

City of Fontana
Annual
Comprehensive
Financial Report
FY 24-25

FOR FISCAL YEAR ENDED JUNE 30, 2025

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**City of Fontana
California**

Acquanetta Warren, Mayor

Peter Garcia, Mayor Pro Tem

Phillip W. Cothran, Council Member

John B. Roberts, Council Member

Jesus "Jesse" Sandoval, Council Member

Matthew C. Ballantyne, City Manager

PREPARED BY THE CITY OF FONTANA FINANCE DEPARTMENT

Jessica Brown, Chief Financial Officer

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City of Fontana CALIFORNIA

December 23, 2025

The Honorable Mayor, Members of the City Council and Citizens of the City of Fontana

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive annual financial report of the City of Fontana for the fiscal year ended June 30, 2025.

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

The City of Fontana's financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Fontana for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Fontana's financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

The City of Fontana is located approximately 50 miles east of Los Angeles in Southwestern San Bernardino County. The City spans approximately 42.4 square miles and has an estimated population of 219,000. The City was first developed as an organized rural community through the vision of Mr. A. B. Miller. Although self-sufficient, the farming community was abruptly reshaped to accommodate the industrial revolution in 1942 with the transformation of Mr. Miller's farm into a steel mill by Henry J. Kaiser. The area became Southern California's leading producer of steel and steel-related products. The steel industry remained the dominant economic driver until 1984 when the steel mill closed. Since that time, Fontana has evolved into a diverse and affordable community that continues to attract both residents and businesses.

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

The City of Fontana employs approximately 678 full-time employees. Services provided include police protection; contracted fire services; the construction and maintenance of highways, streets, and other infrastructure; wastewater and sanitation services; and recreational, cultural and community programs. In addition to general government activities, the City Council also serves as the Board of Directors of the Fontana Industrial Development Authority, the Fontana Public Financing Authority, the Fontana Public Facilities Financing Authority, the Fontana Housing Authority, the Fontana Community Foundation, the Fontana Fire Protection District as well as the Successor Agency for the Former Fontana Redevelopment Agency Accordingly, the financial activities of these entities have been included as an integral part of the City's financial statement. Additional information on these entities can be found in Note 1 in the notes to the financial statements.

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

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

Factors Affecting Financial Condition

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

Local economy. The Inland Empire’s economy during fiscal year 2024–25 continued to reflect a combination of resilience and ongoing challenges. Key economic indicators pointed to relatively stable employment levels despite broader economic uncertainty, a housing market that generally stabilized alongside continued, though moderated, new home construction, and moderate consumer spending. Retail activity remained supported by grocery and discount-oriented businesses, while higher mortgage rates and housing affordability constraints continued to affect residential market activity. Overall, these conditions support a cautiously stable economic outlook.

Balanced Growth. Fontana’s labor market has remained relatively stable despite broader economic pressures. Despite a modest increase in unemployment from 5.4% in June 2024 to approximately 6.0% by June 2025, employment conditions continue to reflect the Inland Empire’s broader trend of balanced economic growth. The region has experienced gradual expansion, supported by key sectors such as logistics, healthcare, and local government, with no current indicators suggesting a significant economic slowdown.

Retail Sales Are Decreasing. Taxable sales remain a vital revenue source for the City of Fontana. The City experienced a decline in taxable sales for the second year in a row, with a 5.4% decline in FY 2023-24 compared to the prior year and a 4.1% decline for FY 2024-25. This shift reflects a normalization of consumer spending following post-pandemic surges, rather than a sign of economic weakness. This moderation is part of a broader economic balancing, not a downturn, as the Inland Empire continues to show underlying strength and stability in its core economic sectors.

In November 2024, voters passed a 1% Transaction Use Tax (TUT) that offset sales tax declines described above. Effective April 1, 2025, the TUT resulted in \$10.9 million of new revenue for the City in FY 2024-25 and is forecasted to produce \$42.7 million in new revenue in FY 2025-26.

Housing Market Normalizing with Stable Demand

The Inland Empire housing market in FY 2024-25 continued its transition from rapid post-pandemic growth toward a more normalized and sustainable pace. Elevated mortgage rates moderated price appreciation and speculative activity; however, persistent housing undersupply, ongoing household formation, and population inflows continue to support stable demand across the region. Rather than experiencing significant price corrections, the market is characterized by modest price adjustments and improved balance between buyers and sellers.

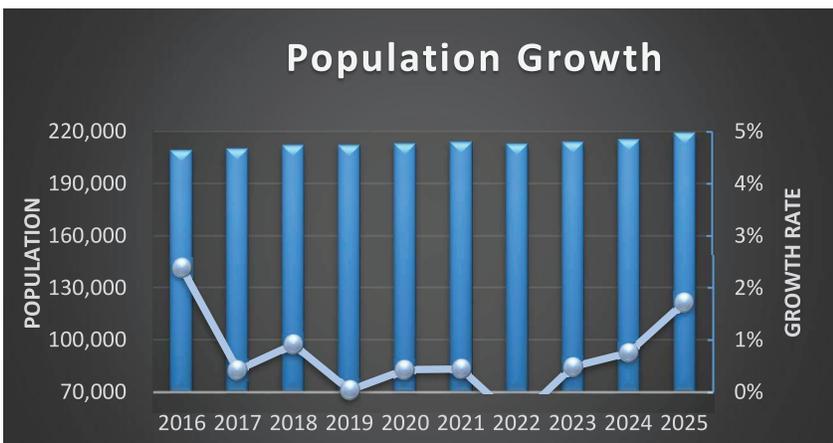
Affordability remains a relative strength of the Inland Empire compared to coastal Southern California markets, where homeownership remains out of reach for a majority of households. This affordability gap continues to drive inland migration patterns, supporting long-term housing demand in San Bernardino County despite broader statewide housing challenges. Thornberg’s forecast anticipates slower price growth, increased inventory relative to recent years, and continued demand driven by structural housing shortages rather than short-term market volatility.

City of Fontana Housing Market

Within the City of Fontana, the housing market remained resilient during FY 2024-25, reflecting regional trends of stabilization rather than contraction. Home prices generally held near prior-year levels, supported by ongoing residential development activity and continued interest from buyers seeking comparatively attainable housing options. Fontana’s position as the westernmost city in the Inland Empire with remaining developable land provides a strategic advantage, enabling continued residential growth alongside industrial and commercial expansion.

Over the past several years, the city has maintained a strong pace of new housing construction, supported by both greenfield development and redevelopment opportunities. According to regional forecasts, this development momentum is expected to continue over the next decade, reinforcing Fontana’s role as a key housing growth center within San Bernardino County. These factors point to a well-balanced housing market with long-term growth potential anchored by supply availability, employment access, and regional affordability.

Population Growth Outlook



The center of population growth in San Bernardino County continues to shift westward toward Fontana. Over the past decade, the City’s population has increased approximately 4.8 percent. With a current population of approximately 219,000, Fontana is the second-largest city in San Bernardino County, the third largest in the Inland Empire, and among the twenty largest cities in the State of California.

Given continued housing development and sustained regional demand, the City’s population is projected to exceed approximately 280,900 by the year 2040, further reinforcing Fontana’s long-term role as a major residential and employment hub within Southern California.

Significant Events of FY 2024-25

Downtown Parking Structure: The construction of the parking structure within the existing parking lot of the City's Human Resources Department Building located at 8491 Sierra Avenue, Fontana, CA 92335 which shall consist of a 4-tier parking structure allowing for approximately 320 parking spaces and two elevators was substantially complete at FYE June 30, 2025. The intent of the structure is to serve as both public and employee parking for the civic campus as well as the planned downtown area which is to be revitalized. The project was accepted as complete in September 2025.



- **9/11 Memorial Monument:** City Council identified funds for the 9/11 memorial monument project. The actual steel beam recovered from the World Trade Center site will be used as a main piece of the monument. The 18' long beam will be resurrected to its upright position as it once stood at the World Trade Center. The upright position of the beam speaks to resilience, perseverance, and strength against tragedy. The conceptual design has been approved and the detailed design is currently underway. The project design has been completed. Construction has begun in FY 2024-2025.
- **American Rescue Plan Act (ARPA) Grant:** To aid the country in the recovery from the government imposed COVID-19 lockdown, the U.S. Treasury issued the \$350 billion American Rescue Plan Act (ARPA). The City of Fontana was allocated \$50.3 million which includes various spending categories such as: support public health expenditures; address negative economic impacts; serve the hardest-hit communities and families; replace lost public sector revenue; provide premium pay for essential workers; and invest in water, sewer, and broadband infrastructure. The City Council has approved various eligible projects within these categories.
- **Pavement Rehabilitation Program:** Based on the new Citywide 7-Year Pavement Management Plan, several pavement projects are expected to be completed in 2024/25 using various funds, including Road Maintenance and Rehabilitation Act (RMRA) funding.
- **City Hall Renovation Project - Phase I (Fire Annex)** The City Hall Renovation Project – Phase I (Fire Annex), located at 17001 Upland Avenue, Fontana, California, involved the demolition of the former one-story Fire Administration Building and the construction of a two-story municipal facility consisting of a first-floor parking structure and second-floor office space, with each level encompassing approximately 30,000 square feet. The City anticipated 65 parking spaces to be within the parking structure portion of the building. The intent of the building is to serve as office space for city staff as well as both public and employee parking for the civic campus. Construction was substantially completed, and a Temporary Certificate of Occupancy was issued on July 31, 2025. The final acceptance was set to happen in September 2025.

- **Fire Station #80 – Phase I:** As part of the City’s Fire Master Plan and ongoing efforts to enhance emergency response times in the northern portion of the city, Phase I of Fire Station #80 will focus on the design, environmental review, and construction of a new Fire Training Facility located at the intersection of Cherry Avenue and South Highland Avenue. The construction of the Fire Station itself is anticipated to occur in a subsequent phase. Construction of the Phase I training facility is projected to begin in fiscal year 2025–26.



- **Aldea Building Lease & Land:** The city approved a leasing agreement between the Fontana Housing Authority and Aldea Fontana, LLC for property located at 15186 Foothill Boulevard. The city has been actively addressing the growing demand for affordable and workforce housing. The 78-unit multi-family represents a strategic opportunity to advance the city’s housing goals. The lease includes an option to purchase the land and structure allowing the city the time to identify additional funding sources for the acquisition.
- **City Hall Renovation Project – Phase II (City Hall)** Located at 8353 Sierra Avenue, Phase II of the City Hall Renovation Project includes the demolition of the existing City Hall and construction of a new two-story City Hall building totaling approximately 42,000 square feet. The facility will house administrative and executive offices, public service areas, City Council Chambers, and a secured employee-only parking garage with 42 parking spaces. The design phase began in February 2024, with construction scheduled to begin in January 2026 and an anticipated completion in December 2027.



Financial Challenges Ahead

The following is a summary of key challenges that the City of Fontana may face over the next several years.

- **Inflation.** Following a period of elevated inflation beginning in 2021, inflationary pressures in the Riverside–San Bernardino–Ontario Metropolitan Statistical Area (MSA) continued to moderate during 2023, 2024, and fiscal year 2024-25 as the pace of price increases slowed. While inflation has stabilized relative to peak levels, prices for many goods and services remain above pre-pandemic norms. After decades of relatively low inflation, the rapid escalation in costs that began in 2021 has had lasting impacts on operating expenditures. Although economic forecasts vary, the general consensus anticipates continued cooling of inflation over the near term, albeit with ongoing sensitivity to labor costs, energy prices, and broader economic conditions.
- **State Budget.** The State of California adopted a balanced fiscal year 2025-26 budget that maintains significant reserves while moderating spending growth amid continued economic uncertainty. After two consecutive years of budget deficits, the Governor’s proposed 2025-26 budget projects a modest surplus of approximately \$363 million. The Administration anticipates moderate economic growth but cautions that federal policy changes, including tariffs, international trade conditions, and potential federal budget reductions, could pose risks to the State’s economic outlook.

California’s labor market recovery continues to lag national trends. According to the U.S. Bureau of Labor Statistics and the California Employment Development Department, as of June 2025, California’s unemployment rate was approximately 6 percent, representing over 1.1 million unemployed individuals and placing the State among the highest unemployment rates nationally. At the same time, employers continue to report difficulty hiring qualified candidates, reflecting ongoing labor market imbalances.

- **California Public Employees’ Retirement System (CalPERS).** CalPERS reported a preliminary investment return of 11.6 percent for fiscal year 2024-25, exceeding the System’s 6.8 percent discount rate and improving the estimated funded status to approximately 79 percent. Employer contribution rates remain subject to actuarial smoothing and the Funding Risk Mitigation Policy. The City continues to maintain its PERS Rate Stabilization Reserve to mitigate potential future contribution volatility.

Consistent with prior Board actions, CalPERS reduced its discount rate assumption in recent years and adopted updated actuarial assumptions, including longer life expectancies and earlier retirement ages, which increase long-term contribution requirements. As of June 30, 2025, the City’s PERS Rate Stabilization Reserve had a balance of approximately \$13.6 million.

- **Housing Market and Interest Rates.** Housing prices increased significantly during the early years of the COVID-19 pandemic, driven by historically low interest rates and elevated demand. Beginning in 2022, rising mortgage interest rates reduced affordability and slowed home sales activity, resulting in a moderation of price growth. During fiscal year 2024-25, housing demand in the City of Fontana and the broader Inland Empire remained below peak pandemic levels; however, residential property values generally stabilized and remained above pre-pandemic levels.

While elevated interest rates continue to constrain affordability, limited housing supply has helped support home values, contributing to a more balanced housing market rather than a sustained price decline. These conditions continue to influence assessed valuation growth and consumer behavior.

- **Unfunded Liabilities.** As of June 30, 2025, the City's unfunded accrued pension liability and other post-employment benefits (OPEB) liability were approximately \$229.0 million and \$43.5 million, respectively. There is a two-year lag between the valuation date and the report date for the CalPERS actuarial reports. The annual required contribution to fund the City's retiree health program for both current and future retirees for is approximately \$28.5 million. The retiree health program has been closed to new hires since 1990, which limits future growth in the liability.
- **Property Value Reassessments.** The annual Consumer Price Index (CPI) adjustment, which provides the basis for changes in assessed valuations statewide under Proposition 13, continues to be applied at the maximum 2 percent level. Properties that previously received temporary valuation reductions under Proposition 8 are not subject to this limitation and may experience assessed value increases greater than 2 percent until their Proposition 13 factored base-year value is restored.
- **Proposition 218.** In November 1996, California voters approved Proposition 218, which amended the State Constitution and significantly altered local government finance law. Proposition 218 affects the generation and use of many fundamental revenue sources, including fees, charges, assessments, and taxes, and establishes voter approval requirements for certain revenue actions. The City's FY 2024-25 Operating Budget fully complies with the provisions of Proposition 218.
- **Services and Growth.** The City of Fontana has experienced sustained population and development growth over the past several years. This growth increases demand for municipal services, infrastructure, and staffing. Funding for these additional services is supported through ongoing revenue growth and the Municipal Services Fiscal Impact Fee (MSFIF) Program.

In addition, voters approved a TUT (Measure T), a one-cent (1%) local sales tax increase, which became effective April 1, 2025. Measure T is expected to generate approximately \$42.70 million in additional annual sales tax revenue, providing a significant new funding source to support public safety, infrastructure, and other core municipal services as the City continues to grow.

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

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

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

Regarding long-term financial planning, the City Council adopted the City’s biennial budget for fiscal years 2023-2024 and 2024-2025. Additionally, as a companion to approving the budget plan, a seven-year Capital Improvement Plan was presented to the City Council. The seven-year plan links anticipated expenditures for infrastructure development with community needs and desires and provides a citywide perspective of recommended projects and proposed funding sources. The Capital Improvement Plan was finalized in June 2025 and totaled \$1.3 billion for the seven-year fiscal period ending June 30, 2032. The seven-year Capital Improvement Plan has been submitted and annually updated, in its present form, since 1991, for effective long-range planning purposes. It is City Management’s belief that these two plans give City Council members an expanded opportunity to set policy and provide direction for implementation, resulting in improved management efficiency and improved financial results.

Debt administration. At June 30, 2025, the City had a number of debt issues outstanding as shown in detail in the notes to the financial statements. The City’s ratios of net bonded debt to assessed valuation and the amount of net general bonded debt per capita are useful indicators of our debt position to management, citizens, and investors.

At June 30, 2025, the City has \$47.5 million in authorized, outstanding tax supported general obligation bonds with no authorized but unissued general obligation bonds. This level of general obligation debt is well below the legal limit of \$4.9 billion, or 15% of assessed valuation.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for the fiscal year ended June 30, 2023. This was the twenty-ninth year that the City has received this award. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government unit and its management. In order to be awarded this certificate, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, with contents that conform to program standards. These reports must satisfy both generally accepted accounting principles and applicable legal requirements. We believe our current Annual Comprehensive Financial Report conforms to the Certificate of Achievement program requirements.

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the City for its Popular Annual Financial Report for the fiscal year ended June 30, 2019. This was the twentieth consecutive year the city has received this award. This is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. The Award is for a period of one year only.

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

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

Sincerely,

Jessica Brown

Jessica Brown
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Fontana
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF FONTANA

LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS

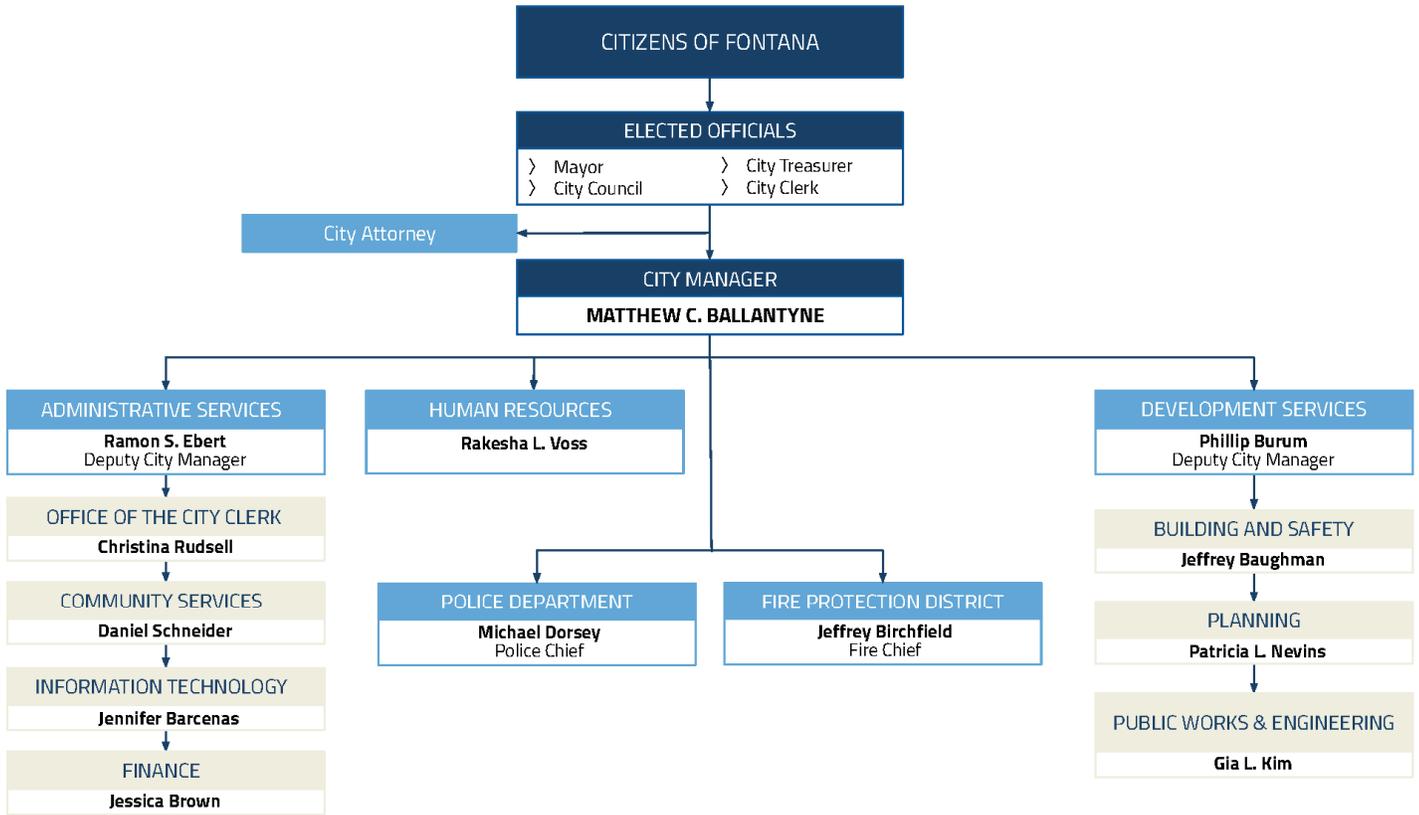
Acquanetta Warren, Mayor
Peter Garcia, Mayor Pro Tem
Phillip Cothran, Council Member
John B. Roberts, Council Member
Jesus Sandoval, Council Member

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

ADMINISTRATIVE STAFF

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

Organizational Chart CITYWIDE



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Independent Auditor's Report

To the Members of the City Council
City of Fontana, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fontana, California (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fontana, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Fire Protection District Fund, Housing Authority Fund, and the Grants Fund 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in net position liability and related ratios during the measurement period for the safety and miscellaneous plans, schedule of plan contributions for the safety and miscellaneous plans, schedules of changes in net OPEB liability and related ratios, and other post-employment benefit plan schedule of investment returns, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining non-major governmental funds financial statements and budgetary schedules, the combining proprietary fund financial statements, and the combining fiduciary fund financial statements, are presented for 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 basic 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 GAAS. In our opinion, the supplementary information described above 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 and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 December 23, 2025, 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, 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.

Eide Bailly LLP

Rancho Cucamonga, California
December 23, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

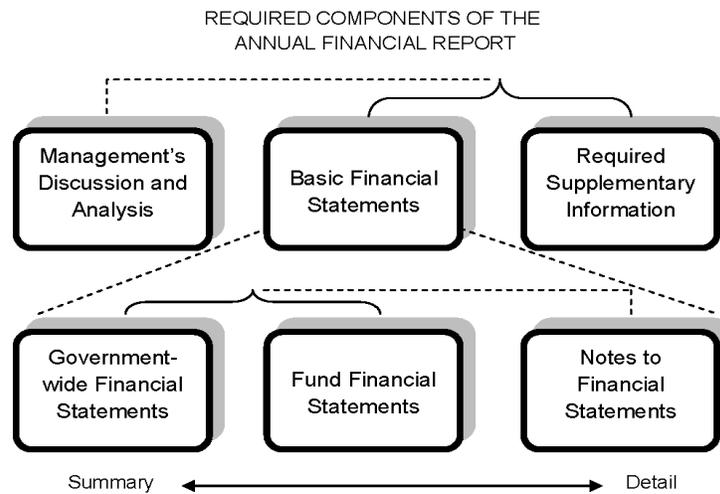
This narrative overview and analysis of the City of Fontana's financial activities for the fiscal year ended June 30, 2025, is presented by the management of the City of Fontana to readers of the City's financial statements. Management encourages readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report and the City's basic financial statements in the financial section of this report.

FINANCIAL HIGHLIGHTS

- The City's governmental and business-type activities resulted in total assets and deferred outflows of resources exceeding its liabilities and deferred inflows of resources by \$1,359.7 million as of June 30, 2025 ("current fiscal year"). Of this amount, \$259.0 million represents the portion for restricted uses as specified by entities outside of the City government, the amount for unrestricted uses in accordance with finance-related legal requirements as reflected in the City's fund structure is in a positive position at \$232.2 million, and \$868.6 million accounts for investments in capital assets in excess of related debt.
- The City's total net position increased \$111.6 million during the current fiscal year. The increase is primarily due to the \$10.1 million increase in property taxes, \$8.6 million increase in sales taxes, and \$67.8 million increase in capital grants and contributions, and a \$22.2 million decrease in general government expenses.
- As of the fiscal year end, the City's Governmental Funds ending fund balances were \$644.3 million, an increase of approximately \$50.8 million or 8.56% from the prior fiscal year. Of this balance, \$22.4 million is in nonspendable, \$343.1 million restricted for use set by various legal requirements, \$39.6 million is committed for economic uncertainty and \$239.1 million is either assigned or unassigned based on the nature of the funding source.
- The General Fund's fund balance at the close of the current fiscal year was \$116.2 million, an increase of approximately \$12.2 million or 11.7% from the previous year. The General Fund's fund balance consists of \$20.7 million in nonspendable and \$15.6 million in restricted fund balance, \$39.6 million in committed for the purposes of Economic uncertainty, and \$40.3 million in assigned and unassigned fund balances. See note 14 for further discussion.
- The City's business-type activities yielded operating revenues of \$32.2 million, while operating expenses amounted to of \$31.2 million.
- General Fund revenues were \$1.1 million more than the final budget, and expenditures were \$13.2 million less than the final budget.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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



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

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

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

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

Component units are included in the basic financial statements and consist of legally separate entities for which the City is financially accountable and that have the same governing board as the City. The blended component units include the Successor Agency of the Former Fontana Redevelopment Agency, the Fontana Public Financing Authority, the Fontana Public Facilities Financing Authority, the Fontana Housing Authority, the Fontana Industrial Development Authority, the Fontana Community Foundation and the Fontana Fire Protection District. The

redevelopment agency was dissolved as of January 31, 2012 through the California Supreme Court decision on Assembly Bill 1X26. See Note 16 of the notes to the financial statements for more information on the dissolution.

The government-wide financial statements can be found on pages 19 and 20 of this report.

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

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

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

The City maintains 55 individual governmental funds for financial reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, the Fire Protection District Special Revenue Fund, the Housing Authority Special Revenue Fund, the Grants Special Revenue Fund, the Sewer Expansion Capital Projects Fund, and the Community Facility Districts Capital Projects Fund, which are considered to be major funds. Data for the other 49 governmental funds are combined in a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the non-major funds supplementary section of this report.

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

The governmental fund financial statements can be found on pages 22-27 of this report.

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

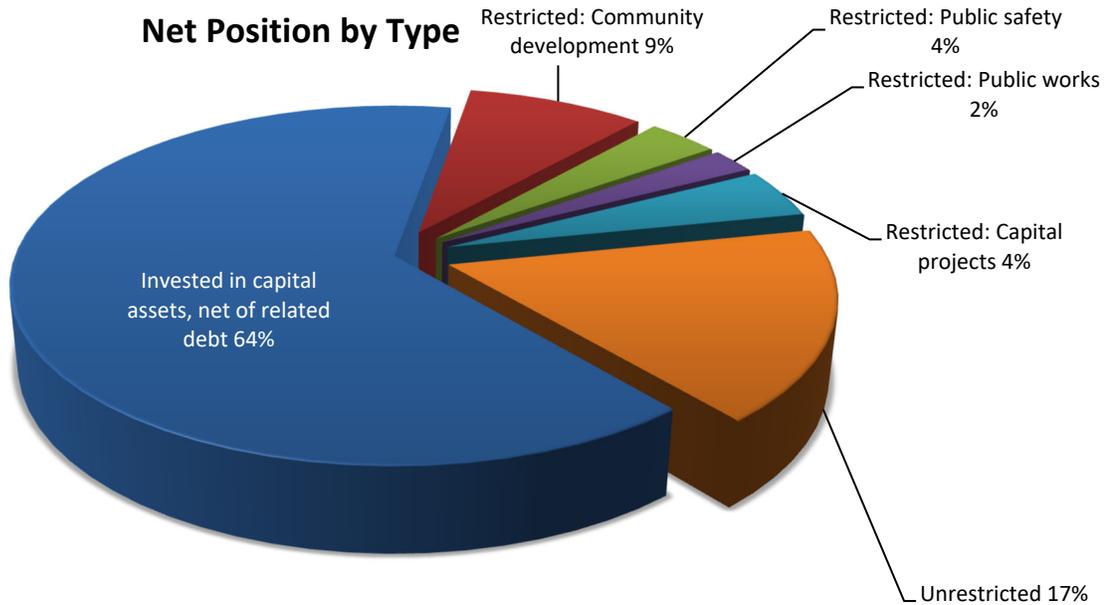
Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements can be found on pages 32-34 of this report.

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

The basic fiduciary fund financial statements can be found on page 35-36 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-94 of this report.

Government-wide Financial Analysis



As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's net position is comprised of Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position. As of June 30, 2025, assets exceeded liabilities by \$1,359.7 million.

The City's net investment in capital assets (land, buildings, infrastructure, machinery, equipment, vehicles, intangibles, and right-to-use assets), less any related debt used to acquire those assets that is still outstanding, is \$868.6 million. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position (\$259.0 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$232.2 million may be used to meet the government's ongoing obligations to citizens and creditors, unrestricted net position is in a positive position at the end of the fiscal year.

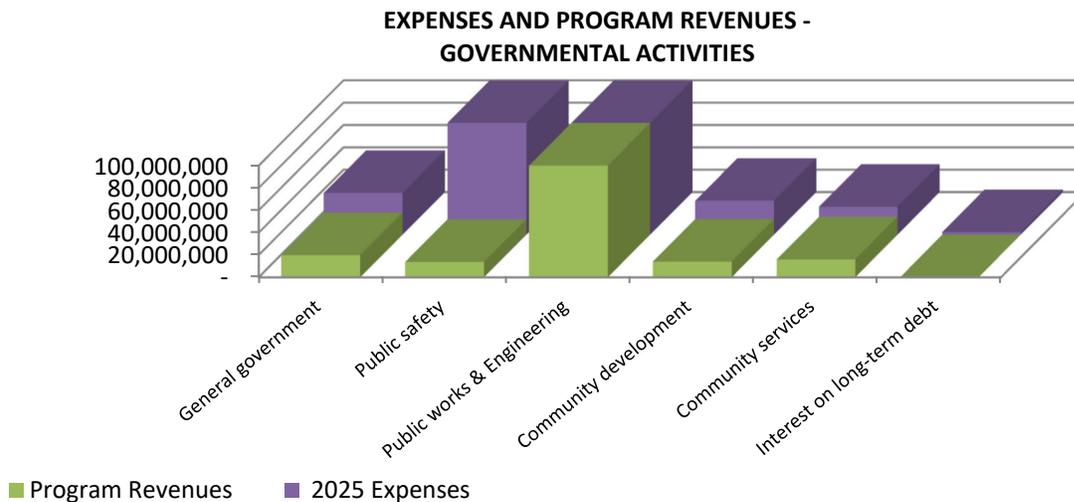
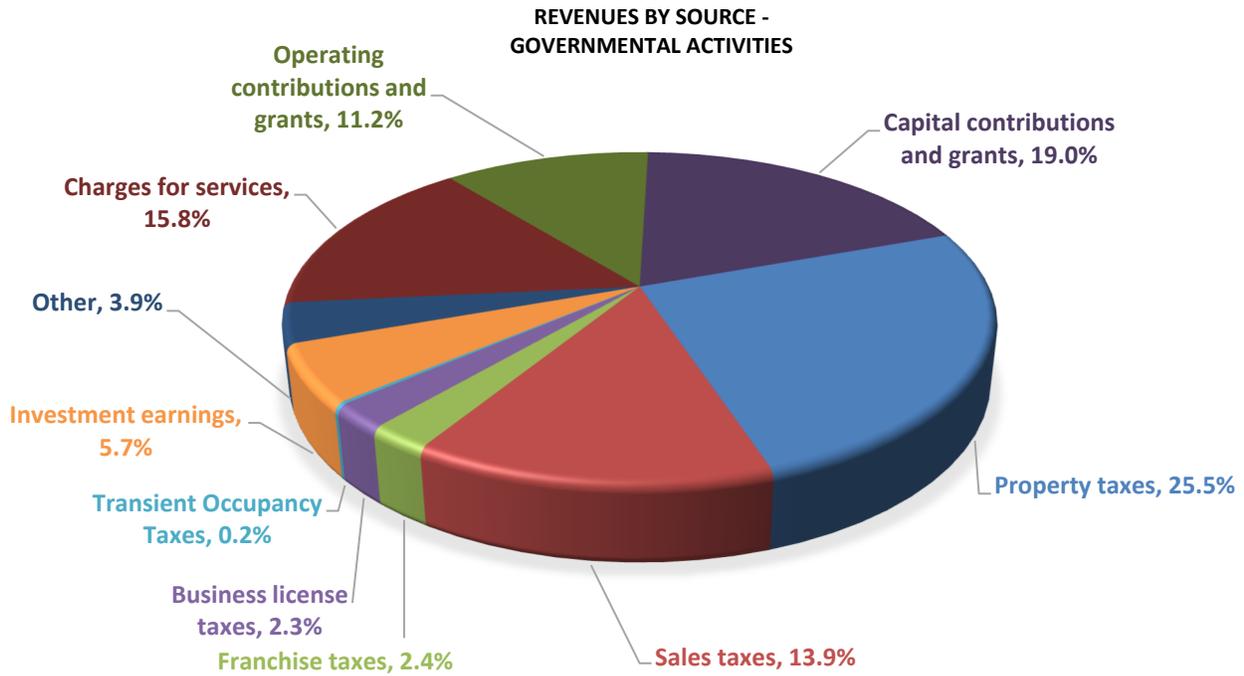
Net Position
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 815,436	\$ 777,746	\$ 32,494	\$ 32,117	\$ 847,930	\$ 809,863
Capital assets	860,933	789,977	64,925	63,126	925,858	853,103
Total assets	<u>1,676,369</u>	<u>1,567,723</u>	<u>97,418</u>	<u>95,243</u>	<u>1,773,788</u>	<u>1,662,966</u>
Deferred outflows of resources	66,888	84,302	1,595	2,218	68,483	86,520
Long-term liabilities outstanding	317,703	319,892	8,036	9,562	325,739	329,454
Other liabilities	107,833	120,145	6,634	4,524	114,468	124,669
Total liabilities	<u>425,536</u>	<u>440,037</u>	<u>14,671</u>	<u>14,086</u>	<u>440,207</u>	<u>454,123</u>
Deferred inflows of resources	41,598	46,246	727	1,032	42,325	47,279
Net position:						
Net investment in capital assets	806,903	741,904	61,668	59,155	868,572	801,059
Restricted	258,968	270,352	-	-	258,968	270,352
Unrestricted	210,251	153,486	21,949	23,188	232,200	176,674
Total net position	<u>\$ 1,276,123</u>	<u>\$ 1,165,742</u>	<u>\$ 83,617</u>	<u>\$ 82,343</u>	<u>\$ 1,359,740</u>	<u>\$ 1,248,085</u>

Changes in Net Position
(000 omitted)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for services	\$ 73,063	\$ 74,877	\$ 32,170	\$ 29,025	\$ 105,233	\$ 103,902
Operating grants and contributions	52,031	67,765			52,031	67,765
Capital grants and contributions	87,975	20,126	1,376	1,415	89,351	21,541
General Revenues:						
Property taxes	117,937	107,808			117,937	107,808
Sales tax	64,522	55,887			64,522	55,887
Franchise taxes	11,330	11,208			11,330	11,208
Business license taxes	10,881	11,943			10,881	11,943
Transient occupancy taxes	1,000	1,145			1,000	1,145
Motor vehicle in lieu	458	759			458	759
Investment earnings	26,390	25,833	1,073	1,054	27,464	26,887
Other	10,996	7,559	44	8	11,040	7,567
Contributions not restricted to specific programs	6,662	6,680			6,662	6,680
Total revenues	463,245	391,590	34,663	31,502	497,908	423,092
Expenses:						
General Government	37,278	59,447			37,278	59,447
Public Safety	138,397	129,566			138,397	129,566
Public Works / Engineering	121,886	76,017			121,886	76,017
Community Development	30,330	20,058			30,330	20,058
Community Services	24,947	22,000			24,947	22,000
Interest on long-term debt	2,249	2,132	69		2,318	2,132
Sewer and other enterprise funds			31,096	27,212	31,096	27,212
Total expenses	355,087	309,220	31,166	27,212	386,252	336,432
Change in net position before transfers	108,158	82,370	3,496	4,290	111,655	86,660
Transfers	2,222	2,383	(2,222)	(2,383)	0	-
Change in net position	110,380	84,753	1,274	1,907	111,655	86,660
Net Position - beginning of year as restated	1,165,742	1,080,989	82,343	80,436	1,248,084	1,161,425
Net Position - end of year	\$ 1,276,123	\$ 1,165,742	\$ 83,616	\$ 82,343	\$ 1,359,739	\$ 1,248,085

Governmental activities



The most significant revenues of the governmental activities are general taxes (44.4%), which include property taxes (25.5%), sales and use taxes (13.9%), and various other taxes (5.0%), and general revenues (9.6%), which include various other revenues (3.9%) and investment earnings (5.7%). Program revenues are 46.0% of the total revenues of the governmental activities, which include charges for services (15.8%), operating grants and contributions (11.2%), and capital grants and contributions (19.0%).

Public safety (police and fire) is the most significant (39.0%) of all governmental activities' expenses, followed by Public works & Engineering (34.3%), General government (10.5%), Community services (7.0%), Community development (8.5%), and interest on long-term debt (0.6%). Included in these amounts is depreciation expense, which is 11.9% of the total expenses for governmental activities.

Governmental activities revenues increased by \$71.6 million (18.3%) in the current fiscal year. The changes in revenues are a result of the following:

- **General tax revenues** increased by \$17.7 million (9.4%) which is primarily due to increase in property tax revenue by \$10.1 million as a higher property valuation in FY 2025. Additionally, sales tax revenues increased by \$8.6 million due to monies received from the one cent local sales tax measure.
- **General revenues (not including general taxes)** increased by \$3.7 million in FY 2025. This is primarily due to an increase in public benefit developer agreement payments received.
- **Charges for services** decreased by \$1.8 million (2.4%) which is in alignment with the city projection.
- **Operating contributions and grants** decreased by \$15.7 million due to the decrease in operating grants received by the city.
- **Capital contributions and grants** increased by \$67.8 million due to the increase in capital grants received by the city.

Governmental activities expenses increased by \$45.9 million (14.8%) in the current fiscal year. The most significant changes in governmental expenses were:

- **Public Works & Engineering**, which showed an increase of \$45.9 million. This is mainly due to increases in construction contracts and other professional services.

Business-type activities

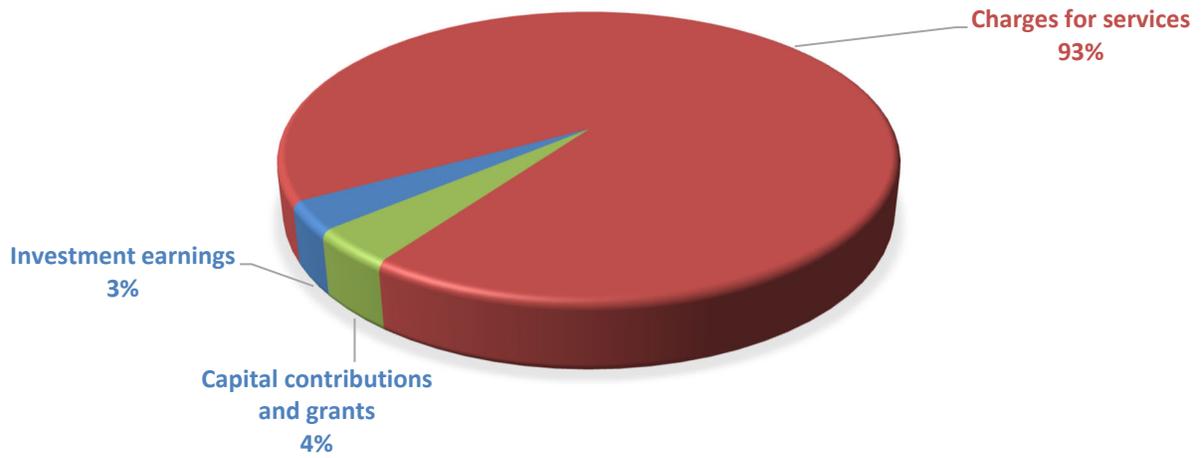
Business-type activities net position increased by \$1.3 million (1.55%).

Business-type activities revenues for the current year increased by \$3.2 million.

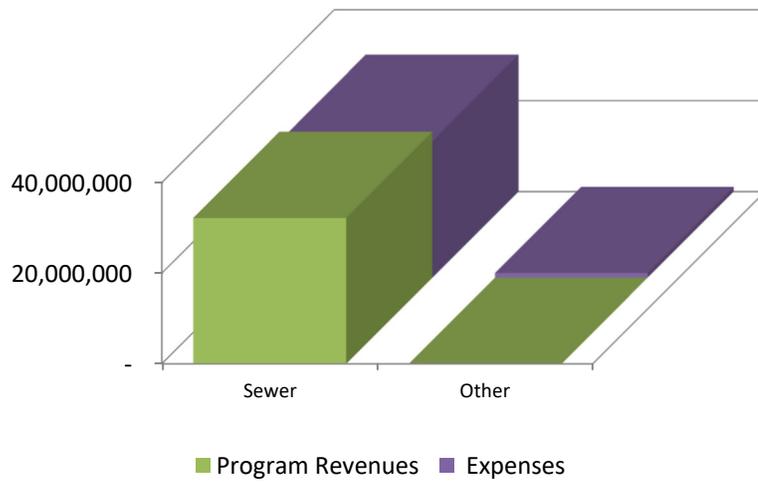
- **Charges for services** increased by \$3.1 million primarily due to an increase in rates charged by other entities such as IEUA and City of Rialto that are collected by the city and passed through to the proper entities.

Total expenses increased by \$3.9 million is due to the increase in EDU (Equivalent Dwelling Unit) charge fees compared to prior year.

REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



EXPENSES AND PROGRAM REVENUES - BUSINESS-TYPE ACTIVITIES



Financial Analysis of the City's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$644.3 million, an increase of \$50.8 million (8.6%) from the previous year. Of this total amount, \$239.1 million constitutes *assigned or unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is either nonspendable (\$22.4 million), restricted (\$343.1 million) or committed (\$39.6 million) and is not available for new spending. The nonspendable fund balance consists of deposits on account of \$1.2 million, inventories held (\$1.0 million), and loan receivables (\$20.2 million). Restricted fund balance includes amounts that are constrained on the use of the resources by outside parties and committed fund balance includes amounts that are constrained on the use of the resources pursuant to City Council formal action. For additional details of the City's fund balances, please refer to Note 14 in the Notes to the Basic Financial Statements.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the assigned fund balance of the general fund was \$4.6 million, while total fund balance reached \$116.2 million, which was \$12.1 million or 11.7% higher than the prior year. The City's management assigns fund balance to a particular function, project or activity and may also be assigned for purposes beyond the current year. However, assigned fund balance is available for appropriation at any time. The General Fund has committed fund balance of \$39.6 million for economic uncertainty.

General fund revenues increased by \$15.4 million (9.8%) from the previous fiscal year; this increase is primarily due to:

- Property Tax in Lieu of VLF was increased by \$2.9 million due to the increase in assessed valuation and continued growth in the city.
- Transaction Use Tax a new approved ballot measure one cent sales tax added \$10.9 million in tax revenue to the city for FY2025.

General fund expenditures stayed consistent with FY2024 experiencing a zero percent increase or decrease.

The Fire Protection District special revenue fund has a fund balance of \$29.1 million. The Fire Protection District accounts for all of the operating activities of the Fire District. The fund balance increased by \$3.1 million during the current fiscal year. Revenues increased \$8.3 million (12.1%) primarily as a result of a higher property valuation assessment. Expenditures increased \$0.9 million (1.9%) primarily as a result in increased contract costs with the San Bernardino County Fire Department for fire protection services due to inflation. Transfers out increased by \$4.1 million during the year primarily due to the increase in one-time transfers for the fire annex project in the amount of \$8 million.

The Housing Authority special revenue fund has a fund balance of \$87.9 million. The fund balance increased by \$0.6 million during the fiscal year is mainly due to minimal general government expenditures.

The Grants fund has a total deficit fund balance of \$12.4 million. The fund balance decreased by \$4.5 million during the current fiscal year due to City's grant funded public works and engineering projects like the San Sevaine trail. These amounts are expected to be reimbursed in fiscal year 2025/26.

The Sewer Expansion Fund has a total fund balance of \$3.2 million. The fund balance increased by \$1.7 million during the current fiscal year due to an increase in investment earnings as the federal reserve put a pause on the interest rate hike and the City was able to purchase treasury securities at much higher interest rate.

The Community Facility Districts Fund has a total fund balance of \$59.9 million. The fund balance increased by \$23.4 million during the current fiscal year mainly due to an increase in receipt of Community Facility District bond issuance proceeds to use for future infrastructure and community benefit projects.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Sewer Operations, Water Operations, and Theater Operations at the end of the year amounted to \$19.8 million. The total increase in net position was \$1.1 million, which is in aligned with the City expectations.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the City's budget on a quarterly basis. The Council approves supplemental appropriations throughout the year based on individual items that are brought forward by various departments.

Revenues:

During the year, the original General Fund revenue budget was amended to increase revenues by \$19.4 million. The increase is primarily due to:

- an increase in sales tax of \$10.4 million, because of forecasted Transaction Use Tax.
- an increase in Charge for Services of \$2.5 million due to increase in forecasted plan check fee revenues and increased forecasted risk liability charges.

General Fund actual revenues of \$173.2 million were \$1.1 million more than the final budget of \$172.1 million. The positive variance to the final budget was primarily due to:

- lower than expected tax revenue (\$2.6 million).
- higher than expected investment earnings (\$2.5 million) compared to the final budget due to Federal Reserve putting a pause on the rising interest rate and the city was able to purchase more treasury securities at a higher interest rate thus resulting a higher investment unrealized gain.
- lower than expected licenses and permit (\$0.9 million)
- higher than expected intergovernmental revenue (\$0.2 million)
- higher than expected charges for services (1.7 million) compared to the final budget due to an increase in areas like recreation field and court revenue.

Expenditures:

During the year, the original General Fund expenditure budget was amended to increase appropriations by \$25 million, the increase in appropriations was due to various requests throughout the fiscal year such as:

- increase of \$4.4 million for human resources mainly due to forecasted increases in various settlement claims and other professional services.
- increase of \$4.6 million for information technology department for various subscription-based information technology services and increase in other professional services.
- increase of \$7.1 million for public works/engineering for additional professional services and forecasted utility expenses.
- Increase of 4.0 million for community development for additional professional services and forecasted salary and benefit expenses.

General Fund expenditures were less than budgeted. Of the total appropriations of \$184.4 million, approximately 7.2%, or \$13.2 million were unspent. The budgetary savings included IT department personnel cost, computer hardware cost, application cost, other professional service cost (total \$4.3 million), personnel cost and capital cost in the police department (total \$1.3 million), capital cost and other professional services cost in the public works/engineering department (total \$1.8 million), personnel cost and other professional services in the community development (total \$2.6 million), and Human resources other professional services cost and risk management cost (total \$1.2 million). The aforementioned savings will be carried over to next fiscal year.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for governmental and business-type activities as of June 30, 2025, amounts to \$925.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, vehicles, intangibles, right-to-use assets, and infrastructure (roads, highways, sewer and storm drain systems). The total change in the City's investment in capital assets net of accumulated depreciation for the current fiscal year was an increase of \$72.7 million (8.5%). Major capital asset events during the current fiscal year included the following:

- There was an increase in activities in various CIP projects such as City Hall renovations (\$21.6 million), downtown parking structure (\$8.8 million) and San Sevaine trail (\$10.6 million).
- There was an increase in machinery and equipment (\$5.9 million) mainly due to the recent equipment upgrades for the police department's helicopter and various Fire Station Alert System purchases.
- The City had a onetime purchase of various new lands in the amount of \$1.6 million.
- Accumulated depreciation at year-end is \$43.1 million higher than prior year.

Capital Assets
(Net of depreciation)
(000 omitted)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 184,188	\$ 182,523	\$ -	\$ -	\$ 184,188	\$ 182,523
Building and improvements	184,443	193,021	967	1,014	185,410	194,035
Machinery and equipment	11,054	6,926	115	78	11,169	7,003
Vehicles	17,851	16,031	-	-	17,851	16,031
Infrastructure	299,295	294,511	58,837	60,985	358,133	355,496
Intangibles	8,233	2,799	-	-	8,233	2,799
Right to use assets	10,535	2,903	-	-	10,535	2,903
Construction in progress	138,754	84,782	5,005	1,050	143,759	85,833
Easements	6,580	6,480	-	-	6,580	6,480
Total	\$ 860,933	\$ 789,977	\$ 64,925	\$ 63,126	\$ 925,858	\$ 853,103

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

Long-term debt. At the end of the current fiscal year, the City's total long-term debt outstanding is \$320.1 million. This amount is comprised of \$201.7 million net pension liability, \$21.3 million other post-employment benefits liability, \$47.5 million of lease revenue bonds which are secured by future revenue sources from the lease of City property and \$49.6 million of various other loans and obligations payable.

Outstanding Debt
(000 omitted)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Lease revenue bonds	\$ 47,510	\$ 49,425	\$ -	\$ -	\$ 47,510	\$ 49,425
Net pension liability	197,452	205,693	4,251	4,718	201,703	210,411
Claims and judgments	23,019	22,333	-	-	23,019	22,333
Compensated absences	12,775	12,149	189	221	12,963	12,371
Other post employment benefits liability	20,751	20,658	559	675	21,311	21,334
Other debt	10,572	3,764	3,037	3,948	13,610	7,712
Total outstanding debt	\$ 312,080	\$ 314,023	\$ 8,036	\$ 9,562	\$ 320,116	\$ 323,586

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

Economic Factors and Next Year's Budget and Rates

In preparing the budget for Fiscal Year 2025-26, management's goal was to produce an operating budget that adhered to City Council goals and objectives with an emphasis on cost containment. Expansion of the City's economic base continues to be a City Council priority.

The Operating Budget for Fiscal Year 2025-26 is financially balanced and includes:

- General Fund designation of fund balance for contingencies of 25% of recurring appropriations.
- A net increase in budgeted revenues of \$25.9 million (or +15.1%) in the General Fund as compared to the prior year's final budget is primarily attributed to the following:
 - An increase in transaction use tax revenue of \$32.3 million anticipating over a 300% growth in tax collections.
- A net increase in budgeted expenditures of \$30.7 million or (+16.7%) in the General Fund as compared to the prior year's final budget is primarily attribute to contractual obligations related to full-time City staff and the return of part-time staff as facilities reopen and programs resume.

Requests for Information

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

Basic Financial Statements

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City of Fontana, California
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	497,140,268	\$ 27,384,879	\$ 524,525,147
Receivables			
Accounts	5,112,937	1,223,851	6,336,788
Assessments	276,303	-	276,303
Interest	9,715,915	193,298	9,909,213
Loans	83,251,467	2,644,892	85,896,359
Loans to Successor Agency	20,326,713	3,305,829	23,632,542
Allowance for doubtful accounts	(249,783)	(3,305,829)	(3,555,612)
Leases	15,832,559	-	15,832,559
Prepaid expenses	476,147	393,312	869,459
Internal balances	(375,506)	375,506	-
Due from other governments	46,770,601	170,416	46,941,017
Inventories	1,100,779	107,287	1,208,066
Deposits	1,246,467	-	1,246,467
Land held for resale	25,701,494	-	25,701,494
Restricted assets			
Cash with fiscal agent	109,109,615	-	109,109,615
Capital assets not being depreciated	329,521,946	5,005,069	334,527,015
Capital assets, net of depreciation	531,411,244	59,919,749	591,330,993
Total assets	1,676,369,166	97,418,259	1,773,787,425
Deferred Outflows of Resources			
Deferred outflows of resources - pension related	48,376,995	1,096,719	49,473,714
Deferred outflows of resources - OPEB related	18,510,798	498,689	19,009,487
Total deferred outflows of resources	66,887,793	1,595,408	68,483,201
Liabilities			
Accounts payable	25,879,902	5,475,039	31,354,941
Deposits payable	7,476,116	830,731	8,306,847
Interest payable	532,300	20,916	553,216
Due to other governments	54,731,705	-	54,731,705
Unearned revenue	14,874,044	88,000	14,962,044
Retentions payable	4,338,998	219,419	4,558,417
Noncurrent liabilities			
Due within one year	18,517,795	1,089,400	19,607,195
Due in more than one year			
Net pension liability	197,451,989	4,251,045	201,703,034
OPEB liability	20,751,491	559,053	21,310,544
Other	80,981,962	2,136,673	83,118,635
Total liabilities	425,536,302	14,670,276	440,206,578
Deferred Inflows of Resources			
Deferred inflows of resources - pension related	76,306	2,032	78,338
Deferred inflows of resources - OPEB related	26,908,822	724,935	27,633,757
Deferred inflows of resources - Leases	14,612,980	-	14,612,980
Total deferred inflows of resources	41,598,108	726,967	42,325,075
Net Position			
Net investment in capital assets	806,903,407	61,668,207	868,571,614
Restricted for			
Community development	120,778,552	-	120,778,552
Public safety	48,031,430	-	48,031,430
Public works	30,259,164	-	30,259,164
Capital projects	59,898,791	-	59,898,791
Unrestricted	210,251,205	21,948,217	232,199,422
Total net position	1,276,122,549	83,616,424	\$ 1,359,738,973

City of Fontana, California
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental Activities					
General government					
City council and commissions	\$ 1,621,188	\$ -	\$ -	\$ -	\$ -
City administration	4,186,080	-	24,328	-	24,328
Management services	8,781,315	3,168,456	2,551,940	-	5,720,396
Information technology	5,688,430	-	-	-	-
Human resources	16,543,510	14,042,346	-	-	14,042,346
Public safety					
Police	90,434,363	974,777	5,128,601	-	6,103,378
Fire	47,962,226	7,581,175	-	-	7,581,175
Public works / engineering	121,885,828	34,041,455	28,552,186	87,084,355	149,677,996
Community development	30,788,453	8,895,130	4,135,586	890,776	13,921,492
Community services	24,946,832	4,360,134	11,638,317	-	15,998,451
Interest on long-term debt	2,249,103	-	-	-	-
Total governmental activities	<u>355,087,328</u>	<u>73,063,473</u>	<u>52,030,958</u>	<u>87,975,131</u>	<u>213,069,562</u>
Business-type Activities					
Sewer	30,049,708	32,169,541	-	1,376,229	33,545,770
Stage Red	1,047,637	-	-	-	-
Interest on long-term debt	69,421	-	-	-	-
Total business-type activities	<u>31,166,766</u>	<u>32,169,541</u>	<u>-</u>	<u>1,376,229</u>	<u>33,545,770</u>
Total functions/programs	<u>\$ 386,254,094</u>	<u>\$ 105,233,014</u>	<u>\$ 52,030,958</u>	<u>\$ 89,351,360</u>	<u>\$ 246,615,332</u>
General Revenues					
Taxes:					
Property taxes, levied for general purpose					
Sales taxes					
Franchise taxes					
Business license taxes					
Transient occupancy taxes					
Total taxes					
Intergovernmental, unrestricted					
Motor vehicle in lieu					
Investment earnings					
Other					
Contributions not restricted to specific programs					
Transfers					
Total general revenues and transfers					
Change in Net Position					
Net Position- Beginning of Year					
Net Position at End of Year					

City of Fontana, California
Statement of Activities
Year Ended June 30, 2025

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (1,621,188)	\$ -	\$ (1,621,188)
(4,161,752)	-	(4,161,752)
(3,060,919)	-	(3,060,919)
(5,688,430)	-	(5,688,430)
(2,501,164)	-	(2,501,164)
(84,330,985)	-	(84,330,985)
(40,381,051)	-	(40,381,051)
27,792,168	-	27,792,168
(16,866,961)	-	(16,866,961)
(8,948,381)	-	(8,948,381)
(2,249,103)	-	(2,249,103)
<u>(142,017,766)</u>	<u>-</u>	<u>(142,017,766)</u>
-	3,496,062	3,496,062
-	(1,047,637)	(1,047,637)
-	(69,421)	(69,421)
<u>-</u>	<u>2,379,004</u>	<u>2,379,004</u>
<u>(142,017,766)</u>	<u>2,379,004</u>	<u>(139,638,762)</u>
117,937,074	-	117,937,074
64,522,195	-	64,522,195
11,330,030	-	11,330,030
10,880,842	-	10,880,842
999,650	-	999,650
<u>205,669,791</u>	<u>-</u>	<u>205,669,791</u>
457,577	-	457,577
26,390,368	1,073,335	27,463,703
10,995,750	43,870	11,039,620
6,662,636	-	6,662,636
2,222,339	(2,222,339)	-
<u>252,398,461</u>	<u>(1,105,134)</u>	<u>251,293,327</u>
110,380,695	1,273,870	111,654,565
<u>1,165,741,854</u>	<u>82,342,554</u>	<u>1,248,084,408</u>
<u>\$ 1,276,122,549</u>	<u>\$ 83,616,424</u>	<u>\$ 1,359,738,973</u>

City of Fontana, California
Balance Sheet
Governmental Funds
June 30, 2025

	Special Revenue				Capital Projects	
	General	Fire Protection District	Housing Authority	Grants	Sewer Expansion	Community Facilities Districts
Assets						
Cash and investments	\$ 38,664,577	\$ 28,957,471	\$ 15,939,190	\$ 6,421,622	\$ 47,598,047	\$ 22,089
Receivables						
Accounts	4,135,104	97,907	-	-	213,155	-
Assessments	-	-	-	-	-	-
Interest	590,302	206,103	5,023,833	-	338,512	-
Loans	-	-	72,354,430	86,092	-	-
Loans to Successor Agency	20,326,713	-	-	-	-	-
Allowance for doubtful accounts	(148,976)	-	-	-	-	-
Leases	8,543,194	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-
Deposits	194,015	-	475,002	6,030	-	-
Due from other funds	37,629,768	-	-	-	-	-
Due from other governments	17,756,786	295,785	13,261	13,016,276	-	-
Inventories	340,263	-	-	-	-	-
Land held for resale	-	-	-	-	-	-
Advances to other funds	750,000	-	-	-	-	-
Restricted assets						
Cash with fiscal agent	14,539,424	-	26,879	-	-	78,537,171
Total assets	<u>\$ 143,321,170</u>	<u>\$ 29,557,266</u>	<u>\$ 93,832,595</u>	<u>\$ 19,530,020</u>	<u>\$ 48,149,714</u>	<u>\$ 78,559,260</u>
Liabilities, Deferred Inflows and Fund Balances						
Liabilities						
Accounts payable	\$ 9,595,138	\$ 307,845	\$ 26,992	\$ 1,530,556	\$ -	\$ -
Deposits payable	7,387,513	-	-	-	-	-
Retentions payable	11,035	-	-	707,778	7,498	539
Due to other funds	-	-	-	10,887,881	-	18,659,930
Due to other governments	-	-	-	86,092	44,883,893	-
Unearned revenue	60,861	-	-	6,320,910	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	<u>17,054,547</u>	<u>307,845</u>	<u>26,992</u>	<u>19,533,217</u>	<u>44,891,391</u>	<u>18,660,469</u>
Deferred Inflows of Resources						
Unavailable revenues	2,261,902	91,132	5,868,439	12,392,792	-	-
Leases	7,793,718	-	-	-	-	-
Total deferred inflows of resources	<u>10,055,620</u>	<u>91,132</u>	<u>5,868,439</u>	<u>12,392,792</u>	<u>-</u>	<u>-</u>
Fund Balances						
Nonspendable	20,712,015	-	-	6,030	-	-
Restricted	15,581,705	29,158,289	87,937,164	-	-	59,898,791
Committed	39,640,491	-	-	-	-	-
Assigned	4,597,197	-	-	-	3,258,323	-
Unassigned	35,679,595	-	-	(12,402,019)	-	-
Total fund balances	<u>116,211,003</u>	<u>29,158,289</u>	<u>87,937,164</u>	<u>(12,395,989)</u>	<u>3,258,323</u>	<u>59,898,791</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 143,321,170</u>	<u>\$ 29,557,266</u>	<u>\$ 93,832,595</u>	<u>\$ 19,530,020</u>	<u>\$ 48,149,714</u>	<u>\$ 78,559,260</u>

City of Fontana, California
Balance Sheet
Governmental Funds
June 30, 2025

Other Governmental Funds	Total Governmental Funds
\$ 337,029,977	\$ 474,632,973
433,317	4,879,483
276,303	276,303
3,396,971	9,555,721
10,810,945	83,251,467
-	20,326,713
(100,807)	(249,783)
7,289,365	15,832,559
476,147	476,147
571,420	1,246,467
-	37,629,768
15,688,493	46,770,601
673,400	1,013,663
25,701,494	25,701,494
2,717,368	3,467,368
<u>16,006,141</u>	<u>109,109,615</u>
<u>\$ 420,970,534</u>	<u>\$ 833,920,559</u>
\$ 13,884,072	\$ 25,344,603
88,603	7,476,116
3,612,148	4,338,998
8,069,577	37,617,388
9,761,720	54,731,705
8,492,273	14,874,044
<u>1,717,368</u>	<u>1,717,368</u>
<u>45,625,761</u>	<u>146,100,222</u>
8,286,026	28,900,291
<u>6,819,262</u>	<u>14,612,980</u>
<u>15,105,288</u>	<u>43,513,271</u>
1,720,967	22,439,012
150,514,725	343,090,674
-	39,640,491
211,657,847	219,513,367
<u>(3,654,054)</u>	<u>19,623,522</u>
<u>360,239,485</u>	<u>644,307,066</u>
<u>\$ 420,970,534</u>	<u>\$ 833,920,559</u>

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City of Fontana, California
 Reconciliation of the Balance Sheet of Governmental Funds to the
 Statement of Net Position
 June 30, 2025

Fund Balances of Governmental Funds	\$ 644,307,066
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 (excluding internal service funds).	848,236,272
Deferred outflows of resources related to pensions and other postemployment benefits are applicable to future reporting periods and, therefore, are not reported in the funds.	66,887,793
Long-term liabilities, including net pension liability, OPEB liability and compensated absences, are not due and payable in the current period and, therefore, are not recognized in the funds.	(317,703,237)
Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.	(532,300)
Deferred inflows of resources related to pensions and other postemployment benefits are applicable to future reporting periods and, therefore, are not reported in the funds.	(26,985,128)
An Internal Service Fund is used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the Internal Service Fund must be added to the Statement of Net Position.	33,011,792
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	28,900,291
Net Position of Governmental Activities	\$ 1,276,122,549

City of Fontana, California
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

	Special Revenue					
	General	Fire Protection District	Housing Authority	Economic Stimulus	Grants	
Revenues						
Taxes	\$ 132,112,892	\$ 73,041,181	\$ -	\$ -	\$ -	\$ -
Licenses and permits	5,281,283	1,343,774	-	-	-	-
Intergovernmental	1,188,937	-	-	-	9,854,674	-
Charges for services	22,861,415	-	-	-	-	-
Fines and forfeitures	678,047	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment earnings (loss)	6,362,517	803,611	701,671	-	-	-
Contribution from property owners	-	-	-	-	-	-
Other revenue	4,715,136	2,050,000	260,436	-	-	-
Total revenues	173,200,227	77,238,566	962,107	-	9,854,674	-
Expenditures						
Current						
General government						
City council and commissions	1,606,060	-	-	-	-	-
City administration	3,279,602	-	-	-	3,984	-
Management services	5,161,082	-	305,734	-	-	-
Information technology	11,791,001	-	-	-	32,050	-
Human resources	16,176,184	-	-	-	-	-
Public safety						
Police	82,081,782	-	-	-	537,005	-
Fire	-	47,231,271	-	-	-	-
Public works / engineering	24,940,328	-	-	-	12,032,844	-
Community development	10,756,573	-	3,832,145	-	1,742,119	-
Community services	14,228,311	-	-	-	-	-
Debt service						
Principal	1,133,277	-	-	-	-	-
Interest	38,250	-	-	-	-	-
Total expenditures	171,192,450	47,231,271	4,137,879	-	14,348,002	-
Excess (deficiency) of revenues over (under) expenditures	2,007,777	30,007,295	(3,175,772)	-	(4,493,328)	-
Other Financing Sources (Uses)						
Transfers in	34,560,606	1,312,319	-	-	2,256	-
Transfers out	(24,815,484)	(28,233,215)	(523)	-	(58,490)	-
Leases issued (as lessee)	-	-	3,819,318	-	-	-
Other financing sources- SBITA	404,503	-	-	-	-	-
Sale of capital assets	4,574	-	-	-	-	-
Total other financing sources (uses)	10,154,199	(26,920,896)	3,818,795	-	(56,234)	-
Net Change in Fund Balances	12,161,976	3,086,399	643,023	-	(4,549,562)	-
Fund Balances, Beginning of Year, as Previously Presented	104,049,027	26,071,890	87,294,141	115,399	(7,846,427)	6,730,091
Adjustments	-	-	-	(115,399)	-	(6,730,091)
Fund Balances, Beginning of Year, as Adjusted	104,049,027	26,071,890	87,294,141	-	(7,846,427)	-
Fund Balances, End of Fiscal Year	\$ 116,211,003	\$ 29,158,289	\$ 87,937,164	\$ -	\$ (12,395,989)	\$ -

City of Fontana, California
Statement of Revenues, Expenditures, and Changes in Fund Balances –
Governmental Funds
Year Ended June 30, 2025

Sewer Expansion	Capital Projects		Other Governmental Funds	Totals
	Community Facility Districts	Traffic Mitigation		
\$ -	\$ -	\$ -	\$ 526,807	\$ 205,680,880
-	-	-	6,521,477	13,146,534
-	-	-	62,544,475	73,588,086
-	-	-	13,437,295	36,298,710
-	-	-	64,059	742,106
-	-	-	20,513,765	20,513,765
1,851,983	1,239,766	-	14,540,866	25,500,414
-	71,702,701	-	-	71,702,701
-	24	-	4,868,795	11,894,391
<u>1,851,983</u>	<u>72,942,491</u>	<u>-</u>	<u>123,017,539</u>	<u>459,067,587</u>
-	-	-	-	1,606,060
-	-	-	22,658	3,306,244
-	-	-	2,985,275	8,452,091
-	-	-	158,483	11,981,534
-	-	-	100,129	16,276,313
-	-	-	5,275,714	87,894,501
-	-	-	4,062,010	51,293,281
149,970	34,457,743	-	102,360,177	173,941,062
-	-	-	15,630,895	31,961,732
-	-	-	9,954,616	24,182,927
-	-	-	3,094,889	4,228,166
-	-	-	2,210,853	2,249,103
<u>149,970</u>	<u>34,457,743</u>	<u>-</u>	<u>145,855,699</u>	<u>417,373,014</u>
<u>1,702,013</u>	<u>38,484,748</u>	<u>-</u>	<u>(22,838,160)</u>	<u>41,694,573</u>
-	-	-	58,783,914	94,659,095
(19,280)	(15,032,172)	-	(26,884,192)	(95,043,356)
-	-	-	5,274,296	9,093,614
-	-	-	-	404,503
-	-	-	-	4,574
<u>(19,280)</u>	<u>(15,032,172)</u>	<u>-</u>	<u>37,174,018</u>	<u>9,118,430</u>
1,682,733	23,452,576	-	14,335,858	50,813,003
<u>1,575,590</u>	<u>36,446,215</u>	<u>23,564,929</u>	<u>315,493,208</u>	<u>593,494,063</u>
-	-	(23,564,929)	30,410,419	-
<u>1,575,590</u>	<u>36,446,215</u>	<u>-</u>	<u>345,903,627</u>	<u>593,494,063</u>
<u>\$ 3,258,323</u>	<u>\$ 59,898,791</u>	<u>\$ -</u>	<u>\$ 360,239,485</u>	<u>\$ 644,307,066</u>

City of Fontana, California

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds		\$ 50,813,003
Amounts reported for governmental activities in the Statement of Activities are different because:		
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period. Activities are net of deletions and transfers.</p>		
Depreciation/amortization expense	\$ (39,531,609)	
Other related capital adjustments	479,545	
Capital outlays	<u>101,932,381</u>	
		62,880,317
<p>Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.</p>		
		6,662,636
<p>In the Statement of Activities, only the gain/loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.</p>		
		(30,589)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as unavailable revenues in the funds.</p>		
		(3,555,578)
<p>The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term liabilities is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the net effect of long-term liability increases and payments.</p>		
		(5,334,005)
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		(598,357)
<p>The Internal Service Fund is used by management to charge the costs of fleet management to individual funds. The net gain of the Internal Service Fund is reported with governmental activities.</p>		
		4,576,940
<p>Adjustments made to the OPEB liability do not use current financial resources and, therefore, are not recognized in the funds.</p>		
		3,643,848
<p>Adjustments made to the Net Pension Liability do not use current financial resources and, therefore, are not recognized in the funds.</p>		
		<u>(8,677,520)</u>
Change in Net Position of Governmental Activities		<u>\$ 110,380,695</u>

City of Fontana, California
Statement of Revenues, Expenditure and Changes in Fund Balances – Budget and Actual
General Fund
Year Ended June 30, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 120,399,510	\$ 134,739,326	\$ 132,112,892	\$ (2,626,434)
Licenses and permits	5,538,530	6,207,550	5,281,283	(926,267)
Intergovernmental	720,000	927,260	1,188,937	261,677
Charges for services	18,656,230	21,122,661	22,861,415	1,738,754
Fines and forfeitures	558,110	558,110	678,047	119,937
Investment earnings (loss)	2,742,430	3,776,145	6,362,517	2,586,372
Other revenue	4,002,300	4,738,854	4,715,136	(23,718)
Total revenues	152,617,110	172,069,906	173,200,227	1,130,321
Expenditures				
Current				
General government				
City council and commissions	1,376,930	1,852,335	1,606,060	246,275
City administration	3,792,070	3,511,738	3,279,602	232,136
Management services	4,727,660	6,417,923	5,161,082	1,256,841
Information technology	11,511,350	16,142,099	11,791,001	4,351,098
Human resources	13,013,900	17,420,286	16,176,184	1,244,102
Public safety				
Police	80,388,800	83,432,027	82,081,782	1,350,245
Public works / engineering	19,748,050	26,815,821	24,940,328	1,875,493
Community development	9,351,220	13,393,694	10,756,573	2,637,121
Community services	15,492,410	15,341,257	14,228,311	1,112,946
Debt service				
Principal	-	102,066	1,133,277	(1,031,211)
Interest	-	19	38,250	(38,231)
Total expenditures	159,402,390	184,429,265	171,192,450	13,236,815
Excess (deficit) of revenues over expenditures	(6,785,280)	(12,359,359)	2,007,777	14,367,136
Other Financing Sources (Uses)				
Transfers in	30,784,940	49,498,479	34,560,606	(14,937,873)
Transfers out	(28,333,200)	(50,853,646)	(24,815,484)	26,038,162
Other financing sources- SBITA	-	-	404,503	404,503
Sale of capital assets	-	-	4,574	4,574
Total other financing sources (uses)	2,451,740	(1,355,167)	10,154,199	11,509,366
Net Change in Fund Balances	(4,333,540)	(13,714,526)	12,161,976	25,876,502
Fund Balances - Beginning	104,049,027	104,049,027	104,049,027	-
Fund Balances - Ending	\$ 99,715,487	\$ 90,334,501	\$ 116,211,003	\$ 25,876,502

City of Fontana, California
Statement of Revenues, Expenditure and Changes in Fund Balances – Budget and Actual
Fire Protection District – Special Revenue
Year Ended June 30, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 62,706,640	\$ 70,453,800	\$ 73,041,181	\$ 2,587,381
Licenses and permits	1,292,040	1,292,040	1,343,774	51,734
Investment earnings (loss)	-	-	803,611	803,611
Other revenue	-	-	2,050,000	2,050,000
Total revenues	<u>63,998,680</u>	<u>71,745,840</u>	<u>77,238,566</u>	<u>5,492,726</u>
Expenditures				
Public safety				
Fire	<u>51,699,250</u>	<u>49,076,533</u>	<u>47,231,271</u>	<u>1,845,262</u>
Total expenditures	<u>51,699,250</u>	<u>49,076,533</u>	<u>47,231,271</u>	<u>1,845,262</u>
Excess (deficit) of revenues over expenditures	<u>12,299,430</u>	<u>22,669,307</u>	<u>30,007,295</u>	<u>7,337,988</u>
Other Financing Sources (Uses)				
Transfers in	-	-	1,312,319	1,312,319
Transfers out	<u>(224,150)</u>	<u>(5,581,763)</u>	<u>(28,233,215)</u>	<u>(22,651,452)</u>
Total other financing sources (uses)	<u>(224,150)</u>	<u>(5,581,763)</u>	<u>(26,920,896)</u>	<u>(21,339,133)</u>
Net Change in Fund Balances	12,075,280	17,087,544	3,086,399	(14,001,145)
Fund Balances - Beginning	<u>26,071,890</u>	<u>26,071,890</u>	<u>26,071,890</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 38,147,170</u>	<u>\$ 43,159,434</u>	<u>\$ 29,158,289</u>	<u>\$ (14,001,145)</u>

City of Fontana, California
Statement of Revenues, Expenditure and Changes in Fund Balances – Budget and Actual
Housing Authority Low/Mod Housing Fund – Special Revenue
Year Ended June 30, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings (loss)	\$ 250,000	\$ 250,000	\$ 701,671	\$ 451,671
Other revenue	126,000	126,000	260,436	134,436
Total revenues	<u>376,000</u>	<u>376,000</u>	<u>962,107</u>	<u>586,107</u>
Expenditures				
Current				
General government				
Management services	227,480	412,758	305,734	107,024
Community development	44,350	658,050	3,832,145	(3,174,095)
Total expenditures	<u>271,830</u>	<u>1,070,808</u>	<u>4,137,879</u>	<u>(3,067,071)</u>
Excess (deficit) of revenues over expenditures	<u>104,170</u>	<u>(694,808)</u>	<u>(3,175,772)</u>	<u>(2,480,964)</u>
Other Financing Sources (Uses)				
Leases issued (as lessee)	-	-	3,819,318	3,819,318
Transfers out	-	-	(523)	(523)
Net Change in Fund Balances	104,170	(694,808)	643,023	1,337,831
Fund Balances - Beginning	<u>87,294,141</u>	<u>87,294,141</u>	<u>87,294,141</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 87,398,311</u>	<u>\$ 86,599,333</u>	<u>\$ 87,937,164</u>	<u>\$ 1,337,831</u>

City of Fontana, California
Statement of Revenues, Expenditure and Changes in Fund Balances – Budget and Actual
Grants Fund – Special Revenue
Year Ended June 30, 2025

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 75,000	\$ 77,225,172	\$ 9,854,674	\$ (67,370,498)
Other revenue	-	400,000	-	(400,000)
Total revenues	<u>75,000</u>	<u>77,625,172</u>	<u>9,854,674</u>	<u>(67,770,498)</u>
Expenditures				
Current				
General government				
City administration	-	19,508	3,984	15,524
Information technology	-	65,000	32,050	32,950
Public safety				
Police	-	792,786	537,005	255,781
Public works / engineering	(4,810)	57,420,045	12,032,844	45,387,201
Community development	97,010	11,477,565	1,742,119	9,735,446
Total expenditures	<u>92,200</u>	<u>69,774,904</u>	<u>14,348,002</u>	<u>55,426,902</u>
Excess (deficit) of revenues over expenditures	<u>(17,200)</u>	<u>7,850,268</u>	<u>(4,493,328)</u>	<u>(12,343,596)</u>
Other Financing Sources (Uses)				
Transfers in	-	1,733	2,256	523
Transfers out	-	(58,490)	(58,490)	-
Total other financing sources (uses)	<u>-</u>	<u>(56,757)</u>	<u>(56,234)</u>	<u>523</u>
Net Change in Fund Balances	(17,200)	7,793,511	(4,549,562)	(12,343,073)
Fund Balances - Beginning	<u>(7,846,427)</u>	<u>(7,846,427)</u>	<u>(7,846,427)</u>	<u>-</u>
Fund Balances - Ending	<u>\$ (7,863,627)</u>	<u>\$ (52,916)</u>	<u>\$ (12,395,989)</u>	<u>\$ (12,343,073)</u>

City of Fontana, California
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Sewer Operations	Total Nonmajor Enterprise Funds	Totals	Internal Service Fund - Fleet Operations
Assets				
Current Assets				
Cash and investments	\$ 25,631,571	\$ 1,753,308	\$ 27,384,879	\$ 22,507,295
Accounts receivables	1,173,738	50,113	1,223,851	221,074
Interest receivable	182,432	10,866	193,298	160,194
Loans receivable	1,620,671	1,024,221	2,644,892	-
Loans to Successor Agency	3,305,829	-	3,305,829	-
Allowance for doubtful accounts	(3,305,829)	-	(3,305,829)	-
Prepaid expenses	-	393,312	393,312	-
Due from other governments	170,416	-	170,416	-
Inventories	72,968	34,319	107,287	87,116
Total current assets	<u>28,851,796</u>	<u>3,266,139</u>	<u>32,117,935</u>	<u>22,975,679</u>
Noncurrent Assets				
Capital assets, not being depreciated	5,005,069	-	5,005,069	1,258,997
Capital assets, net of depreciation	59,919,749	-	59,919,749	11,437,921
Total noncurrent assets	<u>64,924,818</u>	<u>-</u>	<u>64,924,818</u>	<u>12,696,918</u>
Total assets	<u>93,776,614</u>	<u>3,266,139</u>	<u>97,042,753</u>	<u>35,672,597</u>
Deferred Outflows of Resources				
Deferred outflows of resources - pension related	1,096,719	-	1,096,719	-
Deferred outflows of resources - OPEB related	498,689	-	498,689	-
Total deferred outflows of resources	<u>1,595,408</u>	<u>-</u>	<u>1,595,408</u>	<u>-</u>
Liabilities				
Current Liabilities				
Accounts payable	5,141,991	333,048	5,475,039	535,299
Deposits payable	830,731	-	830,731	-
Interest payable	20,916	-	20,916	-
Retentions payable	219,419	-	219,419	-
Compensated absences payable - current	162,487	-	162,487	-
Unearned revenue	-	88,000	88,000	-
Advances from other funds	-	1,750,000	1,750,000	-
Loans payable - current	926,913	-	926,913	-
Total current liabilities	<u>7,302,457</u>	<u>2,171,048</u>	<u>9,473,505</u>	<u>535,299</u>
Noncurrent Liabilities				
Compensated absences payable	26,394	-	26,394	-
Loans payable	2,110,279	-	2,110,279	-
Net pension liability	4,251,045	-	4,251,045	-
Net OPEB liability	559,053	-	559,053	-
Total noncurrent liabilities	<u>6,946,771</u>	<u>-</u>	<u>6,946,771</u>	<u>-</u>
Total liabilities	<u>14,249,228</u>	<u>2,171,048</u>	<u>16,420,276</u>	<u>535,299</u>
Deferred Inflows of Resources				
Deferred inflows of resources - pension related	2,032	-	2,032	-
Deferred inflows of resources - OPEB related	724,935	-	724,935	-
Total deferred inflows of resources	<u>726,967</u>	<u>-</u>	<u>726,967</u>	<u>-</u>
Net Position				
Net investment in capital assets	61,668,207	-	61,668,207	-
Unrestricted	18,727,620	1,095,091	19,822,711	35,137,298
Total net position	<u>\$ 80,395,827</u>	<u>\$ 1,095,091</u>	<u>\$ 81,490,918</u>	<u>\$ 35,137,298</u>
Reconciliation of Net Position to the Statement of Net Position				
Net Position per Statement of Net Position - Proprietary Funds			\$ 81,490,918	
Accumulated adjustment to reflect the consolidation of of internal service fund activities related to enterprise funds			<u>2,125,506</u>	
Net position per Statement of Net Position			<u>\$ 83,616,424</u>	

City of Fontana, California
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Sewer Operations	Total Nonmajor Enterprise Funds	Totals	Internal Service Fund - Fleet Operations
Operating Revenues				
Charges for services	\$ 31,791,637	\$ 273,239	\$ 32,064,876	\$ 8,480,190
Total revenues	<u>31,791,637</u>	<u>273,239</u>	<u>32,064,876</u>	<u>8,480,190</u>
Operating Expenses				
Personnel costs	2,637,806	-	2,637,806	1,512,140
Operating costs	1,584,487	-	1,584,487	2,139,046
Contractual	22,917,626	1,047,637	23,965,263	1,277,918
Depreciation	2,909,789	-	2,909,789	2,657,804
Total operating expenses	<u>30,049,708</u>	<u>1,047,637</u>	<u>31,097,345</u>	<u>7,586,908</u>
Operating income (loss)	<u>1,741,929</u>	<u>(774,398)</u>	<u>967,531</u>	<u>893,282</u>
Non-Operating Revenues (Expenses)				
Investment earnings	1,021,075	52,260	1,073,335	923,872
Interest expense	(69,421)	-	(69,421)	-
Other revenue (expenses)	(18,130)	62,000	43,870	8,392
Gain (loss) on sale of capital assets	-	-	-	249,459
Total non-operating revenues (expenses)	<u>933,524</u>	<u>114,260</u>	<u>1,047,784</u>	<u>1,181,723</u>
Income (loss) before contributions and transfers	2,675,453	(660,138)	2,015,315	2,075,005
Capital contributions - connection fees	675,653	-	675,653	-
Contributions from property owners	700,576	-	700,576	-
Transfers in	160,611	-	160,611	2,606,600
Transfers out	(2,382,950)	-	(2,382,950)	-
Change in Net Position	1,829,343	(660,138)	1,169,205	4,681,605
Net Position, Beginning of Fiscal Year	<u>78,566,484</u>	<u>1,755,229</u>	<u>80,321,713</u>	<u>30,455,693</u>
Net Position, End of Year	<u>\$ 80,395,827</u>	<u>\$ 1,095,091</u>	<u>\$ 81,490,918</u>	<u>\$ 35,137,298</u>
Reconciliation of Changes in Net Position to the Statement of Activities				
Changes in Net Position, per the Statement of Revenues, Expenses and				
Changes in Fund Net Position - Proprietary Funds			\$ 1,169,205	
Adjustment to reflect the consolidation of internal service activities to enterprise funds			<u>104,665</u>	
Changes in Net Position of Business-Type Activities per Statement of Activities			<u>\$ 1,273,870</u>	

City of Fontana, California
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2025

	Business-type Activities Enterprise Funds			Governmental Activities
	Sewer Operations	Total Nonmajor Enterprise Funds	Totals	Internal Service Fund - Fleet Operations
Operating Activities				
Cash received from customers	\$ 31,866,623	\$ 308,066	\$ 32,174,689	\$ 8,411,386
Cash payments to suppliers of goods and services	(22,248,825)	(995,484)	(23,244,309)	(3,826,412)
Cash payments to employees for services	(2,936,239)	-	(2,936,239)	(1,512,140)
Net Cash Provided by (Used For) Operating Activities	<u>6,681,559</u>	<u>(687,418)</u>	<u>5,994,141</u>	<u>3,072,834</u>
Noncapital Financing Activities				
Operating grant received	-	88,000	88,000	-
Advances from other funds	-	1,250,000	1,250,000	-
Transfers received	160,611	-	160,611	2,606,600
Transfers paid	(2,382,950)	-	(2,382,950)	-
Net Cash Provided by (Used For) Noncapital Financing Activities	<u>(2,222,339)</u>	<u>1,338,000</u>	<u>(884,339)</u>	<u>2,606,600</u>
Capital and Related Financing Activities				
Payments for debt service - principal payments	(910,544)	-	(910,544)	-
Payments for debt service - interest payments	(74,273)	-	(74,273)	-
Capital contributions	1,376,229	-	1,376,229	-
Sale of capital assets	-	-	-	249,459
Acquisition and construction of capital assets	(4,708,165)	-	(4,708,165)	(4,101,915)
Net Cash Provided by (Used For) Capital and Related Financing Activities	<u>(4,316,753)</u>	<u>-</u>	<u>(4,316,753)</u>	<u>(3,852,456)</u>
Investing Activities				
Investment earnings	1,467,516	112,255	1,579,771	879,182
Net Cash Provided by Investing Activities	<u>1,467,516</u>	<u>112,255</u>	<u>1,579,771</u>	<u>879,182</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>1,609,983</u>	<u>762,837</u>	<u>2,372,820</u>	<u>2,706,160</u>
Cash and Cash Equivalents - Beginning of Year	24,021,588	990,471	25,012,059	19,801,135
Cash and Cash Equivalents - End of Year	<u>\$ 25,631,571</u>	<u>\$ 1,753,308</u>	<u>\$ 27,384,879</u>	<u>\$ 22,507,295</u>
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Operating Income (Loss)	\$ 1,741,929	\$ (774,398)	967,531	\$ 893,282
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Depreciation	2,909,789	-	2,909,789	2,657,804
Other revenue (expenses)	(18,130)	62,000	43,870	8,392
Changes in Assets and Liabilities				
Accounts receivable	234,277	(27,173)	207,104	(77,196)
Prepaid expenses	-	(158,806)	(158,806)	-
Due from other governments	(159,291)	-	(159,291)	-
Inventories	(50,152)	9,493	(40,659)	(12,652)
Deferred outflows - pension related	512,801	-	512,801	-
Deferred outflows - OPEB related	109,828	-	109,828	-
Accounts payable	2,101,752	201,466	2,303,218	(396,796)
Due to other funds	-	-	-	-
Retentions payable	195,594	-	195,594	-
Deposits payable	24,224	-	24,224	-
Accrued compensated absences	(32,407)	-	(32,407)	-
Deferred inflows - pension related	(25,023)	-	(25,023)	-
Deferred inflows - OPEB related	(280,376)	-	(280,376)	-
Net pension liability	(466,810)	-	(466,810)	-
Net OPEB liability	(116,446)	-	(116,446)	-
Net Cash Provided by (Used For) Operating Activities	<u>\$ 6,681,559</u>	<u>\$ (687,418)</u>	<u>\$ 5,994,141</u>	<u>\$ 3,072,834</u>

There were no non-cash investing, capital or financing activities for the year ended June 30, 2025.

City of Fontana, California
Statement of Fiduciary Net Position
June 30, 2025

	Custodial Funds	Other Postemployment Benefits (OPEB) Trust	Private Purpose Trust Fund Successor Agency of the Former RDA
Assets			
Cash	\$ 17,605,938	\$ 129,939	\$ 10,535,827
Investments			
Exchange Traded Funds	-	20,593,161	-
Asset- backed securities	-	857,705	-
Mutual Funds- Bonds	-	4,466,483	-
Mutual Funds- Equity	-	3,138,265	-
Receivables (net)			
Assessments	74,946	-	-
Interest	-	-	1,195,839
Loans receivable	-	-	2,084,837
Allowance for doubtful accounts	-	-	(1,971,279)
Restricted assets			
Cash and investments with fiscal agent	36,651,876	-	10,669,951
Total assets	54,332,760	29,185,553	22,515,175
Liabilities			
Interest payable	-	-	1,676,806
Due to other funds	12,380	-	-
Due to other governments	60,528	-	-
Unearned revenue	-	-	125,000
Long-term liabilities			
Due in one year	-	-	18,324,151
Due in more than one year	-	-	375,598,850
Total liabilities	72,908	-	395,724,807
Net Position			
Held for other organizations	11,998,941	-	-
Restricted for debt service	42,260,911	-	(373,209,632)
Restricted for other postemployment benefits	-	29,185,553	-
Total net position (deficit)	\$ 54,259,852	\$ 29,185,553	\$ (373,209,632)

City of Fontana, California
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Custodial Funds	Other Postemployment Benefits (OPEB) Trust	Private Purpose Trust Fund Successor Agency of the Former RDA
Additions			
Contributions from property owners	\$ 24,930,609	\$ -	\$ 36,352,490
Employer Contributions	-	3,635,036	-
Net investment income	556,655	2,924,451	441,459
Increase in deposits held	22,916,613	-	-
Other revenue	-	-	9,342
Total additions	48,403,877	6,559,487	36,803,291
Deductions			
Benefits paid to participants or beneficiaries	-	3,635,036	-
Contractual services	-	-	211,062
Administrative expense	910,676	43,224	5,998
Interest expense	8,626,531	-	15,634,874
Contributions to other funds	-	-	250,000
Principal payments	7,185,000	-	-
Decrease in deposits held	21,946,805	-	-
Total deductions	38,669,012	3,678,260	16,101,934
Changes in Net Position	9,734,865	2,881,227	20,701,357
Net Position (Deficit)- Beginning of Year	44,524,987	26,304,326	(393,910,989)
Net Position (Deficit)- End of Year	\$ 54,259,852	\$ 29,185,553	\$ (373,209,632)

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Note 1 - Organization and Summary of Significant Accounting Policies

A. Description of the Reporting Entity

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

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

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

Blended Component Units:

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

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

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

The City's fiduciary funds consist of custodial funds, an Other Post Employment Benefits (OPEB) Trust fund, and a private purpose trust fund. Custodial funds account for assets held by the City for other governments or individuals. Fiduciary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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

The City reports the following major governmental funds:

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

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

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

Grants Fund – To account for miscellaneous federal, state and county grants requiring segregated fund accounting.

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

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

The City reports the following major proprietary fund:

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

Additionally, the City reports the following fund types:

Governmental Fund Types

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

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

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

Proprietary Fund Types

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

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

Fiduciary Fund Types

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

Other Postemployment Benefits (OPEB) Trust - accounts for the assets of the OPEB Trust.

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the internal service fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service fund include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Assets, Liabilities and Net Position or Fund Balance

Deposits and Investments

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

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

Fair Value Measurements

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

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

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

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

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

Receivables and Payables

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

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

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

Functional Classifications

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

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

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

Public Works / Engineering includes those activities which provide specialized skills and knowledge in support of the operation of government, involve the maintenance and improvement of City streets, roads and park department development and maintenance.

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

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

Inventories, Prepaids and Land Held for Resale

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

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

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

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

Leases

At the commencement of the lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term. For additional information, refer to the disclosures in Note 4.

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

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

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

Restricted Assets

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

Capital Assets

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

In accordance with GASB 34, the City has reported general infrastructure assets acquired in prior and current years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Asset	Years
Buildings and improvements	40-55 years
Machinery and equipment	3-20 years
Vehicles	5-20 years
Infrastructure	20-30 years
Right to use asset	Shorter of useful life or lease term

Right to use lease assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right to use lease assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use lease assets are amortized over the shorter of the lease term or useful lives of the underlying asset using the straight-line method. The amortization period varies.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the City's right to use an underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the shorter of the subscription term or useful life of the underlying asset using the straight-line method. The amortization period varies.

Deferred Outflows/Inflows of Resources

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

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

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

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned for leave balances that are more likely than not to be used for compensated leave or settled through cash or noncash means. It is the City's policy to permit employees to accumulate earned vacation and sick leave benefits that would be paid to them upon separation from City service if not previously taken. Accumulated sick leave benefits are payable to terminated employees who have accumulated a set number of hours up to a specified maximum, depending on the particular employee association. A liability for these obligations is reported in the government-wide, proprietary fund, and fiduciary fund financial statements as incurred. For governmental funds, a liability for compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources.

Long-Term Obligations

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

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

The City is subject to a legal bonded indebtedness limit of 15 percent of the assessed value of all real and personal property in the City, excluding any bonded indebtedness of the Successor Agency. At June 30, 2025, the City had bonded indebtedness of \$47,510,000 against its debt limit of \$4,960,014,807 which is 0.96 percent of the total limit.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position 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.

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

Valuation Date (VD)	June 30, 2023
Measurement Date (MD)	June 30, 2024
Measurement Period (MP)	July 1, 2023, to June 30, 2024

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and the OPEB expense, information about the fiduciary net position of the City's plan OPEB 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.

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

Valuation Date (VD)	June 30, 2023
Measurement Date (MD)	June 30, 2024
Measurement Period (MP)	July 1, 2023, to June 30, 2024

Net Position Flow Assumption

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

Fund Balance Flow Assumptions

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

E. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance of governmental funds and net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and, therefore, are not recognized in the funds.” The detail of this \$317,703,237 long-term liabilities difference is as follows:

Lease revenue bonds payable	\$ 47,510,000
Bond premium to be amortized	5,623,735
Loan payables	1,629,608
Claims and judgments	23,019,186
Compensated absences	12,774,511
Lease liability	8,022,703
SBITA liability	920,014
Other postemployment benefits liability	20,751,491
Net pension liability	<u>197,451,989</u>
 Net adjustment to reduce <i>fund balances of governmental funds</i> to arrive at <i>net position of governmental activities</i>	 <u><u>\$ 317,703,237</u></u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term liabilities is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.” The detail of this \$5,334,005 difference is as follows:

Principal repayments:	
Lease revenue bonds	\$ (1,915,000)
SANBAG loan payable	(407,402)
Amortization of bond premium	(244,977)
Net change in claims and judgments	685,842
Net change in lease liability	7,857,838
Net change in SBITA liability	<u>(642,296)</u>
 Net adjustment to increase net changes in <i>fund balances of governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>	 <u><u>\$ 5,334,005</u></u>

Another element of that reconciliation states that “some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The detail of this \$598,357 is as follows:

Accrued interest payable	\$	26,867
Compensated absences		<u>(625,224)</u>
Net adjustment to increase net changes in <i>fund balances of governmental funds</i> to arrive at changes in <i>net position of governmental activities</i>		<u><u>\$ (598,357)</u></u>

F. New GASB Pronouncements

Effective This Fiscal Year

GASB Statement No. 101 – As of July 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provides guidance for a consistent recognition and measurement of the compensated absence liability. There was not a significant effect on the City’s financial statements as a result of the implementation of this standard.

GASB Statement No. 102 – In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. There was not a significant effect on the City’s financial statements as a result of the implementation of this standard.

Note 2 - Stewardship, Compliance and Accountability

Budgetary Information

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

The City uses the following procedures in establishing the budgetary data reflected in the financial statements. After January 1, department heads prepare estimates for required appropriations for the fiscal year commencing the following July 1. The proposed budget includes estimated expenditures and forecasted revenues for the fiscal year. The data is presented to the City Manager for review. Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the upcoming fiscal year. The operating budget includes a summary of the proposed expenditures and financial resources of the City, as well as historical data for the preceding five fiscal periods. Public meetings are conducted at the civic center to obtain taxpayer comments. The City Council adopts the budget by June 30 through passage of an adopting resolution. Budgets were legally adopted for the General, special revenue, debt service and all capital project funds during the fiscal year ended June 30, 2025. This appropriated budget covers substantially all City expenditures. All appropriated amounts shown are as originally adopted or as amended by the City Council. During the year, supplementary appropriations in the Governmental Funds were approved in the amount of \$384,908,166. Additionally, amounts representing projects that were not completed were unappropriated at the end of the year, and reappropriated in the following year. Unexpended appropriations lapse at the year end.

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

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

All funds with expenditures exceeding appropriations are reviewed by the City as part of its regular quarterly budget report to ensure that adequate revenues and/or other sources are available to cover these expenditures. In the event that revenues and other sources are not sufficient to fund the following year's planned expenditures, the budget for the following fiscal year may be adjusted to ensure that there are no fund balance deficits in any funds. Excess of expenditures over appropriations at the fund level for the fiscal year ending June 30, 2025, are as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
General Fund			
Debt Service			
Principal	\$ 1,133,277	\$ 102,066	\$ (1,031,211)
Interest	38,250	19	(38,231)
Special Revenue Funds			
Housing Authority Fund			
Community Development	3,832,145	658,050	(3,174,095)
Community Facilities District			
Community Development	304,944	281,297	(23,647)
Traffic Safety			
Public Works / Engineering	290,913	45,020	(245,893)
Solid Waste Mitigation			
Community Service	59,909	54,020	(5,889)
Landscape Maintenance Districts			
Community services	9,649	9,387	(262)
Capital Projects			
Affordable Housing Trust			
Community Development	7,321,808	1,190,164	(6,131,644)
Community Facilities District			
Public Works / Engineering	34,457,743	20,514,651	(13,943,092)

A budgetary comparison schedule is not presented for the Down Payment Assistance, Opioid Settlement, Underground Utilities, Prop 1B, and TDA / Article 3 special revenue funds as it did not have a legally adopted annual budget. Budgetary schedules for all other governmental funds are presented in the fund financial statements or the combining and individual fund statements and schedules.

Deficit Fund Balance

As of June 30, 2025, the following funds had deficit fund balances:

Special Revenue Funds	
Grants	\$ 12,395,989
TDA / Article 3	11,809
Housing and Community Development Block Grant	28,128
ASES ELO-P	2,720,874
Permanent Local Housing Allocation	6,811
ARPA County	886,432
Fiduciary Funds	
Successor Agency	373,209,632

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

Note 3 - Cash and Investments

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

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

	Cash and Investments	Restricted Assets Cash and Investments with Fiscal Agent	Total
Governmental activities	\$ 497,140,268	\$ 109,109,615	\$ 606,249,883
Business- type activities	27,384,879	-	27,384,879
Fiduciary funds	57,327,318	47,321,827	104,649,145
	\$ 581,852,465	\$ 156,431,442	\$ 738,283,907

Cash and investments as of June 30, 2025 consisted of the following:

Cash on hand	\$ 58,000
Deposits with financial institutions	43,069,747
Investments	695,156,160
	\$ 738,283,907

Investments and Interest Receivable – Restricted

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

Authorized Investments

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

State Treasurer's Local Agency Investment Fund (LAIF)	Mortgage or Asset-Backed Securities
Corporate Obligations (medium-term notes and bonds)	Commercial Paper
U.S. Government Securities	Certificates of Deposit
Mutual Funds	Negotiable Certificates of Deposit
Bankers' Acceptances	Supranational Obligations
Joint Powers Authority Pools	Non-Negotiable Certificates of Deposit
Pass through Securities	

It is the City's policy not to invest in Small Business Administration Obligations (SBAs), Repurchase Agreements, Reverse Repurchase Agreements, or Financial Futures and Financial Option Contracts.

Investments Authorized by the City's Section 115 Trusts

Investments of the Pension Trust and the OPEB Plan Trust are governed by the provisions of the separate Trust Agreements, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held in the Section 115 Trusts include U.S. and foreign equity, commodities, real estate investment trusts, and bonds. The strategic range for Equity and Fixed Income investments is 40-60% and 38-58%, respectively. There are no limitations on the maximum amount that can be invested in one issuer or the maximum maturity of an investment. For the year ended June 30, 2025, the annual money-weighted rate of return on investments, net of investment expense, was 11.13%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Local Agency Investment Fund (LAIF)

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

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the State pool is the same as the value of the pool shares. LAIF is not registered with the Securities and Exchange Commission (SEC) and is not rated.

California Class

California Class is a Joint Powers Authority investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering Participants safety and optimized returns.

California Class is overseen by a Board of Trustees which consists of five members that are public finance officials with diverse skill sets, experiences, and backgrounds to better guide the portfolio(s) investments.

Deposits

At June 30, 2025, the carrying amount of the City's deposits was \$32,368,781 and the bank balance was \$42,620,422. The \$10,251,641 difference represents outstanding checks and other reconciling items.

Disclosures Relating to Credit Risk

The City's investment policy limits investments in medium term notes (MTNs) and federal securities to those in a rating category of "A" or its equivalent or better by Moody's or Standard and Poor's rating service. As of June 30, 2025, the City's investments consisted of the following:

Investment Type	Amount	Ratings as of Year End				Not Rated
		AAA - Aaa	AA+ - AA-	A - A+	A- - BBB+	
U.S Government Securities	\$ 37,284,048	\$ -	\$ 24,244,643	\$ -	\$ -	\$ 13,039,405
Asset- Backed Securities	31,833,575	19,006,132	-	-	-	12,827,443
Corporate	79,075,201	2,468,032	7,738,703	62,268,232	6,600,234	-
U.S Treasuries	164,800,152	164,800,152	-	-	-	-
State Investment Pool (LAIF)	201,420	-	-	-	-	201,420
California Class Investment Pool	199,450,387	199,450,387	-	-	-	-
Section 115 Trust- Pension	13,586,042	-	-	-	-	13,586,042
Section 115 Trust- OPEB	29,055,614	-	-	-	-	29,055,614
Held by fiscal agents:						
Money Market Funds	139,869,721	-	-	-	-	139,869,721
	<u>\$ 695,156,160</u>	<u>\$ 385,724,703</u>	<u>\$ 31,983,346</u>	<u>\$ 62,268,232</u>	<u>\$ 6,600,234</u>	<u>\$ 208,579,645</u>

The City holds investments in Corporate Bonds with various issuers that were downgraded to A- / BBB+, by S&P's Investor Services based on current credit standards. Although the credit ratings were downgraded, the City intends to hold these investments until maturity, presuming that they will either increase in value or hold their current value.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The California Government Code requires California banks and savings and loan associations to secure an Entity’s deposits by pledging government securities with a value of 110% of an Entity’s deposits. California law also allows financial institutions to secure Entity deposits by pledging first trust deed mortgage notes having a value of 150% of an Entity’s total deposits.

The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California, as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an “Agent of Depository” has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local government agency.

As of June 30, 2025, the City’s deposits with financial institutions were covered by FDIC up to \$250,000, and the remaining amounts of \$42,370,422 were collateralized as described above.

Concentration of Credit Risk

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

Investment Type	Maximum Maturity	Maximum % of Pool Allowed	Government Code Section
State Treasurer’s Local Agency Investment Fund (LAIF)	5 years	75 million/account	16429.1
U.S. Government Securities	5 years	None	53601(b) 53601(f)
California State, California Local Government Agencies, and other United States State Bonds	5 years	20%	53601(c) 53601(d) 53601(e)
Bankers Acceptances	180 days	40%	53601(g)
Commercial Paper	270 days	10%	53601(h)
Negotiable Certificates of Deposit	5 years	30%	53601(i)
Medium-Term Notes	5 years	10%	53601(k)
Pass- Through Securities	5 years	20%	53601(o)
Supranational Obligations	5 years	30%	53601(q)
Certificates of Deposit	5 years	None	53635
Joint Powers Authority Pools	N/A	None	53601(p)

With respect to concentration risk, as of June 30, 2025, the City is in compliance with the restrictions of the investment policy.

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

Interest Rate Risk

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

As of June 30, 2025, the City had the following investments and maturities:

	Investment Maturities					Total Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	6 years or more	
U.S Government Securities	\$ 2,483,998	\$ 1,930,846	\$ 5,813,002	\$ 16,500,795	\$ 10,555,407	\$ 37,284,048
Corporate Obligations	11,354,266	10,174,371	34,564,287	22,982,277	-	79,075,201
State Investment Pool - LAIF	201,420	-	-	-	-	201,420
Treasury Notes	-	1,105,715	160,200,374	3,494,063	-	164,800,152
California Class	199,450,387	-	-	-	-	199,450,387
Asset- Backed Securities	-	-	8,886,515	11,735,611	11,211,449	31,833,575
Section 115 Trust - Pension						
Asset- Backed Securities	356,805	-	-	-	-	356,805
Exchange Traded Funds	10,431,539	-	-	-	-	10,431,539
Mutual Funds - Bonds	1,607,297	-	-	-	-	1,607,297
Mutual Funds - Equity	1,190,401	-	-	-	-	1,190,401
Section 115 Trust - OPEB						
Exchange Traded Funds	857,705	-	-	-	-	857,705
Asset- Backed Securities	20,593,161	-	-	-	-	20,593,161
Mutual Funds - Bonds	4,466,483	-	-	-	-	4,466,483
Mutual Funds- Equity	3,138,265	-	-	-	-	3,138,265
Held by fiscal agents:						
Money Market Funds	139,869,721	-	-	-	-	139,869,721
	<u>\$ 396,001,448</u>	<u>\$ 13,210,932</u>	<u>\$ 209,464,178</u>	<u>\$ 54,712,746</u>	<u>\$ 21,766,856</u>	<u>\$ 695,156,160</u>

Fair Value Measurement

The City categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The City has the following recurring fair value measurements as of June 30, 2025:

	Fair Value Hierarchy			Total Fair Value
	Level 1	Level 2	Level 3	
<u>Investments Measured at Fair Value</u>				
U.S Government Securities	\$ -	\$ 37,284,048	\$ -	\$ 37,284,048
Corporate Obligations	-	79,075,201	-	79,075,201
Treasury Notes	164,800,152	-	-	164,800,152
Asset- Backed Securities	-	31,833,575	-	31,833,575
Section 115 Trust - Pension				
Asset- Backed Securities	-	356,805	-	356,805
Exchange Traded Funds	-	10,431,539	-	10,431,539
Mutual Funds - Bonds	-	1,607,297	-	1,607,297
Mutual Funds - Equity	-	1,190,401	-	1,190,401
Section 115 Trust - OPEB				
Exchange Traded Funds	-	857,705	-	857,705
Asset- Backed Securities	-	20,593,161	-	20,593,161
Mutual Funds - Bonds	-	4,466,483	-	4,466,483
Mutual Funds - Equity	-	3,138,265	-	3,138,265
Total investments measured at fair value	<u>\$ 164,800,152</u>	<u>\$ 190,834,480</u>	<u>\$ -</u>	<u>\$ 355,634,632</u>
<u>Investments Not Reported in Fair Value Hierarchy</u>				
Money Market Mutual Funds				\$ 139,869,721
California Class				199,450,387
State Investment Pool (LAIF)				<u>201,420</u>
Total investments not reported in fair value				<u>339,521,528</u>
Total investments held				<u>\$ 695,156,160</u>

Note 4 - Leases

The City is a lessor in noncancellable leases for use of City property for cell towers. The leases are for five years and are required to make fixed monthly payments per month. The leases interest rates range from .58% to 1.70%. Additionally, the City is a lessor in a 55-year noncancellable lease for an affordable housing project ground lease with fixed monthly rent payments starting at \$4,583 per month with annual increase of 2%. Additionally, the City is a lessor in a 55-year noncancellable lease for an apartment complex (Valencia Woods) with fixed monthly payments starting at \$2,500 per month with an annual increase of 2%. The City recognized \$1,080,257 in lease revenue and \$264,541 in interest revenue during the current fiscal year related to these agreements. As of June 30, 2025, the lease receivable is \$15,832,559 and deferred inflows of resources is \$14,612,980.

The City is a lessee in a noncancellable lease for the City's use of vehicles. The City is also a lessee in a noncancellable building lease and camera lease. For further information on the City's lease liability see Note 8.

Note 5 - Receivables

Receivables as of June 30, 2025, for the City’s individual major funds and non-major, proprietary major and non-major, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Special Revenue			Capital Projects	Nonmajor Governmental Funds
		Fire Protection District	Housing Authority	Grants	Sewer Expansion	
Accounts	\$ 4,135,104	\$ 97,907	\$ -	\$ -	\$ 213,155	\$ 435,208
Assessments	-	-	-	-	-	276,303
Interest	590,302	206,103	5,023,833	-	338,512	3,396,971
Loans	-	-	72,354,430	86,092	-	10,810,945
Loans to Successor Agency	20,326,713	-	-	-	-	-
	25,052,119	304,010	77,378,263	86,092	551,667	14,919,427
Less allowance for doubtful accounts	148,976	-	-	-	-	100,807
	<u>\$ 24,903,143</u>	<u>\$ 304,010</u>	<u>\$ 77,378,263</u>	<u>\$ 86,092</u>	<u>\$ 551,667</u>	<u>\$ 14,818,620</u>
	Sewer Operations	Nonmajor Enterprise Fund	Internal Service Funds	Fiduciary Funds	Total	
Accounts	\$ 1,173,738	\$ 50,113	\$ 221,074	\$ -	\$ 6,326,299	
Assessments	-	-	-	74,946	351,249	
Interest	182,432	10,866	160,194	1,195,839	11,105,052	
Loans	1,620,671	1,024,221	-	2,084,837	87,981,196	
Loans to Successor Agency	3,305,829	-	-	-	23,632,542	
	6,282,670	1,085,200	381,268	3,355,622	129,396,338	
Less allowance for doubtful accounts	3,305,829	-	-	1,971,279	5,526,891	
	<u>\$ 2,976,841</u>	<u>\$ 1,085,200</u>	<u>\$ 381,268</u>	<u>\$ 1,384,343</u>	<u>\$ 123,869,447</u>	

Due to the uncollectability of the loans to the Successor Agency, an allowance for doubtful accounts has been recorded at June 30, 2025 for the loans that are pending approval by the State Department of Finance as enforceable obligations. An allowance has been recorded for these loans in the amount \$3,305,829 in Sewer Operations funds. This allowance will remain in place until the State Department of Finance makes further determinations regarding the probability of collection on the loan balances. Several loans have been approved by the State Department of Finance; thus, an allowance has not been recorded for the loans in the amounts of \$20,326,713 in the General Fund.

Note 6 - Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance June 30, 2024	Transfers	Increases	Decreases	Balance June 30, 2025
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 182,522,616	\$ 6,900	\$ 1,658,711	\$ -	\$ 184,188,227
Construction in progress	84,782,429	(31,672,657)	85,643,931	-	138,753,703
Easements	6,480,016	100,000	-	-	6,580,016
Total capital assets, not being depreciated	<u>273,785,061</u>	<u>(31,565,757)</u>	<u>87,302,642</u>	<u>-</u>	<u>329,521,946</u>
Capital assets, being depreciated / amortized					
Buildings and improvements	371,905,494	855,163	1,908,975	-	374,669,632
Machinery and equipment	32,295,509	1,823,823	4,107,997	-	38,227,329
Vehicles	40,827,765	2,341,892	3,411,610	(1,865,632)	44,715,635
Right to use assets - Lease	318,661	-	10,238,364	-	10,557,025
Right to use assets - SBITA	4,040,606	-	404,503	(476,061)	3,969,048
Infrastructure	885,025,798	19,671,584	6,142,588	-	910,839,970
Intangible assets	5,384,870	6,873,295	-	-	12,258,165
	<u>1,339,798,703</u>	<u>31,565,757</u>	<u>26,214,037</u>	<u>(2,341,693)</u>	<u>1,395,236,804</u>
Less accumulated depreciation / amortization for					
Buildings and improvements	(178,884,076)	-	(11,342,783)	-	(190,226,859)
Machinery and equipment	(25,369,665)	-	(1,804,045)	-	(27,173,710)
Vehicles	(24,796,546)	-	(3,562,966)	1,494,842	(26,864,670)
Right to use assets - Lease	(111,815)	-	(1,576,456)	-	(1,688,271)
Right to use assets - SBITA	(1,344,580)	-	(1,433,972)	476,061	(2,302,491)
Infrastructure	(590,514,985)	-	(21,029,678)	-	(611,544,663)
Intangible assets	(2,585,383)	-	(1,439,513)	-	(4,024,896)
	<u>(823,607,050)</u>	<u>-</u>	<u>(42,189,413)</u>	<u>1,970,903</u>	<u>(863,825,560)</u>
Total capital assets, being depreciated, net	<u>516,191,653</u>	<u>31,565,757</u>	<u>(15,975,376)</u>	<u>(370,790)</u>	<u>531,411,244</u>
Governmental activities capital assets, net	<u>\$ 789,976,714</u>	<u>\$ -</u>	<u>\$ 71,327,266</u>	<u>\$ (370,790)</u>	<u>\$ 860,933,190</u>

City of Fontana, California
Notes to Financial Statements
June 30, 2025

	Balance June 30, 2024	Transfers	Increases	Decreases	Balance June 30, 2025
Business Type Activities					
Capital assets, not being depreciated					
Construction in progress	\$ 1,050,254	\$ -	\$ 3,954,815	\$ -	\$ 5,005,069
Total capital assets, not being depreciated	<u>1,050,254</u>	<u>-</u>	<u>3,954,815</u>	<u>-</u>	<u>5,005,069</u>
Capital assets, being depreciated					
Buildings and improvements	1,798,150	-	-	-	1,798,150
Machinery and equipment	685,272	-	52,773	-	738,045
Infrastructure	125,045,059	-	700,575	-	125,745,634
Intangibles	64,698	-	-	-	64,698
	<u>127,593,179</u>	<u>-</u>	<u>753,348</u>	<u>-</u>	<u>128,346,527</u>
Less accumulated depreciation for:					
Buildings and improvements	(784,635)	-	(46,243)	-	(830,878)
Machinery and equipment	(607,633)	-	(15,391)	-	(623,024)
Infrastructure	(64,060,023)	-	(2,848,155)	-	(66,908,178)
Intangibles	(64,698)	-	-	-	(64,698)
	<u>(65,516,989)</u>	<u>-</u>	<u>(2,909,789)</u>	<u>-</u>	<u>(68,426,778)</u>
Total capital assets, being depreciated, net	<u>62,076,190</u>	<u>-</u>	<u>(2,156,441)</u>	<u>-</u>	<u>59,919,749</u>
Business- type activities capital assets, net	<u>\$ 63,126,444</u>	<u>\$ -</u>	<u>\$ 1,798,374</u>	<u>\$ -</u>	<u>\$ 64,924,818</u>

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

Government Activities		
General government		\$ 7,230,630
Public safety		3,747,722
Community development		1,708,817
Community services		278,707
Public works and engineering		<u>26,565,733</u>
Total depreciation / amortization charged to functions		39,531,609
Charged to Internal Service Fund		<u>2,657,804</u>
Total Governmental Activities		<u>\$ 42,189,413</u>
Business-type Activities		
Sewer Operations		<u>\$ 2,909,789</u>

The following material construction commitments existed at June 30, 2025:

Project Name	Contract Amount	Expenditures to date as of June 30, 2025	Remaining Commitments
8470 Nuevo - Warm Shell Impr.	\$ 1,500,000	\$ -	\$ 1,500,000
Alder-Locust-Ramona SRTS	5,925,504	5,300,240	625,264
Arrow/Tokay TS	1,712,000	1,543,734	168,266
Baseline Ave and Palmetto Ave TS	1,900,000	176,800	1,723,200
Center Stage Theater Renovation	4,699,568	4,495,265	204,303
City Hall Renovation Phase 1	28,009,529	27,107,283	902,246
City Hall Renovation Phase 2	2,659,174	1,667,827	991,347
City Slurry Seal	3,154,230	2,759,360	394,870
Citywide Sidewalk Reconstruction	3,186,596	755,868	2,430,728
Citywide Storm Drain Repairs	1,200,000	158,005	1,041,995
Courtplace	10,251,600	6,862,329	3,389,271
Cypress Ave at Summit Ave TS	1,260,000	91,600	1,168,400
Cypress Storm Drain	21,608,344	6,241,277	15,367,067
Date Elementary School SRTS (ATP)	2,510,208	206,725	2,303,483
Downtown Parking Structure	15,000,000	14,094,374	905,626
Downtown West Parking Structure	26,500,000	349,815	26,150,185
Etiwanda/Slover Arterial	13,147,629	3,857,512	9,290,117
Fiber to City Facilities	2,284,540	931,706	1,352,834
Fire Station No. 80	17,549,794	2,329,687	15,220,107
Fire Station No. 81	12,090,967	10,132,107	1,958,860
First Responders Memorial Monument	2,050,000	74,686	1,975,314
Fontana SRTS Gap Closure	4,593,413	4,257,492	335,921
Foothill: Hemlock-Almeria Arterial	23,438,990	1,581,806	21,857,184
Homelessness Prevent Res & Care Ctr	16,992,229	16,178,669	813,560
I-10 Cedar Interchange	4,109,655	736,646	3,373,009
I-10/Cherry Interchange	9,920,301	9,766,988	153,313
I-10/Citrus Interchange	26,840,374	24,954,327	1,886,047
I-15/Baseline Interchange	6,028,000	5,775,703	252,297
Jack Bulik Park Improvement	1,531,517	1,305,309	226,208
Park Improvements	4,079,892	2,856,816	1,223,076
Pave Rehab (Grid 47 Resed)	1,500,000	710,289	789,711
Pave Rehab (Heritage - E. Lincoln)	2,605,680	2,411	2,603,269
Pave Rehab (Merrill- Alder-Maple)	1,200,000	7,181	1,192,819
Pave Rehab (S.ridge Grid 52 SW)	1,911,195	1,330,580	580,615
Pave Rehab (Sierra: SB to Valley)	1,198,042	6,119	1,191,923
Pave Rehab (Srra -Srra Lks -Summit)	1,300,000	103	1,299,897
Pavement Rehab - Sierra & Marygold	4,045,430	13,762	4,031,668
Pavement Rehabilitation - RMRA	22,469,042	21,519,663	949,379
Pavement Rehabilitation Project	82,214,234	76,412,807	5,801,427
San Sevaine PH I	19,052,110	13,141,207	5,910,903
Sewer Replacement Program	3,974,411	2,521,451	1,452,960
Sidewalk Rehabilitation Project	3,314,696	3,009,442	305,254
Sierra/Riverside Traffic Signal	2,339,310	318,967	2,020,343
Sierra: Foothill-Baseline Arterial	21,272,264	19,067,833	2,204,431
Sports Park	1,818,171	1,818,049	122
TMS Signal Upgrades	1,331,800	47,411	1,284,389
Village of Heritage Pavement Rehab	2,163,830	1,495,387	668,443
West Fontana Channel	9,934,685	9,886,980	47,705
Westgate at Cherry and Victoria Ave	18,900,000	15,157	18,884,843

Note 7 - Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2025, is as follows:

Due to/from other funds

Receivable Fund	Payable Fund	Amount
General Fund	Major Governmental Funds	
	Community Facilities Districts	\$ 18,659,930
	Grants	10,887,881
	Non-major Governmental Funds	
	TDA / Article 3	10,962
	Traffic Congestion Relief	3,014,644
	Community Facilities Districts	72,567
	Housing and Community Development	144,995
	Community Services Reimbursements	382,659
	ASES ELO-P	3,781,578
	ARPA County	662,172
	Custodial Funds	
	CFD #7 - Country Club	153
	CFD #12 - Sierra Lakes	12,227
	Total	\$ 37,629,768

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

Advance to/from other funds

Receivable Fund	Payable Fund	Amount
Major Governmental Funds	Proprietary Funds	
General Fund	Stage Red	\$ 750,000
Non-major Governmental Funds	Proprietary Funds	
Capital Reinvestment	Stage Red	1,000,000
Non-major Governmental Funds	Non-major Governmental Funds	
Future Capital Projects	Capital Improvements	1,717,368
	Total	\$ 3,467,368

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

During the period March 2024 through May 2025, the City advanced a total of \$1,750,000 to Stage Red to provide operational activities support. Of this total, \$750,000 was advanced from General Fund and \$1,000,000 was advanced from Capital Reinvestment Fund. The advance is non-interest bearing and is payable in ten equal annual payments of \$175,000, beginning June 30, 2029, with the final payment due on June 30, 2038.

Interfund transfers:

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

	Transfers In						Total
	General	Fire Protection District	Grants	Nonmajor Governmental Funds	Sewer Operations	Internal Service Fund	
Transfers out							
General	\$ -	\$ 220,000	\$ -	\$ 22,095,484	\$ -	\$ 2,500,000	\$ 24,815,484
Fire Protection District	11,967,902	-	-	16,158,713	-	106,600	28,233,215
Housing Authority	-	-	523	-	-	-	523
Grants	58,490	-	-	-	-	-	58,490
Sewer Expansion	19,280	-	-	-	-	-	19,280
Community Facilities Districts	-	-	-	14,871,561	160,611	-	15,032,172
Nonmajor Governmental Funds	20,131,984	1,092,319	1,733	5,658,156	-	-	26,884,192
Sewer Operations	2,382,950	-	-	-	-	-	2,382,950
	<u>\$ 34,560,606</u>	<u>\$ 1,312,319</u>	<u>\$ 2,256</u>	<u>\$ 58,783,914</u>	<u>\$ 160,611</u>	<u>\$ 2,606,600</u>	<u>\$ 97,426,306</u>

Note 8 - Long-Term Liabilities

Long-term liabilities activity for the year ended June 30, 2025, was as follows:

	Beginning Balance June 30, 2024	Additions	Retirements	Ending Balance June 30, 2025	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities						
Lease Revenue Bonds	\$ 49,425,000	\$ -	\$ 1,915,000	\$ 47,510,000	\$ 2,005,000	\$ 45,505,000
Claims and judgments	22,333,344	7,608,739	6,922,897	23,019,186	6,459,980	16,559,206
Compensated absences	12,149,287	7,551,182	6,925,958	12,774,511	6,925,958	5,848,553
Loan payable - SANBAG	2,037,010	-	407,402	1,629,608	407,402	1,222,206
SBITA liability	1,562,310	404,503	1,046,799	920,014	686,852	233,162
Lease liability	164,865	9,093,614	1,235,776	8,022,703	1,787,626	6,235,077
Total governmental activities long-term liabilities	<u>\$ 87,671,816</u>	<u>\$ 24,658,038</u>	<u>\$ 18,453,832</u>	93,876,022	18,272,818	75,603,204
			Unamortized bond premium	5,623,735	244,977	5,378,758
				<u>\$ 99,499,757</u>	<u>\$ 18,517,795</u>	<u>\$ 80,981,962</u>
Business- Type Activities						
Compensated absences	\$ 221,288	\$ 130,080	\$ 162,487	\$ 188,881	\$ 162,487	\$ 26,394
Loans payable	3,947,736	-	910,544	3,037,192	926,913	2,110,279
Total business- type activity long-term liabilities	<u>\$ 4,169,024</u>	<u>\$ 130,080</u>	<u>\$ 1,073,031</u>	<u>\$ 3,226,073</u>	<u>\$ 1,089,400</u>	<u>\$ 2,136,673</u>

Lease Revenue Bonds2014 Lease Revenue Bonds

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

Fiscal Year Ending	2014 Lease Revenue Bonds		
	Principal	Interest	Total
2026	\$ 1,480,000	\$ 1,126,800	\$ 2,606,800
2027	1,555,000	1,050,925	2,605,925
2028	1,630,000	971,300	2,601,300
2029	1,715,000	893,300	2,608,300
2030	1,790,000	856,050	2,646,050
2031-2035	10,350,000	2,630,875	12,980,875
2036-2038	7,335,000	447,700	7,782,700
Totals	<u>\$ 25,855,000</u>	<u>\$ 7,976,950</u>	<u>\$ 33,831,950</u>

2021 Lease Revenue Bonds

In November 2021, the Fontana Public Facilities Financing Authority issued \$23,125,000 of Lease Revenue Bonds. The proceeds of the issue were used to refinance 2010 Lease Revenue Bonds with an outstanding balance of \$5,075,000, finance the acquisition, construction and installation of certain public capital improvements and pay the costs of issuing the Lease Revenue bonds Series 2021A Bonds. The bonds pay interest semi-annually at rates of 4.00% and mature from November 2022 through November 2052. Principal and interest payments are made from the lease income for certain real property and the improvements thereon.

Fiscal Year Ending	2021 Lease Revenue Bonds		
	Principal	Interest	Total
2026	\$ 525,000	\$ 866,200	\$ 1,391,200
2027	545,000	845,200	1,390,200
2028	565,000	823,400	1,388,400
2029	590,000	800,800	1,390,800
2030	610,000	777,200	1,387,200
2031-2035	3,440,000	3,499,000	6,939,000
2036-2040	4,190,000	2,753,800	6,943,800
2041-2045	4,535,000	1,856,400	6,391,400
2046-2050	4,565,000	980,000	5,545,000
2051-2052	2,090,000	126,200	2,216,200
Totals	<u>\$ 21,655,000</u>	<u>\$ 13,328,200</u>	<u>\$ 34,983,200</u>

SANBAG Loan Payable

The City entered into an agreement with San Bernardino Associated Governments “SANBAG” for the I-15 Duncan Canyon Interchange Project. Under the agreements, SANBAG contributed \$12.0 million of State Proposition 1B Corridor Mobility Improvement funds to the project. A total of \$4,074,021 excluding interest is required to be paid back. The amount outstanding is \$1,629,608.

Fiscal Year Ending	SANDBAG		
	Principal	Interest	Total
2026	\$ 407,402	\$ -	\$ 407,402
2027	407,402	-	407,402
2028	407,402	-	407,402
2029	407,402	-	407,402
Totals	<u>\$ 1,629,608</u>	<u>\$ -</u>	<u>\$ 1,629,608</u>

Subscription Based Information Technology Arrangements (SBITAS)

The City has entered into twelve SBITA contracts for the use of various software platforms. The City is required to make principal and interest payments through May 2028. The SBITA liability was valued using discount rates between 2.180% and 3.631% based on the City's incremental borrowing rate at the inception of the SBITAs. The total amount of right to use subscription assets and the related accumulated amortization on right to use subscription assets was \$3,969,048 and \$2,302,491, as of June 30, 2025, respectively.

Remaining principal and interest on SBITAS are as follows:

Fiscal Year Ending	SBITAS		
	Principal	Interest	Total
2026	\$ 686,852	\$ 22,432	\$ 709,284
2027	218,327	5,951	224,278
2028	14,835	415	15,250
Totals	<u>\$ 920,014</u>	<u>\$ 28,798</u>	<u>\$ 948,812</u>

Lease Liability

The City is a lessee in a noncancellable lease for the City’s use of vehicles. The lease terms are in five-year terms. The lease liability was valued using discount rates ranging from .6320% to 3.445% based on the City’s incremental borrowing rate at the inception of the lease. The total amount of the remaining lease liability is \$108,976. The total amount of the right to use asset and the related accumulated amortization on the right to use asset was \$318,661 and \$177,590 respectively.

The City also is a lessee in a lease for the use of a building located at 15186 Foothill Boulevard. The lease term is in five-year terms. The lease liability was valued using a discount rate of 2.3807% based on the City's incremental borrowing rate at the inception of the lease. The total amount of the remaining lease liability is \$7,913,727. The total amount of the right to use asset and the related accumulated amortization on the right to use asset was \$9,593,614 and \$1,439,042 respectively.

The City also is a lessee in a lease for the use of Flock Safety Falcon Camera equipment for use by the Police Department. The lease term is for a five year term. The City does not have a liability associated with the lease as the lease was prepaid in full. The total amount of the right to use asset and the related accumulated amortization on the right to use asset was \$644,750 and \$71,639 respectively.

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

Fiscal Year Ending	Lease Liability		
	Principal	Interest	Total
2026	\$ 1,787,626	\$171,479	\$ 1,959,105
2027	1,836,184	128,535	1,964,719
2028	1,889,293	84,309	1,973,602
2029	1,992,605	38,231	2,030,836
2030	516,995	2,053	519,048
Totals	\$ 8,022,703	\$ 424,607	\$ 8,447,310

Loan Payable-San Bernardino Trunk Sewer Loans

In March 2007, the City received approval from the State of California Water Resources Control Board for the San Bernardino Trunk Sewer Project. The Project was funded by the State Revolving Fund on a reimbursement basis for construction costs incurred in relation to the project. The project was done in three phases, with each of the three phases being funded by a separate loan from the State Revolving Fund. The loans will be repaid in annual installments. As of June 30, 2025, the loan payable is \$3,037,192.

Fiscal Year Ending	San Bernardino Trunk Sewer - State Revolving Fund Loans								
	Trunk Sewer Phase		Lift Station Phase		Force Main Phase		Combined Loans		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 475,571	\$ 26,670	\$ 196,078	\$ 17,098	\$ 255,264	\$ 14,138	\$ 926,913	\$ 57,906	\$ 984,819
2027	484,300	17,941	199,385	13,792	259,892	9,510	943,577	41,243	984,820
2028	493,187	9,053	202,747	10,430	264,603	4,798	960,537	24,281	984,818
2029	-	-	206,165	7,011	-	-	206,165	7,011	213,176
Totals	\$ 1,453,058	\$ 53,664	\$ 804,375	\$ 48,331	\$ 779,759	\$ 28,446	\$ 3,037,192	\$ 130,441	\$ 3,167,633

Mello-Roos Community Facilities Districts

Between 1988 and 2024, twenty- two Community Facilities Districts have issued Special Tax Bonds. The bonds are authorized pursuant to the Mello- Roos Community Facilities Act of 1982 and are secured by and payable solely from the revenues of an annual special assessment tax levied against land within the Districts. The bonds are not backed by the full faith and credit or taxing power of the City and do not constitute indebtedness of the City. The City is not liable for the bonds, but acts as an agent for the bondholders in collecting the assessments from property owners, forwarding the collections to bondholders and initiating foreclosure proceedings if necessary.

The transactions occurring as a result of the City acting in an agent capacity are being accounted for in a custodial fund. As the bonds are financing the construction and installation of certain public improvements, the transactions relating to the construction of the improvements are being accounted for in capital project funds. The bonds are not reflected as an indebtedness of the City at June 30, 2025.

Special Tax Bonds	Date of Issue	Original Issue Amount	Outstanding Amount at June 30, 2025
CFD # 7 Series B (Sierra Lakes)	July 2021	\$ 1,445,000	\$ 880,000
CFD # 11 (Heritage West End)	July 2021	2,995,000	1,815,000
CFD # 12 Series A (Sierra Lakes)	July 2021	9,950,000	7,040,000
CFD # 22 (Sierra Hills South)	June 2014	31,260,000	18,760,000
CFD # 31 (Citrus Heights North)	July 2018	18,485,000	13,745,000
CFD # 31 (Citrus Heights North)	October 2021	8,025,000	7,130,000
CFD # 37 (Montelago)	July 2021	2,135,000	1,770,000
CFD # 70 (Avellino)	July 2021	1,975,000	1,790,000
CFD # 71 (Sierra Crest)	July 2016	5,915,000	4,695,000
CFD #74B (Citrus/ Summit)	June 2019	4,045,000	3,630,000
CFD # 80 (Bella Strada)	August 2017	11,125,000	9,480,000
CFD # 81 (Gabriella)	March 2018	7,180,000	6,260,000
CFD #86 (Etiwanda Ridge)	February 2020	5,025,000	4,485,000
CFD #85 (The Meadows)	October 2020	22,640,000	20,730,000
CFD #88 (Sierra Crest II)	October 2020	6,510,000	6,120,000
CFD #89 (Belrose)	November 2020	5,725,000	5,200,000
CFD #90 (Summit @ Rosena I)	June 2021	22,260,000	20,960,000
CFD #87 (El Paseo)	July 2021	5,325,000	5,005,000
CFD #95 (Summit @ Rosena 2)	May 2022	9,305,000	8,765,000
CFD #106 (Mountainview)	August 2022	6,940,000	6,705,000
CFD #99 (The Retreat)	May 2023	4,630,000	4,550,000
CFD #100 (Victoria)	October 2023	5,310,000	5,295,000
CFD#107 (Highland)	July 2024	3,595,000	3,595,000
CFD#109 (Narra Hills)	October 2024	36,220,000	36,220,000
CFD #111 (Monterado)	May 2024	7,595,000	7,595,000
CFD#112 (The Gardens Phase I)	November 2024	30,790,000	30,790,000
Total Special Tax Bonds		<u>\$ 276,405,000</u>	<u>\$ 243,010,000</u>

Note 9 - Risk Management

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

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

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

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

Claims payable, June 30, 2023	\$ 22,584,976
Claims incurred (including IBNRs)	7,258,966
Claims paid/ dismissed	(7,510,598)
Claims payable, June 30, 2024	22,333,344
Claims incurred (including IBNRs)	7,608,739
Claims paid/ dismissed	(6,922,897)
Claims payable, June 30, 2025	\$ 23,019,186

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

Note 10 - Litigation

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

Note 11 - Other Post-Employment Benefits Liability

Plan Description

In addition to the pension benefits described in Note 13, the City administers a single employer defined-benefit post-employment healthcare plan (the Plan). Dependents are eligible to enroll, and benefits continue to surviving spouses. Eligibility for lifetime retiree health benefits requires retirement from the City on or after reaching age 50 (age 52 for PEPRA New Hires) with at least five years of PERS-credited service. The City subsidizes the benefit depending on the date of hire and years of services with the City at retirement. Retirees are responsible for the cost of coverage above the City subsidy. Spousal coverage is offered at retirement. No City-subsidized vision or life insurance benefit is offered. Additional requirements are set forth in the individual contracts for executive positions or in the Memorandum of Understanding (MOUs) for the five bargaining units operating within the City. The amount the City provides on the behalf of retirees is dictated in the contracts or MOUs.

Employees Covered

As of the June 30, 2023 census date, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	572	
Inactive employees or beneficiaries currently receiving benefits	234	
Total		806

Contributions

The required contribution is based on projected pay-as-you-go financing requirements. For the fiscal year ending June 30, 2025, the City’s cash contributions were \$2,711,695 in the form of current premiums, which is funded through the General Fund, and the estimated implied subsidy was \$923,341 resulting in total payments of \$3,635,036.

OPEB Liability

The City’s OPEB liability was valued as of June 30, 2023, and measured as of June 30, 2024, and was determined by an actuarial valuation based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	5.07%
Inflation	2.30%
Salary Increases	2.80% per annum, in aggregate
Mortality Rate	Derived using CalPERS’ Membership Data for all funds
Pre- Retirement Turnover	Derived using CalPERS’ Membership Data for all funds
Healthcare Trend Rate	Based on 2021 Getzen model that reflects actual premium increases through 2023 followed by 6.80% Pre- Medicare/ 4.17% Medicare, gradually decreasing to an ultimate rate of 4.14% in 2075.

Change of Assumptions

There were changes to the assumptions for the measurement period ended June 30, 2024 including a decrease in Discount Rate from 6.00% to 5.07%. Additionally, there was a decrease in Healthcare Trend Rates from 7.40% to 6.80% (Pre-Medicare) and 4.20% to 4.17% (Medicare).

Discount Rate

The discount rate used to measure the total OPEB liability was 5.07 percent. GASB 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the trust set aside to pay benefits, if the plan sponsor makes regular contributions to the trust, such that the assets are not depleted at any point in the future. The OPEB plan assets are expected to be invested using a strategy to achieve the long-term rate of return.

Changes in the OPEB Liability

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

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024 <i>(Measurement Date June 30, 2024)</i>	\$ 44,028,993	\$ 22,695,094	\$ 21,333,899
Changes recognized for the measurement period:			
Service cost	420,907	-	420,907
Interest	2,561,247	-	2,561,247
Differences between expected and actual experience	217,280	-	217,280
Changes of assumptions	3,911,333	-	3,911,333
Contributions - Employer- City Contributions	-	2,590,890	(2,590,890)
Contributions - Employer- Implicit Subsidy	-	934,000	(934,000)
Benefit Payments	(2,590,890)	(2,590,890)	-
Implicit Subsidy Credit	(934,000)	(934,000)	-
Net investment income	-	3,645,250	(3,645,250)
Administrative expense	-	(36,018)	36,018
Net Changes	3,585,877	3,609,232	(23,355)
Balance at June 30, 2025 <i>(Measurement Date June 30, 2024)</i>	\$ 47,614,870	\$ 26,304,326	\$ 21,310,544

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

The following presents the OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2024:

	1% Decrease (4.07%)	Current Discount Rate (5.07%)	1% Increase (6.07%)
OPEB Liability	\$ 26,210,007	\$ 21,310,544	\$ 17,126,707

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, 2024:

	1% Decrease (5.80% decreasing to 3.14%)	Current Healthcare Cost Trend Rates (6.80% decreasing to 4.14%)	1% Increase (7.80% decreasing to 5.14%)
Net OPEB Liability	\$ 16,527,668	\$ 21,310,544	\$ 26,939,064

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

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of \$295,807. As of fiscal year ended June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 3,635,036	\$ -
Changes of assumptions	9,731,344	17,762,330
Net difference between projected and actual earnings on OPEB plan investments	-	560,349
Differences between expected and actual experience	5,643,107	9,311,078
Total	\$ 19,009,487	\$ 27,633,757

The \$3,635,036 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2024, measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2026.

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

Measurement Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2026	\$ (1,953,354)
2027	(1,953,352)
2028	(2,544,079)
2029	(2,572,712)
2030	(2,115,795)
Thereafter	(1,120,014)

OPEB Fiduciary Plan- GASB 74

The following information is provided for the OPEB plan in accordance with GASB 74. The OPEB Fiduciary Plan is the same Plan as reported above, however, the Scope of GASB 74 includes the OPEB Fiduciary Trust. In addition, the reporting periods differ and, as such, the financial information is different. Certain information requiring footnote disclosure is repetitive.

The OPEB Plan is administered by the City and is presented in the statements of fiduciary net position and change in fiduciary net position. The net OPEB plan liability and asset information is reported within certain defined timeframes as listed below:

Valuation Date:	June 30, 2023
Measurement Date:	June 30, 2025
Report Date:	June 30, 2025

At June 30, 2023 (census date), the benefits terms covered the following employees:

Active employees	572
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	234
Total	806

Actuarial Assumptions

The total OPEB liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions:

Discount Rate	5.07%
Investment Rate of Return	5.07%
Inflation	2.30%
Salary Increases	2.8% **
Mortality Rate	Based on CalPERS Tables
Healthcare Trend Rate	
Pre-Medicare	6.20%*
Medicare	4.14%

* Trending down to 4.14% over 51 years. Applies to Calendar years.

** Additional merit-based increases based on CalPERS merit salary increase tables.

Experience studies come from the CalPERS Pension Assumption Model, effective November 17, 2021.

Change of Assumptions

There were changes to the assumptions for the measurement period ended June 30, 2024 including a decrease in Discount Rate and Investment Rate of Return from 6.00% to 5.07%. Additionally, there was a decrease in Healthcare Trend Rates from 6.80% to 6.20% (Pre-Medicare) and 4.17% to 4.14% (Medicare).

Discount Rate

The discount rate used to measure the total OPEB liability was 5.07 percent. GASB 74 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the trust set aside to pay benefits, if the plan sponsor makes regular contributions to the trust, such that the assets are not depleted at any point in the future. The OPEB plan assets are expected to be invested using a strategy to achieve the long-term rate of return.

Long Term Expected Rate of Return

The long-term expected rate of return is determined using the long-term rates of return developed by Shuster Advisory Group as of June 30, 2025.

Asset Class ¹	Target Allocation	10 Year Projected Compound Return
U.S. Equity	32.50%	5.17%
International Equity	17.50%	7.38%
U.S. Aggregate Bonds	50.00%	4.19%
Total	100.00%	

¹ An expected inflation of 2.30% used for this period.

The Plan's expected return is weighted by the Plan's expected cash flow.

Net OPEB Liability of the City

The components of the net OPEB liability of the City at June 30, 2025, were as follows:

	Total OPEB Liability	Increase (Decrease) Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024	\$ 43,486,257	\$ 26,304,326	\$ 17,181,931
Changes for the year			
Service cost	432,692	-	432,692
Interest	2,526,086	-	2,526,086
Differences Between Expected and Actual Experience	300,337	-	300,337
Changes of Assumptions	4,035,958	-	4,035,958
Contributions - Employer- City's Contribution	-	2,711,695	(2,711,695)
Contributions - Employer- Implicit Subsidy	-	923,341	(923,341)
Net investment income	-	2,924,551	(2,924,551)
Benefit Payments	(2,711,695)	(2,711,695)	-
Implicit Subsidy Credit	(923,341)	(923,341)	-
Administrative expense	-	(43,324)	43,324
Net Changes	3,660,037	2,881,227	778,810
Balance at June 30, 2025	<u>\$ 47,146,294</u>	<u>\$ 29,185,553</u>	<u>\$ 17,960,741</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it was calculated using a discount rate that is one percentage point lower (4.07%) or one percentage point higher (6.07%) follows:

	1% Decrease (4.07%)	Current Discount Rate (5.07%)	1% Increase (6.07%)
Net OPEB liability	\$ 22,711,640	\$ 17,960,741	\$ 13,889,520

The net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it was calculated using a healthcare cost trend rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) follows:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Net OPEB liability	\$ 12,851,669	\$ 17,960,741	\$ 23,979,087

Note 12 - Pensions

As of and for the year ended June 30, 2025, the City’s pension plan had the following balances reported in the government-wide financial statements.

	Safety Plan	Miscellaneous Plan	Total
Net pension liability	\$ 127,904,340	\$ 73,798,694	\$ 201,703,034
Pension expense	20,554,651	14,897,177	35,451,828
Deferred outflows of resources	30,434,533	19,039,181	49,473,714
Deferred inflows of resources	43,054	35,284	78,338

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Local Government’s separate Safety (police and fire) and Miscellaneous (all other) Plans, an agent multiple employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Plan’s June 30, 2023, Annual Actuarial Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. The Plans' provisions and benefits in effect at June 30, 2025, are summarized as follows:

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

Employees Covered

As of the June 30, 2024, measurement date, the following employees were covered by the benefit terms for each Plan:

	Safety	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	218	572
Inactive employees entitled to but not yet receiving benefits	74	1,049
Active employees	193	566
Total	<u>485</u>	<u>2,187</u>

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions; payments made by the employer are paid from the General Fund of the City.

Actuarial Methods and Assumptions used to determine Total Pension Liability

The June 30, 2023 valuation was used to determine the June 30, 2024 total pension liability based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Change of Assumptions

There were no changes to the assumptions for the measurement period ended June 30, 2024.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. 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.

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. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

Asset Class ¹	Assumed Asset Allocation	Real Return ^{1, 2}
Global Equity - Cap weighted	30.0%	4.54%
Global Equity - Non-Cap weighted	12.0	3.84
Private Equity	13.0	7.28
Treasury	5.0	0.27
Mortgage-backed Securities	5.0	0.5
Investment Grade Corporates	10.0	1.56
High Yield	5.0	2.27
Emerging Market Debt	5.0	2.48
Private Debt	5.0	3.57
Real Assets	15.0	3.21
Leverage	(5.0)	(0.59)

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021 Asset Liability Management study.

Pension Plan Fiduciary Net Position

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

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

Liability, Expense and Deferred Outflows/Inflows

The components of the net pension liability at June 30, 2025, are as follows:

Total Pension Liability	\$ 682,920,620
Plan's Fiduciary Net Position	<u>481,217,586</u>
Net Pension Liability	<u><u>\$ 201,703,034</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	70.46%

Pension Expense

At June 30, 2025, the City recognized pension expense for CalPERS of \$35,451,828.

Changes in Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2023(VD)	\$ 365,314,648	\$ 231,312,378	\$ 134,002,270
Changes Recognized for the Measurement Period			
Service Cost	7,871,497	-	7,871,497
Interest on the Total Pension Liability	25,199,371	-	25,199,371
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	4,361,921	-	4,361,921
Changes of Assumptions	-	-	-
Net Plan to Plan Resource Movement	-	-	-
Contributions from the Employer	-	18,083,424	(18,083,424)
Contributions from Employees	-	2,927,126	(2,927,126)
Net Investment Income	-	22,708,389	(22,708,389)
Benefit Payments, including Refunds of Employee Contributions	(16,808,102)	(16,808,102)	-
Administrative Expense	-	(188,220)	188,220
Net Changes during 2023-24	<u>20,624,687</u>	<u>26,722,617</u>	<u>(6,097,930)</u>
Balance at: 6/30/2024 (MD)	<u>\$ 385,939,335</u>	<u>\$ 258,034,995</u>	<u>\$ 127,904,340</u>

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2023 (VD)	\$ 279,111,319	\$ 202,702,575	\$ 76,408,744
Changes Recognized for the Measurement Period			
Service Cost	6,270,054	-	6,270,054
Interest on the Total Pension Liability	19,396,781	-	19,396,781
Differences between Expected and Actual Experience	5,529,705	-	5,529,705
Changes of Benefit Terms	-	-	-
Contributions from the Employer	-	11,414,362	(11,414,362)
Contributions from Employees	-	3,045,029	(3,045,029)
Net Investment Income	-	19,512,139	(19,512,139)
Benefit Payments, including Refunds of Employee Contributions	(13,326,574)	(13,326,574)	-
Administrative Expense	-	(164,940)	164,940
Net Changes during 2023-24	<u>17,869,966</u>	<u>20,480,016</u>	<u>(2,610,050)</u>
Balance at: 6/30/2024 (MD)	<u>\$ 296,981,285</u>	<u>\$ 223,182,591</u>	<u>\$ 73,798,694</u>

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

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.90 percent) or one percentage-point higher (7.90 percent) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Plan's Net Pension Liability Safety	\$ 184,002,761	\$ 127,094,340	\$ 82,287,476
Plan's Net Pension Liability Miscellaneous	\$ 116,767,978	\$ 73,798,694	\$ 38,803,022

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred inflows and deferred outflows to be recognized in future pension expense.

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

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

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

The EARSL for the Safety Plan for the measurement period ending June 30, 2024, is 5.2 years, which was obtained by dividing the total service years of 2,511 (the sum of remaining service lifetimes of the active employees) by 485 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

The EARSL for the Miscellaneous Plan for the measurement period ending June 30, 2024, is 3.1 years, which was obtained by dividing the total service years of 6,869 (the sum of remaining service lifetimes of the active employees) by 2,187 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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

For the measurement period ended June 30, 2024 (the measurement date), the City of Fontana recognized a pension expense of \$20,554,651 for the Safety Plan.

As of June 30, 2025, the City of Fontana reports other amounts for the Safety Plan as deferred outflow and deferred inflow of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 15,871,271	\$ -
Differences between Expected and Actual Experience	5,305,444	(43,054)
Changes of assumptions	6,126,425	-
Net difference between projected and actual earnings on pensions plan investments	3,131,393	-
Total	\$ 30,434,533	\$ (43,054)

Employer contributions of \$15,871,271 were made after the measurement date of the net pension liability but before the end of the fiscal year; these contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026.

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

Measurement Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 4,284,803
2026	9,566,411
2027	917,995
2028	(416,767)
2029	167,766
Thereafter	-

For the measurement period ended June 30, 2024 (the measurement date), the City of Fontana recognized a pension expense of \$14,897,177 for the Miscellaneous Plan.

As of June 30, 2025, the City of Fontana reports other amounts for the Miscellaneous Plan as deferred outflow and deferred inflow of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 10,879,992	\$ -
Differences between Expected and Actual Experience	4,753,200	(35,284)
Changes of assumptions	321,004	-
Net difference between projected and actual earnings on pensions plan investments	3,084,985	-
Total	\$ 19,039,181	\$ (35,284)

Employer contributions of \$10,879,992, were made after the measurement date of the net pension liability but before the end of the fiscal year; these contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

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

Measurement Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2025	\$ 2,928,387
2026	6,963,134
2027	(666,453)
2028	(1,101,163)
2029	-
Thereafter	-

Note 13 - BENCOR (PTS-OBRA)

The BENCOR 401(a) FICA Alternative Plan (Plan) is a qualified retirement plan under Federal tax law that covers part-time, seasonal, and temporary employees of the City who are not covered by the California Public Employee’s Retirement System. The Plan provides an alternative benefit to Social Security and exempts employees from FICA (Social Security) payroll taxes. Employees continue to pay Medicare taxes on their wages. Enrollment in the Plan is automatic for every employee who works in a position covered by the Plan. Employees contribute 7.5% of their wages on a pre-tax bases each pay period.

Note 14 - Classification of Fund Balances

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

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

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

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

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

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

The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. In governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

The details of the fund balances as of June 30, 2025, are presented below:

	Special Revenue			Capital Project		Other Governmental Funds	Totals
	General	Fire Protection District	Housing Authority	Grants	Sewer Expansion		
Fund Balances							
Nonspendable							
Deposits	\$ 194,015	\$ -	\$ -	\$ 6,030	\$ -	\$ -	\$ 1,247,612
Inventories	340,263	-	-	-	-	-	1,013,663
Loan receivables	20,177,737	-	-	-	-	-	20,177,737
Total nonspendable	20,712,015	-	-	6,030	-	-	22,439,012
Restricted							
Community facilities districts	-	-	-	-	-	59,898,791	88,567,633
Community services	-	-	-	-	-	530,008	530,008
Government-access channel	1,936,782	-	-	-	-	-	1,936,782
Housing & community development	-	-	87,937,164	-	-	3,905,365	91,842,529
Lighting and landscaping	-	-	-	-	-	4,470,781	4,470,781
Municipal Services Impact	-	-	-	-	-	26,320,471	26,320,471
Public safety	-	29,158,289	-	-	-	21,916,650	51,074,939
Transportation	-	-	-	-	-	9,845,857	9,845,857
Traffic Mitigation and Safety	-	-	-	-	-	33,369,263	33,369,263
Solid waste mitigation	-	-	-	-	-	9,558,616	9,558,616
Highway and Road Safety and Maintenance	-	-	-	-	-	11,035,029	11,035,029
PERS Reserve	13,644,923	-	-	-	-	-	13,644,923
Air quality	-	-	-	-	-	893,843	893,843
Total restricted	15,581,705	29,158,289	87,937,164	-	-	59,898,791	343,090,674
Committed							
Contingency Reserve	35,888,470	-	-	-	-	-	35,888,470
Operating Contingency	3,000,000	-	-	-	-	-	3,000,000
Risk Reserve	752,021	-	-	-	-	-	752,021
Total committed	39,640,491	-	-	-	-	-	39,640,491
Assigned							
Capital projects	675,466	-	-	-	3,258,323	-	215,528,208
Retiree benefit	2,738,496	-	-	-	-	-	2,738,496
Animal Shelter JPA	582,570	-	-	-	-	-	582,570
GASB 31 Gain	600,665	-	-	-	-	-	600,665
Debt Service	-	-	-	-	-	63,428	63,428
Total assigned	4,597,197	-	-	-	3,258,323	-	219,513,367
Unassigned	35,679,595	-	-	(12,402,019)	-	(3,654,054)	19,623,522
Total fund balances	\$ 116,211,003	\$ 29,158,289	\$ 87,937,164	\$ (12,395,989)	\$ 3,258,323	\$ 59,898,791	\$ 360,239,485
							\$ 644,307,066

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

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

The balance of these components as of June 30, 2025, is \$35,888,470 and is included in the committed fund balance in the General Fund.

Note 15 - Fontana Fire Protection District

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

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

The District reports the following governmental funds:

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

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

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

A. Cash and investments

As of June 30, 2025, the District reported \$40,843,546 as cash and investments.

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

B. Capital Assets

An analysis of capital assets as of June 30, 2025, follows:

	Balance June 30, 2024	Increases	Decreases	Balance June 30, 2025
Capital assets, not being depreciated				
Land	\$ 2,074,979	\$ -	\$ -	\$ 2,074,979
Construction in progress	-	3,855,384	-	3,855,384
Total capital assets, not being depreciated	2,074,979	3,855,384	-	5,930,363
Capital assets, being depreciated				
Buildings and improvements	27,165,962	14,750	-	27,180,712
Machinery and equipment	3,122,256	596,796	-	3,719,052
Vehicles	13,081,480	1,118,441	-	14,199,921
Infrastructure	1,012,418	-	-	1,012,418
	44,382,116	1,729,987	-	46,112,103
Less accumulated depreciation for				
Buildings and improvements	(5,766,168)	(811,638)	-	(6,577,806)
Machinery and equipment	(1,896,185)	(333,582)	-	(2,229,767)
Vehicles	(8,992,113)	(653,589)	-	(9,645,702)
Infrastructure	(340,251)	(33,823)	-	(374,074)
	(16,994,717)	(1,832,632)	-	(18,827,349)
Total capital assets, being depreciated, net	27,387,399	(102,645)	-	27,284,754
Total Capital assets, net	\$ 29,462,378	\$ 3,752,739	\$ -	\$ 33,215,117

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

Governmental Activities	
Public safety - fire protection	\$ 1,832,632

C. Long-Term Debt

The District does not have any outstanding debt as of June 30, 2025.

D. Fund Balance

The district reports fund balances in accordance with the classifications consistent with the City, see Note 15 for more information on the types and descriptions of the fund balance classifications. The details of the fund balances as of June 30, 2025, are presented below:

	Special Revenue		Capital Project	
	Fire Protection District	Fire Protection District CFD	Fire Protection District	Totals
Fund Balances				
Restricted				
Public safety	\$ 29,158,289	\$ 5,098,108	\$ -	\$ 34,256,397
Assigned				
Equipment replacement	-	-	18,780,585	18,780,585
Total fund balances	29,158,289	5,098,108	18,780,585	53,036,982

E. Fire Protection Services Agreement

The District entered into a fire protection services agreement with the San Bernardino County Fire Protection District (County) effective July 1, 2018 for a period of twenty (20) years. The agreement calls for the County to provide to the District fire prevention, fire investigation, fire suppression, advance life support services, ambulance transportation service, hazardous materials, and rescue services. The District paid \$42,500,034 to the County for these services during the fiscal year ending June 30, 2025. The County also provides various administrative duties including billing and collecting of advanced life support and ambulance transportation fees for the District. The District leased its real property, furniture and fixtures, and fire apparatus and equipment to the County for one dollar for the life of the contract. The agreement calls for the County to maintain insurance for workers compensation, comprehensive general and automobile.

The details of the contract expenses for the fiscal year ending June 30, 2025, are as follows:

Salaries and benefits	\$ 36,698,297
Services and supplies	3,447,692
Station expenses	605,747
Fire Prevention services	1,426,148
County contract management fee	669,889
CPI-U Adj	(347,739)
Total contract expenses	\$ 42,500,034

Note 16 - Successor Agency Trust for Assets of Former Redevelopment Agency

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

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

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

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill. This review was completed October 2014 and identified \$7,124,646 in unallowable transfers. The City has contended all unallowable transfers; however, the State Controller upholds its initial finding and has instructed the City to return the assets to the Successor Agency in a timely manner. As of June 30, 2025, the assets have not yet been returned to the State Controller.

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

As of June 30, 2025, there is one obligation that has been denied by the State Department of Finance that is currently being contested through the California court system. The Jurupa Hills Owner Participation Agreement (OPA) has been disallowed due to insufficient documentation to support the outstanding obligation, inability to ever repay the entire debt and the opinion that the agreement appears contrary to public policy. In July 2016, the Courts ruled in favor of the Successor Agency; the State Department of Finance has filed an appeal to the ruling.

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

Cash and investments

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

Cash and investments pooled with the City	\$ 10,535,827
Cash and investments with fiscal agent	<u>10,669,951</u>
	<u>\$ 21,205,778</u>

Loans Receivable

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

1. A loan was issued for the Oleander Storm Drain on March 2003 in the amount of \$850,429. The balance of the loan at June 30, 2025, was \$850,429. The purpose of the loan was to assist the developer with infrastructure improvements. There is no set repayment schedule for this loan.
2. A loan was issued for the Chaffey College in February 2005 in the amount of \$4,000,000. The balance of the loan at June 30, 2025, was \$1,200,000. The purpose of the loan was to assist with the costs of expanding the campus located within the City of Fontana. This loan is scheduled to be repaid over a term of 30 years.
3. Various loans were issued for the San Gabriel Valley Water Company in 1988-1989 in the amount of \$330,756. The balance at the loan at June 30, 2025, was \$34,408. The loan represents the reimbursement of costs incurred by the Agency for construction of water infrastructure. This loan is scheduled to be repaid over a forty-year period.

Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2025, follows:

<u>Fiduciary Activities</u>	<u>Balance June 30, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2025</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due in More Than One Year</u>
Tax Allocation Bonds and Notes						
2017 Tax Allocation Refunding Bonds	\$ 138,230,000	\$ -	\$ 12,275,000	\$ 125,955,000	\$ 12,755,000	\$ 113,200,000
2018 Tax Allocation Refunding Bonds	15,755,000	-	3,655,000	12,100,000	3,840,000	8,260,000
Other Redevelopment Agency						
Advances from City	25,361,693	-	1,729,151	23,632,542	1,729,151	21,903,391
Owner participation agreements	208,170,780	212,652	-	208,383,432	-	208,383,432
Total Redevelopment Agency	<u>\$ 387,517,473</u>	<u>\$ 212,652</u>	<u>\$ 17,659,151</u>	<u>\$ 370,070,974</u>	<u>\$ 18,324,151</u>	<u>\$ 351,746,823</u>
			Unamortized bond premium	<u>23,852,027</u>		<u>23,852,027</u>
				<u>\$ 393,923,001</u>		<u>\$ 375,598,850</u>

Tax Allocation Bonds

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

2017 Tax Allocation Refunding Bonds

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

<u>Fiscal Year Ending</u>	<u>2017 Tax Allocation Refunding Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 12,755,000	\$ 5,793,138	\$ 18,548,138
2027	13,380,000	5,158,500	18,538,500
2028	14,030,000	4,491,450	18,521,450
2029	13,945,000	3,801,325	17,746,325
2030	14,630,000	3,086,950	17,716,950
2031-2035	51,550,000	5,094,325	56,644,325
2036-2037	5,665,000	405,175	6,070,175
Totals	<u>\$ 125,955,000</u>	<u>\$ 27,830,863</u>	<u>\$ 153,785,863</u>

2018 Tax Allocation Refunding Bonds

\$31,580,000 of 2018 Tax Allocation Refunding Bonds were issued in July 2018. The bonds mature October 1, 2027, with an interest yield of 5.00 percent. The proceeds from the bonds will be used to refinance various tax allocation bonds previously issued by the Former Redevelopment Agency of the City of Fontana for the Jurupa Hills Project Area.

Fiscal Year Ending	2018 Tax Allocation Refunding Bonds		
	Principal	Interest	Total
2025	\$ 3,840,000	\$ 509,000	\$ 4,349,000
2026	4,030,000	312,250	4,342,250
2027	4,230,000	105,750	4,335,750
Totals	<u>\$ 12,100,000</u>	<u>\$ 927,000</u>	<u>\$ 13,027,000</u>

Long-Term Payables to the City of Fontana

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

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

Payable Under Jurupa Hills Owner Participation Agreement

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

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

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

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

The balance at June 30, 2025 does not include \$840,385,494 of accumulated unpaid interest that is subject to the same limitations of reimbursement from tax increment revenue, fees and assessments as is the case for costs of construction advanced. The total reimbursement costs of the project are \$208,383,432. This obligation has been disallowed by the State Department of Finance due to insufficient documentation to support the outstanding obligation, inability to ever repay the entire debt and the opinion that the agreement appears contrary to public policy. This determination is currently being challenged in the California court system by the Successor Agency. A hearing was held in July 2016, in which the courts ruled in favor of the Successor Agency.

Pledged Revenue

The Successor Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low- and Moderate-Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low- and Moderate-Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$166,812,863 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$36,352,490 and the debt service obligation on the bonds was \$23,025,381.

Insurance

The Successor Agency is covered under the City of Fontana's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 9.

Commitments and Contingencies

At June 30, 2025, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

Note 17 - Tax Abatement

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

An operating covenant agreement with a retailer of consumer products to retain their distribution center within the City for a period of no less than 20 years commencing December 15, 2015. The retention of the distribution center will generate substantial revenue, retain and create new jobs, revitalize the City and result in community and public improvements. The City agreed to refund, on a quarterly basis, 50% of sales tax revenues attributable to taxable sales above the first \$50,000 in sales tax revenue received by the City within said quarter.

An operating covenant agreement with an automotive dealership to continue to operate their automobile sales business within the City for a period of up to 12 years or until \$1,800,000 in sales tax revenue is refunded to the dealership commencing January 29, 2020. The operation of business has been determined to result in substantial benefits to the City and its citizens including the creation of new jobs, property tax revenues, sales tax revenues, etc. The City agreed to refund 50% of all sales tax revenue up to a maximum amount of \$1,800,000 with an additional bonus payment of \$240,000 for the dealership's commencement of operations.

An operating covenant agreement with an automotive dealership to continue to operate their automobile sales business within the City for a period of up to 12 years or until \$2,400,000 in sales tax revenue is refunded commencing September 15, 2021. The City has determined the continued operation of the business will result in significant new employment opportunities, property tax and sales tax revenues. The City agreed to refund 50% of all sales tax revenue per year up to a maximum amount of \$2,400,000.

Note 18 - Change within the Reporting Entity

During fiscal year 2025, there was a change within the financial reporting entity which resulted in the Economic Stimulus Fund, Traffic Mitigation Fund, and the Traffic Congestions Relief Funds being reported as a non-major funds instead of as a major fund. As such, beginning fund balance was reclassified between major and non-major funds. The effect of the changes to beginning fund balance are shown in the table below.

	July 1, 2024, As Previously Reported	Change to or Within the Financial Reporting Entity	July 1, 2024, As adjusted
Governmental Funds			
Major Funds:			
Economic Stimulus	115,399	(115,399)	-
Traffic Congestion Relief	6,730,091	(6,730,091)	-
Traffic Mitigation	23,564,929	(23,564,929)	-
Other Governmental Funds	315,493,208	30,410,419	345,903,627

Note 19 - Subsequent Events

Issuance of Lease Revenue Bonds

After the fiscal year ended June 30, 2025, the City facilitated the issuance of a new lease revenue bond:

2025 Lease Revenue Bonds

In November 2025, the Fontana Public Facilities Financing Authority issued \$132,975,000 of Lease Revenue Bonds. The proceeds of the issue were used to refinance 2014 Lease Revenue Bonds with an outstanding balance of \$24,375,000 million, finance the acquisition, construction and installation of certain public capital improvements and pay the costs of issuing the Lease Revenue bonds Series 2025A Bonds. The bonds pay interest semi-annually at rates of 5.00% and mature from November 2026 through November 2055. Principal and interest payments are made from the lease income for certain real property and the improvements thereon.

Purchase of Aldea Building Lease and Land

After the fiscal year ended June 30, 2025, the City purchased the previously entered building lease, along with the land at 15186 Foothill Boulevard. The City provided the Lessor, Aldea Fontana Foothill LLC, with a Notice of Exercise of Option to Purchase on July 23, 2025. The City Council approved the purchase in their meeting on September 9, 2025 in the amount of \$26,635,000 plus escrow costs and related acquisition fees. The Agreement for Purchase and Sale was signed on September 10, 2025. Escrow closed in December 2025. During fiscal year 2026, the City will remove the existing right to use asset and liability to record the purchase.

Required Supplementary Information

City of Fontana, California
Schedule of Changes in Net Position Liability and Related Ratios During the Measurement Period –
Safety Plan
Last 10 Years

Measurement Period	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 7,871,497	\$ 7,548,406	\$ 7,533,954	\$ 6,559,973	\$ 6,574,765	\$ 6,391,012	\$ 6,252,517	\$ 6,181,410	\$ 5,464,647	\$ 5,255,619
Interest	25,199,371	23,827,606	22,633,582	21,409,558	20,347,932	18,942,663	17,568,272	16,583,112	15,674,983	14,718,880
Changes of Benefit Terms	-	95,168	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	4,361,921	1,753,953	(99,208)	1,072,506	6,367,568	6,274,697	1,250,890	(544,846)	773,988	463,048
Changes of Assumptions	-	-	14,117,417	-	-	-	(445,464)	15,075,525	-	(3,940,129)
Benefit Payments, Including Refunds of Employee Contributions	(16,808,102)	(15,229,563)	(14,208,832)	(13,563,503)	(12,716,297)	(11,561,706)	(10,323,275)	(9,330,793)	(8,666,808)	(8,043,006)
Net Change in Total Pension Liability	20,624,687	17,995,570	29,976,913	15,478,534	20,573,968	20,046,666	14,302,940	27,964,408	13,246,810	8,454,412
Total Pension Liability - Beginning	365,314,648	347,319,078	317,342,165	301,863,631	281,289,663	261,242,997	246,940,057	218,975,649	205,728,839	197,274,427
Total Pension Liability - Ending (a)	\$ 385,939,335	\$ 365,314,648	\$ 347,319,078	\$ 317,342,165	\$ 301,863,631	\$ 281,289,663	\$ 261,242,997	\$ 246,940,057	\$ 218,975,649	\$ 205,728,839
Plan Fiduciary Net Position										
Contributions - Employer	\$ 18,083,424	\$ 14,437,567	\$ 13,170,539	\$ 11,820,068	\$ 10,500,692	\$ 9,196,355	\$ 8,215,736	\$ 7,706,792	\$ 6,985,270	\$ 6,756,772
Contributions - Employee	2,927,126	3,243,260	2,815,197	2,877,842	2,720,062	2,639,928	2,577,060	2,509,352	2,505,888	2,177,122
Net Investment Income	22,708,389	13,581,022	(17,840,625)	43,154,767	8,990,686	11,157,517	13,214,512	15,449,532	710,225	2,956,715
Benefit Payments, Including Refunds of Employee Contributions	(16,808,102)	(15,229,563)	(14,208,832)	(13,563,503)	(12,716,297)	(11,561,706)	(10,323,275)	(9,330,793)	(8,666,808)	(8,043,006)
Other Changes in Net Fiduciary Position	(188,220)	(158,423)	(144,302)	(187,346)	(251,361)	(118,778)	(696,076)	(203,553)	(83,139)	(153,538)
Net Change in Fiduciary Net Position	26,722,617	15,873,863	(16,208,023)	44,101,828	9,243,782	11,313,316	12,987,957	16,131,330	1,451,436	3,694,065
Plan Fiduciary Net Position - Beginning	231,312,378	215,438,515	231,646,538	187,544,710	178,300,928	166,987,612	153,999,655	137,868,325	136,416,889	132,722,824
Plan Fiduciary Net Position - Ending (b)	258,034,995	231,312,378	215,438,515	231,646,538	187,544,710	178,300,928	166,987,612	153,999,655	137,868,325	136,416,889
Plan Net Pension Liability - Ending (a) - (b)	\$ 127,904,340	\$ 134,002,270	\$ 131,880,563	\$ 85,695,627	\$ 114,318,921	\$ 102,988,735	\$ 94,255,385	\$ 92,940,402	\$ 81,107,324	\$ 69,311,950
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.86%	63.32%	62.03%	73.00%	62.13%	63.39%	63.92%	62.36%	62.96%	66.31%
Covered Payroll	22,955,821	25,478,199	24,976,011	23,795,599	23,158,734	22,436,218	21,782,736	21,411,929	21,176,697	20,121,052
Plan Net Pension Liability as a Percentage of Covered Payroll	557.18%	525.95%	528.03%	360.13%	493.63%	459.03%	432.71%	434.06%	383.00%	344.47%

Notes to Schedule:

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

Changes of Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

City of Fontana, California
Schedule of Changes in Net Position Liability and Related Ratios During the Measurement Period –
Miscellaneous Plan
Last 10 Years

Measurement Period	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 6,270,054	\$ 5,514,443	\$ 5,312,666	\$ 4,943,305	\$ 5,099,318	\$ 5,057,352	\$ 4,814,030	\$ 4,788,249	\$ 4,194,877	\$ 4,254,965
Interest	19,396,781	18,237,572	17,253,263	16,462,337	15,725,500	14,869,142	13,725,324	13,067,481	12,382,291	11,767,900
Changes of Benefit Terms	-	336,962	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	5,529,705	3,021,811	(1,093,834)	(800,611)	629,230	5,210,993	(556,946)	(1,186,594)	(1,811,514)	(1,027,499)
Changes of Assumptions	-	-	9,951,124	-	-	-	(972,809)	11,708,939	-	(3,097,256)
Benefit Payments, Including Refunds of Employee Contributions	(13,326,574)	(12,392,248)	(11,128,218)	(10,157,377)	(9,124,186)	(8,075,186)	(7,673,900)	(6,602,614)	(6,385,882)	(5,914,227)
Net Change in Total Pension Liability	17,869,966	14,718,540	20,295,001	10,447,654	12,329,862	17,062,301	9,335,699	21,775,461	8,379,772	5,983,883
Total Pension Liability - Beginning	279,111,319	264,392,779	244,097,778	233,650,124	221,320,262	204,257,961	194,922,262	173,146,801	164,767,029	158,783,146
Total Pension Liability - Ending (a)	\$ 296,981,285	\$ 279,111,319	\$ 264,392,779	\$ 244,097,778	\$ 233,650,124	\$ 221,320,262	\$ 204,257,961	\$ 194,922,262	\$ 173,146,801	\$ 164,767,029
Plan Fiduciary Net Position										
Net Plan to Plan Resource Movement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (354)	\$ 13,206	\$ -	\$ -
Contributions - Employer	11,414,362	8,953,284	7,805,249	7,329,666	6,606,745	5,841,667	5,081,435	4,478,806	4,452,429	3,868,104
Contributions - Employee	3,045,029	2,532,144	2,123,002	2,383,713	2,313,683	2,369,932	2,238,093	2,148,688	2,157,198	2,068,784
Net Investment Income	19,512,139	11,902,962	(15,769,024)	38,806,647	8,280,112	10,133,426	12,059,314	14,325,541	622,155	2,781,662
Benefit Payments, Including Refunds of Employee Contributions	(13,326,574)	(12,392,248)	(11,128,218)	(10,157,377)	(9,124,186)	(8,075,186)	(7,673,900)	(6,602,614)	(6,385,882)	(5,914,227)
Other Changes in Net Fiduciary Position	(164,940)	(141,076)	(130,161)	(170,573)	(229,660)	(108,649)	(640,045)	(188,255)	(77,240)	(142,590)
Net Change in Fiduciary Net Position	20,480,016	10,855,066	(17,099,152)	38,192,076	7,846,694	10,161,190	11,064,543	14,175,372	768,660	2,661,733
Plan Fiduciary Net Position - Beginning	202,702,575	191,847,509	208,946,661	170,754,585	162,907,891	152,746,701	141,682,158	127,506,786	126,738,126	124,076,393
Plan Fiduciary Net Position - Ending (b)	223,182,591	202,702,575	191,847,509	208,946,661	170,754,585	162,907,891	152,746,701	141,682,158	127,506,786	126,738,126
Plan Net Pension Liability - Ending (a) - (b)	\$ 73,798,694	\$ 76,408,744	\$ 72,545,270	\$ 35,151,117	\$ 62,895,539	\$ 58,412,371	\$ 51,511,260	\$ 53,240,104	\$ 45,640,015	\$ 38,028,903
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.15%	72.62%	72.56%	85.60%	73.08%	73.61%	74.78%	72.69%	73.64%	76.92%
Covered Payroll	37,365,047	34,201,914	31,672,556	32,584,261	31,712,176	30,080,386	29,204,258	28,947,762	28,347,600	28,221,562
Plan Net Pension Liability as a Percentage of Covered Payroll	197.51%	223.40%	229.05%	107.88%	198.33%	194.19%	176.38%	183.92%	161.00%	134.75%

Notes to Schedule:

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

Changes of Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

City of Fontana, California
Schedule of Plan Contributions – Safety Plan
Last 10 Years

Fiscal Year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Actuarially Determined Contribution	\$ 15,387,899	\$ 15,754,270	\$ 14,423,033	\$ 13,332,172	\$ 11,820,068	\$ 10,500,692	\$ 9,196,355	\$ 8,215,736	\$ 7,706,792	\$ 6,985,270
Contributions in Relation to the Actuarially Determined Contribution	(15,871,271)	(18,083,424)	(14,423,033)	(13,332,172)	(11,820,068)	(10,500,692)	(9,132,884)	(8,215,736)	(7,706,792)	(6,985,270)
Contribution Deficiency (Excess)	\$ (483,372)	\$ (2,329,154)	\$ -	\$ -	\$ -	\$ -	\$ 63,471	\$ -	\$ -	\$ -
Covered Payroll	\$ 24,666,815	\$ 22,955,821	\$ 25,478,199	\$ 24,976,011	\$ 23,795,599	\$ 23,158,734	\$ 22,436,218	\$ 21,782,736	\$ 21,411,929	\$ 21,176,697
Contributions as a Percentage of Covered Payroll	62.38%	68.63%	56.61%	53.38%	49.67%	45.34%	40.99%	37.72%	35.99%	32.99%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022-23 were from the June 30, 2020 public agency valuations.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2020 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2020 Funding Valuation Report.
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment Expenses, including Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

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

City of Fontana, California
Schedule of Plan Contributions – Miscellaneous Plan
Last 10 Years

Fiscal Year	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
Actuarially Determined Contribution	\$ 10,557,743	\$ 9,859,516	\$ 8,960,523	\$ 7,920,425	\$ 7,329,666	\$ 6,606,745	\$ 5,841,667	\$ 5,081,435	\$ 4,478,806	\$ 4,452,429
Contributions in Relation to the Actuarially Determined Contribution	(10,879,992)	(11,412,285)	(8,960,523)	(7,920,425)	(7,329,666)	(6,606,745)	(5,841,667)	(5,081,435)	(4,478,806)	(4,452,429)
Contribution Deficiency (Excess)	\$ (322,249)	\$ (1,552,769)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	39,072,811	37,365,047	34,201,914	31,672,556	32,584,261	31,712,176	30,080,386	29,204,258	28,947,762	28,347,600
Contributions as a Percentage of Covered Payroll	27.02%	26.39%	26.20%	25.01%	22.49%	20.83%	19.42%	17.40%	15.47%	15.71%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2022-23 were from the June 30, 2020 public agency valuations.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method/Period	For details, see June 30, 2020 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2020 Funding Valuation Report.
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment Expenses, including Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality using 90% of Scale MP-2016 published by the Society of Actuaries.

City of Fontana, California
Schedule of Changes in Net OPEB Liability and Related Ratios
for the Measurement Periods Ended June 30,
Last 10 Years*

Measurement Period	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service cost	\$ 420,907	\$ 349,468	\$ 795,323	\$ 1,973,739	\$ 1,406,780	\$ 1,114,136	\$ 1,109,799	\$ 1,073,307
Interest on the total OPEB liability	2,561,247	2,356,699	1,494,505	1,909,977	2,328,825	2,442,178	2,377,354	2,345,864
Actual and expected experience difference	217,280	7,102,941	(4,893,445)	(7,638,248)	(3,610,614)	(1,274,244)	-	-
Changes in assumptions	3,911,333	(3,191,536)	(22,969,516)	4,351,220	7,714,949	(3,295,758)	(1,014,856)	-
Benefit payments	(3,524,890)	(3,034,840)	(2,839,639)	(3,114,653)	(2,784,909)	(2,653,423)	(2,591,180)	(2,467,790)
Net change in Total OPEB liability	3,585,877	3,582,732	(28,412,772)	(2,517,965)	5,055,031	(3,667,111)	(118,883)	951,381
Total OPEB liability - beginning	44,028,993	40,446,261	68,859,033	71,376,998	66,321,967	69,989,078	70,107,961	69,156,580
Total OPEB liability - ending (a)	\$ 47,614,870	\$ 44,028,993	\$ 40,446,261	\$ 68,859,033	\$ 71,376,998	\$ 66,321,967	\$ 69,989,078	\$ 70,107,961
Plan Fiduciary Net Position								
Contribution - employer	\$ 3,524,890	\$ 3,034,840	\$ 26,652,051	\$ 3,114,653	\$ 2,784,909	\$ 2,653,426	\$ 2,591,180	\$ 2,467,790
Net investment income	3,645,250	1,149,794	(2,249,921)	-	-	-	-	-
Benefit payments	(3,524,890)	(3,034,840)	(2,839,638)	(3,114,653)	(2,784,909)	(2,653,426)	(2,591,180)	(2,467,790)
Administrative expense	(36,018)	(8,200)	(8,992)	-	-	-	-	-
Net change in plan fiduciary net position	3,609,232	1,141,594	21,553,500	-	-	-	-	-
Plan fiduciary net position - beginning	22,695,094	21,553,500	-	-	-	-	-	-
Plan fiduciary net position- ending (b)	\$ 26,304,326	\$ 22,695,094	\$ 21,553,500	\$ -				
Net OPEB liability - ending (a)-(b)	\$ 21,310,544	\$ 21,333,899	\$ 18,892,761	\$ 68,859,033	\$ 71,376,998	\$ 66,321,967	\$ 69,989,078	\$ 70,107,961
Covered-employee payroll	52,905,836	57,053,718	50,801,314	49,452,985	54,870,910	52,516,604	50,986,994	50,359,691
Net OPEB liability as a percentage of covered-employee payroll	40.28%	37.39%	37.19%	139.24%	130.08%	126.29%	137.27%	139.21%

Notes to Schedule:

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

* The City determined it is not practical to restate the Plan's fiduciary net position for the period 2021-2017.

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

City of Fontana, California
Schedule of Changes in Net OPEB Liability and Related Ratios
for the Measurement Periods Ended June 30,
Last 10 Years*

Measurement Date (June 30): Report Date	2025	2024	2023	2022
<u>Total OPEB Liability</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Service Cost	\$ 432,692	\$ 420,907	\$ 349,468	\$ 795,323
Interest	2,526,086	2,561,247	2,356,699	1,494,505
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	300,337	-	7,102,941	(4,893,445)
Changes of Assumptions	4,035,958	-	(3,191,536)	(22,969,516)
Benefit Payments	(2,711,695)	(2,590,890)	(2,355,211)	(2,193,387)
Implicit Subsidy	(923,341)	(934,000)	(679,629)	(646,252)
Net Change in Total OPEB Liability	<u>3,660,037</u>	<u>(542,736)</u>	<u>3,582,732</u>	<u>(28,412,772)</u>
Total OPEB Liability — Beginning	43,486,257	44,028,993	40,446,261	68,859,033
Total OPEB Liability — Ending (a)	<u>\$ 47,146,294</u>	<u>\$ 43,486,257</u>	<u>\$ 44,028,993</u>	<u>\$ 40,446,261</u>
<u>Plan Fiduciary Net Position</u>				
Net Investment Income	\$ 2,924,551	\$ 3,645,250	\$ 1,149,795	\$ (2,249,921)
Employer — City's Contributions	2,711,695	2,590,890	2,355,211	26,005,799
Employer — Implicit Subsidy	923,341	934,000	679,629	46,252
Benefit Payments	(2,711,695)	(2,590,890)	(2,355,211)	(2,193,387)
Implicit Subsidy Credit	(923,341)	(934,000)	(679,629)	(646,252)
Administrative Expense	(43,324)	(36,018)	(8,200)	(8,992)
Other Miscellaneous Income/(Expense)	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>2,881,227</u>	<u>3,609,232</u>	<u>1,141,595</u>	<u>21,553,499</u>
Plan Fiduciary Net Position — Beginning	26,304,326	22,695,094	21,553,499	-
Plan Fiduciary Net Position — Ending (b)	<u>\$ 29,185,553</u>	<u>\$ 26,304,326</u>	<u>\$ 22,695,094</u>	<u>\$ 21,553,499</u>
<u>Net OPEB Liability</u>				
City's Net OPEB Liability — Ending = (a) – (b)	\$ 17,960,741	\$ 17,181,931	\$ 21,333,899	\$ 18,892,762
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	61.9%	60.5%	51.5%	53.3%
Covered Payroll	\$ 52,222,629	\$ 58,651,222	\$ 57,053,718	\$ 50,801,314
City's Net OPEB Liability as a Percentage of Covered Payroll	34.40%	29.3%	37.4%	37.2%

Historical information is required only for measurement periods for which GASB 74 is applicable.
Notes to schedule: the City adopted GASB 74 for the fiscal year ending June 30, 2018.

* The City determined it is not practical to show information for the years 2021-2017.
Future years' information will be displayed up to 10 years as information becomes available.

City of Fontana, California
 Other Post Employment Benefit Plan
 Schedule of Investment Returns
 Last 10 Years*

Fiscal Year	2025	2024	2023	2022	2021	2020	2019	2018	2017
OPEB Plan Annual Money-Weighted Rate of Return, Net of Investment Expense	11.13%	16.07%	5.34%	-18.90%	*	*	*	*	*

* The City determined it is not practical to show information for the years 2021-2017.
 Future years' information will be displayed up to 10 years as information becomes available.

Supplementary Information

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

AB 2928 – To account for receipt of seized assets that were proceeds from or used in illegal activities.

Opioid Settlement – To account for receipts and expenditures of money from Opioid Settlements.

Economic Stimulus – To account for federal funds received due to COVID-19 to assist in the economic recovery of the City.

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

ARPA County – To account for receipts from San Bernardino County for expenditures for enhancements to Veterans Park, Jack Bulik Park, Center Stage Theater and Cypress-Knoph Community.

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

Debt Service Funds

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

Capital Project Funds

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

Capital Reinvestment – To account for discretionary infrastructure projects.

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

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

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

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

Traffic Mitigation – To account for the revenues received from development impact fees which, in turn, are expended for traffic studies, planning and construction of traffic flow improvements.

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

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

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

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

Capital Improvements – To account for monies expended on miscellaneous capital improvements.

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

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

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

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

Transactional Use Tax – To account for the proceeds of Measure T, a voter-approved one-cent local sales tax measure, and the related expenditures for essential City services

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

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

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	Gas Tax	Traffic Safety	Prop 1B	Municipal Services Fiscal Impact
Assets				
Cash and investments	\$ 1,695,600	\$ 97,205	\$ 146,538	\$ 26,053,507
Receivables				
Accounts	-	-	-	81,530
Assessments	-	-	-	-
Interest	12,068	692	1,043	185,434
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	-	-	-
Due from other governments	511,653	5,340	-	-
Inventories	200,326	473,074	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	-	-	-
Total assets	\$ 2,419,647	\$ 576,311	\$ 147,581	\$ 26,320,471
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 88,180	\$ 1,702	\$ -	\$ -
Deposits Payable	-	-	-	-
Retentions payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	88,180	1,702	-	-
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Nonspendable	200,326	473,074	-	-
Restricted	2,131,141	101,535	147,581	26,320,471
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	2,331,467	574,609	147,581	26,320,471
Total liabilities, deferred inflows of resources and fund balances	\$ 2,419,647	\$ 576,311	\$ 147,581	\$ 26,320,471

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	Solid Waste Mitigation	Road Maintenance and Rehabilitation	Home Program	Crime Prevention Seizure
Assets				
Cash and investments	\$ 8,287,670	\$ 8,658,706	\$ 78,970	\$ 34,008
Receivables				
Accounts	-	-	-	-
Assessments	-	-	-	-
Interest	68,300	52,315	827,266	242
Loans	-	-	6,713,561	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	774
Deposits	-	-	-	-
Due from other governments	2,613,199	1,030,177	47,242	-
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	-	-	-
Total assets	\$ 10,969,169	\$ 9,741,198	\$ 7,667,039	\$ 35,024
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 105,811	\$ 984,891	\$ 7,573	\$ 15
Deposits Payable	-	-	-	-
Retentions payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	7,540,828	-
Unearned revenue	-	-	25,516	-
Advances from other funds	-	-	-	-
Total liabilities	105,811	984,891	7,573,917	15
Deferred Inflows of Resources				
Unavailable revenue	1,304,742	-	77	-
Leases	-	-	-	-
Total deferred inflows of resources	1,304,742	-	77	-
Fund Balances				
Nonspendable	-	-	-	774
Restricted	9,558,616	8,756,307	93,045	34,235
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	9,558,616	8,756,307	93,045	35,009
Total liabilities, deferred inflows of resources and fund balances	\$ 10,969,169	\$ 9,741,198	\$ 7,667,039	\$ 35,024

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			Housing and Community Development Block Grant
	State Seizure	Federal Seizure	TDA / Article 3	
Assets				
Cash and investments	\$ 544,001	\$ 11,615,162	\$ -	\$ -
Receivables				
Accounts	-	-	-	-
Assessments	-	-	-	-
Interest	3,872	82,670	-	-
Loans	-	-	-	1,166,296
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	569,529	-	-
Due from other governments	-	-	14,466	387,615
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	-	-	993,883
Total assets	\$ 547,873	\$ 12,267,361	\$ 14,466	\$ 2,547,794
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 2,792	\$ 42,105	\$ 847	\$ 133,636
Deposits Payable	-	-	-	45,682
Retentions payable	-	-	-	-
Due to other funds	-	-	10,962	144,995
Due to other governments	-	-	-	2,114,497
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	2,792	42,105	11,809	2,438,810
Deferred Inflows of Resources				
Unavailable revenue	-	-	14,466	137,112
Leases	-	-	-	-
Total deferred inflows of resources	-	-	14,466	137,112
Fund Balances				
Nonspendable	-	569,529	-	-
Restricted	545,081	11,655,727	-	-
Assigned	-	-	-	-
Unassigned	-	-	(11,809)	(28,128)
Total fund balances	545,081	12,225,256	(11,809)	(28,128)
Total liabilities, deferred inflows of resources and fund balances	\$ 547,873	\$ 12,267,361	\$ 14,466	\$ 2,547,794

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	AB 3229 State COPS Program	Office of Traffic Safety	Air Quality Management District	Down Payment Assistance
Assets				
Cash and investments	\$ 1,617,132	\$ 3,350,851	\$ 839,063	\$ -
Receivables				
Accounts	-	82,513	-	-
Assessments	-	-	-	-
Interest	-	23,849	5,972	-
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	1,891	-	-
Due from other governments	-	-	144,868	-
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	-	-	-
Total assets	\$ 1,617,132	\$ 3,459,104	\$ 989,903	\$ -
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 159,926	\$ 16,254	\$ 14,235	\$ -
Deposits Payable	-	-	-	-
Retentions payable	-	-	7,258	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	1,352,146	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	1,512,072	16,254	21,493	-
Deferred Inflows of Resources				
Unavailable revenue	-	-	74,567	-
Leases	-	-	-	-
Total deferred inflows of resources	-	-	74,567	-
Fund Balances				
Nonspendable	-	1,891	-	-
Restricted	105,060	3,440,959	893,843	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	105,060	3,442,850	893,843	-
Total liabilities, deferred inflows of resources and fund balances	\$ 1,617,132	\$ 3,459,104	\$ 989,903	\$ -

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	Community Services Reimbursements	ASES ELO-P	Fontana Community Foundation	Housing Authority AB 1486
Assets				
Cash and investments	\$ -	\$ -	\$ 472,266	\$ 3,670,792
Receivables				
Accounts	-	-	-	-
Assessments	-	-	-	-
Interest	-	-	3,361	26,127
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	-	-	-
Due from other governments	488,932	5,106,943	-	-
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	-	-	-
Total assets	\$ 488,932	\$ 5,106,943	\$ 475,627	\$ 3,696,919
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 23,652	\$ 1,325,365	\$ -	\$ -
Deposits Payable	-	-	-	-
Retentions payable	-	-	-	-
Due to other funds	382,659	3,781,578	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	406,311	5,106,943	-	-
Deferred Inflows of Resources				
Unavailable revenue	28,240	2,720,874	-	-
Leases	-	-	-	-
Total deferred inflows of resources	28,240	2,720,874	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	54,381	-	475,627	3,696,919
Assigned	-	-	-	-
Unassigned	-	(2,720,874)	-	-
Total fund balances	54,381	(2,720,874)	475,627	3,696,919
Total liabilities, deferred inflows of resources and fund balances	\$ 488,932	\$ 5,106,943	\$ 475,627	\$ 3,696,919

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	Permanent Local Housing Allocation	Fire Protection District CFD	Landscape Maintenance Districts	Lighting District #3 Hunter's Ridge
Assets				
Cash and investments	\$ 878,799	\$ 5,062,079	\$ 5,083,488	\$ 89,073
Receivables				
Accounts	-	-	-	-
Assessments	-	-	29,994	169
Interest	-	36,029	36,181	634
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	(6,359)	(78)
Leases	-	-	-	-
Prepaid expenses	-	-	373	-
Deposits	-	-	-	-
Due from other governments	6,812	-	30,412	318
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	51,758	-	-	-
Total assets	\$ 937,369	\$ 5,098,108	\$ 5,174,089	\$ 90,116
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 13,306	\$ -	\$ 793,051	\$ -
Deposits Payable	4,067	-	-	-
Retentions payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	47,691	-	-	-
Unearned revenue	872,304	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	937,368	-	793,051	-
Deferred Inflows of Resources				
Unavailable revenue	6,812	-	-	-
Leases	-	-	-	-
Total deferred inflows of resources	6,812	-	-	-
Fund Balances				
Nonspendable	-	-	373	-
Restricted	-	5,098,108	4,380,665	90,116
Assigned	-	-	-	-
Unassigned	(6,811)	-	-	-
Total fund balances	(6,811)	5,098,108	4,381,038	90,116
Total liabilities, deferred inflows of resources and fund balances	\$ 937,369	\$ 5,098,108	\$ 5,174,089	\$ 90,116

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue			
	AB 2928	Opiod Settlement	Economic Stimulus	Traffic Congestion Relief
Assets				
Cash and investments	\$ 171,631	\$ 893,856	\$ 7,205,857	\$ 12,284,174
Receivables				
Accounts	-	-	-	-
Assessments	-	-	-	-
Interest	1,222	6,362	-	87,432
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	-	-	-
Due from other governments	-	-	-	4,168,825
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	-	593,042	191
Total assets	\$ 172,853	\$ 900,218	\$ 7,798,899	\$ 16,540,622
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 35,591	\$ 607,613	\$ 489,558
Deposits Payable	-	-	-	-
Retentions payable	-	-	833,578	414,294
Due to other funds	-	-	-	3,014,644
Due to other governments	-	-	-	-
Unearned revenue	-	-	6,242,307	-
Advances from other funds	-	-	-	-
Total liabilities	-	35,591	7,683,498	3,918,496
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	2,776,269
Leases	-	-	-	-
Total deferred inflows of resources	-	-	-	2,776,269
Fund Balances				
Nonspendable	-	-	-	-
Restricted	172,853	864,627	115,401	9,845,857
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	172,853	864,627	115,401	9,845,857
Total liabilities, deferred inflows of resources and fund balances	\$ 172,853	\$ 900,218	\$ 7,798,899	\$ 16,540,622

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	<u>Special Revenue</u>		<u>Debt Service</u>	<u>Capital Projects</u>
	<u>ARPA County</u>	<u>Community Facilities Districts</u>	<u>General Debt Service</u>	<u>Capital Reinvestment</u>
Assets				
Cash and investments	\$ -	\$ 29,738,085	\$ 60,735	\$ 51,934,721
Receivables				
Accounts	-	-	-	62,205
Assessments	-	246,140	-	-
Interest	-	211,661	432	366,659
Loans	-	-	-	125,000
Allowance for doubtful accounts	-	(94,370)	-	-
Leases	-	-	-	791,547
Prepaid expenses	-	-	-	-
Deposits	-	-	-	-
Due from other governments	886,432	98,421	-	-
Inventories	-	-	-	-
Land held for resale	-	-	-	5,184,271
Advances to other funds	-	-	-	1,000,000
Restricted assets				
Cash and investments with fiscal agent	-	-	2,261	133,707
Total assets	\$ 886,432	\$ 30,199,937	\$ 63,428	\$ 59,598,110
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 170,801	\$ 1,443,525	\$ -	\$ 1,816,858
Deposits Payable	-	-	-	-
Retentions payable	53,459	15,003	-	234,089
Due to other funds	662,172	72,567	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	886,432	1,531,095	-	2,050,947
Deferred Inflows of Resources				
Unavailable revenue	886,432	-	-	16,092
Leases	-	-	-	769,636
Total deferred inflows of resources	886,432	-	-	785,728
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	28,668,842	-	-
Assigned	-	-	63,428	56,761,435
Unassigned	(886,432)	-	-	-
Total fund balances	(886,432)	28,668,842	63,428	56,761,435
Total liabilities, deferred inflows of resources and fund balances	\$ 886,432	\$ 30,199,937	\$ 63,428	\$ 59,598,110

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Capital Projects			
	Future Capital Projects	Storm Drain	San Sevaine Flood Control	Upper Etiwanda Flood Control Development
Assets				
Cash and investments	\$ 21,486,430	\$ 22,578,279	\$ 2,777,772	\$ 49,570
Receivables				
Accounts	-	-	-	-
Assessments	-	-	-	-
Interest	159,129	160,700	19,771	353
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Land held for resale	5,250,894	-	-	-
Advances to other funds	1,717,368	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	3,318	-	-
Total assets	<u>\$ 28,613,821</u>	<u>\$ 22,742,297</u>	<u>\$ 2,797,543</u>	<u>\$ 49,923</u>
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 367,663	\$ 59,165	\$ -
Deposits Payable	-	-	-	-
Retentions payable	21,757	109,573	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>21,757</u>	<u>477,236</u>	<u>59,165</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Leases	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	28,592,064	22,265,061	2,738,378	49,923
Unassigned	-	-	-	-
Total fund balances	<u>28,592,064</u>	<u>22,265,061</u>	<u>2,738,378</u>	<u>49,923</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 28,613,821</u>	<u>\$ 22,742,297</u>	<u>\$ 2,797,543</u>	<u>\$ 49,923</u>

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Capital Projects			
	Traffic Mitigation	Park Development	Landscape Improvements	Library Capital Improvement
Assets				
Cash and investments	\$ 34,399,531	\$ 19,287,798	\$ 2,726,396	\$ 1,551,706
Receivables				
Accounts	-	-	54,199	-
Assessments	-	-	-	-
Interest	244,837	137,280	19,405	11,044
Loans	-	-	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	-	-	-
Deposits	-	-	-	-
Due from other governments	142,203	-	-	-
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	90	-	3,051	-
Total assets	\$ 34,786,661	\$ 19,425,078	\$ 2,803,051	\$ 1,562,750
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 1,485,081	\$ 2,443,202	\$ 63,402	\$ 43,023
Deposits Payable	-	-	-	-
Retentions payable	33,852	146,606	3,073	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	1,518,933	2,589,808	66,475	43,023
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Leases	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	33,267,728	-	-	-
Assigned	-	16,835,270	2,736,576	1,519,727
Unassigned	-	-	-	-
Total fund balances	33,267,728	16,835,270	2,736,576	1,519,727
Total liabilities, deferred inflows of resources and fund balances	\$ 34,786,661	\$ 19,425,078	\$ 2,803,051	\$ 1,562,750

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Capital Projects			
	Fire Assessment	Affordable Housing Trust	Transactional Use Tax	Fire Protection District
Assets				
Cash and investments	\$ 843,986	\$ 5,811,478	\$ 5,465,078	\$ 6,823,996
Receivables				
Accounts	15,352	71,026	-	-
Assessments	-	-	-	-
Interest	6,007	207,528	-	48,569
Loans	-	1,000,000	-	-
Allowance for doubtful accounts	-	-	-	-
Leases	-	-	-	-
Prepaid expenses	-	475,000	-	-
Deposits	-	-	-	-
Due from other governments	-	-	-	-
Inventories	-	-	-	-
Land held for resale	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets				
Cash and investments with fiscal agent	-	167,434	-	14,015,276
Total assets	\$ 865,345	\$ 7,732,466	\$ 5,465,078	\$ 20,887,841
Liabilities, Deferred Inflows and Fund Balances				
Liabilities				
Accounts payable	\$ 57,951	\$ 134,861	\$ -	\$ 385,379
Deposits Payable	-	35,104	-	-
Retentions payable	-	-	-	1,721,878
Due to other funds	-	-	-	-
Due to other governments	-	58,704	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	57,951	228,669	-	2,107,257
Deferred Inflows of Resources				
Unavailable revenue	-	166,165	-	-
Leases	-	-	-	-
Total deferred inflows of resources	-	166,165	-	-
Fund Balances				
Nonspendable	-	475,000	-	-
Restricted	-	-	-	-
Assigned	807,394	6,862,632	5,465,078	18,780,584
Unassigned	-	-	-	-
Total fund balances	807,394	7,337,632	5,465,078	18,780,584
Total liabilities, deferred inflows of resources and fund balances	\$ 865,345	\$ 7,732,466	\$ 5,465,078	\$ 20,887,841

City of Fontana, California
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	<u>Capital Projects</u>	
	Fontana Housing Authority	Total Other Governmental Funds
Assets		
Cash and investments	\$ 1,348,841	\$ 337,029,977
Receivables		
Accounts	50,284	433,317
Assessments	-	276,303
Interest	120,766	3,396,971
Loans	1,806,088	10,810,945
Allowance for doubtful accounts	-	(100,807)
Leases	6,497,818	7,289,365
Prepaid expenses	-	476,147
Deposits	-	571,420
Due from other governments	-	15,688,493
Inventories	-	673,400
Land held for resale	-	25,701,494
Advances to other funds	-	2,717,368
Restricted assets		
Cash and investments with fiscal agent	42,130	16,006,141
Total assets	<u>\$ 9,865,927</u>	<u>\$ 420,970,534</u>
Liabilities, Deferred Inflows and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 13,884,072
Deposits Payable	3,750	88,603
Retentions payable	-	3,612,148
Due to other funds	-	8,069,577
Due to other governments	-	9,761,720
Unearned revenue	-	8,492,273
Advances from other funds	-	1,717,368
Total liabilities	<u>3,750</u>	<u>45,625,761</u>
Deferred Inflows of Resources		
Unavailable revenue	154,178	8,286,026
Leases	6,049,626	6,819,262
Total deferred inflows of resources	<u>6,203,804</u>	<u>15,105,288</u>
Fund Balances		
Nonspendable	-	1,720,967
Restricted	-	150,514,725
Assigned	3,658,373	211,657,847
Unassigned	-	(3,654,054)
Total fund balances	<u>3,658,373</u>	<u>360,239,485</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,865,927</u>	<u>\$ 420,970,534</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	Gas Tax	Traffic Safety	Prop 1B	Municipal Services Fiscal Impact
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	5,993,341	-	-	-
Charges for services	-	-	-	1,906,295
Fines and forfeitures	-	64,059	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	81,816	3,689	6,007	1,040,994
Other revenue	177	-	-	-
Total revenues	<u>6,075,334</u>	<u>67,748</u>	<u>6,007</u>	<u>2,947,289</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering	5,593,669	290,913	-	-
Community development	77,537	-	-	-
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>5,671,206</u>	<u>290,913</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>404,128</u>	<u>(223,165)</u>	<u>6,007</u>	<u>2,947,289</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(385,440)	-	-	(1,290,590)
Leases	-	-	-	-
Total other financing sources (uses)	<u>(385,440)</u>	<u>-</u>	<u>-</u>	<u>(1,290,590)</u>
Net Change in Fund Balance	18,688	(223,165)	6,007	1,656,699
Fund Balances, Beginning of Year, as Previously Presented	<u>2,312,779</u>	<u>797,774</u>	<u>141,574</u>	<u>24,663,772</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>2,312,779</u>	<u>797,774</u>	<u>141,574</u>	<u>24,663,772</u>
Fund Balances, End of Fiscal Year	<u>\$ 2,331,467</u>	<u>\$ 574,609</u>	<u>\$ 147,581</u>	<u>\$ 26,320,471</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	Solid Waste Mitigation	Road Maintenance and Rehabilitation	Home Program	Crime Prevention Seizure
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	5,845,953	176,532	1,317
Charges for services	5,616,014	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	352,740	302,808	-	1,544
Other revenue	-	-	-	-
Total revenues	<u>5,968,754</u>	<u>6,148,761</u>	<u>176,532</u>	<u>2,861</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	13,629
Fire	-	-	-	-
Public works / Engineering	964,342	4,021,404	-	-
Community development	1,706,213	-	176,581	-
Community services	59,909	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>2,730,464</u>	<u>4,021,404</u>	<u>176,581</u>	<u>13,629</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,238,290</u>	<u>2,127,357</u>	<u>(49)</u>	<u>(10,768)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	11,733	-
Transfers out	(320,230)	-	-	-
Leases	-	-	-	-
Total other financing sources (uses)	<u>(320,230)</u>	<u>-</u>	<u>11,733</u>	<u>-</u>
Net Change in Fund Balance	2,918,060	2,127,357	11,684	(10,768)
Fund Balances, Beginning of Year, as Previously Presented	<u>6,640,556</u>	<u>6,628,950</u>	<u>81,361</u>	<u>45,777</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>6,640,556</u>	<u>6,628,950</u>	<u>81,361</u>	<u>45,777</u>
Fund Balances, End of Fiscal Year	<u>\$ 9,558,616</u>	<u>\$ 8,756,307</u>	<u>\$ 93,045</u>	<u>\$ 35,009</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			Housing and Community Development Block Grant
	State Seizure	Federal Seizure	TDA / Article 3	
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	7,463	4,222,079	119,810	1,969,227
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	23,736	528,222	-	-
Other revenue	-	-	-	304,780
Total revenues	<u>31,199</u>	<u>4,750,301</u>	<u>119,810</u>	<u>2,274,007</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	158,483	-	-
Human resources	-	-	-	-
Public safety				
Police	66,540	4,377,794	-	254,885
Fire	-	-	-	-
Public works / Engineering	-	-	63,929	-
Community development	-	-	-	1,961,159
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>66,540</u>	<u>4,536,277</u>	<u>63,929</u>	<u>2,216,044</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,341)</u>	<u>214,024</u>	<u>55,881</u>	<u>57,963</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(35,043)
Leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(35,043)</u>
Net Change in Fund Balance	(35,341)	214,024	55,881	22,920
Fund Balances, Beginning of Year, as Previously Presented	<u>580,422</u>	<u>12,011,232</u>	<u>(67,690)</u>	<u>(51,048)</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>580,422</u>	<u>12,011,232</u>	<u>(67,690)</u>	<u>(51,048)</u>
Fund Balances, End of Fiscal Year	<u>\$ 545,081</u>	<u>\$ 12,225,256</u>	<u>\$ (11,809)</u>	<u>\$ (28,128)</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	AB 3229 State COPS Program	Office of Traffic Safety	Air Quality Management District	Down Payment Assistance
Revenues				
Taxes	\$ -	\$ 504,723	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	295,897	-	282,924	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	(6,607)	132,265	35,732	-
Other revenue	-	-	-	-
Total revenues	<u>289,290</u>	<u>636,988</u>	<u>318,656</u>	<u>-</u>
Expenditures				
Current				
General government				
City administration	-	-	500	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	16,359	-
Public safety				
Police	289,289	124,295	-	-
Fire	-	-	-	-
Public works / Engineering	-	-	382,714	-
Community development	-	-	-	-
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>289,289</u>	<u>124,295</u>	<u>399,573</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1</u>	<u>512,693</u>	<u>(80,917)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(12,090)	(11,732)
Leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(12,090)</u>	<u>(11,732)</u>
Net Change in Fund Balance	1	512,693	(93,007)	(11,732)
Fund Balances, Beginning of Year, as Previously Presented	<u>105,059</u>	<u>2,930,157</u>	<u>986,850</u>	<u>11,732</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>105,059</u>	<u>2,930,157</u>	<u>986,850</u>	<u>11,732</u>
Fund Balances, End of Fiscal Year	<u>\$ 105,060</u>	<u>\$ 3,442,850</u>	<u>\$ 893,843</u>	<u>\$ -</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	Community Services Reimbursements	ASES ELO-P	Fontana Community Foundation	Housing Authority AB 1486
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	5,621,138	6,017,179	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	-	-	19,653	150,471
Other revenue	-	-	2,500	-
Total revenues	<u>5,621,138</u>	<u>6,017,179</u>	<u>22,153</u>	<u>150,471</u>
Expenditures				
Current				
General government				
City administration	-	-	22,158	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	83,770	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering	-	-	-	-
Community development	-	-	-	-
Community services	3,503,589	6,381,469	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>3,503,589</u>	<u>6,465,239</u>	<u>22,158</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,117,549</u>	<u>(448,060)</u>	<u>(5)</u>	<u>150,471</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(976,180)	(676,103)	(6,620)	-
Leases	-	-	-	-
Total other financing sources (uses)	<u>(976,180)</u>	<u>(676,103)</u>	<u>(6,620)</u>	<u>-</u>
Net Change in Fund Balance	1,141,369	(1,124,163)	(6,625)	150,471
Fund Balances, Beginning of Year, as Previously Presented	<u>(1,086,988)</u>	<u>(1,596,711)</u>	<u>482,252</u>	<u>3,546,448</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>(1,086,988)</u>	<u>(1,596,711)</u>	<u>482,252</u>	<u>3,546,448</u>
Fund Balances, End of Fiscal Year	<u>\$ 54,381</u>	<u>\$ (2,720,874)</u>	<u>\$ 475,627</u>	<u>\$ 3,696,919</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	Permanent Local Housing Allocation	Fire Protection District CFD	Landscape Maintenance Districts	Lighting District #3 Hunter's Ridge
Revenues				
Taxes	\$ -	\$ -	\$ 4,273	\$ 10
Licenses and permits	-	279,002	-	-
Intergovernmental	679,024	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	4,494,525	34,946
Investment earnings (loss)	-	203,507	195,350	3,577
Other revenue	19,473	-	-	-
Total revenues	<u>698,497</u>	<u>482,509</u>	<u>4,694,148</u>	<u>38,533</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	264,860	-	-
Public works / Engineering	-	-	6,947,008	16,105
Community development	657,992	-	-	-
Community services	-	-	9,649	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>657,992</u>	<u>264,860</u>	<u>6,956,657</u>	<u>16,105</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40,505</u>	<u>217,649</u>	<u>(2,262,509)</u>	<u>22,428</u>
Other Financing Sources (Uses)				
Transfers in	-	-	2,878,473	-
Transfers out	-	(33,440)	(918,940)	(7,000)
Leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(33,440)</u>	<u>1,959,533</u>	<u>(7,000)</u>
Net Change in Fund Balance	40,505	184,209	(302,976)	15,428
Fund Balances, Beginning of Year, as Previously Presented	<u>(47,316)</u>	<u>4,913,899</u>	<u>4,684,014</u>	<u>74,688</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>(47,316)</u>	<u>4,913,899</u>	<u>4,684,014</u>	<u>74,688</u>
Fund Balances, End of Fiscal Year	<u>\$ (6,811)</u>	<u>\$ 5,098,108</u>	<u>\$ 4,381,038</u>	<u>\$ 90,116</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue			
	AB 2928	Opioid Settlement	Economic Stimulus	Traffic Congestion Relief
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	504,816	13,572,885	15,381,654
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	7,192	37,878	-	558,943
Other revenue	-	-	-	-
Total revenues	<u>7,192</u>	<u>542,694</u>	<u>13,572,885</u>	<u>15,940,597</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	2,551,939	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering	-	-	11,020,944	12,374,611
Community development	-	94,100	-	-
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>94,100</u>	<u>13,572,883</u>	<u>12,374,611</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,192</u>	<u>448,594</u>	<u>2</u>	<u>3,565,986</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(450,220)
Leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(450,220)</u>
Net Change in Fund Balance	7,192	448,594	2	3,115,766
Fund Balances, Beginning of Year, as Previously Presented	<u>165,661</u>	<u>416,033</u>	<u>-</u>	<u>-</u>
Adjustments	<u>-</u>	<u>-</u>	<u>115,399</u>	<u>6,730,091</u>
Fund Balances, Beginning of Year, as Adjusted	<u>165,661</u>	<u>416,033</u>	<u>115,399</u>	<u>6,730,091</u>
Fund Balances, End of Fiscal Year	<u>\$ 172,853</u>	<u>\$ 864,627</u>	<u>\$ 115,401</u>	<u>\$ 9,845,857</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue		Debt Service	Capital Projects
	ARPA County	Community Facilities Districts	General Debt Service	Capital Reinvestment
Revenues				
Taxes	\$ -	\$ 17,801	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	860,796	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	15,984,294	-	-
Investment earnings (loss)	-	1,195,729	47,437	2,163,172
Other revenue	-	-	-	727,196
Total revenues	<u>860,796</u>	<u>17,197,824</u>	<u>47,437</u>	<u>2,890,368</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering	1,039,868	12,422,314	-	12,255,975
Community development	-	304,944	-	619,242
Community services	-	-	-	-
Debt service				
Principal	-	-	1,915,001	-
Interest	-	-	2,075,350	-
Total expenditures	<u>1,039,868</u>	<u>12,727,258</u>	<u>3,990,351</u>	<u>12,875,217</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(179,072)</u>	<u>4,470,566</u>	<u>(3,942,914)</u>	<u>(9,984,849)</u>
Other Financing Sources (Uses)				
Transfers in	-	9,998	3,994,350	16,890,285
Transfers out	-	(6,334,772)	-	-
Leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(6,324,774)</u>	<u>3,994,350</u>	<u>16,890,285</u>
Net Change in Fund Balance	(179,072)	(1,854,208)	51,436	6,905,436
Fund Balances, Beginning of Year, as Previously Presented	<u>(707,360)</u>	<u>30,523,050</u>	<u>11,992</u>	<u>49,855,999</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>(707,360)</u>	<u>30,523,050</u>	<u>11,992</u>	<u>49,855,999</u>
Fund Balances, End of Fiscal Year	<u>\$ (886,432)</u>	<u>\$ 28,668,842</u>	<u>\$ 63,428</u>	<u>\$ 56,761,435</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Capital Projects			
	Future Capital Projects	Storm Drain	San Sevaine Flood Control	Upper Etiwanda Flood Control Development
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	1,018,616	34,025	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	596,685	924,777	112,243	2,032
Other revenue	-	-	-	-
Total revenues	<u>596,685</u>	<u>1,943,393</u>	<u>146,268</u>	<u>2,032</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering	-	2,346,552	61,082	-
Community development	-	-	-	-
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>-</u>	<u>2,346,552</u>	<u>61,082</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>596,685</u>	<u>(403,159)</u>	<u>85,186</u>	<u>2,032</u>
Other Financing Sources (Uses)				
Transfers in	-	273,368	58,744	-
Transfers out	(14,228,193)	(98,460)	(8,320)	-
Leases	-	-	-	-
Total other financing sources (uses)	<u>(14,228,193)</u>	<u>174,908</u>	<u>50,424</u>	<u>-</u>
Net Change in Fund Balance	(13,631,508)	(228,251)	135,610	2,032
Fund Balances, Beginning of Year, as Previously Presented	<u>42,223,572</u>	<u>22,493,312</u>	<u>2,602,768</u>	<u>47,891</u>
Adjustments	-	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>42,223,572</u>	<u>22,493,312</u>	<u>2,602,768</u>	<u>47,891</u>
Fund Balances, End of Fiscal Year	<u>\$ 28,592,064</u>	<u>\$ 22,265,061</u>	<u>\$ 2,738,378</u>	<u>\$ 49,923</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Capital Projects			
	Traffic Mitigation	Park Development	Landscape Improvements	Library Capital Improvement
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	3,555,364	-	92,809
Intergovernmental	929,108	-	-	-
Charges for services	4,888,495	-	273,517	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	1,907,886	741,323	108,366	61,577
Other revenue	-	-	-	-
Total revenues	<u>7,725,489</u>	<u>4,296,687</u>	<u>381,883</u>	<u>154,386</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	407,403	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering	4,558,407	5,371,141	340,482	-
Community development	-	-	-	66,847
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>4,965,810</u>	<u>5,371,141</u>	<u>340,482</u>	<u>66,847</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,759,679</u>	<u>(1,074,454)</u>	<u>41,401</u>	<u>87,539</u>
Other Financing Sources (Uses)				
Transfers in	7,017,000	1,408,046	150,453	66,844
Transfers out	(73,880)	(123,970)	(11,720)	(6,440)
Leases	-	-	-	-
Total other financing sources (uses)	<u>6,943,120</u>	<u>1,284,076</u>	<u>138,733</u>	<u>60,404</u>
Net Change in Fund Balance	9,702,799	209,622	180,134	147,943
Fund Balances, Beginning of Year, as Previously Presented	-	16,625,648	2,556,442	1,371,784
Adjustments	23,564,929	-	-	-
Fund Balances, Beginning of Year, as Adjusted	<u>23,564,929</u>	<u>16,625,648</u>	<u>2,556,442</u>	<u>1,371,784</u>
Fund Balances, End of Fiscal Year	<u>\$ 33,267,728</u>	<u>\$ 16,835,270</u>	<u>\$ 2,736,576</u>	<u>\$ 1,519,727</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Capital Projects			
	Police Facility	Capital Improvements	General Government Improvement	Underground Utilities
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	512,866	-	-	-
Intergovernmental	-	63,332	-	-
Charges for services	-	-	437,440	315,534
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	187,344	480,418	584,929	49,946
Other revenue	-	3,091,456	-	-
Total revenues	<u>700,210</u>	<u>3,635,206</u>	<u>1,022,369</u>	<u>365,480</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	149,282	-	-	-
Fire	-	-	-	-
Public works / Engineering	-	347,800	-	-
Community development	231,346	2,036,809	272,615	-
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>380,628</u>	<u>2,384,609</u>	<u>272,615</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>319,582</u>	<u>1,250,597</u>	<u>749,754</u>	<u>365,480</u>
Other Financing Sources (Uses)				
Transfers in	231,346	13,903,875	221,490	-
Transfers out	(38,880)	(306,959)	-	-
Leases	-	-	-	-
Total other financing sources (uses)	<u>192,466</u>	<u>13,596,916</u>	<u>221,490</u>	<u>-</u>
Net Change in Fund Balance	<u>512,048</u>	<u>14,847,513</u>	<u>971,244</u>	<u>365,480</u>
Fund Balances, Beginning of Year, as Previously Presented	<u>4,183,605</u>	<u>9,222,260</u>	<u>13,567,380</u>	<u>852,394</u>
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year, as Adjusted	<u>4,183,605</u>	<u>9,222,260</u>	<u>13,567,380</u>	<u>852,394</u>
Fund Balances, End of Fiscal Year	<u>\$ 4,695,653</u>	<u>\$ 24,069,773</u>	<u>\$ 14,538,624</u>	<u>\$ 1,217,874</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	Capital Projects			
	Fire Assessment	Affordable Housing Trust	Transactional Use Tax	Fire Protection District
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	317,839	710,956	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings (loss)	28,407	250,293	-	1,256,714
Other revenue	-	612,256	-	-
Total revenues	<u>346,246</u>	<u>1,573,505</u>	<u>-</u>	<u>1,256,714</u>
Expenditures				
Current				
General government				
City administration	-	-	-	-
Management services	-	-	-	-
Information technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	3,797,150
Public works / Engineering	-	-	-	21,940,917
Community development	102,396	7,321,808	-	-
Community services	-	-	-	-
Debt service				
Principal	-	1,179,888	-	-
Interest	-	135,503	-	-
Total expenditures	<u>102,396</u>	<u>8,637,199</u>	<u>-</u>	<u>25,738,067</u>
Excess (deficiency) of revenues over (under) expenditures	<u>243,850</u>	<u>(7,063,694)</u>	<u>-</u>	<u>(24,481,353)</u>
Other Financing Sources (Uses)				
Transfers in	102,396	518,672	5,465,078	5,581,763
Transfers out	(281,570)	(3,050)	-	(224,150)
Leases	-	5,274,296	-	-
Total other financing sources (uses)	<u>(179,174)</u>	<u>5,789,918</u>	<u>5,465,078</u>	<u>5,357,613</u>
Net Change in Fund Balance	64,676	(1,273,776)	5,465,078	(19,123,740)
Fund Balances, Beginning of Year, as Previously Presented	<u>742,718</u>	<u>8,611,408</u>	<u>-</u>	<u>37,904,324</u>
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year, as Adjusted	<u>742,718</u>	<u>8,611,408</u>	<u>-</u>	<u>37,904,324</u>
Fund Balances, End of Fiscal Year	<u>\$ 807,394</u>	<u>\$ 7,337,632</u>	<u>\$ 5,465,078</u>	<u>\$ 18,780,584</u>

City of Fontana, California
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

	<u>Capital Projects</u>	
	Fontana Housing Authority	Total Other Governmental Funds
Revenues		
Taxes	\$ -	\$ 526,807
Licenses and permits	-	6,521,477
Intergovernmental	-	62,544,475
Charges for services	-	13,437,295
Fines and forfeitures	-	64,059
Special assessments	-	20,513,765
Investment earnings (loss)	162,071	14,540,866
Other revenue	110,957	4,868,795
Total revenues	<u>273,028</u>	<u>123,017,539</u>
Expenditures		
Current		
General government		
City administration	-	22,658
Management services	25,933	2,985,275
Information technology	-	158,483
Human resources	-	100,129
Public safety		
Police	-	5,275,714
Fire	-	4,062,010
Public works / Engineering	-	102,360,177
Community development	1,306	15,630,895
Community services	-	9,954,616
Debt service		
Principal	-	3,094,889
Interest	-	2,210,853
Total expenditures	<u>27,239</u>	<u>145,855,699</u>
Excess (deficiency) of revenues over (under) expenditures	<u>245,789</u>	<u>(22,838,160)</u>
Other Financing Sources (Uses)		
Transfers in	-	58,783,914
Transfers out	(20,200)	(26,884,192)
Leases	-	5,274,296
Total other financing sources (uses)	<u>(20,200)</u>	<u>37,174,018</u>
Net Change in Fund Balance	225,589	14,335,858
Fund Balances, Beginning of Year, as Previously Presented	<u>3,432,784</u>	<u>315,493,208</u>
Adjustments	-	30,410,419
Fund Balances, Beginning of Year, as Adjusted	<u>3,432,784</u>	<u>345,903,627</u>
Fund Balances, End of Fiscal Year	<u>\$ 3,658,373</u>	<u>\$ 360,239,485</u>

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Gas Tax				Traffic Safety			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	6,042,980	6,042,980	5,993,341	(49,639)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	45,000	45,000	64,059	19,059
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	81,816	81,816	-	-	3,689	3,689
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	177	177	-	-	-	-
Total revenues	<u>6,042,980</u>	<u>6,042,980</u>	<u>6,075,334</u>	<u>32,354</u>	<u>45,000</u>	<u>45,000</u>	<u>67,748</u>	<u>22,748</u>
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	6,108,790	7,154,110	5,593,669	1,560,441	44,190	45,020	290,913	(245,893)
Community development	10,690	100,289	77,537	22,752	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	<u>6,119,480</u>	<u>7,254,399</u>	<u>5,671,206</u>	<u>1,583,193</u>	<u>44,190</u>	<u>45,020</u>	<u>290,913</u>	<u>(245,893)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(76,500)</u>	<u>(1,211,419)</u>	<u>404,128</u>	<u>1,615,547</u>	<u>810</u>	<u>(20)</u>	<u>(223,165)</u>	<u>(223,145)</u>
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(385,440)	(385,440)	(385,440)	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(385,440)</u>	<u>(385,440)</u>	<u>(385,440)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(461,940)	(1,596,859)	18,688	1,615,547	810	(20)	(223,165)	(223,145)
Fund Balances - Beginning, as restated	<u>2,312,779</u>	<u>2,312,779</u>	<u>2,312,779</u>	<u>-</u>	<u>797,774</u>	<u>797,774</u>	<u>797,774</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 1,850,839</u>	<u>\$ 715,920</u>	<u>\$ 2,331,467</u>	<u>\$ 1,615,547</u>	<u>\$ 798,584</u>	<u>\$ 797,754</u>	<u>\$ 574,609</u>	<u>\$ (223,145)</u>

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Municipal Services Fiscal Impact				Solid Waste Mitigation			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	1,250,000	1,250,000	1,906,295	656,295	3,000,000	3,000,000	5,616,014	2,616,014
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	1,040,994	1,040,994	-	-	352,740	352,740
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	1,250,000	1,250,000	2,947,289	1,697,289	3,000,000	3,000,000	5,968,754	2,968,754
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	662,780	3,316,134	964,342	2,351,792
Community development	-	-	-	-	1,831,130	2,028,074	1,706,213	321,861
Community services	-	-	-	-	53,470	54,020	59,909	(5,889)
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	2,547,380	5,398,228	2,730,464	2,667,764
Excess (deficiency) of revenues over (under) expenditures	1,250,000	1,250,000	2,947,289	1,697,289	452,620	(2,398,228)	3,238,290	5,636,518
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(948,550)	(1,290,590)	(1,290,590)	-	-	-	(320,230)	(320,230)
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(948,550)	(1,290,590)	(1,290,590)	-	-	-	(320,230)	(320,230)
Net Change in Fund Balances	301,450	(40,590)	1,656,699	1,697,289	452,620	(2,398,228)	2,918,060	5,316,288
Fund Balances - Beginning, as restated	24,663,772	24,663,772	24,663,772	-	6,640,556	6,640,556	6,640,556	-
Fund Balances - Ending	\$ 24,965,222	\$ 24,623,182	\$ 26,320,471	\$ 1,697,289	\$ 7,093,176	\$ 4,242,328	\$ 9,558,616	\$ 5,316,288

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Road Maintenance and Rehabilitation				Home Program			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	10,521,380	7,319,440	5,845,953	(1,473,487)	820,000	6,950,597	176,532	(6,774,065)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	302,808	302,808	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	10,521,380	7,319,440	6,148,761	(1,170,679)	820,000	6,950,597	176,532	(6,774,065)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	5,465,920	11,146,983	4,021,404	7,125,579	942,140	6,745,663	176,581	6,569,082
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	5,465,920	11,146,983	4,021,404	7,125,579	942,140	6,745,663	176,581	6,569,082
Excess (deficiency) of revenues over (under) expenditures	5,055,460	(3,827,543)	2,127,357	5,954,900	(122,140)	204,934	(49)	(204,983)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	11,733	11,733
Transfers out	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	11,733	11,733
Net Change in Fund Balances	5,055,460	(3,827,543)	2,127,357	5,954,900	(122,140)	204,934	11,684	(193,250)
Fund Balances - Beginning, as restated	6,628,950	6,628,950	6,628,950	-	81,361	81,361	81,361	-
Fund Balances - Ending	\$ 11,684,410	\$ 2,801,407	\$ 8,756,307	\$ 5,954,900	\$ (40,779)	\$ 286,295	\$ 93,045	\$ (193,250)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Crime Prevention Seizure				State Seizures			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	10,000	10,000	1,317	(8,683)	75,000	75,000	7,463	(67,537)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	1,544	1,544	3,000	3,000	23,736	20,736
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	10,000	10,000	2,861	(7,139)	78,000	78,000	31,199	(46,801)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	33,300	33,300	13,629	19,671	62,190	71,626	66,540	5,086
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	33,300	33,300	13,629	19,671	62,190	71,626	66,540	5,086
Excess (deficiency) of revenues over (under) expenditures	(23,300)	(23,300)	(10,768)	12,532	15,810	6,374	(35,341)	(41,715)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(23,300)	(23,300)	(10,768)	12,532	15,810	6,374	(35,341)	(41,715)
Fund Balances - Beginning, as restated	45,777	45,777	45,777	-	580,422	580,422	580,422	-
Fund Balances - Ending	\$ 22,477	\$ 22,477	\$ 35,009	\$ 12,532	\$ 596,232	\$ 586,796	\$ 545,081	\$ (41,715)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Federal Seizures				Housing and Community Development Block Grant			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,500,000	3,000,000	4,222,079	1,222,079	2,175,000	4,850,992	1,969,227	(2,881,765)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	50,000	50,000	528,222	478,222	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	20,000	-	-	-	-	-	304,780	304,780
Total revenues	1,570,000	3,050,000	4,750,301	1,700,301	2,175,000	4,850,992	2,274,007	(2,576,985)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	433,611	158,483	275,128	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	2,363,790	6,140,906	4,377,794	1,763,112	311,270	254,885	254,885	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	-	-	-	2,282,190	4,071,477	1,961,159	2,110,318
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	2,363,790	6,574,517	4,536,277	2,038,240	2,593,460	4,326,362	2,216,044	2,110,318
Excess (deficiency) of revenues over (under) expenditures	(793,790)	(3,524,517)	214,024	3,738,541	(418,460)	524,630	57,963	(466,667)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(91,800)	(35,043)	(35,043)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(91,800)	(35,043)	(35,043)	-
Net Change in Fund Balances	(793,790)	(3,524,517)	214,024	3,738,541	(510,260)	489,587	22,920	(466,667)
Fund Balances - Beginning, as restated	12,011,232	12,011,232	12,011,232	-	(51,048)	(51,048)	(51,048)	-
Fund Balances - Ending	\$ 11,217,442	\$ 8,486,715	\$ 12,225,256	\$ 3,738,541	\$ (561,308)	\$ 438,539	\$ (28,128)	\$ (466,667)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	AB 3229 State COPS Program				Office of Traffic Safety			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000	\$ 504,723	\$ 104,723
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	300,000	645,000	295,897	(349,103)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	(6,607)	(6,607)	-	-	132,265	132,265
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	300,000	645,000	289,290	(355,710)	400,000	400,000	636,988	236,988
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	460,840	497,874	289,289	208,585	257,000	343,251	124,295	218,956
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	460,840	497,874	289,289	208,585	257,000	343,251	124,295	218,956
Excess (deficiency) of revenues over (under) expenditures	(160,840)	147,126	1	(147,125)	143,000	56,749	512,693	455,944
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	(160,840)	147,126	1	(147,125)	143,000	56,749	512,693	455,944
Fund Balances - Beginning, as restated	105,059	105,059	105,059	-	2,930,157	2,930,157	2,930,157	-
Fund Balances - Ending	\$ (55,781)	\$ 252,185	\$ 105,060	\$ (147,125)	\$ 3,073,157	\$ 2,986,906	\$ 3,442,850	\$ 455,944

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Air Quality Management District				Down Payment Assistance			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	280,000	304,000	282,924	(21,076)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	35,732	35,732	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	280,000	304,000	318,656	14,656	-	-	-	-
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	3,000	500	2,500	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	20,000	16,359	3,641	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	63,350	583,261	382,714	200,547	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	63,350	606,261	399,573	206,688	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	216,650	(302,261)	(80,917)	221,344	-	-	-	-
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(12,090)	(12,090)	(12,090)	-	-	-	(11,732)	(11,732)
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(12,090)	(12,090)	(12,090)	-	-	-	(11,732)	(11,732)
Net Change in Fund Balances	204,560	(314,351)	(93,007)	221,344	-	-	(11,732)	(11,732)
Fund Balances - Beginning, as restated	986,850	986,850	986,850	-	11,732	11,732	11,732	-
Fund Balances - Ending	\$ 1,191,410	\$ 672,499	\$ 893,843	\$ 221,344	\$ 11,732	\$ 11,732	\$ -	\$ (11,732)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Community Services Reimbursements				ASES ELO-P			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	4,407,400	4,407,400	5,621,138	1,213,738	29,731,200	14,914,350	6,017,179	(8,897,171)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	4,407,400	4,407,400	5,621,138	1,213,738	29,731,200	14,914,350	6,017,179	(8,897,171)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	130,141	83,770	46,371
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	3,842,090	3,872,821	3,503,589	369,232	27,223,400	13,422,443	6,381,469	7,040,974
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	3,842,090	3,872,821	3,503,589	369,232	27,223,400	13,552,584	6,465,239	7,087,345
Excess (deficiency) of revenues over (under) expenditures	565,310	534,579	2,117,549	1,582,970	2,507,800	1,361,766	(448,060)	(1,809,826)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(372,300)	(372,300)	(976,180)	(603,880)	(372,300)	(372,300)	(676,103)	(303,803)
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(372,300)	(372,300)	(976,180)	(603,880)	(372,300)	(372,300)	(676,103)	(303,803)
Net Change in Fund Balances	193,010	162,279	1,141,369	979,090	2,135,500	989,466	(1,124,163)	(2,113,629)
Fund Balances - Beginning, as restated	(1,086,988)	(1,086,988)	(1,086,988)	-	(1,596,711)	(1,596,711)	(1,596,711)	-
Fund Balances - Ending	\$ (893,978)	\$ (924,709)	\$ 54,381	\$ 979,090	\$ 538,789	\$ (607,245)	\$ (2,720,874)	\$ (2,113,629)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Fontana Community Foundation				Housing Authority AB 1486			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	19,653	19,653	-	-	150,471	150,471
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	2,500	2,500	-	-	-	-	-
Total revenues	-	2,500	22,153	19,653	-	-	150,471	150,471
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	22,178	22,158	20	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	22,178	22,158	20	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	(19,678)	(5)	19,673	-	-	150,471	150,471
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(6,620)	(6,620)	(6,620)	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(6,620)	(6,620)	(6,620)	-	-	-	-	-
Net Change in Fund Balances	(6,620)	(26,298)	(6,625)	19,673	-	-	150,471	150,471
Fund Balances - Beginning, as restated	482,252	482,252	482,252	-	3,546,448	3,546,448	3,546,448	-
Fund Balances - Ending	\$ 475,632	\$ 455,954	\$ 475,627	\$ 19,673	\$ 3,546,448	\$ 3,546,448	\$ 3,696,919	\$ 150,471

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Permanent Local Housing Allocation				Fire Protection District CFD			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	235,000	235,000	279,002	44,002
Intergovernmental	1,500,000	3,562,525	679,024	(2,883,501)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	203,507	203,507
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	19,473	19,473	-	-	-	-
Total revenues	1,500,000	3,562,525	698,497	(2,864,028)	235,000	235,000	482,509	247,509
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	266,062	264,860	1,202
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	1,333,940	3,515,208	657,992	2,857,216	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	1,333,940	3,515,208	657,992	2,857,216	-	266,062	264,860	1,202
Excess (deficiency) of revenues over (under) expenditures	166,060	47,317	40,505	(6,812)	235,000	(31,062)	217,649	248,711
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(33,440)	(33,440)	(33,440)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(33,440)	(33,440)	(33,440)	-
Net Change in Fund Balances	166,060	47,317	40,505	(6,812)	201,560	(64,502)	184,209	248,711
Fund Balances - Beginning, as restated	(47,316)	(47,316)	(47,316)	-	4,913,899	4,913,899	4,913,899	-
Fund Balances - Ending	\$ 118,744	\$ 1	\$ (6,811)	\$ (6,812)	\$ 5,115,459	\$ 4,849,397	\$ 5,098,108	\$ 248,711

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Landscape Maintenance Districts				Lighting District #3 Hunter's Ridge			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ 3,250	\$ 3,250	\$ 4,273	\$ 1,023	\$ 50	\$ 50	\$ 10	\$ (40)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	4,863,900	4,356,200	4,494,525	138,325	42,510	35,140	34,946	(194)
Investment earnings	-	-	195,350	195,350	-	-	3,577	3,577
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	4,867,150	4,359,450	4,694,148	334,698	42,560	35,190	38,533	3,343
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	5,101,350	8,386,571	6,947,008	1,439,563	34,620	34,620	16,105	18,515
Community development	-	-	-	-	-	-	-	-
Community services	-	9,387	9,649	(262)	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	5,101,350	8,395,958	6,956,657	1,439,301	34,620	34,620	16,105	18,515
Excess (deficiency) of revenues over (under) expenditures	(234,200)	(4,036,508)	(2,262,509)	1,773,999	7,940	570	22,428	21,858
Other Financing Sources (Uses)								
Transfers in	972,730	2,281,280	2,878,473	597,193	-	-	-	-
Transfers out	(918,940)	(918,940)	(918,940)	-	(7,000)	(7,000)	(7,000)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	53,790	1,362,340	1,959,533	597,193	(7,000)	(7,000)	(7,000)	-
Net Change in Fund Balances	(180,410)	(2,674,168)	(302,976)	2,371,192	940	(6,430)	15,428	21,858
Fund Balances - Beginning, as restated	4,684,014	4,684,014	4,684,014	-	74,688	74,688	74,688	-
Fund Balances - Ending	\$ 4,503,604	\$ 2,009,846	\$ 4,381,038	\$ 2,371,192	\$ 75,628	\$ 68,258	\$ 90,116	\$ 21,858

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	AB 2928				Economic Stimulus			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	13,572,885	(13,572,885)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	7,192	7,192	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	7,192	7,192	-	-	13,572,885	(13,572,885)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	2,955,129	2,551,939	403,190
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	75,000	-	75,000	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	16,872,774	11,020,944	5,851,830
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	75,000	-	75,000	-	19,827,903	13,572,883	6,255,020
Excess (deficiency) of revenues over (under) expenditures	-	(75,000)	7,192	82,192	-	(19,827,903)	2	(19,827,905)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net Change in Fund Balances	-	(75,000)	7,192	82,192	-	(19,827,903)	2	(19,827,905)
Fund Balances - Beginning, as restated	165,661	165,661	165,661	-	115,399	115,399	115,399	-
Fund Balances - Ending	\$ 165,661	\$ 90,661	\$ 172,853	\$ 82,192	\$ 115,399	\$ (19,712,504)	\$ 115,401	\$ (19,827,905)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue							
	Traffic Congestion Relief				ARPA County			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	5,524,500	30,033,825	15,381,654	14,652,171	-	2,001,676	860,796	(1,140,880)
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	558,943	(558,943)	-	-	-	-
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	5,524,500	30,033,825	15,940,597	14,093,228	-	2,001,676	860,796	(1,140,880)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	1,655,920	34,673,558	12,374,611	22,298,947	-	1,294,317	1,039,868	254,449
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	1,655,920	34,673,558	12,374,611	22,298,947	-	1,294,317	1,039,868	254,449
Excess (deficiency) of revenues over (under) expenditures	3,868,580	(4,639,733)	3,565,986	(8,205,719)	-	707,359	(179,072)	(886,431)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(450,220)	(450,220)	(450,220)	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(450,220)	(450,220)	(450,220)	-	-	-	-	-
Net Change in Fund Balances	3,418,360	(5,089,953)	3,115,766	(8,205,719)	-	707,359	(179,072)	(886,431)
Fund Balances - Beginning, as restated	6,730,091	6,730,091	6,730,091	-	(707,360)	(707,360)	(707,360)	-
Fund Balances - Ending	\$ 10,148,451	\$ 1,640,138	\$ 9,845,857	\$ (8,205,719)	\$ (707,360)	\$ (1)	\$ (886,432)	\$ (886,431)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Special Revenue				Debt Service			
	Community Facilities Districts				General Debt Service			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes								
Licenses and permits	\$ 19,050	\$ 19,050	\$ 17,801	\$ (1,249)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	17,077,190	15,507,990	15,984,294	476,304	-	-	47,437	47,437
Contribution from property owners	-	-	1,195,729	1,195,729	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	17,096,240	15,527,040	17,197,824	1,670,784	-	-	47,437	47,437
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	20,000	4,000	-	4,000
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	10,714,150	15,727,862	12,422,314	3,305,548	-	-	-	-
Community development	-	282,659	304,944	(22,285)	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	1,915,001	1,915,001	1,915,001	-
Interest	-	-	-	-	2,075,350	2,075,350	2,075,350	-
Total expenditures	10,714,150	16,010,521	12,727,258	3,283,263	4,010,351	3,994,351	3,990,351	4,000
Excess (deficiency) of revenues over (under) expenditures	6,382,090	(483,481)	4,470,566	4,954,047	(4,010,351)	(3,994,351)	(3,942,914)	51,437
Other Financing Sources (Uses)								
Transfers in	559,590	559,590	9,998	(549,592)	4,327,740	3,994,350	3,994,350	-
Transfers out	(7,587,950)	(7,814,848)	(6,334,772)	1,480,076	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(7,028,360)	(7,255,258)	(6,324,774)	930,484	4,327,740	3,994,350	3,994,350	-
Net Change in Fund Balances	(646,270)	(7,738,739)	(1,854,208)	5,884,531	317,389	(1)	51,436	51,437
Fund Balances - Beginning, as restated	30,523,050	30,523,050	30,523,050	-	11,992	11,992	11,992	-
Fund Balances - Ending	\$ 29,876,780	\$ 22,784,311	\$ 28,668,842	\$ 5,884,531	\$ 329,381	\$ 11,991	\$ 63,428	\$ 51,437

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Capital Reinvestments				Future Capital Projects			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	600,000	-	(600,000)	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	2,163,172	2,163,172	-	-	596,685	596,685
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	133,000	251,545	727,196	475,651	-	-	-	-
Total revenues	133,000	851,545	2,890,368	2,038,823	-	-	596,685	596,685
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	2,920,617	-	2,920,617	-	-	-	-
Information Technology	-	32,122	-	32,122	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	4,300,000	56,035,681	12,255,975	43,779,706	-	344,882	-	344,882
Community development	133,000	683,124	619,242	63,882	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	4,433,000	59,671,544	12,875,217	46,796,327	-	344,882	-	344,882
Excess (deficiency) of revenues over (under) expenditures	(4,300,000)	(58,819,999)	(9,984,849)	48,835,150	-	(344,882)	596,685	941,567
Other Financing Sources (Uses)								
Transfers in	9,300,000	16,890,285	16,890,285	-	-	-	-	-
Transfers out	-	-	-	-	(151,420)	(14,228,193)	(14,228,193)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	9,300,000	16,890,285	16,890,285	-	(151,420)	(14,228,193)	(14,228,193)	-
Net Change in Fund Balances	5,000,000	(41,929,714)	6,905,436	48,835,150	(151,420)	(14,573,075)	(13,631,508)	941,567
Fund Balances - Beginning, as restated	49,855,999	49,855,999	49,855,999	49,855,999	42,223,572	42,223,572	42,223,572	42,223,572
Fund Balances - Ending	\$ 54,855,999	\$ 7,926,285	\$ 56,761,435	\$ 98,691,149	\$ 42,072,152	\$ 27,650,497	\$ 28,592,064	\$ 43,165,139

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Sewer Expansion				Community Facilities Districts			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	1,851,983	1,851,983	-	-	1,239,766	1,239,766
Contribution from property owners	-	-	-	-	-	-	71,702,701	71,702,701
Other revenue	-	-	-	-	-	-	24	24
Total revenues	-	-	1,851,983	1,851,983	-	-	72,942,491	72,942,491
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	170,250	835,622	-	835,622	-	20,514,651	34,457,743	(13,943,092)
Community development	2,075,000	2,075,000	149,970	1,925,030	-	-	-	-
Community services	-	-	-	-	-	9,387	-	9,387
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	2,245,250	2,910,622	149,970	2,760,652	-	20,524,038	34,457,743	(13,933,705)
Excess (deficiency) of revenues over (under) expenditures	(2,245,250)	(2,910,622)	1,702,013	4,612,635	-	(20,524,038)	38,484,748	59,008,786
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(19,280)	(19,280)	(19,280)	-	-	-	(15,032,172)	(15,032,172)
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(19,280)	(19,280)	(19,280)	-	-	-	(15,032,172)	(15,032,172)
Net Change in Fund Balances	(2,264,530)	(2,929,902)	1,682,733	4,612,635	-	(20,524,038)	23,452,576	43,976,614
Fund Balances - Beginning, as restated	1,575,590	1,575,590	1,575,590	1,575,590	36,446,215	36,446,215	36,446,215	36,446,215
Fund Balances - Ending	\$ (688,940)	\$ (1,354,312)	\$ 3,258,323	\$ 6,188,225	\$ 36,446,215	\$ 15,922,177	\$ 59,898,791	\$ 80,422,829

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Storm Drain				San Sevaine Flood Control			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	3,555,000	3,555,000	1,018,616	(2,536,384)	805,800	805,800	34,025	(771,775)
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	924,777	924,777	-	-	112,243	112,243
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	3,555,000	3,555,000	1,943,393	(1,611,607)	805,800	805,800	146,268	(659,532)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	798,220	12,320,857	2,346,552	9,974,305	92,700	67,793	61,082	6,711
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	798,220	12,320,857	2,346,552	9,974,305	92,700	67,793	61,082	6,711
Excess (deficiency) of revenues over (under) expenditures	2,756,780	(8,765,857)	(403,159)	8,362,698	713,100	738,007	85,186	(652,821)
Other Financing Sources (Uses)								
Transfers in	-	-	273,368	273,368	-	58,744	58,744	-
Transfers out	(98,460)	(98,460)	(98,460)	-	(8,320)	(8,320)	(8,320)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(98,460)	(98,460)	174,908	273,368	(8,320)	50,424	50,424	-
Net Change in Fund Balances	2,658,320	(8,864,317)	(228,251)	8,636,066	704,780	788,431	135,610	(652,821)
Fund Balances - Beginning, as restated	22,493,312	22,493,312	22,493,312	-	2,602,768	2,602,768	2,602,768	-
Fund Balances - Ending	\$ 25,151,632	\$ 13,628,995	\$ 22,265,061	\$ 8,636,066	\$ 3,307,548	\$ 3,391,199	\$ 2,738,378	\$ (652,821)

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Upper Etiwanda Flood Control				Traffic Mitigation			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	610,000	610,000	929,108	319,108
Charges for services	-	-	-	-	4,041,000	4,041,000	4,888,495	847,495
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	2,032	2,032	-	-	1,907,886	1,907,886
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	2,032	2,032	4,651,000	4,651,000	7,725,489	3,074,489
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	2,037,011	407,403	1,629,608
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	12,830	15,365,117	4,558,407	10,806,710
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	12,830	17,402,128	4,965,810	12,436,318
Excess (deficiency) of revenues over (under) expenditures	-	-	2,032	2,032	4,638,170	(12,751,128)	2,759,679	15,510,807
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	7,017,000	7,017,000	-
Transfers out	-	-	-	-	(73,880)	(73,880)	(73,880)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(73,880)	6,943,120	6,943,120	-
Net Change in Fund Balances	-	-	2,032	2,032	4,564,290	(5,808,008)	9,702,799	15,510,807
Fund Balances - Beginning, as restated	47,891	47,891	47,891	-	23,564,929	23,564,929	23,564,929	-
Fund Balances - Ending	\$ 47,891	\$ 47,891	\$ 49,923	\$ 2,032	\$ 28,129,219	\$ 17,756,921	\$ 33,267,728	\$ 15,510,807

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Park Development				Landscape Improvements			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	2,100,000	2,100,000	3,555,364	1,455,364	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	650,000	650,000	273,517	(376,483)
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	741,323	741,323	-	-	108,366	108,366
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	2,100,000	2,100,000	4,296,687	2,196,687	650,000	650,000	381,883	(268,117)
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	333,780	10,498,959	5,371,141	5,127,818	50,000	2,010,923	340,482	1,670,441
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	333,780	10,498,959	5,371,141	5,127,818	50,000	2,010,923	340,482	1,670,441
Excess (deficiency) of revenues over (under) expenditures	1,766,220	(8,398,959)	(1,074,454)	7,324,505	600,000	(1,360,923)	41,401	1,402,324
Other Financing Sources (Uses)								
Transfers in	-	1,408,046	1,408,046	-	-	150,453	150,453	-
Transfers out	(123,970)	(123,970)	(123,970)	-	(11,720)	(11,720)	(11,720)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(123,970)	1,284,076	1,284,076	-	(11,720)	138,733	138,733	-
Net Change in Fund Balances	1,642,250	(7,114,883)	209,622	7,324,505	588,280	(1,222,190)	180,134	1,402,324
Fund Balances - Beginning, as restated	16,625,648	16,625,648	16,625,648	-	2,556,442	2,556,442	2,556,442	-
Fund Balances - Ending	\$ 18,267,898	\$ 9,510,765	\$ 16,835,270	\$ 7,324,505	\$ 3,144,722	\$ 1,334,252	\$ 2,736,576	\$ 1,402,324

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Library Capital Improvement				Police Facility			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	200,000	200,000	92,809	(107,191)	400,000	400,000	512,866	112,866
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	61,577	61,577	-	-	187,344	187,344
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	200,000	200,000	154,386	(45,614)	400,000	400,000	700,210	300,210
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	98,500	461,285	149,282	312,003
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	66,847	66,847	-	-	231,346	231,346	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	66,847	66,847	-	98,500	692,631	380,628	312,003
Excess (deficiency) of revenues over (under) expenditures	200,000	133,153	87,539	(45,614)	301,500	(292,631)	319,582	612,213
Other Financing Sources (Uses)								
Transfers in	-	66,844	66,844	-	-	231,346	231,346	-
Transfers out	(6,440)	(6,440)	(6,440)	-	(38,880)	(38,880)	(38,880)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(6,440)	60,404	60,404	-	(38,880)	192,466	192,466	-
Net Change in Fund Balances	193,560	193,557	147,943	(45,614)	262,620	(100,165)	512,048	612,213
Fund Balances - Beginning, as restated	1,371,784	1,371,784	1,371,784	-	4,183,605	4,183,605	4,183,605	-
Fund Balances - Ending	\$ 1,565,344	\$ 1,565,341	\$ 1,519,727	\$ (45,614)	\$ 4,446,225	\$ 4,083,440	\$ 4,695,653	\$ 612,213

City of Fontana, California
Budgetary Comparison Schedules
Governmental Funds
For the Year Ended June 30, 2025

	Capital Projects							
	Capital Improvements				General Government Improvement			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	63,332	63,332	-	-	-	-
Charges for services	-	-	-	-	430,000	430,000	437,440	7,440
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	480,418	480,418	-	-	584,929	584,929
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	4,784,997	3,091,456	(1,693,541)	-	-	-	-
Total revenues	-	4,784,997	3,635,206	(1,149,791)	430,000	430,000	1,022,369	592,369
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	3,947,476	347,800	3,599,676	-	10,999,999	-	10,999,999
Community development	-	22,733,385	2,036,809	20,696,576	-	272,615	272,615	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	1,017,764	-	1,017,764
Total expenditures	-	26,680,861	2,384,609	24,296,252	-	12,290,378	272,615	12,017,763
Excess (deficiency) of revenues over (under) expenditures	-	(21,895,864)	1,250,597	23,146,461	430,000	(11,860,378)	749,754	12,610,132
Other Financing Sources (Uses)								
Transfers in	-	13,903,875	13,903,875	-	-	221,490	221,490	-
Transfers out	-	(306,959)	(306,959)	-	-	-	-	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	14,218,926	13,596,916	(622,010)	-	221,490	221,490	-
Net Change in Fund Balances	-	(7,676,938)	14,847,513	22,524,451	430,000	(11,638,888)	971,244	12,610,132
Fund Balances - Beginning, as restated	9,222,260	9,222,260	9,222,260	9,222,260	13,567,380	13,567,380	13,567,380	-
Fund Balances - Ending	\$ 9,222,260	\$ 1,545,322	\$ 24,069,773	\$ 31,746,711	\$ 13,997,380	\$ 1,928,492	\$ 14,538,624	\$ 12,610,132

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Fire Assessment				Affordable Housing Trust			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	260,000	260,000	317,839	57,839	905,000	810,000	710,956	(99,044)
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	28,407	28,407	-	-	250,293	250,293
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	612,256	612,256
Total revenues	260,000	260,000	346,246	86,246	905,000	810,000	1,573,505	763,505
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Public works / Engineering	-	-	-	-	-	-	-	-
Community development	-	102,396	102,396	-	30,500	1,190,164	7,321,808	(6,131,644)
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	2,927,000	1,179,888	1,747,112
Interest	-	423,922	-	423,922	-	-	135,503	(135,503)
Total expenditures	-	526,318	102,396	423,922	30,500	4,117,164	8,637,199	(4,520,035)
Excess (deficiency) of revenues over (under) expenditures	260,000	(266,318)	243,850	510,168	874,500	(3,307,164)	(7,063,694)	(3,756,530)
Other Financing Sources (Uses)								
Transfers in	-	-	102,396	102,396	-	518,672	518,672	-
Transfers out	(344,460)	(281,570)	(281,570)	-	(3,050)	(3,050)	(3,050)	-
Leases	-	-	-	-	-	-	5,274,296	5,274,296
Total other financing sources (uses)	(344,460)	(281,570)	(179,174)	102,396	(3,050)	515,622	5,789,918	5,274,296
Net Change in Fund Balances	(84,460)	(547,888)	64,676	612,564	871,450	(2,791,542)	(1,273,776)	1,517,766
Fund Balances - Beginning, as restated	742,718	742,718	742,718	-	8,611,408	8,611,408	8,611,408	-
Fund Balances - Ending	\$ 658,258	\$ 194,830	\$ 807,394	\$ 612,564	\$ 9,482,858	\$ 5,819,866	\$ 7,337,632	\$ 1,517,766

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects							
	Transactional Use Tax				Fire Protection District			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	974,130	1,256,714	282,584
Contribution from property owners	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	974,130	1,256,714	282,584
Expenditures								
Current								
General government								
City council and commissions	-	-	-	-	-	-	-	-
City administration	-	-	-	-	-	-	-	-
Management services	-	-	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-	-	-
Human resources	-	-	-	-	-	-	-	-
Public safety								
Police	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	3,899,975	3,797,150	102,825
Public works / Engineering	-	-	-	-	-	40,309,294	21,940,917	18,368,377
Community development	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	44,209,269	25,738,067	18,471,202
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	-	(43,235,139)	(24,481,353)	18,753,786
Other Financing Sources (Uses)								
Transfers in	-	5,150,000	5,465,078	-	-	5,581,763	5,581,763	-
Transfers out	-	-	-	-	(224,150)	(224,150)	(224,150)	-
Leases	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	5,150,000	5,465,078	-	(224,150)	5,357,613	5,357,613	-
Net Change in Fund Balances	-	5,150,000	5,465,078	-	(224,150)	(37,877,526)	(19,123,740)	18,753,786
Fund Balances - Beginning, as restated	-	-	-	-	37,904,324	37,904,324	37,904,324	-
Fund Balances - Ending	\$ -	\$ 5,150,000	\$ 5,465,078	\$ -	\$ 37,680,174	\$ 26,798	\$ 18,780,584	\$ 18,753,786

City of Fontana, California
 Budgetary Comparison Schedules
 Governmental Funds
 For the Year Ended June 30, 2025

	Capital Projects			
	Fontana Housing Authority			
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Investment earnings	-	-	-	-
Contribution from property owners	55,000	55,000	162,071	107,071
Other revenue	-	-	-	-
	<u>159,050</u>	<u>162,350</u>	<u>110,957</u>	<u>(51,393)</u>
Total revenues	<u>214,050</u>	<u>217,350</u>	<u>273,028</u>	<u>55,678</u>
Expenditures				
Current				
General government				
City council and commissions	-	-	-	-
City administration	-	-	-	-
Management services	117,500	117,500	25,933	91,567
Information Technology	-	-	-	-
Human resources	-	-	-	-
Public safety				
Police	-	-	-	-
Fire	-	-	-	-
Public works / Engineering				
Community development	46,450	52,140	1,306	50,834
Community services	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>163,950</u>	<u>169,640</u>	<u>27,239</u>	<u>142,401</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,100</u>	<u>47,710</u>	<u>245,789</u>	<u>198,079</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(20,200)	(20,200)	(20,200)	-
Leases	-	-	-	-
	<u>(20,200)</u>	<u>(20,200)</u>	<u>(20,200)</u>	<u>-</u>
Net Change in Fund Balances	29,900	27,510	225,589	198,079
Fund Balances - Beginning, as restated	<u>3,432,784</u>	<u>3,432,784</u>	<u>3,432,784</u>	<u>-</u>
Fund Balances - Ending	<u>\$ 3,462,684</u>	<u>\$ 3,460,294</u>	<u>\$ 3,658,373</u>	<u>\$ 198,079</u>

City of Fontana, California
Combining Statement of Proprietary Net Position
Enterprise Funds
June 30, 2025

	Business-type Activities Enterprise Funds		
	Water Operations	Stage Red	Totals
Assets			
Current Assets			
Cash and investments	\$ 952,823	\$ 800,485	\$ 1,753,308
Accounts receivables	-	50,113	50,113
Interest receivable	6,782	4,084	10,866
Loans receivable	1,024,221	-	1,024,221
Prepaid expenses	-	393,312	393,312
Inventories	-	34,319	34,319
Total current assets	1,983,826	1,282,313	3,266,139
Total assets	1,983,826	1,282,313	3,266,139
Liabilities			
Current Liabilities			
Accounts payable	-	333,048	333,048
Unearned revenue	-	88,000	88,000
Advances from other funds	-	1,750,000	1,750,000
Total current liabilities	-	2,171,048	2,171,048
Total liabilities	-	2,171,048	2,171,048
Net Position			
Unrestricted	1,983,826	(888,735)	1,095,091
Total net position	\$ 1,983,826	\$ (888,735)	\$ 1,095,091

City of Fontana, California
Combining Statement of Changes in Proprietary Net Position
Enterprise Funds
June 30, 2025

	Business-type Activities Enterprise Funds		
	Water Operations	Stage Red	Totals
Operating Revenues			
Charges for services	\$ -	\$ 273,239	\$ 273,239
Total revenues	-	273,239	273,239
Operating Expenses			
Contractual	-	1,047,637	1,047,637
Total operating expenses	-	1,047,637	1,047,637
Operating income (loss)	-	(774,398)	(774,398)
Non-Operating Revenues (Expenses)			
Investment earnings	38,808	13,452	52,260
Other revenue (expenses)	-	62,000	62,000
Total non-operating revenues (expenses)	38,808	75,452	114,260
Income (loss) before contributions and transfers	38,808	(698,946)	(660,138)
Change in Net Position	38,808	(698,946)	(660,138)
Net Position, Beginning of Fiscal Year	1,945,018	(189,789)	1,755,229
Net Position, End of Year	<u>\$ 1,983,826</u>	<u>\$ (888,735)</u>	<u>\$ 1,095,091</u>

City of Fontana, California
Combining Statement of Cash Flows in Proprietary Net Position
Enterprise Funds
June 30, 2025

	Business-type Activities Enterprise Funds		
	Water Operations	Stage Red	Totals
Operating Activities			
Cash received from customers	\$ -	\$ 308,066	\$ 308,066
Cash payments to suppliers of goods and services	-	(995,484)	(995,484)
Net Cash Provided by (Used For) Operating Activities	-	(687,418)	(687,418)
Noncapital Financing Activities			
Operating grant received	-	88,000	88,000
Advances from other funds	-	1,250,000	1,250,000
Net Cash Provided by (Used For) Noncapital Financing Activities	-	1,338,000	1,338,000
Investing Activities			
Investment earnings	102,887	9,368	112,255
Net Cash Provided by Investing Activities	102,887	9,368	112,255
Net Increase (Decrease) in Cash and Cash Equivalents	102,887	659,950	762,837
Cash and Cash Equivalents - Beginning of Year	849,936	140,535	990,471
Cash and Cash Equivalents - End of Year	<u>\$ 952,823</u>	<u>\$ 800,485</u>	<u>\$ 1,753,308</u>
Reconciliation of Operating Income to Net Cash Provided by (Used for) Operating Activities:			
Operating Income (Loss)	\$ -	\$ (774,398)	(774,398)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Other revenue (expenses)	-	62,000	62,000
Changes in Assets and Liabilities			
Accounts receivable	-	(27,173)	(27,173)
Prepaid expenses	-	(158,806)	(158,806)
Inventories	-	9,493	9,493
Accounts payable	-	201,466	201,466
Net Cash Provided by (Used For) Operating Activities	<u>\$ -</u>	<u>\$ (687,418)</u>	<u>\$ (687,418)</u>

There were no non-cash investing, capital or financing activities for the year ended June 30, 2025.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Community Facilities District #106 – Mountainview – To account for the Mountainview CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #100 – Victoria – To account for the Victoria CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #99 – Victoria – To account for the Retreat CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #111 – Monterado – To account for the Monterado CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #107 – Highland - To account for the Highland CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #109 – Narra Hills - To account for the Narra Hills CFD special taxes received and the payment of debt service related to bonds issued.

Community Facilities District #112 – The Gardening Phase One - To account for the Gardening Phase One CFD special taxes received and the payment of debt service related to bonds issued.

City of Fontana, California
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	CFD #2 Heritage	CFD #3 Hunter's Ridge	CFD #4 Walnut Village	CFD #7 Country Club
Assets				
Cash and investments	\$ 76,896	\$ 6,355	\$ -	\$ -
Cash and investments with fiscal agent	-	-	-	543,950
Assessments receivable	445	-	-	-
Total assets	77,341	6,355	-	543,950
Liabilities				
Due to other fund	-	-	-	153
Total liabilities	-	-	-	153
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	77,341	6,355	-	543,797
Total net position	\$ 77,341	\$ 6,355	\$ -	\$ 543,797
	CFD #11 Heritage West End	CFD #12 Sierra Lakes	CFD #22 Sierra Hills South	CFD #31 Citrus Heights North
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Cash and investments with fiscal agent	1,023,841	2,685,530	5,503,066	5,049,728
Assessments receivable	-	-	-	-
Total assets	1,023,841	2,685,530	5,503,066	5,049,728
Liabilities				
Due to other funds	-	12,227	-	-
Total liabilities	-	12,227	-	-
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	1,023,841	2,673,303	5,503,066	5,049,728
Total net position	\$ 1,023,841	\$ 2,673,303	\$ 5,503,066	\$ 5,049,728
	CFD #37 Montelago	CFD #70 Avellino	CFD #71 Sierra Crest	CFD #74B Citrus Summit
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Cash and investments with fiscal agent	575,503	283,953	833,232	786,017
Assessments receivable	-	-	-	-
Total assets	575,503	283,953	833,232	786,017
Liabilities				
Due to other funds	-	-	-	-
Total liabilities	-	-	-	-
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	575,503	283,953	833,232	786,017
Total net position	\$ 575,503	\$ 283,953	\$ 833,232	\$ 786,017

City of Fontana, California
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

	CFD #80 Bella Strada	CFD #81 Gabriella	CFD #85 The Meadows	CFD #86 Etiwanda Ridge
Assets				
Cash and investments	\$ -	\$ -	\$ 708,923	\$ -
Cash and investments with fiscal agent	2,168,222	1,019,439	2,427,365	647,115
Assessments receivable	-	-	9,530	-
Total assets	2,168,222	1,019,439	3,145,818	647,115
Liabilities				
Due to other fund	-	-	-	-
Total liabilities	-	-	-	-
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	2,168,222	1,019,439	3,145,818	647,115
Total net position	\$ 2,168,222	\$ 1,019,439	\$ 3,145,818	\$ 647,115
	CFD #87 El Paseo	CFD #88 Sierra Crest II	CFD #89 Belrose	CFD #90 Summit at Rosena
Assets				
Cash and investments	\$ 239,559	\$ 232,602	\$ 193,257	\$ 703,252
Cash and investments with fiscal agent	831,631	693,201	805,585	1,899,568
Assessments receivable	5,660	1,329	11,521	9,158
Total assets	1,076,850	927,132	1,010,363	2,611,978
Liabilities				
Due to other fund	-	-	-	-
Total liabilities	-	-	-	-
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	1,076,850	927,132	1,010,363	2,611,978
Total net position	\$ 1,076,850	\$ 927,132	\$ 1,010,363	\$ 2,611,978
	CFD #95 Summit at Rosena II	CFD #106 Mountainview	CFD #100 Victoria	CFD #99 Victoria
Assets				
Cash and investments	\$ 327,843	\$ 245,606	\$ 208,503	\$ 192,990
Cash and investments with fiscal agent	871,172	665,377	507,031	454,137
Assessments receivable	880	11,522	1,115	2,204
Total assets	1,199,895	922,505	716,649	649,331
Liabilities				
Due to other fund	-	-	-	-
Total liabilities	-	-	-	-
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	1,199,895	922,505	716,649	649,331
Total net position	\$ 1,199,895	\$ 922,505	\$ 716,649	\$ 649,331

City of Fontana, California
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
June 30, 2025

	CFD #107 Highland	CFD #109 Narra Hills	CFD #111 Monterado	CFD #112 The Gardens Phase One
Assets				
Cash and investments	\$ 145,879	\$ 1,048,995	\$ 286,080	\$ 929,729
Cash and investments with fiscal agent	281,923	2,817,089	656,094	2,622,107
Assessments receivable	1,441	3,276	-	16,865
Total assets	429,243	3,869,360	942,174	3,568,701
Liabilities				
Due to other fund	-	-	-	-
Total liabilities	-	-	-	-
Net Position				
Held for other organizations	-	-	-	-
Held in trust for other purposes	429,243	3,869,360	942,174	3,568,701
Total net position	\$ 429,243	\$ 3,869,360	\$ 942,174	\$ 3,568,701

	Trust Deposits	Total All Custodial Funds
Assets		
Cash and investments	\$ 12,059,469	\$ 17,605,938
Cash and investments with fiscal agent	-	36,651,876
Assessments receivable	-	74,946
Total assets	12,059,469	54,332,760
Liabilities		
Due to other funds	-	12,380
Accounts payable	60,528	60,528
Total Liabilities	60,528	72,908
Net Position		
Held for other organizations	11,998,941	11,998,941
Held in trust for other purposes	-	42,260,911
Total net position	\$ 11,998,941	\$ 54,259,852

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This part of the City of Fontana's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about financial trends, revenue capacity, debt capacity, demographics, and operating information

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	165
Revenue Capacity	
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales tax.	171
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	175
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	179
Operating Information	
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	181

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

	Fiscal Year				
	2025	2024	2023	2022	2021
Governmental Activities					
Net investment in capital assets	\$ 806,903,407	\$ 727,931,362	\$ 709,182,502	\$ 675,178,954	\$ 638,864,552
Restricted	258,967,937	270,351,706	280,618,903	272,038,102	253,988,209
Unrestricted	210,251,205	167,213,809	101,770,977	63,341,636	92,731,842
Total governmental activities net position	<u>1,276,122,549</u>	<u>1,165,496,877</u>	<u>1,091,572,382</u>	<u>1,010,558,692</u>	<u>985,584,603</u>
Business-type activities					
Net investment in capital assets	\$ 61,668,207	\$ 59,154,883	\$ 59,588,417	\$ 53,603,455	\$ 55,532,997
Unrestricted	21,948,217	23,187,671	20,847,432	21,292,372	20,735,496
Total business-type activities net position	<u>83,616,424</u>	<u>82,342,554</u>	<u>80,435,849</u>	<u>74,895,827</u>	<u>76,268,493</u>
Primary Government					
Net investment in capital assets	868,571,614	787,086,245	768,770,919	728,782,409	694,397,549
Restricted	258,967,937	270,351,706	280,618,903	272,038,102	253,988,209
Unrestricted	232,199,422	190,401,480	122,618,409	84,634,008	113,467,338
Total primary government net position	<u>1,359,738,973</u>	<u>1,247,839,431</u>	<u>1,172,008,231</u>	<u>1,085,454,519</u>	<u>1,061,853,096</u>
	Fiscal Year				
	2020	2019	2018	2017	2016
Governmental Activities					
Net investment in capital assets	\$ 689,365,068	\$ 701,530,830	\$ 720,068,559	\$ 735,790,188	\$ 755,220,959
Restricted	244,761,778	245,587,568	232,841,328	227,128,252	226,420,563
Unrestricted	(7,238,288)	(13,423,646)	(26,155,824)	9,377,716	2,951,934
Total governmental activities net position	<u>926,888,558</u>	<u>933,694,752</u>	<u>926,754,063</u>	<u>972,296,156</u>	<u>984,593,456</u>
Business-type activities					
Net investment in capital assets	\$ 57,530,519	\$ 59,255,628	\$ 61,076,764	\$ 61,798,043	\$ 63,050,134
Unrestricted	20,771,902	23,039,788	21,347,594	22,291,772	23,458,142
Total business-type activities net position	<u>78,302,421</u>	<u>82,295,416</u>	<u>82,424,358</u>	<u>84,089,815</u>	<u>86,508,276</u>
Primary Government					
Net investment in capital assets	746,895,587	760,786,458	781,145,323	797,588,231	818,271,093
Restricted	244,761,778	245,587,568	232,841,328	227,128,252	226,420,563
Unrestricted	13,533,614	9,616,142	(4,808,230)	31,669,488	26,410,076
Total primary government net position	<u>1,005,190,979</u>	<u>1,015,990,168</u>	<u>1,009,178,421</u>	<u>1,056,385,971</u>	<u>1,071,101,732</u>

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental activities:										
General government	\$ 36,820,523	\$ 59,691,769	\$ 32,752,857	\$ 40,459,365	\$ 41,709,051	\$ 41,457,059	\$ 33,660,288	\$ 28,739,683	\$ 45,299,507	\$ 29,336,758
Public safety	138,396,589	129,566,172	109,638,340	111,899,427	111,355,247	102,004,716	96,951,615	93,262,299	84,299,901	77,928,071
Public Works/Engineering	121,885,828	76,016,743	75,398,853	86,822,284	74,076,947	85,321,132	78,157,502	78,069,014	68,113,043	59,191,886
Community development	30,788,453	20,058,225	24,087,763	5,492,363	38,018,696	5,691,710	5,781,517	9,933,299	10,454,373	9,037,714
Community services	24,946,832	22,000,117	10,394,270	13,344,407	13,155,951	15,553,958	17,458,437	17,272,167	15,370,237	14,762,425
Interest on long-term debt	2,249,103	2,132,683	2,133,651	2,132,558	1,860,542	2,001,629	1,981,911	2,608,411	2,392,153	2,153,414
Total governmental activities expenses	<u>355,087,328</u>	<u>309,465,709</u>	<u>254,405,734</u>	<u>260,150,404</u>	<u>280,176,434</u>	<u>252,030,204</u>	<u>233,991,270</u>	<u>229,884,873</u>	<u>225,929,214</u>	<u>192,410,268</u>
Business-type activities:										
Sewer	30,049,708	26,898,880	26,260,033	24,541,611	24,980,302	26,759,827	22,026,753	22,261,294	20,786,533	18,837,548
Water	-	-	-	-	-	12,200	19,520	1,390	6,032	44,104
Stage Red	1,047,637	228,160	-	-	-	-	-	-	-	-
Interest on long-term debt	69,421	85,584	101,463	112,532	-	-	-	-	-	-
Total business-type activities	<u>31,166,766</u>	<u>27,212,624</u>	<u>26,361,496</u>	<u>24,654,143</u>	<u>24,980,302</u>	<u>26,772,027</u>	<u>22,046,273</u>	<u>22,262,684</u>	<u>20,792,565</u>	<u>18,881,652</u>
Total primary government expenses	<u>\$ 386,254,094</u>	<u>\$ 336,678,333</u>	<u>\$ 280,767,230</u>	<u>\$ 284,804,547</u>	<u>\$ 305,156,736</u>	<u>\$ 278,802,231</u>	<u>\$ 256,037,543</u>	<u>\$ 252,147,557</u>	<u>\$ 246,721,779</u>	<u>\$ 211,291,920</u>
Program Revenues										
Governmental activities:										
Charges for Services:										
General government	\$ 17,210,802	\$ 10,640,617	\$ 8,156,242	\$ 7,581,528	\$ 8,017,410	\$ 7,614,444	\$ 8,358,160	\$ 12,022,779	\$ 7,139,390	\$ 6,864,125
Public safety	8,555,952	2,118,555	2,453,853	1,999,022	2,475,633	4,458,763	6,379,838	6,280,045	6,190,785	6,314,166
Public Works/Engineering	34,041,455	45,123,710	35,036,261	35,136,430	29,765,524	27,952,996	26,363,880	26,583,585	26,269,706	30,844,702
Community development	8,895,130	12,752,239	24,009,166	25,431,821	21,693,037	15,716,301	20,590,089	17,949,656	16,883,104	25,591,414
Community services	4,360,134	4,241,880	3,823,376	3,181,475	1,054,151	2,042,342	3,588,342	3,282,570	3,265,356	7,679,413
Operating contributions and grants	52,030,958	67,764,603	51,038,308	20,860,568	46,511,190	24,472,892	17,437,665	14,720,871	12,213,450	4,920,888
Capital contributions and grants	87,975,131	20,125,718	22,713,589	27,263,569	68,781,955	12,457,455	14,409,776	28,415,558	26,539,731	13,763,600
Total governmental activities program revenues	<u>213,069,562</u>	<u>162,767,322</u>	<u>147,230,795</u>	<u>121,454,413</u>	<u>178,298,900</u>	<u>94,715,193</u>	<u>97,127,750</u>	<u>109,255,064</u>	<u>98,501,522</u>	<u>95,978,308</u>
Business-type activities:										
Charges for Services:										
Sewer	32,169,541	29,024,699	27,542,299	26,819,169	25,358,711	24,922,787	23,116,983	21,703,872	19,539,503	18,248,953
Water	-	-	-	-	-	-	-	-	-	-
Operating contributions and grants	-	-	-	-	-	-	-	-	-	-
Capital contributions and grants	1,376,229	1,415,195	7,630,458	336,864	198,621	108,539	803,148	724,564	1,166,163	651,860
Total business-type activities program revenues	<u>33,545,770</u>	<u>30,439,894</u>	<u>35,172,757</u>	<u>27,156,033</u>	<u>25,557,332</u>	<u>25,031,326</u>	<u>23,920,131</u>	<u>22,428,436</u>	<u>20,705,666</u>	<u>18,900,813</u>
Governmental activities	<u>(142,017,766)</u>	<u>(146,698,387)</u>	<u>(107,174,939)</u>	<u>(138,695,991)</u>	<u>(101,877,534)</u>	<u>(157,315,011)</u>	<u>(136,863,520)</u>	<u>(120,629,809)</u>	<u>(127,427,692)</u>	<u>(96,431,960)</u>
Business-type activities	<u>2,379,004</u>	<u>3,227,270</u>	<u>8,811,261</u>	<u>2,501,890</u>	<u>577,030</u>	<u>(1,740,701)</u>	<u>1,873,858</u>	<u>165,752</u>	<u>(86,899)</u>	<u>19,161</u>
Total primary government net expense	<u>\$ (139,638,762)</u>	<u>\$ (143,471,117)</u>	<u>\$ (98,363,678)</u>	<u>\$ (136,194,101)</u>	<u>\$ (101,300,504)</u>	<u>\$ (159,055,712)</u>	<u>\$ (134,989,662)</u>	<u>\$ (120,464,057)</u>	<u>\$ (127,514,591)</u>	<u>\$ (96,412,799)</u>

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes	\$ 117,937,074	\$ 107,808,356	\$ 95,730,662	\$ 84,070,144	\$ 76,703,234	\$ 73,705,908	\$ 65,123,274	\$ 54,647,011	\$ 52,097,345	\$ 48,537,350
Sales taxes	64,522,195	55,887,448	59,102,489	56,726,526	51,408,188	42,958,630	44,564,309	38,663,576	37,844,293	38,442,282
Franchise taxes	11,330,030	11,208,531	11,118,103	9,749,087	8,670,092	8,400,846	7,603,283	7,190,939	6,680,065	7,042,887
Business license taxes	10,880,842	11,943,284	8,395,990	7,583,660	6,676,592	6,280,132	6,419,287	5,898,298	5,714,262	5,215,605
Transient occupancy taxes	999,650	1,144,605	1,302,569	1,374,182	1,132,091	960,057	1,085,305	1,009,734	961,122	962,089
Motor vehicle in-lieu	457,577	759,269	301,474	459,175	156,222	167,850	101,761	112,007	94,030	82,436
Investment earnings	26,390,368	25,832,592	9,228,551	(10,525,380)	4,007,555	11,543,571	13,862,698	5,209,144	5,645,106	8,151,890
Other	10,995,750	7,558,825	4,274,678	11,900,515	9,175,913	3,747,676	2,378,892	5,045,968	3,670,692	3,718,814
Contributions not restricted to specific programs	6,662,636	6,680,574	17103880							
Gain/(Loss) on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Bond Proceeds	-	-	-	-	-	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Transfers	2,222,339	2,382,950	3,659,260	2,949,200	2,643,692	2,744,147	2,665,400	1,891,022	2,262,500	2,109,800
Total governmental activities	<u>252,398,461</u>	<u>231,206,434</u>	<u>210,217,656</u>	<u>164,287,109</u>	<u>160,573,579</u>	<u>150,508,817</u>	<u>143,804,209</u>	<u>119,667,699</u>	<u>114,969,415</u>	<u>114,263,153</u>
Business-type activities:										
Investment earnings	1,073,335	1,054,017	270,136	(748,794)	18,927	491,853	662,600	59,813	91,915	309,412
Other	43,870	8,368	117,885	(176,562)	13,807	-	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Transfers	(2,222,339)	(2,382,950)	(3,659,260)	(2,949,200)	(2,643,692)	(2,744,147)	(2,665,400)	(1,891,022)	(2,262,500)	(2,109,800)
Total business-type activities	<u>(1,105,134)</u>	<u>(1,320,565)</u>	<u>(3,271,239)</u>	<u>(3,874,556)</u>	<u>(2,610,958)</u>	<u>(2,252,294)</u>	<u>(2,002,800)</u>	<u>(1,831,209)</u>	<u>(2,170,585)</u>	<u>(1,800,388)</u>
Total primary government	<u>\$ 251,293,327</u>	<u>\$ 229,885,869</u>	<u>\$ 206,946,417</u>	<u>\$ 160,412,553</u>	<u>\$ 157,962,621</u>	<u>\$ 148,256,523</u>	<u>\$ 141,801,409</u>	<u>\$ 117,836,490</u>	<u>\$ 112,798,830</u>	<u>\$ 112,462,765</u>
Change in Net Position										
Governmental activities	110,380,695	84,508,047	63,519,269	57,112,170	58,696,045	(6,806,194)	6,940,689	(962,110)	(12,458,277)	17,831,193
Business-type activities	1,273,870	1,906,705	(43,969)	4,936,705	(2,033,928)	(3,992,995)	(128,942)	(1,665,457)	(2,257,484)	(1,781,227)
Total primary government	<u>\$ 111,654,565</u>	<u>\$ 86,414,752</u>	<u>\$ 63,475,300</u>	<u>\$ 62,048,875</u>	<u>\$ 56,662,117</u>	<u>\$ (10,799,189)</u>	<u>\$ 6,811,747</u>	<u>\$ (2,627,567)</u>	<u>\$ (14,715,761)</u>	<u>\$ 16,049,966</u>

CITY OF FONTANA
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
to ack

	Fiscal Year										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund:											
Nonspendable	\$ 20,712,015	\$ 23,112,718	\$ 24,107,186	\$ 383,755	\$ 322,558	\$ 396,090	\$ 393,718	\$ 464,839	\$ 395,907	\$ 429,023	\$ 386,436
Restricted	15,581,705	1,832,888	12,398,214	1,510,351	1,510,351	1,341,403	1,236,229	1,151,682	1,071,523	1,087,820	1,158,751
Committed	39,640,491	47,182,993	32,411,496	10,886,393	6,038,085	5,700,690	6,167,070	5,207,240	5,414,716	4,726,998	2,669,111
Assigned	4,597,197	6,428,514	3,143,811	33,944,406	33,944,406	27,473,651	26,455,278	25,141,842	24,446,674	34,514,464	21,789,340
Unassigned	35,679,595	25,491,914	45,200,677	77,336,531	75,240,512	63,564,012	60,465,811	55,080,691	54,121,364	46,558,441	54,561,190
Total	<u>\$ 116,211,003</u>	<u>\$ 104,049,027</u>	<u>\$ 117,261,384</u>	<u>\$ 124,061,436</u>	<u>\$ 117,055,912</u>	<u>\$ 98,475,846</u>	<u>\$ 94,718,106</u>	<u>\$ 87,046,294</u>	<u>\$ 85,450,184</u>	<u>\$ 87,316,746</u>	<u>\$ 80,564,828</u>
All Other Governmental Funds, other than General Fund:											
Nonspendable	\$ 1,726,997	\$ 12,597,571	\$ 21,632,793	\$ 13,766,080	\$ 12,607,667	\$ 12,538,114	\$ 3,019,097	\$ 948,101	\$ 5,715,188	\$ 5,399,718	\$ 106,500
Restricted	327,508,969	282,012,952	268,220,689	270,527,750	250,955,642	213,552,839	207,168,717	194,769,129	188,197,328	187,496,268	182,582,223
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	214,916,170	206,316,506	172,257,648	152,557,359	148,248,879	110,069,155	124,981,347	125,032,314	120,713,623	107,535,831	94,339,773
Unassigned	(16,056,073)	(11,481,993)	(4,202,017)	(1,599,859)	(1,605,563)	(1,550,470)	(5,614,358)	(13,245,428)	(17,891,929)	(24,005,611)	(31,658,357)
Total Other Governmental Funds	<u>\$ 528,096,063</u>	<u>\$ 489,445,036</u>	<u>\$ 457,909,113</u>	<u>\$ 435,251,330</u>	<u>\$ 410,206,625</u>	<u>\$ 334,609,638</u>	<u>\$ 329,554,803</u>	<u>\$ 307,504,116</u>	<u>\$ 296,734,210</u>	<u>\$ 276,426,206</u>	<u>\$ 245,370,139</u>

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
Taxes	\$ 205,680,880	\$ 188,066,319	\$ 175,658,307	\$ 159,517,348	\$ 144,690,732	\$ 132,341,375	\$ 124,795,458	\$ 107,409,558	\$ 103,297,087	\$ 100,200,213
Licenses and permits	13,146,534	17,776,926	18,417,398	18,797,242	14,284,661	9,547,162	12,402,513	10,713,155	12,811,481	18,626,256
Intergovernmental	73,588,086	66,668,490	55,559,853	29,659,271	39,222,825	32,980,850	24,566,107	19,884,450	20,108,576	20,328,373
Charges for services	36,298,710	34,302,878	31,466,671	31,138,289	25,991,512	22,778,927	28,474,357	27,447,010	19,659,882	26,783,977
Fines and forfeitures	742,106	771,960	770,275	775,399	1,683,660	3,735,492	3,812,587	3,515,710	4,021,872	4,472,790
Special assessments	20,513,765	19,227,946	19,273,068	18,389,887	18,320,914	18,136,360	17,040,757	16,758,987	16,270,692	16,040,403
Investment earnings	25,500,414	25,065,826	8,106,190	(11,566,369)	4,361,840	11,322,972	13,662,906	5,203,257	5,623,634	8,110,868
Contribution from property owners	71,702,701	12,437,929	10,815,577	21,704,957	59,507,176	5,194,646	4,480,225	18,695,684	14,728,436	-
Other revenue	11,894,391	6,340,782	5,657,589	10,295,120	27,660,909	4,983,802	3,897,361	11,027,048	8,280,834	8,528,720
Total Revenues	459,067,587	370,659,056	325,724,928	278,711,144	335,724,229	241,021,586	233,132,271	220,654,859	204,802,494	203,091,600
Expenditures:										
General government	41,622,242	56,592,030	39,184,574	37,876,497	41,481,736	35,212,913	30,213,300	29,643,233	28,048,281	22,040,327
Public safety	139,187,782	127,880,980	120,284,592	115,338,172	105,542,219	97,778,504	92,004,052	87,292,864	82,284,307	77,542,546
Public Works/Engineering	173,941,062	124,419,828	81,623,328	92,182,528	90,269,718	81,064,072	48,365,008	50,928,686	42,536,770	34,416,628
Community development	31,961,732	23,633,775	24,973,745	7,086,769	4,597,019	4,260,620	4,324,744	4,597,292	5,390,496	4,048,697
Community services	24,182,927	21,077,331	18,477,679	14,835,474	10,832,457	13,648,401	15,348,654	15,439,409	14,443,168	14,190,508
Capital outlay	-	-	-	-	-	-	12,422,973	20,640,164	11,990,495	18,772,727
Debt service:										
Principal	4,228,166	2,809,425	1,818,822	1,302,474	1,230,000	1,165,000	1,105,000	1,055,000	1,015,000	2,025,000
Interest	2,249,103	2,183,983	2,250,517	2,047,366	1,881,529	2,021,463	2,000,711	2,622,940	2,405,916	2,687,661
Payments on refunded bonds - prior	-	-	-	5,089,012	-	-	-	-	-	-
Debt issuance cost	-	-	-	477,600	-	-	-	-	-	-
Total Expenditures	417,373,014	358,597,352	288,613,257	276,235,892	255,834,678	235,150,973	205,784,442	212,219,588	188,114,433	175,724,094
Excess of revenues over (under) expenditures	\$ 41,694,573	\$ 12,061,704	\$ 37,111,671	\$ 2,475,252	\$ 79,889,551	\$ 5,870,613	\$ 27,347,829	\$ 8,435,271	\$ 16,688,061	\$ 27,367,506

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Other financing sources (uses)										
Transfers in	\$ 94,659,095	\$ 79,575,321	\$ 58,958,019	\$ 52,345,864	\$ 44,655,190	\$ 28,172,553	\$ 26,675,264	\$ 31,648,373	\$ 29,113,977	\$ 26,797,538
Transfers out	(95,043,356)	(79,853,251)	(57,774,409)	(49,517,194)	(42,078,498)	(25,905,096)	(24,545,777)	(29,963,316)	(27,373,831)	(24,785,743)
Long-term debt issued	-	-	(748,199)	23,125,000	-	-	-	-	-	-
Lease Issued (as lessee)	9,093,614	161,022	-	108,141	-	-	-	-	-	-
Other financing sources - SBITA	404,503	2,459,222	-	-	-	-	-	-	-	-
Premium on bonds issued	-	-	261,790	3,920,250	-	-	-	-	-	-
Proceeds from Bond Issuance	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	4,574	4,116,534	77,886	209,774	11,710,810	674,505	245,183	3,855	13,235	3,184,220
Total other financing sources (uses)	\$ 9,118,430	\$ 6,458,848	\$ 775,087	\$ 30,191,835	\$ 14,287,502	\$ 2,941,962	\$ 2,374,670	\$ 1,688,912	\$ 1,753,381	\$ 5,196,015
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	50,813,003	18,520,552	37,886,758	32,667,087	94,177,053	8,812,575	29,722,499	10,124,183	18,441,442	32,563,521
Debt service as a percentage of noncapital expenditures	1.6%	1.4%	1.4%	1.2%	1.2%	1.4%	1.6%	1.9%	1.9%	3.0%

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other	Less: Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate
2025	\$ 19,523,042	\$ 2,252,842	\$ 8,181,925	4,393,891	\$ 1,284,935	33,066,765	0.2178%
2024	18,333,904	2,091,086	6,721,391	4,281,801	1,255,374	30,172,808	0.2177%
2023	16,977,881	1,877,761	5,569,502	3,822,426	1,228,264	27,019,306	0.2182%
2022	15,528,346	1,795,936	4,793,734	3,155,412	1,247,727	24,025,701	0.2172%
2021	14,609,093	1,702,974	4,221,433	3,176,113	1,206,069	22,503,544	0.2163%
2020	13,789,451	1,653,449	3,865,352	3,035,990	1,184,156	21,160,086	0.2161%
2019	13,105,716	1,512,467	3,269,699	2,909,966	1,131,418	19,666,430	0.2226%
2018	12,119,011	1,424,642	2,495,301	2,790,019	1,107,737	17,721,236	0.2225%
2017	11,467,647	1,367,110	2,337,790	2,728,389	1,081,775	16,819,161	0.2222%
2016	10,881,178	1,330,490	2,154,179	2,682,921	1,066,662	15,982,106	0.2231%

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

Source: San Bernardino County Auditor/Controller

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Direct Rates:										
City basic rate	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032	\$ 0.032
Fontana Unified School District	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273	0.273
Education Revenue Augmentation Fund	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222	0.222
Fontana Fire Protection District	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186	0.186
County of San Bernardino	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147
Chaffey Community College	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043
Inland Empire Utilities Agency- 1969 Annex	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029	0.029
Flood Control	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026	0.026
Others	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043	0.043
Basic Levy (1)	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Overlapping Rates (2)										
Chaffey Community College	0.0100	0.0100	0.0137	0.0177	0.0111	0.0241	0.0153	0.0088	0.0116	0.0113
Chaffey High School	0.0318	0.0316	0.0294	0.0371	0.0352	0.0375	0.0402	0.0279	0.0319	0.0409
Colton Unified School	0.0593	0.0687	0.0656	0.1081	0.1031	0.1016	0.1116	0.0939	0.1454	0.1169
Etiwanda Elementary Bond	0.0242	0.0238	0.0323	0.0233	0.0283	0.0034	0.0286	0.0169	-	-
Fontana Unified School District	0.0387	0.0354	0.0484	0.0520	0.0671	0.0420	0.0890	0.1113	0.1117	0.1145
Metropolitan Water Agency - Original	0.0070	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
Rialto Unified School	0.0659	0.1556	0.0746	0.0829	0.0805	0.0848	0.0771	0.0957	0.0992	0.1194
San Bernardino Community College	0.0370	0.0452	0.0450	0.0534	0.0651	0.0562	0.0407	0.0376	0.0350	0.0403
San Bernardino Valley Muni Water	0.1100	0.1200	0.1300	0.1300	0.1425	0.1425	0.1525	0.1525	0.1625	0.1625
Total Tax Rate	1.3839	1.4938	1.4425	1.5080	1.5364	1.4956	1.5585	1.5481	1.6008	1.6093
City Share of 1% levy per Prop 13 (3)	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785	0.21785
Total Direct Rate (4)	0.2178	0.2177	0.2182	0.2229	0.2229	0.2228	0.2226	0.2225	0.2222	0.2231

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

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

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

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

Source: San Bernardino County Assessor 2015/16 - 2024/25 Tax Rate Table

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

Tax Payer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Duke Realty LP	\$ 817,934,606	1	2.47%	\$ -	-	-
Rexford Industrial Realty LP	686,590,067	2	2.08%	-	-	-
GLC Fontanna LLC	241,731,565	3	0.73%	-	-	-
LBA Realty	219,166,577	4	0.66%	-	-	-
San Gabriel Valley Water Company	213,121,619	5	0.64%	153,866,166	1	0.96%
Lit Industrial LP	177,654,815	6	0.54%	-	-	-
Fontana Foothills Commerce Center LP	167,292,848	7	0.51%	-	-	-
Target Corporation	157,499,973	8	0.48%	88,195,302	3	0.55%
1-15 Logistics LLC	148,598,730	9	0.45%	-	-	-
Vintage Park East LLC	143,828,027	10	0.43%	121,980,229	2	0.76%
Francisco Street L P	-	-	-	84,722,871	4	0.53%
Intex Properties Inland Empire Corp	-	-	-	81,286,443	5	0.51%
Bre DDR Crocodile Falcon	-	-	-	70,692,309	6	0.44%
North Fontana Investment Company LLC	-	-	-	67,726,969	7	0.42%
John Hancock Life Insurance Company	-	-	-	58,003,213	8	0.36%
JH Research USA LLC	-	-	-	56,940,809	9	0.36%
10681 Production Avenue LLC	-	-	-	54,732,671	10	0.34%
	<u>\$ 2,973,418,827</u>		8.99%	<u>\$ 838,146,982</u>		5.24%

Source: San Bernardino County Assessor 2024/25 and 2015/16 Combined Tax Rolls

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years ⁽¹⁾	Total Collections to Date	
		Percentage			Amount	Percentage of Levy
		Amount	of Levy			
2025	\$ 248,185,915	\$ 252,587,146	101.77%	N/A	\$ 259,580,889	104.59%
2024	225,258,107	230,646,962	102.39%	N/A	245,790,595	109.12%
2023	200,945,869	205,420,805	102.23%	N/A	215,154,745	107.07%
2022	177,815,170	154,626,525	86.96%	N/A	188,891,255	106.23%
2021	165,790,631	163,224,145	98.45%	N/A	172,050,509	103.78%
2020	155,079,893	150,276,972	96.90%	N/A	160,025,650	103.19%
2019	143,242,302	139,912,871	97.68%	N/A	154,079,402	107.57%
2018	127,484,458	123,578,925	96.94%	N/A	135,747,922	106.48%
2017	120,165,247	116,284,658	96.77%	N/A	125,264,871	104.24%
2016	114,393,058	110,245,843	96.37%	N/A	116,422,050	101.77%

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

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

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

Source: San Bernardino Auditor-Controller's Office

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

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾	Governmental Activities			Business-type	Total Primary Government	Percentage of Personal Income	Per Capita
			Revenue Bonds	Leases Payable/ SBITA	Loan Payable SANBAG	Activities Term Loan			
2025	219,172		\$ 53,133,735	\$ 8,942,717	\$ 1,629,608	\$ 3,037,192	\$ 66,743,252	0.00%	242
2024	215,465	\$ 6,643,432,345	55,293,712	1,727,175	2,037,010	3,947,736	63,005,633	0.95%	257
2023	213,851	6,340,682,150	57,368,689	86,356	2,444,412	4,842,202	64,741,659	1.02%	268
2022	212,809	5,680,510,637	59,449,893	106,709	2,851,815	5,720,869	68,129,286	1.20%	279
2021	213,944	5,432,476,000	38,780,145	-	3,259,217	6,584,027	48,623,389	0.90%	181
2020	213,000	5,061,439,000	40,122,668	-	4,074,021	7,355,897	51,552,586	1.02%	188
2019	212,078	4,775,796,000	41,400,191	-	3,873,854	8,264,879	53,538,924	1.12%	195
2018	212,000	4,444,518,000	42,617,714	-	3,873,854	9,083,112	55,574,680	1.25%	201
2017	212,786	4,159,001,000	43,785,237	-	3,873,854	9,886,898	57,545,989	1.38%	206
2016	209,895	4,013,591,000	44,912,760	-	3,873,854	10,676,491	59,463,105	1.48%	214

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

⁽¹⁾ Source: California State Department of Finance

⁽²⁾ Source: HDL Reports

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

Fiscal Year	Population ⁽¹⁾	Total Assessed Valuation ⁽²⁾	General Bonded Debt		Total Net General Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt per Capita
			Lease Revenue Bonds				
2025	219,172	\$ 33,066,765,383	(3)	\$ 53,133,735	53,133,735	0.16%	242
2024	215,465	30,172,808,247	(3)	55,293,712	55,293,712	0.18%	257
2023	213,851	27,019,305,360	(3)	57,368,689	57,368,689	0.21%	268
2022	212,809	24,025,701,078	(3)	59,449,893	59,449,893	0.25%	279
2021	213,944	22,503,543,501	(3)	38,780,145	38,780,145	0.17%	181
2020	213,000	21,160,085,508	(3)	40,122,668	40,122,668	0.19%	188
2019	212,078	19,666,430,280	(3)	41,400,191	41,400,191	0.21%	195
2018	212,000	17,721,235,967	(3)	42,617,714	42,617,714	0.24%	201
2017	212,786	16,819,161,359	(3)	43,785,237	43,785,237	0.26%	206
2016	209,895	15,982,106,642	(3)	44,912,760	44,912,760	0.28%	214

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

⁽¹⁾ Source: California State Department of Finance

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

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

CITY OF FONTANA
DIRECT AND OVERLAPPING BONDED DEBT
June 30, 2025

City Assessed Valuation		\$ 33,066,765,383	
	Percentage Applicable⁽¹⁾	Total Debt 6/30/25	Net Bonded Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	0.657%	\$ 17,155,000	\$ 112,708
Chaffey Community College District	16.807%	440,580,000	74,048,281
San Bernardino Community College District	3.669%	880,363,439	32,300,535
Chaffey Joint Union High School District	7.072%	640,477,530	45,294,571
Colton Joint Unified School District	16.409%	202,937,994	33,300,095
Fontana Unified School District	77.83%	389,334,841	303,007,627
Rialto Unified School District	8.000%	137,835,197	11,026,816
Etiwanda School District	29.789%	111,974,923	33,356,210
Colton Joint Unified School District Community Facilities District #3	100.000%	4,850,000	4,850,000
Etiwanda School District Community Facilities District #7	74.583%	5,530,000	4,124,440
Etiwanda School District Community Facilities District #8	35.493%	3,180,000	1,128,677
Etiwanda School District Community Facilities District #9	30.332%	5,870,000	1,780,488
Etiwanda School District Community Facilities District #2001-1	100.000%	2,015,000	2,015,000
Etiwanda School District Community Facilities District #2004-1	100.000%	15,500,000	15,500,000
City of Fontana Community Facilities Districts	100.000%	243,010,000	243,010,000
California Statewide Community Facilities District ADNo. 2020-3	100.000%	790,000	790,000
		<u>\$ 3,101,403,924</u>	<u>\$ 805,645,448</u>
<u>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</u>			
<u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>			
San Bernardino County General Fund Obligations	9.678%	100,765,000	9,752,037
San Bernardino County Flood Control District General Fund Obligation	9.678%	37,295,000	3,609,410
Chaffey Community College District General Fund Obligations	16.807%	21,770,000	3,658,884
Colton Joint Unified School District General Fund Obligations	16.409%	5,437,904	892,306
Fontana Unified School District Certificates of Participation	77.827%	15,350,000	11,946,445
Rialto Unified School District Certificates of Participation	8.000%	50,214,439	4,017,155
Cucamonga School District Certificates of Participation	4.908%	904,000	44,368
City of Fontana General Fund Obligations	100.000%	47,510,000	47,510,000
		<u>\$ 279,246,343</u>	<u>\$ 81,430,605</u>
<u>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</u>			
		<u>\$ 3,380,650,267</u>	839,566,053
TOTAL OVERLAPPING DEBT			
			<u>63,706,060</u>
CITY DIRECT DEBT			
			<u>\$ 903,272,113</u>
TOTAL DIRECT AND OVERLAPPING DEBT			

Notes:

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

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: California Municipal Statistics, Inc.

CITY OF FONTANA
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years

	Fiscal Year				
	2025	2024	2023	2022	2021
Total assessed value of all real and personal property	\$ 33,066,765,383 ⁽²⁾	\$ 30,172,808,247 ⁽²⁾	\$ 27,019,305,360 ⁽²⁾	\$ 24,025,701,078 ⁽²⁾	\$ 22,503,543,501 ⁽²⁾
Debt limit percentage ⁽¹⁾	15%	15%	15%	15%	15%
Total debt limit	4,960,014,807	4,525,921,237	4,052,895,804	3,603,855,162	3,375,531,525
Amount of debt applicable to debt limit	47,510,000	49,425,000	51,255,000	53,015,000	36,185,000
Legal debt margin	4,912,504,807	4,476,496,237	4,001,640,804	3,550,840,162	3,339,346,525
Total net debt applicable to the limit as a percentage of debt limit	0.96%	1.09%	1.26%	1.47%	1.07%

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

⁽¹⁾ State of California Government Code §43605.

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

Source: San Bernardino County Tax Assessor's Office

CITY OF FONTANA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Calendar Years

Calendar Year	Population⁽¹⁾	Personal Income (thousands of dollars)⁽²⁾	Per Capita Personal Income	Unemployment Rate⁽³⁾
2025	219,172			5.6%
2024	215,465	6,757,749	30,833	5.0%
2023	213,851	6,351,724	29,650	4.4%
2022	212,809	5,708,525	26,693	3.4%
2021	213,944	5,432,476	25,392	4.9%
2020	213,000	5,061,439	23,763	10.1%
2019	212,078	4,775,796	22,519	3.1%
2018	212,000	4,444,518	20,965	3.6%
2017	212,786	4,159,001	19,545	5.5%
2016	209,895	4,013,591	19,122	6.2%

Sources: (1) California State Department of Finance
 (2) HDL Reports
 (3) Ycharts

CITY OF FONTANA
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago

Employer	2025			2016		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Kaiser Permanente	7,587	1	6.96%	5,430	1	5.63%
Fontana Unified School District	4,080	2	3.74%	5,000	2	5.19%
Amazon.Com Services LLC	3,059	3	2.81%			
So California Permanente Medical Group	2,113	4	1.94%			
St Bernardine Medical Center	1,775	5	1.63%			
City of Fontana (includes part-time employees)	1,345	6	1.23%	621	4	0.64%
Walmart #6060 DC Drop Yard	1,149	7	1.05%	1,030	3	1.07%
Walmart D C #6060	1,149	8	1.05%			0.00%
Vpet USA, LLC	610	9	0.56%			0.00%
Reyes Coca-Cola Bottling, LLC	450	10	0.41%			0.00%
Costco Wholesale #627				333	5	0.35%
U S F Reddaway				320	6	0.33%
Estes West				317	7	0.33%
Sierra Aluminum Company				312	8	0.32%
Crown Technical Systems				297	9	0.31%
Walmart Store #1756				290	10	0.30%
	<u>23,317</u>		<u>21.40%</u>	<u>13,950</u>		<u>14.47%</u>

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

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

<u>Function/Program</u>	<u>Full-time Equivalent Employees as of June 30,</u>									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Government										
Administrative Services	2	3	2	1	5	5	5	5	5	5
City Council	7	7	7	7	7	7	7	7	7	7
City Administration	12	12	12	11	11	10	10	9	9	8
Human Resources	14	12	12	11	9	9	9	9	8	8
Information Services	31	29	29	26	26	26	25	24	24	23
Management Services	31	27	28	27	23	22	22	22	22	23
Police										
Officers	217	217	217	217	203	202	199	194	194	194
Civilians	101	95	95	95	107	102	102	99	96	94
Development Services	25	14	11	20	4	5	5	5	5	4
Community Development	39	37	53	36	32	32	31	31	29	29
Engineering			40	36	36	34	34	30	29	29
Public Works & Engineering	132	135	91	95	96	96	95	94	94	93
Community Services	48	48	49	50	46	46	46	46	46	46
Fire	19	17	-	-	-	-	-	-	-	-
Total	<u>678</u>	<u>654</u>	<u>646</u>	<u>632</u>	<u>605</u>	<u>596</u>	<u>590</u>	<u>575</u>	<u>568</u>	<u>563</u>

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

Source: City of Fontana, Office of Management & Budget

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

Function/Program	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Completed recruitment for full time position	55	55	50	55	50	52	47	50	55	41
New maintenance CFD's/ Annexations formed	5	2	4	3	6	9	9	2	5	7
Police										
Arrests per sworn position	31	26	31	27	32	36	46	44	48	49.56
Computer Aided Dispatch Entries per Dispatcher	4,582	4,499	4,492	6,169	5,875	5,999	5,109	5,187	5,172	5,157
Number of traffic collision reports processed	3,021	3,114	3,083	2,565	2,700	2,697	3,198	3,316	3,403	3,191
Building and Code Compliance										
Building permits issued	5,796	5,353	8,467	3,000	3,000	3,665	3,529	5,565	5,100	3,400
Building inspections performed	40,084	47,000	47,000	20,000	20,000	12,870	19,858	28,560	33,000	25,000
Public Works										
Miles of pavement rehabilitation	30	25	30	25	30	33	33	33	33	25
Graffiti Hotline calls completed	4,000	4,000	4,200	4,000	4,200	3,117	3,117	4,268	4,268	5,297
Potholes filled	3,500	4,000	5,500	4,000	5,500	3,951	7,051	8,122	8,122	17,000
Community Services										
Total Number of Recreation Program Participants	271,240	607,132	235,456	738,806	510,469	1,064,659	1,900,464	1,734,000	1,799,532	1,764,532

Source Links:

- [11.0 FYE 2025 Recruitment for FT Positions.pdf](#)
- [11.0 CFD Maintenance Formations.pdf](#)
- [11.0 Building Permits Issued.pdf](#)
- [11.0 Police Stats.pdf](#)
- [11.0 Public Works Stats.pdf](#)
- [11.0 No of Arrests.pdf](#)
- [11.0 No. of Recreation Participants.pdf](#)
- [11.0 Amt of Building Inspections.pdf](#)

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

Function/Program	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Contact stations	2	2	2	2	2	2	2	2	2	2
Engineering										
Traffic signals	228	223	215	209	207	206	200	195	191	189
Public Works										
Lane miles of streets	1,407	1,406	1,751	1,751	1,751	1,751	1,751	1,751	1,751	1,532
Sanitary sewers (miles)	483	463	454	478	469	463	438	425	425	424
Community Services										
Parks	54	54	50	50	47	47	46	44	44	43
Playgrounds	46	46	46	44	42	42	41	39	39	38
Recreation Centers	14	14	14	14	14	14	10	10	10	9

Sources: Various City departments

[12.0 Police Stations and Contact Stations.pdf](#)

[12.0 No of Traffic Signals.pdf](#)

[12.0 FY 2024-25 Number of Parks and Playgrounds.pdf](#)

[12.0 FY 2024-25 - No of Recreation Centers.pdf](#)

[12.0 Lane Miles.pdf](#)

[12.0 Sewer miles.pdf](#)

[12.0A RE City Metrics for the Financial Statements FY24.msg](#)

NOTE: # of parks and playgrounds

Previously, the number of parks and playgrounds was obtained by IT within the city metrics information they provide to us. However, after confirmation with Dan West, PW Manager, he stated that IT's numbers include HOA parks and playgrounds that are not open to the entire City nor maintained by City.

CITY OF FONTANA

MISCELLANEOUS STATISTICAL INFORMATION

June 30, 2025

Year of incorporation:	1952	Transportation:	
Form of Government:	Council - Manager	Air:	Ontario International Airport
Area in square miles:	42.4	Bus:	Omnitrans County Bus Service
Miles of streets:	657	Highways:	
Sanitary sewers:	483 miles	Interstate	10
Storm drains:	162 miles	Interstate	15
Streetscapes:	551 acres	Interstate	210
Parks:	651 acres	State Highway	66
Bicycle trails:	10.4 miles	Rail:	
Police protection:		Metrolink (Commuter)	
City of Fontana		Burlington Northern/Santa Fe	
Number of stations	3	Union Pacific	
Number of personnel:		Water service:	
Sworn	217	Cucamonga County Water District	
Non-sworn	101	San Gabriel Valley Water Co.	
City employees (full time):	678	West San Bernardino County Water District	
Fire protection:		Sewer service:	
County of San Bernardino		Inland Empire Utilities Agency	
Number of stations	7	City of Fontana	
Number of personnel	140	City of Rialto	
		Education:	
		Elementary Schools	30
		Middle Schools	7
		High Schools	5
		Continuation High Schools	1
		Online Learning	2
		Adult School	1

Source:
[13.0 Fontana Fire Protection District.pdf](#)
[13.0 Elementary Schools.pdf](#)
[13.0 Middle Schools.pdf](#)
[13.0 High Schools.pdf](#)
[13.0 Continuation HS.pdf](#)
[13.0 Adult School.pdf](#)
[13.0 City Metrics.pdf](#)