilities	116,120	-	121,365,150
Deferred Inflows of Resources:			
Gain on refunding	-	-	189,494
Lease related items	-	-	61,568
Total Deferred Inflows of Resources	-	-	251,062
Net Position (Deficit):			
Held in trust for other post retirement benefits	-	25,975,558	-
Restricted for other purposes	6,113,616	-	(76,667,565)
Total Net Position (Deficit)	\$ 6,113,616	\$ 25,975,558	\$ (76,667,565)

CITY OF RIALTO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2022

		Pension Trust Fund	Private-Purpose Trust Fund
	Custodial Funds	Other Post- Employment Benefit (OPEB) Trust Fund	Successor Agency Private- Purpose Trust Fund
Additions:			
Taxes	\$ 823,180	\$ -	\$ 8,862,763
Interest and change in fair value of investments	2,711	(3,664,582)	20,308
Rents and Concessions	-	-	62,196
Bond proceeds	4,854,262	-	-
Contributions from City of Rialto	-	10,000,000	-
Miscellaneous	-	-	354,876
Total Additions	5,680,153	6,335,418	9,300,143
Deductions:			
Benefits	-	1,669,049	-
Administrative expenses	227,473	-	2,963,925
Interest expense	177,609	-	5,877,610
Principal expense	152,528	-	-
Depreciation expense	-	-	7,786
Contributions to other governments	144,085	-	184,850
Total Deductions	701,695	1,669,049	9,034,171
Changes in Net Position	4,978,458	4,666,369	265,972
Net Position:			
Beginning of the year, as originally reported	(3,249,242)	21,309,189	(76,933,537)
Restatement	4,384,400	-	-
Beginning of the year, as restated	1,135,158	21,309,189	(76,933,537)
Net Position (Deficit) - End of the Year	\$ 6,113,616	\$ 25,975,558	\$ (76,667,565)

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies

a. Description of Reporting Entity

The City of Rialto (the City) was incorporated in 1911 under the General Laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: public safety (police and fire), highways and streets, parks and recreation, public improvements, planning and zoning, and general administrative services.

As required by accounting principles generally accepted in the United States of America, these financial statements include the financial activities of the City and its component units – the Rialto Public Financing Authority (the Financing Authority), the Rialto Utility Authority (the Utility Authority), the Rialto Nonprofit Public Building Authority (Building Authority), and the Rialto Housing Authority (Housing Authority) – for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and, therefore, data of these units are combined with data of the City.

Blended Components Units

The Rialto Public Financing Authority (Financing Authority) was established in 1988 pursuant to California Government Code Section 6500. Although it is legally separate from the City, the Financing Authority is reported as if it were part of the City because its sole purpose is to finance the City's and the former Redevelopment Agency's public projects. The financial activity for this entity is blended with the governmental funds of the City in the 1997 COP Debt Service Fund.

The Rialto Utility Authority (Utility Authority) was created on May 1, 2001 pursuant to Joint Powers Law Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, and the Marks-Roos Local Bond Pooling Act of 1985. The Utility Authority was formed to provide for lease, ownership, operation, maintenance, construction, and financing of the Water and Wastewater Utility systems and any other utility system or service. The City Council acts as the governing board of the Utility Authority and there is a financial benefit/burden relationship between the City and the Utility Authority. The financial activity of the Utility Authority is blended with the City's proprietary funds in the Water and Wastewater Proprietary Funds.

The Rialto Nonprofit Public Building Authority (Building Authority) was established in 1988. Although it is legally separate from the City, the Building Authority is reported as if it were part of the City because its sole purposes is to finance, refinance, acquire, construct, improve, lease, sell, or otherwise convey property of any kind to the City. The financial activity for this entity is blended with the governmental funds of the City in the 1997 COP Debt Service Fund.

The Rialto Housing Authority (Housing Authority) was created on November 4, 2003 in accordance with the Californian Law Health and Safety Code Sections 34200-34606. The Housing Authority enables the City to engage in more aggressive housing market intervention, including the acquisition of property, rehabilitation, and/or development of affordable housing. The Mayor and City Council act as the governing board of the Housing Authority and there is a financial benefit/burden relationship between the City and the Housing Authority. The financial activity for this entity is blended with the governmental funds of the City in the Housing Authority Special Revenue Fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

The Financing Authority, Utility Authority, Building Authority, and Housing Authority do not issue separate financial statements.

b. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the City and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally 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 segments are offset by program revenues. Direct expenses are those that are clearly identifiable to 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 requirement of a particular function or segment. Taxes and other items not properly classified as program revenues are reported 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 accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the *current financial resources measurement focus* only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on their balance sheets. Under the *modified accrual basis of accounting*, revenues are recognized as soon as they are both measurable and available. Revenues are considered 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. 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.

Revenues that are accrued generally include taxes, interest, and state and federal grants and charges for services.

Real property taxes are levied for the period beginning on July 1 to June 30 against property owners of record on January 1. The taxes are due in two installments, on November 1 and February 1, and become delinquent after December 10 and April 10, respectively. Tax liens attach annually as of 12:01 a.m. on the first day of January in the fiscal year for which the taxes are levied. Property tax revenue is recognized in the fiscal year for which the taxes have been levied, provided it is collected within 90 days of the end of the fiscal year in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Water, Wastewater, Airport, and Other Enterprise Funds are charges to customers for sales and services. The Wastewater fund also recognizes as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

d. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures or expenses, as appropriate.

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Funds:

Governmental funds are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of currently available financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets, deferred outflows of resources, liabilities and deferred inflows of resources, the fund equity, is referred to as "fund balance". The measurement focus is upon determination of changes in fund balance, rather than upon net income determination.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.
- The *Park Development Fund* accounts for development fees collected and used for the acquisition of parklands and the construction of new and expansions of park facilities.
- The *American Rescue Plan Act Fund* accounts for grant activity under the American Rescue Plan Act grant.
- The *Capital Projects Fund* is used to account for income received to fund expenditures related to City infrastructure and development improvements.

The other governmental funds of the City are considered nonmajor. Additionally, the City reports the following fund types:

The *Special Revenue Funds* are used to account for proceeds of specific revenue sources that are legally restricted or otherwise assigned for specific purposes.

The *Debt Service Fund* is used to account for debt service activity for the 2007 Refunding Certificates of Participation.

Proprietary Funds:

Proprietary funds are used to account for a government's ongoing activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows. The City reports the following major proprietary funds:

- The *Water Fund* accounts for the activities of the City's water distribution operations.
- The *Wastewater Fund* accounts for the activities of the City's wastewater systems.
- The *Airport Fund* accounts for the land sales owned by the former airport. The other proprietary funds of the City are considered nonmajor.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

In addition to proprietary funds, the City reports internal service funds, which are proprietary funds types, whose purpose is to account for goods and services provided by one City department to other City departments or agencies, or to external organizations.

Internal service funds are used to account for workers' compensation, fleet management, information system, general liability, and building maintenance.

Fiduciary Funds:

Fiduciary funds are accounted for on the accrual basis of accounting as are the proprietary funds explained above. The City reports the following fiduciary funds, which are excluded from the government-wide financial statements:

Private-Purpose Trust Fund accounts for the fiduciary responsibilities that are assigned to the Successor Agency to the Rialto Redevelopment Agency pursuant to the Dissolution Act.

Pension (and Other Employee Benefit) Trust Fund accounts for the activities of the City's plan for post-retirement medical benefits.

Custodial Funds are used to account for assets held by the City as a custodian for individuals, private organizations, or other governments. The City acts in a custodial capacity for Community Facilities District (CFD) 87-1, CFD 2006-1 Elm Park, and CFD 2016-1, and CFD 2019-2.

e. New Accounting Pronouncements Current Year Standards:

During the fiscal year ended June 30, 2022, the City implemented the following GASB standards:

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

f. Statement of Cash Flows

The City's enterprise and internal service funds participate in the pooling of City-wide cash and investments. As amounts are available to these funds on demand, all cash and investments, including restricted cash and investments, in these funds are considered to be cash and cash equivalents for statement of cash flow purposes. 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.

Note 1: Summary of Significant Accounting Policies (Continued)

g. Cash, Investments and Other Investments

The City pools cash and investment resources of some of its funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements.

Investments are stated at fair value except for certain investments, which have a remaining life of less than one year when purchased and investment contracts, which are stated at amortized cost. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of the investments is generally based on published market prices and quotations from major investment firms. Investment earnings are allocated based on the source of funds.

h. Restricted Cash and Investments

Certain proceeds of governmental fund certificates of participation and enterprise fund long-term liabilities as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet and statement of net position because their use is limited by applicable bond or debt covenants. The enterprise funds restricted cash and investments includes amounts held in trust for the RWS water and wastewater operations and capital projects. The cemetery (other enterprise fund) restricted cash and investments include amounts held for long-term endowment care required by state law.

i. Unbilled Receivables

Unbilled water and wastewater revenue of the enterprise funds is recognized as earned based on consumption or when service is rendered.

j. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements and are recorded as expenditures when consumed rather than when purchased.

k. Inventory

Inventory is valued at cost, which approximates fair value, on a first-in, first-out basis. Inventory in the proprietary funds consists of expendable supplies held for consumption. The costs of governmental fund type inventories are recorded as expenditure when consumed rather than when purchased.

l. Capital Assets

Capital assets, which include property, plant, equipment, right-to-use leased assets and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements of the proprietary funds and private-purpose trust fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Capital assets, other than infrastructure assets, are defined by the City as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements with an individual cost of more than \$25,000.

Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets, other than land, land easements, and construction in progress, are depreciated using the straight-line method using the following lives:

Land Improvements	200 years
Buildings and Other Structures	25 - 50 years
Improvements Other than Buildings	20 years
Right-to-use leased assets – Buildings	25 - 50 years
Machinery and Equipment	5 - 7 years
Distribution Systems	20 - 50 years
Wastewater Treatment Plant	20 - 50 years
Vehicles	5 - 10 years
Office Furniture, Computers and Equipment	5 - 20 years
Infrastructure	20 - 60 years

m. 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 assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

- Deferred outflows related to pensions and OPEB equal to employer contributions made after the measurement date of the net pension liability.
- Deferred outflows related to pensions resulting from the difference in projected and actual earnings on investments of the pension plans fiduciary net position and changes in actuarially determined assumptions. These amounts are amortized over five years.

Note 1: Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from unavailable revenues, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, which are grants receivable and franchise fees collections. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows related to pensions for differences between expected and actual experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflows from pensions and OPEB resulting from the difference in projected and actual earnings on investments of the pension plans fiduciary net position and changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.

n. Interfund Transactions

Interfund current receivables and payables are classified as either “due to/due from” (i.e., the current portion of interfund loans) or “advance to/from other funds” (i.e., the noncurrent portion of interfund loans). Residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”. Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds’ operating statements as a transfer.

o. Long-Term Obligations

In the government-wide financial statements, proprietary fund financial statements, and private-purpose trust fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, proprietary fund type statement of net position, or private-purpose trust fund statement of net position. Bond premiums, discounts, and deferred amounts on refunding are deferred and amortized over the life of the bonds using the effective interest method. Amortization of bond premium, discounts, and deferred amounts is included in interest expense. Bonds payable are reported net of the applicable bond premium or discount. The deferred amount on refunding is reported as a deferred outflow or inflow of resources. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

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

p. Compensated Absences

In the governmental funds, compensated absences are recorded as expenditures in the year in which the amount is due and payable due to resignations or retirements. As of year-end, the entire unpaid liability for the governmental funds is recorded as a long-term liability in the government-wide statement of net position. Compensated absences in the proprietary funds are recorded as liabilities in the applicable funds.

q. Net Position and Net Position Flow Assumptions

Net Position:

Net position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources. Net position is divided into three captions. These captions are described below and apply only to net position, which is applicable only to the government-wide statements, proprietary fund statements, private-purpose trust fund statements, and other post-employment benefit trust fund statements.

Net Investment in Capital Assets - describes the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets, unspent bond proceeds from debt, and the deferral on refunding.

Restricted - describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter.

Unrestricted - describes the portion of net position which is not restricted as to use.

Net Positions Flow Assumptions:

Sometimes the City 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 City's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Note 1: Summary of Significant Accounting Policies (Continued)

r. Fund Balances

The City's governmental funds' fund balances include the following classifications:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restriction may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action (Ordinance) of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally.

Assigned Fund Balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the City Council or (b) an official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. The City Council approves assignments of fund balance.

Unassigned Fund Balance – is the residual classification and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. The unassigned fund balance classification is where to report negative amounts for all governmental funds, other than the general fund.

When expenditures are incurred, the City's applies the most restrictive funds first; and then the City would use the appropriate funds in the following order: committed, assigned, and lastly unassigned amounts.

The City established encumbrances to record the amount of purchase orders, contracts, and other obligations, which have not yet been fulfilled, cancelled, or discharged. Encumbrances outstanding at year-end are recorded as part of assigned fund balance.

s. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expenses, information about the fiduciary net positions of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)**t. Other Post-Employment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

u. Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities, at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 2: Cash and Investments

Cash and Investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and Investments	\$ 293,137,164
Restricted Cash and Investments in Trust	23,254,192
Restricted Cash and Investments with Fiscal Agent	10,561,307
Statement of Fiduciary Net Position:	
Cash and Investments	17,404,825
Restricted Cash and Investments with Fiscal Agents	5,276,186
Restricted Cash and Investments Bond Proceeds	1,520,629
Restricted Cash and Investments Held by Trust	25,975,558
Total Cash and Investments	<u>\$ 377,129,861</u>

Cash and Investments held by the City at June 30, 2022 consist of the following:

Cash on Hand	\$ 33,850
Deposits with Financial Institutions	77,437,511
Cash and Investments with Public Agency Retirement Services (PARS) for Other Post-Employment Benefit (OPEB) Trust	25,975,558
Investments	273,682,942
Total Cash and Investments	<u>\$ 377,129,861</u>

Investments Authorized by the California Government Code and the City's Investment Policy

The City maintains a formal Investment Policy, which is adopted annually by the City Council. The Investment Policy states that "the investment of City funds is governed by the California Government Code Section 53600 et seq."

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 2: Cash and Investments (Continued)

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. Also identified are certain provisions that address interest rate risk and concentration of credit risk. Not addressed below are investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the Government Code and Investment Policy and investments of the employer contributions to the other post-employment benefit (OPEB) trust that are governed by the trust agreement.

Authorized Investment Type	Authorized by Investment Policy	Maximum Maturity ⁽¹⁾	Maximum Percentage of Portfolio ⁽¹⁾	Maximum Investment In One Issuer ⁽¹⁾
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Government Sponsored Agency Securities	Yes	5 years	None	15%
Banker's Acceptance	Yes	180 days	40%	30%
Commercial Paper	Yes	270 days	15% ⁽²⁾	10% ⁽²⁾
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Money Market Mutual Funds	Yes	5 years	None	None
Medium Term Corporate Notes	Yes	5 years	30%	30%
Repurchase Agreements	Yes	90 days	50% ⁽²⁾	None
Reverse Repurchase Agreements	Yes	90 days	20%	None
Local Agency Investment Fund (LAIF)	Yes	N/A	None	*
Joint Powers Authority Pools	Yes	N/A	None	None
Time Deposit	Yes	5 years	25%	None

(1) Based on state law requirements or investment policy requirements, whichever is more restrictive.

(2) Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

* \$195 million total between City, Utility Authority and Successor Agency.
N/A - Not Applicable.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the City manages its exposure to interest rates risk is by purchasing a combination of short and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2022

Note 2: Cash and Investments (Continued)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating by Standard and Poor's, as of year end for each investment type.

	Total as of June 30, 2022	Rating as of Fiscal Year End				
		AAA	AA	A	BBB (1)	Not Rated
Certificates of Deposit	\$ 4,773,560	\$ -	\$ -	\$ -	\$ -	\$ 4,773,560
Commercial Paper	54,063,570	968,010	1,961,140	28,873,267	6,043,380	16,217,773
Federal Farm Credit Bank	2,617,228	-	724,583	-	-	1,892,645
Federal Home Loan Bank	46,542,411	-	46,542,411	-	-	-
Federal National Mortgage Association	3,806,346	-	3,806,346	-	-	-
Local Agency Investment Fund (LAIF)	20,081,885	-	-	-	-	20,081,885
Medium-term Corporate Notes	141,797,942	4,708,450	-	70,196,946	42,218,237	24,674,309
Held By Trustee:						
PARS Pooled Trust (OPEB)	25,975,558	-	-	-	-	25,975,558
Total	\$ 299,658,500	\$ 5,676,460	\$ 53,034,480	\$ 99,070,213	\$ 48,261,617	\$ 93,615,730

(1) These investments are rated below the City's investment policy as of June 30, 2022, however, they were initially purchased at a rating within the City's investment policy. The City subsequently amended its policy to allow for investments based on initial purchase. The City intends to hold the investment until maturity in order to avoid any monetary loss on the investment.

Concentration of Credit Risk

Concentration of credit risk is the heightened risk of potential loss when investments are concentrated in one issuer. As of June 30, 2022, the City's Federal Home Loan Bank investments exceeded 5% of total investments at 15.5%. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investments pool, and other pooled investments are excluded from this disclosure requirement.

Custodial Credit Risk

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 its 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 (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

The City's Investment Policy requires a third-party bank trust department hold all investment securities owned by the City. The City's investments in certificates of deposit are held by banks. Accordingly, the certificates are covered by the same collateral requirements as the City's deposits.

Investment in Local Agency Investment Fund

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair values provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not rated.

Cash and Investments - OPEB Trust

The City established a trust account with the Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the City's OPEB health plan. The OPEB Trust's specific cash and investments are managed by a third-party portfolio manager under guidelines approved by the City.

Those guidelines are as follows:

Risk Tolerance: Balanced High Mark Plus

Risk Management: The portfolio is constructed to control risk through four layers of diversification - asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

Investment Objective: To provide growth of principal and income. It is expected that dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return.

Strategic Ranges: 0% - 20% Cash
30% - 50% Fixed Income
50% - 70% Equity

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 2: Cash and Investments (Continued)**Cash and Investments with Fiscal Agents**

Cash and investments maintained by fiscal agents are considered restricted and are pledged as collateral for payment of principal and interest on bonds.

Provisions of debt agreements, rather than the general provisions of the California Government Code or the City's Investment Policy, govern investments of debt proceeds held by bond fiscal agents. Permitted investments are specified in related trust agreements and include the following:

- Securities of the U.S. Government and its sponsored agencies
- Bankers' Acceptances rated in the single highest classification
- Commercial Paper rated in the single highest classification
- Investments in money market funds rated in the single highest classification
- Municipal obligations rated *Aaa/AAA* or general obligations of states with ratings of at least *A21A* or higher by both Moody's and S&P
- Investment contracts

No maximum percentage of the related debt issue or maximum investment in one issuer is specified.

Cash and Investments Held in Trust

Cash and investments maintained in the trust are considered restricted for water and wastewater functions.

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices in active markets for similar assets, and Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2022:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Commercial Paper	\$ -	\$ 54,063,570	\$ -	\$ 54,063,570
Certificates of Deposit	-	4,773,560	-	4,773,560
Federal Farm Credit Bank	-	2,617,228	-	2,617,228
Federal Home Loan Bank	-	46,542,411	-	46,542,411
Federal National Mortgage Association	-	3,806,346	-	3,806,346
Medium-term Corporate Notes	-	141,797,942	-	141,797,942
Total Levelled Investments	\$ -	\$ 253,601,057	\$ -	253,601,057
Local Agency Investment Fund (LAIF)				20,081,885
Held by Trust:				
PARS Pooled Trust (OPEB)*				25,975,558
Total Investment Portfolio				<u>\$ 299,658,500</u>

*Not subject to fair value measurements

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 3: Accounts Receivable

Accounts receivable as of year-end for the City's individual major funds, nonmajor funds, internal service funds, agency funds and private-purpose trust fund, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts Receivable	Less Allowance for Uncollectable	Net Total Accounts Receivable
Governmental Funds:			
General Fund	\$ 9,158,432	\$ (3,709,799)	\$ 5,448,633
American Rescue Plan Act fund	14,686,553		14,686,553
Capital Projects fund	33,609	(32,776)	833
Other Governmental Funds	5,281,745	(126,560)	5,155,185
Proprietary Funds:			
Water	2,964,360	(537,232)	2,427,128
Wastewater	6,373,237	(307,871)	6,065,366
Airport	159,670	(151,799)	7,871
Other Enterprise Funds	185	(185)	-
Internal Service Funds	103,110	-	103,110
Total Primary Government	<u>\$ 38,657,791</u>	<u>\$ (4,866,222)</u>	<u>\$ 33,894,679</u>
Fiduciary Funds			
Private-Purpose Trust Fund	25,827	-	25,827
Custodial Funds	1,985	-	1,985
Total Fiduciary Funds	<u>\$ 27,812</u>	<u>\$ -</u>	<u>\$ 27,812</u>

Note 4: Loans and Notes Receivable

	General Fund	Other Governmental Funds	Water Enterprise Fund	Wastewater Enterprise Fund
Loans Receivable	\$ 854,270	\$ 5,060,269	\$ -	\$ -
Less Allowance for Doubtful accounts	(854,270)	(467,435)	-	-
Notes Receivable	-	48,714,869	292,598	369,259
Less Allowance for Doubtful accounts	-	(48,714,869)	-	-
Notes and Loans Receivable (Net of Allowance)	<u>\$ -</u>	<u>\$ 4,592,834</u>	<u>\$ 292,598</u>	<u>\$ 369,259</u>

Loans Receivable

Loans receivable of \$4,592,834 which are reflected in the City's other governmental Traffic Development Special Revenue Fund, Neighborhood Stabilization Program Special Revenue Fund, Neighborhood Stabilization Program - Program Income Special Revenue Fund, Cal Home Special Revenue Fund, Local Drainage Special Revenue Fund, Housing Authority Special Revenue Fund, 2008 TABs Fund, and General Fund is comprised of the following as of June 30, 2022:

The City administers a housing rehabilitation loan program, which provides money to certain homeowners to rehabilitate their homes. There are certain criteria which the homeowner must meet prior to receiving approval of the loan, which are based on household income and the need for rehabilitation. The City enters into loan agreements with the homeowners that require the loans to be repaid only if title of the property changes. Therefore, the City has recorded the outstanding loans as loans receivable and due to other governments in the

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 4: Loans and Notes Receivable (Continued)

governmental funds. The amount of outstanding rehabilitation loans in the Cal Home Special Revenue Fund and Housing Authority Special Revenue Fund at June 30, 2022 is \$2,139,599.

The City has provided down payment assistance under the Neighborhood Stabilization Program to eligible middle-income households earning not less than eighty percent and not more than one hundred twenty percent of the area median income in San Bernardino County, California, as determined by the U.S. Department of Housing and Urban Development (HUD). If any of the events described in the loan agreement, like sale or rental of all or any interest in the property without City's prior written consent, has not occurred as of the fifteenth anniversary of the maturity date, then the entire loan amount is forgiven. The total outstanding balance in the Neighborhood Stabilization Program Special Revenue Fund, Neighborhood Stabilization Program - Program Income Special Revenue Fund, and the Local Drainage Fund as of June 30, 2022, was \$467,435 (offset by an allowance of \$467,435).

The City established a letter of credit for the beneficiary of the California Department of Fish and Game to obtain a permit for a capital project. Upon the completion of the project, the letter of credit totaling \$160,190 as reported in the Traffic Development Special Revenue Fund will be returned to the City.

An additional letter of credit of \$29,926 is established in the special deposits fund.

Notes Receivable

Notes receivable of \$48,714,869, which is reflected in the City's other governmental Housing Authority Special Revenue Fund (offset by allowance of \$48,714,869) and \$292,598 and \$369,259, in the Water Enterprise Fund and the Wastewater Enterprise Funds, respectively, is comprised of the following as of June 30, 2022:

The Housing Authority provided development funding to Inland Valley Housing Partners L.P. in accordance with an Affordable Housing Agreement by and between the Authority and Southern California Housing Development Corporation for Phase I of the Citrus Grove Project (Project). Pursuant to a promissory note and the Agreement, the advance funding is to be repaid from the residual receipts generated by the Project at 3% interest rate per annum. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The outstanding balance as of June 30, 2022, was \$20,838,401. An allowance of \$20,838,401 has been recorded in the financial statements because there is no estimate of timing of cash collections on the note. Revenue will be recognized on a cash basis.

The Housing Authority provided development funding to Citrus Grove Housing Partners L.P. in accordance with an Affordable Housing Agreement by and between the Authority and National Community Renaissance of California for Phase II of the Project. Pursuant to four separate promissory notes and the Agreement, the Authority has advanced funding at 0% interest rate. The principal and accrued interest is to be repaid from the residual receipts generated by the Project. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The total outstanding balance as of June 30, 2022, was \$8,626,713. An allowance of \$8,626,713 has been recorded in the financial statements because there is no estimate for timing of cash collections on the note. Revenue will be recognized on a cash basis.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 4: Loans and Notes Receivable (Continued)

The Housing Authority provided development funding to TELACU in accordance with an Affordable Housing Agreement by and between the Authority and TELACU HOUSING-RIALTO, INC., in connection with the development of a 70-unit affordable senior housing rental complex project on a 2.3-acre site on the north side of Merrill Avenue, just westerly of Riverside, referred to TELACU I La Paz Community project. Pursuant to a promissory note and the Agreement, the advance funding in the amount of \$751,408 is to be repaid from the residual receipts generated by the Project as a 0% interest rate. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. Provided the developer is in compliance with all of its obligations under the Affordable Housing Agreement, the Regulatory Agreement, and all other documents executed pursuant thereto, any remaining balance of the Housing Authority loan shall be forgiven upon the fifty-fifth (55th) anniversary of the date of the City's issuance of a certificate of occupancy. The outstanding balance as of June 30, 2022, was \$751,408. An allowance of \$751,408 has been recorded in the financial statements because there is no estimate for timing of cash collections on the note. Revenue will be recognized on a cash basis.

The Housing Authority provided development funding to TELACU in accordance with an Affordable Housing Agreement by and between the Authority and TELACU HOUSING-RIALTO II, INC., in connection with the development of a 75-unit affordable senior housing rental complex project on the south side of Foothill Boulevard and just west of Cactus Avenue ("TELACU 2") project. Pursuant to a promissory note and the Agreement, the advance funding in the amount of \$1,824,155 is to be repaid from the residual receipts generated by the Project at a 0% interest rate. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The outstanding balance as of June 30, 2022, was \$1,707,241. An allowance of \$1,707,241 has been recorded in the financial statements because there is no estimate for timing of cash collection on the note. Revenue will be recognized on a cash basis.

The Housing Authority provided development funding to TELACU in accordance with an Affordable Housing Agreement by and between the Authority and TELACU HOUSING-RIALTO III, INC., in connection with the development of an affordable housing complex project. Pursuant to a promissory note and the Agreement, the advance funding in the amount of \$3,805,000 is to be repaid from the residual receipts generated by the Project at a 0% interest rate. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The outstanding balance as of June 30, 2022, was \$3,060,010. An allowance of \$3,060,010 has been recorded in the financial statements because there is no estimate for timing of cash collection on the note. Revenue will be recognized on a cash basis.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 4: Loans and Notes Receivable (Continued)

The Housing Authority provided development funding to RIALTO FAMILY HOUSING PARTNERS, L.P. in accordance with an Affordable Housing Agreement by and between the Authority and RIALTO FAMILY HOUSING PARTNERS L.P. in connection with the development of an affordable housing complex project. Pursuant to a promissory note and the Agreement, the advance funding in the amount of \$7,385,974 is to be repaid from the residual receipts generated by the Project. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The outstanding balance including unpaid accrued interest as of June 30, 2022, was \$9,722,093. An allowance of \$9,722,093 has been recorded in the financial statements because there is no estimate for timing of cash collection on the note. Revenue will be recognized on a cash basis.

The Housing Authority provided development funding to RIALTO FAMILY HOUSING PARTNERS II, L.P. in accordance with an Affordable Housing Agreement by and between the Authority and RIALTO FAMILY HOUSING PARTNERS L.P. in connection with the development of an affordable housing complex project. Pursuant to a promissory note and the Agreement, the advance funding in the amount of \$1,959,400 is to be repaid from the residual receipts generated by the Project. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The outstanding balance including unpaid accrued interest as of June 30, 2022, was \$2,543,545. An allowance of \$2,543,545 has been recorded in the financial statements because there is no estimate for timing of cash collection on the note. Revenue will be recognized on a cash basis.

The Housing Authority provided development funding to RIALTO FAMILY HOUSING PARTNERS II, L.P. in accordance with an Affordable Housing Agreement by and between the Authority and RIALTO FAMILY HOUSING PARTNERS L.P. in connection with the development of an affordable housing complex project. Pursuant to a promissory note and the Agreement, the advance funding in the amount of \$1,144,711 is to be repaid from the residual receipts generated by the Project. The residual receipts were defined as 50% of the net income after all operating expenses and superior debt service payments are made. Based upon a financial analysis of the Project performed by a financial consultant, the repayment is expected to be minimal relative to the total principal and accrued interest. The outstanding balance including unpaid accrued interest as of June 30, 2022, was \$1,465,458. An allowance of \$1,465,458 has been recorded in the financial statements because there is no estimate for timing of cash collection on the note. Revenue will be recognized on a cash basis.

The Rialto Utility Authority entered into a concessionaire agreement on March 27, 2012 with Rialto Water Services, L.P. (the Concessionaire) to provide services with respect to the Utility Facilities for a term of 30 years. As part of the agreement, the Rialto Utility Authority provided inventory and assets on hand to the Concessionaire for use in providing such utility services. At the end of the 30-year agreement, the Concessionaire must return assets in an equivalent amount of \$292,598 for water utilities and \$369,259 for wastewater utilities. See Note 13 for additional information.

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**Note 5: Interfund Receivables, Payables and Transfers**

Interfund receivable and payable balances at June 30, 2022 were as follows:

Due From/To Other Funds

<u>Due to Funds (Receivable)</u>	<u>Due From Funds (Payable)</u>	<u>Amount</u>
Governmental Funds:		
General Fund	American Rescue Plan Act	\$ 14,686,553
	Other Governmental Funds	1,271,896
	Internal Service Funds	131,765
Water Enterprise Fund	General Fund	4,873,105
		<u>\$ 20,963,319</u>

These balances represent short-term borrowings resulting from expenditures incurred prior to receipt of the related revenue source.

Advances From/To Other Funds

The following table shows amounts advanced to and from funds within the City at June 30, 2022:

<u>Advances to Other Funds</u>	<u>Advances From Funds</u>	<u>Amount</u>
General Fund	Water Enterprise Fund	\$ 1,300,000
	Park Development Special Revenue Fund	17,499,195
Wastewater Enterprise Fund	Water Enterprise Fund	3,000,000
		<u>\$ 21,799,195</u>

Advances to and from other funds, result primarily from long-term borrowings used to fund capital projects in advance of related financing/assessments.

The original loan of \$5,000,000 from the General Fund to the Water Enterprise Fund was made to cover Perchlorate lawsuit related costs with an interest rate of 5%. The City has waived charging interest on this advance. The Perchlorate lawsuit was settled in fiscal year 2012-13 and \$3,700,000 of the loan has been repaid as of June 30, 2022. Repayment of the remaining loan balance of \$1,300,000 will be paid through future revenues in the Water Enterprise Fund.

The original loan of \$4,000,000 from the Wastewater Enterprise Fund to the Water Enterprise Fund was made to cover Perchlorate litigation related costs. The City has waived charging interest on this advance. The Perchlorate lawsuit was settled in fiscal year 2012-2013 and \$1,000,000 of the loan has been repaid as of June 30, 2022. Repayment of the remaining loan balance of \$3,000,000 will be paid through future revenues in the Wastewater Enterprise Fund.

On February 12, 2019, the General Fund loaned the Park Development Special Revenue Fund \$17,499,195 to fund the expected cost of the Frisbie Park Expansion Project. The City has waived charging interest on this advance. Repayment of the remaining loan balance of \$17,499,195 will be paid through future revenues in the Park Development Special Revenue Fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 5: Interfund Receivables, Payables and Transfers**Transfers From/To Other Funds**

Interfund transfers in and out at June 30, 2022 were as follows:

Transfers In From Other Funds	Transfers Out to Other Funds	Amount
Governmental Funds:		
General Fund	Capital Projects Fund (1)	\$ 854,550
	American Rescue Plan Act Fund (2)	8,873,105
	Other Governmental Funds (3)	222,748
Park Development Fund	General Fund (3)	5,129,319
Capital Projects Fund	General Fund (1)	25,601,110
	American Rescue Plan Act (2)	20,500,000
Other Governmental Funds	General Fund (3)	690,395
Proprietary Funds:		
Water Fund	General Fund (1)	4,873,105
Other Enterprise Funds	General Fund (3)	84,710
Internal Service Funds	General Fund (3)	12,794,617
		<u>\$ 79,623,659</u>

Transfers are either used to (1) fund capital projects, (2) cover public safety payroll expenses per the approval for ARPA funding, or (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in the funds in accordance with budgetary authorizations.

Note 6: Leases

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

a. Leases Receivable and Deferred Inflows of Resources

The City leases land to various companies for installation of cellular towers. The terms range from 2.33 to 3.75 years with an option to extend of 5 years. The City also leases land to Sprint PCS Assets, Lamar Central Outdoor, and Rialto Municipal Airport with terms ranging from 1.83 years to 20 years and an option to extend of 5 years to 10 years. In addition, the City leases two buildings, one to the County of San Bernardino Library and another to Cuca's Mexican Restaurant. The terms are 4 and 2.5 years, respectively.

An initial lease receivable was recorded in the amount of \$4,857,511. As of June 30, 2022, the value of the lease receivable is \$4,643,753. The value of the deferred inflow of resources as of June 30, 2022 was \$4,643,732 and the City recognized lease revenue of \$361,129 during the fiscal year.

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 6: Leases (Continued)

Fiscal Year	Governmental Activities		
	Principal Payment	Interest Payment	Total
2023	\$ 308,990	\$ 73,067	\$ 382,057
2024	313,953	69,523	383,476
2025	304,430	65,945	370,375
2026	255,464	62,401	317,865
2027	240,534	59,076	299,610
2028 - 2032	852,836	249,744	1,102,580
2033 - 2037	658,289	190,846	849,135
2038 - 2042	753,301	127,552	880,853
2043 - 2047	633,261	62,905	696,166
2048 - 2052	322,695	12,305	335,000
	<u>\$ 4,643,753</u>	<u>\$ 973,364</u>	<u>\$ 5,617,117</u>

b. Leases Payable and Right to Use Lease Assets

On April 27, 2010, the City entered into a five-year lease agreement, with an option to extend 10 years for property located at 521 W. Rialto Avenue with the DiGiovanni Family Trust. On June 23, 2020, the agreement was extended for an additional five-year period, beginning on July 1, 2020 and terminating on June 30, 2025. An initial lease liability was recorded in the amount of \$240,339. As of June 30, 2022, the value of the lease liability is \$183,335. The City is required to make monthly fixed payments ranging from \$4,841 to \$5,290. The lease has an incremental borrowing rate of 0.5603%.

Right-to-use leases assets include the following at June 30, 2022:

Lease Type	Major Class of Underlying Asset	Amount of Leased Capital Assets	Accumulated Amortization
Building Lease	Right-to-Use Lease - Buildings	\$ 240,339	\$ 60,085
	Total	<u>240,339</u>	<u>60,085</u>

Future principal and interest requirements for each lease liability are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 58,959	\$ 876	\$ 59,835
2024	61,090	540	61,630
2025	63,286	192	63,478
Total	<u>\$ 183,335</u>	<u>\$ 1,608</u>	<u>\$ 184,943</u>

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 7: Capital Assets

A summary of changes in the Governmental Activities capital assets at June 30, 2022 is as follows:

	Balance July 1, 2021	Transfers	Additions	Deletions	Balance June 30, 2022
Governmental Activities:					
Capital Assets, Not Depreciated:					
Land	\$ 74,410,601	\$ -	\$ 604,489	\$ (4,381,108)	\$ 70,633,982
Land Easements	7,086,730	-	220,050	-	7,306,780
Construction in Progress	46,349,221	(18,743,380)	12,514,861	-	40,120,702
Total Capital Assets, Not Depreciated	127,846,552	(18,743,380)	13,339,400	(4,381,108)	118,061,464
Capital Assets, Being Depreciated:					
Land Improvements	39,159	-	-	-	39,159
Building and Other Structures	30,081,800	-	-	-	30,081,800
Improvements Other than Buildings	77,290,289	5,211,484	-	-	82,501,773
Right-to-use Leased Asset - Building	-	-	240,339	-	240,339
Machinery and Equipment	4,985,528	-	62,345	-	5,047,873
Vehicles	17,082,327	-	234,013	(497,123)	16,819,217
Office Furniture, Computers and Equipment	4,261,276	-	89,327	(8,358)	4,342,245
Infrastructure	215,588,108	13,531,896	265,937	-	229,385,941
Total Capital Assets, Being Depreciated	349,328,487	18,743,380	891,961	(505,481)	368,458,347
Less Accumulated Depreciation:					
Land Improvements	26,106	-	1,016	-	27,122
Building and Other Structures	13,885,385	-	696,860	-	14,582,245
Improvements Other than Buildings	29,011,078	-	3,272,857	-	32,283,935
Right-to-use Leased Asset - Building	-	-	60,085	-	60,085
Machinery and Equipment	3,691,468	-	423,800	-	4,115,268
Vehicles	12,781,519	-	1,067,108	(492,173)	13,356,454
Office Furniture, Computers and Equipment	3,607,902	-	146,524	(8,358)	3,746,068
Infrastructure	126,110,829	-	3,574,757	-	129,685,586
Total Accumulated Depreciation	189,114,287	-	9,243,007	(500,531)	197,856,763
Total Capital Assets Being Depreciated, Net	160,214,200	18,743,380	(8,351,046)	(4,950)	170,601,584
Total Governmental Activities Capital Assets, Net	<u>\$ 288,060,752</u>	<u>\$ -</u>	<u>\$ 4,988,354</u>	<u>\$ (4,386,058)</u>	<u>\$ 288,663,048</u>

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**Note 7: Capital Assets (Continued)**

A summary of changes in the Business-type Activities capital assets at June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Business-Type Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 1,767,770	\$ -	\$ -	\$ 1,767,770
Construction in Progress	32,399,861	1,229,070	-	33,628,931
Total Capital Assets, Not Depreciated	34,167,631	1,229,070	-	35,396,701
Capital Assets, Being Depreciated:				
Land Improvements	10,932,826	-	-	10,932,826
Building and Other Structures	2,336,314	-	-	2,336,314
Machinery and Equipment	149,487,140	351,969	-	149,839,109
Total Capital Assets, Being Depreciated	162,756,280	351,969	-	163,108,249
Less Accumulated Depreciation:				
Land Improvements	5,377,031	473,360	-	5,850,391
Building and Other Structures	2,063,167	29,794	-	2,092,961
Machinery and Equipment	73,144,830	2,815,881	-	75,960,711
Total Accumulated Depreciation	80,585,028	3,319,035	-	83,904,063
Total Capital Assets Being Depreciated, Net	82,171,252	(2,967,066)	-	79,204,186
Total Governmental Activities Capital Assets, Net	\$ 116,338,883	\$ (1,737,996)	\$ -	\$ 114,600,887

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

Governmental Activities:	
General Government	\$ 4,869,914
Community Development	1,361,986
Public Safety	2,898,135
Internal Service Funds	112,972
Total Depreciation Expense - Governmental Activities	<u>\$ 9,243,007</u>

Business-type Activities:	
Water	\$ 959,813
Wastewater	2,358,840
Other Enterprise Funds	382
Total Depreciation Expense - Business-type Activities	<u>\$ 3,319,035</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 8: Joint Powers Authority**Agua Mansa Industrial Growth Association (AMIGA) Joint Powers Authority**

On October 21, 1985, the Agua Mansa Industrial Growth Association Joint Powers Authority (the AMIGA Joint Powers Authority) was created under a joint exercise of powers agreement. It was formed to undertake projects to stimulate private investment in business and industrial growth in economically depressed areas within the boundaries of the association. The AMIGA Joint Powers Authority shall manage, coordinate, market and administer economic development programs and projects in the Agua Mansa area. The governing board consists of one member appointed from each participating Agency, which include the County of San Bernardino, the County of Riverside, the City of Colton, the City of Rialto and the City of Riverside. The approval of budgets and assumption of financial obligations must be approved by all members.

On February 27, 1992, the AMIGA Joint Powers Authority issued \$16,365,000 of special tax bonds, which is secured by a special tax lien on property in the District under the Community Facilities District No. 1992-1.

On July 10, 2003, the AMIGA Joint Powers Authority refunded the 1992 bonds with the 2003 Special Tax Bonds, which is secured by a special tax lien on property in the District under the Community Facilities District No. 2002-1.

The City has no equity interest in the AMIGA Joint Powers Authority and does not receive a share of operating results. Accordingly, neither assets nor liabilities of the AMIGA Joint Powers Authority are recorded in the City's financial statements.

Copies of the AMIGA Joint Powers Authority's audited financial statements can be obtained from the Agua Mansa Industrial Growth Association at 157 West Fifth Street, Second Floor, San Bernardino, California 92415.

Note 9: Long-Term Obligations

The following is a summary of long-term obligations for the year ended June 30, 2022:

Governmental Activities						
	Beginning at July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
Certificate of Participation	\$ 270,000	\$ -	\$ (270,000)	\$ -	\$ -	\$ -
Leases (see Note 6)	240,339	-	(57,004)	183,335	58,959	124,376
Direct Borrowings:						
Financed Purchases	11,128,200	-	(389,389)	10,738,811	480,666	10,258,145
Notes Payable	2,200,000	-	(410,000)	1,790,000	84,000	1,706,000
Subtotal	13,328,200	-	(799,389)	12,528,811	564,666	11,964,145
Total	<u>\$ 13,838,539</u>	<u>\$ -</u>	<u>\$ (1,126,393)</u>	<u>\$ 12,712,146</u>	<u>\$ 623,625</u>	<u>\$ 12,088,521</u>

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 9: Long-Term Obligations (Continued)

Business-Type Activities:

	Beginning at July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
Direct Borrowings:						
Debt with Concessionaire:						
Water	\$ 32,818,080	\$ -	\$ (834,640)	\$ 31,983,440	\$ 887,167	\$ 31,096,273
Wastewater	118,629,242	-	(2,004,959)	116,624,283	2,185,414	114,438,869
Subtotal	151,447,322	-	(2,839,599)	148,607,723	3,072,581	145,535,142
Notes payable	383,555	-	-	383,555	-	383,555
Total	<u>\$ 151,830,877</u>	<u>\$ -</u>	<u>\$ (2,839,599)</u>	<u>\$ 148,991,278</u>	<u>\$ 3,072,581</u>	<u>\$ 145,918,697</u>

Governmental Activities

Long-term debt of the governmental activities at June 30, 2022 is comprised of the following:

Certificates of Participation

2007 Refunding Certificates of Participation: On December 19, 2007, the City of Rialto issued \$3,500,000 serial and term certificates of participation bearing interest at a rate of 3.98%. The term certificates mature through January 20, 2022 in amounts ranging from \$185,000 to \$335,000. Proceeds of the certificates of participation were split between governmental funds (87%) and proprietary funds (13%). Each fund type's respective share of the liability is reflected in its long-term debt and is payable from those funds. The refunding was undertaken to remove restrictive bond covenants associated with the 1997 Certificates of Participation and to reduce total future debt service payments. As of June 30, 2022, the Refunding Certificates of Participation has been paid in full.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 9: Long-Term Obligations (Continued)Financed Purchase Agreements

On May 31, 2017, the City entered into an equipment finance-purchase agreement in the amount of \$2,455,000 to acquire energy efficient equipment including HVAC, lighting retrofits and controls to be repaid over 15 years. The agreement bears interest at a rate of 3.6% multiplied by the margin rate factor provided that the resulting interest rate shall not exceed 4%. The margin rate factor is the greater of (i) 1.0 and (ii) one minus the maximum federal corporate tax rate newly in effect multiplied by (b) one divided by the sum of one minus the maximum federal corporate tax rates as of the commencement date. The effective date of any change in the margin rate factor shall be effective date of the decrease or increase in the maximum federal corporate tax rate resulting in such change. The obligation is secured by a first priority and perfected lien and security interest on the equipment. In the event of default, any amount outstanding could be declared immediately due and the equipment required to be returned to the lessor.

\$ 1,731,577

On November 30, 2017, the City entered into an equipment finance-purchase agreement by issuance of Clean Renewable Energy Bonds (CREBS) in the amount of \$6,353,963 to acquire solar panels to be repaid over 20 years. The agreement bears interest at a rate of 3.42% multiplied by the margin rate factor provided that the resulting interest rate shall not exceed 6.25%. The margin rate factor is the greater of (i) 1.0 and (ii) one minus the maximum federal corporate tax rate newly in effect multiplied by (b) one divided by the sum of one minus the maximum federal corporate tax rates as of the commencement date. The effective date of any change in the margin rate factor shall be effective date of the decrease or increase in the maximum federal corporate tax rate resulting in such change. The obligation is secured by a first priority and perfected lien and security interest on the equipment. In the event of default, any amount outstanding could be declared immediately due and the equipment required to be returned to the lessor.

6,081,023

On October 31, 2018, the City entered into an equipment finance-purchase agreement in the amount of \$3,556,613 to finance the Citywide Street Light Acquisition and Conversion Project. The agreement bears interest at a rate of 3.60% multiplied by the margin rate factor provided that the resulting interest rate shall not exceed 8.00%. The margin rate factor is the greater of (i) 1.0 and (ii) one minus the maximum federal corporate tax rate newly in effect multiplied by (b) one divided by the sum of one minus the maximum federal corporate tax rates as of the commencement date. The effective date of any change in the margin rate factor shall be effective date of the decrease or increase in the maximum federal corporate tax rate resulting in such change. The obligation is secured by a first priority and perfected lien and security interest on the equipment. In the event of default, any amount outstanding could be declared immediately due and retake possession of the property.

2,926,211\$ 10,738,811

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**Note 9: Long-Term Obligations (Continued)**Notes Payable HUD 108 Senior Center

On August 8, 2002, the City entered into a Section 108 loan agreement with the U.S. Department of Housing and Urban Development in the amount of \$3,060,000, bearing interest at 6.12% to finance the development of the Rialto Senior Center. In May 2015, the City refinanced the loan. The principal amount of the refinanced Section 108 loan was used to repay the entire outstanding loan balance of \$1,702,000. Annual principal payments through August 1, 2022, range from \$168,000 to \$257,000. Interest of 1.75% is paid semi-annually. Payments on the loan are made from interest earned on the restricted loan investments and from Community Development Block Grant funds. In the event of default, the loan will continue to be paid through grant funds and no assets have been collateralized against the loan. As of June 30, 2022, the loan has been paid in full.

Notes Payable (2019A)

On March 28, 2019, the City's Public Financing Authority entered into a Section 108 loan agreement with the U.S. Department of Housing and Urban Development in the amount of \$2,000,000, bearing interest at 2.54% to finance improvements to Bud Bender Park. Annual principal payments through August 1, 2038 range from \$81,000 to \$132,000, paid semi-annually. Payments on the loan are made from interest earned on the restricted loan investments and from Community Development Block Grant funds. In the event of default, the loan will continue to be paid through Grant funds and no assets have been collateralized against the loan.

1,790,000

\$ 1,790,000

The annual requirements to amortize outstanding long-term debt other than compensated absences are as follows:

Year Ending June 30,	Finance Purchase Agreement 2017		
	Principal	Interest	Total
2023	\$ 161,990	\$ 67,658	\$ 229,648
2024	158,392	61,214	219,606
2025	157,978	54,885	212,863
2026	160,258	48,540	208,798
2027	164,850	42,085	206,935
2028-2031	928,109	106,046	1,034,155
Total	<u>\$ 1,731,577</u>	<u>\$ 380,428</u>	<u>\$ 2,112,005</u>

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 9: Long-Term Obligations (Continued)

Year Ending June 30,	Finance Purchase Agreement (CREBS)		
	Principal	Interest	Total
2023	\$ 109,652	\$ 207,738	\$ 317,390
2024	205,022	202,551	407,573
2025	228,533	195,342	423,875
2026	253,513	187,317	440,830
2027	280,038	178,425	458,463
2028-2032	1,859,573	724,483	2,584,056
2033-2037	2,805,419	337,250	3,142,669
2038	339,273	5,802	345,075
Total	<u>\$ 6,081,023</u>	<u>\$ 2,038,908</u>	<u>\$ 8,119,931</u>

Year Ending June 30,	Finance Purchase Agreement (2019)		
	Principal	Interest	Total
2023	\$ 209,024	\$ 104,886	\$ 313,910
2024	216,597	97,187	313,784
2025	224,574	89,461	314,035
2026	232,973	80,938	313,911
2027	241,555	72,356	313,911
2028-2032	1,347,768	182,783	1,530,551
2033-2034	453,720	16,628	470,348
Total	<u>\$ 2,926,211</u>	<u>\$ 644,239</u>	<u>\$ 3,570,450</u>

Year Ending June 30,	Notes Payable (2019A)		
	Principal	Interest	Total
2023	\$ 84,000	\$ 57,459	\$ 141,459
2024	87,000	55,250	142,250
2025	90,000	52,911	142,911
2026	93,000	50,437	143,437
2027	96,000	47,791	143,791
2028-2032	525,000	193,225	718,225
2033-2037	600,000	100,307	700,307
2038-2039	215,000	9,509	224,509
Total	<u>\$ 1,790,000</u>	<u>\$ 566,889</u>	<u>\$ 2,356,889</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 9: Long-Term Obligations (Continued)

Business-type Activities

Long-term debt of the business-type activities at June 30, 2022 is comprised of the following:

Collateralized Debt - Concessionaire Agreement

The Rialto Utility Authority has entered into an agreement on March 27, 2012 with Rialto Water Services, LP (the Concessionaire) to provide services with respect to the Utility Facilities for a term of 30 years. As part of the agreement, the Concessionaire provided \$41,037,000 of funds restricted to water and wastewater utility capital projects, \$35,000,000 of back-due rent to the City General Fund and defeased the previous debt of the Utility Authority. The City contributed \$5,093,528 to the Concessionaire for the agreement. This resulted in a borrowing totaling \$38,249,443 in the Water Enterprise Fund and \$130,472,604 in the Wastewater Enterprise Fund with interest rates of 6.293% and 8.969%, respectively. Revenue earned in the Water and Wastewater Enterprise Funds is pledged to repay the collateralized debt with the Concessionaire. See Note 13 for further information regarding the agreement.

\$ 148,607,723

The City has pledged future water customer revenues, net of specified operating expenses, to repay \$38,249,443 in collateralized debt issued in November 2012. Proceeds from the collateralized debt provided financing as shown in the table on the next page. The bonds are payable solely from water customer net revenues and are payable through November 2042. The total principal and interest remaining to be paid on the bonds is \$56,300,388 as of June 30, 2022. Principal and interest paid for the current year and total customer net revenues (expenses) (operating income plus depreciation) available to pay the principal and interest were \$834,640 and \$2,065,360, respectively.

The City has pledged future wastewater customer revenues, net of specified operating expenses, to repay \$130,472,604 in wastewater collateralized debt issued in November 2012. Proceeds from the collateralized debt provided financing as shown in the table on the next page. The bonds are payable solely from wastewater customer net revenues and are payable through November 2042. The total principal and interest remaining to be paid on the bonds is \$258,888,938 as of June 30, 2022. Principal and interest paid for the current year and total customer net revenues (operating income less depreciation) available to pay the principal and interest were 2,004,961 and \$10,677,039, respectively.

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 9: Long-Term Obligations (Continued)

Business-type Activities

Collateralized Debt - Concessionaire Agreement - Continued

As part of the concession agreement, the Concessionaire provided funds to the Authority for the following purposes:

Funds	Wastewater	Water	Application of Funds
Cost estimate for the Utility Facilities improvements	\$ 28,066,000 *	\$ 12,971,000 *	Construction account
Defeased obligations	23,648,443	2,893,669	Defease or repay existing obligations
Initial funding of rate stabilization accounts	22,962,201	8,952,242	Rate stabilization account
Initial working capital deposits to Authority expenses accounts	468,034	509,871	Provide operating funds for expenses
Initial funding of reserve accounts	1,000,000	1,000,000	Provide funds for routine repairs
Provide funding of reserve accounts	5,503,530	2,971,001	Fund reserve accounts
Provide funding to repay General Fund	32,000,000	3,000,000	Pay General Fund lease payments
Cost of financing	16,824,396	5,951,660	
	<u>\$ 130,472,604</u>	<u>\$ 38,249,443</u>	

* The City has received \$3,235,154 of these proceeds from the Concessionaire. The remaining funds are maintained in an investment account in the name of the Concessionaire for the benefit of the City and are recorded as a concessionaire receivable in the Wastewater and Water Enterprise Fund.

In addition, the City contributed \$5,093,528 in fiscal year 2012-2013 to the Concessionaire for the agreement.

The agreement allows the Concessionaire the right to pledge the user fees to obtain the financing. The Authority is to establish user fees in an amount sufficient to pay all expenses of the utility including the payments to the Concessionaire for services, reimbursements and capital charges.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 9: Long-Term Obligations (Continued)**Business-type Activities**Collateralized Debt - Concessionaire Agreement - Continued

The capital charges to be paid by the Concessionaire are effectively debt service payments for providing the financing. The Authority received proceeds in exchange for pledging specific future revenues from the Utilities. The Authority maintains active involvement in the utilities as the Authority is responsible for setting user fees and will approve and oversee improvements to the facilities.

The annual requirements to amortize outstanding long-term debt other than compensated absences are as follows:

Year Ending June 30,	Water Debt with Concessionaire	Interest	Wastewater Debt		Total
			with Concessionaire	Interest	
2023	\$ 887,167	\$ 2,012,833	\$ 2,185,414	\$ 10,496,586	\$ 15,582,000
2024	943,000	1,957,000	2,382,109	10,299,891	15,582,000
2025	1,002,346	1,897,654	2,596,507	10,085,493	15,582,000
2026	1,065,427	1,834,573	2,830,201	9,851,799	15,582,000
2027	1,132,478	1,767,522	3,084,929	9,597,071	15,582,000
2028-2032	6,825,503	7,674,497	20,124,224	43,285,776	77,910,000
2033-2037	9,261,160	5,238,840	30,964,102	32,445,898	77,910,000
2038-2042	10,866,359	1,934,028	47,623,644	15,767,141	76,191,172
2043	-	-	4,833,153	435,000	5,268,153
Total	<u>\$ 31,983,440</u>	<u>\$ 24,316,947</u>	<u>\$ 116,624,283</u>	<u>\$ 142,264,655</u>	<u>\$ 315,189,325</u>

Note Payable

County reimbursement agreement: Non-interest bearing agreement to reimburse the County of San Bernardino for certain construction costs for the Valley Boulevard wastewater line extension project, not to exceed \$500,000. There are no provisions in the event of default and no assets were held as collateral. Sewer connection fees and treatment plant expansion fees paid by property owners connecting to the sewer line will reimburse the County for the construction costs commencing January 31, 1998.

\$ 383,555

Note 10: Compensated Absences

The City accounts for compensated absences (unpaid vacation, holiday, compensated time off, and sick leave) for all City employees in the governmental activities and business-type activities. The balance for accrued compensated absences at June 30, 2022 for the governmental activities is \$10,047,919 and for the business-type activities is \$62,068. Funding for the liability is expensed to come primarily from the General Fund for governmental and business-type activities, respectively.

	Beginning at July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
Governmental Activities	\$ 9,442,737	\$ 2,297,879	\$ (1,692,697)	\$ 10,047,919	\$ 1,808,627	\$ 8,239,292
Business-Type Activities	74,123	397	(12,452)	62,068	11,172	50,896
Total	<u>\$ 9,516,860</u>	<u>\$ 2,298,276</u>	<u>\$ (1,705,149)</u>	<u>\$ 10,109,987</u>	<u>\$ 1,819,799</u>	<u>\$ 8,290,188</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 11: No Commitment Debt

2006 Community Facilities District No. 2006-1 Bonds: On August 8, 2006, the City issued Special Tax Bonds totaling \$5,035,000 pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. Proceeds of the bonds provided for the construction and acquisition of certain public facilities to serve property located within the Community Facilities District No. 2006-1. On December 12, 2016, these bonds were advance refunded with the 2016 Bonds with a principal amount totaling \$4,905,000. The 2016 Bond proceeds were used to fully repay the 2006-1 Bonds. The bonds are limited obligations of the District, payable solely from the Special Taxes and certain funds described in the Bond Resolution. Neither the credit nor taxing power of the City is pledged to the payment of the bonds. The City accounts for collection of the taxes and the payment of debt service in a fiduciary capacity in its Custodial Funds. At June 30, 2022, bonds outstanding totaled \$4,210,000.

Note 12: Pension Plans

a. General Information about the Pension Plans

Plan Description - All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the 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 fulltime employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. Safety members can receive a special death benefit if the member dies while actively employed and the death is job-related. Fire members may receive the alternate death benefit in lieu of the Basic Death Benefit or the 1957 Survivor Benefit if the member dies while actively employed and has at least 20 years of total CalPERS service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 12: Pension Plans (Continued)

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formulas	2.7% at 55	2.0% at 62
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50 - 55	52 - 67
Monthly Benefits, as a % of Eligible Compensation	2.0% - 2.7%	1.0% - 2.5%
Required Employee Contribution Rates	8.00%	7.25%
Required Employer Contribution Rates	22.87%	12.79%

	Safety	
	Prior to January 1, 2013	On or After January 1, 2013
Hire Date		
Benefit Formulas	3.0% at 50	2.7% at 57
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50	50 - 57
Monthly Benefits, as a % of Eligible Compensation	3.00%	2.0% - 2.7%
Required Employee Contribution Rates	9.00%	14.25%
Required Employer Contribution Rates	35.43%	25.23%

Employees Covered - At June 30, 2022, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive Employees or Beneficiaries		
Currently Receiving Benefits	397	268
Inactive Employees Entitled to but not Receiving Benefits	216	98
Active Employees	176	152
	<u>789</u>	<u>518</u>

Contributions - Section 20814(c) of the California Public Employees' Retirement Law 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 City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City 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 contributions requirements are classified as plan member contributions.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 12: Pension Plans (Continued)**b. Net Position Liability**

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions - The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Projected Salary Increase	Varies ¹	Varies ¹
Mortality Rate Table	CalPERS Membership Date ²	CalPERS Membership Date ²
Post Retirement Benefit Income	See Footnote ³	See Footnote ³

¹ Depending on age, service and type of employment.

² The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

³ Contract COLA up to 2% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter.

All other actuarial assumptions used in the valuations were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 12: Pension Plans (Continued)

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

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

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

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

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10	Real Return Years 11+
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(a) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.00% used for this period

(c) An expected inflation of 2.92% used for this period

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 12: Pension Plans (Continued)**c. Changes in the Net Pension Liability**

The changes in the net pension liability for the Miscellaneous Plan, using the measurement date of June 30, 2021, are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c)=(a)-(b)
Balance at June 30, 2020	<u>\$ 143,835,498</u>	<u>\$ 100,413,648</u>	<u>\$ 43,421,850</u>
Changes in the Year:			
Service Cost	2,090,638	-	2,090,638
Interest on the Total Pension Liability	10,134,642	-	10,134,642
Differences between Expected and Actual Experience	724,123	-	724,123
Contribution - Employer	-	4,936,398	(4,936,398)
Contribution - Employee	-	1,183,351	(1,183,351)
Net Investment Income	-	22,368,446	(22,368,446)
Benefit Payments, Including Refunds of Employee Contributions	(7,723,398)	(7,723,398)	-
Administrative Expenses	-	(100,307)	100,307
Net Changes	<u>5,226,005</u>	<u>20,664,490</u>	<u>(15,438,485)</u>
Balance at June 30, 2021 (Measurement Date)	<u>\$ 149,061,503</u>	<u>\$ 121,078,138</u>	<u>\$ 27,983,365</u>

The changes in the net pension liability for the Safety Plan, using the measurement date of June 30, 2021, are as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c)=(a)-(b)
Balance at June 30, 2020	<u>\$ 310,520,709</u>	<u>\$ 223,019,220</u>	<u>\$ 87,501,489</u>
Changes in the Year:			
Service Cost	6,068,460	-	6,068,460
Interest on the Total Pension Liability	22,123,384	-	22,123,384
Differences between Expected and Actual Experience	2,800,717	-	2,800,717
Contribution - Employer	-	10,425,758	(10,425,758)
Contribution - Employee	-	4,241,728	(4,241,728)
Net Investment Income	-	50,593,378	(50,593,378)
Benefit Payments, Including Refunds of Employee Contributions	(13,875,382)	(13,875,382)	-
Administrative Expenses	-	(222,783)	222,783
Net Changes	<u>17,117,179</u>	<u>51,162,699</u>	<u>(34,045,520)</u>
Balance at June 30, 2021 (Measurement Date)	<u>\$ 327,637,888</u>	<u>\$ 274,181,919</u>	<u>\$ 53,455,969</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 12: Pension Plans (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan of 7.15%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.15%) or 1-percentage point higher (8.15%) than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 47,630,227	\$ 101,147,209	\$ 148,777,436
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 27,983,365	\$ 53,455,969	\$ 81,439,334
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 11,812,880	\$ 14,720,808	\$ 26,533,688

Pension Plan Fiduciary Net Position - Detailed information about the Pension Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

d. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension expense of \$2,351,267 and \$3,155,987 for the Miscellaneous and Safety Plans, respectively. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each Plan:

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 6,239,612	\$ -
Difference between Expected and Actual Experience	549,738	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	11,064,950
	<u>\$ 6,789,350</u>	<u>\$ 11,064,950</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 12: Pension Plans (Continued)

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 14,678,684	\$ -
Difference between Expected and Actual Experience	2,797,140	88,603
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	25,087,059
	<u>\$ 17,475,824</u>	<u>\$ 25,175,662</u>

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 20,918,296	\$ -
Difference between Expected and Actual Experience	3,346,878	88,603
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	36,152,009
	<u>\$ 24,265,174</u>	<u>\$ 36,240,612</u>

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 outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSLS) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 12: Pension Plans (Continued)

\$6,239,612 and \$14,678,684 reported as deferred outflows of resources related to contributions subsequent to the measurement date for the Miscellaneous and Safety Plans, respectively, will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows/inflows of resources related to pensions will be recognized as pension expense for each Plan as follows:

Year Ending June 30,	Deferred Outflows /(Inflows) of Resources		
	Miscellaneous	Safety	Total
2023	\$ (2,320,760)	\$ (4,812,089)	\$ (7,132,849)
2024	(2,486,768)	(4,877,084)	(7,363,852)
2025	(2,651,423)	(5,760,046)	(8,411,469)
2026	(3,056,261)	(6,929,303)	(9,985,564)
Total	<u>\$ (10,515,212)</u>	<u>\$ (22,378,522)</u>	<u>\$ (32,893,734)</u>

e. Payable to the Pension Plans

At June 30, 2022, the City has no outstanding amount of contributions to the pension plans required for the year ended June 30, 2022.

Note 13: Other Post-Employment Benefits (OPEB)**Plan Description**

The City provides postemployment healthcare benefits through the California Public Employees' Retirement System (CalPERS) healthcare program entitled Public Employees' Medical and Hospital Care Act (PEMHCA) to eligible employees and any qualified family members under the authority of a Memorandum of Understanding with the employee bargaining units. The City contributes toward the health premium based on the Memorandum of Understanding. The City does not provide a retiree contribution for dental, vision, or life insurance benefits.

Upon attainment of a minimum age of 50 (or age 52, if a new miscellaneous employee was hired on or after January 1, 2013) and completion of a minimum State or public agency service requirement of five years, an employee may retire and remain covered at the City's expense for period depending on employment classification. The City is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. Benefits continue to dependents so long as they remain eligible for coverage. The City contributes 100% of medical premiums for the retiree and his or her covered dependents, but not more than the maximum monthly premiums as follows: \$279.25 for single, \$558.49 for two-party, and \$726.04 for family. In addition, the City will not contribute less than the PEMHCA minimum employer contribution of \$149 for 2022 and so on. Insurance provided by the City will be supplemental to Medicare upon the retiree reaching the age of 65.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Other Post-Employment Benefits (OPEB) (Continued)**Funding Policy**

The City generally makes an annual contribution to the Trust and currently pays benefits either directly to retirees or through PEMHCA during the year as pay-as-you-go expenses. The plan does not issue a publicly available financial report. The plan assets are reported as a fiduciary other post-employment benefit trust fund in the City's financial statements.

Employees Covered

As of June 30, 2020 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active employees	338
Inactive employees or beneficiaries currently receiving benefits	239
Inactive employees entitled to, but not yet receiving benefits	91
	<hr/> 668

Contributions

In fiscal year ended June 30, 2022, the City made contributions of \$10,000,000 and \$848,268 implied subsidy benefit payments.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by using an actuarial valuation dated June 30, 2020 based on the following actuarial methods and assumptions:

Actuarial Assumptions

Discount Rate	6.50%
Inflation	2.50%
Salary Increases	3.00% plus merit
Investment Rate of Return	6.50%
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	5.3%

Notes:

- (1) Pre-retirement mortality information was derived from data collected during 1997 to 2015 CalPERS Experience Study dated December 2017 and post-retirement mortality information was derived from the 2007 to 2015 CalPERS Experience Study. The Experience Study Reports may be access 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 2015 Experience Study Report. The Experience Study Report may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 13: Other Post-Employment Benefits (OPEB) (Continued)

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	57.00%	4.82%
Global Fixed Income	27.00%	1.47%
TIPS	5.00%	1.29%
REITS	8.00%	3.76%
Commodities	3.00%	0.84%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projects benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c)=(a)-(b)
Balance at June 30, 2020	\$ 66,451,118	\$ 18,015,631	\$ 48,435,487
Changes in the Year:			
Service Cost	2,940,821	-	2,940,821
Interest	2,011,797	-	2,011,797
Expected Investment Income	-	1,128,264	(1,128,264)
Employee Contributions	-	1,075,428	(1,075,428)
Benefit Payments	(2,390,886)	(2,390,886)	-
Assumption Changes	(24,441,690)		(24,441,690)
Plan Experience	-	-	-
Investment Experience	-	3,480,752	(3,480,752)
Net Changes	(21,879,958)	3,293,558	(25,173,516)
Balance at June 30, 2021 (Measurement Date)	\$ 44,571,160	\$ 21,309,189	\$ 23,261,971

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Other Post-Employment Benefits (OPEB) (Continued)

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

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ 28,448,316	\$ 23,261,971	\$ 19,022,999

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

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

	1% Decrease	Current Rate	1% Increase
Net OPEB Liability	\$ 16,961,938	\$ 23,261,971	\$ 31,252,286

OPEB Plan Fiduciary Net Position

PARS issues a publicly available financial report that may be obtained from the California Public Employees Retirement System Executive Office, 400 P Street, Sacramento, California 95814.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

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

Net difference between projected and actual earnings on OPEB plan investments

5 years

All other amounts

Expected average remaining service lifetime (EARSL)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 13: Other Post-Employment Benefits (OPEB) (Continued)***OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB***

For the fiscal year ended June 30, 2022, the City recognized OPEB revenue of \$409,338. As of fiscal year ended June 30, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following services:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 10,848,268	\$ -
Change in Assumptions	3,366,340	21,917,635
Difference between Expected and Actual Experience	-	1,632,020
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	2,384,718
	<u>\$ 14,214,608</u>	<u>\$ 25,934,373</u>

The \$10,848,268 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as reduction on net OPEB liability during the fiscal year ending June 30, 2023. The other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (4,061,629)
2024	(3,746,549)
2025	(3,590,422)
2026	(3,954,178)
2027	(3,351,544)
Thereafter	(3,863,711)
Total	<u>\$ (22,568,033)</u>

Note 14: Concessionaire Agreement

The City of Rialto (City) owns certain revenue producing water and wastewater enterprise facilities (Utility Facilities) which the City leases to the Rialto Utility Authority (Authority) for a term of 55 years ending in 2056. The Authority entered into an agreement dated March 27, 2012 with Rialto Water Services, LP (the Concessionaire) to provide services with respect to the Utility Facilities for a term of 30 years and the City approved such selection as set forth in City Resolution 6095 and Authority Resolution 05-12. The Concessionaire was formed for the sole purpose for arranging for the Authority to engineer, design, construct, operate and maintain the Utility Facilities, provide billing and collection services, and to provide financing for the Utility Facilities subject to the terms of the agreement.

Wastewater Facility

The City continues to own the Wastewater Facility and the Authority continues to hold the long-term facility lease under the agreement. The Concessionaire has been afforded long-term nonexclusive access and use of the facilities to perform the services required under the agreement. Section 5.1 of the agreement specifies the services to be performed by the Concessionaire which include operating and performing maintenance of the wastewater facility, wastewater facility improvements, staffing the wastewater facility, monitoring of the influent and effluent, preparing and certifying discharge monitoring reports required under the WDR permit, purchasing supplies for the facilities, billing and collection of fees and other services to operate the facility. The City on behalf of the Authority is responsible for selection of location and facilities for the off-site disposal of the sewage sludge delivered by the Concessionaire to a staging area located at the wastewater facility site. The Authority is responsible for the selection of facilities for the treatment or disposal of solid waste.

The Concessionaire is to bill and collect all user fees related to the Wastewater Facility which include (a) sewer service fees, charges and assessments, (b) wastewater connection charges, wastewater user connection deposits, assessments and fees, (c) wastewater treatment charges, assessments and fees and (d) other revenue or income derived from use and operation of the Wastewater Facility. All Wastewater Facility User Fees are to be deposited in a Lockbox Account in accordance with the trust agreement.

The Authority and the City are to establish all rates with respect to the Wastewater Facility User Fees in an amount sufficient to pay all compensation to the Concessionaire including capital charges (see Note 9) to pay for concessionaire financing and all other costs to operate and maintain the Wastewater Facility.

The Concessionaire is entitled to be reimbursed from an account that is not subject to the trust agreement with respect to the design and construction of the Wastewater Facility Improvements, in an amount that is equal to the actual costs incurred.

The Concessionaire is also to be paid Wastewater Service Fee which is the sum of (a) Wastewater Fixed Component (b) Wastewater Routine R&R Component (c) Wastewater Chemical Component and (d) Wastewater Labor Component. The Wastewater Fixed Component is to pay for the services of the Concessionaire to operate the Wastewater Facility (excluding, however, the services and compensation that are otherwise expressly provided elsewhere in the agreement) and the costs for maintenance consumables. The Wastewater Fixed Component is adjusted each contract year by a Wastewater Adjustment Escalator. The Wastewater Routine R&R Component is for services related to the routine repair and replacement of the Wastewater Facility which is also adjusted each contract year by a Wastewater Adjustment Escalator.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 14: Concessionaire Agreement (Continued)

The Wastewater Chemical Component is to reimburse the Concessionaire for chemicals used in the operation of the Wastewater Facility. Following each contract year, the chemical component is subject to a reconciliation and adjustment process to reimburse the Concessionaire to pay only for actual costs. The Wastewater Labor Component is to pay the Concessionaire for labor costs. After the first year, this amount is adjusted by the Wastewater Labor Adjustment Escalator.

The amount paid in fiscal year 2021-22 for the Wastewater Fixed Fee, which is included in the cost of sales and services expense in the Wastewater Fund, totaled \$7,102,759 detailed as follows:

	Actual
Wastewater Fixed Component	\$ 2,429,061
Wastewater Routine R&R Component	249,376
Wastewater Chemical Component	843,614
Wastewater Labor Component	3,580,708
Total Wastewater Fixed Fee	<u>\$ 7,102,759</u>

The Wastewater Fixed Fee is required annually through November 2042 and will require the above payments annually through November 2018.

The Wastewater Fixed Fee from December 2018 through November 2042 will be based on the above amounts, but may be adjusted for unexpected utility activity and inflation.

The Concessionaire is entitled to a Wastewater Reimbursable Payment in an amount equal to the cost and expense incurred by the Concessionaire plus a mark up to operate the wastewater plant. The Wastewater Reimbursable Payment consists of (a) Wastewater Miscellaneous Expense Reimbursement (b) Wastewater Operating R&R Reimbursement and (c) Wastewater Excess Routine R&R Reimbursement. Section 8.3 of the concession agreement provides additional information of the various components of these reimbursable amounts.

The Authority is required to pay a capital charge of \$12,682,000 annually for a period of 30 years to pay for the financing provided by the Concessionaire (see Note 9). The capital charges for the period are set for a specific amount through June 30, 2043. The capital charge is not adjusted by the Wastewater Adjustment Escalator. However, the capital charges related to the Wastewater Facility may be adjusted in accordance with Section 2.5 or increased as provided in Section 8.8 of the concession agreement.

The Concessionaire is also to be compensated for a specific amount for a specific period for providing services related to the construction of the Wastewater Facility Improvements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 14: Concessionaire Agreement (Continued)**Water Facility**

The City continues to own the Utility Facility and the Authority continues to hold the long-term facility lease under the agreement. The Concessionaire has been afforded long-term nonexclusive access and use of the facility to perform the services required under the agreement. Section 11.1 of the agreement specifies the services to be performed by the Concessionaire which include operating and performing maintenance of the water facility, water facility improvements, staffing the water facility, monitoring of the quality of the water, purchasing supplies for the facility, billing and collection fees and other services to operate the facility.

The Concessionaire is to bill and collect all user fees related to the Water Facility which include: (a) water service fees, charges and assessments, (b) water connection charges, water user connection deposits, and assessments and fees, (c) water delivery charges, assessments and fees and (d) other revenue or income derived from use and operation of the Water Facility. All Water Facility user fees are to be deposited in a Lockbox Account in accordance with the trust agreement.

The Authority and the City are to establish all rates with respect to the Water Facility User Fees in an amount sufficient to pay all compensation to the Concessionaire including capital charges to pay for Concessionaire financing and all other costs to operate and maintain the Water Facility.

The Concessionaire is entitled to be reimbursed from an account that is not subject to the trust agreement with respect to the design and construction of the Water Facility Improvements, in an amount that is equal to the actual costs incurred.

The Concessionaire is also to be paid a Water Service Fee which is the sum of (a) Water Fixed Component (b) Water Routine R&R Component (c) Water Chemical Component and (d) Water Labor Component. The Water Fixed Component is to pay for the services of the Concessionaire to operate the Water facility (excluding, however, the services and compensation that are otherwise expressly provided elsewhere in the agreement) and the costs for maintenance consumables. The Water Fixed Component is adjusted each contract year by a Water Adjustment Escalator. The Water Routine R&R Component is for services related to the routine repair and replacement of the Water Facility which is also adjusted each contract year by a Wastewater Adjustment Escalator. The Water Chemical Component is to reimburse the Concessionaire for chemicals used in the operation of the Water Facility. Following each contract year, the chemical component is subject to a reconciliation and adjustment process to reimburse the Concessionaire to pay only for actual costs. The Water Labor Component is to pay the Concessionaire for labor costs. After the first year, this amount is adjusted by the Water Labor Adjustment Escalator.

The amount paid in fiscal year 2021-22 for the Water Fixed Fee, which is included in the cost of sales and services expense in the Water Fund, totaled \$6,077,221 detailed as follows:

	Actual
Water Fixed Component	\$ 2,520,809
Water Routine R&R Component	206,044
Water Chemical Component	62,297
Water Labor Component	3,288,071
Total Wastewater Fixed Fee	<u>\$ 6,077,221</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 14: Concessionaire Agreement (Continued)

The Water Fixed Fee is required annually through November 2042 and will require the above payments annually through November 2018.

The Water Fixed Fee from December 2018 through November 2042 will be based on the above amounts, but may be adjusted for unexpected utility activity and inflation.

The Concessionaire is entitled to a Water Reimbursable Payment in an amount equal to the cost and expenses incurred by the Concessionaire plus a mark up to operate the Water Facility. The Water Reimbursable Payment consists of (a) Water Miscellaneous Expense Reimbursement (b) Water Operating R&R Reimbursement and (c) Water Excess Routine R&R Reimbursement. Section 4.3 of the concession agreement provides additional information of the various components of these reimbursable amounts.

The Authority is required to pay a capital charge of \$2,900,000 annually for a period of 30 years to pay for the financing provided by the Concessionaire. The capital charges for the period are set for a specific amount through June 30, 2042. The capital charge is not adjusted by the Water Adjustment Escalator. However, the capital charges related to the Water Facility may be adjusted in accordance with Section 2.5 or increased as provided in Section 14.8 of the concession agreement.

The Concessionaire is also to be compensated for a specific amount for a specific period for providing services related to the construction of the Water Facility Improvements.

Note 15: Other Required Individual Fund Disclosures**Accumulated Fund Deficits and Net Position**

The following funds reported deficits in their respective fund balance and net position at June 30, 2022:

	Fund Deficit/ Net Position
Other Governmental Special Revenue Funds:	
Transportation Enhancement Activities	\$ (11,400)
Police Grants	(69,055)
CDBG Fund	(798,816)
Neighborhood Stabilization Program	(35,670)
Transportation Development Act (TDA) Fund	(205,192)
Internal Service Funds:	
Workers' Compensation	(5,608,167)
Building Maintenance	(50,629)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 16: Related Party Agreements

On May 1, 2001, the Utility Authority entered into an agreement with the City to lease the Waste and Wastewater Utilities. Payments are to be paid by the Utility Authority to the City from the Water and Wastewater Utility Fund funded by surplus utility revenues. All of the surplus revenues have been irrevocably pledged for these purposes. The annual lease payments are reflected as expenses and income among the respective funds.

Note 17: Other Information

Litigation

At June 30, 2022, the City was a defendant in a number of lawsuits arising in the ordinary course of operations, which allege liability on the part of the City in connection with workers' compensation and general liability matters. Management believes that potential losses related to these lawsuits will not materially affect the financial position of the City.

Note 18: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City retains the risk of loss for general liability and workers' compensation claims of up to \$500,000 and \$400,000, respectively, per person per occurrence. The City has established the General Liability and Workers' Compensation Internal Service Funds to account for and finance uninsured risks of loss related to general liabilities and workers' compensation claims, respectively. Liabilities are accrued when incurred, whether or not reported.

The City is also a member of the PRISM for general liability, a public entity risk pool consisting of a consortium of cities in California. PRISM was established to pool resources, share risks, purchase excess insurance and share costs for professional risk management and claims administration. General Liability claims exceeding the self-insured retention (SIR) of \$500,000 are covered by PRISM up to a maximum of \$25,000,000 on an annual aggregate basis. Claims in excess of the \$25,000,000 annual limit are covered by PRISM up to \$35,000,000 on an annual aggregate basis. The City is not a member of a pool for workers' compensation. Workers Compensation claims exceeding City's \$400,000 SIR are covered by PRISM up to statutory limits.

The City continues to carry commercial insurance for all other risks of loss, including employee health, property, fire, water, boiler and machinery insurance. Settled claims resulting from these risks have not exceeded commercial insurance covered in any of the past three fiscal years. In addition, there has not been a significant reduction in insurance coverage during the year.

All Funds of the City participate in the risk management program and make payments to the respective Internal Service Fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. Claims liabilities are reported when it is probable that a loss has occurred and the amount can be reasonably estimated. Claims liabilities are calculated considering the effects of inflation and recent claim settlement awards, including the frequency and amount of payouts.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022
Note 18: Risk Management (Continued)

Changes in the Workers' Compensation and the General Liability Internal Service Funds' claims liability amounts in fiscal years 2022 and 2021 were as follows:

	Workers' Compensation Internal Service Fund		General Liability Internal Service Fund	
	2022	2021	2022	2021
Claims Payable, Beginning of Year	\$ 17,559,759	\$ 12,885,940	\$ 5,078,397	\$ 2,946,823
Current Year Claims and Changes in Estimates	2,886,828	8,475,481	8,698,515	4,142,323
Claim Payments	(2,374,655)	(3,801,662)	(8,801,474)	(2,010,749)
Claims Payable, End of Year	<u>\$ 18,071,932</u>	<u>\$ 17,559,759</u>	<u>\$ 4,975,438</u>	<u>\$ 5,078,397</u>

Note 19: Successor Agency Disclosures

On June 29, 2011, Assembly Bills x1 26 (the Dissolution Act) and x1 27 were enacted as part of the fiscal year 2011-12 State budget package.

On June 27, 2012, as part of the fiscal year 2012-13 State budget package, the Legislature passed and the Governor signed AB 1484, which made technical and substantive amendments to the Dissolution Act based on experience to date at the State and local level in implementing the Dissolution Act.

In September 2015, the Legislature passed and the Governor signed SB 107, which made additional changes to the Dissolution Act.

Under the Dissolution Act, each California redevelopment agency (each Dissolved RDA) was dissolved as of February 1, 2012, and the sponsoring community that formed the Dissolved RDA, together with other designated entities, have initiated the process under the Dissolution Act to unwind the affairs of the Dissolved RDA. A Successor Agency was created for each Dissolved RDA which is the sponsoring community of the Dissolved RDA unless it elected not to service as the Successor Agency. On September 27, 2011, the City elected to serve as the Successor Agency of the Rialto Redevelopment Agency.

The Dissolution Act also created oversight boards which monitor the activities of the Successor Agencies. The roles of the Successor Agencies and oversight boards is to administer the wind down of each Dissolved RDA which includes making payments due on enforceable obligations, disposing of the assets (other than housing assets) and remitting the unencumbered balances of the Dissolved RDAs to the County Auditor-Controller for distribution to the affected taxing entities.

The Dissolution Act allowed the sponsoring community that formed the Dissolved RDA to elect to assume the housing functions and take over the certain housing assets of the Dissolved RDA. If the sponsoring community does not elect to become the Successor Housing Agency and assume the Dissolved RDA's housing functions, such housing functions and all related housing assets will be transferred to the local housing authority in the jurisdiction. AB 1484 modified and provided some clarifications on the treatment of housing assets under the Dissolution Act. The Housing Authority elected on January 24, 2012 to serve as the Housing Successor Agency.

After the date of dissolution, the housing assets, obligations and activities of the Dissolved RDA have been transferred and are reported in the Housing Authority Special Revenue Fund in the financial statements of the City. All other assets, obligations, and activities

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 19: Successor Agency Disclosures (Continued)

of the Dissolved RDA have been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

In the current and future fiscal years, the Successor Agency will only be allocated revenue from the County of San Bernardino in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the Dissolved RDA until all enforceable obligations of the Dissolved RDA have been paid in full and all assets have liquidated.

The assets and liabilities of the former Redevelopment Agency (Agency), except for assets related to the low and moderate income housing fund, were transferred to the Successor Agency of the City of Rialto Redevelopment Agency on February 1, 2012 as a result of the dissolution of the former Redevelopment Agency. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosure related to assets and liabilities are as follows:

Notes Receivable

Effective June 1, 2005, the Agency and the Rialto Unified School District (the District) entered into a Cooperative Agreement whereby the Agency made a portion of the proceeds of the 2005 Series A Tax Allocation Bonds available to the District to assist the District in financing a portion of the cost of the Rialto Unified School District Facilities. These proceeds totaled \$2,717,131. Under the Cooperative Agreement, the District will forego tax increment revenues that otherwise would have been transferred to it by the Agency pursuant to two pass-through agreements by and between the District and the Agency, and pursuant to the statutory requirements for payments to affected taxing agencies. The amount of pass-through payments that was retained by the Agency were calculated to be sufficient to cover the portion of debt service on the 2005 Series A Tax Allocation Bonds allocated to the \$2,717,131 transferred to the District, plus a coverage factor. Upon the dissolution of the former redevelopment agency at February 1, 2002, the outstanding balance of the receivables was transferred to the Successor Agency Private-Purpose Trust Fund and the amount of pass-through amounts to be retained are administered by the County of San Bernardino. As of June 30, 2022, \$2,166,941 of this receivable remains outstanding, bearing interest at variable rates between 3.6% and 4.9%.

Effective September 1, 2018, the Agency and the Rialto Unified School District (the District) entered into a Cooperative Agreement whereby the Agency made a portion of the proceeds of the 2018 Series A Tax Allocation Bonds available to the District to assist the District in financing a portion of the cost of the Rialto Unified School District Facilities. These proceeds totaled \$2,281,402. Under the Cooperative Agreement, the District will forego tax increment revenues that otherwise would have been transferred to it by the Agency pursuant to two pass-through agreements by and between the District and the Agency, and pursuant to the statutory requirements for payments to affect taxing agencies. The amount of pass-through payments that was retained by the Agency were calculated to be sufficient to cover the portion of debt service on the 2018 Series A Tax Allocation Bonds allocable to the \$2,281,402 transferred to the District, plus a coverage factor. As of June 30, 2022, \$2,087,947 of this receivable remains outstanding, bearing interest at 5%.

Effective July 1, 1996, the Agency sold the Ramrod Mobile Home Park (the Park) to Ramrod Senior Housing, Inc., a California Nonprofit Benefit Corporation, for a 36-year note receivable in the amount \$3,318,875, bearing interest at approximately 6.19%. Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the receivables was transferred to the Successor Agency Private-Purpose Trust Fund. The balance outstanding on the note receivable is \$1,718,949 at June 30, 2022.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 19: Successor Agency Disclosures (Continued)

The Agency administered a façade improvement loan program, which provided money to certain business owners at 0% interest to enhance the facade of their building. The Agency entered into loan agreements with the business owners that required the loans to be repaid only if the title of the property changes. Therefore, the Agency had recorded the outstanding loans as notes receivable and deferred revenue in the fund financial statements. Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the receivables was transferred to the Successor Agency Private-Purpose Trust Fund. The amount of façade improvement loans at June 30, 2022 is \$255,316.

Leases Receivable and Deferred Inflows of Resources

The Agency leases the property located at 119 North Riverside Avenue to Cuca's Mexican Restaurant, Inc. The lease term ends on December 31, 2023. The Agency implemented GASB Statement No. 87 in the fiscal year ended June 30, 2022. Accordingly, on July 1st, 2021, a lease receivable was recorded in the amount of \$102,614. As of June 30, 2022, the value of the lease receivable is \$61,674 and the deferred inflow of resources is \$61,568. The Agency recognized lease revenue of \$40,490 during the fiscal year.

The principal and interest payments expected to maturity are as follows:

<u>Fiscal Year</u>	<u>Principal Payment</u>	<u>Interest Payment</u>	<u>Total</u>
2023	\$ 41,074	\$ 176	\$ 41,250
2024	20,600	25	20,625
	<u>\$ 61,674</u>	<u>\$ 201</u>	<u>\$ 61,875</u>

Property Held for Resale

Property held for resale was generally acquired in the normal course of the Agency activity and is recorded at the lower of acquisition cost or estimated net realizable value (i.e., estimated selling price less reasonably predicted costs of disposal). Upon the dissolution of the former redevelopment agency at February 1, 2012, the balance of the property held for resale was transferred to the Successor Agency Private-Purpose Trust Fund. As of June 30, 2022, the Successor Agency's property held for resale is valued as follows:

Cost	\$ 25,570,079
Adjustment to Basis	<u>(5,880,224)</u>
Net Book Value	<u>\$ 19,689,855</u>

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 19: Successor Agency Disclosures (Continued)

Capital Assets

A summary of changes in the Successor Agency's capital assets at June 30, 2022 is as follows:

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 290,347	\$ -	\$ -	\$ 290,347
Total capital assets not being depreciated	290,347	-	-	290,347
Capital assets being depreciated:				
Buildings and Other Structures	97,647	-	-	97,647
Improvements Other than Buildings	285,647	-	-	285,647
Vehicles	25,646	-	25,646	-
Total capital assets, being depreciated	408,940	-	25,646	383,294
Less accumulated depreciation for:				
Buildings and Other Structures	(35,210)	(1,958)	-	(37,168)
Improvements Other than Buildings	(277,389)	(5,829)	-	(283,218)
Vehicles	(25,646)	-	(25,646)	-
Total accumulated depreciation	(338,245)	(7,787)	(25,646)	(320,386)
Total capital assets being depreciated, net	70,695	(7,787)	51,292	62,908
Capital Assets, Net	\$ 361,042	\$ (7,787)	\$ 51,292	\$ 353,255

Long-Term Obligations

The following is a summary of the Successor Agency's long-term obligations for the year ended June 30, 2022:

	Beginning at July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
Tax Allocation Bonds	\$115,200,000	\$ -	\$ (4,295,000)	\$110,905,000	\$ 4,510,000	\$106,395,000
Premiums	5,567,512	-	(596,094)	4,971,418	-	4,971,418
Discounts	(137,656)	-	24,639	(113,017)	-	(113,017)
Total Tax Allocation Bonds	\$120,629,856	\$ -	\$ (4,866,455)	\$115,763,401	\$ 4,510,000	\$111,253,401

\$29,600,000 Rialto Redevelopment Agency Tax Allocation Housing Set-Aside Bonds Merged Project Area 2008 Series B, maturing in serial and term fashion through September 1, 2037. The term portion of the bond is subject to mandatory sinking fund payments beginning on September 1 in each year and commencing September 1, 2019. Annual principal payments on the bonds range from \$275,000 to \$2,920,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 7.50%. The reported amount outstanding includes the unamortized original issue premium of \$223,268 and is payable from redevelopment property tax trust fund revenues received by Successor Agency.

\$ 22,965,000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 19: Successor Agency Disclosures (Continued)

\$21,965,000 Rialto Redevelopment Agency Tax Allocation Bonds Merged Project Area 2008 Series C, maturing in serial and term fashion through September 1, 2037. The term portion of the bond is subject to mandatory sinking fund payments beginning on September 1 in each year and commencing September 1, 2019. Annual principal payments on the bonds range from \$250,000 to \$1,725,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 7.50%. The reported amount outstanding includes the unamortized original issue premium of \$187,468 and is payable from redevelopment property tax trust fund revenues received by Successor Agency.

16,925,000

\$16,515,000 Successor Agency Tax Allocation Revenue Refunding Bonds 2014 Series A, maturing in serial fashion through September 1, 2027. The 2014 Series A Bonds were used to defease the outstanding Tax Allocation Revenue Refunding Bonds 2003 Series A. The principal amounts of the 2014 Series A Refunding Bonds of \$16,515,000 plus the premium of \$2,465,434 plus the 2003A refunded bonds available funds of \$2,247,219 were used to refund the bonds in the amount of \$20,805,499 and pay for the cost of issuance totaling \$422,154. Annual principal payments on the bonds range from \$985,000 to \$1,675,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 3% to 5%. The reported amount outstanding includes the unamortized original issue premium of \$549,419 and is payable from redevelopment property tax trust fund revenues received by Successor Agency.

8,920,000

On July 30, 2015, the Successor Agency issued \$20,640,000 in Tax Allocation Revenue Refunding Bonds, 2015 Series A for the purpose of defeasing \$23,885,000 of outstanding Tax Allocation Bonds 2005 Series A. The principal amount of the 2015 Series A refunding bonds of \$20,640,000 plus the original premium of \$1,113,852 plus the 2005 Series A refunded bonds available funds of \$3,178,113 will be used to refund the bonds in the amount of \$23,885,000, pay for the interest payment due as of September 1, 2015 of \$545,465, and pay for the cost of issuance totaling \$501,500. The advance refunding fully repaid the 2005 Series A bonds. Annual principal payments on the bonds range from \$2,065,000 to \$3,220,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 4% to 5%. The reported amount outstanding includes the unamortized original issue premium of \$684,608 and is payable from redevelopment property tax trust fund revenues received by the Successor Agency.

20,640,000

On July 30, 2015, the Successor Agency issued \$15,290,000 in Tax Allocation Revenue Refunding Bonds, 2015 Series B for the purpose of defeasing \$16,635,000 of outstanding Tax Allocation Bonds 2005 Series C. The principal amount of the 2015 Series B refunding bonds of \$15,290,000 less the original discount of \$199,176 plus the 2005 Series C refunded bonds available funds of \$2,250,882 will be used to refund the bonds in the amount of \$16,635,000, pay for the interest payment due as of September 1, 2015 of \$420,680, and pay for the cost of issuance totaling \$286,026. The advance refunding fully repaid the 2005 Series C bonds. Annual principal payments on the bonds range from \$755,000 to \$1,420,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 1.484% to 4%. The reported amount outstanding includes the unamortized original issue discount of \$67,361 and is payable from redevelopment property tax trust fund revenues received by the Successor Agency.

\$9,485,000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

Note 19: Successor Agency Disclosures (Continued)

On July 30, 2015, the Successor Agency issued \$8,205,000 in Tax Allocation Revenue Refunding Bonds, 2015 Series C for the purpose of defeasing \$9,045,000 of outstanding Tax Allocation Bonds 2005 Series B. The principal amount of the 2015 Series C refunding bonds of \$8,205,000 less the original discount of \$100,864 plus the 2005 Series B refunded bonds available funds of \$1,334,703 will be used to refund the bonds in the amount of \$9,045,000, pay for the interest payment due as of September 1, 2015 of \$227,774, and pay for the cost of issuance totaling \$166,065. The advance refunding fully repaid the 2005 Series B bonds. Annual principal payments on the bonds range from \$340,000 to \$670,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 1.484% to 4.724%. The reported amount outstanding includes the unamortized original issue discount of \$45,656 and is payable from redevelopment property tax trust fund revenues received by the Successor Agency.

5,905,000

On January 24, 2018, the Successor Agency issued \$28,480,000 in Tax Allocation Revenue Refunding Bonds, 2018 Series A for the purpose of defeasing \$35,810,000 of outstanding Tax Allocation Bonds 2008 Series A. The principal amount of the 2018 Series A refunding bonds of \$28,480,000 less the original premium of \$4,479,119 plus the 2008 Series A refunded bonds available funds of \$4,235,283 will be used to refund the bonds in the amount of \$38,810,000, pay for the interest payment due as of September 1, 2018 of \$1,076,454, and pay for the cost of issuance totaling \$451,661. The advance refunding fully repaid the 2008 Series A bonds. Annual principal payments on the bonds range from \$420,000 to \$5,055,000. Interest is paid semi-annually on March 1 and September 1 of each year at the rate of 1.570% to 3.200%. The reported amount outstanding includes the unamortized original issue premium of \$3,326,655 and is payable from redevelopment property tax trust fund revenues received by the Successor Agency.

26,065,000

Total Tax Allocation Bonds

\$ 105,905,000

The annual requirements to amortize outstanding long-term debt other compensated absences are as follows:

Year Ending June 30,	Tax Allocation Bonds	Interest	Total
2023	\$ 4,510,000	\$ 6,243,068	\$ 10,753,068
2024	4,750,000	5,995,597	10,745,597
2025	5,010,000	5,731,386	10,741,386
2026	5,285,000	5,456,455	10,741,455
2027	5,560,000	5,162,264	10,722,264
2028-2032	32,900,000	20,560,226	53,460,226
2033-2037	43,225,000	9,570,600	52,795,600
2038-2039	9,665,000	229,563	9,894,563
Total	<u>\$ 110,905,000</u>	<u>\$ 58,949,159</u>	<u>\$ 169,854,159</u>

CITY OF RIALTO

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**Note 19: Successor Agency Disclosures (Continued)**Future Debt Service Payments**Other Commitment**

The Agency had entered into two Cooperative Agreements with the Rialto Unified School District (RUSD) under which the Agency advanced funds from the 2005 and 2008 tax allocation bond issues to pay for school improvements. The RUSD pledged its pass through payment entitlements under various agreements with the Agency to repay its share of the debt service on the tax allocation bonds. In accordance with the terms of the 2005 Cooperative Agreement, the Agency retained 120% of the upcoming bond year debt service (September 1, 2008 to August 31, 2009) as a debt service reserve and released the balance to the RUSD. Under the terms of the 2008 Cooperative Agreements, which took effect on March 1, 2008, the Agency will retain a lesser amount equaling the District's share of the September 1, 2008 and March 1, 2009 debt service payment on the 2005 and 2008 tax allocation bonds. In 2015, the Successor Agency refinanced the 2005 bonds reducing interest rate and payments. The refinance bonds are known as the 2015 bonds. At June 30, 2022, the amount committed under these agreements totaled \$240,911. The amount includes the 2008 and 2015 bonds. On February 1, 2012, the Successor Agency assumed all responsibilities under the agreements. Future payments, if any, will be requested through the semi-annual Redevelopment Property Tax Trust Fund (FPTTF) distribution process.

Note 20: Tax Abatement Agreements

The City of Rialto negotiates tax abatement agreements on an individual basis. The City of Rialto has tax abatement agreements with two entities as of June 30, 2022.

	Type of Tax Abated	Percentage of Taxes Abated During the Fiscal Year	Amount of Taxes Abated During the Fiscal Year
Distribution Center- Construct Center and Establish Point of Sale in Rialto (1)	Sales Tax	50%	\$ 3,866,995

(1) The City entered into a twenty-year sales tax reimbursement agreement. There is no up to amount and the Distribution Center has the sole option to extend the agreement.

Note 21: Net Investment in Capital Assets

The breakdown for net investments in capital assets for the year ended June 30, 2022 is as follows:

		Business-Type Activities				
	Governmental Activities	Water Fund	Wastewater Fund	Non Major Cemetary Fund	Total Business-Type Activities	Internal Service Funds
Capital assets, net of accumulated depreciation	\$ 288,663,048	\$ 24,118,410	\$ 90,481,777	\$ 700	\$ 114,600,887	\$ 365,840
Less:						
Capital related, long-term debt	(12,712,146)	-	-	-	-	-
Net investment in capital assets	<u>\$ 275,950,902</u>	<u>\$ 24,118,410</u>	<u>\$ 90,481,777</u>	<u>\$ 700</u>	<u>\$ 114,600,887</u>	<u>\$ 365,840</u>

Note 22: Restatement of Net Position

The beginning net position of the Community Facilities District (CFD) 2006-1 Elm Park Custodial Fund was restated by \$4,384,400 to remove the bond liability and the related interest payable that should not have been recognized in the Custodial Funds per exclusion related to GASB 84 for reporting of debt payable from special assessments against benefited property owners. The City did not incur the debt and is not liable for the repayment of the obligations.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF RIALTO, CALIFORNIA

MISCELLANEOUS PLAN

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2022	2021	2020
Measurement Date	6/30/2021	6/30/2020	6/30/2019
Total Pension Liability:			
Service cost	\$ 2,090,638	\$ 2,051,976	\$ 1,791,482
Interest on total pension liability	10,134,642	9,773,601	9,347,753
Changes in assumptions	-	-	-
Difference between expected and actual experience	724,123	1,702,384	623,582
Benefit payments, including refunds of employee contributions	(7,723,398)	(7,315,654)	(6,716,222)
Net change in total pension liability	5,226,005	6,212,307	5,046,595
Total pension liability - beginning	143,835,498	137,623,191	132,576,596
Total Pension Liability - Ending (A)	149,061,503	143,835,498	137,623,191
Plan Fiduciary Net Position:			
Plan to Plan Resource Management	-	-	-
Contributions - employer	4,936,398	4,154,462	3,600,870
Contributions - employee	1,183,351	1,030,303	887,762
Net investment income	22,368,446	4,856,489	6,111,526
Benefit payments, including refunds of employee contributions	(7,723,398)	(7,315,654)	(6,716,222)
Administrative expense	(100,307)	(137,911)	(67,087)
Other miscellaneous expense	-	-	218
Net change in fiduciary net position	20,664,490	2,587,689	3,817,067
Plan fiduciary net position - beginning	100,413,648	97,825,959	94,008,892
Plan Fiduciary Net Position - Ending (B)	121,078,138	100,413,648	97,825,959
Net Pension Liability - Ending (a) - (b)	\$ 27,983,365	\$ 43,421,850	\$ 39,797,232
Plan fiduciary net position as a percentage of the total pension liability	81.2%	69.8%	71.1%
Covered payroll	\$ 8,852,154	\$ 10,122,181	\$ 9,074,473
Plan net pension liability as a percentage of covered payroll	316.1%	429.0%	438.6%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from voluntary benefit changes which occurred on or before the June 30, 2021 measurement date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 - 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflected an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

⁽¹⁾ Fiscal Year 2015 was the first year of implementation; therefore, only eight years are shown.

2019	2018	2017	2016	2015
6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
\$ 2,003,976	\$ 1,962,464	\$ 1,621,654	\$ 1,545,683	\$ 1,736,327
8,993,449	8,739,244	8,545,451	8,242,200	8,043,800
(799,662)	7,392,961	-	(2,069,469)	-
(254,150)	(1,503,407)	(403,816)	(1,901,232)	-
(6,402,730)	(5,823,917)	(5,586,314)	(5,329,662)	(5,117,502)
3,540,883	10,767,345	4,176,975	487,520	4,662,625
129,035,713	118,268,368	114,091,393	113,603,873	108,941,248
132,576,596	129,035,713	118,268,368	114,091,393	113,603,873
(218)	-	28,412	1,212	-
3,194,249	3,399,175	2,770,673	2,257,385	2,027,883
1,013,826	924,474	864,570	832,233	730,622
7,500,484	8,989,575	369,043	1,734,077	12,528,234
(6,402,730)	(5,823,917)	(5,586,314)	(5,329,662)	(5,117,502)
(138,851)	(120,679)	-	-	-
(263,681)	-	-	-	-
4,903,079	7,368,628	(1,553,616)	(504,755)	10,169,237
89,105,813	81,737,185	83,290,801	83,795,556	73,626,319
94,008,892	89,105,813	81,737,185	83,290,801	83,795,556
\$ 38,567,704	\$ 39,929,900	\$ 36,531,183	\$ 30,800,592	\$ 29,808,317
70.9%	69.1%	69.1%	73.0%	73.8%
\$ 10,400,541	\$ 10,035,098	\$ 9,138,652	\$ 8,408,677	\$ 9,062,246
370.8%	397.9%	399.7%	366.3%	328.9%

CITY OF RIALTO, CALIFORNIA

SAFETY PLAN

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2022	2021	2020
Measurement Date	6/30/2021	6/30/2020	6/30/2019
Total Pension Liability:			
Service cost	\$ 6,068,460	\$ 5,368,782	\$ 4,820,128
Interest on total pension liability	22,123,384	20,986,672	19,950,664
Changes in assumptions	-	-	-
Difference between expected and actual experience	2,800,717	2,381,715	(1,417,660)
Benefit payments, including refunds of employee contributions	(13,875,382)	(13,340,458)	(12,534,003)
Net change in total pension liability	17,117,179	15,396,711	10,819,129
Total pension liability - beginning	310,520,709	295,123,998	284,304,869
Total Pension Liability - Ending (A)	327,637,888	310,520,709	295,123,998
Plan Fiduciary Net Position:			
Plan to Plan Resource Management	-	-	-
Contributions - employer	10,425,758	8,902,873	7,807,973
Contributions - employee	4,241,728	3,347,779	2,872,745
Net investment income	50,593,378	10,639,176	13,315,731
Benefit payments, including refunds of employee contributions	(13,875,382)	(13,340,458)	(12,534,003)
Administrative expense	(222,783)	(301,365)	(144,475)
Other miscellaneous expense	-	-	470
Net change in fiduciary net position	51,162,699	9,248,005	11,318,441
Plan fiduciary net position - beginning	223,019,220	213,771,215	202,452,774
Plan Fiduciary Net Position - Ending (B)	274,181,919	223,019,220	213,771,215
Plan Net Pension Liability - Ending (A) - (B)	\$ 53,455,969	\$ 87,501,489	\$ 81,352,783
Plan fiduciary net position as a percentage of the total pension liability	83.7%	71.8%	72.4%
Covered payroll	\$ 17,121,438	\$ 15,446,426	\$ 14,498,370
Plan net pension liability as a percentage of covered payroll	312.2%	566.5%	561.1%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from voluntary benefit changes which occurred on or before the June 30, 2021 measurement date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: None in 2019 - 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflected an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

⁽¹⁾ Fiscal Year 2015 was the first year of implementation; therefore, only eight years are shown.

2019	2018	2017	2016	2015
6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
\$ 5,206,707	\$ 5,334,644	\$ 4,790,840	\$ 4,576,388	\$ 4,515,927
19,196,158	18,863,603	18,240,547	17,478,960	16,797,046
(8,400,860)	17,388,091	-	(4,760,201)	-
450,278	(4,519,766)	(2,000,635)	(2,396,762)	-
(11,944,712)	(11,120,451)	(10,446,639)	(9,966,418)	(9,361,045)
4,507,571	25,946,121	10,584,113	4,931,967	11,951,928
279,797,298	253,851,177	243,267,064	238,335,097	226,383,169
284,304,869	279,797,298	253,851,177	243,267,064	238,335,097
(470)	-	(28,412)	(1,048)	-
6,989,814	6,576,775	6,139,735	6,116,568	6,284,137
2,893,086	3,084,249	2,994,151	2,679,822	1,424,093
16,082,104	19,120,363	752,086	3,590,510	25,296,028
(11,944,712)	(11,120,451)	(10,446,639)	(9,966,418)	(9,361,045)
(294,963)	(253,771)	-	-	-
(560,140)	-	-	-	-
13,164,719	17,407,165	(589,079)	2,419,434	23,643,213
189,288,055	171,880,890	172,469,969	170,050,535	146,407,322
202,452,774	189,288,055	171,880,890	172,469,969	170,050,535
\$ 81,852,095	\$ 90,509,243	\$ 81,970,287	\$ 70,797,095	\$ 68,284,562
71.2%	67.7%	67.7%	70.9%	71.3%
\$ 15,871,203	\$ 15,522,578	\$ 15,545,592	\$ 15,074,241	\$ 14,083,225
515.7%	583.1%	527.3%	469.7%	484.9%

CITY OF RIALTO, CALIFORNIA

**MISCELLANEOUS AND SAFETY PLANS
 SCHEDULE OF PLAN CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾**

	2022	2021	2020
<u>Miscellaneous Plan:</u>			
Actuarially Determined Contribution	\$ 6,239,612	\$ 5,583,492	\$ 5,064,812
Contribution in Relation to the Actuarially Determined Contribution	(6,239,612)	(5,583,492)	(5,064,812)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 11,084,467	\$ 8,852,154	\$ 10,122,181
Contributions as a Percentage of Covered Payroll	56.3%	63.1%	50.0%
<u>Safety Plan:</u>			
Actuarially Determined Contribution	\$ 14,678,684	\$ 13,413,121	\$ 12,248,971
Contribution in Relation to the Actuarially Determined Contribution	(14,678,684)	(13,413,121)	(12,248,971)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 18,203,551	\$ 17,121,438	\$ 15,446,426
Contributions as a Percentage of Covered Payroll	80.6%	78.3%	79.3%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2021-22 were derived from the June 30, 2019 funding valuation report.

Actuarial Cost Method: Entry Age Normal

Amortization Method/Period: For details, see June 30, 2019 Funding Valuation Report

Asset Valuation Method: Fair Value of Assets. For details, see June 30, 2019 Funding Valuation Report

Inflation: 2.50%

Salary Increases: Varies by Entry Age and Service

Payroll Growth: 2.75%

Investment Rate of Return: 7.00% (net of administrative expenses)

Retirement Age: The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

Mortality: The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Post-retirement mortality rates include 15 years of projected on-going mortality improvement using 90% of Scale MP 2016 published by the Society of Actuaries.

For previous years' information, refer to past Comprehensive Annual Financial Reports.

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Data was available for Fiscal Year 2014 going forward, therefore only eight years are shown.

2019	2018	2017	2016	2015
\$ 4,450,956	\$ 4,025,277	\$ 3,388,812	\$ 2,241,922	\$ 2,252,080
(4,450,956)	(4,025,277)	(3,388,812)	(2,241,922)	(2,252,080)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,074,473	\$ 10,400,541	\$ 10,035,098	\$ 9,966,210	\$ 9,138,652
49.0%	38.7%	33.8%	22.5%	24.6%
\$ 10,754,325	\$ 9,921,278	\$ 6,593,836	\$ 6,693,398	\$ 6,119,336
(10,754,325)	(9,921,278)	(6,593,836)	(6,693,398)	(6,119,336)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,498,370	\$ 15,871,203	\$ 15,522,578	\$ 16,056,944	\$ 15,545,592
74.2%	62.5%	42.5%	41.7%	39.4%

CITY OF RIALTO, CALIFORNIA

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2022	2021	2020	2019	2018
Measurement Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:					
Service cost	\$ 2,940,821	\$ 2,226,583	\$ 2,094,466	\$ 1,928,465	\$ 2,083,035
Interest on the total OPEB liability	2,011,797	2,109,724	2,080,962	2,068,297	1,874,471
Actual and expected experience difference	-	(2,268,284)	-	-	-
Changes in assumptions	(24,441,690)	2,813,462	1,193,708	1,811,535	(3,897,172)
Benefit payments ⁽²⁾	(2,390,886)	(2,236,759)	(2,070,376)	(1,969,858)	(2,009,296)
Net change in total OPEB liability	(21,879,958)	2,644,726	3,298,760	3,838,439	(1,948,962)
Total OPEB liability - beginning	66,451,118	63,806,392	60,507,632	56,669,193	58,618,155
Total OPEB liability - ending	\$ 44,571,160	\$ 66,451,118	\$ 63,806,392	\$ 60,507,632	\$ 56,669,193
Plan Fiduciary Net Position					
Contribution - employer	\$ 1,075,428	\$ 862,089	\$ 635,898	\$ 3,260,163	\$ 2,967,326
Net investment income	4,609,016	530,339	1,144,549	1,243,147	1,806,286
Benefit payments	(2,390,886)	(2,236,759)	(2,070,376)	(1,969,858)	(2,009,296)
Administrative expense	-	-	(40,610)	(34,725)	(71,750)
Net change in plan fiduciary net position	3,293,558	(844,331)	(330,539)	2,498,727	2,692,566
Plan fiduciary net position - beginning	18,015,631	18,859,962	19,190,501	16,691,774	13,999,208
Plan fiduciary net position - ending (b)	\$ 21,309,189	\$ 18,015,631	\$ 18,859,962	\$ 19,190,501	\$ 16,691,774
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 23,261,971	\$ 48,435,487	\$ 44,946,430	\$ 41,317,131	\$ 39,977,419
Plan fiduciary net position as a percentage of the total OPEB liability ⁽³⁾	47.8%	27.1%	29.6%	31.7%	29.5%
Covered-employee payroll	\$ 30,390,082	\$ 28,234,884	\$ 25,076,875	\$ 24,383,667	\$ 37,244,900
Net OPEB liability as a percentage of covered-employee payroll	76.5%	171.5%	179.2%	169.4%	107.3%

Notes to Schedule of Changes in the Total OPEB Liability and Related Ratios:

⁽¹⁾ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

⁽²⁾ Includes value of implicit subsidy

⁽³⁾ The plan is not funded through a qualifying trust; therefore, there is no fiduciary net position to offset the total OPEB liability.

CITY OF RIALTO, CALIFORNIA

OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

FISCAL YEAR	2022	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 3,417,101	\$ 3,232,616	\$ 2,820,893	\$ 2,607,829	\$ 2,588,874
Contribution in Relation to the Actuarially Determined Contributions	(10,848,268)	(1,075,428)	(862,089)	(635,898)	(3,260,163)
Contribution Deficiency (Excess)	<u>\$ (7,431,167)</u>	<u>\$ 2,157,188</u>	<u>\$ 1,958,804</u>	<u>\$ 1,971,931</u>	<u>\$ (671,289)</u>
Covered payroll	\$ 32,361,394	\$ 30,390,082	\$ 28,234,884	\$ 25,076,875	\$ 34,714,347
Contributions as a percentage of covered payroll	33.52%	3.54%	3.05%	2.54%	9.39%

Notes to Schedule of Plan Contributions:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age normal
Amortization Valuation Method/Period	Level Percent of Pay
Asset Valuation Method	Market value
Salary increases	3.00%
Discount rate	6.50%
Healthcare cost-trend rates	5.4% decreasing to 4.0%
Retirement Age	50 to 75
Mortality	CalPERS 2017 Study
Plan fiduciary net position - ending (b)	

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation, but data was available for Fiscal Year 2017. Future years' information will be displayed up to 10 years as information becomes available.

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 104,586,974	\$ 104,586,974	\$ 104,586,974	\$ -
Resources (Inflows):				
Taxes	76,063,120	99,782,615	111,985,260	12,202,645
Licenses and permits	5,641,235	5,641,235	5,840,694	199,459
Intergovernmental	4,555,436	4,575,436	5,787,852	1,212,416
Charges for services	9,585,727	11,047,727	12,250,587	1,202,860
Use of money and property (losses on investment)	1,015,600	1,015,600	(7,600,400)	(8,616,000)
Fines and forfeitures	652,000	652,000	938,527	286,527
Developer participation	3,000	3,000	-	(3,000)
RUA rental payments	2,000,000	2,000,000	2,000,000	-
Miscellaneous	3,319,166	3,536,801	1,665,288	(1,871,513)
Transfers in	1,398,276	10,125,931	9,950,403	(175,528)
Proceeds from sale of capital asset	-	3,375,000	3,422,727	47,727
Amounts Available for Appropriations	208,820,534	246,342,319	250,827,912	4,485,593
Charges to Appropriation (Outflow):				
General government	18,133,748	41,117,636	35,985,643	5,131,993
Public safety	67,575,395	69,246,482	68,319,553	926,929
Community development	14,060,228	15,998,743	15,105,609	893,134
Capital outlay	218,259	323,584	45,925	277,659
Debt service:				
Principal retirement	162,839	162,839	245,684	(82,845)
Interest and fiscal charges	289,585	289,585	284,058	5,527
Transfers out	3,793,510	49,173,256	49,173,256	-
Total Charges to Appropriations	104,233,564	176,312,125	169,159,728	7,152,397
Budgetary Fund Balance, June 30	\$ 104,586,970	\$ 70,030,194	\$ 81,668,184	\$ 11,637,990

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
PARK DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (11,581,446)	\$ (11,581,446)	\$ (11,581,446)	\$ -
Resources (Inflows):				
Charges for services	475,000	475,000	772,854	297,854
Use of money and property	198,050	198,050	17,935	(180,115)
Transfers in	-	5,129,319	5,129,319	-
Amounts Available for Appropriations	(10,908,396)	(5,779,077)	(5,661,338)	117,739
Charges to Appropriation (Outflow):				
Community development	-	-	2,921	(2,921)
Capital outlay	-	640,434	-	640,434
Total Charges to Appropriations	-	640,434	2,921	637,513
Budgetary Fund Balance, June 30	\$ (10,908,396)	\$ (6,419,511)	\$ (5,664,259)	\$ 755,252

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 AMERICAN RESCUE PLAN ACT
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	-	29,373,105	29,373,105	-
Amounts Available for Appropriations	-	29,373,105	29,373,105	-
Charges to Appropriation (Outflow):				
Transfers out	-	29,373,105	29,373,105	-
Total Charges to Appropriations	-	29,373,105	29,373,105	-
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Note 1: Budgetary Data

The City establishes accounting control through formal adoption of an annual operating budget for all governmental funds. The City Council's policy is to adopt a formal operating budget by June 30 of each year. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America, except for the Capital Project Funds, which adopt project-length budgets. The legal level of budgetary control, that is, the level at which expenditures cannot exceed appropriations, is the fund level for all General, Special Revenue and Debt Service Funds, and by project in the Capital Project Funds. The City does not adopt a budget for the Traffic Safety Prop 1B Special Revenue Fund, Brownfield Clean up Grant Special Revenue Fund, and the Street Medians Development Special Revenue Fund. The City did not adopt a budget for their American Rescue Plan Act Special Revenue Fund, which was a new fund in FY 2021-2022. Department heads are authorized to transfer budget amounts between object codes within the same expense category, except for salaries and capital outlay, which require the approval of the City Manager and Finance Director. City Manager, Finance Director, and department head approval are required to transfer appropriations from one program to another, and object codes within different expense category within the same fund. However, all increases at the overall fund level must be approved by the City Council. All unencumbered budget appropriations, except for capital projects budgets, lapse at the end of each fiscal year. Throughout the fiscal year, the budget is amended to add supplemental appropriations. All changes to the budget require Council approval.

The Traffic Safety Prop 1B Fund, the Brownfield Clean Up Grant Fund, the Special Deposits Fund, and the Confiscated Funds Fund did not adopt a budget for the 2021-22 fiscal year.

Note 2: Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the Library Facilities Development Fund, Police Development Fund, Traffic Safety Prop 1B Fund.

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SUPPLEMENTARY INFORMATION

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OTHER GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

Special revenues funds account for the proceeds of specific revenue sources that are legally restricted or otherwise assigned for specific purposes.

Gas Tax Fund - accounts for revenues and expenditures of money received from State Gas Tax allocation. These funds are used for maintenance and construction of City streets.

Transportation Enhancement Activities Fund - accounts for monies received and expended in accordance with the Transportation Enhancement Grant.

Street Lighting and Landscape Maintenance Fund - accounts for the revenues and expenditures associated with the maintenance of City-owned street lights, parkways, and medians. Benefiting property owners are assessed their proportional share of costs for maintaining these facilities, parkways and medians.

Landscape and Lighting District No. 2 Fund - accounts for revenues and expenditures associated with the maintenance of City-owned street lights, parkways and medians. Benefiting property owners are assessed their proportional share of costs for maintaining these facilities, parkways and medians.

Traffic Development Fund - accounts for development fees collected and used for street and traffic control improvements.

Office of Traffic Safety Fund - accounts for revenues received under the office of traffic safety. The funds are used to reduce the number of fatal injury and DUI related collisions occurring in the community.

Retirement Tax Fund - accounts for a voter approved property tax levy used to pay the City's employee retirement costs. Council has set to 0% as of June 3, 2003. Revenues currently consist of delinquency collections.

Open Space Development Fund - accounts for development fees collected and used for the acquisition of land and the turfing of new parks to provide open space for the City.

General Facilities Development Fund - accounts for development fees collected and used for general municipal buildings and equipment needed to serve new development within the City.

Library Facilities Development Fund - accounts for development fees collected and used for general library facilities and equipment needed to serve new development within the City.

Major Grant Funding Fund - accounts for monies received and expected by the City as a participant in Federal and State and other grants for City infrastructure and capital improvements.

Police Development Fund - accounts for development fees collected and used for police equipment facilities and the hiring and training of new police officers needed to serve new development.

Fire Development Fund - accounts for development fees collected and used to acquire fire safety equipment and build new facilities.

OTHER GOVERNMENTAL FUNDS (CONTINUED)

Waste Management Fund - accounts for monies received and expended by the City to meet the State mandate to reduce solid waste generated within the City.

South Coast Air Quality Management District (SCAQMD) Fund - accounts for the revenues and expenditures associated with the City's employee trip reduction (ride share) plan and incentive program. The revenues source for this fund is a special allocation of motor vehicle registration fees in accordance with AB 2766.

Asset Forfeiture Fund - accounts for revenues and expenditures associated with law enforcement drug and gang prevention. Revenues for the fund are derived from the assets seized by law enforcement and determined to be forfeited by the courts.

Police Grants Fund - accounts for monies received and expended by the Police Department for various grants.

Community Services Grant Fund - accounts for monies received and expended by the City that are for specific community services activities.

Citizens Option for Public Safety Fund - accounts for revenues and expenditures associated with the City's front line municipal police services and to include juvenile justice programs. The revenue source for this fund is a special allocation of grant monies from the State of California in accordance with AB3229 and AB1913.

Local Law Enforcement Block Grant Fund - accounts for monies received and expended by the City as a participant in the Federal Local Law Enforcement Block Grant program.

CDBG Fund - accounts for monies received and expended by the City as a participant in the Federal Community Development Block Grant Program.

Traffic Safety Prop 1B Fund - accounts for revenues received under the Traffic Safety Proposition 1B. These funds are used for improvements to City streets.

Neighborhood Stabilization Program Fund - accounts for monies received and expended by the City as a participant in the Housing and Economic Recovery Act of 2008.

Neighborhood Stabilization Program - Program Income Fund - accounts for monies received and expended by the City as a participant in the Housing and Recovery Act of 2008.

Measure I Fund - accounts for revenues and expenditures of money received from San Bernardino County Transportation Authority (SBCTA) of a voter approved sales tax override allocated to cities within the County on a population basis. These funds are used for maintenance and construction of City streets.

Brownfield Clean Up Grant Fund - is used to conduct environment cleanup of a portion of the WDJL site, which is located at 1485 S. Willow Street.

Fire Grant Fund - accounts for monies received and expended by the Fire Department for various grants.

Fire Ground Emergency Transportation Fund - accounts for Ground Emergency Medical Transportation revenues and expenditures used to support the Fire Department Emergency Medical Services program capital needs.

Cal Home Fund - accounts for the City's housing improvement or ownership programs for low and moderate income households. The funds may include grants or funding resources received from other government agencies to implement such programs.

OTHER GOVERNMENTAL FUNDS

Housing Authority Fund - accounts for monies received and expended for rehabilitation and development of affordable housing. In addition, this fund also services as the Housing Successor fund to account for the receipts and expenditures relating to housing activities in accordance with the California Health and Safety Code.

Public, Educational, and Governmental (PEG) Fees Fund - accounts for Public, Educational, or Governmental access franchise fee activity.

Transportation Development Act (TDA) Fund - accounts for revenues received under the Transportation Development Act. These funds are used for improvements to City streets.

Street Medians Development Fund - accounts for development fees collected and used for street medians improvements.

Special Deposits Fund - accounts for all special deposits held by the City in its fiduciary capacity.

Confiscated Funds Fund - accounts for seized assets obtained by the Police Department in conjunction with the prosecution of alleged criminal activity that are awaiting dispensation by the court system.

Local Drainage Fund - accounts for development fees collected and used for the installation of storm drains and flood control facilities.

CAPITAL PROJECTS FUNDS:

Fair Share Agreement Fund - accounts for income received to fund expenditures related to City infrastructure and development improvements.

2005 TABs Fund - accounts for the proceeds of the 2005 TABs and the expenditure of such funds for improvement, reconstruction and redevelopment projects within the specified boundaries of the Former Rialto Redevelopment Agency as a result of the Bond Proceeds Expenditure Agreement between the City and the Successor Agency.

2008 TABs Fund - accounts for the proceeds of the 2008 TABs and the expenditure of such funds for improvement, reconstruction and redevelopment projects within the specified boundaries of the Former Rialto Redevelopment Agency as a result of the Bond Proceeds Expenditure Agreement between the City and the Successor Agency.

DEBT SERVICE FUND:

1997 COP Fund - accounts for the accumulation of funds for the payment of principal and interest on the 1997 Refunding Certificates of Participation.

CITY OF RIALTO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Special Revenue Funds			
	Gas Tax Fund	Transportation Enhancement Activities Fund	Street Lighting and Landscape Maintenance Fund	Landscape and Lighting District No. 2 Fund
Assets:				
Pooled cash and investments	\$ 11,803,401	\$ -	\$ 629,982	\$ 539,517
Receivables:				
Accounts	460,936	208,599	-	8,920
Notes and loans	-	-	-	-
Due from other governments	195,192	-	16,996	661
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 12,459,529	\$ 208,599	\$ 646,978	\$ 549,098
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 420,625	\$ -	\$ 269,819	\$ 93,281
Accrued liabilities	374	-	1,769	3,874
Unearned revenues	98,530	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	11,400	-	-
Total Liabilities	519,529	11,400	271,588	97,155
Deferred Inflows of Resources:				
Unavailable revenues	-	208,599	-	-
Total Deferred Inflows of Resources	-	208,599	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	-	-
Community development projects	11,940,000	-	375,390	451,943
Unassigned (Deficit)	-	(11,400)	-	-
Total Fund Balances (Deficit)	11,940,000	(11,400)	375,390	451,943
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 12,459,529	\$ 208,599	\$ 646,978	\$ 549,098

CITY OF RIALTO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

Special Revenue Funds

	Traffic Development Fund	Office of Traffic Safety Fund	Retirement Tax Fund	Open Space Development Fund
Assets:				
Pooled cash and investments	\$ 21,474,159	\$ -	\$ 167	\$ 2,218,055
Receivables:				
Accounts	159,750	52,179	-	6,798
Notes and loans	160,190	-	-	-
Due from other governments	-	12,050	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	1,814,680	-	-	-
Total Assets	\$ 23,608,779	\$ 64,229	\$ 167	\$ 2,224,853
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 136,183	\$ -	\$ -	\$ 6,246
Accrued liabilities	-	12,050	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	4,946	-	-
Total Liabilities	136,183	16,996	-	6,246
Deferred Inflows of Resources:				
Unavailable revenues	-	12,050	-	-
Total Deferred Inflows of Resources	-	12,050	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	-	-
Community development projects	23,472,596	35,183	167	2,218,607
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	23,472,596	35,183	167	2,218,607
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 23,608,779	\$ 64,229	\$ 167	\$ 2,224,853

CITY OF RIALTO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**
Special Revenue Funds

	General Facilities Development Fund	Library Facilities Development Fund	Major Grant Funding Fund	Police Development Fund
Assets:				
Pooled cash and investments	\$ 2,867,293	\$ 82,567	\$ 5,596,658	\$ 2,322,754
Receivables:				
Accounts	4,266	-	3,375,886	3,123
Notes and loans	-	-	-	-
Due from other governments	-	-	390,509	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 2,871,559	\$ 82,567	\$ 9,363,053	\$ 2,325,877
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 97,631	\$ -	\$ 148,001	\$ -
Accrued liabilities	-	-	295	-
Unearned revenues	-	-	390,509	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	97,631	-	538,805	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	41,707	-
Total Deferred Inflows of Resources	-	-	41,707	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	-	2,325,877
Community development projects	2,773,928	82,567	8,782,541	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	2,773,928	82,567	8,782,541	2,325,877
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 2,871,559	\$ 82,567	\$ 9,363,053	\$ 2,325,877

CITY OF RIALTO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Fire Development Fund	Waste Management Fund	South Coast Air Quality Management (SCAQMD) Fund	Asset Forfeiture Fund
Assets:				
Pooled cash and investments	\$ 430,814	\$ 11,178,626	\$ 660,971	\$ 1,863,349
Receivables:				
Accounts	5,111	267,672	-	-
Notes and loans	-	-	-	-
Due from other governments	-	355	68,605	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 435,925	\$ 11,446,653	\$ 729,576	\$ 1,863,349
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 2,033	\$ 17,818	\$ -	\$ -
Accrued liabilities	-	6,913	2,530	2,740
Unearned revenues	-	-	68,605	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	2,033	24,731	71,135	2,740
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	433,892	-	-	1,860,609
Community development projects	-	11,421,922	658,441	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	433,892	11,421,922	658,441	1,860,609
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 435,925	\$ 11,446,653	\$ 729,576	\$ 1,863,349

CITY OF RIALTO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Special Revenue Funds			
	Police Grants Fund	Community Services Grant Fund	Citizens Option for Public Safety Fund	Local Law Enforcement Block Grant Fund
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ 817,330	\$ 31,922
Receivables:				
Accounts	35,088	24,865	-	-
Notes and loans	-	-	-	-
Due from other governments	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 35,088	\$ 24,865	\$ 817,330	\$ 31,922
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	3,216	-	-	-
Unearned revenues	3,172	-	-	28,773
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	81,882	7,124	-	-
Total Liabilities	88,270	7,124	-	28,773
Deferred Inflows of Resources:				
Unavailable revenues	15,873	14,865	-	-
Total Deferred Inflows of Resources	15,873	14,865	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	817,330	3,149
Community development projects	-	2,876	-	-
Unassigned (Deficit)	(69,055)	-	-	-
Total Fund Balances (Deficit)	(69,055)	2,876	817,330	3,149
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 35,088	\$ 24,865	\$ 817,330	\$ 31,922

CITY OF RIALTO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	CDBG Fund	Traffic Safety Prop 1B Fund	Neighborhood Stabilization Program Fund	Neighborhood Stabilization Program - Program Income Fund
Assets:				
Pooled cash and investments	\$ -	\$ 420	\$ -	\$ 1,099,241
Receivables:				
Accounts	-	-	-	2,600
Notes and loans	-	-	-	-
Due from other governments	1,183,960	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 1,183,960	\$ 420	\$ -	\$ 1,101,841
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 316,164	\$ -	\$ 188	\$ -
Accrued liabilities	51	-	-	-
Unearned revenues	-	-	-	2,600
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	925,870	-	35,482	-
Total Liabilities	1,242,085	-	35,670	2,600
Deferred Inflows of Resources:				
Unavailable revenues	740,691	-	-	-
Total Deferred Inflows of Resources	740,691	-	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	-	-
Community development projects	-	420	-	1,099,241
Unassigned (Deficit)	(798,816)	-	(35,670)	-
Total Fund Balances (Deficit)	(798,816)	420	(35,670)	1,099,241
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 1,183,960	\$ 420	\$ -	\$ 1,101,841

CITY OF RIALTO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Special Revenue Funds			
	Measure I Fund	Brownfield Clean Up Grant Fund	Fire Grant Fund	Fire Ground Emergency Transportation Fund
Assets:				
Pooled cash and investments	\$ 7,812,626	\$ 17,296	\$ 590,510	\$ 9,768,693
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Due from other governments	701,102	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 8,513,728	\$ 17,296	\$ 590,510	\$ 9,768,693
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 310,385	\$ -	\$ -	\$ 3,127
Accrued liabilities	14,954	-	-	-
Unearned revenues	-	-	400,000	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	325,339	-	400,000	3,127
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	190,510	9,765,566
Community development projects	8,188,389	17,296	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	8,188,389	17,296	190,510	9,765,566
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 8,513,728	\$ 17,296	\$ 590,510	\$ 9,768,693

CITY OF RIALTO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Cal Home Fund	Housing Authority Fund	Public, Educational, and Governmental (PEG) Fees Fund	Transportation Development Act (TDA) Fund
Assets:				
Pooled cash and investments	\$ 1,639,791	\$ 2,070,942	\$ 327,786	\$ -
Receivables:				
Accounts	47,528	-	30,725	226,000
Notes and loans	1,097,647	1,041,952	-	-
Due from other governments	-	-	-	-
Land held for resale	-	970,400	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 2,784,966	\$ 4,083,294	\$ 358,511	\$ 226,000
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 9,566	\$ 912	\$ 66	\$ -
Accrued liabilities	-	1,276	-	-
Unearned revenues	-	-	-	226,000
Deposits payable	-	10,000	-	-
Due to other governments	-	5,277	-	-
Due to other funds	-	-	-	205,192
Total Liabilities	9,566	17,465	66	431,192
Deferred Inflows of Resources:				
Unavailable revenues	1,097,647	1,036,675	-	-
Total Deferred Inflows of Resources	1,097,647	1,036,675	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	-	-
Community development projects	1,677,753	3,029,154	358,445	-
Unassigned (Deficit)	-	-	-	(205,192)
Total Fund Balances (Deficit)	1,677,753	3,029,154	358,445	(205,192)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 2,784,966	\$ 4,083,294	\$ 358,511	\$ 226,000

CITY OF RIALTO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**
Special Revenue Funds

	Street Medians Development Fund	Special Deposits	Confiscated Funds	Local Drainage Fund
Assets:				
Pooled cash and investments	\$ 276,482	\$ 601,506	\$ 2,472,212	\$ 24,161,459
Receivables:				
Accounts	-	54,040	915	180,184
Notes and loans	-	29,926	-	-
Due from other governments	-	79,327	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	1,406,361	-	-
Total Assets	\$ 276,482	\$ 2,171,160	\$ 2,473,127	\$ 24,341,643
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ -	\$ 86,652	\$ -	\$ 2,350
Accrued liabilities	-	1,783,441	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	301,067	2,473,127	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	2,171,160	2,473,127	2,350
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	-
Public safety	-	-	-	-
Community development projects	276,482	-	-	24,339,293
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	276,482	-	-	24,339,293
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 276,482	\$ 2,171,160	\$ 2,473,127	\$ 24,341,643

CITY OF RIALTO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Capital Projects Funds			Debt Service Fund
	Fair Share Agreement Fund	2005 TABs Fund	2008 TABs Fund	1997 COP Fund
Assets:				
Pooled cash and investments	\$ 11,722,257	\$ 6,687,613	\$ 2,395,121	\$ 193,639
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	2,263,119	-
Due from other governments	-	-	-	369,700
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Total Assets	\$ 11,722,257	\$ 6,687,613	\$ 4,658,240	\$ 563,339
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):				
Liabilities:				
Accounts payable	\$ 1,938	\$ 305,116	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	1,938	305,116	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficit):				
Restricted for:				
Debt service	-	-	-	563,339
Public safety	-	-	-	-
Community development projects	11,720,319	6,382,497	4,658,240	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	11,720,319	6,382,497	4,658,240	563,339
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 11,722,257	\$ 6,687,613	\$ 4,658,240	\$ 563,339

CITY OF RIALTO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Total Governmental Funds
Assets:	
Pooled cash and investments	\$ 134,355,159
Receivables:	
Accounts	5,155,185
Notes and loans	4,592,834
Due from other governments	3,018,457
Land held for resale	970,400
Restricted assets:	
Cash and investments	3,221,041
Total Assets	\$ 151,313,076
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit):	
Liabilities:	
Accounts payable	\$ 2,228,101
Accrued liabilities	1,833,483
Unearned revenues	1,218,189
Deposits payable	2,784,194
Due to other governments	5,277
Due to other funds	1,271,896
Total Liabilities	9,341,140
Deferred Inflows of Resources:	
Unavailable revenues	3,168,107
Total Deferred Inflows of Resources	3,168,107
Fund Balances (Deficit):	
Restricted for:	
Debt service	563,339
Public safety	15,396,933
Community development projects	123,963,690
Unassigned (Deficit)	(1,120,133)
Total Fund Balances (Deficit)	138,803,829
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficit)	\$ 151,313,076

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CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Gas Tax Fund	Transportation Enhancement Activities Fund	Street Lighting and Landscape Maintenance Fund	Landscape and Lighting District No. 2 Fund
Revenues:				
Taxes	\$ -	\$ -	\$ 1,396,754	\$ 952,698
Revenue from Other Agencies	4,836,119	-	-	-
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	25,585	-	1,232	914
Developer participation	-	-	-	-
Miscellaneous	-	-	79,214	73,920
Total Revenues	4,861,704	-	1,477,200	1,027,532
Expenditures:				
Current:				
General government	-	-	-	649,333
Public safety	-	-	-	-
Community development	171,244	-	1,866,564	98,927
Capital outlay	683,230	-	-	-
Debt service:				
Principal retirement	-	-	178,631	22,078
Interest and fiscal charges	-	-	100,748	12,453
Total Expenditures	854,474	-	2,145,943	782,791
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,007,230	-	(668,743)	244,741
Other Financing Sources (Uses):				
Transfers in	-	-	690,395	-
Transfers out	(11,577)	-	(6,478)	(20,070)
Total Other Financing Sources (Uses)	(11,577)	-	683,917	(20,070)
Net Change in Fund Balances	3,995,653	-	15,174	224,671
Fund Balances (Deficit), Beginning of Year	7,944,347	(11,400)	360,216	227,272
Fund Balances (Deficit), End of Year	\$ 11,940,000	\$ (11,400)	\$ 375,390	\$ 451,943

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Traffic Development Fund	Office of Traffic Safety Fund	Retirement Tax Fund	Open Space Development Fund
Revenues:				
Taxes	\$ -	\$ -	\$ 77	\$ -
Revenue from Other Agencies	-	108,108	-	-
Charges for services	-	6,938	-	-
Use of money and property (loss on fair market value of investments)	32,486	-	-	5,853
Developer participation	2,438,540	-	-	125,499
Miscellaneous	-	131,253	-	-
Total Revenues	2,471,026	246,299	77	131,352
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	8,923	257,719	-	953
Capital outlay	220,529	-	-	10,684
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	229,452	257,719	-	11,637
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,241,574	(11,420)	77	119,715
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(45,622)	-	-	(4,346)
Total Other Financing Sources (Uses)	(45,622)	-	-	(4,346)
Net Change in Fund Balances	2,195,952	(11,420)	77	115,369
Fund Balances (Deficit), Beginning of Year	21,276,644	46,603	90	2,103,238
Fund Balances (Deficit), End of Year	\$ 23,472,596	\$ 35,183	\$ 167	\$ 2,218,607

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	General Facilities Development Fund	Library Facilities Development Fund	Major Grant Funding Fund	Police Development Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	-	-	3,339,318	-
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	7,407	225	-	5,662
Developer participation	549,538	-	-	348,083
Miscellaneous	-	-	-	-
Total Revenues	556,945	225	3,339,318	353,745
Expenditures:				
Current:				
General government	1,207	-	207,900	-
Public safety	-	-	-	922
Community development	-	37	-	-
Capital outlay	433,198	-	526,054	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	434,405	37	733,954	922
Excess (Deficiency) of Revenues Over (Under) Expenditures	122,540	188	2,605,364	352,823
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	122,540	188	2,605,364	352,823
Fund Balances (Deficit), Beginning of Year	2,651,388	82,379	6,177,177	1,973,054
Fund Balances (Deficit), End of Year	\$ 2,773,928	\$ 82,567	\$ 8,782,541	\$ 2,325,877

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Fire Development Fund	Waste Management Fund	South Coast Air Quality Management (SCAQMD) Fund	Asset Forfeiture Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	-	1,360,925	98,518	62,981
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	2,073	28,528	1,695	5,166
Developer participation	274,636	-	-	-
Miscellaneous	-	859,959	-	125,886
Total Revenues	276,709	2,249,412	100,213	194,033
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	350,352	-	-	349,873
Community development	-	761,504	26,144	-
Capital outlay	27,574	1,608	34,872	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	377,926	763,112	61,016	349,873
Excess (Deficiency) of Revenues Over (Under) Expenditures	(101,217)	1,486,300	39,197	(155,840)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(6)	(15,874)	(4,926)	-
Total Other Financing Sources (Uses)	(6)	(15,874)	(4,926)	-
Net Change in Fund Balances	(101,223)	1,470,426	34,271	(155,840)
Fund Balances (Deficit), Beginning of Year	535,115	9,951,496	624,170	2,016,449
Fund Balances (Deficit), End of Year	\$ 433,892	\$ 11,421,922	\$ 658,441	\$ 1,860,609

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Police Grants Fund	Community Services Grant Fund	Citizens Option for Public Safety Fund	Local Law Enforcement Block Grant Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	114,717	369,989	255,019	-
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	-	-	1,645	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	114,717	369,989	256,664	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	114,715	-	78,146	-
Community development	-	76,416	-	-
Capital outlay	-	-	56,515	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	114,715	76,416	134,661	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2	293,573	122,003	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	2	293,573	122,003	-
Fund Balances (Deficit), Beginning of Year	(69,057)	(290,697)	695,327	3,149
Fund Balances (Deficit), End of Year	\$ (69,055)	\$ 2,876	\$ 817,330	\$ 3,149

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	CDBG Fund	Traffic Safety Prop 1B Fund	Neighborhood Stabilization Program Fund	Neighborhood Stabilization Program - Program Income Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	1,361,767	-	-	-
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	-	-	-	2,969
Developer participation	-	-	-	-
Miscellaneous	-	-	-	27,000
Total Revenues	1,361,767	-	-	29,969
Expenditures:				
Current:				
General government	359,384	-	14,918	484
Public safety	-	-	-	-
Community development	-	-	-	-
Capital outlay	424,510	-	-	-
Debt service:				
Principal retirement	410,000	-	-	-
Interest and fiscal charges	77,884	-	-	-
Total Expenditures	1,271,778	-	14,918	484
Excess (Deficiency) of Revenues Over (Under) Expenditures	89,989	-	(14,918)	29,485
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(55,559)	-	-	-
Total Other Financing Sources (Uses)	(55,559)	-	-	-
Net Change in Fund Balances	34,430	-	(14,918)	29,485
Fund Balances (Deficit), Beginning of Year	(833,246)	420	(20,752)	1,069,756
Fund Balances (Deficit), End of Year	\$ (798,816)	\$ 420	\$ (35,670)	\$ 1,099,241

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Measure I Fund	Brownfield Clean Up Grant Fund	Fire Grant Fund	Fire Ground Emergency Transportation Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	2,692,998	-	-	1,355,657
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	19,831	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,712,829	-	-	1,355,657
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	50,989
Community development	96,669	-	-	-
Capital outlay	1,337,764	-	-	137,262
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,434,433	-	-	188,251
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,278,396	-	-	1,167,406
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(6,234)	-	-	-
Total Other Financing Sources (Uses)	(6,234)	-	-	-
Net Change in Fund Balances	1,272,162	-	-	1,167,406
Fund Balances (Deficit), Beginning of Year	6,916,227	17,296	190,510	8,598,160
Fund Balances (Deficit), End of Year	\$ 8,188,389	\$ 17,296	\$ 190,510	\$ 9,765,566

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Cal Home Fund	Housing Authority Fund	Public, Educational, and Governmental (PEG) Fees Fund	Transportation Development Act (TDA) Fund
Revenues:				
Taxes	\$ -	\$ -	\$ 122,133	\$ -
Revenue from Other Agencies	-	-	-	-
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	4,113	5,578	(809)	-
Developer participation	-	-	-	-
Miscellaneous	310,806	62,652	-	-
Total Revenues	314,919	68,230	121,324	-
Expenditures:				
Current:				
General government	15,710	70,786	25,115	-
Public safety	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	226,000
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	15,710	70,786	25,115	226,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	299,209	(2,556)	96,209	(226,000)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(1,399)	(2,499)	-	(64)
Total Other Financing Sources (Uses)	(1,399)	(2,499)	-	(64)
Net Change in Fund Balances	297,810	(5,055)	96,209	(226,064)
Fund Balances (Deficit), Beginning of Year	1,379,943	3,034,209	262,236	20,872
Fund Balances (Deficit), End of Year	\$ 1,677,753	\$ 3,029,154	\$ 358,445	\$ (205,192)

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			
	Street Medians Development Fund	Special Deposits	Confiscated Funds	Local Drainage Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	-	-	-	-
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	753	-	-	61,836
Developer participation	-	-	-	2,604,628
Miscellaneous	-	-	-	-
Total Revenues	753	-	-	2,666,464
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	123	-	-	10,072
Capital outlay	-	-	-	233,698
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	123	-	-	243,770
Excess (Deficiency) of Revenues Over (Under) Expenditures	630	-	-	2,422,694
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(2,403)	-	-	(19,033)
Total Other Financing Sources (Uses)	(2,403)	-	-	(19,033)
Net Change in Fund Balances	(1,773)	-	-	2,403,661
Fund Balances (Deficit), Beginning of Year	278,255	-	-	21,935,632
Fund Balances (Deficit), End of Year	\$ 276,482	\$ -	\$ -	\$ 24,339,293

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Capital Project Funds			Debt Service Funds
	Fair Share Agreement Fund	2005 TABs Fund	2008 TABs Fund	1997 COP Fund
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	-	-	-	184,850
Charges for services	-	-	-	-
Use of money and property (loss on fair market value of investments)	30,869	21,857	10,591	695
Developer participation	915,136	-	-	-
Miscellaneous	-	-	-	26
Total Revenues	946,005	21,857	10,591	185,571
Expenditures:				
Current:				
General government	-	-	1,725	-
Public safety	-	-	-	-
Community development	5,028	-	-	-
Capital outlay	630,475	2,422,477	49,020	-
Debt service:				
Principal retirement	-	-	-	234,900
Interest and fiscal charges	-	-	-	6,509
Total Expenditures	635,503	2,422,477	50,745	241,409
Excess (Deficiency) of Revenues Over (Under) Expenditures	310,502	(2,400,620)	(40,154)	(55,838)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(25,517)	-	-	(1,141)
Total Other Financing Sources (Uses)	(25,517)	-	-	(1,141)
Net Change in Fund Balances	284,985	(2,400,620)	(40,154)	(56,979)
Fund Balances (Deficit), Beginning of Year	11,435,334	8,783,117	4,698,394	620,318
Fund Balances (Deficit), End of Year	\$ 11,720,319	\$ 6,382,497	\$ 4,658,240	\$ 563,339

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Total Governmental Funds
Revenues:	
Taxes	\$ 2,471,662
Revenue from Other Agencies	16,140,966
Charges for services	6,938
Use of money and property (loss on fair market value of investments)	276,754
Developer participation	7,256,060
Miscellaneous	1,670,716
Total Revenues	27,823,096
Expenditures:	
Current:	
General government	1,346,562
Public safety	944,997
Community development	3,380,323
Capital outlay	7,455,470
Debt service:	
Principal retirement	845,609
Interest and fiscal charges	197,594
Total Expenditures	14,170,555
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,652,541
Other Financing Sources (Uses):	
Transfers in	690,395
Transfers out	(222,748)
Total Other Financing Sources (Uses)	467,647
Net Change in Fund Balances	14,120,188
Fund Balances (Deficit), Beginning of Year	124,683,641
Fund Balances (Deficit), End of Year	\$ 138,803,829

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 GAS TAX FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 7,944,347	\$ 7,944,347	\$ 7,944,347	\$ -
Resources (Inflows):				
Intergovernmental	4,831,673	7,303,673	4,836,119	(2,467,554)
Use of money and property	35,720	35,720	25,585	(10,135)
Amounts Available for Appropriations	12,811,740	15,283,740	12,806,051	(2,477,689)
Charges to Appropriation (Outflow):				
Community development	-	167,077	171,244	(4,167)
Capital outlay	3,300,000	15,231,392	683,230	14,548,162
Transfers out	1,011,577	11,577	11,577	-
Total Charges to Appropriations	4,311,577	15,410,046	866,051	14,543,995
Budgetary Fund Balance, June 30	\$ 8,500,163	\$ (126,306)	\$ 11,940,000	\$ 12,066,306

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION ENHANCEMENT ACTIVITIES FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (11,400)	\$ (11,400)	\$ (11,400)	\$ -
Resources (Inflows):				
Intergovernmental	-	20,472	-	(20,472)
Amounts Available for Appropriations	(11,400)	9,072	(11,400)	(20,472)
Charges to Appropriation (Outflow):				
Capital outlay	-	9,072	-	9,072
Total Charges to Appropriations	-	9,072	-	9,072
Budgetary Fund Balance, June 30	\$ (11,400)	\$ -	\$ (11,400)	\$ (11,400)

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
STREET LIGHTING AND LANDSCAPE MAINTENANCE FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 360,216	\$ 360,216	\$ 360,216	\$ -
Resources (Inflows):				
Taxes	1,385,895	1,385,895	1,396,754	10,859
Use of money and property	15,310	15,310	1,232	(14,078)
Miscellaneous	-	-	79,214	79,214
Transfers in	690,395	690,395	690,395	-
Amounts Available for Appropriations	2,451,816	2,451,816	2,527,811	75,995
Charges to Appropriation (Outflow):				
Community development	2,124,640	2,126,840	1,866,564	260,276
Capital outlay	-	14,185	-	14,185
Debt service:				
Principal retirement	172,906	172,906	178,631	(5,725)
Interest and fiscal charges	106,625	106,625	100,748	5,877
Transfers out	6,478	6,478	6,478	-
Total Charges to Appropriations	2,410,649	2,427,034	2,152,421	274,613
Budgetary Fund Balance, June 30	\$ 41,167	\$ 24,782	\$ 375,390	\$ 350,608

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
LANDSCAPE AND LIGHTING DISTRICT NO. 2 FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 227,272	\$ 227,272	\$ 227,272	\$ -
Resources (Inflows):				
Taxes	929,915	929,915	952,698	22,783
Use of money and property	7,180	7,180	914	(6,266)
Miscellaneous	50,000	50,000	73,920	23,920
Amounts Available for Appropriations	1,214,367	1,214,367	1,254,804	40,437
Charges to Appropriation (Outflow):				
General government	844,461	845,436	649,333	196,103
Community development	127,073	130,439	98,927	31,512
Debt service:				
Principal retirement	21,371	21,371	22,078	(707)
Interest and fiscal charges	13,179	13,179	12,453	726
Transfers out	20,070	20,070	20,070	-
Total Charges to Appropriations	1,026,154	1,030,495	802,861	227,634
Budgetary Fund Balance, June 30	\$ 188,213	\$ 183,872	\$ 451,943	\$ 268,071

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 TRAFFIC DEVELOPMENT FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 21,276,644	\$21,276,644	\$ 21,276,644	\$ -
Resources (Inflows):				
Use of money and property	285,090	285,090	32,486	(252,604)
Developer participation	890,000	890,000	2,438,540	1,548,540
Amounts Available for Appropriations	22,451,734	22,451,734	23,747,670	1,295,936
Charges to Appropriation (Outflow):				
Community development	-	-	8,923	(8,923)
Capital outlay	5,800,000	18,993,639	220,529	18,773,110
Transfers out	45,622	45,622	45,622	-
Total Charges to Appropriations	5,845,622	19,039,261	275,074	18,764,187
Budgetary Fund Balance, June 30	\$ 16,606,112	\$ 3,412,473	\$ 23,472,596	\$ 20,060,123

CITY OF RIALTO

**BUDGETARY COMPARISON SCHEDULE
 OFFICE OF TRAFFIC SAFETY FUND
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 46,603	\$ 46,603	\$ 46,603	\$ -
Resources (Inflows):				
Intergovernmental	-	111,061	108,108	(2,953)
Charges for services	-	-	6,938	6,938
Miscellaneous	-	351,000	131,253	(219,747)
Amounts Available for Appropriations	46,603	508,664	292,902	(215,762)
Charges to Appropriation (Outflow):				
Community development	28,000	529,649	257,719	271,930
Capital outlay	-	61,540	-	61,540
Total Charges to Appropriations	28,000	591,189	257,719	333,470
Budgetary Fund Balance, June 30	\$ 18,603	\$ (82,525)	\$ 35,183	\$ 117,708

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 RETIREMENT TAX FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 90	\$ 90	\$ 90	\$ -
Resources (Inflows):				
Taxes	200	200	77	(123)
Amounts Available for Appropriations	290	290	167	(123)
Charges to Appropriation (Outflow):				
Transfers out	200	200	-	200
Total Charges to Appropriations	200	200	-	200
Budgetary Fund Balance, June 30	\$ 90	\$ 90	\$ 167	\$ 77

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
OPEN SPACE DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,103,238	\$ 2,103,238	\$ 2,103,238	\$ -
Resources (Inflows):				
Use of money and property	23,360	23,360	5,853	(17,507)
Developer participation	315,000	315,000	125,499	(189,501)
Amounts Available for Appropriations	2,441,598	2,441,598	2,234,590	(207,008)
Charges to Appropriation (Outflow):				
Community development	-	-	953	(953)
Capital outlay	-	974,396	10,684	963,712
Transfers out	4,346	4,346	4,346	-
Total Charges to Appropriations	4,346	978,742	15,983	962,759
Budgetary Fund Balance, June 30	\$ 2,437,252	\$ 1,462,856	\$ 2,218,607	\$ 755,751

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
GENERAL FACILITIES DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,651,388	\$ 2,651,388	\$ 2,651,388	\$ -
Resources (Inflows):				
Use of money and property	30,880	30,880	7,407	(23,473)
Developer participation	324,000	324,000	549,538	225,538
Amounts Available for Appropriations	3,006,268	3,006,268	3,208,333	202,065
Charges to Appropriation (Outflow):				
General government	-	-	1,207	(1,207)
Capital outlay	-	1,315,707	433,198	882,509
Total Charges to Appropriations	-	1,315,707	434,405	881,302
Budgetary Fund Balance, June 30	\$ 3,006,268	\$ 1,690,561	\$ 2,773,928	\$ 1,083,367

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
LIBRARY FACILITIES DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 82,379	\$ 82,379	\$ 82,379	\$ -
Resources (Inflows):				
Use of money and property	1,490	1,490	225	(1,265)
Amounts Available for Appropriations	83,869	83,869	82,604	(1,265)
Charges to Appropriation (Outflow):				
Community development	-	-	37	(37)
Total Charges to Appropriations	-	-	37	(37)
Budgetary Fund Balance, June 30	\$ 83,869	\$ 83,869	\$ 82,567	\$ (1,302)

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 MAJOR GRANT FUNDING FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 6,177,177	\$ 6,177,177	\$ 6,177,177	\$ -
Resources (Inflows):				
Intergovernmental	1,231,334	13,811,157	3,339,318	(10,471,839)
Miscellaneous	-	810,000	-	(810,000)
Amounts Available for Appropriations	7,408,511	20,798,334	9,516,495	(11,281,839)
Charges to Appropriation (Outflow):				
General government	-	1,843,980	207,900	1,636,080
Community development	-	9,418	-	9,418
Capital outlay	-	14,521,552	526,054	13,995,498
Total Charges to Appropriations	-	16,374,950	733,954	15,640,996
Budgetary Fund Balance, June 30	\$ 7,408,511	\$ 4,423,384	\$ 8,782,541	\$ 4,359,157

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
POLICE DEVELOPMENT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,973,054	\$ 1,973,054	\$ 1,973,054	\$ -
Resources (Inflows):				
Use of money and property	18,060	18,060	5,662	(12,398)
Developer participation	425,000	425,000	348,083	(76,917)
Amounts Available for Appropriations	2,416,114	2,416,114	2,326,799	(89,315)
Charges to Appropriation (Outflow):				
Public safety	-	-	922	(922)
Total Charges to Appropriations	-	-	922	(922)
Budgetary Fund Balance, June 30	\$ 2,416,114	\$ 2,416,114	\$ 2,325,877	\$ (90,237)

CITY OF RIALTO

**BUDGETARY COMPARISON SCHEDULE
 FIRE DEVELOPMENT FUND
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 535,115	\$ 535,115	\$ 535,115	\$ -
Resources (Inflows):				
Use of money and property	-	-	2,073	2,073
Developer participation	100,000	100,000	274,636	174,636
Amounts Available for Appropriations	635,115	635,115	811,824	176,709
Charges to Appropriation (Outflow):				
Public safety	-	-	350,352	(350,352)
Capital outlay	-	2,037,355	27,574	2,009,781
Transfers out	6	6	6	-
Total Charges to Appropriations	6	2,037,361	377,932	1,659,429
Budgetary Fund Balance, June 30	\$ 635,109	\$ (1,402,246)	\$ 433,892	\$ 1,836,138

CITY OF RIALTO

**BUDGETARY COMPARISON SCHEDULE
WASTE MANAGEMENT FUND
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 9,951,496	\$ 9,951,496	\$ 9,951,496	\$ -
Resources (Inflows):				
Intergovernmental	1,633,502	1,633,502	1,360,925	(272,577)
Use of money and property	86,480	86,480	28,528	(57,952)
Miscellaneous	640,910	640,910	859,959	219,049
Amounts Available for Appropriations	12,312,388	12,312,388	12,200,908	(111,480)
Charges to Appropriation (Outflow):				
General government	-	1,027	-	1,027
Community development	1,132,493	1,137,570	761,504	376,066
Capital outlay	1,550,000	7,898,442	1,608	7,896,834
Transfers out	15,874	15,874	15,874	-
Total Charges to Appropriations	2,698,367	9,052,913	778,986	8,273,927
Budgetary Fund Balance, June 30	\$ 9,614,021	\$ 3,259,475	\$ 11,421,922	\$ 8,162,447

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
SOUTH COAST AIR QUALITY MANAGEMENT (SCAQMD) FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 624,170	\$ 624,170	\$ 624,170	\$ -
Resources (Inflows):				
Intergovernmental	138,800	138,800	98,518	(40,282)
Use of money and property	5,070	5,070	1,695	(3,375)
Amounts Available for Appropriations	768,040	768,040	724,383	(43,657)
Charges to Appropriation (Outflow):				
Community development	58,480	371,790	26,144	345,646
Capital outlay	-	444,274	34,872	409,402
Transfers out	6,940	6,940	4,926	2,014
Total Charges to Appropriations	65,420	823,004	65,942	757,062
Budgetary Fund Balance, June 30	\$ 702,620	\$ (54,964)	\$ 658,441	\$ 713,405

CITY OF RIALTO

**BUDGETARY COMPARISON SCHEDULE
 ASSET FORFEITURE FUND
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 2,016,449	\$ 2,016,449	\$ 2,016,449	\$ -
Resources (Inflows):				
Intergovernmental	-	-	62,981	62,981
Use of money and property	32,050	32,050	5,166	(26,884)
Miscellaneous	-	-	125,886	125,886
Amounts Available for Appropriations	2,048,499	2,048,499	2,210,482	161,983
Charges to Appropriation (Outflow):				
General government	-	3,638	-	3,638
Public safety	699,500	882,402	349,873	532,529
Capital outlay	570,000	570,000	-	570,000
Total Charges to Appropriations	1,269,500	1,456,040	349,873	1,106,167
Budgetary Fund Balance, June 30	\$ 778,999	\$ 592,459	\$ 1,860,609	\$ 1,268,150

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
POLICE GRANTS FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (69,057)	\$ (69,057)	\$ (69,057)	\$ -
Resources (Inflows):				
Intergovernmental	-	520,504	114,717	(405,787)
Miscellaneous	-	28,064	-	(28,064)
Amounts Available for Appropriations	(69,057)	479,511	45,660	(433,851)
Charges to Appropriation (Outflow):				
Public safety	-	553,230	114,715	438,515
Total Charges to Appropriations	-	553,230	114,715	438,515
Budgetary Fund Balance, June 30	\$ (69,057)	\$ (73,719)	\$ (69,055)	\$ 4,664

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
COMMUNITY SERVICES GRANT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (290,697)	\$ (290,697)	\$ (290,697)	\$ -
Resources (Inflows):				
Intergovernmental	-	818,566	369,989	(448,577)
Amounts Available for Appropriations	(290,697)	527,869	79,292	(448,577)
Charges to Appropriation (Outflow):				
Community development	4,747	605,976	76,416	529,560
Capital outlay	-	243,374	-	243,374
Total Charges to Appropriations	4,747	849,350	76,416	772,934
Budgetary Fund Balance, June 30	\$ (295,444)	\$ (321,481)	\$ 2,876	\$ 324,357

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
CITIZENS OPTION FOR PUBLIC SAFETY FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 695,327	\$ 695,327	\$ 695,327	\$ -
Resources (Inflows):				
Intergovernmental	2,500	266,757	255,019	(11,738)
Use of money and property	9,350	9,350	1,645	(7,705)
Amounts Available for Appropriations	707,177	971,434	951,991	(19,443)
Charges to Appropriation (Outflow):				
Public safety	7,800	584,279	78,146	506,133
Capital outlay	-	387,452	56,515	330,937
Total Charges to Appropriations	7,800	971,731	134,661	837,070
Budgetary Fund Balance, June 30	\$ 699,377	\$ (297)	\$ 817,330	\$ 817,627

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
LOCAL LAW ENFORCEMENT BLOCK GRANT FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 3,149	\$ 3,149	\$ 3,149	\$ -
Resources (Inflows):				
Intergovernmental	-	150,532	-	(150,532)
Use of money and property	40	40	-	(40)
Amounts Available for Appropriations	3,189	153,721	3,149	(150,572)
Charges to Appropriation (Outflow):				
General government	-	122,205	-	122,205
Community development	-	28,327	-	28,327
Total Charges to Appropriations	-	150,532	-	150,532
Budgetary Fund Balance, June 30	\$ 3,189	\$ 3,189	\$ 3,149	\$ (40)

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 CDBG FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (833,246)	\$ (833,246)	\$ (833,246)	\$ -
Resources (Inflows):				
Intergovernmental	1,451,284	3,250,235	1,361,767	(1,888,468)
Amounts Available for Appropriations	618,038	2,416,989	528,521	(1,888,468)
Charges to Appropriation (Outflow):				
General government	335,446	1,514,563	359,384	1,155,179
Capital outlay	574,765	1,398,642	424,510	974,132
Debt service:				
Principal retirement	350,000	410,000	410,000	-
Interest and fiscal charges	78,760	84,360	77,884	6,476
Transfers out	112,313	112,313	55,559	56,754
Total Charges to Appropriations	1,451,284	3,519,878	1,327,337	2,192,541
Budgetary Fund Balance, June 30	\$ (833,246)	\$ (1,102,889)	\$ (798,816)	\$ 304,073

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 NEIGHBORHOOD STABILIZATION PROGRAM FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (20,752)	\$ (20,752)	\$ (20,752)	\$ -
Charges to Appropriation (Outflow):				
General government	-	14,918	14,918	-
Total Charges to Appropriations	-	14,918	14,918	-
Budgetary Fund Balance, June 30	\$ (20,752)	\$ (35,670)	\$ (35,670)	\$ -

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
NEIGHBORHOOD STABILIZATION PROGRAM - PROGRAM INCOME FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,069,756	\$ 1,069,756	\$ 1,069,756	\$ -
Resources (Inflows):				
Use of money and property	10,180	10,180	2,969	(7,211)
Miscellaneous	42,000	42,000	27,000	(15,000)
Amounts Available for Appropriations	1,121,936	1,121,936	1,099,725	(22,211)
Charges to Appropriation (Outflow):				
General government	-	-	484	(484)
Transfers out	5,000	8,922	-	8,922
Total Charges to Appropriations	5,000	8,922	484	8,438
Budgetary Fund Balance, June 30	\$ 1,116,936	\$ 1,113,014	\$ 1,099,241	\$ (13,773)

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 MEASURE I FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 6,916,227	\$ 6,916,227	\$ 6,916,227	\$ -
Resources (Inflows):				
Intergovernmental	1,864,733	1,864,733	2,692,998	828,265
Use of money and property	72,080	72,080	19,831	(52,249)
Amounts Available for Appropriations	8,853,040	8,853,040	9,629,056	776,016
Charges to Appropriation (Outflow):				
Community development	100,000	607,471	96,669	510,802
Capital outlay	1,930,000	7,631,683	1,337,764	6,293,919
Transfers out	6,234	6,234	6,234	-
Total Charges to Appropriations	2,036,234	8,245,388	1,440,667	6,804,721
Budgetary Fund Balance, June 30	\$ 6,816,806	\$ 607,652	\$ 8,188,389	\$ 7,580,737

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 FIRE GRANT FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 190,510	\$ 190,510	\$ 190,510	\$ -
Resources (Inflows):				
Intergovernmental	-	423,885	-	(423,885)
Amounts Available for Appropriations	190,510	614,395	190,510	(423,885)
Charges to Appropriation (Outflow):				
Public safety	-	23,885	-	23,885
Capital outlay	-	400,000	-	400,000
Total Charges to Appropriations	-	423,885	-	423,885
Budgetary Fund Balance, June 30	\$ 190,510	\$ 190,510	\$ 190,510	\$ -

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
FIRE GROUND EMERGENCY TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 8,598,160	\$ 8,598,160	\$ 8,598,160	\$ -
Resources (Inflows):				
Intergovernmental	-	-	1,355,657	1,355,657
Amounts Available for Appropriations	8,598,160	8,598,160	9,953,817	1,355,657
Charges to Appropriation (Outflow):				
Public safety	128,133	128,133	50,989	77,144
Capital outlay	-	469,672	137,262	332,410
Total Charges to Appropriations	128,133	597,805	188,251	409,554
Budgetary Fund Balance, June 30	\$ 8,470,027	\$ 8,000,355	\$ 9,765,566	\$ 1,765,211

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 CAL HOME FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,379,943	\$ 1,379,943	\$ 1,379,943	\$ -
Resources (Inflows):				
Use of money and property	13,810	13,810	4,113	(9,697)
Miscellaneous	115,000	115,000	310,806	195,806
Amounts Available for Appropriations	1,508,753	1,508,753	1,694,862	186,109
Charges to Appropriation (Outflow):				
General government	115,040	424,416	15,710	408,706
Transfers out	1,399	1,399	1,399	-
Total Charges to Appropriations	116,439	425,815	17,109	408,706
Budgetary Fund Balance, June 30	\$ 1,392,314	\$ 1,082,938	\$ 1,677,753	\$ 594,815

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
HOUSING AUTHORITY FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 3,034,209	\$ 3,034,209	\$ 3,034,209	\$ -
Resources (Inflows):				
Use of money and property	19,160	19,160	5,578	(13,582)
Miscellaneous	100,550	100,550	62,652	(37,898)
Amounts Available for Appropriations	3,153,919	3,153,919	3,102,439	(51,480)
Charges to Appropriation (Outflow):				
General government	166,266	167,421	70,786	96,635
Transfers out	2,499	2,499	2,499	-
Total Charges to Appropriations	168,765	169,920	73,285	96,635
Budgetary Fund Balance, June 30	\$ 2,985,154	\$ 2,983,999	\$ 3,029,154	\$ 45,155

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
PUBLIC, EDUCATIONAL, AND GOVERNMENTAL (PEG) FEES FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 262,236	\$ 262,236	\$ 262,236	\$ -
Resources (Inflows):				
Taxes	11,500	11,500	122,133	110,633
Use of money and property (loss on fair market value of investments)	3,230	3,230	(809)	(4,039)
Amounts Available for Appropriations	276,966	276,966	383,560	106,594
Charges to Appropriation (Outflow):				
General government	-	-	25,115	(25,115)
Capital outlay	73,000	138,634	-	138,634
Total Charges to Appropriations	73,000	138,634	25,115	113,519
Budgetary Fund Balance, June 30	\$ 203,966	\$ 138,332	\$ 358,445	\$ 220,113

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION DEVELOPMENT ACT (TDA) FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 20,872	\$ 20,872	\$ 20,872	\$ -
Resources (Inflows):				
Intergovernmental	-	1,168,518	-	(1,168,518)
Amounts Available for Appropriations	20,872	1,189,390	20,872	(1,168,518)
Charges to Appropriation (Outflow):				
Capital outlay	-	1,408,950	226,000	1,182,950
Transfers out	64	64	64	-
Total Charges to Appropriations	64	1,409,014	226,064	1,182,950
Budgetary Fund Balance, June 30	\$ 20,808	\$ (219,624)	\$ (205,192)	\$ 14,432

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 STREET MEDIANS DEVELOPMENT FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 278,255	\$ 278,255	\$ 278,255	\$ -
Resources (Inflows):				
Use of money and property	3,250	3,250	753	(2,497)
Amounts Available for Appropriations	281,505	281,505	279,008	(2,497)
Charges to Appropriation (Outflow):				
Community development	-	-	123	(123)
Capital outlay	-	539,600	-	539,600
Transfers out	2,403	2,403	2,403	-
Total Charges to Appropriations	2,403	542,003	2,526	539,477
Budgetary Fund Balance, June 30	\$ 279,102	\$ (260,498)	\$ 276,482	\$ 536,980

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 LOCAL DRAINAGE FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 21,935,632	\$ 21,935,632	\$ 21,935,632	\$ -
Resources (Inflows):				
Use of money and property	216,060	216,060	61,836	(154,224)
Developer participation	3,000,000	3,000,000	2,604,628	(395,372)
Amounts Available for Appropriations	25,151,692	25,151,692	24,602,096	(549,596)
Charges to Appropriation (Outflow):				
Community development	-	-	10,072	(10,072)
Capital outlay	-	16,333,877	233,698	16,100,179
Transfers out	19,033	19,033	19,033	-
Total Charges to Appropriations	19,033	16,352,910	262,803	16,090,107
Budgetary Fund Balance, June 30	\$ 25,132,659	\$ 8,798,782	\$ 24,339,293	\$ 15,540,511

CITY OF RIALTO

**BUDGETARY COMPARISON SCHEDULE
 CAPITAL PROJECTS FUND
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 18,336,724	\$ 18,336,724	\$ 18,336,724	\$ -
Resources (Inflows):				
Use of money and property (loss on fair market value of investments)	178,740	178,740	(39,141)	(217,881)
Miscellaneous	-	-	-	-
Transfers in	3,018,405	46,101,110	46,101,110	-
Amounts Available for Appropriations	21,533,869	64,616,574	64,398,693	(217,881)
Charges to Appropriation (Outflow):				
General government	-	1,000,000	-	1,000,000
Public safety	658,000	908,000	347,394	560,606
Community development	-	1,457,000	13,921	1,443,079
Capital outlay	2,360,405	54,872,039	3,938,181	50,933,858
Transfers out	-	854,550	854,550	-
Total Charges to Appropriations	3,018,405	59,091,589	5,154,046	53,937,543
Budgetary Fund Balance, June 30	\$ 18,515,464	\$ 5,524,985	\$ 59,244,647	\$ 53,719,662

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 FAIR SHARE AGREEMENT FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 11,435,334	\$ 11,435,334	\$ 11,435,334	\$ -
Resources (Inflows):				
Use of money and property	133,560	133,560	30,869	(102,691)
Developer participation	-	-	915,136	915,136
Amounts Available for Appropriations	11,568,894	11,568,894	12,381,339	812,445
Charges to Appropriation (Outflow):				
Community development	-	26,329	5,028	21,301
Capital outlay	-	4,936,183	630,475	4,305,708
Transfers out	25,517	25,517	25,517	-
Total Charges to Appropriations	25,517	4,988,029	661,020	4,327,009
Budgetary Fund Balance, June 30	\$ 11,543,377	\$ 6,580,865	\$ 11,720,319	\$ 5,139,454

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 2005 TABS FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$8,783,117	\$ 8,783,117	\$ 8,783,117	\$ -
Resources (Inflows):				
Use of money and property	102,270	102,270	21,857	(80,413)
Amounts Available for Appropriations	8,885,387	8,885,387	8,804,974	(80,413)
Charges to Appropriation (Outflow):				
Capital outlay	-	8,783,117	2,422,477	6,360,640
Total Charges to Appropriations	-	8,783,117	2,422,477	6,360,640
Budgetary Fund Balance, June 30	\$8,885,387	\$ 102,270	\$ 6,382,497	\$ 6,280,227

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
 2008 TABS FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$4,698,394	\$ 4,698,394	\$ 4,698,394	\$ -
Resources (Inflows):				
Use of money and property	54,940	54,940	10,591	(44,349)
Amounts Available for Appropriations	4,753,334	4,753,334	4,708,985	(44,349)
Charges to Appropriation (Outflow):				
General government	-	-	1,725	(1,725)
Capital outlay	-	4,665,527	49,020	4,616,507
Transfers out	20,260	20,260	-	20,260
Total Charges to Appropriations	20,260	4,685,787	50,745	4,635,042
Budgetary Fund Balance, June 30	\$4,733,074	\$ 67,547	\$ 4,658,240	\$ 4,590,693

CITY OF RIALTO

BUDGETARY COMPARISON SCHEDULE
1997 COP FUND
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 620,318	\$ 620,318	\$ 620,318	\$ -
Resources (Inflows):				
Use of money and property	5,170	5,170	695	(4,475)
Miscellaneous	-	-	26	26
Payment from Successor Agency	-	-	-	-
Amounts Available for Appropriations	810,338	810,338	805,889	(4,449)
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	221,850	221,850	234,900	(13,050)
Interest and fiscal charges	19,935	19,935	6,509	13,426
Transfers out	1,141	1,141	1,141	-
Total Charges to Appropriations	242,926	242,926	242,550	376
Budgetary Fund Balance, June 30	\$ 567,412	\$ 567,412	\$ 563,339	\$ (4,073)

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INTERNAL SERVICE FUNDS

Internal Service Funds finance and account for goods and services provided by one City department to other City departments, or to other governments, on a cost-reimbursement basis, including depreciation. The City used the following Internal Service Funds:

Workers' Compensation Fund - accounts for the City's self-insured workers' compensation claims program.

Fleet Management Fund - accounts for the maintenance of the vehicular fleet and equipment utilized by all departments within the City.

Management Information System Fund - accounts for the City's information technology including hardware, software and related infrastructure within the City.

General Liability Fund - accounts for the City's self-insured general liability program.

Building Maintenance Fund - accounts for general maintenance for City owned buildings including historical landmarks, while maintaining the telephone and voice mail systems of these buildings and specialty lights located in the downtown area.

CITY OF RIALTO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	Internal Service Funds			
	Workers' Compensation Fund	Fleet Management Fund	Management Information System Fund	General Liability Fund
Assets:				
Current:				
Cash and investments	\$ 12,526,877	\$ 1,212,153	\$ 2,725,446	\$ 7,209,890
Receivables:				
Accounts	32,055	-	-	71,055
Inventories	-	39,573	-	-
Total Current Assets	12,558,932	1,251,726	2,725,446	7,280,945
Noncurrent:				
Capital Assets				
Being depreciated (net of accumulated depreciation)	-	58,827	307,013	-
Total Noncurrent Assets	-	58,827	307,013	-
Total Assets	12,558,932	1,310,553	3,032,459	7,280,945
Deferred Outflows of Resources:				
Pension related items	3,506	291,600	43,302	3,506
OPEB related items	5,838	89,040	177,898	5,838
Total Deferred Outflows of Resources	9,344	380,640	221,200	9,344
Liabilities:				
Current:				
Accounts payable	19,512	5,089	173,346	325,475
Accrued liabilities	1,313	16,255	38,183	1,313
Due to other funds	-	-	-	-
Accrued compensated absences	630	7,811	6,242	630
Accrued claims and judgments	3,252,948	-	-	895,579
Total Current Liabilities	3,274,403	30,119	217,771	1,222,997
Noncurrent:				
Accrued compensated absences	2,868	35,582	28,434	2,868
Accrued claims and judgments	14,818,984	-	-	4,079,859
Net pension liability	39,791	606,887	1,212,526	39,790
Net OPEB liability	12,518	190,930	381,467	12,518
Total Noncurrent Liabilities	14,874,161	833,399	1,622,427	4,135,035
Total Liabilities	18,148,564	863,518	1,840,198	5,358,032
Deferred Inflows of Resources:				
Pension related items	15,734	239,970	479,447	15,734
OPEB related items	12,145	185,234	370,087	12,145
Total Deferred Inflows of Resources	27,879	425,204	849,534	27,879
Net Position (Deficit):				
Net investment in capital assets	-	58,827	307,013	-
Unrestricted (Deficit)	(5,608,167)	343,644	256,914	1,904,378
Total Net Position (Deficit)	\$ (5,608,167)	\$ 402,471	\$ 563,927	\$ 1,904,378

CITY OF RIALTO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	Internal Service Funds	
	Building Maintenance Fund	Totals
Assets:		
Current:		
Cash and investments	\$ 2,567,079	\$ 26,241,445
Receivables:		
Accounts	-	103,110
Inventories	-	39,573
Total Current Assets	2,567,079	26,384,128
Noncurrent:		
Capital Assets		
Being depreciated (net of accumulated depreciation)	-	365,840
Total Noncurrent Assets	-	365,840
Total Assets	2,567,079	26,749,968
Deferred Outflows of Resources:		
Pension related items	64,469	406,383
OPEB related items	163,335	441,949
Total Deferred Outflows of Resources	227,804	848,332
Liabilities:		
Current:		
Accounts payable	327,264	850,686
Accrued liabilities	26,215	83,279
Due to other funds	131,765	131,765
Accrued compensated absences	21,018	36,331
Accrued claims and judgments	-	4,148,527
Total Current Liabilities	506,262	5,251,552
Noncurrent:		
Accrued compensated absences	95,748	165,500
Accrued claims and judgments	-	18,898,843
Net pension liability	1,113,270	3,012,264
Net OPEB liability	350,240	947,673
Total Noncurrent Liabilities	1,559,258	23,024,280
Total Liabilities	2,065,520	28,275,832
Deferred Inflows of Resources:		
Pension related items	440,200	1,191,085
OPEB related items	339,792	919,403
Total Deferred Inflows of Resources	779,992	2,110,488
Net Position (Deficit):		
Net investment in capital assets	-	365,840
Unrestricted (Deficit)	(50,629)	(3,153,860)
Total Net Position (Deficit)	\$ (50,629)	\$ (2,788,020)

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Internal Service Funds			
	Workers' Compensation Fund	Fleet Management Fund	Management Information System Fund	General Liability Fund
Operating Revenues:				
Sales and service charges	\$ 2,344,182	\$ 695,261	\$ 2,931,960	\$ 3,185,705
Miscellaneous	-	-	1,528	-
Total Operating Revenues	2,344,182	695,261	2,933,488	3,185,705
Operating Expenses:				
Administration and general	31,939	77,538	1,464,584	42,842
Cost of sales and services	3,289,816	207,917	809,455	5,345,969
Depreciation expense	-	7,718	105,254	-
Total Operating Expenses	3,321,755	293,173	2,379,293	5,388,811
Operating Income (Loss)	(977,573)	402,088	554,195	(2,203,106)
Nonoperating Revenues (Expenses):				
Interest revenue	30,595	-	4,705	4,915
Interest expense	-	(977)	(102)	-
Total Nonoperating Revenues (Expenses)	30,595	(977)	4,603	4,915
Income (Loss) Before Transfers	(946,978)	401,111	558,798	(2,198,191)
Transfers in	2,700,000	1,199,013	328,525	6,000,000
Changes in Net Position	1,753,022	1,600,124	887,323	3,801,809
Net Position (Deficit):				
Beginning of Year	(7,361,189)	(1,197,653)	(323,396)	(1,897,431)
End of Fiscal Year	\$ (5,608,167)	\$ 402,471	\$ 563,927	\$ 1,904,378

CITY OF RIALTO

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Internal Service Funds	
	Building Maintenance Fund	Totals
Operating Revenues:		
Sales and service charges	\$ 2,980,440	\$ 12,137,548
Miscellaneous	-	1,528
Total Operating Revenues	2,980,440	12,139,076
Operating Expenses:		
Administration and general	632,263	2,249,166
Cost of sales and services	2,400,016	12,053,173
Depreciation expense	-	112,972
Total Operating Expenses	3,032,279	14,415,311
Operating Income (Loss)	(51,839)	(2,276,235)
Nonoperating Revenues (Expenses):		
Interest revenue	-	40,215
Interest expense	-	(1,079)
Total Nonoperating Revenues (Expenses)	-	39,136
Income (Loss) Before Transfers	(51,839)	(2,237,099)
Transfers in	2,567,079	12,794,617
Changes in Net Position	2,515,240	10,557,518
Net Position (Deficit):		
Beginning of Year	(2,565,869)	(13,345,538)
End of Fiscal Year	\$ (50,629)	\$ (2,788,020)

CITY OF RIALTO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds			
	Workers' Compensation Fund	Fleet Management Fund	Management Information System Fund	General Liability Fund
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 2,318,156	\$ 695,261	\$ 2,931,960	\$ 3,114,650
Cash paid to suppliers for goods and services	(2,815,449)	(210,789)	(940,140)	(5,432,061)
Cash paid to employees for services	(66,327)	(476,454)	(790,723)	(77,231)
Cash received from (payments to) others	-	-	1,528	-
Net Cash Provided (Used) by Operating Activities	(563,620)	8,018	1,202,625	(2,394,642)
Cash Flows from Non-Capital Financing Activities:				
Cash received from other funds	2,700,000	1,199,013	328,525	6,000,000
Net Cash Provided (Used) by Non-Capital Financing Activities	2,700,000	1,199,013	328,525	6,000,000
Cash Flows from Capital and Related Financing Activities:				
Principal paid on capital debt	-	(4,350)	(30,750)	-
Interest paid on capital debt	-	(13)	(99)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(4,363)	(30,849)	-
Cash Flows from Investing Activities:				
Interest received	30,621	-	4,709	4,925
Net Cash Provided (Used) by Investing Activities	30,621	-	4,709	4,925
Net Increase (Decrease) in Cash and Cash Equivalents	2,167,001	1,202,668	1,505,010	3,610,283
Cash and Cash Equivalents at Beginning of Year	10,359,876	9,485	1,220,436	3,599,607
Cash and Cash Equivalents at End of Year	\$ 12,526,877	\$ 1,212,153	\$ 2,725,446	\$ 7,209,890
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (977,573)	\$ 402,088	\$ 554,195	\$ (2,203,106)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	-	7,718	105,254	-
(Increase) decrease in accounts receivable	(26,026)	-	-	(71,055)
(Increase) decrease in inventories	-	(776)	-	-
(Increase) decrease in deferred outflows of resources - pension related	690	10,523	21,024	690
(Increase) decrease in deferred outflows of resources - OPEB related	(3,930)	(66,158)	(179,771)	(3,930)
Increase (decrease) in accounts payable	(37,807)	(2,097)	(130,682)	16,866
Increase (decrease) in accrued liabilities	1,313	3,323	26,542	1,313
Increase (decrease) in claims and judgments	512,173	-	-	(102,959)
Increase (decrease) in compensated absences	3,498	6,131	155	3,498
Increase (decrease) in net pension liability	(44,027)	(532,479)	9,609	(44,028)
Increase (decrease) in net opeb liability	(19,347)	(242,217)	(75,840)	(19,347)
Increase (decrease) in deferred inflows of resources - pension related	15,734	239,970	479,447	15,734
Increase (decrease) in deferred inflows of resources - OPEB related	11,681	181,992	392,698	11,681
Total Adjustments	413,952	(394,070)	648,436	(191,537)
Net Cash Provided (Used) by Operating Activities	\$ (563,621)	\$ 8,018	\$ 1,202,631	\$ (2,394,643)

CITY OF RIALTO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds	
	Building Maintenance Fund	Totals
Cash Flows from Operating Activities:		
Cash received from customers and users	\$ 2,980,440	\$ 12,040,467
Cash paid to suppliers for goods and services	(2,153,872)	(11,552,311)
Cash paid to employees for services	(824,758)	(2,235,493)
Cash received from (payments to) others	-	1,528
Net Cash Provided (Used) by Operating Activities	1,810	(1,745,809)
Cash Flows from Non-Capital Financing Activities:		
Cash received from other funds	2,565,267	12,792,805
Net Cash Provided (Used) by Non-Capital Financing Activities	2,565,267	12,792,805
Cash Flows from Capital and Related Financing Activities:		
Principal paid on capital debt	-	(35,100)
Interest paid on capital debt	-	(112)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(35,212)
Cash Flows from Investing Activities:		
Interest received	2	40,257
Net Cash Provided (Used) by Investing Activities	2	40,257
Net Increase (Decrease) in Cash and Cash Equivalents	2,567,079	11,052,041
Cash and Cash Equivalents at Beginning of Year	-	15,189,404
Cash and Cash Equivalents at End of Year	\$ 2,567,079	\$ 26,241,445
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ (51,839)	\$ (2,276,235)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:		
Depreciation	-	112,972
(Increase) decrease in accounts receivable	-	(97,081)
(Increase) decrease in inventories	-	(776)
(Increase) decrease in deferred outflows of resources - pension related	19,303	52,230
(Increase) decrease in deferred outflows of resources - OPEB related	(138,926)	(392,715)
Increase (decrease) in accounts payable	246,144	92,424
Increase (decrease) in accrued liabilities	4,817	37,308
Increase (decrease) in claims and judgments	-	409,214
Increase (decrease) in compensated absences	11,460	24,742
Increase (decrease) in net pension liability	(580,320)	(1,191,245)
Increase (decrease) in net opeb liability	(293,604)	(650,355)
Increase (decrease) in deferred inflows of resources - pension related	440,200	1,191,085
Increase (decrease) in deferred inflows of resources - OPEB related	344,616	942,668
Total Adjustments	53,690	530,471
Net Cash Provided (Used) by Operating Activities	\$ 1,851	\$ (1,745,764)

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CUSTODIAL FUNDS

Custodial Funds are used to account for assets held by the City as an agent for individuals, private organizations, or other governments.

Community Facilities District (CFD) 87-1 Fund - accounts for the City's fiduciary capacity as custodian for the collection of special taxes for the CFD 87-1 and the retirement of limited tax obligation bonds.

Community Facilities District (CFD) 2006-1 Elm Park Fund - The City acts as a custodian for collection of special taxes for the CFD 2006-1. The special tax is used for retirement of limited obligation bonds. The City acts in a fiduciary capacity as custodian for any monies available in this fund.

Community Facilities District (CFD) 2016-1 - The City acts as a custodian for collection of special taxes for the CFD 2016-1. The special tax is used for retirement of limited obligation bonds. The City acts in a fiduciary capacity as custodian for any monies available in this fund.

Community Facilities District (CFD) 2019-2 - The City acts as a custodian for collection of special taxes for the CFD 2019-2. The special tax is used for retirement of limited obligation bonds. The City acts in a fiduciary capacity as custodian for any monies available in this fund.

CITY OF RIALTO

COMBINING STATEMENT OF NET POSITION
ALL CUSTODIAL FUNDS
JUNE 30, 2022

	Community Facilities District (CFD) 87-1 Fund	Community Facilities District (CFD) 2006-1 Elm Park Fund	Community Facilities District (CFD) 2016-1	Community Facilities District (CFD) 2019-2 Agency Fund	Totals
Assets:					
Pooled cash and investments	\$ 69,363	\$ 735,941	\$ 55,616	\$ 4,913,097	\$ 5,774,017
Receivables:					
Accounts	-	-	-	1,985	1,985
Due from other governments	-	-	160	-	160
Restricted assets:					
Cash and investments with fiscal agents	-	453,574	-	-	453,574
Total Assets	69,363	1,189,515	55,776	4,915,082	6,229,736
Liabilities:					
Accounts payable	-	1,500	1,375	-	2,875
Due to City of Rialto	-	113,245	-	-	113,245
Total Liabilities	-	114,745	1,375	-	116,120
Net Position (Deficit):					
Restricted for other purposes	69,363	1,074,770	54,401	4,915,082	6,113,616
Total Net Position (Deficit)	\$ 69,363	\$ 1,074,770	\$ 54,401	\$ 4,915,082	\$ 6,113,616

CITY OF RIALTO

STATEMENT OF CHANGES IN NET POSITION
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2022

	Community Facilities District (CFD) 87-1 Fund	Community Facilities District (CFD) 2006-1 Elm Park Fund	Community Facilities District (CFD) 2016-1	Community Facilities District (CFD) 2019-2 Agency Fund	Total
Additions:					
Taxes	\$ 1,112	\$ 486,779	\$ 61,279	\$ 274,010	\$ 823,180
Interest and change in fair market value of investments	186	1,465	98	962	2,711
Bond issuance	-	-	-	4,854,262	4,854,262
Total Additions	1,298	488,244	61,377	5,129,234	5,680,153
Deductions:					
Administrative expense	81	7,724	5,516	214,152	227,473
Interest expense	-	177,609	-	-	177,609
Principal expense	-	152,528	-	-	152,528
Contributions to other governments	-	115,325	28,760	-	144,085
Total Deductions	81	453,186	34,276	214,152	701,695
Change in Net Position	1,217	35,058	27,101	4,915,082	4,978,458
Net Position:					
Beginning of the year, as originally reported	68,146	(3,344,688)	27,300	-	(3,249,242)
Restatement	-	4,384,400	-	-	4,384,400
Beginning, as restated	68,146	1,039,712	27,300	-	1,135,158
Net Position - End of the Year	\$ 69,363	\$ 1,074,770	\$ 54,401	\$ 4,915,082	\$ 6,113,616

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STATISTICAL SECTION

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Financial Trends

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

City of Rialto
Schedule: 1
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
Governmental activities					
Net investment in capital assets	\$ 168,193,443	\$ 174,199,279	\$ 182,925,420	\$ 203,745,887	\$ 209,841,810
Restricted	72,472,077	68,118,579	73,952,529	75,922,532	96,873,256
Unrestricted	44,622,614	47,463,243	(54,942,162)	(51,933,755)	(39,451,355)
Total governmental activities net position	<u>285,288,134</u>	<u>289,781,101</u>	<u>201,935,787</u>	<u>227,734,664</u>	<u>267,263,711</u>
Business-type activities					
Net investment in capital assets	65,682,237	63,007,943	61,880,161	62,092,586	62,212,159
Restricted	-	-	23,103,406	23,762,159	20,161,874
Unrestricted	(17,512,844)	(46,850,667)	(71,217,677)	(75,195,998)	(71,769,191)
Total business-type activities net position	<u>48,169,393</u>	<u>16,157,276</u>	<u>13,765,890</u>	<u>10,658,747</u>	<u>10,604,842</u>
Primary government					
Net investment in capital assets	233,875,680	237,207,222	244,805,581	265,838,473	272,053,969
Restricted	72,472,077	68,118,579	97,055,935	99,684,691	117,035,130
Unrestricted	27,109,770	612,576	(126,159,839)	(127,129,753)	(111,220,546)
Total primary government net position	<u>\$ 333,457,527</u>	<u>\$ 305,938,377</u>	<u>\$ 215,701,677</u>	<u>\$ 238,393,411</u>	<u>\$ 277,868,553</u>

Source: City of Rialto Annual Comprehensive Reports

City of Rialto
Schedule: 1
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
Governmental activities					
Net investment in capital assets	\$ 219,905,555	\$ 241,566,979	\$ 265,229,119	\$ 274,462,552	\$ 275,950,902
Restricted	110,510,600	119,177,499	136,353,586	169,048,366	224,941,858
Unrestricted	(70,806,076)	(64,406,001)	(78,272,477)	(98,918,022)	(82,847,854)
Total governmental activities net position	<u>259,610,079</u>	<u>296,338,477</u>	<u>323,310,228</u>	<u>344,592,896</u>	<u>418,044,906</u>
Business-type activities					
Net investment in capital assets	90,709,466	106,102,033	118,019,612	116,338,881	114,600,887
Restricted	22,666,881	22,774,070	25,815,406	73,004	23,327,196
Unrestricted	(102,644,912)	(113,779,243)	(127,016,385)	(90,838,196)	(105,079,579)
Total business-type activities net position	<u>10,731,435</u>	<u>15,096,860</u>	<u>16,818,633</u>	<u>25,573,689</u>	<u>32,848,504</u>
Primary government					
Net investment in capital assets	310,615,021	347,669,012	383,248,731	390,801,433	390,551,789
Restricted	133,177,481	141,951,569	162,168,992	169,121,370	248,269,054
Unrestricted	(173,450,988)	(178,185,244)	(205,288,862)	(189,756,218)	(187,927,433)
Total primary government net position	<u>\$ 270,341,514</u>	<u>\$ 311,435,337</u>	<u>\$ 340,128,861</u>	<u>\$ 370,166,585</u>	<u>\$ 450,893,410</u>

Source: City of Rialto Annual Comprehensive Reports

City of Rialto
Schedule: 2
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
Expenses					
Governmental Activities					
General government	\$ 11,385,776	\$ 16,831,207	\$ 22,194,069	\$ 12,838,348	\$ 27,670,283
Community development	7,815,876	14,622,817	18,152,493	20,547,780	28,506,818
Public safety	39,248,802	39,676,536	40,057,540	45,270,584	52,952,706
Payment to successor agency	921,450	-	1,270,167	1,295,583	-
Interest on long term debt	249,424	154,834	169,166	96,659	84,307
Total governmental activities expenses	<u>59,621,328</u>	<u>71,285,394</u>	<u>81,843,435</u>	<u>80,048,954</u>	<u>109,214,114</u>
Business-type activities					
Water	15,596,613	12,750,105	12,999,577	12,069,588	12,740,471
Wastewater	21,111,279	23,015,470	23,463,015	24,350,919	24,200,053
Airport	451,183	388,963	4,373,243	207,934	10,929
Cemetery	46,086	49,255	52,738	51,758	80,900
Utility Billing	-	-	-	-	-
Recreation & Community Service	2,586,330	2,335,258	2,640,280	3,234,840	3,572,043
Total business-type activities expenses	<u>39,791,491</u>	<u>38,539,051</u>	<u>43,528,853</u>	<u>39,915,039</u>	<u>40,604,396</u>
Total primary government expenses	<u>\$ 99,412,819</u>	<u>\$ 109,824,445</u>	<u>\$ 125,372,288</u>	<u>\$ 119,963,993</u>	<u>\$ 149,818,510</u>
Program revenues					
Governmental activities					
Charges for services					
General government	\$ 1,882,740	\$ 811,456	\$ 804,526	\$ 1,606,496	\$ 1,122,310
Community Development	1,914,371	12,026,114	14,560,867	10,906,447	48,620,952
Public Safety	4,005,618	2,854,087	3,006,101	3,023,995	3,111,112
Operating grants and contributions	4,587,822	7,032,129	10,480,851	9,222,678	10,058,467
Capital grants and contributions	5,926,508	4,939,898	4,504,424	4,548,560	3,901,780
Total governmental activities program revenues	<u>18,317,059</u>	<u>27,663,684</u>	<u>33,356,769</u>	<u>29,308,176</u>	<u>66,814,621</u>
Business-type activities					
Charges for services					
Water	8,840,946	9,970,145	12,082,146	12,225,769	13,119,637
Wastewater	12,811,692	17,281,060	22,492,901	22,482,683	25,954,797
Airport	522,259	485,785	128,387	58,785	32,979
Cemetery	35,334	23,710	32,419	39,624	65,867
Recreation & community service	901,593	898,633	883,489	838,665	895,340
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	353,470
Total Business-type Activities program revenues	<u>23,111,824</u>	<u>28,659,333</u>	<u>35,619,342</u>	<u>35,645,526</u>	<u>40,422,090</u>
Total primary government program revenues	<u>\$ 41,428,883</u>	<u>\$ 56,323,017</u>	<u>\$ 68,976,111</u>	<u>\$ 64,953,702</u>	<u>\$ 107,236,711</u>

City of Rialto
Schedule: 2
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
Expenses					
Governmental Activities					
General government	\$ 19,885,751	\$ 23,994,846	\$ 26,797,603	\$ 24,399,225	\$ 38,991,446
Community development	29,404,226	19,645,409	19,471,093	25,386,976	19,624,539
Public safety	53,055,098	58,199,681	61,186,234	75,345,511	51,306,407
Payment to successor agency	-	-	-	-	-
Interest on long term debt	323,872	479,445	263,664	507,718	470,943
Total governmental activities expenses	<u>102,668,947</u>	<u>102,319,381</u>	<u>107,718,594</u>	<u>125,639,430</u>	<u>110,393,335</u>
Business-type activities					
Water	13,832,547	13,178,151	13,668,540	13,619,253	15,211,746
Wastewater	23,397,142	23,016,838	26,260,393	23,412,695	27,300,987
Airport	127,653	45,491	4,341	4,449	4,293
Cemetery	65,397	78,817	72,119	81,056	95,655
Utility Billing	-	-	-	-	-
Recreation & Community Service	3,456,616	3,836,329	3,557,900	-	-
Total business-type activities expenses	# <u>40,879,355</u>	<u>40,155,626</u>	<u>43,563,293</u>	<u>37,117,453</u>	<u>42,612,681</u>
Total primary government expenses	<u>\$ 143,548,302</u>	<u>\$ 142,475,007</u>	<u>\$ 151,281,887</u>	<u>\$ 162,756,883</u>	<u>\$ 153,006,016</u>
Program revenues					
Governmental activities					
Charges for services					
General government	\$ 1,637,935	\$ 4,173,279	\$ 956,301	\$ 1,466,798	\$ 1,968,967
Community Development	26,054,877	26,778,267	22,278,219	14,454,456	17,831,296
Public Safety	3,439,943	3,849,026	4,289,038	4,202,468	5,130,007
Operating grants and contributions	17,599,694	12,996,451	15,536,989	17,129,967	38,832,950
Capital grants and contributions	5,774,075	6,634,323	5,698,306	8,694,737	4,343,126
Total governmental activities program revenues	<u>54,506,524</u>	<u>54,431,346</u>	<u>48,758,853</u>	<u>45,948,426</u>	<u>68,106,346</u>
Business-type activities					
Charges for services					
Water	14,856,800	13,648,249	13,952,308	15,085,653	15,058,449
Wastewater	28,939,501	28,813,463	29,191,221	28,381,428	29,889,418
Airport	159,342	50,523	-	-	-
Cemetery	46,319	56,752	46,620	189,649	143,559
Recreation & community service	758,012	825,550	541,213	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	131,896	203,653	27,417	-	351,970
Total Business-type Activities program revenues	<u>44,891,870</u>	<u>43,598,190</u>	<u>43,758,779</u>	<u>43,656,730</u>	<u>45,443,396</u>
Total primary government program revenues	<u>\$ 99,398,394</u>	<u>\$ 98,029,536</u>	<u>\$ 92,517,632</u>	<u>\$ 89,605,156</u>	<u>\$ 113,549,742</u>

City of Rialto
Schedule: 2
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
General revenues and other changes in net position					
Governmental Activities					
Taxes					
Property taxes	\$ 18,808,829	\$ 17,251,658	\$ 19,568,841	\$ 20,895,499	\$ 22,306,582
Franchise taxes	3,113,227	2,368,377	3,659,305	3,750,460	3,640,100
Utility users taxes	11,253,197	12,191,859	12,634,013	12,670,892	12,731,020
Business license taxes	1,532,412	2,196,779	2,131,574	2,237,639	2,343,824
Sales & use tax	10,310,901	11,523,017	12,023,147	11,893,381	14,532,085
Vehicle license fees	42,966	-	41,566	41,192	48,082
Income for property and investments	(255,146)	965,960	504,777	1,362,960	267,929
Other general revenue	3,780,116	4,698,926	5,260,920	4,204,699	4,529,579
RUA lease payments	34,000,000	2,000,000	2,568,030	2,000,000	2,000,000
RUA contract payments	-	824,032	1,230,626	1,167,530	1,167,530
Transfers	2,551,344	(1,182,645)	3,407,429	(2,140,364)	17,784,644
Gain on sale of property	208,784	-	-	-	2,851
Payment from successor agency	-	185,982	572,154	185,366	574,314
Extra-ordinary gain	-	-	-	14,289,617	-
Capital contribution	-	-	3,344,082	4,296,048	-
Total governmental activities program revenues	85,346,630	53,023,945	66,946,464	76,854,919	81,928,540
Business-type activities:					
Property taxes	13,361	11,593	45,210	1,478	894
Income for property and investments	(403,262)	746,964	88,329	184,391	85,953
Other general revenue	727,209	608,509	117,870	104,060	1,616,184
RUA lease payments	(34,000,000)	(2,000,000)	(2,568,030)	(2,000,000)	(2,000,000)
Transfers	(2,551,344)	1,182,645	(3,407,429)	2,140,364	(17,784,644)
Gain on sale of property	538,870	-	9,854,563	345,213	18,210,014
Distribution of airport property from successor agency	13,764,414	-	-	-	-
Capital contribution	-	-	1,387,612	386,864	-
Total business-type activities	(21,910,752)	549,711	5,518,125	775,506	128,401
Total primary government	63,435,878	53,573,656	72,464,589	775,506	131,252
Net revenue (expense)					
Governmental activities	\$ (41,304,269)	\$ (43,621,710)	\$ (48,486,666)	\$ (50,740,778)	\$ (42,399,493)
Business-type activities	(16,679,667)	(9,879,718)	(7,909,511)	(4,269,513)	(182,306)
Total primary government	<u>\$ (57,983,936)</u>	<u>\$ (53,501,428)</u>	<u>\$ (56,396,177)</u>	<u>\$ (55,010,291)</u>	<u>\$ (42,581,799)</u>
Change in net position					
Governmental activities	\$ 44,042,361	\$ 9,402,235	\$ 18,459,798	\$ 26,114,141	\$ 39,529,047
Business-type activities	(38,590,419)	(9,330,007)	(2,391,386)	(3,494,007)	(53,905)
Total primary government	<u>\$ 5,451,942</u>	<u>\$ 72,228</u>	<u>\$ 16,068,412</u>	<u>\$ 22,620,134</u>	<u>\$ 39,475,142</u>

Source: City of Rialto Annual Comprehensive Reports

City of Rialto
Schedule: 2
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
General revenues and other changes in net position					
Governmental Activities					
Taxes					
Property taxes	\$ 25,201,016	\$ 29,311,614	\$ 30,093,522	\$ 32,693,790	\$ 36,620,082
Franchise taxes	3,955,968	3,962,647	4,163,993	4,704,132	4,725,727
Utility users taxes	13,592,657	13,035,913	13,664,176	14,470,386	16,589,203
Business license taxes	2,660,329	3,024,804	3,642,829	3,028,073	3,738,370
Sales & use tax	17,593,261	22,603,061	22,771,751	40,094,356	56,003,289
Vehicle license fees	56,075	51,380	84,900	76,683	118,491
Income for property and investments	1,228,983	5,175,470	4,306,121	947,669	(7,304,637)
Other general revenue	6,000,699	4,911,931	6,094,131	7,279,591	6,880,234
RUA lease payments	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
RUA contract payments	742,000	742,000	1,140,530	1,141,212	1,141,205
Transfers	3,963,598	(409,255)	(3,035,335)	(420,500)	(4,957,815)
Gain on sale of property	475,967	19,002	(101,262)	272,399	-
Payment from successor agency	187,299	187,866	188,166	184,850	184,850
Extra-ordinary gain	-	-	-	-	-
Capital contribution	-	-	-	-	-
Total governmental activities program revenues	<u>77,657,852</u>	<u>84,616,433</u>	<u>85,013,522</u>	<u>106,472,641</u>	<u>115,738,999</u>
Business-type activities:					
Property taxes	198	20	20	-	21
Income for property and investments	363,912	478,837	373,688	12,403	(513,736)
Other general revenue	543,708	605,712	171,330	-	-
RUA lease payments	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	-
Transfers	(3,963,598)	409,255	3,035,335	420,500	4,957,815
Gain on sale of property	6,730,559	1,429,037	(54,086)	-	-
Distribution of airport property from successor agency	-	-	-	-	-
Capital contribution	-	-	-	-	-
Total business-type activities	<u>1,674,779</u>	<u>922,861</u>	<u>1,526,287</u>	<u>(1,567,097)</u>	<u>4,444,100</u>
Total primary government	<u>2,150,746</u>	<u>85,539,294</u>	<u>86,539,809</u>	<u>104,905,544</u>	<u>120,183,099</u>
Net revenue (expense)					
Governmental activities	\$ (48,162,423)	\$ (47,888,035)	\$ (58,959,741)	\$ (79,691,004)	\$ (42,286,989)
Business-type activities	4,012,515	3,442,564	195,486	6,539,277	2,830,715
Total primary government	<u>\$ (44,149,908)</u>	<u>\$ (44,445,471)</u>	<u>\$ (58,764,255)</u>	<u>\$ (73,151,727)</u>	<u>\$ (39,456,274)</u>
Change in net position					
Governmental activities	\$ 29,495,429	\$ 36,728,398	\$ 26,053,781	\$ 26,781,637	\$ 73,452,010
Business-type activities	5,687,294	4,365,425	1,721,773	4,972,180	7,274,815
Total primary government	<u>\$ 35,182,723</u>	<u>\$ 41,093,823</u>	<u>\$ 27,775,554</u>	<u>\$ 31,753,817</u>	<u>\$ 80,726,825</u>

Source: City of Rialto Annual Comprehensive Reports

City of Rialto
Schedule: 3
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	2013	2014	2015	2016	2017
General fund					
Nonspendable	\$ 7,907,132	\$ 6,511,485	\$ 1,964,366	\$ 1,964,563	\$ 3,527,188
Restricted	-	-	-	-	-
Assigned	4,066,479	5,082,685	3,285,133	4,377,737	5,132,711
Unassigned	36,564,055	43,778,202	53,786,818	50,372,278	60,711,353
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Total general fund	<u>48,537,666</u>	<u>55,372,372</u>	<u>59,036,317</u>	<u>56,714,578</u>	<u>69,371,252</u>
All other governmental fund					
Nonspendable	160,190	-	-	-	1,313
Restricted	67,517,079	68,096,181	73,660,309	73,272,530	96,816,213
Assigned	-	-	-	-	-
Unassigned	(110,759)	(227,868)	(1,847,051)	(554,749)	(2,147,038)
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Total all other governmental fund	<u>67,566,510</u>	<u>67,868,313</u>	<u>71,813,258</u>	<u>72,717,781</u>	<u>94,670,488</u>
Total governmental funds	<u>\$ 116,104,176</u>	<u># \$ 123,240,685</u>	<u># \$ 130,849,575</u>	<u># \$ 129,432,359</u>	<u># \$ 164,041,740</u>

Source: City of Rialto Annual Comprehensive Reports

City of Rialto
Schedule: 3
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	2018	2019	2020	2021	2022
General fund					
Nondisposable	\$ 6,252,083	\$ 24,252,395	\$ 24,399,474	\$ 25,406,332	\$ 24,456,223
Restricted	-	-	-	25,773,249	25,773,249
Assigned	23,023,387	14,268,248	12,214,045	12,214,045	6,477,271
Unassigned	43,705,317	43,978,540	50,907,994	42,163,748	24,961,441
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Total general fund	<u>72,980,787</u>	<u>82,499,183</u>	<u>87,521,513</u>	<u>105,557,374</u>	<u>81,668,184</u>
All other governmental fund					
Nondisposable	481,406	485,030	-	-	-
Restricted	91,753,133	119,177,499	136,353,586	143,275,117	199,168,609
Assigned	-	-	-	-	-
Unassigned	(2,249,281)	(624,687)	(13,747,345)	(12,806,598)	(6,784,392)
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Total all other governmental fund	<u>89,985,258</u>	<u>119,037,842</u>	<u>122,606,241</u>	<u>130,468,519</u>	<u>192,384,217</u>
Total governmental funds	<u>\$ 162,966,045</u>	<u>\$ 201,537,025</u>	<u>\$ 210,127,754</u>	<u>\$ 236,025,893</u>	<u>\$ 274,052,401</u>

Source: City of Rialto Annual Comprehensive Reports

City of Rialto
Schedule: 4
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
Revenues:					
Taxes	\$ 43,675,907	\$ 44,289,183	\$ 47,969,828	\$ 49,351,847	\$ 53,355,191
License and permits	1,983,341	3,486,675	3,824,815	3,808,922	4,024,422
Fines and forfeitures	573,951	733,014	616,694	545,896	555,621
Use of money and property	(258,630)	961,747	467,654	1,357,158	263,039
Revenue from other agencies	12,364,007	14,957,790	17,521,724	17,481,364	18,783,546
Charges for services	2,840,395	5,455,564	6,464,406	7,577,603	30,707,457
Development impact fees	1,783,001	7,526,709	8,448,681	4,087,903	17,997,408
RUA lease payments	34,000,000	2,000,000	2,568,030	2,000,000	2,000,000
Reimbursement from successor agency for expenditures	441,300	185,981	792,153	185,367	186,465
Other	3,670,379	3,237,598	2,874,680	4,081,234	2,908,148
Payment from successor agency of bond proceeds	-	-	-	-	387,848
Total revenues	<u>101,073,651</u>	<u>82,834,261</u>	<u>91,548,665</u>	<u>90,477,294</u>	<u>131,169,145</u>
Expenditures:					
General government	8,949,820	13,807,651	16,572,095	15,388,037	21,733,446
Public safety	36,761,021	38,954,995	40,702,413	44,662,648	51,846,210
Community Development	6,505,080	6,870,797	14,659,256	11,317,119	12,518,908
Payment to successor agency for disallowed items	921,450	-	1,270,167	1,295,583	-
Capital outlay	11,305,081	17,520,528	12,266,733	29,951,173	28,242,499
Debt service:					
Principal Retirement	410,493	427,965	449,876	350,700	371,400
Interest and fiscal charges	222,329	191,701	173,530	128,156	78,602
Bond issuance cost	-	-	-	-	35,000
Total Expenditures	<u>65,075,274</u>	<u>77,773,637</u>	<u>86,094,070</u>	<u>103,093,416</u>	<u>114,826,065</u>
Other financing sources/ (uses):					
Proceeds from sale of capital assets	26,283	8,652	9,163	33,147	38,047
Proceeds from Margin Loan	-	-	-	-	-
Payment to refunded note payable escrow agent	-	-	(1,702,000)	-	-
Capital lease	-	-	-	-	2,455,000
Transfers in	38,153,746	5,740,301	14,513,703	13,431,644	27,002,864
Transfers out	(34,029,492)	(3,673,068)	(12,572,830)	(16,240,238)	(11,229,610)
Transfers to private-purpose trust fund	-	-	-	-	-
Proceeds from note payable issuance	-	-	1,702,000	-	-
Total other financing	<u>4,150,537</u>	<u>2,075,885</u>	<u>1,950,036</u>	<u>(2,775,447)</u>	<u>18,266,301</u>
Extraordinary gain (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 40,148,914</u>	<u>\$ 7,136,509</u>	<u>\$ 7,404,631</u>	<u>\$ (15,391,569)</u>	<u>\$ 34,609,381</u>
Debt service as a percentage of noncapital expenditures	1.18%	0.93%	0.82%	0.46%	0.39%

Source: City of Rialto Comprehensive Annual Reports

City of Rialto
Schedule: 4
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
Revenues:					
Taxes	\$ 60,427,658	\$ 68,925,128	\$ 70,708,910	\$92,012,448	\$ 114,456,922
License and permits	5,324,291	5,489,889	5,751,170	5,354,961	5,840,694
Fines and forfeitures	690,784	542,765	504,431	567,929	938,527
Use of money and property	1,228,984	5,175,470	4,306,120	811,021	(7,344,852)
Revenue from other agencies	26,053,438	21,214,497	26,281,864	26,528,678	51,301,923
Charges for services	10,466,109	11,961,147	9,828,413	9,863,275	13,030,379
Development impact fees	15,142,316	14,941,991	13,181,947	5,004,302	7,256,060
RUA lease payments	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reimbursement from successor agency for expenditures	1,027,556	566,570	-	-	-
Other	2,747,683	4,836,900	2,736,063	2,357,330	3,151,154
Payment from successor agency of bond proceeds	187,299	187,866	188,166	184,850	184,850
Total revenues	<u>125,296,118</u>	<u>135,842,223</u>	<u>135,487,084</u>	<u>144,684,794</u>	<u>190,815,657</u>
Expenditures:					
General government	17,701,523	16,214,741	17,995,882	19,026,548	37,332,205
Public safety	53,779,614	54,511,656	59,131,345	65,415,103	69,611,944
Community Development	11,328,676	13,263,056	13,304,328	21,257,219	18,502,774
Payment to successor agency for disallowed items	-	-	-	-	-
Capital outlay	40,900,743	31,791,171	33,532,966	12,594,240	11,439,576
Debt service:					
Principal Retirement	514,129	4,454,983	601,548	892,960	1,091,293
Interest and fiscal charges	335,372	460,562	229,063	492,341	481,652
Bond issuance cost	38,165	23,901	-	-	-
Total Expenditures	<u>124,598,222</u>	<u>120,720,070</u>	<u>124,795,132</u>	<u>119,678,411</u>	<u>138,459,444</u>
Other financing sources/ (uses):					
Proceeds from sale of capital assets	503,191	19,002	16,112	308,727	3,422,727
Proceeds from Margin Loan	3,627,382	5,556,613	-	-	-
Payment to refunded note payable escrow agent	-	-	-	-	-
Capital lease	6,109,580	-	-	-	-
Transfers in	13,175,693	133,156,834	8,370,268	6,393,761	61,871,227
Transfers out	(11,173,981)	(134,041,089)	(11,405,603)	(4,314,261)	(79,623,659)
Transfers to private-purpose trust fund	-	-	-	-	-
Proceeds from note payable issuance	-	-	-	-	-
Total other financing	<u>12,241,865</u>	<u>4,691,360</u>	<u>(3,019,223)</u>	<u>2,388,227</u>	<u>(14,329,705)</u>
Extraordinary gain (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 12,939,761</u>	<u>\$ 19,813,513</u>	<u>\$ 7,672,729</u>	<u>\$27,394,610</u>	<u>\$ 38,026,508</u>
Debt service as a percentage of noncapital expenditures	0.68%	5.25%	0.86%	1.30%	1.21%

Source: City of Rialto Comprehensive Annual Reports

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Revenue Capacity

These schedules contain information to help readers assess the City's most significant local revenue source.

City of Rialto
Schedule: 5
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Year			
	2013	2014	2015	2016
Residential property	\$ 3,255,372,602	\$ 3,460,403,021	\$ 3,706,976,516	\$ 3,916,404,105
Industrial property	1,115,863,666	1,101,972,851	1,316,782,787	1,469,439,116
Unsecured	529,395,064	517,585,920	578,031,980	646,168,256
Commercial property	402,250,052	418,964,698	430,855,054	441,266,751
Vacant land	312,032,595	362,960,175	370,078,941	400,090,232
Other property	83,542,480	56,873,342	61,257,108	64,591,692
Less: Tax-exempt property	-	-	-	-
Total taxable assessed value	\$ 5,698,456,459	\$ 5,918,760,007	\$ 6,463,982,386	\$ 6,937,960,152
Total direct tax rate	1%	1%	1%	1%
Estimated actual taxable value	\$ 5,698,456,459	\$ 5,918,760,007	\$ 6,463,982,386	\$ 6,937,960,152

NOTE 1: 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 sold. 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.

NOTE 2: Other property includes recreational, institutional, government owned, SBE nonunitary, irrigated, dry farm and miscellaneous property

Sources: HdL Coren & Cone (San Bernardino County Assessor)

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 4,071,652,098	\$ 4,271,585,009	\$ 4,529,588,227	\$ 4,787,119,436	\$ 5,054,253,389	\$ 5,455,127,593
1,709,081,286	1,774,160,516	2,509,149,092	3,043,673,505	3,160,476,226	4,025,680,504
659,303,329	801,999,612	868,370,316	912,396,270	1,240,843,552	1,343,840,623
461,815,727	499,561,220	604,256,834	698,917,953	743,832,711	774,274,034
355,270,288	482,573,026	528,378,416	456,048,337	500,528,086	442,708,927
80,484,157	77,873,664	106,523,764	124,029,997	130,876,863	185,319,558
-	-	-	-	-	-
\$ 7,337,606,885	\$ 7,907,753,047	\$ 9,146,266,649	\$ 10,022,185,498	\$ 10,830,810,827	\$ 12,226,951,239
1%	1%	1%	1%	1%	1%
\$ 7,337,606,885	\$ 7,907,753,047	\$ 9,146,266,649	\$ 10,022,185,498	\$ 10,830,810,827	\$ 12,226,951,239

City of Rialto
Schedule: 6
Property Tax Rates
Direct & Overlapping Governments
Last Ten Fiscal Years
(rate per \$100 of assessed value)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Basic Levy										
City of Rialto	0.13642	0.13642	0.13642	0.13642	0.13642	0.13642	0.13642	0.13642	0.13642	0.13642
County Free Library	0.01441	0.01441	0.01441	0.01441	0.01441	0.01441	0.01441	0.01441	0.01441	0.01441
County General Fund	0.14883	0.14883	0.14883	0.14883	0.14883	0.14883	0.14883	0.14883	0.14883	0.14883
County Superintendent of Schools	0.01013	0.01013	0.01013	0.01013	0.01013	0.01013	0.01013	0.01013	0.01013	0.01013
Education Revenue Augmentation Fund	0.22536	0.22536	0.22536	0.22536	0.22536	0.22536	0.22536	0.22536	0.22536	0.22536
Flood Control Admin 1 & 2	0.00186	0.00186	0.00186	0.00186	0.00186	0.00186	0.00186	0.00186	0.00186	0.00186
Flood Control Zone 2	0.02642	0.02642	0.02642	0.02642	0.02642	0.02642	0.02642	0.02642	0.02642	0.02642
Inland Empire Joint Resource Cons District	0.00053	0.00053	0.00053	0.00053	0.00053	0.00053	0.00053	0.00053	0.00053	0.00053
Rialto Unified	0.32757	0.32757	0.32757	0.32757	0.32757	0.32757	0.32757	0.32757	0.32757	0.32757
San Bernardino Community College	0.05230	0.05230	0.05230	0.05230	0.05230	0.05230	0.0523	0.0523	0.0523	0.0523
San Bernardino Valley Municipal Water	0.02692	0.02692	0.02692	0.02692	0.02692	0.02692	0.02692	0.02692	0.02692	0.02692
West San Bernardino Co Water District	0.02925	0.02925	0.02925	0.02925	0.02925	0.02925	0.02925	0.02925	0.02925	0.02925
Total direct tax rate	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping rates:										
Chaffey Community College Bond	0.01110	0.01570	0.01090	0.01130	0.01160	0.00880	0.01530	0.02410	0.01110	0.01770
Colton Unified School Bond	0.14880	0.11870	0.09730	0.11690	0.14540	0.09390	0.11160	0.10160	0.10310	0.10810
Fontana Unified School Bond	0.15010	0.15160	0.13840	0.11450	0.11170	0.11130	0.08900	0.04200	0.06710	0.05200
Metropolitan Water Agency	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Rialto Unified School District	0.07360	0.07040	0.06550	0.11940	0.09920	0.09570	0.07710	0.08480	0.08050	0.08290
San Bernardino College Board	0.04590	0.04190	0.03930	0.04030	0.03500	0.03790	0.04070	0.05620	0.06510	0.05340
San Bernardino Unified School Bond	0.00000	0.00000	0.00000	0.00000	0.00000	0.10070	0.11260	0.09690	0.10340	0.10890
San Bernardino Valley Water	0.16250	0.16250	0.16250	0.16250	0.16250	0.15250	0.15250	0.14250	0.14250	0.13000
Total Direct & Overlapping Tax Rates	1.59550	1.56430	1.51740	1.56840	1.56890	1.60430	1.60230	1.55160	1.57630	1.55650

Sources:
San Bernardino County Auditor-Controller/Treasurer/Tax Collector
<http://www.sbcounty.gov/ATC/Services/Documents?expandID=10#xpand-10>
HdL Coren & Cone (San Bernardino County Assessor)

City of Rialto
Schedule: 7
Principal Property Tax Payers
Current Year and Ten Years Ago

	2022			2013		
	Assessed Value	Rank	Percentage of Total City Assessed Value	Assessed Value	Rank	Percentage of Total City Assessed Value
Tax Payer						
Target Corporation	\$ 496,815,045	1	4.15%	\$ 260,877,045	1	4.58%
Prologis-Macquarie U S LLC	490,746,651	2	4.10%			
El Rivino Industrial I LLC	335,688,815	3	2.81%			
Amazon Com Services Inc	242,788,604	4	2.03%			
Niagra Bottling LLC	196,066,809	5	1.64%			
Liberty Property LP	186,461,939	6	1.56%			
Fedex Ground Package System Inc	175,896,858	7	1.47%	64,695,789	4	1.14%
GPT BTS Linden Avenue Owner	135,584,513	8	1.13%			
B9 Kline Ranch Owner LLC	123,719,453	9	1.03%			
MRE Propco LP	113,950,968	10	0.95%			
Prologis				200,581,316	2	3.52%
Teachers Insurance And Annuity Assoc				73,800,000	3	1.30%
Toys R US-Delaware Inc				64,470,268	5	1.13%
Oakmont El Rivino LLC				61,890,003	6	1.09%
Enertech Environmental Inc				54,444,302	7	0.96%
SFPP LP				43,860,523	8	0.77%
Staples The Office Superstore Inc				42,424,583	9	0.74%
Rialto II Realty Holding Company INC				35,650,000	10	0.63%
Total	2,497,719,655		20.87%	902,693,829		15.86%

Sources: HdL Coren & Cone

City of Rialto
Schedule: 8
Principal Sales Tax Payers
Current Year and Ten Years Ago

2022	2013
7 Eleven	7 Eleven
Amazon Com Services	7 Eleven Store
Amazon MFA	American Building Supply
American Building Supply	Arco
Arco AM PM	Arco AM PM
Cal Duct	Arco Am Pm
Camblin Steel Service	Arco AM PM
CarFAM	Chevron
dd's Discounts	Cummins Cal Pacific
Enterprise Rent A Car	Enterprise Rent A Car
FedEx	Fedex
Flyers Energy Lubricants	Home Depot
Food 4 Less	Matich
Home Depot	Merit Oil
Medline Industries	Oragne County Lumber
Merit Oil	Pacific Chevron
Orange County Lumber	Poma Automated Fueling
Rialto Travel Center	Poma Distributing
Shell	Rialto 76
Stater Bros	Rialto Concrete Products
Thompson Pipe Group Los Angeles	Roberts Lumber Sales
Walmart Neighborhood Market	State Pipe & Supply
West Coast Pipe	Stater Bros
Yardley Orgill	Walmart
Zara Warehouse	Western Refining Wholesale

NOTE: Firms listed alphabetically.

Sources: The HdL Companies; State Board of Equalization

City of Rialto
Schedule: 9
Property Tax Levies and Collections
Last Ten Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal year	Collected with the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2012	19,467,112	18,698,687	96.05%	768,425	19,467,112	100.00%
2013	22,604,425	22,503,375	99.55%	101,049	22,604,425	100.00%
2014	21,095,830	20,913,162	99.13%	182,668	21,095,830	100.00%
2015	24,231,424	24,045,621	99.23%	185,803	24,231,424	100.00%
2016	23,902,218	23,750,424	99.36%	151,765	23,902,189	100.00%
2017	23,719,160	23,608,043	99.53%	110,730	23,718,773	100.00%
2018	31,445,680	31,292,569	99.51%	152,743	31,445,312	100.00%
2019	34,643,458	34,544,095	99.71%	99,342	34,643,437	100.00%
2020	37,223,333	37,079,154	99.61%	144,179	37,223,333	100.00%
2021	39,826,549	39,708,855	99.70%	117,694	39,826,549	100.00%
2022	44,085,823	43,804,013	99.36%	281,810	44,085,823	100.00%

NOTE: Amounts exclude debt service levies and former Redevelopment property tax increments.

Source: County of San Bernardino Auditor-Controller; City of Rialto Finance

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Debt Capacity

These schedules present information to help readers assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

City of Rialto
Schedule: 10
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					
	Tax Allocation Bonds	Certificate of Participation	Capital Lease	Notes Payable	Other	Total Governmental Activities
2013	- ¹	2,054,115	223,840	2,008,000	-	4,285,956
2014	- ¹	1,880,000	113,526	1,860,000	-	3,853,526
2015	- ¹	1,675,000	-	1,702,000	-	3,377,000
2016	- ¹	1,465,000	-	1,534,000	-	2,999,000
2017	- ¹	1,245,000	2,455,000	1,354,000	-	5,054,000
2018	- ¹	1,015,000	8,442,551	1,162,000	3,627,382	14,246,933
2019	- ¹	775,000	11,795,691	2,732,000	-	15,302,691
2020	- ¹	525,000	11,485,311	2,514,000	-	14,524,311
2021	- ¹	270,000	11,128,200	2,200,000	-	13,598,200
2022	- ¹	-	10,738,811	1,790,000	-	12,528,811

Fiscal Year	Business-type Activities					Total Primary Government	Percentage of Personal Income ²	Debt per Capita ²
	Revenue Bonds	Installment Agreement Payable	Notes Payable	Other	Total Business-type Activities			
2013	167,706,120	-	-	455,029	168,161,149	172,447,105	10.92%	1,697.03
2014	166,082,170	-	-	455,029	166,537,199	170,390,725	10.83%	1,670.14
2015	164,507,959	-	-	455,029	164,962,988	168,339,988	10.12%	1,640.50
2016	162,733,776	-	-	383,555	163,117,331	166,116,331	9.42%	1,600.50 ³
2017	160,815,578	-	-	383,555	161,199,133	166,253,133	9.25%	1,581.75 ³
2018	158,741,386	-	-	383,555	159,124,941	173,371,874	9.07%	1,638.29 ³
2019	156,498,210	-	-	383,555	156,881,765	172,184,456	8.49%	1,622.32 ³
2020	154,071,953	-	-	383,555	154,455,508	168,979,819	7.31%	1,616.21
2021	151,447,322	-	-	383,555	151,830,877	165,429,077	7.73%	1,582.25
2022	148,607,723	-	-	383,555	148,991,278	161,520,089	6.72%	1,553.77

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

¹No longer reported under governmental activities as the result of the dissolution of the former City of Rialto Redevelopment Agency as of February 1, 2012.

² See the Demographic and Economic Statistics Schedule (schedule 15) for personal income and population data.

³ Percentage of personal income and debt per capita for fiscal year 2019, were calculated using income and population for the prior calendar year.

Source: City of Rialto

City of Rialto
Schedule: 11
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Assessed Value of Property ¹	Per Capita ²
	Certificate of Participation	Revenue Bonds	Total General Bonded Debt		
2013	2,054,115	167,706,120	169,760,235	2.98%	1,663.96
2014	1,880,000	166,082,170	167,962,170	2.84%	1,636.82
2015	1,675,000	164,507,959	166,182,959	2.57%	1,601.15
2016	1,465,000	162,733,776	164,198,776	2.37%	1,562.21
2017	1,245,000	160,815,578	162,060,578	2.21%	1,531.40
2018	1,015,000	158,741,386	159,756,386	2.02%	1,505.22
2019	775,000	156,498,210	157,273,210	1.72%	1,466.13
2020	525,000	154,071,953	154,596,953	1.54%	1,478.65
2021	270,000	151,447,322	151,717,322	1.40%	1,458.12
2022	-	148,607,723	148,607,723	1.22%	1,429.55

NOTES: Details regarding the City's outstanding debt can be found in the notes to the financial statements. General bonded debt is debt that is backed, in whole or in part, by resources of the general government.

¹ See the assessed value and estimated actual value of taxable property schedule (schedule 5) for property value data. Assessed Value has been used because the actual value of taxable property is not readily available in the State of California.

² See the Demographic and Economic Statistics Schedule (schedule 15) for population data.

Agency as of February 1, 2012.

Source: City of Rialto

City of Rialto
Schedule: 12
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year				
	2013	2014	2015	2016	2017
Assessed value	\$ 5,698,456,459	\$ 5,918,760,007	\$ 6,463,982,386	\$ 6,937,960,152	\$ 7,337,606,885
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	1,424,614,115	1,479,690,002	1,615,995,597	1,734,490,038	1,834,401,721
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	213,692,117	221,953,500	242,399,339	260,173,506	275,160,258
Total net debt applicable to limit:Certificate of Particip	2,054,115	1,880,000	1,675,000	1,465,000	1,245,000
Legal debt margin	\$ 213,692,117	\$ 221,953,500	\$ 242,399,339	\$ 260,173,506	\$ 275,160,258
Total net debt applicable to the limit as a percentage of debt limit	0.96%	0.85%	0.69%	0.56%	0.45%

NOTES: Under State Finance Law, the City's outstanding general obligation debt should not exceed 15 percent of the total assessed property value. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: City of Rialto

Fiscal Year				
2018	2019	2020	2021	2022
\$ 7,907,753,047	\$ 9,146,266,649	\$ 10,022,185,498	\$ 10,830,810,827	\$ 12,226,951,239
25%	25%	25%	25%	25%
1,976,938,261.75	2,286,566,662	2,505,546,375	2,707,702,707	3,056,737,810
15%	15%	15%	15%	15%
296,540,739.26	342,984,999.34	375,831,956.18	406,155,406.01	458,510,671.46
1,015,000	775,000	525,000	270,000	-
\$ 296,540,739	\$ 342,984,999	\$ 375,831,956	\$ 406,155,406	\$ 458,510,671
0.34%	0.23%	0.14%	0.07%	0.00%

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City of Rialto
Schedule: 13
Direct & Overlapping Debt
As of June 30, 2022

2020-21 Assessed Valuation: \$11,957,246,516

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/2022	% Applicable (1)	City's Share of Debt 6/30/22
Metropolitan Water District	\$20,175,000	0.079%	\$15,938
Chaffey Community College District	302,930,000	1.201	3,638,189
San Bernardino Community College District	730,017,126	12.134	88,580,278
Colton Joint Unified School District	189,142,661	16.511	31,229,345
Fontana Unified School District	269,259,841	8.032	21,626,950
Rialto Unified School District	93,496,428	73.559	68,775,037
San Bernardino City Unified School District	276,764,806	0.018	49,818
City of Rialto Community Facilities District No. 2006-1	4,210,000	100.00	4,210,000
City of Rialto Community Facilities District No. 2019-2	4,985,000	100.00	4,985,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$223,110,556
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
San Bernardino County General Fund Obligations	\$188,035,000	4.491%	\$8,444,652
San Bernardino County Pension Obligation Bonds	119,835,000	4.491	5,381,790
San Bernardino County Flood Control District General Fund Obligations	44,780,000	4.491	2,011,070
Chaffey Community College District Certificates of Participation	27,675,000	1.201	332,377
Fontana Unified School District Certificates of Participation	20,515,000	8.032	1,647,765
Rialto Unified School District Certificates of Participation	8,041,091	73.559	5,914,946
San Bernardino City Unified School District Certificates of Participation	83,385,000	0.018	15,009
City of Rialto General Fund Obligations	10,737,920	100	10,737,920
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$34,485,529
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	110,905,000	100.00%	110,905,000
TOTAL DIRECT DEBT			\$10,737,920
TOTAL OVERLAPPING DEBT			\$357,763,165
COMBINED TOTAL DEBT			\$368,501,084 (2)

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value..

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2021-22 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.87%
Total Direct Debt (\$10,737,920)	0.09%
Combined Total Debt	3.08%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$6,234,941,844):

Total Overlapping Tax Increment Debt	1.78%
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NOTES: 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 Colton. 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 Rialto
Schedule: 14
Pledged Revenue Coverage
Last Ten Fiscal Years

Water Revenue Bonds							
Fiscal Year	Pledged Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage
				Principal	Interest		
2013	1,291,943	2,879,139	(1,587,196)	308,067	1,391,545	1,699,612	(0.93)
2014	6,076,082	5,704,078	372,004	512,211	2,387,789	2,900,000	0.13
2015	7,723,650	5,569,541	2,154,109	544,448	2,355,552	2,900,000	0.74
2016	8,869,300	5,676,547	3,192,753	578,712	2,321,288	2,900,000	1.10
2017	9,275,027	5,874,523	3,400,504	615,132	2,284,868	2,900,000	1.17
2018	8,616,245	6,370,090	2,246,155	653,845	2,246,155	2,900,000	0.77
2019	8,420,761	6,215,754	2,205,007	694,993	2,205,007	2,900,000	0.76
2020	8,830,652	6,669,384	2,161,268	738,732	2,161,268	2,900,000	0.75
2021	8,987,712	6,872,934	2,114,778	785,223	2,114,777	2,900,000	0.73
2022	9,143,778	7,078,418	2,065,360	834,640	2,065,360	2,900,000	0.71

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

Source: City of Rialto

Wastewater Revenue Bonds

Pledged Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage
			Principal	Interest		
7,394,654	3,347,402	4,047,252	707,860	6,764,572	7,472,432.00	0.54
14,660,988	6,460,799	8,200,189	1,111,739	11,638,261	12,750,000.00	0.64
19,356,543	6,437,198	12,919,345	1,029,763	11,585,242	12,615,005.00	1.02
18,468,543	6,543,990	11,924,553	1,195,470	11,486,530	12,682,000.00	0.94
22,156,987	6,721,045	15,435,942	1,303,066	11,378,934	12,682,000.00	1.22
18,624,185	7,362,532	11,261,653	1,420,347	11,261,653	12,682,000.00	0.89
18,147,808	7,013,991	11,133,817	1,548,183	11,133,817	12,682,000.00	0.88
18,693,267	7,698,772	10,994,495	1,687,525	10,994,475	12,682,000.00	0.87
18,666,511	7,823,918	10,842,593	1,839,408	10,842,592	12,682,000.00	0.85
18,736,901	8,059,862	10,677,039	2,004,961	10,677,039	12,682,000.00	0.84

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

Source: City of Rialto

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help readers understand the environment within which the City's financial activities take place.

City of Rialto
Schedule: 15
Demographic and Economic Statistics
Last Ten Years

Calendar Year	(1) Population	Personal Income	(2) Per Capita Income	(3) Unemployment Rate
2013	102,022	1,573,791,372	15,426	12.40%
2014	102,615	1,662,978,690	16,206	10.40%
2015	103,790	1,763,392,100	16,990	8.40%
2016	105,107	1,796,488,844	17,092	7.50%
2017	105,825	1,912,469,400	18,072	6.40%
2018	106,135	2,028,345,985	19,111	5.00%
2019	107,271	-	*	4.20%
2020	104,553	2,310,725,853	22,101	14.90%
2021	104,050	2,245,190,900	21,578	7.90%
2022	103,954	2,405,183,698	23,137	4.00%

Sources:

1. State of California, Department of Finance; U.S. Census Bureau, American Fact Finder
Historical Population and Housing Estimates for Cities, Counties, and the State, 2000-2022
<http://www.dof.ca.gov/Forecasting/Demographics/Estimates>
2. U.S. Census Bureau, American Fact Finder
PER CAPITA INCOME IN THE PAST 12 MONTHS
http://factfinder.census.gov/bkmk/table/1.0/en/ACS/07_1YR/B19301/1600000US0660466
<http://www.census.gov/quickfacts/table/INC110214/0660466,00>
3. Bureau of Labor Statistics of the U.S. Department of Labor

City of Rialto
Schedule: 16
Principal Employers
Current Year

Employer	2022	
	Number of Employees	Percent of Total Employment
Rialto Unified School District	2500 to 2999	5.81 - 6.97%
Chuze Fitness	500 to 999	1.16 - 2.32%
City of Rialto	250 to 499	.58 - 1.16%
Walmart Supercenter	250 to 499	.58 - 1.16%
Amazon Fulfillment Ctr	250 to 499	.58 - 1.16%
Stater Bros Markets	250 to 499	.58 - 1.16%
Vista Cover Care At Rialto	100 to 249	.23 - .58%
Columbia Steel Inc	100 to 249	.23 - .58%
Forest River Inc	100 to 249	.23 - .58%
Mesa Counseling Svc	100 to 249	.23 - .58%
Sierrra Lathing Co Inc	100 to 249	.23 - .58%
Target	100 to 249	.23 - .58%
Rally's Hamburgers	100 to 249	.23 - .58%
Burlingame Industries	100 to 249	.23 - .58%
Maintenance Center	100 to 249	.23 - .58%
El Super 35	100 to 249	.23 - .58%
Home Depot	100 to 249	.23 - .58%
Olive Garden Italian Kitchen	100 to 249	.23 - .58%
Superior Grocers	100 to 249	.23 - .58%
Cracker Barrel Old Country Str	100 to 249	.23 - .58%
Coit Carpet & Drapery Cleaners	100 to 249	.23 - .58%
Martinez & Turek Inc	100 to 249	.23 - .58%
R C Construction	100 to 249	.23 - .58%

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Operating Information

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

City of Rialto
Schedule: 17
Authorized Full-time Employees by Function
Last Ten Fiscal Years

Function/ Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
City Administrator	2.00	3.00	3.00	3.00	3.00	3.00	3.00	6.65	6.65	10.40
City Clerk	6.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00	4.00
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Treasurer	4.00	4.00	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00
Finance	12.83	12.33	13.33	17.67	17.00	15.00	16.00	13.50	13.50	21.00
Information Technology Services	-	-	-	-	-	-	-	5.50	5.50	12.00
Management Services	-	3.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00	5.00
Human Resources	3.33	3.33	4.33	3.73	4.40	4.40	4.40	6.00	6.00	8.00
Public Safety										
Fire	76.00	76.00	70.00	78.00	81.00	80.00	83.00	84.00	85.00	87.00
Police	140.50	142.50	145.50	145.50	146.00	142.00	146.00	161.00	171.00	186.00
Community Development										
Development Services	19.66	18.06	18.10	19.15	21.00	20.00	21.00	16.05	20.00	25.00
Redevelopment/ Successor Agency of the Former RDA	1.44	1.44	1.40	1.35	0.60	0.60	0.60	0.95	-	-
Public Works	48.90	40.00	43.00	43.60	44.00	41.00	47.00	37.20	43.40	38.65
Engineering	-	-	-	-	-	-	-	-	-	16.00
Community Compliance	-	-	-	-	-	-	-	6.10	6.10	6.00
Recreation & Community Services	9.34	9.34	9.34	10.00	10.00	10.00	11.00	21.85	19.85	26.95
Grand Total	329.00	321.00	324.00	338.00	344.00	333.00	350.00	377.80	398.00	456.00

Source: City of Rialto

City of Rialto
Schedule: 18
Operating Indicators by Function/Program
Last Ten Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Arrests	3,898	4,124	3,990	3,919	3,851	3,684	3,939	4,290	4,702	5,491
Fire										
Emergency unit responses	18,556	19,830	21,153	22,141	21,567	22,814	22,614	23,375	23,071	23,845
Community Development										
Number of certificates of occupancy issued	128	109	131	59	77	53	192	9	9	8
Recreation & Community Services										
Number of recreation classes	72	86	77	96	94	94	97	-	-	470
Public Works										
Street resurfacing (miles)	19	25	17	34	37	3	33	1	1	2
Water										
Average daily consumption (millions of gallons)	4.63	4.40	3.82	3.17	3.44	3.78	7.40	7.42	8.37	7.87
Number of Installed Water Meters	168	232	1,206	1,500	*	*	16	46	438	199
Sewer										
Average daily sewage treatment (millions of gallons)	7.22	7.26	7.01	6.69	7.58	6.77	6.82	7.78	6.84	7.10

Source: Various City of Rialto departments.

NOTE: * data not available.

City of Rialto
Schedule 19
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire										
Fire stations	4	4	4	4	4	4	5	5	5	5
Public Works										
Estimated street miles	268	268	270	270	270	272	280	280	280	302
Traffic Signals	609	614	614	620	621	627	628	629	630	633
City-owned street lights	87	87	120	250	328	4,144	4,205	4,237	4,281	4,633
Recreation & Community Services										
Parks	10	9	9	10	10	10	11	11	11	11
Community Centers	1	1	1	1	2	2	2	3	3	3
Water										
Water mains (miles)	187	187	187	187	187	187	190	190	190	190
Sewer										
Sanitary sewer (miles)	263	263	263	263	263	263	266	266	266	266

NOTE: * data not available.

Source: Various City departments.