



BETTY T. YEE
California State Controller

January 8, 2018

Mr. Kyle Johnson
Finance Manager
City of Rialto
Finance Department
150 South Palm Avenue
Rialto, CA 92376

RE: Road Maintenance and Rehabilitation Program
Maintenance-of-Effort Requirements

Dear Mr. Johnson:

The State Controller's Office (SCO) has completed its review of the City of Rialto's certified General Fund (discretionary) expenditures for street purposes for the period of July 1, 2009, through June 30, 2012. The review was limited to making inquiries and performing analytical procedures to obtain reasonable assurance that the discretionary expenditure amounts were in compliance with Streets and Highways Code section 2036.

Our review disclosed that the average annual expenditure funded from the General Fund (discretionary funds) for the above three-year-period is \$368,490 (see attachment). This average annual expenditure amount is the base-year match requirement that the city must meet annually in order to receive any Road Maintenance and Rehabilitation Account (RMRA)-Local Streets and Roads (LSR) fund allocations.

In accordance with Streets and Highways Code section 2036, the city must maintain its existing commitment of local funds for street purposes to remain eligible for allocations of RMRA-LSR funds. In order to receive these funds, each year the city must expend from its General Fund for street purposes an amount not less than the annual average of General Fund expenditures during fiscal years (FY) 2009-10, FY 2010-11, and FY 2011-12, as reported to the SCO, pursuant to Streets and Highways Code section 2151.

If you have any questions, please contact Marty Namjou at (916) 327-3928.

Sincerely,

A handwritten signature in black ink, appearing to read "Efren Loste".

EFREN LOSTE, Chief
Local Government Audits Bureau

Attachment

ITEM (A)

STATE CONTROLLER'S OFFICE
DIVISION OF AUDITS
OCT 19 2017

**ROAD MAINTENANCE AND REHABILITATION PROGRAM
MAINTENANCE-OF-EFFORT
CALCULATION SUMMARY SHEET**

City of Rialto

**SCHEDULE OF EXPENDITURES
AS REPORTED TO THE STATE CONTROLLER
PURSUANT TO STREETS AND HIGHWAYS CODE SECTIONS 2151 and 2152**

**DISCRETIONARY FUND EXPENDITURES FOR
FISCAL YEAR (FY) 2009-10, FY 2010-11, and FY 2011-12**

	FY 2009-10	FY 2010-11	FY 2011-12	AVERAGE
EXPENDITURES PER ASR	\$839,950.00 ✓	\$18,397.00	\$998,174.00	\$618,840.33
ADJUSTMENTS Should Be:	\$70,895.29	\$78,358.74	\$411,593.56	
DELETIONS:	<345,987>	<381,089>	<386,667>	
Total (See Attached)	-\$641,483.05	-\$605,391.09	-\$499,686.23	
ADDITIONS:				
ADJUSTED EXPENDITURES	493,963 (\$570,587.76)	-0- (\$527,032.85)	611,507 (\$88,092.67)	368,490 ✓ -\$0.00 Zero

I HEREBY CERTIFY, to the best of my knowledge and belief, that the total discretionary street purpose expenditure amounts reported herein are reported accurately in accordance with the requirements as prescribed by the State Controller.

I am requesting additional review by the SCO of the proposed adjustments.

Signature: [Signature] Date: 10/12/17
Printed Name: Kyle Johnson
Title: Finance Manager

I HEREBY CERTIFY, that the above MOE calculations have been reviewed and approved by the SCO.

Signature: [Signature] Date: 12/13/17
Printed Name: Marty Navisani
Title: Audit Manager

✓ 12/14/17 Committed the revised figures to Kyle Johnson, Finance Manager. JC