



# City of Rancho Cucamonga

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2023



SHARING OUR *SECOND STORY* WITH OUR COMMUNITY

**City of Rancho Cucamonga, California**  
**Annual Comprehensive Financial Report**  
**For Fiscal Year Ended June 30, 2023**

**Prepared by the**  
**City of Rancho Cucamonga**  
**Finance Department**

**Noah Daniels**  
**Finance Director**

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CITY OF RANCHO CUCAMONGA, CALIFORNIA

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**City of Rancho Cucamonga**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended June 30, 2023**

**Introductory Section**



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January 12, 2024

Honorable Mayor, Members of the City Council, and Citizens of the City of Rancho Cucamonga:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Rancho Cucamonga for the Fiscal Year ended June 30, 2023.

This report consists of management's representations concerning the finances of the City of Rancho Cucamonga. Management assumes full responsibility for the completeness and reliability of all information presented in this report, based on a comprehensive internal control framework established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than an absolute, assurance that the financial statements are free of material misstatement.

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, certified public accountants. The goal of the independent audit was to provide reasonable assurance that the City's financial statement is free of material misstatement. Based upon their audit, the auditors have issued an unmodified opinion on these financial statements. Their report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

### *Profile of Rancho Cucamonga*

The City of Rancho Cucamonga is located in San Bernardino County, in the southeastern part of California. It is situated at the foothills of the San Gabriel Mountains and part of the Inland Empire, a metropolitan area east of the Los Angeles metropolitan area. The City enjoys a strategic location with proximity to major highways, providing easy access to other parts of California. This geographical setting offers a unique blend of urban and natural environments, with scenic mountain views and urban amenities.

The City's current estimated population is approximately 174,000, making it the fourth most populous in San Bernardino County and 26<sup>th</sup> in California. In terms of size and population, the City is significantly larger than many other cities in California, reflecting its status as a major suburban city. Its growth and development can be characterized by a combination of its favorable location, diverse population, and a range of economic activities, including historical ties to agriculture and winemaking.

The City is a 47 square mile city. Although the City was incorporated in 1977, the community was shaped years prior. Alta Loma, Etiwanda, and Cucamonga experienced massive and uncontrolled growth due to Los Angeles and Orange County families seeking affordable housing. In 1975, the Tri-Community Incorporation Committee was created to propose the formation of a new city because citizens were concerned about the future and understood that their vision would allow the area to manage development. The proposal went before the voters in November of 1977, and the incorporation was approved.

The City is a general law city and operates under the Council-Manager form of city government, with a five-member City Council. Council members serve staggered four-year terms. Council elections are held in November of even-numbered years. The Mayor is elected at large, and Council members are elected based on geographic districts. There is no limit on the number of terms an individual can serve as Mayor or Council member.

The City provides a full range of municipal services, including police, public works, planning, building and safety, recreation, library, animal care and control, community improvement, and economic development. The City contracts with other governmental entities, private firms, and individuals to deliver specific services, including police services provided by the San Bernardino Sheriff's Department. Fire services are provided by the Rancho Cucamonga Fire Protection District, a legally separate entity, but are included within the City's reporting entity for financial reporting purposes. A different government agency provides water and sewer services.

The City adopts an annual budget, which the City Council adopts by June 30 each year. Each department's budgeted appropriations are controlled at the character of expense level. These levels are categorized as personnel services, operations and maintenance, capital outlay, debt service, cost allocation, and transfers out to other funds. The budget is monitored at the character of expense level, but the legal level of budgetary control, that is, the level at which expenditures cannot exceed appropriations, is the fund level within the General Fund, as well as Special Revenue and Capital Projects Funds. The use of an encumbrance system further maintains budgetary control. Revenues are also estimated annually in the adoption of the annual budget. Revenues and expenditures are monitored continuously during the Fiscal Year, with quarterly updates provided to the City Council.

The City has included within its reporting entity for financial reporting purposes all agencies for which it is financially accountable. These agencies include the Rancho Cucamonga Public Improvement Corporation, the Rancho Cucamonga Fire Protection District, the Rancho Cucamonga Library, the Rancho Cucamonga Public Financing Authority, and the Rancho Cucamonga EIFD Public Financing Authority. The activities of these agencies are included in these financial statements.

- Rancho Cucamonga Public Improvement Corporation: Established to support the City financially through the financing, acquisition, construction, improvement, and leasing of public improvements for the benefit of the City's residents and the surrounding area.
- Rancho Cucamonga Fire Protection District: Established in July 1989 after transitioning from the County of San Bernardino, the Fire District provides essential fire suppression and protection services to the City.

- Rancho Cucamonga Library: Separated from the San Bernardino County Library System and Became part of the City in July 1994. The library focuses on enriching the community by providing access to a blend of traditional and innovative resources, promoting education and reading, and offering a welcoming environment with a service-oriented staff.
- Rancho Cucamonga Public Financing Authority: Formed to assist in the financing and refinancing of the construction, expansion, upgrade, and improvement of public capital facilities. This supports the rehabilitation and development of residential and economic projects within the City.
- Rancho Cucamonga EIFD Public Financing Authority: Acts as the governing board for the Rancho Cucamonga Enhanced Infrastructure Financing District (EIFD), which was created to finance significant public facilities and projects that benefit the community at large.

The former Redevelopment Agency of the City of Rancho Cucamonga (RDA) was dissolved on February 1, 2012. Upon dissolution, the assets and liabilities of the RDA were transferred to the Successor Agency of the RDA. The City is obligated to report the resources and activities of the Successor Agency in a separate Private-Purpose Trust Fund, which is also included in these financial statements.

Additional information on all these agencies can be found in Note 1 to the financial statements.

### Local Economy

The local economy of the City is characterized by a diverse mix of industries, including light manufacturing and distribution and retail business, which emphasizes the City's efforts at attracting and retaining sales tax-generating businesses to help provide a stable financial base and a relatively stable job market. The City is home to several well-known companies that contribute significantly to the local economy and offer various employment opportunities to the residents.

The City could be considered a "bedroom community" due to the sprawling suburban development that took place during the 1980 and 1990s; however, unlike other communities of this status, due to post-proposition 13 incorporation, Rancho Cucamonga receives a smaller property tax share than the Rancho Cucamonga Fire Protection District and neighboring cities, about 5 cents for every dollar. Thus, revenue diversification beyond property and sales tax, which comprise a substantial share of the City's general revenue budget, is both important and necessary. While property tax is a stable revenue source for the City, sales tax can vary depending on consumer and economic cycles. Other significant revenue sources for the City include franchise fees and transient occupancy taxes.

The commercial section of the City is anchored by Victoria Gardens, where approximately a fifth of the City's total sales tax revenue is generated each fiscal year. Tenants include Macy's, JCPenny, H&M, AMC Theatres, and numerous dining establishments. Despite being a sizeable and popular regional mall, Rancho Cucamonga is not the largest sales tax-generating city in San Bernardino County. Instead, Rancho Cucamonga is relatively modest for sales tax generation for its size, receiving fewer sales tax receipts than larger nearby cities due to their large e-commerce warehouses, shopping centers, and auto malls. Statewide, the City is a respectable but average sales tax performer, ranking 235<sup>th</sup> in sales tax per capita out of 539 cities and counties for the calendar year 2022 (up from 238<sup>th</sup> in the calendar year 2021).

As the City matures, it is taking a more nuanced approach to its revenue needs. As mentioned, Rancho Cucamonga cannot rely on property taxes alone and seeks a combination of property taxes, sales taxes, and other revenue sources. Property, including property tax in-lieu of vehicle license fees and sales taxes, comprise approximately 70% of general revenues for the City, and transient occupancy taxes and franchise fees add up to around 13%. To that end, City staff evaluates development growth in a revenue-per-acre framework as an opportunity to maximize and diversify our revenue stream. By being selective and waiting for the suitable types of development that create more value per acre relative to their uses, the City will help grow and develop stable revenue sources over the long term while population, operating, and capital costs increase.

Government agencies, such as the City and K-12 school districts, comprise the majority of the top list of principal employers within the City. Besides governmental employers, two of the largest single employers in the City are Inland Empire Health Plan (IEHP) and Chaffey Community College. IEHP, a joint powers agency, is the county's top ten largest Medicaid health plan and largest not-for-profit Medicare-Medicaid plan. IEHP organizes health care for over 1.5 million members in San Bernardino and Riverside counties and is the most extensive local Initiative plan in the Inland Empire region, serving more than 90% of the Medi-Cal managed care market compared to its commercial counterpart. Chaffey College was founded in 1883, making it one of the oldest community colleges in California, serving students in Rancho Cucamonga and the immediate region. The community college provides students with multiple degrees that transfer to four-year universities and colleges.

Rancho Cucamonga experienced a slow but consistent recovery after the Great Recession. Steady job growth occurred in San Bernardino County, and the City's unemployment rate declined by 7.6% from the 2010 peak of 10.5% to 2.9% by 2019. The pandemic disrupted that trend and briefly caused unemployment to spike in 2020 to 7.9%. The current unemployment rate has dropped to 3.7% as of June 2023 and 3.6% as of October 2023, which is within the traditional measure of unemployment.

The local housing market has displayed resilience in the face of shifting economic conditions. Despite a contraction in sales volumes, median home prices have demonstrated stability and a slight upward trend. The median home price rose modestly by 0.76% in the third quarter of 2023, indicating sustained market value. This recent increment is notably less than the significant surge in median home prices during the second quarter of 2023. Yet, it reflects a market that continues to attract investment despite the broader economic challenge of rising mortgage rates.

### Long-term financial planning

The City prepares revenue and expenditure projections as part of the annual budget, which is an integral part of the City's budget process. City staff, using historical information, expert analysis, and data collected from the state, local, and professional organizations, generates an overall picture of the economic status of the local community. City budget staff then produce a financially conservative forecast of the near future. Concurrent with the near-term revenue projections, City budget staff utilize the same data and information to maintain a running five-year estimate to help guide Rancho Cucamonga's medium and long-term planning for revenue and expenditures. Additionally, on an annual basis, the City updates a five-year Capital Improvement Program for projects.

For the significant revenue sources, the City projects an increase in sales tax revenue of 3.85% over the Fiscal Year 2022/23 budget. A slowdown in sales tax revenue growth was expected after the significant rebound following the economic impacts of COVID-19. Strong job numbers and low unemployment have allowed consumption spending to stay resilient given the rising cost environment. Property taxes (including post-Redevelopment Agency property tax revenues) are projected to increase by 4.31% due to the growth in assessed valuations. Property tax in lieu of vehicle license fee, categorized with property tax, is expected to grow 4.95% from the Fiscal Year 2022/23 due to the same underlying growth in assessed valuation for properties within the City.

The City's financial policy requires adopting a balanced operating budget each year. A balanced budget means that expenditures are equal to or less than the budgeted revenues and available fund balance. Any one-time revenues received are to be used for one-time costs. Any fund balance reserves are used for non-recurring expenditures, such as capital projects, but not for ongoing operations. The only exception to that policy is the use of reserves for changes in economic circumstances, which the City's fund balance policy governs its usage.

Adequate fund balance, or reserve, levels are necessary for the City's overall financial management strategy. It is the City Council's responsibility to maintain a sufficient level of reserve funds to provide for the orderly provision of services to the citizens of the City of Rancho Cucamonga. The City Council can decide the circumstances under which the reserves can be used. From time to time, the City Manager and the Finance Director may make recommendations as to the level of reserve funds necessary for prudent fiscal management. Reserve levels shall be reviewed at least annually during the budget process to ensure that they are consistent with the conditions faced by the City.

The City received the GFOA Distinguished Budget Presentation Award for the Fiscal Year 2023/24 budget. This recognition requires the City's budget to serve as an exemplary policy document, operations guide, financial plan, and communication tool, fulfilling all the necessary criteria set forth by the GFOA program.

#### Major initiatives and capital projects

- The new Fire Station 178, which began construction in Fiscal Year 2021/22, is situated in the southern area of Rancho Cucamonga, a hub for office and residential spaces. This \$25.7 million project is designed to enhance emergency services and house advanced fire equipment, including the City's first electric fire truck. Additionally, it will feature the 9/11 Memorial Park and a 24/7 Library Kiosk.
- The Second Story and Beyond® project will introduce an interactive learning environment for children, featuring high-quality, museum-style exhibits. A combined library and literacy-themed space, believed to be the first of its kind in the nation, is expected to conclude during the Fiscal Year 2023/24. Generous funding from San Bernardino County and a substantial federal grant from NASA have enabled significant upgrades to the project.
- The Archibald Library Replacement Project involves a \$13 million renovation of the Lions Center East and West, transforming these existing facilities into a modern library. These centers, which once hosted the City's initial library services, will be upgraded to include new community meeting areas, space for the expanding Library of Things, and outdoor areas for large events. The project will retrofit infrastructure to meet current energy-efficient standards, which will help reduce costs and improve comfort. Half of the funding for this significant community investment comes from a \$6.5 million Infrastructure Grant from the California State Library.

- The Administrative Services Workgroup is set to implement the Workday ERP system, a modern tool designed to manage financials, payroll, and human capital. This multi-million investment will enhance productivity by moving routine tasks online, streamlining requests and approvals through automated workflows, reducing paper use, and collecting more detailed transaction data for better analysis. The introduction of this system will lead to more efficient processes, allowing for quicker responses and improved overall service through a secure, reliable, and technologically advanced software solution.

Awards and acknowledgments

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 of Rancho Cucamonga for its comprehensive annual financial report for the Fiscal Year ended June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The City of Rancho Cucamonga has received a Certificate of Achievement for Financial Excellence for the last thirty-five consecutive years and believes that our current annual comprehensive financial report continues to meet the Certificate of Achievement for Excellence in Financial Reporting program's requirements.

The preparation of this report could not have been accomplished without the dedicated services of the entire Finance Department. We appreciate and would like to commend all the City departments who assisted and contributed material to this document. We also recognize and would like to acknowledge the Mayor and members of the City Council for their interest and dedication in planning and conducting the financial operations of the City.

In closing, an expression of appreciation for the City Council for their leadership and support and their continuing efforts to maintain the City's fiscal health.

Respectfully submitted,



John R. Gillison  
City Manager



Noah Daniels  
Finance Director

**CITY OF RANCHO CUCAMONGA**

**CITY OFFICIALS**

JUNE 30, 2023

City Council

L. Dennis Michael	Mayor
Lynne B. Kennedy	Mayor Pro-Tem
Ryan A. Hutchison	Council Member
Kristine D. Scott	Council Member
Ashley N. Stickler	Council Member

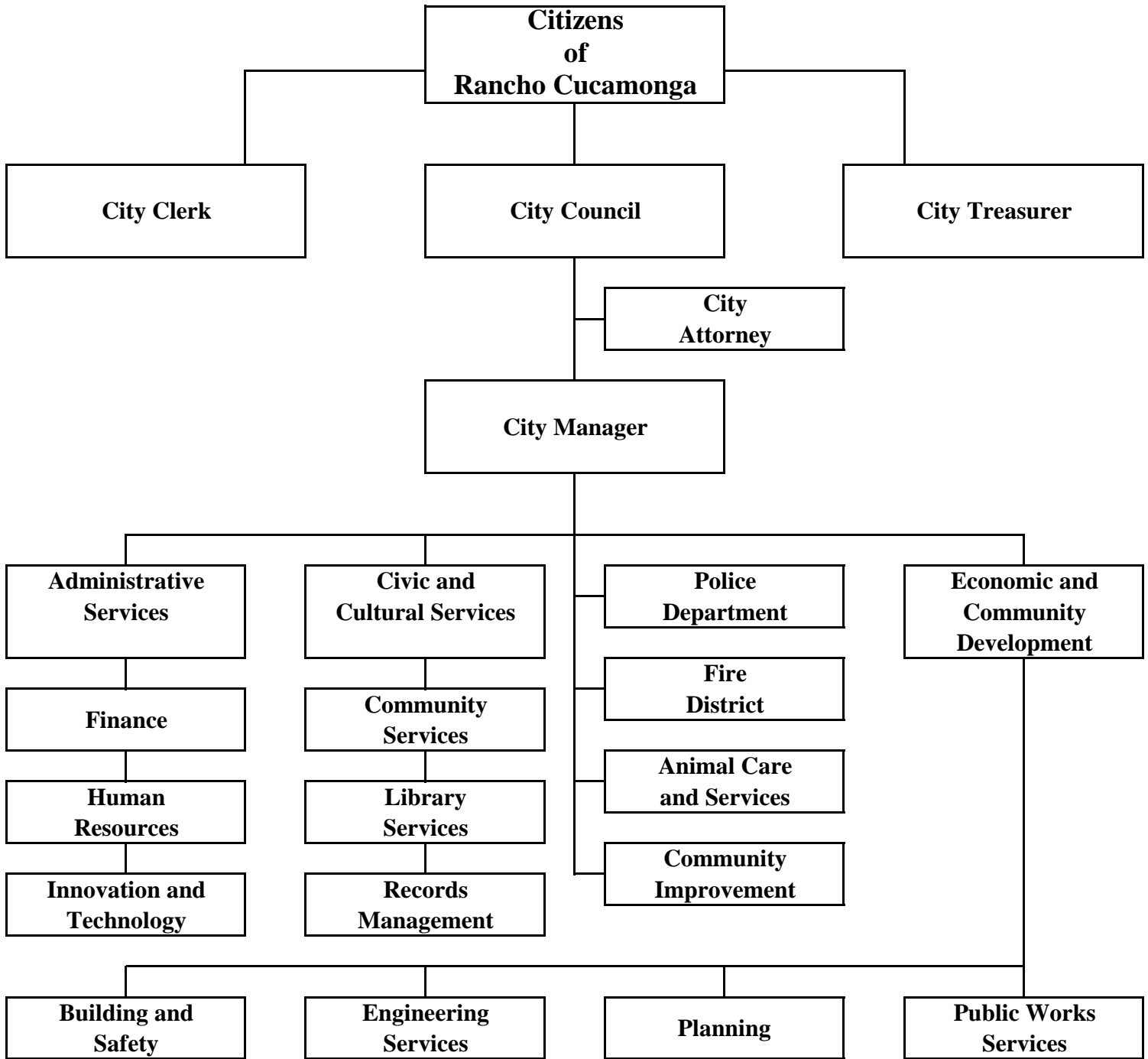
Administration and Department Heads

City Manager	John R. Gillison
Assistant City Manager/Administrative Services	Elisa C. Cox
Deputy City Manager/Civic and Cultural Services	Julie Sowles
Deputy City Manager/Economic and Community Development	Matt Burris
City Attorney	Nicholas R. Ghirelli
City Clerk	Janice C. Reynolds
City Treasurer	Jim Harrington
Animal Services Director	Veronica Fincher
City Clerk Services Director	Linda Troyan
Community Services Director	Jennifer Hunt-Gracia
Engineering Services Director/City Engineer	Jason Welday
Finance Director	Noah Daniels
Fire Chief	Mike McCliman
Senior Human Resources Director	Robert Neiuber
Human Resources Director	Jenifer Phillips
Innovation and Technology Director	Shelly Munson
Library Director	Wess Garcia
Planning and Economic Development Director	Matt Marquez
Police Chief	Michael Smith
Public Works Services Director (as of January 2024)	Micah Martin



# CITY OF RANCHO CUCAMONGA

## ORGANIZATION CHART





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Rancho Cucamonga  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

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**City of Rancho Cucamonga**  
**Annual Comprehensive Financial Report**  
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**Financial Section**

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Rancho Cucamonga, California

### Report on the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rancho Cucamonga, California, (the City) as of and for the year ended June 30, 2023, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Emphasis of Matter**

##### *Change in Accounting Principle*

As described in Note 6 to the financial statements, in the fiscal year ended June 30, 2023, the City adopted new accounting guidance, GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter

#### **Responsibilities of Management for the Financial Statements**

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

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



To the Honorable Mayor and Members of the City Council  
City of Rancho Cucamonga, California

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Other Reporting Responsibilities***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; the budgetary comparison schedules for the General Fund and major special revenue funds, and the required pension and other postemployment benefits schedules as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic 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.



To the Honorable Mayor and Members of the City Council  
City of Rancho Cucamonga, California

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

*Other Information*

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Lance, Soll &amp; Lughard, LLP".

Brea, California  
January 12, 2024



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# Management's Discussion and Analysis

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This section of the Annual Comprehensive Financial Report of the City of Rancho Cucamonga (City) presents a narrative overview and discussion of the City's financial activities for the fiscal year ended June 30, 2023. This discussion and analysis should be read in conjunction with the basic financial statements and accompanying notes to the financial statements. We hope that the information and the discussions provide the readers with a clear picture of the City's overall financial condition.

## Financial Highlights

- The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources at the close of the fiscal year by \$1,509,212,125, an increase of \$68,961,238 for the Fiscal Year 2022/23. The total net position consisted of \$858,755,778 as net investment in capital assets, \$486,484,594 as restricted, and \$163,971,753 as unrestricted.
- The total change in net position is \$68,961,238, consisting of governmental activities of \$67,395,806 and business-type activities of \$1,565,432.
- As of June 30, 2023, the aggregate ending fund balance of the City's governmental funds was \$651,924,268, an increase of \$51,805,049 from the prior fiscal year. The combined fund balance consisted of \$23,018,987 as non-spendable, \$421,705,132 as restricted, \$162,227,203 as committed, \$55,071,810 as assigned, and a deficit of \$10,098,864 as unassigned.
- At the end of the fiscal year, the General Fund reported a fund balance of \$180,998,603, of which \$22,702,647 was non-spendable, \$16,546,349 was restricted, \$107,546,210 was committed, and \$34,203,397 was assigned.
- The City's capital assets, net of accumulated depreciation and amortization, were \$861,539,879, an increase of \$18,228,254 from the prior fiscal year. The total capital assets, net of depreciation, for governmental activities represented \$816,912,564, and business-type activities represented \$44,627,315.

## Overview of the Financial Statements

This annual report consists of management's discussion and analysis (MD&A), basic financial statements, including the accompanying notes to financial statements, required supplementary information, and combining and individual fund statements and schedules for the nonmajor governmental and fiduciary funds. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

**Government-wide Financial Statements** are designed to provide readers with a broad overview of the City's finances and are made up of the following two statements: Statement of Net Position and Statement of Activities. These statements are designed to provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Both statements were prepared using accounting methods like those used by private-sector businesses: the economic resources measurement focus and the accrual basis of accounting.

The *Statement of Net Position* presents information on the City's assets, liabilities, and deferred outflows and inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may indicate whether the City's financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how the City'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 result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes, expenses pertaining to earned but unused compensated absences, and incurred but unpaid workers' compensation claims.

Both 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 portion of their costs through user fees and charges (*business-type activities*).

The City's governmental activities include general government; public safety for police, fire, and animal center; community development; community services; and engineering and public works. The City's business-type activities include the Municipal Utility, Fiber Optic Network, Sports Complex, and Second Story Library and Beyond.

The government-wide financial statements reflect not only the activities of the City itself (known as the primary government), but also include the Rancho Cucamonga Public Improvement Corporation, the Rancho Cucamonga Fire Protection District, the Rancho Cucamonga Library, and the Rancho Cucamonga Public Financing Authority, and Rancho Cucamonga EIFD Public Financing Authority. Although legally separate, these entities are included as an integral part of the primary government because the City Council acts as the governing body for each entity. The sole purpose of each entity is to provide services entirely to and exclusively for the City.

**Fund Financial Statements** are designed to report information about groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the City uses fund accounting to ensure and demonstrate finance-related legal compliance. The City's funds consist of three categories: governmental, proprietary, and fiduciary.

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources* and *balances of spendable resources* available at the end of the fiscal year. Such information may help determine what financial resources are available in the near future to finance the City's programs.

The governmental funds financial statements are comprised of the *Balance Sheet* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances*. Both of these statements were prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

The *Budgetary Basis Statement of Revenues, Expenditures and Changes in Fund Balance* is prepared on a modified cash basis of accounting different from Generally Accepted Accounting Principles (GAAP). Please see Note 1 of the notes to financial statements for additional information on the basis difference.

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

The City maintains many individual governmental funds organized according to their type, such as general, special revenue, and capital projects funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, as well as for the Development Impact Fees, Housing Successor Agency, and Fire District special revenue funds, which are major funds. Information from the remaining governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements and schedules*.

*Proprietary funds* are generally used to account for services for which the City charges customers – outside customers or other departments/funds of the City. The proprietary funds financial statements provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains the following types of proprietary funds:

- *Enterprise funds* report the functions presented as business-type activities in government-wide financial statements. The Sports Complex, Municipal Utility, and Fiber Optic Network enterprise funds are major funds. The Second Story Library and Beyond enterprise fund is a nonmajor enterprise fund.
- *Internal service funds* report the costs allocated internally amongst the City's functions. The City uses internal service funds to account for Equipment and Vehicle Replacement and Computer Equipment/Technology Replacement, which are presented as governmental activities in the government-wide financial statements.

*Fiduciary funds* account for resources held for the benefit of parties outside the City. The City's private-purpose trust fund reports on the activities of the Successor Agency of the Former Redevelopment Agency and custodial funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. Accounting for fiduciary funds is much like that used for proprietary funds. Both are prepared using the economic resources measurement focus and the accrual basis of accounting.

**Notes to the Financial Statements** provide additional information essential to a complete understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information**, other than Management's Discussion and Analysis (MD&A), is presented concerning the budgetary comparison schedules for the City's General Fund and major special revenue funds. Also included in this section are the City's net pension and OPEB liabilities and contributions related to those plans.

The **Combining and Individual Fund Statements and Schedules** provide information for the nonmajor governmental and fiduciary funds and presented immediately following the required supplementary information.

## Government-wide Financial Analysis

**Analysis of Net Position:** Net position may serve over time as an indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,509,212,125 at the close of the fiscal year.

The following table is a condensed summary of the City's government-wide net position:

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets:</b>						
Current and other assets	\$ 742,658	\$ 675,361	\$ 25,827	\$ 25,065	\$ 768,485	\$ 700,426
Net OPEB asset	3,782	9,163	-	-	3,782	9,163
Net pension asset	3,366	9,241	158	417	3,524	9,658
Capital assets, net of depreciation	816,913	800,559	44,627	42,752	861,540	843,311
<b>Total assets</b>	<b>1,566,719</b>	<b>1,494,324</b>	<b>70,612</b>	<b>68,234</b>	<b>1,637,331</b>	<b>1,562,558</b>
Deferred outflows of resources	59,540	23,953	1,537	411	61,077	24,364
<b>Liabilities:</b>						
Current and other liabilities	41,162	30,359	3,023	2,169	44,185	32,528
Long-term net pension liabilities	105,486	46,126	3,060	1,261	108,546	47,387
Long-term obligations outstanding	10,760	8,523	-	-	10,760	8,523
<b>Total liabilities</b>	<b>157,408</b>	<b>85,008</b>	<b>6,083</b>	<b>3,430</b>	<b>163,491</b>	<b>88,438</b>
Deferred inflows of resources	21,617	53,430	4,088	4,803	25,705	58,233
<b>Net position:</b>						
Investment in capital assets	814,128	799,864	44,627	42,752	858,755	842,616
Restricted	485,594	464,700	891	403	486,485	465,103
Unrestricted	147,512	115,275	16,460	17,257	163,972	132,532
<b>Total net position</b>	<b>\$ 1,447,234</b>	<b>\$ 1,379,839</b>	<b>\$ 61,978</b>	<b>\$ 60,412</b>	<b>\$ 1,509,212</b>	<b>\$ 1,440,251</b>

Net investment in capital assets reflects the City's investment in capital assets (e.g., land, infrastructure, building and improvements, vehicles, and equipment) less any related outstanding debt used to acquire those assets. As of June 30, 2023, net investment in capital assets is reported as \$858,755,778, which makes up 56.9% of the City's total net position. Compared to the prior fiscal year, net investment in capital assets increased by \$16,139,986 or 1.9%. The City uses capital assets to provide services to its residents and businesses; therefore, these assets are not available for future spending. The City's investment in capital assets would be reported net of related debt, and resources to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate the debt.

Restricted net position is reported as \$486,484,594 or 32.2% of the City's total net position, which is an increase of \$21,381,212 or 4.6% from the prior fiscal year. Generally, the increased restricted net position is due to increases in fund balance for the underlying special revenue funds, which restrict how the funds can be used.

The City can use the total unrestricted net position of \$163,971,753 to meet its obligations for its governmental and business-type activities. The unrestricted net position makes up 10.9% of the City's total net position. It is an increase of \$31,440,040 or 23.7% from the prior fiscal year. At \$147,512,123, the governmental activities make up most of the total unrestricted net position, and the business-type activities make up the balance of \$16,459,630.

The City's total current and other assets increased by \$68,060,068, or 9.7%, comprising of increases in governmental activities of \$67,297,792 and business-type activities of \$762,276. The fluctuations from the prior fiscal year which account for this net increase are:

- Cash and investments account for 31.6% of total assets. This reflects a significant increase of \$45,848,689, or 9.7%, from the prior fiscal year. The change is both an increase of \$45,933,191

for governmental activities and a decrease of \$84,502 for business-type activities. Various factors have contributed to the rise in cash and investments for governmental activities, but overall, it is attributable to the positive net change in net position and fund balance. As a result, the City deposited more funds to the liquidity portfolio during the current fiscal year. The liquid portfolio, consisting of the California Asset Management Program (CAMP) and the Local Agency Investment Fund (LAIF), increased by \$44,824,962 compared to the prior fiscal year. The liquidity portfolio, specifically the City and Fire District's deposits in the CAMP, provided exceptional returns during the fiscal year, up to 5.2% as of June 2023. Recently, the City and Fire District undertook a historical analysis of its cash flow requirements, determining there was excess liquidity, and as a result, made additional deposits of cash in the long-term portfolio with the rising interest rate environment.

The overall increase is offset by a decrease in the fair value of these investments of \$19,777,452 for governmental and business-type activities. The negative fair value adjustment is due to rising interest rates and the fact that the City and Fire District hold investments acquired at lower yields. This adjustment aligns with the Governmental Accounting Standards Board Statement No. 31 (GASB 31), which accounts for unrealized losses as the City's strategy typically involves holding investments until maturity. For more detailed information about the City's pooled cash and investments, refer to Note 3 in the notes to the financial statements.

- Accounts receivable, net of allowances, represent 1.8% of total assets and increased by \$14,795,728 or 99.6% from the prior fiscal year. The increase comprises increases of \$13,875,123 for governmental activities and \$920,605 for business-type activities. The growth was primarily due to a \$16 million reimbursement request to the San Bernardino County Transportation Authority for their share of project costs for the Base Line Interchange, which was completed and placed into service several years ago. Due to the size of the project and the multiple agencies involved, there are continuing efforts spent toward the close-out of the project and expected to continue into future fiscal years.
- Notes and loans receivable represent 10.8% of total assets and increased by \$2,752,941 or 1.6% from the prior fiscal year. This fiscal year, only governmental activities report notes and loans receivable. The increase is due to accrued interest on loans provided for low and moderate-income housing projects. Further details on this are provided in the Housing Successor Agency analysis section of the Management's Discussion and Analysis or Note 4 in the notes to the financial statements.
- Grants receivable account for 0.3% of total assets and increased by \$2,547,986 or 146.5% compared to the prior fiscal year. This fiscal year, only governmental activities report notes and loans receivable. The majority of this increase is due to receivables recorded in the State Grants special revenue fund, particularly a \$2.5 million reimbursable grant from the State of California allocated for the City's community dog park project.
- Leases receivable account for 0.5% of total assets and increased by \$42,848, or 0.5%, since the prior fiscal year. This change comprises a decrease of \$289,259 in governmental activities and an increase of \$332,107 in business-type activities. Governmental activities decreased according to the scheduled receipts per existing agreements that the City has with the various entities. In contrast, the increase in business-type activities is the net result of scheduled receipts per existing agreements and an amended lease agreement for the baseball facility used by the Rancho Cucamonga Quakes. The addition of the amended lease on the baseball facility added \$526,114 to lease receivables while being offset by scheduled receipts of \$194,007. For more details on lease receivables, refer to Note 5 in the notes to the financial statements.

The City reported a net OPEB asset, which decreased by \$5,380,634 or 58.7%, and a net pension asset for the PARS Retirement Enhancement Plan, which decreased by \$6,132,643 or 63.5%. Both decreased due to reductions in investment returns during the measurement period. Detailed information on the City's PARS Retirement Enhancement Plan and for the City's Other Post-Employment Benefits with Notes 14 and 15 in the notes to the financial statements, respectively.

Capital assets, net of depreciation, are 52.6% of total assets. In the current fiscal year, capital assets increased by \$18,228,254 or 2.2%. The net increase comprises an increase in capital assets not being depreciated of \$30,846,795 and a decrease in capital assets being depreciated of \$12,618,541. Further details on this are provided in the capital asset analysis section of the Management's Discussion and Analysis or Note 7 in the notes to the financial statements.

The City's current and other liabilities increased by \$11,657,594 or 35.8%. The change comprises increases of \$10,802,768 for the governmental activities and \$854,826 for the business-type activities. The fluctuations from the prior fiscal year which account for this net increase are:

- Accounts payable account for 9.5% of total liabilities and increased by \$3,094,603 or 24.8% compared to the prior fiscal year. The increase consists of \$2,272,285 for the governmental activities and \$822,318 for the business-type activities. Such changes are typically attributed to the timing of the City's payments to vendors for goods and supplies, which can fluctuate from one fiscal year to another.
- Unearned revenue totaled \$7,851,253 for governmental activities in the current fiscal year and accounted for 4.8% of total liabilities, increasing by \$5,175,262 or 193.4% since the prior fiscal year. Unearned revenue typically involves advance grants received by the City, where the eligible expenses to recognize these revenues have not occurred in a fiscal year. Two special revenue funds predominately made up the increase in unearned revenues.

First, the Library Services special revenue fund reported unearned revenues of \$4,517,624, an increase of \$2,517,624 from the prior fiscal year. The increase is net of postponed revenue recognition for two state grants for enhancements to the Paul A. Biane Library and the Archibald Library, totaling \$3,418,302, offset by the recognition of \$900,678 of unearned revenue from a local grant utilized for the Second Story Library and Beyond.

Second, the State Grants special revenue fund, which reported unearned revenues of \$2,126,407, an increase of \$1,878,567, is primarily related to the postponed recognition of a capital state grant for the installation of cameras for early wildfire detection.

- Long-term debt due within one year increased by \$428,205 and is entirely within governmental activities. This increase is the net result of leases payable at the end of the previous fiscal year, adjusted against the amount due in the next fiscal year, less the addition of \$935,097 for subscription liabilities due within one year from the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. Detailed information on Subscription-Based Information Technology Arrangements can be found in Note 6 in the notes to the financial statements.

Net pension liabilities have increased by \$61,159,195, or 129.1%, compared to the previous fiscal year. The increase, according to the City and Fire District plans, is \$38,036,637 for the City's miscellaneous plan, \$1,815,056 for the Fire District's miscellaneous plan, and \$21,307,502 for the Fire District's safety plan. The primary reason for these changes is the negative net investment returns experienced during the measurement period. For more comprehensive information on the net pension liabilities of both the City and the Fire District, please refer to Note 13 in the financial statements.

Long-term debt outstanding increased by \$2,236,968 or 84.9% compared to the previous fiscal year. As noted with the portion of long-term debt due within one year, the increase is primarily due to the implementation of the *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. Further detailed information on Subscription-Based Information Technology Arrangements can be found in Note 6 in the notes to the financial statements.

**Analysis of Changes in Net Position:** The following table presents condensed information showing how the City's net position changed during the most recent fiscal year. As previously stated, 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.

Changes in Net Position  
Year Ended June 30, 2023 and 2022  
(In Thousands)

	Governmental Activities		Business-Type Activity		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for services	\$ 36,535	\$ 27,573	\$ 19,453	\$ 15,125	\$ 55,988	\$ 42,698
Operating grants and contributions	14,253	39,847	31	133	14,284	39,980
Capital grants and contributions	45,189	30,787	577	2,822	45,766	33,609
General Revenues:						
Property taxes	101,598	96,972	-	-	101,598	96,972
Admissions tax	-	2	155	152	155	154
Transient occupancy taxes	4,950	4,423	-	-	4,950	4,423
Sales taxes	40,610	40,768	-	-	40,610	40,768
Franchise fees	10,763	9,991	-	-	10,763	9,991
Motor vehicle in-lieu	179	202	-	-	179	202
Use of money and property	10,055	(12,450)	615	(1,152)	10,670	(13,602)
Other	13,529	18,419	59	6	13,588	18,425
Gain on sale of capital asset	28	1,062	-	-	28	1,062
<b>Total Revenues</b>	<b>277,689</b>	<b>257,596</b>	<b>20,890</b>	<b>17,086</b>	<b>298,579</b>	<b>274,682</b>
Expenses:						
General government	24,034	18,945	-	-	24,034	18,945
Public safety - police	46,385	45,827	-	-	46,385	45,827
Public safety - fire protection	59,430	38,906	-	-	59,430	38,906
Public safety - animal center	3,070	2,363	-	-	3,070	2,363
Community development	20,979	17,758	-	-	20,979	17,758
Community services	15,274	13,173	-	-	15,274	13,173
Engineering and public works	40,969	29,237	-	-	40,969	29,237
Interest on long-term debt	83	76	-	-	83	76
Municipal Utility	-	-	16,033	13,504	16,033	13,504
Fiber Optic Network	-	-	893	801	893	801
Sports Complex	-	-	2,468	1,720	2,468	1,720
Second Story Library and Beyond	-	-	-	-	-	-
<b>Total Expenses</b>	<b>210,224</b>	<b>166,285</b>	<b>19,394</b>	<b>16,025</b>	<b>229,618</b>	<b>182,310</b>
Excess of Revenues Over Expenses	67,465	91,311	1,496	1,061	68,961	92,372
Transfers	(70)	(1,061)	70	1,061	-	-
<b>Change in Net Position</b>	<b>67,395</b>	<b>90,250</b>	<b>1,566</b>	<b>2,122</b>	<b>68,961</b>	<b>92,372</b>
Net Position at Beginning of Year	1,379,839	1,289,589	60,412	58,290	1,440,251	1,347,879
Restatement of Net Position	-	-	-	-	-	-
<b>Net Position at End of Year</b>	<b>\$ 1,447,234</b>	<b>\$ 1,379,839</b>	<b>\$ 61,978</b>	<b>\$ 60,412</b>	<b>\$ 1,509,212</b>	<b>\$ 1,440,251</b>

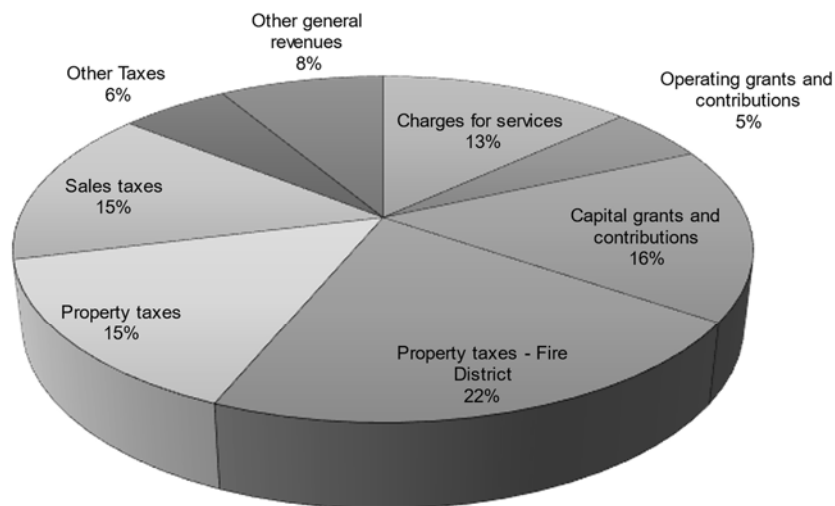


## Governmental Activities

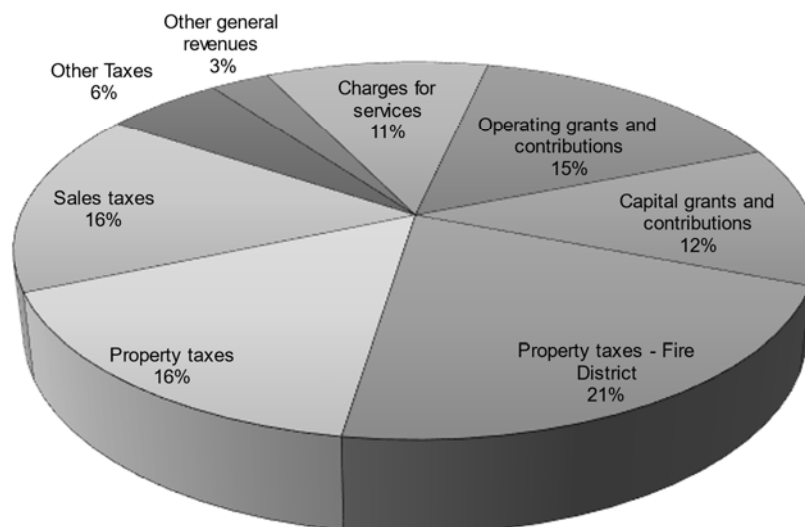
Revenues: For the fiscal year ended June 30, 2023, total revenues from governmental activities were \$277,690,430, total expenses were \$210,224,390, and transfers to business-type activities were \$70,234. Functional expenses are funded directly by program revenues, while taxes and other revenues fund the remainder. Program revenues are resources obtained from outside of the City as well as charges for services. They include, primarily, amounts received from those who purchase, use, or directly benefit from a program or grants and contributions that are restricted to specific programs.

The following charts provide a snapshot of revenues from the City's governmental activities for the Fiscal Years 2022/23 and 2021/22, showing the primary revenue sources as percentages. Following the charts is an analysis of the changes in revenues from the prior fiscal year to the current fiscal year.

**Governmental Activities  
Fiscal Year 2022/23**



**Governmental Activities  
Fiscal Year 2021/22**



Revenues from taxes in the amount of \$157,921,915, and program revenues, including charges for services in the amount of \$36,534,632, operating contributions and grants in the amount of \$14,253,133, and capital contributions and grants of \$45,188,652, are the largest revenue sources for governmental activities. Taxes consist of property taxes, sales taxes, franchise fees, transient occupancy taxes, and other taxes, the largest of which are property and sales taxes. The Fire District receives a separate share of property taxes restricted for fire suppression and prevention activities.

The following table is a condensed summary of the City's governmental tax revenues for Fiscal Years 2022/23 and 2021/22:

	Governmental Activities (In Thousands)	
	2023	2022
Taxes:		
Property taxes:		
Property taxes	\$ 41,328	\$ 41,481
Property taxes - Fire District	60,270	55,491
Total property taxes	101,598	96,972
Sales taxes	40,610	40,768
Other taxes:		
Admissions tax	-	2
Franchise fees	10,763	9,991
Transient occupancy taxes	4,950	4,423
Total other taxes	15,713	14,416
Total taxes	\$ 157,921	\$ 152,156

- Property tax is an ad valorem tax imposed on real property such as land, buildings, and tangible personal property. Property tax revenue is collected by the County of San Bernardino and allocated according to State law among cities, counties, school districts, and special districts. The City's property owners pay a basic tax equal to 1% of the assessed value of real property. The City's share of each property tax dollar is approximately \$0.0511 (shared between the City and Rancho Cucamonga Library), and the Fire District's share of this property tax dollar is approximately \$0.1248. Also included in property tax are property taxes in lieu of vehicle license fees (VLF), which the City receives and is based on the growth of gross assessed valuation from the prior year.

Property taxes increased by \$4,626,770 or 4.8% from the prior year due to increases in property tax in lieu of VLF, property transfer tax, and distributions of residual tax increment and pass-through payments from the former redevelopment agency.

Property taxes in lieu of Vehicle License Fees (VLF) increased by \$1,917,289, while property transfer taxes saw a decrease of \$1,111,644 from the previous fiscal year. The increase in property taxes in lieu of VLF is linked to the growth in gross assessed property values fueled by home sales and commercial/industrial development over the past few fiscal years. The property transfer tax is imposed during property transactions. Although the City experienced a historic level of residential property transactions and sales in the previous fiscal year and part of the year before, recent trends such as rising interest rates, limited property availability, and elevated home prices have contributed to a reduction in property sales volume this fiscal year.

The City and Fire District received a share of residual receipts from the County of San Bernardino, which are remaining tax increment revenues after the former redevelopment agency has paid its obligations. The County of San Bernardino revised the residual receipt calculation in prior years. Due to the revised methodology, the share of residual receipts increased for the City and Fire District. Respectively, the City and Fire District received \$508,458 and \$1,241,210 more residual receipts in the current fiscal year. Additionally, the Fire District received \$1,470,280 more in pass-through payments in the current year. More information about the dissolution of the former redevelopment can be found in Note 19 of the notes to financial statements.

- California sales tax is imposed on the total retail price of any tangible personal property (excluding a variety of state-mandated exemptions), and use tax is imposed on the purchaser for eligible transactions when sales tax has not been collected. The sales and use tax rate in San Bernardino County is currently 7.75%, of which the City receives 1% from the California Department of Tax and Fee Administration. The City is also allocated a share of the countywide use tax pool based on its proportionate share of the sales tax generated in the County.

Sales taxes were virtually unchanged, only decreasing by \$157,043 or 0.4%. The modest decrease follows a significant post-pandemic rebound in the prior year. In the current year, sales tax was impacted mainly by inflationary pressures on taxable sales in the City. Based on preliminary information and analysis, sales tax is expected to flatten out or slightly decline for the Fiscal Year 2023/24; however, that projection could change significantly depending on whether inflation moderates and the economy remains solid or there is a significant economic downturn as a result of high-interest rates and declining employment.

- Franchise fees, essentially a form of statutory "rent" paid by franchisees for utilizing city infrastructure, come from sources such as gas, electricity, cable, and refuse services. This year, franchise fees saw an increase of \$771,538, or 7.7% compared to the previous year. The primary reason for this rise is the higher gross sales from gas and electric franchises, driven by inflationary pressures on commodity prices during the fiscal year.
- Transient occupancy taxes are a 10% tax applied to the cost of the hotel or other lodging stays of less than 30 days. Transient occupancy taxes increased by \$527,067 or 11.9%, as the factors influencing transient occupancy taxes include business and leisure travel, room rate increases, and a new hotel opening during the fiscal year.

The following table is a condensed summary of the governmental program revenues by functional category for Fiscal Years 2022/23 and 2021/22:

(In Thousands)	Charges for services		Operating contributions and grants		Capital contributions and grants	
	2023	2022	2023	2022	2023	2022
Functions/Programs:						
General government	\$ 11,659	\$ 10,176	\$ 980	\$ -	\$ 292	\$ 374
Public safety - police	1,127	998	1,571	27,347	164	187
Public safety - fire protection	156	141	139	27	-	-
Public safety - animal center	147	146	14	-	-	-
Community development	11,802	11,627	924	2,304	939	109
Community services	1,485	610	2,240	2,459	-	-
Engineering and public works	10,159	3,875	8,385	7,710	43,794	30,118
Total	\$ 36,535	\$ 27,573	\$ 14,253	\$ 39,847	\$ 45,189	\$ 30,788

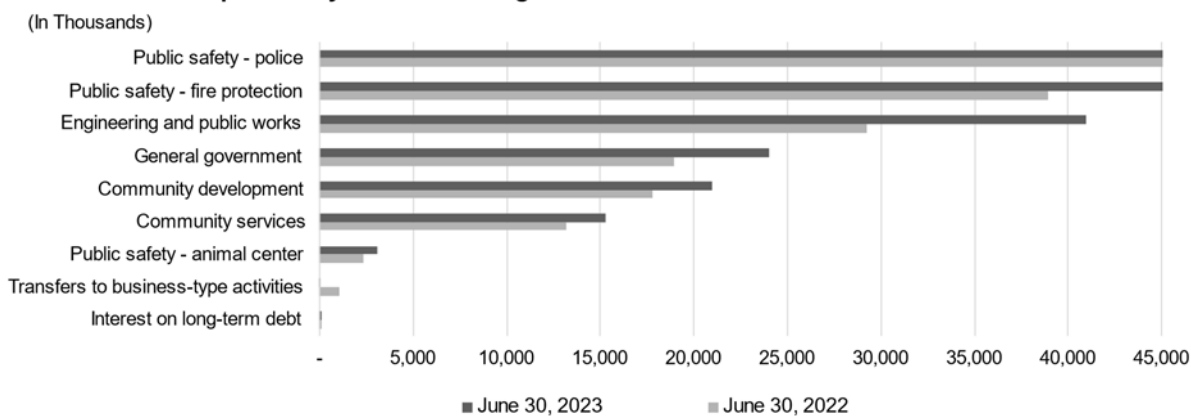
Charges for services increased by \$8,961,218, or 32.5%. This rise is attributed to exceptionally strong development-related charges and fees from activity as a result of the City's new General Plan. The primary charges and fees that increased during the fiscal year include \$1,913,979 from plan check, planning, and engineering fees; \$1,375,168 from underground utility fees; and \$1,860,627 from in-lieu fees for infrastructure improvements, specifically related to the Industrial Area Traffic special revenue fund.

Operating contributions and grants decreased by \$25,593,364 or 64.2% from the prior fiscal year. This decline is primarily because of the one-time reporting of \$26,835,530 in Federal grant funding from the American Rescue Plan Act in the previous fiscal year.

Capital contributions and grants increased by \$14,401,294, or 46.8%, compared to the prior fiscal year. This overall increase includes a reduction of \$5,502,034 in development impact revenue within the Development Impact Fee special revenue fund and offset by an increase of \$16,226,209 due to the reimbursement request submitted to the San Bernardino County for the Base Line Interchange Project, as mentioned earlier.

*Expenses:* The following chart provides a snapshot of the City's governmental activities for Fiscal Years 2022/23 and 2021/22, showing the expenses by function.

### Governmental Expenses by Functions/Programs



The City's governmental activities expenses increased by \$43,939,502 or 26.4% from the prior fiscal year. The total net increase was led by increases in the general government of \$5,088,794, public safety – fire of \$20,523,970, and engineering and public works of \$11,731,776.

The following is a summary of significant changes in governmental activities expenses:

- This fiscal year was the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*, created cost allocations across various functions:
  - General Government: \$761,266
  - Community Services: \$84,403
  - Public Safety – Fire: \$106,087
- The governmental entities contributed an additional \$3,900,000 toward unfunded actuarial liability, which increased General Government expenses for the fiscal year. This discretionary payment aims to reduce the long-term interest costs associated with the City's unfunded actuarial liability.
- General Government expenses also included \$1,890,276 allocated from the Computer Equipment/Technology Replacement internal service fund. This was mainly due to the implementation costs for a new finance and human resource enterprise resource system, resulting in a \$1,390,911 increase from the previous fiscal year.
- The Public Safety – Fire District expenses increased by \$20,523,970 compared to the previous fiscal year. This rise in government-wide level expenses is due primarily to adjustments made for full accrual accounting conversion as the change at the governmental fund level for the Fire District special revenue fund is \$2,596,836. The cause for the increase is due to adjustments in net pension liabilities and deferred inflows/outflows associated with the Fire District's miscellaneous and safety pension plans. For the current fiscal year, the net expense recorded was \$7,074,514. In contrast, a reduction in expenditures by \$8,742,187 was recorded in the prior year due to positive investment returns for that measurement period. As a result, the net variance to the current fiscal year for the net pension liabilities is \$15,816,701. Additionally, changes in the Other Post-Employment Benefits (OPEB) asset led to a reduction of \$1,277,352 in the previous year and \$371,484 in the current year, resulting in a net variance of \$905,868. Lastly, the Fire District's share of workers' compensation expenses has increased, primarily due to significant outstanding claims and the rising costs associated with these claims, resulting in an additional \$1,112,981 in insurance-related liabilities.
- Engineering and public works experienced an increase due to a higher allocation of capital assets compared to the previous year, totaling \$7,269,030.

## **Business-Type Activities**

The \$20,959,731 combined revenues, including transfers from the governmental activities, of the City's business-type activities were \$1,565,432 more than the expenses of \$19,394,299. Since the proprietary funds provide the same information found in the government-wide statements, a more detailed discussion of the City's business-type activities is found in the financial analysis of the City's funds.

## **Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following financial analysis is performed only for governmental and proprietary funds. The fiduciary funds are excluded from this analysis as they do not represent resources available to the City.

**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.

On June 30, 2023, the City's governmental funds reported combined fund balances of \$651,924,268, an increase of \$51,805,049 from the prior fiscal year. Of the total fund balance, \$23,018,987 was non-spendable, associated with prepaid costs, deposits, and advances to other funds; \$421,705,132 was classified as restricted for specific purposes; \$162,227,203 was committed by the City Council; and \$55,071,810 was assigned by the City Manager for certain uses and functions.

The City's governmental funds reported a deficit of \$10,098,864 unassigned fund balance for the following special revenue funds: Lighting Districts of \$4,032,854, Pedestrian Grant of \$11,556, SB1 – TCEP of \$3,736,718, State Grants of \$2,066,527, Federal Grants of \$59,067, Enhanced Infrastructure Financing District of \$186,678, and Opioid Settlement of \$5,464. The deficit unassigned fund balance for the Pedestrian Grant, SB1 – TCEP, State Grants, and Federal Grant special revenue funds will be eliminated with the receipt of funds from granting agencies. The Enhanced Infrastructure Financing District special revenue fund's deficit unassigned fund balance will be eliminated as it begins to receive incremental tax revenues as it ran a deficit during its formation that the City temporarily covered. The Opioid Settlement special revenue fund reported a deficit unassigned fund balance due to the temporary fair value adjustment on its cash and investments, which were more than the interest received on receipts during the current year. Lastly, the Lighting Districts Fund special revenue fund reports a deficit fund balance due to interfund advances received from the City for the purchase and retrofit of streetlights. The deficit unassigned fund balance will be eliminated as repayment of the interfund advances occurs. Refer to Note 8 for more detailed information on the City's interfund advances.

Governmental revenues totaled \$267,025,706, while expenditures were \$217,130,068. Other financing sources, including transfers from other funds, subscriptions issued, and proceeds from the sale of capital assets, totaled \$22,842,985. Other financing uses totaled \$20,933,574 in the form of transfers out to other funds.

The General Fund is the City's general operating fund. On June 30, 2023, the General Fund reported a total fund balance of \$180,98,603, consisting of \$22,702,647 as non-spendable, \$16,546,349 as restricted, \$107,546,210 as committed, and \$34,203,397 as assigned. Further detailed information on these fund balance classifications can be found in Notes 1 and 18 in the notes to the financial statements.

The following table presents the summary of revenues and expenditures of the General Fund for Fiscal Years 2022/22 and 2020/23:

General Fund:		
Revenues and Other Financing Sources		
	2023	2022
Revenues:		
Taxes	\$ 90,082,114	\$ 87,561,737
Licenses and permits	6,756,581	6,207,356
Intergovernmental	691,118	687,958
Charges for services	8,467,873	5,663,958
Use of money and property	2,777,387	(4,575,630)
Fines and forfeitures	1,320,089	1,287,454
Contributions	144,420	59,070
Miscellaneous	7,588,412	14,971,128
Total Revenues	<u>117,827,994</u>	<u>111,863,031</u>
Other Financing Sources:		
Transfers in	2,232,718	29,617,859
Leases	-	226,622
Subscriptions Issued	3,102,685	-
Sale of capital assets	35,419	3,318,081
Total Other Financing Sources	<u>5,370,822</u>	<u>33,162,562</u>
Total Revenues and Other Financing Sources	<u>\$ 123,198,816</u>	<u>\$ 145,025,593</u>
Expenditures and Other Financing Uses		
	2023	2022
Expenditures:		
General government	\$ 18,188,700	\$ 15,923,699
Public safety - police	45,533,057	44,999,347
Public safety - animal center	3,179,876	2,772,844
Community development	6,974,991	6,089,377
Community services	6,324,679	4,589,200
Engineering and public works	14,734,895	12,381,485
Capital outlay	7,418,414	3,122,875
Debt service - interest and fiscal charges	824,573	7,208
Total Expenditures	<u>103,179,185</u>	<u>89,886,035</u>
Other Financing Uses:		
Transfers Out	<u>12,141,264</u>	<u>8,776,007</u>
Total Expenditures and Other Financing Uses	<u>\$ 115,320,449</u>	<u>\$ 98,662,042</u>

The following is a summary of the significant changes in General Fund revenues, expenditures, and other financing sources and uses:

- Taxes, which include property taxes, sales taxes, franchise fees, transient occupancy taxes, and other taxes, represented 73.1% of total revenues and amounted to \$90,082,114. Property and sales taxes are the primary contributors to this category. The General Fund's property taxes increased by \$1,431,570, mainly due to residual receipts from the former redevelopment and a rise in property assessments leading to increased property tax in lieu of VLF. This increase was offset by a reduction in transfer tax, attributed to decreased property turnovers. Sales tax saw a modest decrease of \$157,043, driven by inflationary pressures that increased taxable sales but reduced transaction volumes. Additionally, franchise fees and transient occupancy taxes rose by \$716,193 and \$527,067, respectively. These increases were driven by inflation affecting commodity prices and, subsequently, gross sales, as well as a recovery in the hotel sector with increased business and leisure travel, higher room rates post-pandemic, and the opening of a new hotel during the fiscal year.

- Licenses and permits increased by \$549,225, or 8.8%, due to increased business licenses and building permits.
- Charges for services increased by \$2,803,915 or 49.5%, primarily attributed to fees associated with plan checks, planning, and engineering for development services, as well as revenue from recreational activities. This includes recreation fees and ticket sales at the Lewis Family Playhouse, which is steadily rebounding from the impacts of the pandemic.
- Use of money and property increased by \$7,353,017 or 160.7% because of rising interest rates affecting investments made in recent fiscal years up to the current fiscal year. These higher rates have not only boosted investment earnings but also offset unrealized losses from the temporary adjustments required to bring investments to their fair value at the fiscal year-end. Typically, as interest rates increase, the value of these investments decreases. It's important to note that these adjustments remain unrealized until the investments are sold. Generally, securities are held until maturity.
- Miscellaneous revenue decreased by \$7,382,716 or 49.3% due primarily to the City receiving \$5,150,000 from development agreements in the prior fiscal year, which is \$2,000,000 more than the current year. These agreements were intended to mitigate the impacts of increased affordable housing demand, future greenhouse gas emissions, electric vehicle charging infrastructure needs, and other related impacts stemming from warehouse, industrial, and commercial developments. Additionally, in the prior fiscal year, the City recognized \$5,251,397 in unclaimed property accumulated over several decades, following compliance with State regulations.
- Transfers decreased by \$27,385,141 due to the prior fiscal year transfer of funding from the Federal Grants special revenue fund to the General Fund for funds from the American Rescue Plan Act in the amount of \$26,835,530 for allowable public safety costs.
- Subscriptions issued, totaling \$3,102,685, are the result of accounting entries related to the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*.
- The sale of capital assets decreased by \$3,382,662 due to the sale of land in the prior fiscal year.
- Personnel services expenditures saw a rise across several departments due to the filling of vacant positions. Specifically, increases were observed in general government by \$415,861, public safety – animal center by \$304,596, community development by \$620,366, and engineering and public works by \$1,042,163 for full-time roles. Additionally, community services experienced a rise in personnel services costs by \$867,124, mainly attributed to the hiring for part-time positions.
- General government expenditures rose by \$2,265,001 or 14.2% from the previous fiscal year, primarily due to increased personnel services and the additional discretionary contribution of \$3,900,000 to the CalPERS unfunded liability, as mentioned earlier. These increases were partly offset by a net reduction of \$2,254,927, which is attributed to accounting adjustments arising from the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*.
- Public safety – police increased by \$533,710 or 1.2% from the prior fiscal year due to increased public safety contract costs between the City and the San Bernardino County Sheriff's Department.
- Engineering and public works increased by \$2,353,510 or 19.0% compared to the previous fiscal year. This rise can be attributed to two main factors: the increase in personnel services and the escalation in contract services related to facilities, which have ramped up as more facilities reopened post-pandemic. In the current year, contract services for facilities alone accounted for an increase of \$620,510.

- Capital outlay increased by \$4,295,539 or 137.6% due to the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*.

The Development Impact Fees Fund accounts for the receipts from development impact fee revenue used to defray all or a portion of the cost of public facilities due to development. The fund balance was \$93,922,890, an increase of \$11,571,893 or 14.1% from the prior fiscal year. Total revenues of \$13,280,079 decreased by \$1,680,408, and total expenditures of \$1,703,725 decreased by \$540,814 from the last fiscal year. Although revenues exceeded expenditures in the current fiscal year, it is normal for the City to accumulate resources in advance to complete identified capital projects over a period of time.

The Housing Successor Agency Fund accounts for the assets of the former Redevelopment Agency's Low and Moderate Income Housing Fund. The fund's revenue source is primarily the interest received from the notes and loans receivable, as there is no dedicated funding source after the elimination of redevelopment. The fund balance was \$139,805,331, an increase of \$131,435 or 0.1% from the prior fiscal year. Total revenues of \$510,151 were primarily from interest on residual receipt loans from repayment received during the year. Revenues were offset by total expenditures of \$378,716 for administration. Notes and loans receivable increased by \$2,752,941 or 1.6% from the previous year due to accrued interest on outstanding loans offset by repayments.

The Fire District Fund accounts for the revenues received and disbursements made by the Rancho Cucamonga Fire Protection District while providing emergency and non-emergency services to the community. The fund balance was \$101,952,917, which increased by \$8,311,744 or 8.9% from the prior fiscal year. Total revenues were \$64,496,825, predominantly generated by property taxes, which increased during the current fiscal year because of residual receipts and pass-through payments from the former redevelopment agency, as mentioned earlier. Total expenditures of \$56,398,742 were incurred to provide fire protection and suppression services, including \$31,464,720 in personnel costs, which were the Fire District's most significant expenditure. Additionally, the total expenditures included \$8,184,126 of capital outlay expenditures for the Town Center Fire Station #178, which will provide fire suppression and preventive services in an area of the City with existing response time deficits.

**Proprietary Funds.** The City's proprietary funds provide the same information as in the business-type activities column of the government-wide financial statements. They consist of four enterprise funds and two internal services funds. The Sports Complex, Municipal Utility, and Fiber Optic Network enterprise funds are considered major funds.

The following table summarizes the operating results of the City's enterprise funds:

	Sports Complex		Municipal Utility		Fiber Optic Network		Second Story Library and Beyond	
	2023	2022	2023	2022	2023	2022	2023	2022
Operating revenues	\$ 217,164	\$ 246,722	\$ 18,876,910	\$ 14,551,353	\$ 418,306	\$ 326,985	\$ -	\$ -
Operating expenses	2,452,970	1,703,194	16,032,760	13,503,837	625,729	630,599	-	-
Operating income (loss)	(2,235,806)	(1,456,472)	2,844,150	1,047,516	(207,423)	(303,614)	-	-
Net nonoperating revenues/(expenses)	227,517	274,132	362,102	(785,215)	(94,051)	(536,380)	(705)	-
Contributions	-	-	492,862	1,086,273	84,552	1,735,481	22,000	-
Transfers in	1,442,944	1,581,226	-	-	-	937,291	250,000	-
Transfers out	-	-	(1,622,710)	(1,457,300)	-	-	-	-
Change in net position	\$ (565,345)	\$ 398,886	\$ 2,076,404	\$ (108,726)	\$ (216,922)	\$ 1,832,778	\$ 271,295	\$ -



### Sports Complex

The Sports Complex accounts for the revenue and operational costs of the City's baseball facility, which is home to the Rancho Cucamonga Quakes. Operating revenues amounted to \$217,164, a modest decrease of \$29,558 or 12.0% from the previous fiscal year. Total operating expenditures were \$2,452,970, an increase of \$749,776 or 44% from the last fiscal year. This rise in operating costs is mainly attributed to the allocation of pension expenses, which created a variance of \$787,340 from the prior fiscal year. This variance is caused by the change in the net pension liability from the negative investment returns during the measurement period, as has been previously mentioned. The Sports Complex received \$1,442,944 in transfers from the City's General Fund, a decrease of \$138,282 or 8.7% compared to the prior year. These transfers help subsidize the baseball facility's operations, as its operating revenues are insufficient to cover the total operating costs.

### Municipal Utility

The Municipal Utility Fund accounts for the costs of labor and materials used in the operation, maintenance, construction, and consumption of electric services to residential, commercial, and industrial customers within areas of the City. This fiscal year, operating revenues amounted to \$18,876,910, a 29.7% increase or \$4,325,557 more than the previous fiscal year. This rise is largely due to higher earnings from variable commodity sales to customers and increased revenue from distribution line extensions for new developments in the City's industrial sector. Additionally, this fiscal year includes the implementation of a Power Cost Adjustment Factor for ratepayers, designed to align charges with the actual cost of wholesale power during a billing period. This factor, which can vary above or below the Municipal Utility's base rate, resulted in additional revenue of \$893,215 for the utility in the current fiscal year.

Operating expenses totaled \$16,032,760, an 18.7% increase or \$2,528,923 more than the last fiscal year. The primary reason for this rise in operating costs is the year-over-year increase in the price per unit of wholesale power purchases.

Nonoperating revenues and expenses in the Municipal Utility saw an increase of \$1,160,046 due to higher earnings from invested funds, attributed to rising interest rates, and a smaller adjustment needed to bring investments to fair value at the fiscal year-end compared to previous years. Capital contributions decreased by \$593,411, a variable figure largely dependent on non-recurring infrastructure donations from developers.

### Fiber Optic Network

The Fiber Optic Network Fund accounts for receipts from user charges and leases for conduit and fiber access, and costs associated with the City's existing utility, information technology, and traffic fiber conduits. For this fiscal year, the operating revenues of the fund reached \$418,306, an increase of \$91,321 or 27.9% from the previous fiscal year. These revenues primarily comprise lease earnings from cellular towers and fiber optic communication contracts with telecommunications companies and a local internet provider.

The Fiber Optic Network's operating expenses amounted to \$625,729, showing a marginal decrease of \$4,870 or 0.8% from the previous fiscal year. This change in operating expenses can be attributed to higher depreciation expenses resulting from the expansion of the fiber optic infrastructure backbone in recent years and offset by a reduction in maintenance and operational costs for the network.

Nonoperating revenues and expenses for the fund rose by \$447,279, mainly due to increased earnings from invested funds influenced by rising interest rates and a lesser adjustment needed to align investments to their fair value at the end of the fiscal year. Furthermore, the Fiber Optic Network reported receiving \$84,552 in contributed capital for fiber optic infrastructure from developers in new communities. This contribution not only enables high-speed internet access in these areas but also expands the coverage and subscription base of the Fiber Optic Network, as these infrastructure assets were put into service during the current fiscal year.

## Other Proprietary Funds

The Second Story Library and Beyond enterprise fund is nonmajor for financial reporting purposes; however, it is reported individually on the statement of net position and statement of revenues, expenses, and changes in the net position of the proprietary funds in the basic financial statements.

The Equipment and Vehicle Replacement and the Computer Equipment/Technology Replacement internal service funds are reported as a combined total on the statement of net position and statement of revenues, expenses, and changes in the net position of the proprietary funds. More detailed information on these funds can be found in the combined statement of net position and statement of revenues, expenses, and changes in fund net position for the internal service funds.

## General Fund Budgetary Highlights

During the fiscal year, with the City's staff's recommendation, the City Council may revise the City's budget as needed. Adjustments were made periodically as additional appropriations were necessary to cover the cost of projects that either required change orders for additional work or the estimated cost at the beginning of the project changed due to external factors. Adjustments were also made through increased or decreased budgets to maintain the current level of services. All amendments that the City Council approves either increase or decrease appropriations.

On June 30, 2023, the General Fund's actual revenues and other financing sources were higher than the final adjusted budget, while actual expenditures with encumbrances and other financing uses were lower than the final adjusted budget. The following table summarizes the operating results on a budgetary basis for the City's General Fund:

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues and Other Financing</b>				
Taxes	\$ 86,462,450	\$ 89,703,740	\$ 90,082,114	\$ 378,374
Licenses and permits	5,025,220	5,851,690	6,756,581	904,891
Intergovernmental	787,840	778,500	691,118	(87,382)
Charges for services	7,861,470	7,944,630	8,467,873	523,243
Use of money and property	2,333,780	3,333,140	2,777,387	(555,753)
Fines and forfeitures	1,338,090	1,067,910	1,320,089	252,179
Contributions	141,000	151,000	144,420	(6,580)
Miscellaneous	4,320,570	6,229,970	7,588,412	1,358,442
Transfers in	1,693,830	2,212,350	2,232,718	20,368
Proceeds from sale of capital assets	79,500	80,700	35,419	(45,281)
Subscriptions Issued	-	-	3,102,685	3,102,685
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 110,043,750</b>	<b>\$ 117,353,630</b>	<b>\$ 123,198,816</b>	<b>\$ 5,845,186</b>
<b>Expenditures with Encumbrances and Other Financing Uses:</b>				
General government	\$ 20,939,820	\$ 24,433,560	\$ 18,788,689	\$ (5,644,871)
Public safety - police	49,561,410	49,224,190	45,587,287	(3,636,903)
Public safety - animal center	3,640,100	3,388,080	3,185,650	(202,430)
Community development	7,892,340	9,627,500	9,179,505	(447,995)
Community services	9,779,230	7,293,510	6,401,535	(891,975)
Engineering and public works	16,152,390	16,374,990	14,961,046	(1,413,944)
Capital outlay	8,148,300	7,099,110	11,902,948	4,803,838
Debt Service	106,450	106,450	824,573	718,123
Transfers out	4,249,260	7,420,510	12,141,264	4,720,754
<b>Total Expenditures with Encumbrances and Other Financing Uses</b>	<b>\$ 120,469,300</b>	<b>\$ 124,967,900</b>	<b>\$ 122,972,497</b>	<b>\$ (1,995,403)</b>

Significant revenue variances at the end of the fiscal year were as follows:

- Taxes: This resulted in a positive variance of \$378,374 due to higher-than-anticipated sales tax revenues and lower transfer tax revenues than anticipated in the final budget. Although sales tax actuals decreased modestly when compared to last year, the budget for sales was reduced to account for economic headwinds that were expected to decrease taxable sales. Instead, sales tax exceeded its final budget by \$671,296. Conversely, the transfer tax did not meet expectations as the reduction in property sales was greater than anticipated, falling short of the budget by \$384,258.
- Licenses and Permits: This resulted in a positive variance of \$904,891 compared to the final budget. The variance was driven by an uptick in the issuance of business licenses and building permits, which surpassed the budgeted expectations by \$369,988 and \$396,107, respectively. These variances were indicative of positive economic activity in the City.
- Charges for services: Exceeded expectations by \$523,243 due to increased developer-related services, specifically plan check, planning, and engineering fees, which collectively exceeded the final budget by \$448,667 at the fiscal year end. These service increases were expected to increase based on receipts during the fiscal year, and as a result, the final budget was increased by \$1,510,060 from the adopted budget.
- Use of money and property: There was a negative variance of \$555,753, which is primarily due to the temporary adjustment to fair value at the end of the fiscal year offsetting investment earnings, as previously noted.
- Miscellaneous Revenues: Non-recurring and one-time revenues exceeded the final budget by \$1,358,442 for the fiscal year. An example is revenues from development agreements that are intended to mitigate the impacts of warehouse, industrial, and commercial developments in the community, which are due to the City when certain conditions are met. This revenue exceeded the final budget by \$1,000,000. Additionally, the City received \$895,083 more in mandate claim reimbursements from the State of California than was budgeted due to the sporadic reimbursements from the State.
- Subscriptions Issued: The \$3,102,685 that was not anticipated to be included in the original or final budgets is due to the accounting associated with the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*.

Significant expenditure variances at the end of the fiscal year are as follows:

- General Government: Expenditures were lower than the final budget by \$5,644,871, primarily due to accounting related to the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*, from which a \$3,034,203 contra-expense was recorded for the general government expenditures. These accounting entries were not budgeted as part of the implementation. The second most notable variance was for a \$1,000,000 contribution made to the pension rate stabilization program trust fund during the fiscal year. For accounting purposes, this contribution represents a movement of balance sheet items, i.e., cash and investment, to restricted assets; however, the contribution is still budgeted from a budgetary control standpoint.
- Public Safety - Police: Expenditures were below the final budget by \$3,636,903, primarily due to cost savings from vacant contract positions with the San Bernardino County Sheriff contract for police services.
- Community Services: Community services expenditures showed a negative variance of \$891,975 because of salary savings from both full-time and part-time positions that were budgeted but remained unfilled. Although, as noted earlier, personnel services costs have increased compared to the previous year, they still fall short of the anticipated budgeted levels.

- Engineering and Public Works: Expenditures were below the final budget by \$1,413,944, mainly due to decreased costs in operations and maintenance, contract services, and utilities within public works. This reduction was particularly notable in park maintenance and city facilities, where the total spending, particularly in operations and contract services, was \$785,365 less than the allocated final budget.
- Capital Outlay: Expenditures surpassed the final budget by \$4,803,838, primarily due to accounting adjustments stemming from the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. This led to a contra-expense of \$5,357,612 in various functional categories, recorded due to the implementation. These expenditures were not included in the budget, similar to the previously mentioned variance in general government expenditures.
- Debt Service: Expenditures went over the budget by \$718,123, largely because of accounting adjustments totaling \$742,205 related to the implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*, similar to the situation in capital outlay.
- Transfers Out: The variance of \$4,720,754 is attributed to several unbudgeted transfers, including \$250,000 to the Second Story Library and Beyond enterprise fund to accumulate funds for future operations, \$4,200,000 to the Library Service special revenue fund for upcoming capital projects and \$900,000 to the Computer Equipment/Technology Replacement internal service fund to address future technology replacement requirements. These transfers were not budgeted as they are allocations based on the financial performance at the end of the fiscal year and are not predetermined in the budget planning stages.

## Capital Assets and Debt Administration

### Capital Assets

The City's investment in capital assets for its governmental and business-type activities amounted to \$861,539,879, net of accumulated depreciation and amortization.

The table below presents summary information on the City's capital assets.

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 106,340	\$ 99,349	\$ 5,451	\$ 5,451	\$ 111,791	\$ 104,800
Right-of-way	237,230	237,230	-	-	237,230	237,230
Subscription in progress	2,255	-	-	-	2,255	-
Construction in progress	52,117	32,901	3,626	1,242	55,743	34,143
Buildings improvements	139,124	145,870	4,300	4,731	143,424	150,601
Improvements other than buildings	20,341	21,816	1,846	1,975	22,187	23,791
Equipment and vehicles	8,122	8,973	101	118	8,223	9,091
Furniture and fixtures	37	45	-	-	37	45
Leased assets	155	191	-	-	155	191
Subscription assets	2,596	-	-	-	2,596	-
Infrastructure	248,791	254,175	29,303	29,235	278,094	283,410
Intangible	(195)	9	-	-	(195)	9
<b>Total</b>	<b>\$ 816,913</b>	<b>\$ 800,559</b>	<b>\$ 44,627</b>	<b>\$ 42,752</b>	<b>\$ 861,540</b>	<b>\$ 843,311</b>

Major capital asset activities during the year are as follows:

#### Governmental Activities

- Land increased by \$6,990,830, mainly due to the acquisition of land for the Etiwanda Grade Separation capital project. This project involves constructing a bridge over the existing Metrolink railroad tracks on Etiwanda Avenue, stretching from Arrow Route to Napa Street. Its main objectives are to improve safety for both vehicles and trains, support the local manufacturing and logistics sectors, and reduce traffic congestion throughout Rancho Cucamonga. As of September 2023, this capital project is put on hold due to rising expenses and decreased funding.
- Construction in progress reported a net increase of \$19,216,081, comprising additions of \$30,531,350 for capital outlay and a reduction of \$11,315,269 for capital assets placed into service during the current fiscal year. Notable projects during this period included the Etiwanda Avenue Grade Separation, which saw an expenditure of \$9,398,514, of which \$6,760,830 was placed into service as land, as mentioned earlier. Other significant projects were the Second Story Library and Beyond capital project at the Paul A. Biane Library, with additions of \$3,555,318; the Central Park Dog Park, with additions of \$2,629,958; and the construction of Town Center Fire Station #178, with additions of \$8,184,128.
- Total capitalized infrastructure reported a net decrease of \$5,384,171, resulting in a value, net of accumulated depreciation, of \$248,791,021. This net decrease includes \$2,473,081 in additions transferred from construction in progress for various roadway projects and \$1,081,797 from capital outlay additions. Offsetting these increases were a disposal net of accumulated depreciation totaling \$42,495 and a depreciation expense of \$8,896,554.
- The implementation of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*, added subscriptions in progress and subscription assets. More information on the subscriptions can be found in Note 6 in the notes to the financial statements.

#### Business-type Activities:

- The Construction in Progress reported a net increase of \$2,384,957, comprising \$3,306,012 in new additions, primarily due to ongoing work on fiber optic and municipal utility line extensions. Capital assets placed into service from construction in progress include completed segments of the fiber optic network across various City locations, totaling \$921,055.
- Donated infrastructure included \$492,862 for the Municipal Utility and \$84,552 for the Fiber Optic Network. This infrastructure is placed into service and expands the area of operation for both enterprise funds.
- The depreciation expense for the fiscal year is allocated among the Municipal Utility for \$1,402,058, the Fiber Optic Network for \$327,732, and the Sports Complex for \$559,906.

Additional information on the City's capital assets can be found in Note 7 of the notes to financial statements. Furthermore, significant commitments that include construction contracts are identified in Note 17 of the notes to financial statements.

#### **Debt Administration**

As of June 30, 2023, the City had \$19,880,858 in debt outstanding, not including net pension liabilities.

A summary of outstanding long-term debt with comparative amounts for the prior fiscal year is presented below:

**Long-Term Debt**  
For the Year Ended June 30, 2023 and 2022  
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Leases Payable (Note 5 and 9)	\$ 152	\$ 696	\$ -	\$ -	\$ 152	\$ 696
Subscriptions Payable (Note 6)	2,632	-	-	-	2,632	-
Advances from Successor Agency (Note 10)	3,954	3,954	-	-	3,954	3,954
Compensated Absences (Note 11)	8,966	8,629	-	-	8,966	8,629
Claims and Judgments Payable (Note 16)	4,177	3,128	-	-	4,177	3,128
Total	<u>\$ 19,881</u>	<u>\$ 16,407</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,881</u>	<u>\$ 16,407</u>

In the current fiscal year, the most significant change from the previous year was the addition of \$2,632,400 in subscription liabilities due to the adoption of *GASB Statement No. 96, Subscription-Based Information Technology Arrangements*. For more detailed information about the City's long-term debt, please refer to the relevant notes in the financial statements, as indicated in the table provided above.

### Economic Factors and Next Year's Budgets

The Adopted Budget for the City in Fiscal Year 2023/24 totals \$354,000,950 in expenditures for all funds. Out of this, \$167,817,210, or 49.3%, is allocated for the expenditures of the City's operating budgets. The components of the City's operating budget include the General Fund operating fund at \$112,270,660, the Fire District operating funds at \$56,410,060, and the Library Fund at \$5,863,830. The total budget represents an increase of \$84,153,790 or 31.4%, while the operating budget itself has risen by \$1,872,710 or 0.5% compared to the Fiscal Year 2022/23 Adopted Budget.

As a note, the presentation of the General Fund in the basic financial statements is the combination of the General Fund operating fund and other general funds. However, these other general funds are not included in the City's operating budget for budgetary purposes.

The General Fund operating fund budgeted for revenues of \$112,270,660, projecting an increase of \$4,737,720 from the Fiscal Year 2022/23 adopted budget, as follows:

	FY 2022/23	FY 2022/23	FY 2023/24	Increase (Decrease)	
	Budget	Actuals	Budget	Amount	Percentage
<b>Revenues and Other Financing Sources:</b>					
Taxes	\$ 86,462,450	\$ 90,082,114	\$ 91,509,150	\$ 1,427,036	1.6%
Licenses and permits	4,993,590	6,756,581	5,684,580	(1,072,001)	-15.9%
Intergovernmental	276,940	691,118	290,710	(400,408)	-57.9%
Charges for services	7,142,230	8,467,873	6,392,150	(2,075,723)	-24.5%
Use of money and property	1,578,640	2,777,387	2,021,630	(755,757)	-27.2%
Fines and forfeitures	1,304,280	1,320,089	1,054,850	(265,239)	-20.1%
Other	3,958,680	10,870,936	3,542,630	(7,328,306)	-67.4%
Transfers in	1,816,130	2,232,718	1,774,960	(457,758)	-20.5%
<b>Total Revenues and Other Financing Sources</b>	<u>\$ 107,532,940</u>	<u>\$ 123,198,816</u>	<u>\$ 112,270,660</u>	<u>\$ (10,928,156)</u>	<u>-8.9%</u>

The General Fund's financial support comes primarily from seven key revenue streams: sales tax, vehicle license fees (VLF and property tax in lieu of VLF), franchise fees, property tax, development fees, business licenses, and transient occupancy tax. The City follows a conservative approach to budgeting revenues, as evidenced in the table above, where the actual revenues for Fiscal Year 2022/23 surpassed the adopted budget for that year. For Fiscal Year 2023/24, various economic and financial factors have been integrated into the adopted budget.

- The sales tax revenue for Fiscal Year 2023/24 is \$39,437,880, an increase of \$1,463,030 or 3.85% compared to the adopted budget for Fiscal Year 2022/23. Growth for sales tax is rooted in a detailed analysis by the City's sales tax consultant, which evaluates current tax receipts, macroeconomic conditions, and local business data. Those positive changes include increasing demand for taxable goods from online shopping, where the sales tax revenues to the City are distributed from the County pool. Additionally, strong performance in the General Consumer Goods sector, bolstered by robust employment and consumer spending, also contributes positively to these revenue expectations. Concerns about inflation and potential interest rate hikes may offset sales tax revenue growth in the near future, indicating a need for cautious financial planning.
- Vehicle license fees are projected at \$25,527,300, an increase of \$1,575,980 or 6.58% compared to the adopted budget for Fiscal Year 2022/23. This growth reflects the City's increasing property valuation.
- Franchise fees, which include gas, electric, refuse, and cable, are expected to rise by \$1,294,950 or 16.04% to \$9,366,230 for the adopted budget for Fiscal Year 2023/24. Population growth, rate changes, and activities of service providers drive the increase.
- For Fiscal Year 2023/24, the City General Fund's property tax revenue is anticipated to increase by \$496,290, a growth of 4.31%. The City works with property tax consultants to forecast this revenue accurately, taking into account various factors such as the rate of property turnover, potential appeals exposure, anticipated construction activities, and the yearly inflation adjustment as determined by Proposition 13.
- Development fees are projected to increase by \$354,020, or 6.88%, in Fiscal Year 2023/24, driven by active development projects within the City. The exact amount of these fees will fluctuate based on the specific phase of each project, leading to corresponding changes in building and safety, engineering, or planning fees throughout the fiscal year. Consequently, the collection of development fees is subject to variation annually.
- For Fiscal Year 2023/24, business license revenues are projected to increase by \$475,650 or 15.54% compared to the Fiscal Year 2022/23. This growth is attributed to an improving business climate within the City, coupled with enhanced enforcement and compliance efforts, as the City plans to increase the number of business inspections completed during the Fiscal Year. This revenue stream reflects the economic health of the City, and its growth indicates a positive trend in business development and an effective approach to compliance and regulation by the City.
- In Fiscal Year 2023/24, the Transient Occupancy Tax (TOT) is expected to see an increase of \$219,210 or 4.26% compared to Fiscal Year 2022/23. This projected growth is largely due to revenue from a new hotel set to open during the fiscal year, as well as increases in room rates and occupancy levels at existing hotels. TOT revenue serves as a key indicator of the tourism and hospitality sector's vitality in the City, which may also positively impact other revenue streams, such as sales tax, reflecting a broader economic upswing in the City.

Other matters that are affecting or could affect the City's future operations are as follows:

The California State Legislative Analyst Office's (LAO) report on *The 2023-24 Budget: California's Fiscal Outlook Overview* indicates that California is facing a significant budget challenge for the Fiscal Year 2023-24. Various analyses at different points in time project an estimated deficit of \$24 to 68 billion. This deficit, which is the most significant since the Great Recession, arises from lower-than-expected revenue projections. California's revenue forecasts are conservative, reflecting the possibility of an economic downturn. While an abrupt recession is not anticipated in these projections, there remains a risk that revenue declines could intensify if a recession does materialize.

The report also notes that much like the City, California's budget is being influenced by several critical economic factors. These include inflation, the Federal Reserve's interest rate hikes, and challenges in the State's labor market and supply chain, as well as the State's over-reliance on a highly progressive income tax structure. These elements contribute significantly to the complexity of revenue forecasting and budget planning, underscoring the necessity for strategic and adaptive fiscal management.

For more in-depth information and analysis, it is advisable to review the full report by the Legislative Analyst's Office on their website (<https://lao.ca.gov>), which provides a comprehensive view of the State's fiscal outlook and the factors impacting it.

### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Rancho Cucamonga'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 financial information should be addressed to the Finance Department at the City of Rancho Cucamonga, 10500 Civic Center Drive, Rancho Cucamonga, CA 91730.



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**CITY OF RANCHO CUCAMONGA**  
**Statement of Net Position**  
**June 30, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 485,690,397	\$ 32,210,196	\$ 517,900,593
Receivables:			
Accounts, net of allowances	26,293,421	3,356,566	29,649,987
Taxes	10,668,619	33,000	10,701,619
Notes and loans	176,904,010	-	176,904,010
Accrued interest	2,185,202	166,507	2,351,709
Other loans	1,347,570	-	1,347,570
Grants	4,287,328	-	4,287,328
Leases	4,477,559	3,800,181	8,277,740
Internal balances	13,739,133	(13,739,133)	-
Prepaid costs	973,589	-	973,589
Deposits	49,000	-	49,000
Net OPEB asset	3,781,924	-	3,781,924
Net Pension asset	3,366,403	158,081	3,524,484
Restricted assets:			
Pension rate stabilization program	16,042,577	-	16,042,577
Capital assets (not being depreciated)	397,942,348	9,077,406	407,019,754
Capital assets (net of accumulated depreciation/amortization)	418,970,216	35,549,909	454,520,125
<b>Total assets</b>	<b>1,566,719,296</b>	<b>70,612,713</b>	<b>1,637,332,009</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related items	56,855,004	1,537,315	58,392,319
OPEB related items	2,685,264	-	2,685,264
<b>Total deferred outflows of resources</b>	<b>59,540,268</b>	<b>1,537,315</b>	<b>61,077,583</b>
<b>LIABILITIES</b>			
Accounts payable	13,533,872	2,048,139	15,582,011
Due to other governments	523,329	-	523,329
Accrued liabilities	2,663,294	52,762	2,716,056
Accrued interest	1,491	-	1,491
Deposits payable	7,467,554	922,382	8,389,936
Unearned revenue	7,851,253	-	7,851,253
Noncurrent liabilities:			
Due within one year:			
Long-term debt	972,337	-	972,337
Compensated absences	6,152,000	-	6,152,000
Claims and judgments	1,996,837	-	1,996,837
Due in more than one year:			
Long-term debt	1,811,764	-	1,811,764
Compensated absences	2,814,282	-	2,814,282
Claims and judgments	2,180,014	-	2,180,014
Advances to Successor Agency	3,953,624	-	3,953,624
Net pension liability	105,486,457	3,060,071	108,546,528
<b>Total liabilities</b>	<b>157,408,108</b>	<b>6,083,354</b>	<b>163,491,462</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related items	14,375,383	288,193	14,663,576
OPEB related items	2,956,321	-	2,956,321
Lease related items	4,285,588	3,800,520	8,086,108
<b>Total deferred inflows of resources</b>	<b>21,617,292</b>	<b>4,088,713</b>	<b>25,706,005</b>
<b>NET POSITION</b>			
Net investment in capital assets	814,128,463	44,627,315	858,755,778
Restricted:			
Community development projects	215,515,875	-	215,515,875
Public safety	2,545,447	-	2,545,447
Parks and recreation	17,035,858	-	17,035,858
Fire protection	79,208,524	-	79,208,524
Engineering and public works	90,930,397	-	90,930,397
Community services	9,986,209	-	9,986,209
Capital projects	47,180,364	-	47,180,364
Pension rate stabilization	16,042,577	-	16,042,577
Pension	3,366,403	158,081	3,524,484
OPEB	3,781,924	-	3,781,924
Public benefit - Municipal Utility	-	461,640	461,640
Second Story Library and Beyond	-	271,295	271,295
Unrestricted	147,512,123	16,459,630	163,971,753
<b>Total net position</b>	<b>\$ 1,447,234,164</b>	<b>\$ 61,977,961</b>	<b>\$ 1,509,212,125</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
<b>Functions/Programs:</b>				
<b>Primary government:</b>				
<b>Governmental activities:</b>				
General government	\$ 24,034,094	\$ 11,659,179	\$ 979,631	\$ 291,588
Public safety - police	46,384,884	1,126,473	1,571,272	163,806
Public safety - fire protection	59,429,842	155,812	139,357	-
Public safety - animal center	3,070,329	146,569	14,607	-
Community development	20,978,521	11,802,366	923,674	939,334
Community services	15,274,331	1,485,456	2,239,828	-
Engineering and public works	40,969,175	10,158,777	8,384,764	43,793,924
Interest on long-term debt	83,214	-	-	-
<b>Total governmental activities</b>	<b>210,224,390</b>	<b>36,534,632</b>	<b>14,253,133</b>	<b>45,188,652</b>
<b>Business-type activities:</b>				
Sports Complex	2,468,360	175,549	-	-
Municipal Utility	16,032,760	18,864,181	8,564	492,862
Fiber Optic Network	893,179	413,356	-	84,552
Second Story Library and Beyond	-	-	22,000	-
<b>Total business-type activities</b>	<b>19,394,299</b>	<b>19,453,086</b>	<b>30,564</b>	<b>577,414</b>
<b>Total primary government</b>	<b>229,618,689</b>	<b>55,987,718</b>	<b>14,283,697</b>	<b>45,766,066</b>

**General revenues and transfers:**

General revenues:

- Property taxes levied for general purpose
- Admission tax
- Transient occupancy taxes
- Sales taxes
- Franchise taxes
- Motor vehicle in lieu - unrestricted
- Use of money and property
- Other
- Gain on sale of capital asset
- Transfers

**Total general revenues and transfers**

**Change in net position**

Net position-beginning

**Net position-ending**

**Net (Expenses) Revenues and  
Changes in Net Position**

**Primary Government**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (11,103,696)	\$ -	\$ (11,103,696)
(43,523,333)	-	(43,523,333)
(59,134,673)	-	(59,134,673)
(2,909,153)	-	(2,909,153)
(7,313,147)	-	(7,313,147)
(11,549,047)	-	(11,549,047)
21,368,290	-	21,368,290
(83,214)	-	(83,214)
<b>(114,247,973)</b>	<b>-</b>	<b>(114,247,973)</b>
-	(2,292,811)	(2,292,811)
-	3,332,847	3,332,847
-	(395,271)	(395,271)
-	22,000	22,000
<b>-</b>	<b>666,765</b>	<b>666,765</b>
<b>(114,247,973)</b>	<b>666,765</b>	<b>(113,581,208)</b>
101,598,563	-	101,598,563
-	154,477	154,477
4,950,215	-	4,950,215
40,610,316	-	40,610,316
10,762,821	-	10,762,821
178,842	-	178,842
10,055,661	614,662	10,670,323
13,528,967	59,294	13,588,261
28,628	-	28,628
(70,234)	70,234	-
<b>181,643,779</b>	<b>898,667</b>	<b>182,542,446</b>
<b>67,395,806</b>	<b>1,565,432</b>	<b>68,961,238</b>
1,379,838,358	60,412,529	1,440,250,887
<b>\$ 1,447,234,164</b>	<b>\$ 61,977,961</b>	<b>\$ 1,509,212,125</b>

**CITY OF RANCHO CUCAMONGA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>General</b>	<b>Development Impact Fees</b>	<b>Housing Successor Agency</b>	<b>Fire District</b>
<b>ASSETS</b>				
Cash and investments	\$ 148,789,055	\$ 93,625,531	\$ 2,717,128	\$ 90,468,220
Receivables:				
Accounts, net of allowances	4,524,287	358,693	-	2,232,289
Taxes	8,066,070	-	-	421,600
Notes	-	-	176,904,010	-
Accrued interest	691,351	423,129	12,935	439,872
Other loans	-	-	-	-
Grants	-	-	-	-
Leases	363,818	-	-	798,307
Prepaid costs	529,179	-	2,393	302,965
Deposits	49,000	-	-	-
Due from other funds	5,926,623	-	-	-
Advances to other funds	22,124,468	-	-	-
Restricted assets:				
Pension rate stabilization program	4,954,206	-	-	11,088,371
<b>Total assets</b>	<b>\$ 196,018,057</b>	<b>\$ 94,407,353</b>	<b>\$ 179,636,466</b>	<b>\$ 105,751,624</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 5,036,231	\$ 476,975	\$ -	\$ 1,800,033
Accrued liabilities	1,559,994	7,488	-	857,433
Unearned revenues	1,024,766	-	-	-
Deposits payable	7,017,539	-	-	-
Due to other governments	-	-	-	-
Due to other funds	33,043	-	-	263,993
Advances from other funds	-	-	-	110,163
<b>Total liabilities</b>	<b>14,671,573</b>	<b>484,463</b>	<b>-</b>	<b>3,031,622</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	666	-	39,831,135	-
Deferred lease inflows	347,215	-	-	767,085
<b>Total deferred inflows of resources</b>	<b>347,881</b>	<b>-</b>	<b>39,831,135</b>	<b>767,085</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable	22,702,647	-	2,393	302,965
Restricted	16,546,349	93,922,890	139,802,938	26,100,546
Committed	107,546,210	-	-	54,680,993
Assigned	34,203,397	-	-	20,868,413
Unassigned	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>180,998,603</b>	<b>93,922,890</b>	<b>139,805,331</b>	<b>101,952,917</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 196,018,057</b>	<b>\$ 94,407,353</b>	<b>\$ 179,636,466</b>	<b>\$ 105,751,624</b>

**CITY OF RANCHO CUCAMONGA**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	<b>Total Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>		
Cash and investments	\$ 138,551,683	\$ 474,151,617
Receivables:		
Accounts, net of allowances	19,149,132	26,264,401
Taxes	2,180,949	10,668,619
Notes	-	176,904,010
Accrued interest	565,636	2,132,923
Other loans	1,347,570	1,347,570
Grants	4,287,328	4,287,328
Leases	3,315,434	4,477,559
Prepaid costs	10,982	845,519
Deposits	-	49,000
Due from other funds	97,036	6,023,659
Advances to other funds	-	22,124,468
Restricted assets:		
Pension rate stabilization program	-	16,042,577
<b>Total assets</b>	<b>\$ 169,505,750</b>	<b>\$ 745,319,250</b>
<b>LIABILITIES</b>		
Accounts payable	\$ 5,017,545	\$ 12,330,784
Accrued liabilities	236,466	2,661,381
Unearned revenues	6,826,487	7,851,253
Deposits payable	450,015	7,467,554
Due to other governments	523,329	523,329
Due to other funds	5,726,623	6,023,659
Advances from other funds	8,275,172	8,385,335
<b>Total liabilities</b>	<b>27,055,637</b>	<b>45,243,295</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable revenues	4,034,298	43,866,099
Deferred lease inflows	3,171,288	4,285,588
<b>Total deferred inflows of resources</b>	<b>7,205,586</b>	<b>48,151,687</b>
<b>FUND BALANCES (DEFICITS)</b>		
Nonspendable	10,982	23,018,987
Restricted	145,332,409	421,705,132
Committed	-	162,227,203
Assigned	-	55,071,810
Unassigned	(10,098,864)	(10,098,864)
<b>Total fund balances (deficits)</b>	<b>135,244,527</b>	<b>651,924,268</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 169,505,750</b>	<b>\$ 745,319,250</b>

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**CITY OF RANCHO CUCAMONGA**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2023**

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Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances - governmental funds		\$ 651,924,268
Capital assets, net of accumulated depreciation/amortization, used in governmental activities are not financial resources and, therefore, are not reported in the funds.		813,754,226
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings, and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.		
Deferred outflows-pension related	\$ 56,855,004	
Deferred outflows-OPEB related	2,685,264	
Deferred inflows-pension related	(14,375,383)	
Deferred inflows-OPEB related	<u>(2,956,321)</u>	
Total deferred outflows and inflows related to postemployment benefits		42,208,564
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either labeled unavailable or not reported in the funds.		
Long-term receivables	43,866,099	
Net pension asset	3,781,924	
Net OPEB asset	<u>3,366,403</u>	
Total other long-term assets		51,014,426
Internal service funds provide services to other funds on a cost-reimbursement basis. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the Statement of Activities.		13,701,486
Accrued interest payable for the current position of lease liability has not been reported in the governmental funds.		
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.		(1,491)
Advances from Successor Agency liability	(3,953,624)	
Leases and SBITA liability	(2,784,101)	
Compensated absences	(8,966,282)	
Claims and judgments liability	(4,176,851)	
Net pension liability	<u>(105,486,457)</u>	
Total long-term liabilities		<u>(125,367,315)</u>
<b>Net position of governmental activities</b>		<b><u><u>\$1,447,234,164</u></u></b>



**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

**Special Revenue Funds**

	<b>General</b>	<b>Development Impact Fees</b>	<b>Housing Successor Agency</b>	<b>Fire District</b>
<b>REVENUES</b>				
Taxes	\$ 90,082,114	\$ -	\$ -	\$ 60,270,311
Licenses and permits	6,756,581	-	-	13,255
Intergovernmental	691,118	-	-	96,177
Charges for services	8,467,873	-	-	4,947
Use of money and property	2,777,387	862,321	198,064	2,065,744
Fines and forfeitures	1,320,089	-	-	130,911
Contributions	144,420	-	-	-
Developer participation	-	12,414,563	-	-
Miscellaneous	7,588,412	3,195	312,087	1,915,480
<b>Total revenues</b>	<b>117,827,994</b>	<b>13,280,079</b>	<b>510,151</b>	<b>64,496,825</b>
<b>EXPENDITURES</b>				
Current:				
General government	18,188,700	-	-	-
Public safety	45,533,057	1,310	-	-
Public safety - fire protection	-	-	-	47,614,483
Public safety - animal center	3,179,876	650	-	-
Community development	6,974,991	-	378,716	-
Community services	6,324,679	19,880	-	-
Engineering and public works	14,734,895	562,298	-	-
Capital outlay	7,418,414	1,119,587	-	8,660,991
Debt service:				
Principal	778,997	-	-	100,322
Interest and fiscal charges	45,576	-	-	22,946
<b>Total expenditures</b>	<b>103,179,185</b>	<b>1,703,725</b>	<b>378,716</b>	<b>56,398,742</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>14,648,809</b>	<b>11,576,354</b>	<b>131,435</b>	<b>8,098,083</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	2,232,718	-	-	866
Transfers out	(12,141,264)	(4,461)	-	(105,466)
Proceeds from sale of capital asset	35,419	-	-	-
Subscriptions issued	3,102,685	-	-	318,261
<b>Total other financing sources (uses)</b>	<b>(6,770,442)</b>	<b>(4,461)</b>	<b>-</b>	<b>213,661</b>
<b>Net change in fund balances</b>	<b>7,878,367</b>	<b>11,571,893</b>	<b>131,435</b>	<b>8,311,744</b>
Fund balances-beginning	173,120,236	82,350,997	139,673,896	93,641,173
<b>Fund balances (deficit)-ending</b>	<b>\$ 180,998,603</b>	<b>\$ 93,922,890</b>	<b>\$ 139,805,331</b>	<b>\$ 101,952,917</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Total Nonmajor Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>		
Taxes	\$ 23,425,154	\$ 173,777,579
Licenses and permits	154,855	6,924,691
Intergovernmental	39,650,105	40,437,400
Charges for services	142,034	8,614,854
Use of money and property	1,620,477	7,523,993
Fines and forfeitures	-	1,451,000
Contributions	999,599	1,144,019
Developer participation	3,323,122	15,737,685
Miscellaneous	1,595,311	11,414,485
<b>Total revenues</b>	<b>70,910,657</b>	<b>267,025,706</b>
<b>EXPENDITURES</b>		
Current:		
General government	3,874,143	22,062,843
Public safety	236,881	45,771,248
Public safety - fire protection	80,435	47,694,918
Public safety - animal center	-	3,180,526
Community development	13,947,174	21,300,881
Community services	4,208,662	10,553,221
Engineering and public works	6,456,112	21,753,305
Capital outlay	26,611,598	43,810,590
Debt service:		
Principal	52,929	932,248
Interest and fiscal charges	1,766	70,288
<b>Total expenditures</b>	<b>55,469,700</b>	<b>217,130,068</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>15,440,957</b>	<b>49,895,638</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	17,046,126	19,279,710
Transfers out	(8,682,383)	(20,933,574)
Proceeds from sale of capital asset	-	35,419
Subscriptions issued	106,910	3,527,856
<b>Total other financing sources (uses)</b>	<b>8,470,653</b>	<b>1,909,411</b>
<b>Net change in fund balances</b>	<b>23,911,610</b>	<b>51,805,049</b>
Fund balances-beginning	111,332,917	600,119,219
<b>Fund balances (deficit)-ending</b>	<b>\$ 135,244,527</b>	<b>\$ 651,924,268</b>

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**CITY OF RANCHO CUCAMONGA**  
**Reconciliation of the Statement of Revenues, Expenses and Changes in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2023**

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

Net change in fund balances - total governmental funds:		\$ 51,805,049
<p>Governmental funds report capital outlays are expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization expense in the current period.</p>		
Capital outlay	\$ 29,449,674	
Depreciation/amortization expense	<u>(21,355,014)</u>	
Total adjustment		8,094,660
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		5,988,655
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase/(decrease) net position.</p>		
Donations of capital assets	4,466,047	
Loss/(gain) on disposal of capital assets	<u>(42,495)</u>	
Total adjustment		4,423,552
<p>Internal service funds provide services to other funds on a cost-reimbursement basis. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>		
		(188,243)
<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 the governmental funds.</p>		
Change in lease assets and lease liabilities	36,792	
Change in claims and judgments liability	(1,048,455)	
Change in SBITA assets and SBITA liabilities	2,218,128	
Changes in compensated absences	(337,312)	
Changes in pension liabilities and related deferred outflows and inflows of resources	(3,968,504)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>371,484</u>	
Total adjustment		<u>(2,727,867)</u>
<b>Change in net position of governmental activities</b>		<b><u><u>\$ 67,395,806</u></u></b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

	<b>Business-Type Activities</b>			
	<b>Sports Complex</b>	<b>Municipal Utility</b>	<b>Fiber Optic Network</b>	<b>Other Enterprise Funds Second Story Library and Beyond</b>
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 9,851	\$ 24,058,167	\$ 7,870,883	\$ 271,295
Receivables:				
Accounts	39,081	3,210,462	107,023	-
Taxes	33,000	-	-	-
Accrued interest	7,511	117,898	41,098	-
Leases	184,893	-	60,047	-
Prepaid costs	-	-	-	-
Total current assets	<u>274,336</u>	<u>27,386,527</u>	<u>8,079,051</u>	<u>271,295</u>
Noncurrent:				
Leases	3,341,387	-	213,854	-
Net pension asset	95,794	62,287	-	-
Capital assets, net	11,597,592	20,398,805	12,630,918	-
Total noncurrent assets	<u>15,034,773</u>	<u>20,461,092</u>	<u>12,844,772</u>	<u>-</u>
<b>Total assets</b>	<b><u>15,309,109</u></b>	<b><u>47,847,619</u></b>	<b><u>20,923,823</u></b>	<b><u>271,295</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related items	874,548	662,767	-	-
<b>Total deferred outflows of resources</b>	<b><u>874,548</u></b>	<b><u>662,767</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	57,325	1,839,567	151,247	-
Accrued liabilities	32,472	20,290	-	-
Deposits payable	-	922,382	-	-
Total current liabilities	<u>89,797</u>	<u>2,782,239</u>	<u>151,247</u>	<u>-</u>
Noncurrent liabilities:				
Advances from other funds	1,469,893	-	12,269,240	-
Net pension liability	1,801,467	1,258,604	-	-
Total noncurrent liabilities	<u>3,271,360</u>	<u>1,258,604</u>	<u>12,269,240</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>3,361,157</u></b>	<b><u>4,040,843</u></b>	<b><u>12,420,487</u></b>	<b><u>-</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related items	172,460	115,733	-	-
Lease related items	3,524,928	-	275,592	-
<b>Total deferred inflows of resources</b>	<b><u>3,697,388</u></b>	<b><u>115,733</u></b>	<b><u>275,592</u></b>	<b><u>-</u></b>
<b>NET POSITION</b>				
Invested in capital assets	11,597,592	20,398,805	12,630,918	-
Restricted for public benefit - Municipal Utility	-	461,640	-	-
Restricted for pension	95,794	62,287	-	-
Restricted for Second Story Library and Beyond	-	-	-	271,295
Unrestricted	(2,568,274)	23,431,078	(4,403,174)	-
<b>Total net position</b>	<b><u>\$ 9,125,112</u></b>	<b><u>\$ 44,353,810</u></b>	<b><u>\$ 8,227,744</u></b>	<b><u>\$ 271,295</u></b>

See accompanying notes to financial statements

**CITY OF RANCHO CUCAMONGA**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2023**

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ 32,210,196	\$ 11,538,780
Receivables:		
Accounts	3,356,566	29,020
Taxes	33,000	-
Accrued interest	166,507	52,279
Leases	244,940	-
Prepaid costs	-	128,070
Total current assets	<u>36,011,209</u>	<u>11,748,149</u>
Noncurrent:		
Leases	3,555,241	-
Net pension asset	158,081	-
Capital assets, net	<u>44,627,315</u>	<u>3,158,338</u>
Total noncurrent assets	<u>48,340,637</u>	<u>3,158,338</u>
<b>Total assets</b>	<b><u>84,351,846</u></b>	<b><u>14,906,487</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension related items	<u>1,537,315</u>	-
<b>Total deferred outflows of resources</b>	<b><u>1,537,315</u></b>	<b><u>-</u></b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	2,048,139	1,203,088
Accrued liabilities	52,762	1,913
Deposits payable	<u>922,382</u>	<u>-</u>
Total current liabilities	<u>3,023,283</u>	<u>1,205,001</u>
Noncurrent liabilities:		
Advances from other funds	13,739,133	-
Net pension liability	<u>3,060,071</u>	<u>-</u>
Total noncurrent liabilities	<u>16,799,204</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>19,822,487</u></b>	<b><u>1,205,001</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related items	288,193	-
Lease related items	<u>3,800,520</u>	<u>-</u>
<b>Total deferred inflows of resources</b>	<b><u>4,088,713</u></b>	<b><u>-</u></b>
<b>NET POSITION</b>		
Invested in capital assets	44,627,315	3,158,338
Restricted for public benefit - Municipal Utility	461,640	-
Restricted for pension	158,081	-
Restricted for Second Story Library and Beyond	271,295	-
Unrestricted	<u>16,459,630</u>	<u>10,543,148</u>
<b>Total net position</b>	<b><u>\$ 61,977,961</u></b>	<b><u>\$ 13,701,486</u></b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	<b>Business-Type Activities</b>			<b>Other</b>
	<b>Sports Complex</b>	<b>Municipal Utility</b>	<b>Fiber Optic Network</b>	<b>Enterprise Funds</b>
				<b>Second Story Library and Beyond</b>
<b>OPERATING REVENUES</b>				
Sales and service charges	\$ 12,595	\$ 18,864,181	\$ 238,896	\$ -
Interdepartmental charges	-	-	-	-
Rent	162,954	-	174,460	-
Miscellaneous	41,615	12,729	4,950	-
<b>Total operating revenues</b>	<b>217,164</b>	<b>18,876,910</b>	<b>418,306</b>	<b>-</b>
<b>OPERATING EXPENSES</b>				
Salaries and benefits	1,086,616	678,438	-	-
Contractual services	340,926	598,047	6,613	-
Maintenance and operations	465,522	13,354,217	291,384	-
Depreciation/amortization	559,906	1,402,058	327,732	-
<b>Total operating expenses</b>	<b>2,452,970</b>	<b>16,032,760</b>	<b>625,729</b>	<b>-</b>
<b>Operating income (loss)</b>	<b>(2,235,806)</b>	<b>2,844,150</b>	<b>(207,423)</b>	<b>-</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Admission tax	154,477	-	-	-
Grant subsidy	-	8,564	-	-
Interest revenue	88,430	353,538	173,399	(705)
Interest expense	(15,390)	-	(267,450)	-
<b>Total nonoperating revenues (expenses)</b>	<b>227,517</b>	<b>362,102</b>	<b>(94,051)</b>	<b>(705)</b>
<b>Income (loss) before contributions and transfers</b>	<b>(2,008,289)</b>	<b>3,206,252</b>	<b>(301,474)</b>	<b>(705)</b>
Contributions	-	492,862	84,552	22,000
Transfers in	1,442,944	-	-	250,000
Transfers out	-	(1,622,710)	-	-
<b>Change in net position</b>	<b>(565,345)</b>	<b>2,076,404</b>	<b>(216,922)</b>	<b>271,295</b>
Net position-beginning	9,690,457	42,277,406	8,444,666	-
<b>Net position-ending</b>	<b>\$ 9,125,112</b>	<b>\$ 44,353,810</b>	<b>\$ 8,227,744</b>	<b>\$ 271,295</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
Sales and service charges	\$ 19,115,672	\$ -
Interdepartmental charges	-	2,252,280
Rent	337,414	1,331,430
Miscellaneous	59,294	-
<b>Total operating revenues</b>	<b><u>19,512,380</u></b>	<b><u>3,583,710</u></b>
<b>OPERATING EXPENSES</b>		
Salaries and benefits	1,765,054	-
Contractual services	945,586	2,952,134
Maintenance and operations	14,111,123	994,445
Depreciation/amortization	2,289,696	1,577,472
<b>Total operating expenses</b>	<b><u>19,111,459</u></b>	<b><u>5,524,051</u></b>
<b>Operating income (loss)</b>	<b><u>400,921</u></b>	<b><u>(1,940,341)</u></b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Admission tax	154,477	-
Grant subsidy	8,564	-
Interest revenue	614,662	166,787
Interest expense	(282,840)	(12,926)
<b>Total nonoperating revenues (expenses)</b>	<b><u>494,863</u></b>	<b><u>153,861</u></b>
<b>Income (loss) before contributions and transfers</b>	<b><u>895,784</u></b>	<b><u>(1,786,480)</u></b>
Contributions	599,414	14,607
Transfers in	1,692,944	1,583,630
Transfers out	(1,622,710)	-
<b>Change in net position</b>	<b><u>1,565,432</u></b>	<b><u>(188,243)</u></b>
Net position-beginning	<u>60,412,529</u>	<u>13,889,729</u>
<b>Net position-ending</b>	<b><u>\$ 61,977,961</u></b>	<b><u>\$ 13,701,486</u></b>



**CITY OF RANCHO CUCAMONGA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	<b>Business-Type Activities</b>			<b>Other Enterprise Funds</b>
	<b>Sports Complex</b>	<b>Municipal Utility</b>	<b>Fiber Optic Network</b>	<b>Second Story Library and Beyond</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 197,910	\$ 18,002,498	\$ 361,244	\$ -
Receipts from interfund service provided	-	-	-	-
Payments to suppliers and service providers	(799,226)	(12,769,409)	(237,098)	-
Payments to employees for salaries and benefits	(1,037,020)	(859,947)	-	-
<b>Net cash provided by (used for) operating activities</b>	<b>(1,638,336)</b>	<b>4,373,142</b>	<b>124,146</b>	<b>-</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	1,442,944	-	-	250,000
Transfers out	-	(1,622,710)	-	-
Payments from other funds on interfund borrowings	-	-	267,449	-
Payments to other funds on interfund borrowings	(127,171)	-	-	-
Operating grants	-	8,564	-	-
Admission tax	154,477	-	-	-
Contributions	-	-	-	22,000
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>1,470,250</b>	<b>(1,614,146)</b>	<b>267,449</b>	<b>272,000</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	-	(2,941,507)	(645,885)	-
Principal paid on capital debt	-	-	-	-
Interest paid on capital debt	(15,390)	-	(267,450)	-
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>(15,390)</b>	<b>(2,941,507)</b>	<b>(913,335)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	87,329	311,993	132,608	(705)
<b>Net cash provided by (used for) investing activities</b>	<b>87,329</b>	<b>311,993</b>	<b>132,608</b>	<b>(705)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(96,147)</b>	<b>129,482</b>	<b>(389,132)</b>	<b>271,295</b>
Cash and cash equivalents-beginning	105,998	23,928,685	8,260,015	-
<b>Cash and cash equivalents-ending</b>	<b>\$ 9,851</b>	<b>\$ 24,058,167</b>	<b>\$ 7,870,883</b>	<b>\$ 271,295</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

(Continued)

	<b>Business-Type Activities</b>			<b>Other Enterprise Funds</b>
	<b>Sports Complex</b>	<b>Municipal Utility</b>	<b>Fiber Optic Network</b>	<b>Second Story Library and Beyond</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (2,235,806)	\$ 2,844,150	\$ (207,423)	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation/amortization expense	559,906	1,402,058	327,732	-
(Increase) decrease in accounts receivable	(2,122)	(899,191)	(52,292)	-
(Increase) decrease in leases receivable	(391,082)	-	58,975	-
(Increase) decrease in prepaid items	-	382,093	-	-
(Increase) decrease in pension-related deferred outflows	(634,685)	(491,542)	-	-
Increase (decrease) in accounts payable	(34,393)	800,762	55,949	-
Increase (decrease) in accrued liabilities	5,627	2,102	-	-
Increase (decrease) in deposits payable	-	24,779	-	-
Increase (decrease) in net pension liability	136,389	122,070	-	-
Increase (decrease) in net OPEB liability	1,113,919	685,069	-	-
Increase (decrease) in pension-related deferred inflows	(571,654)	(499,208)	-	-
Increase (decrease) in lease-related deferred inflows	415,565	-	(58,795)	-
Total adjustments	597,470	1,528,992	331,569	-
<b>Net cash provided by (used for) operating activities</b>	<b>\$ (1,638,336)</b>	<b>\$ 4,373,142</b>	<b>\$ 124,146</b>	<b>\$ -</b>
<b>SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES</b>				
Contributions of capital assets	\$ -	\$ 492,862	\$ 84,552	\$ -

**CITY OF RANCHO CUCAMONGA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	\$ 18,561,652	\$ -
Receipts from interfund service provided	-	3,583,710
Payments to suppliers and service providers	(13,805,733)	(2,848,360)
Payments to employees for salaries and benefits	(1,896,967)	-
<b>Net cash provided by (used for) operating activities</b>	<b><u>2,858,952</u></b>	<b><u>735,350</u></b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers in	1,692,944	1,583,630
Transfers out	(1,622,710)	-
Payments from other funds on interfund borrowings	267,449	-
Payments to other funds on interfund borrowings	(127,171)	-
Operating grants	8,564	-
Admission tax	154,477	-
Contributions	22,000	14,607
<b>Net cash provided by (used for) noncapital financing activities</b>	<b><u>395,553</u></b>	<b><u>1,598,237</u></b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(3,587,392)	(561,875)
Principal paid on capital debt	-	(507,340)
Interest paid on capital debt	(282,840)	(19,990)
<b>Net cash provided by (used for) capital and related financing activities</b>	<b><u>(3,870,232)</u></b>	<b><u>(1,089,205)</u></b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	531,225	129,388
<b>Net cash provided by (used for) investing activities</b>	<b><u>531,225</u></b>	<b><u>129,388</u></b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(84,502)</b>	<b>1,373,770</b>
Cash and cash equivalents-beginning	32,294,698	10,165,010
<b>Cash and cash equivalents-ending</b>	<b><u>\$ 32,210,196</u></b>	<b><u>\$ 11,538,780</u></b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2023**

	<u>Business-Type Activities</u>	<u>Governmental Activities</u>
	<u>Total Enterprise Funds</u>	<u>Internal Service Funds</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 400,921	\$ (1,940,341)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation/amortization expense	2,289,696	1,577,472
(Increase) decrease in accounts receivable	(953,605)	-
(Increase) decrease in leases receivable	(332,107)	-
(Increase) decrease in prepaid items	382,093	98,247
(Increase) decrease in pension-related deferred outflows	(1,126,227)	-
Increase (decrease) in accounts payable	822,318	998,059
Increase (decrease) in accrued liabilities	7,729	1,913
Increase (decrease) in deposits payable	24,779	-
Increase (decrease) in net pension liability	258,459	-
Increase (decrease) in net OPEB liability	1,798,988	-
Increase (decrease) in pension-related deferred inflows	(1,070,862)	-
Increase (decrease) in lease-related deferred inflows	356,770	-
Total adjustments	<u>2,458,031</u>	<u>2,675,691</u>
<b>Net cash provided by (used for) operating activities</b>	<u>\$ 2,858,952</u>	<u>\$ 735,350</u>
<b>SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL, AND INVESTING ACTIVITIES</b>		
Contributions of capital assets	\$ 577,414	\$ -

**CITY OF RANCHO CUCAMONGA**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2023**

	<b>Private Purpose Trust Funds</b>	<b>Successor Agency of the Former RDA</b>	<b>Custodial Funds</b>
<b>ASSETS</b>			
Cash and investments	\$ 22,716,922		\$ 7,050,133
Receivables:			
Accounts	-		2,016
Taxes	-		36,116
Accrued interest	-		31,363
Developer loans	10,259,967		-
Prepaid bond insurance	1,030,400		-
Advances to City	3,953,624		-
Restricted assets:			
Cash and investments with fiscal agents	15,471		4,304,126
<b>Total assets</b>	<b>37,976,384</b>		<b>11,423,754</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	1,785,080		-
<b>Total deferred outflows of resources</b>	<b>1,785,080</b>		<b>-</b>
<b>LIABILITIES</b>			
Accrued interest	3,634,028		-
Long-term liabilities			
Due in one year	15,470,615		-
Due in more than one year	217,203,552		-
<b>Total liabilities</b>	<b>236,308,195</b>		<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred charges on refunding	1,261,827		-
<b>Total deferred inflows of resources</b>	<b>1,261,827</b>		<b>-</b>
<b>NET POSITION</b>			
Restricted for:			
Organizations and other governments	(197,808,558)		11,423,754
<b>Total net position</b>	<b>\$ (197,808,558)</b>		<b>\$ 11,423,754</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2023**

	<b>Private Purpose Trust Funds</b>	
	<b>Successor Agency of the Former RDA</b>	<b>Custodial Funds</b>
<b>ADDITIONS</b>		
Collection of special taxes	\$ 27,414,768	\$ 6,126,803
Investment earnings:		
Interest	35,994	176,604
Change in fair value of investments	-	1,929
Contributions from City	-	945,884
<b>Total additions</b>	<b>27,450,762</b>	<b>7,251,220</b>
<b>DEDUCTIONS</b>		
Administrative expenses	-	234,718
Contractual services	1,024,724	-
Interest expense	9,567,187	2,347,351
Principal expense	-	3,464,000
Payment to City	250,000	-
<b>Total deductions</b>	<b>10,841,911</b>	<b>6,046,069</b>
<b>Net increase (decrease) in fiduciary net position</b>	<b>16,608,851</b>	<b>1,205,151</b>
Due to Bondholders (Net position)-beginning	(214,417,409)	10,218,603
<b>Due to Bondholders (Net position)-ending</b>	<b>\$ (197,808,558)</b>	<b>\$ 11,423,754</b>

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**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Entity**

The City of Rancho Cucamonga was incorporated on November 30, 1977, under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. The City operates under a council-manager form of government and provides its citizens with a full range of municipal services. It is governed by an elected five-member board. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Rancho Cucamonga (the City) and its component units, entities for which the City is considered financially accountable.

The inclusion of an organization within the scope of the reporting entity of the City of Rancho Cucamonga is based on the provisions of GASB Statement No. 14 and amended with GASB Statements No. 39, 61 and 80. 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 units:

1. The members of the City Council also act as the governing body of the Rancho Cucamonga Public Improvement Corporation (the Improvement Corporation), the Rancho Cucamonga Fire Protection District (the Fire District), the Rancho Cucamonga Library (the Library), the Rancho Cucamonga Public Financing Authority (the Financing Authority) and the Rancho Cucamonga Enhanced Infrastructure Financing District Public Financing Authority (the EIFD).
2. The Improvement Corporation, the Fire District, the Library, the Financing Authority, and the EIFD are managed by employees of the City. A portion of the City's general overhead costs is allocated to the Fire District and the Library.
3. The City, the Improvement Corporation, the Fire District, the Library, the Financing Authority, and the EIFD are financially interdependent. They provide financial benefit and burden to the City.

**Blended Component Units**

The Improvement Corporation was incorporated on November 14, 1988, under the Non-Profit Public Benefit Corporation Law of the State of California. The Improvement Corporation was established for charitable purposes including rendering financial assistance to the City by financing, acquiring, constructing, improving and leasing public improvements for the benefit of residents of the City and the surrounding area. Separate financial statements are not available for the Improvement Corporation.

The Fire District (formerly, Foothill Fire Protection District) was a special district formed by the County of San Bernardino for the purpose of fire suppression within its boundaries. Effective July 1, 1989, operations of this district were taken over by the City. The Fire District still operates as a separate special district; however, now it is under the control of the City instead of the County of San Bernardino. Separate financial statements are not available for the Fire District.

The Library was part of the San Bernardino County Library System in which the City participated. Effective July 1, 1994, and pursuant to California Code Section 19104, the City withdrew from the County Library System. As of this date, the Library operates as a separate entity under the control of the City. Separate financial statements are not available for the Library.

The Financing Authority was established on April 21, 1999, pursuant to Article I (commencing with Section 6500) of Chapter 5 of Division 7 of Title I of the California Government Code. Its purpose is to facilitate the financing and the refinancing of construction, expansion, upgrading and improvement of the public capital facilities necessary to support the rehabilitation and construction of residential and economic development within the City. Separate financial statements are not available for the Financing Authority.



**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The EIFD Financing Authority was established on February 16, 2022, pursuant to Part 1 of Division 2 of Title 5 of the California Government Code (the "EIFD Law") as the governing body of the Rancho Cucamonga Enhanced Infrastructure Financing District. Separate financial statements are available for the EIFD.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements, except for the interfund services provided and used. 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 is 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 and fiduciary 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales tax and grant revenue where the government considers revenue to be available if collected within 180 days of the end of the current fiscal period. The primary revenue sources, which have been susceptible to accrual by the City, are real and personal property tax, other local taxes, franchise fees, forfeitures and penalties, motor license fees, rents and concessions, interest revenue, and state and Federal grants and subventions. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The City's fiduciary funds consist of custodial funds and a private purpose trust fund. Custodial funds are used to account for situations where the government's role is purely custodial. Private purpose trust funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The City reports the following major governmental funds:

- The General Fund is the general operating fund of the City. All general tax receipts and fee revenue not allocated by law, Council policy or contractual agreement to other funds are accounted for in the General Fund. General Fund expenditures include operations traditionally associated with activities which are not required to be accounted for or paid by another fund.
- The Development Impact Fees Fund accounts for the receipts from development impact fees which are used to defray all or a portion of the cost of public facilities as a result of development.
- The Housing Successor Agency Fund accounts for the assets of the former Redevelopment Agency's Low and Moderate Income Housing Fund. The source of revenue in the fund is primarily from repayment of Low and Moderate Income notes and loans receivable, and interest received from the notes and loans receivable.
- The Fire District Fund accounts for the revenue and disbursement of funds received by the Fire District in the course of the District's fire protection services. The source of revenue in the fund is primarily from property taxes.

The City reports the following major proprietary funds:

- The Sports Complex Fund accounts for personnel and operating costs directly associated with the operation of the City's baseball facility, which is the home of the Rancho Cucamonga Quakes.
- The Municipal Utility Fund accounts for the costs of labor and materials used in the operation, maintenance, construction and consumption of electric services to certain residential, commercial, and industrial customers within the City.
- The Fiber Optic Network Fund accounts for receipts from user charges and leases for conduit and fiber access, costs associated with the City's existing utility, information technology and traffic fiber conduits.

The City reports one nonmajor proprietary fund. The Second Story and Beyond Fund accounts for personnel and operating costs directly associated with the operation of the Second Story and Beyond facility, which is an addition to the Paul Biane Public Library.

Additionally, the City reports the following fund types:

- Special revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.
- Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by the proprietary funds).
- Internal service funds account for the financial transactions related to repair, replacement and maintenance of City-owned vehicles and equipment and the City's general information systems and telecommunications hardware and software.
- Custodial funds are used to account for money and property held by the City as trustee or custodian. They are also used to account for various assessment districts and community facilities districts for which the City acts as an agent for debt service activity.
- A private-purpose trust fund is used to account for the assets and liabilities of the former Redevelopment Agency and the allocated revenue to pay estimated installment payments of enforceable obligations until the obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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 government's proprietary funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity**

**Cash and Investments**

All cash and investments, except those that are held by fiscal agents or through a trust, are held in a City pool. These pooled funds are available upon demand and therefore are considered cash and cash equivalents for purposes of the statement of cash flows. Investments held by fiscal agents with an original maturity of three months or less are also considered cash equivalents and are shown as restricted assets for financial statement presentation purposes. Investments for the City, as well as for its component units, are reported at fair value.

**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" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., 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."

All trade receivables are shown net of allowance for uncollectibles.

**Prepaid Costs**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These are accounted for using the consumption method, and, accordingly, the expenditure is recorded in the period in which the goods or services are received.

**Restricted Assets**

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Investments in the PARS Public Agencies Post-Employment Benefits Trusts are held for the purpose of rate stabilization of future pension obligations. The trusts are Section 115 irrevocable trusts. The investments are reported at fair value.

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Capital Assets

Capital assets, which include land, building improvements, improvements other than buildings, computer equipment and software, equipment and vehicles, furniture and fixtures, lease assets, subscription-based information technology arrangements, infrastructure (e.g., roads, bridges, sidewalks and similar items) and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost when purchased or constructed. Donated capital assets are recorded at the estimated price that would be paid to acquire the asset at the date of acquisition.

The costs of normal maintenance and repairs that do not add to the value of the capital assets or materially extend capital assets' useful lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Building improvements	10-50
Improvements other than buildings	10-40
Computer equipment and software	3-15
Equipment and vehicles	3-20
Furniture and fixtures	3-20
Infrastructure	10-75
Intangible assets	10-15

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources related to certain changes arising from net pension liability, net pension asset, and net OPEB asset.

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

1. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for revenues that are measurable but not collected within 60 days of the end of the current fiscal period or 180 days for sales tax and grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
2. Pension and OPEB related deferred inflows are reported only on the Statement of Net Position. The government reports deferred inflows of resources related to pensions arising from certain changes in the net pension liability, net pension asset, or net OPEB asset. Deferred inflows and outflows of resources related to changes in the net pension liability, net pension asset, and net OPEB asset are recognized systematically over time. Amounts are first recognized in the year the change occurs. The remaining amounts are to be recognized in future periods. The recognition period differs depending on the source of the change, and they currently are amortized over 5 years or the average remaining service life time.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

3. A deferred inflow of resources related to leases is reported for the value of lease receivable payments to be recognized as an inflow of resources in a systematic and rational manner over the term of the lease agreements.

Pension

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

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

PARS Retirement Enhancement Plan

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to the retirement enhancement plan, and retirement enhancement plan expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined by an independent actuary.

Contributions are recognized in the period in which the contributions are due and there exists a formal commitment to provide the contributions. Liabilities related to investment and administrative expenses are recognized when incurred. Those related to obligations for employee benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan, the assets of which are held by the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit healthcare plan administered by the California Public Employees' Retirement System (CalPERS), and additions to/deductions from the OPEB plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB Statement No. 75 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	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Accrued Employee Benefits

The City's policy permits employees to accumulate earned but unused vacation and sick pay benefits. The total amount of liability for unused vacation and sick pay benefits is accrued when incurred in the government-wide financial statements. The City utilizes the General Fund and the Fire District Special Revenue Fund in the governmental fund financial statements to account for the short-term portion of its liability. The short-term portion is the unused reimbursable leave still outstanding following an employee's resignation or retirement.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Fire District employees cannot accrue more than one and one-half times their regular annual entitlement.

Sick leave is payable when an employee is unable to work because of illness. For City employees, those who terminate their employment after five years of continuous service and have at least 120 hours of accrued leave.

For Fire District employees, sick leave may be accumulated indefinitely or an employee with ten or more years of service is eligible to convert unused sick leave to vacation in accordance with the following and with any remainder of hours to still remain unused sick time:

Employee Type	Accumulated Sick Leave Balance Prior Calendar Year	Vacation Conversion Rate
shift	108 - 144 hours	one-half
shift	72 - 108 hours	one-fourth
40-hour	90 - 120 hours	one-half
40-hour	60 - 90 hours	one-fourth

Upon service retirement of a public safety employee, the option exists to sell back up to one-half of total accumulated sick leave, have the leave credited toward service in accordance with the Public Retirement Law, or apply the cash value of up to 100% of the leave to the employee's VEBA account. All unused sick leave is forfeited upon termination, other than for normal retirement.

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. In governmental funds financial statements, the face amount of debt when issued is reported as other financing sources. Repayment of debt is reported as debt service expenditures.

Fund Balance

Fund balance is essentially the difference between the assets, liabilities, and deferred inflows reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

- Non-spendable fund balance (*inherently non-spendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual net resources*)

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The General Fund is the only fund that can 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 these purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by the adoption of a resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however, the amount can be determined subsequently. Fund balance commitments are as follows:

Changes in Economic Circumstances

The City's General Fund balance committed for changes in economic circumstances is established at a goal of a nine month reserve, or 75% of the City General Fund operating budget for the upcoming fiscal year. The Fire District's fund balance committed for changes in economic circumstances is established at a goal of a nine month reserve, or 75% of the Fire District's operating budget for the upcoming fiscal year. The specific uses of this commitment include: 1) the declaration of a state or federal state of emergency or a local emergency as defined in Rancho Cucamonga Municipal Code Section 2.36.020; or 2) a change in economic circumstances in a given fiscal year that results in revenues to the City/Fire District being insufficient to cover expenditures for one or more fiscal years. The City Council/Fire Board may, by the affirming vote of four members, change the amount of this commitment and/or the specific uses of these monies.

Facilities Capital Replacement

The City's General Fund balance and the Fire District's fund balance committed for facilities capital replacement is established at a minimum goal of 50% of capital assets value comprised of construction in progress (excluding infrastructure), building improvements, and improvements other than buildings for governmental activities.

Working Capital

The City's General Fund balance committed for Working Capital is established at a minimum goal of 5% of the City's General Fund operating budget for the upcoming fiscal year. The Fire District's fund balance committed for Working Capital is established at a minimum goal of 50% of the District's operating budget for the upcoming fiscal year.

Self-Insurance

The City's General Fund balance and the Fire District's fund balance committed for payment of Worker's Compensation, General Liability, and Employment Practices Liability claims is established at a minimum goal of eight times the City's and the Fire District's total yearly SIRs for all types of insurance coverage.

PASIS Worker's Compensation Tail Claims

The Fire District's fund balance committed for payment of outstanding Worker's Compensation claims remaining after the Fire District's withdrawal from PASIS is established at a goal equal to the most recent fiscal year end Claims Cost Detail Report from the Fire District's third-party administrator plus 15%.

Employee Leave Payouts

The City's General Fund balance and the Fire District's fund balance committed for employee leave payouts is valued in accordance with the City's labor contracts as of the last day of the fiscal year, including applicable fringe benefits and the annual allocation from the City's cost allocation plan.

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Vehicle and Equipment Replacement

The Fire District's fund balance committed for the replacement of fire safety vehicles and equipment as determined based on the Fire District's replacement criteria is established at a minimum goal of 50% of Fire District vehicle and equipment replacement value.

Law Enforcement

The City's General Fund balance committed for public safety purposes, including operations, equipment, capital outlay, personnel, and booking fees. The funding goal for this reserve is the equivalent of 100% of the most recently approved Schedule A from the San Bernardino County Sheriff's Department.

Economic Development Strategic Reserve

The City's General Fund balance committed for the acquisition and development of key properties to promote economic development that will benefit the City as a whole and, potentially, generate ongoing revenues to the City whenever feasible through negotiated agreements with third parties (including but not limited to land leases or public-private partnerships). Establishment of this reserve is a City Council goal, established in the spring of 2021. The funding goal for this reserve is the equivalent of the current value of a 10-acre mixed-use site on Foothill Boulevard as of January 1 of each year.

Seasonal Weather Emergency Reserve

The City's General Fund balance committed for unanticipated costs incurred due to damage resulting from severe weather emergencies such as wind, flood, fire, extreme heat, extreme cold, and other forces of nature. The reserve will provide funding for these costs without impacting the City's operating budget and will be appropriated by the City Council on an as needed basis when extreme seasonal weather emergencies occur.

Community Benefit Projects

A portion of the City's General Fund balance, received from projects that include a development agreement, which is committed for addressing projects' expected impacts on affordable housing demand, future greenhouse gas emissions, fire protection services, electric vehicle charging, reduction in vehicle miles traveled, pedestrian safety improvements, carbon capture, alternative energy production, noise reduction, environmental justice, and related impacts typically associated with, but not limited to, large warehouse, industrial, and commercial developments.

Public Safety Personnel Affordable Housing

A portion of the Fire District's fund balance committed to provide additional funding to match the City's contributions to help with the creation of affordable for-sale housing for public safety personnel including but not limited to Fire District employees. Funding may be used for silent seconds, closing costs, assistance with obtaining financing, or to help buy down the cost of design and construction of single-family housing units. The funding goal for this reserve is established as the value of the affordability gap to construct 50 housing units that are affordable at the 60% California Tax Credit Allocation Committee (TCAC) median income with a 4% tax credit scenario per unit, or \$192,600 per unit, for a total funding goal of \$9,630,000.

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. The City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.



**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Net Position

In the governmental-wide financial statements and proprietary fund financial statements, net position is classified as follows:

- Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.
- Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.
- Unrestricted Net Position – This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position.”

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 and unrestricted net position in the governmental-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.

Property Tax

Property tax revenue is recognized on the modified accrual basis, that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The County of San Bernardino collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January proceeding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31.

Functional Classifications

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

- General Government includes legislative activities, City Clerk, City Attorney, City Manager as well as management or supportive services across more than one functional area.
- Public Safety - Police includes those activities which involve police protection.
- Public Safety - Fire Protection includes activities of the Fire District which involve the protection of people and property from fire as well as emergency preparedness.
- Public Safety - Animal Center includes those activities which involve animal care and services.
- Community Development includes those activities which involve planning and economic development, as well as building and safety.
- Community Services includes activities which provide recreation, cultural and educational services.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- Engineering and Public Works includes all maintenance, engineering and capital improvements which relate to streets, parks, flood control and other public facilities.

**NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Encumbrances**

Encumbrances are estimations of costs related to unperformed contracts for goods and services. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in progress at year-end are completed. They do not constitute expenditures or estimated liabilities.

The following funds have encumbrances at June 30, 2023:

General Fund	\$ 7,652,048
Development Impact Fees	436,205
Fire District	13,347,068
Other Governmental Funds	9,941,893

**B. Deficit Fund Balances or Net Position**

The following nonmajor special revenue funds reported deficits in fund balance at June 30, 2023:

Lighting Districts	\$ 4,032,854
Pedestrian Grant	11,556
SB1 - TCEP	3,736,718
State Grants	2,066,527
Federal Grants	59,067
Enhanced Infrastructure Financing District	186,678
Opioid Settlement	5,464

The deficit in the Lighting Districts Fund will be eliminated by the repayment of the interfund advance from the General Fund described in Note 8. The deficits in the Pedestrian Grant, SB1 – TCEP, State Grants, Federal Grants, Enhanced Infrastructure Financing District, and Opioid Settlement special revenue funds will be eliminated by future expected revenue sources.

**NOTE 3: CASH AND INVESTMENTS**

As of June 30, 2023, cash and investments were reported in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Custodial Funds	Private-Purpose Trust Funds	Total Cash and Investments
Cash and Investments	\$ 485,690,397	\$ 32,210,196	\$ 7,050,133	\$ 22,716,922	\$ 547,667,648
Restricted					
Cash with fiscal agent	-	-	4,304,126	15,471	4,319,597
Pension rate stabilization fund	16,042,577	-	-	-	16,042,577
Total Cash and Investments:	<u>\$ 501,732,974</u>	<u>\$ 32,210,196</u>	<u>\$ 11,354,259</u>	<u>\$ 22,732,393</u>	<u>\$ 568,029,822</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures or funds held in a trust. Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on average daily cash balances. Interest Income from cash and investments with fiscal agents and through a trust are credited directly to the related fund.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

Deposits

At June 30, 2023, the carrying amount of the City's deposits was \$33,549,256 and the bank balance was \$34,456,170. The \$906,914 difference represents outstanding checks and other reconciling items.

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

Investments

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- United States Treasury Securities
- United States Federal Agencies
- Supranational Securities
- Municipals Notes or Bonds
- Negotiable Certificates of Deposit
- Asset-Backed Securities
- Medium-Term Notes
- Bankers' Acceptances
- Commercial Paper
- Repurchase Agreements (Repos)
- State of California Local Agency Investment Fund (LAIF)
- Local Government Investment Pool (LGIP)
- Money Market Funds
- Bank Deposits

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. 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 investment pool is the same as the value of the pool shares.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

Local Government Investment Pool

The City is a voluntary participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust and created through a joint powers agency as a pooled short-term portfolio and cash management vehicle for California public agencies under California Government Code Section 53601(p). CAMP is governed by a seven-member Board of Trustees comprised of finance directors and treasurers of California public agencies. The City reports its investments in CAMP at the fair value amounts provided by CAMP and is exempt from the fair value hierarchy.

Credit Risk

As of June 30, 2023, the City's investments in corporate bonds were A3 or better by Moody's. As of June 30, 2023, the City invested in Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and municipal bonds which were all rated "Aaa" by Moody's. All securities were investment grade and were legal under State and City law. As of June 30, 2023, the City's investments in external investment pools and money market mutual funds are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2023, the City's deposits (bank balances) were insured by the FDIC up to \$250,000 and the remaining balances were collateralized under California Law.

Concentration of Credit Risk

The City is in compliance with restrictions imposed by its investment policy, which limits certain types of investments. As of June 30, 2023, in accordance with GASB Statement No. 40, if the City has invested more than 5% of its total investments in any one issuer, it is exposed to credit risk. There were no investments considered exposed to credit risk at June 30, 2023. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy establishes a maximum maturity of 180 days for Banker's Acceptances, 270 days for Commercial Paper, one year for Repurchase Agreements and five years for all other individual investments. The only exception to these maturity limits 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.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

As of June 30, 2023, the City had the following investments and original maturities:

	Investment Maturities (in Years)				Fair Value
	6 months or less	6 months to 1 year	1 year to 3 years	3 years to 5 years	
Investments					
Local Agency Investment Fund	\$ 842,522	\$ -	\$ -	\$ -	\$ 842,522
California Asset Management Program	142,969,926	-	-	-	142,969,926
Federal Governmental Agencies					
Federal Farm Credit Bank	-	-	3,072,158	-	3,072,158
Federal Home Loan Bank	-	4,972,915	5,664,917	-	10,637,832
Federal Home Loan Mortgage Corporation	-	-	2,085,783	-	2,085,783
Federal National Mortgage Association	-	-	16,673,849	-	16,673,849
Municipal Bonds	498,790	-	-	-	498,790
Corporate Notes	-	2,924,233	31,308,867	56,358,703	90,591,803
Certificate of Deposit	-	-	1,136,771	-	1,136,771
Negotiable CD	-	-	1,498,986	-	1,498,986
US Treasury Note	1,954,844	19,285,586	127,331,651	77,730,063	226,302,144
Supernational	-	-	6,815,543	-	6,815,543
Money Market	1,649,811	-	-	-	1,649,811
Asset-Backed Security	-	-	5,226,969	4,115,505	9,342,474
Restricted investments					
Mutual Fund	16,042,577	-	-	-	16,042,577
Investment with Fiscal Agents:					
Money Market Fund	4,319,597	-	-	-	4,319,597
	<u>\$ 168,278,067</u>	<u>\$ 27,182,734</u>	<u>\$ 200,815,494</u>	<u>\$ 138,204,271</u>	<u>\$ 534,480,566</u>

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 3: CASH AND INVESTMENTS (CONTINUED)**

Fair Value Hierarchy

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

The City has the following recurring fair value measurements as of June 30, 2023:

	Fair Value	Level 1	Level 2	Unrated
Investments:				
Local Agency Investment Fund	\$ 842,522	\$ -	\$ -	\$ 842,522
California Asset Management Program	142,969,926	-	-	142,969,926
Federal Governmental Agencies				
Federal Farm Credit Bank	3,072,158	3,072,158	-	-
Federal Home Loan Bank	10,637,832	10,637,832	-	-
Federal Home Loan Mortgage Corporation	2,085,783	2,085,783	-	-
Federal National Mortgage Association	16,673,849	16,673,849	-	-
Municipal Bonds	498,790	498,790	-	-
Corporate Notes	90,591,803	-	90,591,803	-
Certificate of Deposit	1,136,771	-	1,136,771	-
Negotiable CD	1,498,986	-	1,498,986	-
US Treasury Note	226,302,144	226,302,144	-	-
Supernational	6,815,543	-	6,815,543	-
Money Market	1,649,811	1,649,811	-	-
Asset-Backed Security	9,342,474	-	9,342,474	-
Restricted investments				
Mutual Fund	16,042,577	-	-	16,042,577
Investment with Fiscal Agents:				
Money Market Fund	4,319,597	4,319,597	-	-
	<u>\$ 534,480,566</u>	<u>\$ 265,239,964</u>	<u>\$ 109,385,577</u>	<u>\$ 159,855,025</u>

Deposits and securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Local Agency Investment Funds are valued using specified fair value factors. Federal Agency Securities classified in Level 2 of the fair value hierarchy are valued using institutional bond quotes. There are no Level 3 investments.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**NOTE 4: NOTES AND LOANS RECEIVABLES**

Notes and loans receivables consist of the following at June 30, 2023:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities				
NHDC (San Sevaime)	\$ 45,282,651	\$ 404,577	\$ (120,093)	\$ 45,567,135
LINC-Pepperwood Housing Investors, LP	28,257,288	432,762	-	28,690,050
HB Housing Partners, L.P.	13,143,008	200,219	(36,331)	13,306,896
SCHDC (Rancho Verde)	7,844,806	97,499	(5,993)	7,936,312
SCHDC (Heritage Pointe Senior Apartments)	3,163,882	221,570	-	3,385,452
Rancho Workforce Housing, L.P.	34,142,678	814,644	-	34,957,322
North Town Housing Partners (Villa Del Norte)	10,583,811	177,875	-	10,761,686
NHDC (Olen Jones Senior Apartments)	4,451,850	128,232	-	4,580,082
Villa Pacifica II LP	9,832,863	260,515	-	10,093,378
Day Creek Senior Housing Partners 2, L.P.	9,086,763	260,742	-	9,347,505
Day Creek Senior Housing Partners, L.P.	5,385,661	156,723	-	5,542,384
First-Time Homebuyer Program	2,975,808	-	(240,000)	2,735,808
	<u>\$ 174,151,069</u>	<u>\$ 3,155,358</u>	<u>\$ (402,417)</u>	<u>\$ 176,904,010</u>

1. On September 1, 2005, the Agency entered into a loan agreement with Northtown Housing Development Corporation (NHDC) for the purchase of undeveloped real property and the development of an apartment complex (San Sevaime) which will increase the supply of affordable housing to low and moderate income households for a period of ninety-nine (99) years. This loan is a line of credit not-to-exceed \$40,700,000 with simple interest accruing at 1% per annum from the date of disbursement for a term of 55 years (2060), as modified on May 6, 2009, with Amendment #2. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. As of June 30, 2023, the advances paid against this line of credit amount to \$40,457,658 and accrued interest amounts to \$5,109,477 for a total of \$45,567,135. Accrued interest is offset by deferred revenue.
2. On April 19, 2006, the Agency entered into a loan agreement with LINC-Pepperwood Housing Investors, LP to provide financial assistance from the Low and Moderate Housing Set-aside Fund to purchase and habilitate the Pepperwood Apartment Homes, which will increase the supply of affordable housing to low and moderate income households, for not less than ninety-nine (99) years. The loan is in the form of a line of credit not-to-exceed \$21,638,113, which includes the rollover of the BLT Partnership No. 1 loan of \$2,350,000 and an amendment and increase of \$1,288,113 on May 16, 2007. The outstanding principal balance of the loan will accrue simple interest at 2% per annum from the date of disbursement for a term of 56 years (2062). In addition to the extent there are Residual Receipts, the Developer shall pay to the Agency 50% of the Residual Receipts from the preceding year. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. As of June 30, 2023, advances paid against this line of credit amounts to \$21,638,113 and accrued interest amounts to \$7,051,937 for a total balance of \$28,690,050. Accrued interest is offset by deferred revenue.
3. On September 1, 2005, the Agency entered into a loan agreement with HB Housing Partners, L.P. to provide financial assistance from the Low and Moderate Housing Set-aside Fund to purchase and rehabilitate the Woodhaven Manor Apartments, which will increase the supply of affordable housing to low and moderate income households for not less than ninety-nine (99) years. The loan is in the form of a line of credit not-to-exceed \$9,000,000. Simple interest accrues on the advances as follows: 1) 3% per annum from the date of disbursement through and including the date immediately prior to September 21, 2022; and 2) 2% per annum from September 21, 2022 through September 21, 2060. In addition, to the extent there are Residual Receipts-, the Developer shall pay to the Agency either 33% or 50% of the Residual Receipts from the preceding year. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 4: NOTES AND LOANS RECEIVABLES (CONTINUED)**

Agency of the City. As of June 30, 2023, the advances paid against this line of credit amounted to \$9,000,000 and accrued interest amounts to \$4,306,896 for a total of \$13,306,896. Accrued interest is offset by deferred revenue.

4. On March 9, 2006, the Agency entered into a loan agreement with The Southern California Housing Development Corporation (SCHDC) for the acquisition, construction and operation of affordable housing apartments, referred to as the Rancho Verde Expansion project, which will increase the supply of very-low, low and moderate income households. This loan is a line of credit not-to-exceed \$6,500,000 with simple interest accruing at 1.5% per annum until June 27, 2035, and 2% per annum thereafter and payable without demand or notice on June 27, 2060. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. As of June 30, 2023, the advances paid against this line of credit amounted to \$6,499,910 and accrued interest amounts to \$1,436,402 for a total of \$7,936,312. Accrued interest is offset by deferred revenue.

On December 1, 2001, the Agency entered into a residual receipts promissory note loan agreement in the form of a line of credit not-to-exceed \$4,000,000 with Malvern Housing Partners, L.P. and Southern California Housing Development Corporation (SCHDC) for the acquisition, construction and operation of a 49-unit senior multifamily apartment project, known as Heritage Pointe Senior Apartments. A portion of the necessary funding was provided from proceeds of a \$4,000,000 bond issue by Southern California Housing Development Corporation. Funding provided by the Agency was in the form of semi-annual principal payments toward these bonds from the Agency's low and moderate income housing fund. As advances were made by the Agency, beginning April 1, 2003, these amounts were added to and became the principal balance of this Residual Receipts Note, and are accruing simple interest at 1% per annum from the date of payment through December 2056. Annual payments of principal and accrued interest shall not commence until the operation of the project has generated residual receipts. On December 5, 2007, the residual receipts promissory note was amended and restated in connection with the refunding of the Southern California Housing Development Corporation's bond with the proceed of the Agency Housing Set-Aside Tax Allocation Bonds, Series 2007A and Series 2007B. All residual receipts in excess of fifteen percent of the gross operating income of the project shall be paid to the Agency annually. All principal and accrued interest at the simple interest rate of 1% per annum shall be due and payable in April 2056. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. As of June 30, 2023, the advances paid against this line of credit amounted to \$3,228,808 and accrued interest amounts to \$156,644 for a total of \$3,385,452. Accrued interest is offset by deferred revenue.

5. On September 1, 2008, the Agency entered into a residual receipts promissory note loan agreement in the form of a line of credit not-to-exceed \$27,565,000 with Rancho Workforce Housing, L.P. for the acquisition, construction and development of a 166-unit rental housing development, including 131 residential units for low and moderate income residents. This loan bears simple interest of 2.386% compounded annually from the date of disbursement, with a term commencing on the date of this agreement and continuing for fifty-five (55) years from the date of the recordation of the Certificate of Completion. Commencing after Borrower's fiscal year first ending after the completion of construction of the development, Borrower shall make repayments to the Agency equal to 50% of the Residual Receipts. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. As of June 30, 2023, the advances paid against this line of credit amounted to \$25,868,857 and accrued interest amounts to \$9,088,465 for a total of \$34,957,322.
6. On September 26, 1994, the Agency entered into a Disposition and Development Agreement (DDA) and loan agreement (as modified on March 22, 1996) for \$5,929,181 with North Town Housing Partners for the acquisition of the 88-unit multifamily rental Villa Del Norte housing project for low and moderate income households. Payments of principal and interest on the loan are due and payable only to the extent that net annual cash flow from the development is available. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. On October 9, 2014, the Loan was modified as a



**CITY OF RANCHO CUCAMONGA**  
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**NOTE 4: NOTES AND LOANS RECEIVABLES (CONTINUED)**

result of a refinancing of the project in order to provide funding for significant rehabilitation improvements to the development. As a result of the refinancing, the term of the Loan and the affordability covenant for the affordable units was extended by 55 years beginning September 1, 2014. The term of the Loan will now terminate on September 1, 2069. The note carries the same interest rate of 3% and the original principal amount of \$5,929,181 remains the same. As of June 30, 2023, the outstanding balance amounts to \$10,761,686, including accrued interest of \$4,832,505. Accrued interest is offset by deferred revenue.

7. On June 6, 2001, the Agency entered into a loan agreement (as updated on December 1, 2002) for \$4,700,000 with Northtown Housing Development Corporation (NHDC) for the development of the Olen Jones Senior Apartments. The term of the loan is 55 years, with zero interest accruing for the first 15 years, then accruing simple interest at 3% per annum for the remainder of the term. Payments of principal and interest on the loan are due and payable only to the extent that net annual cash flow from the development is available. Upon dissolution of the Agency, the loan receivable was transferred to the Housing Successor Agency of the City. As of June 30, 2023, the outstanding balance amounts to \$4,274,400 and accrued interest amounts to including \$305,682 for a total of \$4,580,082. Accrued interest is offset by deferred revenue.
8. On July 11, 2014, the City entered into a loan agreement with 7418 Archibald LLC ("Developer") in the amount of \$42,913 ("City Predevelopment Loan"), pursuant to certain Acquisition, Disposition, Development and Loan Agreement dated February 19, 2014, between Developer and the City (the "ADDLA"), to develop a 60-unit affordable senior housing project at 7418 Archibald Avenue, referred to as Villa Pacifica II. The interest of the loan is zero percent (0%) per annum. The principal and any interest due under this Note shall be repaid or forgiven as set forth in the ADDLA, as amended by a first Implementation and Amendment to Acquisition, Disposition, Development and Loan Agreement dated February 17, 2016 between the Borrower's predecessor-in-interest and City and a Second Implementation and Amendment to Acquisition, Disposition, Development and Loan Agreement dated April 1, 2017. The loan may be prepaid in full or in part, at any time without penalty or premium. On April 1, 2017, the City entered into a Promissory Note Secured By Deed of Trust with Villa Pacifica II LP ("Borrower"), not to exceed the sum of \$8,683,821 consisting of the existing Predevelopment Loan of \$42,913 made by the City to the Developer, a \$2,880,000 purchase money loan in connection with the acquisition of land from City, a \$2,760,908 construction loan that is being partially disbursed on the date of the closing for the City impact fees and to reimburse Villa Pacifica II LP for construction costs accrued prior to the date of the loan, and a permanent loan of up to \$3,000,000 ("Perm Loan Principal") to be disbursed as described in the ADDLA from Villa Pacifica I Funds actually received by the City under the Villa Pacifica I Note. The term of the loan is 55 years, with simple interest accruing at 3% per annum on the outstanding principal balance. Payment of principal and interest is 50% of the Residual Receipts, with payments credited toward accrued interest and then to outstanding principal, on an annual basis on June 1 of each calendar year. As of June 30, 2023, the advances paid against this line of credit amounted to \$8,683,821 and accrued interest amounted of \$1,409,557, for a total amount of \$10,093,378.
9. On May 4, 2016, the City approved a Disposition, Development, and Loan Agreement (DDLA) with Day Creek Senior Housing Partners, LP, also known as National CORE, for the development of a 140-unit senior rental affordable housing project at west of Day Creek Boulevard and north of Base Line Road. The DDLA was amended in June 2017, June 2018, and March 2019.

On March 6, 2019, the City entered into land and construction loans in connection with the DDLA:

The City Land Loan valued at \$7,700,000, consisting of a purchase money loan for the acquisition of the property from the City, was divided into two separate loans: (1) City Land Loan to Day Creek Senior Housing Partners, LP in the amount of \$4,896,303 and (2) City Land Loan to Day Creek Senior Housing Partners 2, L.P. in the amount of \$2,803,697. Both loans bear 2.91% interest compounded annually for 55 years. Payment of principal and interest is 50% of the Residual Receipts, with payments credited toward accrued interest and then to the outstanding principal, on an annual basis on June 1 of each calendar year. As of June 30, 2023, the outstanding balances of the land loans are as follows: (a) Day Creek Senior Housing Partners, LP amounts to \$5,542,384 including \$646,081 accrued interest and (b) Day Creek Senior Housing Partners 2, L.P. amounts to \$3,173,653 including \$369,956 accrued interest. Accrued interest is offset by deferred revenue.

**CITY OF RANCHO CUCAMONGA**  
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**NOTE 4: NOTES AND LOANS RECEIVABLES (CONTINUED)**

The City Construction Loan valued at \$5,700,000 with Day Creek Senior Housing Partners 2, L.P. was deposited to JPMorgan Chase Bank, N.A.(Escrow) held and disbursed pursuant to the terms of the Escrow Agreement. The loan bears simple interest of 3% per annum from the date of disbursement from the Escrow fund for a term of 55 years. Payment of principal and interest is 50% of the Residual Receipts, with payments credited toward accrued interest and then to outstanding principal, on an annual basis on June 1 of each calendar year. As of June 30, 2023, the outstanding balance is \$6,173,852 including accrued interest of \$473,852. Accrued interest is offset by deferred revenue.

10. First-time homebuyer loans represent the loans made under the First Time Homebuyer’s Program. The payment of the loan is not due until the property is sold. As of June 30, 2023, the outstanding balance amounts to \$2,735,808 with no interest due.

Total notes and loans receivables for governmental activities at June 30, 2023, including accrued interest of \$35,187,454 amounted to \$176,904,010.

**NOTE 5: LEASES**

Leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset. A lessor is required to recognize a lease receivable and a deferred inflow of resources.

**A. Leases Receivable and Deferred Inflows of Resources**

The City leases land to various companies for installation of cellular towers and fiberoptic communications. The terms range from 3 years to 25 years as of the contract commencement date. The City leases land to Goals Soccer Centers, Inc. to operate a soccer sports complex. The term is 45 years as of the contract commencement date. Finally, the City entered into a 104 month lease as Lessor for the use of Rancho Cucamonga Quakes Stadium. Some leases have extension options ranging from five to twenty years. As of June 30, 2023, the value of the lease receivable is \$8,277,740. The value of the deferred inflow of resources as of June 30, 2023 was \$8,086,108, and the City recognized lease revenue of \$550,971 during the fiscal year. The amount of revenues recognized during the fiscal year for variable and other payments not previously included in the measurement of the lease receivable was \$24,857.

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

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 305,186	\$ 85,503	\$ 390,689
2025	315,017	80,037	395,054
2026	311,963	74,430	386,393
2027	328,550	68,626	397,176
2028	346,802	62,479	409,281
2029 - 2033	1,717,559	213,705	1,931,264
2034 - 2038	615,060	97,544	712,604
2039 - 2043	341,088	45,982	387,070
2044 - 2048	196,334	6,358	202,692
	<u>\$ 4,477,559</u>	<u>\$ 734,664</u>	<u>\$ 5,212,223</u>

**CITY OF RANCHO CUCAMONGA**  
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**NOTE 5: LEASES (CONTINUED)**

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 244,940	\$ 92,702	\$ 337,642
2025	250,679	87,368	338,047
2026	229,414	81,900	311,314
2027	137,155	76,719	213,873
2028	66,934	74,875	141,809
2029 - 2033	254,489	354,689	609,178
2034 - 2038	292,069	319,750	611,819
2039 - 2043	334,982	279,682	614,665
2044 - 2048	341,498	235,647	577,144
2049 - 2053	386,141	188,859	575,000
2054 - 2058	439,314	135,686	575,000
2059 - 2063	499,809	75,191	575,000
2064 - 2066	322,757	12,658	335,417
	<u>\$ 3,800,181</u>	<u>\$ 2,015,726</u>	<u>\$ 5,815,908</u>

**B. Lease Payable and Right to Use Lease Assets**

On July 1, 2021, the City entered into a 76 month lease as Lessee for the use of land owned by Chaffey Joint Union School District. As of June 30, 2023, the value of the lease liability is \$151,701. The City is required to make annual fixed payments of \$39,086. The lease has an interest rate of 1.217%.

Right-to-use leased assets include the following at June 30, 2023:

Lease Asset	Amount of Leased Capital Assets	Accumulated Amortization
Land Lease	<u>\$ 226,622</u>	<u>\$ 71,408</u>

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

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 37,240	\$ 1,846	\$ 39,086
2025	37,693	1,393	39,086
2026	38,152	934	39,086
2027	38,616	470	39,086
Total	<u>\$ 151,701</u>	<u>\$ 4,643</u>	<u>\$ 156,344</u>

**NOTE 6: SUBSCRIPTION-BASED TECHNOLOGY ARRANGEMENTS**

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 6: SUBSCRIPTION-BASED TECHNOLOGY ARRANGEMENTS (CONTINUED)**

Subscription Liability

The City has 12 subscription-based information technology arrangements (SBITAs) for the use of various software as of the end of the fiscal year. The City is required to make annual payment through fiscal year 2029. As of June 30, 2023, the subscriptions liability amounts to \$2,632,400. The subscription payments include interest rates ranging from 0.000% to 2.682%. The value of the subscription asset as of June 30, 2023, is \$3,547,357 with accumulated amortization of \$951,756.

Future principal and interest requirements to maturity are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 935,097	\$ 48,835	\$ 983,932
2025	921,514	29,681	951,195
2026	494,804	10,215	505,019
2027	214,717	2,278	216,995
2028	50,606	780	51,386
2029	15,662	395	16,057
	<u>\$ 2,632,400</u>	<u>\$ 92,184</u>	<u>\$ 2,724,584</u>

The amount of subscription assets at June 30, 2023 was as follows:

Assets	Subscription Assets	Accumulated Amortization
Subscription-in-progress	\$ 2,254,927	\$ -
Subscription assets	3,547,357	951,756
Total	<u>\$ 5,802,284</u>	<u>\$ 951,756</u>

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 7: CAPITAL ASSETS**

Governmental activities capital assets for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Governmental activities:					
Capital assets, not being depreciated/amortized					
Land	\$ 99,349,032	\$ 230,000	\$ -	\$ 6,760,830	\$ 106,339,862
Right of way	237,230,155	-	-	-	237,230,155
Subscription-in-progress	-	2,254,927	-	-	2,254,927
Construction-in-progress	32,901,323	30,531,350	-	(11,315,269)	52,117,404
Total capital assets, not being depreciated/amortized	<u>369,480,510</u>	<u>33,016,277</u>	<u>-</u>	<u>(4,554,439)</u>	<u>397,942,348</u>
Capital assets, being depreciated/amortized					
Buildings	234,031,546	141,520	-	1,019,023	235,192,089
Improvements other than buildings	44,868,007	109,208	-	311,962	45,289,177
Machinery, equipment, and vehicles	58,496,059	1,431,966	(59)	750,373	60,678,339
Furniture and fixtures	3,547,780	-	-	-	3,547,780
Leased assets	226,622	-	-	-	226,622
Subscription assets	-	3,547,357	-	-	3,547,357
Infrastructure	513,567,047	1,081,797	(228,735)	2,473,081	516,893,190
Intangibles	3,328,862	-	-	-	3,328,862
Total capital assets, being depreciated/amortized	<u>858,065,923</u>	<u>6,311,848</u>	<u>(228,794)</u>	<u>4,554,439</u>	<u>868,703,416</u>
Less accumulated depreciation/amortization					
Buildings	(88,161,291)	(7,906,834)	-	-	(96,068,125)
Improvements other than buildings	(23,052,183)	(1,895,695)	-	-	(24,947,878)
Machinery, equipment, and vehicles	(49,523,356)	(3,033,559)	59	-	(52,556,856)
Furniture and fixtures	(3,502,690)	(8,110)	-	-	(3,510,800)
Leased assets	(35,704)	(35,704)	-	-	(71,408)
Subscription assets	-	(951,756)	-	-	(951,756)
Infrastructure	(259,391,855)	(8,896,554)	186,240	-	(268,102,169)
Intangibles	(3,319,934)	(204,274)	-	-	(3,524,208)
Total accumulated depreciation/amortization	<u>(426,987,013)</u>	<u>(22,932,486)</u>	<u>186,299</u>	<u>-</u>	<u>(449,733,200)</u>
Total capital assets, being depreciated/amortized, net	<u>431,078,910</u>	<u>(16,620,638)</u>	<u>(42,495)</u>	<u>4,554,439</u>	<u>418,970,216</u>
Total governmental activities capital assets	<u>\$800,559,420</u>	<u>\$16,395,639</u>	<u>\$(42,495)</u>	<u>\$ -</u>	<u>\$816,912,564</u>

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

General government	\$ 1,139,177
Public safety - police	613,636
Public safety - fire protection	3,907,897
Engineering and public works	10,540,382
Community development	102,914
Community services	5,051,008
Internal service	1,577,472
Total depreciation/amortization expense	<u>\$ 22,932,486</u>

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**NOTE 7: CAPITAL ASSETS (CONTINUED)**

Business-type activities capital assets for the year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Business-type activities:					
Capital assets, not being depreciated					
Land	\$ 5,451,015	\$ -	\$ -	\$ -	\$ 5,451,015
Construction-in-progress	1,241,434	3,306,012	-	(921,055)	3,626,391
Total capital assets, not being depreciated	<u>6,692,449</u>	<u>3,306,012</u>	<u>-</u>	<u>(921,055)</u>	<u>9,077,406</u>
Capital assets, being depreciated/amortized					
Buildings and improvements	17,225,973	-	-	-	17,225,973
Improvements other than buildings	6,368,130	-	-	-	6,368,130
Machinery, equipment, and vehicles	702,151	-	-	-	702,151
Infrastructure	44,688,805	858,791	-	921,055	46,468,651
Total capital assets, being depreciated	<u>68,985,059</u>	<u>858,791</u>	<u>-</u>	<u>921,055</u>	<u>70,764,905</u>
Less accumulated depreciation					
Buildings and improvements	(12,494,842)	(431,072)	-	-	(12,925,914)
Improvements other than buildings	(4,392,778)	(128,834)	-	-	(4,521,612)
Machinery, equipment, and vehicles	(583,992)	(17,436)	-	-	(601,428)
Infrastructure	(15,453,688)	(1,712,354)	-	-	(17,166,042)
Total accumulated depreciation	<u>(32,925,300)</u>	<u>(2,289,696)</u>	<u>-</u>	<u>-</u>	<u>(35,214,996)</u>
Total capital assets, being depreciated, net	<u>36,059,759</u>	<u>(1,430,905)</u>	<u>-</u>	<u>921,055</u>	<u>35,549,909</u>
Total business-type activities capital assets	<u>\$ 42,752,208</u>	<u>\$ 1,875,107</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,627,315</u>

Depreciation/amortization expense was charged to funds of the business-type activities as follows:

Sports Complex	\$ 559,906
Municipal Utility	1,402,058
Fiber Optic Network	327,732
Total depreciation/amortization expense	<u>\$ 2,289,696</u>

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**NOTE 8: INTERFUND RECEIVABLE, PAYABLE AND TRANSFERS**

The composition of interfund balances as of June 30, 2023, was as follows:

**Due To/From Other Funds**

Funds	Due to other funds			Total
	General Fund	Fire District	Other Governmental Funds	
Due from other funds:				
General Fund	\$ -	\$ 200,000	\$ 5,726,623	\$ 5,926,623
Other Governmental Funds	33,043	63,993	-	97,036
	<u>\$ 33,043</u>	<u>\$ 263,993</u>	<u>\$ 5,726,623</u>	<u>\$ 6,023,659</u>

Amounts due to other funds with the General Fund and the Fire District are for their estimated allocation of tax increment owed to the Enhanced Infrastructure Financing District. Amounts due to/from other funds were the results of routine interfund transactions not cleared prior to the end of the fiscal year or to cover negative cash balances at June 30, 2023.

**Advances To/From Other Funds**

Funds	Advances to Other Funds				Total
	Fire District	Sports Complex	Fiber Optic Network	Other Governmental Funds	
Advance from other funds:					
General Fund	<u>\$110,163</u>	<u>\$1,469,893</u>	<u>\$ 12,269,240</u>	<u>\$ 8,275,172</u>	<u>\$ 22,124,468</u>

On June 21, 2012, the General Fund advanced \$4,556,198 to the Fire District to provide funding for the prepayment of the Fire District's side fund liability with CalPERS. The advance bears interest at 4.5% and is payable in monthly installments. The final payment will occur in October 2023. At June 30, 2023, the outstanding balance amounted to \$110,163.

On September 2, 2015, the General Fund advanced \$3,215,612 to the Sports Complex to provide funding for the installation of a solar photovoltaic system at the Epicenter. The advance bears interest at 1.0% and is payable in monthly installments. The final payment will occur in February 2035. At June 30, 2023, the outstanding balance amounted to \$1,469,893.

On June 16, 2022, the General Fund advanced \$12,001,791 to the Fiber Optic Network Fund to provide funding for the repayment of the 2019 lease Revenue Bonds Series A and Series B. The advance will be repaid from service revenues derived from broadband subscriptions over a 17-years period. Any outstanding amount will be converted to a rollover period to allow for an additional 10 years of repayment. The advance accrues interest equal to the quarterly LAIF rate. The entire amount will be due and payable to the General Fund at the end of the rollover period in June 2049.

On August 16, 2017, the City Council authorized an advance of \$14,400,340 from the General Fund to the Lighting Districts Fund to provide funding for the purchase and acquisition of Southern California Edison owned streetlights and the installation of LED lighting to streetlights, intersections, and bridges, and other one-time costs necessary to inventory the streetlights. The advance was completed in phases and bears interest at 1.0% on the outstanding balance. The advance is to be repaid to the General Fund at such time as funds are available by each street lighting district at the end of each fiscal year. At June 30, 2023, the outstanding balance amounted to \$8,275,172.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**NOTE 8: INTERFUND RECEIVABLE, PAYABLE AND TRANSFERS (CONTINUED)**

**Interfund Transfers**

Funds	Transfers Out					Total
	General Fund	Development Impact Fees	Fire District	Municipal Utility	Nonmajor Governmental	
Transfers In						
General Fund	\$ -	\$ -	\$ -	\$ 1,622,710	\$ 610,008	\$ 2,232,718
Fire District	-	-	-	-	866	866
Sports Complex	1,442,944	-	-	-	-	1,442,944
Internal Service Funds	1,478,164	-	105,466	-	-	1,583,630
Nonmajor Governmental	8,970,156	4,461	-	-	8,071,509	17,046,126
Nonmajor Enterprise	250,000	-	-	-	-	250,000
	<u>\$ 12,141,264</u>	<u>\$ 4,461</u>	<u>\$ 105,466</u>	<u>\$ 1,622,710</u>	<u>\$ 8,682,383</u>	<u>\$ 22,556,284</u>

The General Fund transferred \$1,442,944, \$8,970,156 and \$250,000 to the Sports Complex, the Nonmajor Governmental Funds and Nonmajor Enterprise Funds, respectively, to cover the costs of operations. Also, the General Fund transferred \$1,478,164 to the Internal Service Funds to provide funding for the subscription-based IT implementation.

The Development Impact Fees Fund transferred \$4,461 to the Nonmajor Governmental Funds to cover the cost of operations.

The Fire District Fund transferred \$105,466 to the Internal Service Funds to cover the cost of operations.

The Municipal Utility transferred \$1,622,710 to the General Fund to cover the cost of operations.

The Nonmajor Governmental Funds transferred \$610,008, \$866 and \$8,071,509 to the General Fund, Fire District and other Nonmajor Governmental Funds, respectively, to cover budgeted expenditures for operations.

**NOTE 9: LONG-TERM DEBT OBLIGATION**

**Governmental Activities**

The following is a schedule of changes in governmental activities long-term debt for the fiscal year ended June 30, 2023:

	Beginning Balance	Additions	Repayments	Ending Balance	Due Within One Year
Financed Purchase					
Dell Blade Servers	\$ 507,340	\$ -	\$ 507,340	\$ -	\$ -
Lease Liability (Note 5)	188,493	-	36,792	151,701	37,240
Subscription liability (Note 6)	-	3,527,856	895,456	2,632,400	935,097
Total	<u>\$ 695,833</u>	<u>\$ 3,527,856</u>	<u>\$ 1,439,588</u>	<u>\$ 2,784,101</u>	<u>\$ 972,337</u>



**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 9: LONG-TERM DEBT OBLIGATION (CONTINUED)**

**Financed Purchase**

Dell Blade Servers

On December 5, 2018, the City entered into financed purchase agreements with Dell Financial Services to finance the acquisition of hardware equipment and software for the replacement of the City's data center infrastructure. The total cost of the equipment and related software acquired amounts to \$2,446,503. The agreement requires annual payments of \$527,330 with an interest component of 4.715% per annum due February 1<sup>st</sup> of each year with the final payment due February 2023. The final payment on the purchase agreement was made during fiscal year 2023.

**NOTE 10: ADVANCES FROM THE SUCCESSOR AGENCY**

During the formation of Community Facilities District CFD 2000-01 (CFD 2000-01), a number of meetings were held with property owners within the proposed boundaries to discuss participation in CFD 2000-01 and benefits to their property. As a result of those meetings, the approved boundary map was modified at the landowners' request to exclude certain properties from the CFD 2000-01 boundaries. Property owners that were excluded from CFD 2000-01 boundaries, but will be receiving direct benefit from the improvements constructed by CFD 2001-01, were advised that reimbursement would be required when their properties are developed. The Redevelopment Agency advanced the pro-rata share for properties that will receive benefit from the improvements, but are not participating in CFD 2000-01. At June 30, 2023, the outstanding amount of the advance was \$3,953,624.

**NOTE 11: COMPENSATED ABSENCES**

The City's policies relating to compensated absences are described in Note 1. The liability will be paid in future years by the General Fund and the Fire District Fund as it becomes due.

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due in One Year
Governmental Activities:					
Compensated absences	\$ 8,628,970	\$ 6,246,511	\$ 5,909,199	\$ 8,966,282	\$ 6,152,000

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**NOTE 12: OTHER SPECIAL OBLIGATIONS**

The following issues of Residential Mortgage Revenue Bonds, Special Assessment District Bonds, and Community Facility District Bonds are not reflected in the Statement of Net Position because these are special obligations payable solely from and secured by specific revenue sources described in the resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the State of California or any political subdivision thereof, is pledged for the payment of these bonds.

The outstanding amounts at June 30, 2023, were as follows:

	Outstanding Amount at <u>June 30, 2023</u>
City of Rancho Cucamonga:	
Special Tax Refunding Bond, Series 2015:	
Community Facilities District No. 2000-01	\$ 148,000
Community Facilities District No. 2000-02	1,477,000
Community Facilities District No. 2001-01 Series A	4,585,000
Community Facilities District No. 2001-01 Series B	444,000
Community Facilities District No. 2006-01	2,839,000
Community Facilities District No. 2006-02	1,686,000
Community Facilities District No. 2000-03	5,129,000
Community Facilities District No. 2003-01 Series A	10,580,000
Community Facilities District No. 2003-01 Series B	2,038,000
Community Facilities District No. 2004-01	24,661,000
Successor Agency of the Former Rancho Cucamonga Multi-Family Housing Revenue Bond: Series 1997A	<u>1,135,373</u>
Total	<u>\$ 54,722,373</u>

**NOTE 13: PENSION PLAN OBLIGATIONS**

	Net Pension Liability	Net Pension Asset	Deferred Pension Outflows	Deferred Pension Inflows	Pension Expense (Revenue)
CalPERS					
City Miscellaneous Plan	\$ (64,045,443)	\$ -	\$ 28,399,261	\$ (2,640,249)	\$ (2,771,891)
Fire District Miscellaneous Plan	(3,624,318)	-	1,700,187	(161,164)	(720,496)
Fire District Safety Plan	(40,876,767)	-	23,045,352	(8,249,345)	7,795,010
Total CalPERS	<u>(108,546,528)</u>	<u>-</u>	<u>53,144,800</u>	<u>(11,050,758)</u>	<u>4,302,623</u>
PARS (see Note 14)	-	3,524,484	5,247,519	(3,612,818)	(473,761)
Total Pension Plans	<u>\$ (108,546,528)</u>	<u>\$ 3,524,484</u>	<u>\$ 58,392,319</u>	<u>\$ (14,663,576)</u>	<u>\$ 3,828,862</u>

**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

**A. City Miscellaneous Employee Pension Plan**

***Plan Description***

The City of Rancho Cucamonga contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained on the CalPERS' website.

***Benefits Provided***

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

	Miscellaneous Plan			
	Tier 1 *	Tier 2*	Tier 3	PEPRA
Hire date	Prior to or on September 1, 2010	On or after September 1, 2010 but prior to July 3, 2011	July 4, 2011 and after	On or after January 1, 2013
Benefit formula	2.5% @ 55	2.5% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	2.000% - 2.500% 50 yrs - 55+ yrs, respectively	2.000% - 2.500%, 50 yrs - 55+ yrs, respectively	1.426% - 2.418%, 50 yrs - 63+ yrs, respectively	1.000% - 2.500%, 52 yrs - 67+ yrs, respectively
Required employee contribution rates	8.000%	8.000%	7.000%	6.500%
Required employer contribution rates	10.810%	10.810%	10.130%	7.100%

\* Plan is closed to new entrants

***Employees Covered***

As of June 30, 2022, the following employees were covered by the benefit terms of the Plan:

Description	Number of Members
	City Miscellaneous Plan
Active members	357
Transferred members	253
Separated members	413
Retired members and beneficiaries	379
<b>Total</b>	<b>1,402</b>

**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

***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.

For the year ended June 30, 2023, the employer contributions recognized as a reduction to net pension liability for the Plan were \$6,735,527.

***Net Pension Liability***

The net pension liability is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each Plan is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

***Actuarial Methods and Assumptions Used to Determine Total Pension Liability***

The June 30, 2021 valuation was used to determine the June 30, 2022 total pension liability, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Projected 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 for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

***Long-term Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated

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**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

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

Asset Class	Assumed asset allocation	Real return <sup>1-2</sup>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	100.00%	

1 - An expected inflation of 2.30% used for this period.  
2 - Figures are based on the 2021 Asset Liability Management study.

***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.

***Events Subsequent to the Actuarial Valuation Date***

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

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

**CITY OF RANCHO CUCAMONGA**  
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**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

***Changes in the Net Pension Liability***

The following table shows the changes in net pension liability recognized over the measurement period for the City Miscellaneous Plan.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance at: 6/30/2021 (Valuation Date)	\$ 255,984,984	\$ 229,976,178	\$ 26,008,806
Changes Recognized for the Measurement Period:			
Service Cost	4,645,530	-	4,645,530
Interest on the Total Pension Liability	17,859,530	-	17,859,530
Changes of Assumptions	9,509,378	-	9,509,378
Difference between Expected and Actual Experience	(2,743,605)	-	(2,743,605)
Contribution from the Employer	-	6,735,527	(6,735,527)
Contributions from Employees	-	1,836,998	(1,836,998)
Net Investment Income	-	(17,195,068)	17,195,068
Benefit Payments including Refunds of Employee Contributions	(12,479,507)	(12,479,507)	-
Administrative Expense	-	(143,261)	143,261
Net Changes During 2021-22	16,791,326	(21,245,311)	38,036,637
Balance at: 6/30/2022 (Measurement Date)	\$ 272,776,310	\$ 208,730,867	\$ 64,045,443

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

The following presents the net pension liability of the Plan's 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 1 percentage-point lower (5.90 percent) or 1 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/(Assets)	\$ 101,802,429	\$ 64,045,443	\$ 33,061,151

***Pension Plan Fiduciary Net Position***

The plan fiduciary net position disclosed in the GASB Statement No. 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

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

As of the start of the measurement period (July 1, 2021), the net pension liability was \$26,008,806. For the measurement period ending June 30, 2022 (the measurement date), the City incurred a pension revenue of \$2,771,891 for the Plan.

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**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

As of June 30, 2023, the following were the reported deferred outflows of resources and deferred inflows of resources related to the pension plan:

	Miscellaneous Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Current year contributions that occurred after the measurement date	\$ 11,399,836	\$ -
Changes of assumptions	6,339,585	-
Difference between expected and actual experience	119,648	(2,640,249)
Net Difference between Projected and Actual Earnings on Pension Plan	10,540,192	-
<b>Total</b>	<b>\$ 28,399,261</b>	<b>\$ (2,640,249)</b>

Contributions subsequent to the measurement date in the amount of \$11,399,836 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period ended June 30:	Net Deferred Outflows/(Inflows) of Resources
2023	\$ 3,443,449
2024	3,603,998
2025	730,171
2026	6,581,558
	<b>\$ 14,359,176</b>

**B. Fire District Miscellaneous and Safety Employee Pension Plans**

***Plan Description***

All qualified permanent and probationary Fire District’s employees are eligible to participate in the Safety Employee Pension Plan or Miscellaneous Employee Pension Plan, both cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Copies of PERS’ annual financial report may be obtained from its executive office at 400 P Street, Sacramento, California 95814.

***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. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

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**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

**Fire District Miscellaneous Cost-Sharing Plans**

	Tier 1 *	Tier 2 *	PEPRA
Hire date	Prior to July 9, 2011	July 9, 2011 but prior to January 1, 2013	January 1, 2013 and after
Benefit formula	2.5% @ 55	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	2.000% - 2.500%, 50 yrs - 55+ yrs, respectively	1.426% - 2.418%, 50 yrs - 63+ yrs, respectively	1.000% - 2.500%, 52 yrs - 67+ yrs, respectively
Required employee contribution rates	8.000%	7.000%	6.750%
Required employer contribution rates	12.200%	10.340%	7.590%

**Fire District Safety Cost-Sharing Plans**

	Tier 1 *	Tier 2 *	PEPRA
Hire date	Prior to July 9, 2011	July 9, 2011 but prior to January 1, 2013	January 1, 2013 and after
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	3.000%, 50+ yrs	2.400% - 3.000%, 50 yrs - 55+ yrs, respectively	2.000% - 2.700%, 50 yrs - 57+ yrs, respectively
Required employee contribution rates	9.000%	9.000%	13.000%
Required employer contribution rates	23.710%	20.640%	13.130%

\* Plan is closed to new entrants

**Employees Covered**

As of the valuation date of June 30, 2021, the following employees were covered by the benefit terms of the Plans:

Description	Number of Members	
	Fire Miscellaneous Plan	Fire Safety Plan
Active members	23	98
Transferred members	7	11
Separated members	11	3
Retired members and beneficiaries	27	82
<b>Total</b>	<b>68</b>	<b>194</b>



**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

***Contribution Description***

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers be 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 the CalPERS’ annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plans’ allocated share of the risk pool’s costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2023, the employer contributions recognized as a reduction to net pension liability was \$406,745 for the Miscellaneous Plan and \$9,113,770 for the Safety Plan for a total of \$9,520,515 for the plans.

***Net Pension Liability***

The net pension liability is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2022, using an annual actuarial valuation as of June 30, 2021. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

***Actuarial Methods and Assumptions Used to Determine Total Pension Liability***

The June 30, 2021 valuation was rolled forward to determine the June 30, 2022 total pension liability, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Projected 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 for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

***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.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

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

Asset Class	Assumed asset allocation	Real return <sup>1-2</sup>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	100.00%	

1 - An expected inflation of 2.30% used for this period.  
2 - Figures are based on the 2021 Asset Liability Management study.

**Discount Rate**

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

**Pension Liabilities, Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions**

As of June 30, 2023, the Fire District reported a net pension liability of \$3,624,318 for its proportionate shares of the Miscellaneous Plan and \$40,876,767 for its proportionate shares of the Safety Plan for a total of \$44,501,085 for the cost-sharing plans.

The Fire District's net pension liability for each rate Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the rate Plans is measured as of June 30, 2022, and the total pension liability for each rate Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The Fire District's proportion of the net pension liability was based on a projection of the Fire District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

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**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

The Fire District's proportionate share of the net pension liability for each rate Plan as of June 30, 2021 and 2022, was as follows:

	Fire Miscellaneous Plan	Fire Safety Plan
Proportion - June 30, 2021	0.0953%	0.5576%
Proportion - June 30, 2022	0.0775%	0.5949%
Changes - Increase (Decrease)	-0.0178%	0.0373%

For the year ended June 30, 2023, the Fire District recognized pension expense (revenue) of \$(720,496) and \$7,795,010 for the Miscellaneous Plan and the Safety Plan, respectively.

As of June 30, 2023, the following were the reported deferred outflows of resources and deferred inflows of resources related to the pension plans:

	<u>Miscellaneous</u>		<u>Safety</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Current year contributions that occurred after the measurement date	\$ 433,129	\$ -	\$ 9,243,848	\$ -
Change of assumptions	371,387	-	4,121,616	-
Difference between expected and actual experience	72,783	(48,747)	1,691,741	(443,889)
Net difference between projected and actual earnings on pension plan investments	663,879	-	6,455,013	-
Adjustment due to difference in proportions	159,009	(2,490)	253,924	(7,588,680)
Difference in actual contribution and proportionate share of contribution calculation	-	(109,927)	1,279,210	(216,776)
<b>Total</b>	<b>\$ 1,700,187</b>	<b>\$ (161,164)</b>	<b>\$ 23,045,352</b>	<b>\$ (8,249,345)</b>

The Miscellaneous Plan reported \$433,129 and the Safety Plan reported \$9,243,848 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Measurement Period Ended June 30,</u>	<u>Net Deferred Outflows/(Inflows)</u>	
	<u>Miscellaneous</u>	<u>Safety</u>
2023	\$ 445,012	\$ 3,698,327
2024	173,966	450,844
2025	153,382	162,714
2026	90,878	(74,481)
2020	242,656	1,314,755
Total	<u>\$ 1,105,894</u>	<u>\$ 5,552,159</u>

**NOTE 13: PENSION PLAN OBLIGATIONS (CONTINUED)**

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

The following presents the net pension liability of the Plan's 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 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

Net pension Liability	Discount	Current	Discount
	Rate	Discount	Rate
	5.90%	6.90%	7.90%
Fire District Miscellaneous Plan	\$ 5,464,688	\$ 3,624,318	\$2,110,149
Fire District Safety Plan	65,032,499	40,876,767	21,134,914

***Pension Plan Fiduciary Net Position***

The plan fiduciary net position disclosed in the GASB Statement No. 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

**NOTE 14: PARS RETIREMENT ENHANCEMENT PLAN**

**General Information About the Plan**

***Plan Description***

The City of Rancho Cucamonga sponsors the PARS Retirement Enhancement Plan, an agent multiple-employer defined benefit pension plan. The Plan provides pension benefits to miscellaneous members (Tier 1) and city council members (Tier 2). Benefits are equal to a percentage of highest pay multiplied by years of service, with the percentage varying by retirement age based on the total combined CalPERS age factor, but not exceeding 3% at 60. Sample rates are as follows:

Age	Tier 1 and Tier 2
55	0.000%
56	0.100
57	0.200
58	0.300
59	0.400
60+	0.500

The City and the Fire District have the right to amend, modify or terminate the plan at any time. Separate audited financial statements are not prepared.

Benefits are increased by a 2% annual cost of living adjustment after retirement. There are no employee contributions for either tier.

**NOTE 14: PARS RETIREMENT ENHANCEMENT PLAN (CONTINUED)**

***Benefits Provided***

PARS provides supplemental retirement benefits to eligible employees of the City. Employees are eligible to receive benefits under the plan if they meet the following requirements: 1) a miscellaneous employee of the City or City Council on or after December 1, 2002, 2) at least 56 years of age, 3) has completed 10 or more years of full-time continuous employment at the City, 4) has terminated employment with the City and has concurrently retired under CalPERS if an active CalPERS member, and 5) has applied for benefits under the plan. Benefits shall be in an amount equal to one-twelfth of the product of the number of full and partial years of full-time continuous employment with the City completed as of the Member's retirement times the Member's final pay, times the PARS benefit factor. The total combined CalPERS age factor and PARS benefit factor at retirement may not exceed three percent.

PARS Retirement Enhancement Plan \*

Hire date	on or after December 1, 2002
Benefit formula	one-twelfth of the product of the number of full and partial years of full-time continuous employment with the City completed as of the Member's retirement times the Member's final pay, times the PARS benefit factor
Benefit vesting schedule	10 years service
Benefit payments	monthly for life
Retirement age	minimum 56 yrs
Monthly benefits, as a % of eligible compensation	N/A - not based on % of eligible compensation
Required employee contribution rates	0.000%
Required employer contribution rates	4.400%

\* This plan is closed to new entrants

***Employees Covered***

As of the measurement date of June 30, 2022, the following employees were covered by the benefit terms of the Plan:

<u>Description</u>	<u>Number of Members</u>
Active members	139
Inactive members ent*itled to future benefits	1
Retired/disabled	156
Surviving spouses/beneficiaries	4
<b>Total</b>	<b><u>300</u></b>

***Contribution Description***

The total plan contributions are determined through the PARS' 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. Due to the City's pre-funding of its pension liability with PARS, the City's Plan had a net pension asset as of the June 30, 2022, actuarial valuation which positively impacted the actuarially determined rate. For the year ended June 30, 2023, the employer contributions recognized as a decrease to the pension liability were \$547,799.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 14: PARS RETIREMENT ENHANCEMENT PLAN (CONTINUED)**

**Net Pension Asset**

The net pension asset for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The pension liability of the Plan is measured as of June 30, 2022 using an annual actuarial valuation as of June 30, 2022. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

***Actuarial Methods and Assumptions Used to Determine Total Pension Liability***

The June 30, 2022 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Normal Cost Method in accordance with the requirements of GASB 68
Actuarial Assumptions	
Discount Rate	5.50%
Inflation	2.50%
Expected return on plan assets	5.50%
Asset valuation method	Market value of assets
Mortality	Based on assumptions for Public Agency Miscellaneous Employees published in the 2021 CalPERS Experience Study. These tables include generational mortality improvement using 80% of scale MP-2020.

***Discount Rate***

The discount rate used to measure the total pension liability was 6.00%. The expected long-term rate of return on investments was updated from 5.75% to 6.00%. Future contributions based on the funding policy will be made at contractually required rates, actuarially determined. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return</u>
US Equity - Large Cap	26.50%	4.20%
US Equity - Mid Cap	5.00%	4.20%
US Equity - Small Cap	7.50%	4.40%
International Equity	6.00%	4.60%
Emerging Market Equity	3.25%	4.60%
REITs	1.75%	3.70%
Short-term Bond	10.00%	0.90%
Intermediate-term Bond	33.50%	1.60%
High Yield Bond	1.50%	3.70%
Cash and Equivalents	<u>5.00%</u>	0.10%
Total	<u>100.00%</u>	2.00%

**CITY OF RANCHO CUCAMONGA**  
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**NOTE 14: PARS RETIREMENT ENHANCEMENT PLAN (CONTINUED)**

***Changes in the Net Pension Asset***

The following table shows the changes in net pension asset recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (c)=(a)-(b)
Balance at: June 30, 2021 (measurement date)	\$ 31,282,106	\$ 40,939,233	\$ (9,657,127)
Changes Recognized for the Measurement Period:			
Service Cost	462,828	-	462,828
Interest on the Total Pension Liability	1,867,197	-	1,867,197
Difference between Expected and Actual Experience	(2,701,648)	-	(2,701,648)
Changes of Assumptions	1,680,083	-	1,680,083
Contributions from the Employer	-	547,799	(547,799)
Net Investment Income	-	(5,309,778)	5,309,778
Benefit Payments including Refunds of Employee Contributions	(1,249,979)	(1,249,979)	-
Administrative Expenses	-	(62,204)	62,204
Net Changes During 2021/22	58,481	(6,074,162)	6,132,643
Balance at: June 30, 2022 (measurement date)	\$ 31,340,587	\$ 34,865,071	\$ (3,524,484)

***Sensitivity of the Net Pension Asset to Changes in the Discount Rate***

The following presents the net pension asset of the Plan as of the measurement date, calculated using the discount rate of 5.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (4.50 percent) or 1 percentage-point higher (6.50 percent) than the current rate:

	Discount Rate - 1% (4.50%)	Current Discount Rate (5.50%)	Discount Rate +1% (6.50%)
Plan's Net Pension Liability (Assets)	\$ 791,923	\$ (3,524,484)	\$ (7,103,018)

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

As of the start of the measurement period, July 1, 2021, the net pension asset was \$9,657,127. For the measurement period ending June 30, 2022, the measurement date, the City incurred a pension income of \$473,761 for the Plan.

As of June 30, 2023, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Current year contributions that occurred after the measurement date	\$ 506,916	\$ -
Difference between Expected and Actual Experiences	-	(3,264,211)
Change of Assumption	1,556,529	(348,607)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,184,074	-
Total	\$ 5,247,519	\$ (3,612,818)

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 14: PARS RETIREMENT ENHANCEMENT PLAN (CONTINUED)**

The PARS Plan reported \$506,916 as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b>Measurement Period ended June 30:</b>	<b>Deferred Outflows/(Inflows) of Resources</b>
2023	\$ 68,465
2024	25,375
2025	(151,100)
2026	(2,582)
2027	1,235,057
2028	(47,430)
<b>Total</b>	<b>\$ 1,127,785</b>

**NOTE 15: OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description**

The City does not provide post-employment benefits; however, medical coverage is provided to Fire District personnel and their dependents upon retirement under the Rancho Cucamonga Fire Protection District Memorandum of Understanding. The Fire District provides other post-employment benefits (OPEB) through the California Employers’ Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit healthcare plan administered by the California Public Employees’ Retirement System (CalPERS). For Tier 1 employees, the Fire District pays 100% of the medical insurance premium for the participant and their family. For Tier 2 employees, the Fire District contributes a predetermined monthly maximum for each eligible retiree towards health insurance. These benefits are provided per contract between the Fire District and the employee associations. Separate financial statements for the CERBT may be obtained by writing to CalPERS at Lincoln Plaza North 400 Q Street, Sacramento, California 95814 or by visiting the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Employees Covered**

As of the June 30, 2022, measurement date, the following current and former employees were covered by the benefit terms under the Plan:

<b>Description</b>	<b>Number of Members</b>
Active employees	116
Retired	84
Inactives entitled but not receiving benefits	10
<b>Total</b>	<b>210</b>

**Funding Policy**

The contribution requirement of plan members and the Fire District are established and may be amended by the City Council. Currently, contributions are not required from plan members. Contributions to the Plan include all amounts paid by the City directly to the Plan, cash benefit payments made directly to plan members, and an implied subsidy payment as determined by the June 30, 2022, actuarial valuation. These contributions are netted against the reimbursements received from the CERBT. During the June 30, 2022, measurement period, the City paid \$1,027,571 in premiums for retiree medical insurance and was reimbursed \$1,287,571 and the implied subsidy was \$273,000, for a total contribution of \$13,000.



**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 15: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Net OPEB Asset**

The City’s net OPEB asset was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation dated June 30, 2021 based on the following actuarial methods and assumptions:

Actuarial Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	5.25% at June 30, 2022
Inflation	2.50% annually
Salary Increases	Aggregate - 2.75% annually
Longevity Increases	Rates from CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Healthcare Trend Rate	Non-Medicare - 6.50% for 2023, decreasing to an ultimate to an ultimate rate of 3.75% in 2076 Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 Medicare (Kaiser) - 4.60% for 2023, decreasing to an ultimate rate of 3.75% in 2076
Other Assumptions	PEMHCA minimum Increases of 4.00% annually Healthcare participation for future retirees: 100% for Tier 1 75% for Tier 2 if currently covered, otherwise 50%

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table for the CERBT Strategy 3. CalPERS approved new CERBT asset allocations in March 2022. Estimated impact is an increase to the expected long-term rate of return assumption for CERBT Strategy 3 of 0.50%.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	23%	4.56%
Fixed Income	51%	1.56%
TIPS	9%	-0.08%
Commodities	3%	1.22%
REITs	14%	4.06%
Total	<u>100.00%</u>	

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 15: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 5.25 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the OPEB Liability/(Asset)**

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (c)=(a)-(b)
Balance at: June 30, 2021 (measurement date)	\$ 25,779,571	\$ 34,942,129	\$ (9,162,558)
Changes Recognized for the Measurement Period:			
Service Cost	315,155	-	315,155
Interest on the Total Pension Liability	1,335,833	-	1,335,833
Contributions from the Employer	-	15,729	(15,729)
Net Investment Income	-	(3,733,741)	3,733,741
Benefit Payments including Refunds of Employee Contributions	(1,300,571)	(1,300,571)	-
Administrative Expenses	-	(11,634)	11,634
Net Changes During 2021/22	350,417	(5,030,217)	5,380,634
Balance at: June 30, 2022 (measurement date)	\$ 26,129,988	\$ 29,911,912	\$ (3,781,924)

**Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate**

The following presents the net OPEB liability/(asset) 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, 2022:

	Discount Rate		
	Discount Rate - 1% (4.25%)	Current Discount Rate (5.25%)	Discount Rate +1% (6.25%)
Plan's Net OPEB Liability (Assets)	\$ (432,988)	\$ (3,781,924)	\$ (6,555,880)

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 15: OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**

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

The following presents the net OPEB liability/(asset) 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, 2022:

	Healthcare Trend Rate		
	1% Decrease to Healthcare Trend Assumption	Current Healthcare Trend Assumption	1% Increase to Healthcare Trend Assumption
Plan's Net OPEB Liability (Assets)	\$ (6,871,267)	\$ (3,781,924)	\$ (41,315)

**OPEB Plan Fiduciary Net Position**

CERBT issues a publicly available financial report that includes financial statements and required supplementary information.

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

For the fiscal year ended June 30, 2023, the City recognized OPEB income of \$351,610. As of June 30, 2023, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 3,741	\$ -
Differences between expected and actual experiences	-	2,029,250
Changes of assumptions	-	927,071
Net difference between projected and actual earnings on OPEB plan investments	2,681,523	-
<b>Total</b>	<b>\$ 2,685,264</b>	<b>\$ 2,956,321</b>

The \$3,741 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset during the subsequent fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Period Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ (238,891)
2025	(131,867)
2026	(80,276)
2027	440,606
2028	(150,712)
Thereafter	(113,658)
<b>Total</b>	<b>\$ (274,798)</b>

**NOTE 16: SUMMARY DISCLOSURE OF SELF INSURANCE CONTINGENCIES**

The City and the Fire District are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City and Fire District obtains insurance coverage.

The City and the Fire District are a members of the California Intergovernmental Risk Authority (CIRA), a joint powers authority, which provides joint protection programs for public entities covering automobile, general liability, errors and omission losses, workers' compensation, and property claims. Under the program, the City and Fire District have a \$500,000 retention limit for liability, which is similar to a deductible, with the Authority being responsible for losses above that amount up to \$1,000,000. The Authority carries an excess commercial liability policy of \$25,000,000 in excess of its \$1,000,000 retention limit to cover losses through affiliated risk management authorities. The Authority also provides one billion dollars aggregate per occurrence property coverage to its members with such coverage provided by purchased insurance.

Liabilities of the City and the Fire District are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

The City and Fire District have a \$250,000 retention limit for workers compensation. The Authority covers workers' compensation claims in excess of the \$250,000 retention limit up to \$500,000. The Local Agency Workers Compensation Excess Pool provides excess coverage to statutory limits. The City pays an annual premium to the Authority and may share in any surplus revenues or may be required to pay additional assessments based upon the Authority's operating results.

Effective July 1, 2015, the Fire District became a member of the Public Agency Risk Sharing Authority of California (Authority) for its workers compensation insurance and concurrently separated from the Public Agency Self-Insurance System (PASIS) of San Bernardino County. The Fire District will maintain reserves to cover its June 30, 2022, estimated claims liability for workers compensation up to its self-insured retention of \$250,000. Claims in excess of the self-insured amount will be covered by California State Association of Counties- Excess Insurance Authority. All workers compensation coverage from July 1, 2015, forward will be provided by the Authority. Under the program, the Fire District has a \$250,000 retention limit for workers compensation. The Authority covers workers compensation claims in excess of the \$250,000 retention limit up to \$5,000,000. The Local Agency Workers Compensation Excess Pool provides excess coverage to statutory limits. The Fire District pays an annual premium to the Authority and may share in any surplus revenues or may be required to pay additional assessments based upon the Authority's operating results.

Financial statements of the Authority may be obtained from its administrative office located at 2330 East Bidwell, Suite 150, Folsom, California, 95630; [www.cira-jpa.org](http://www.cira-jpa.org); or by calling (916) 927-7727.

The City and the Fire District are involved in litigation arising in the normal course of business. Although the legal responsibility and financial impact with respect to such litigation cannot be presently ascertained, based on information from the service agent and others involved with the administration of the programs, the City believes that the self-insurance commitment of \$7,884,078 is adequate to cover such losses. The liability will be paid as it becomes due by the General Fund and the Fire District Fund.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 16: SUMMARY DISCLOSURE OF SELF INSURANCE CONTINGENCIES (CONTINUED)**

The following is a summary of the changes in the claims liability over the past two fiscal years for the City and the Fire District combined:

Fiscal Year Ended	Beginning Balance	Current Year Claims and Changes in Estimates	Claim Payments	Ending Balance	Due in One Year
June 30, 2022	\$ 2,558,984	\$ 1,715,378	\$(1,145,966)	\$3,128,396	\$ 767,975
June 30, 2023	3,128,396	2,532,122	(1,483,667)	4,176,851	1,996,837

**NOTE 17: COMMITMENTS AND CONTINGENCIES**

The following schedule summarizes the major contractual commitments as of June 30, 2023:

Project Name	Contract Amount	Expenditures to date as of June 30, 2023	Remaining Commitments
Local Street Rehabilitation	\$ 4,310,100	\$ 3,844,194	\$ 465,906
Town Center Fire Station (178)	18,955,990	11,171,197	7,784,793
Second Story Library and Beyond Museum	6,441,030	4,125,142	2,315,888
Fiber Optic Network	10,817,780	3,250,526	7,567,254
Etiwanda Grade Separation	5,872,930	5,469,129	403,801
Municipal Utility Line Extensions	6,782,760	2,634,124	4,148,636
Community Dog Park	4,589,880	3,474,865	1,115,015
Civic Center HVAC Replacement	2,358,750	21,750	2,337,000

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
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**NOTE 18: FUND BALANCE CLASSIFICATIONS**

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). A detailed schedule of fund balances at June 30, 2023, is as follows:

	Special Revenue Funds				Other Governmental Funds	Total
	General Fund	Development Impact Fees	Housing Successor Agency	Fire District		
<b>Nonspendable:</b>						
Prepaid costs	\$ 529,179	\$ -	\$ 2,393	\$ 302,965	\$ 10,982	\$ 845,519
Deposits	49,000	-	-	-	-	49,000
Advances to other funds	22,124,468	-	-	-	-	22,124,468
<b>Total Nonspendable</b>	<b>22,702,647</b>	<b>-</b>	<b>2,393</b>	<b>302,965</b>	<b>10,982</b>	<b>23,018,987</b>
<b>Restricted for:</b>						
Community development projects	-	-	139,802,938	-	2,115,251	141,918,189
Public safety - Police	-	1,091,983	-	-	1,453,464	2,545,447
Parks and recreation	-	16,441,464	-	-	594,394	17,035,858
Engineering and public works	-	74,824,860	-	-	16,105,537	90,930,397
Capital improvement projects	4,305,813	-	-	12,531,286	30,210,721	47,047,820
Street lighting	-	-	-	-	47,936,134	47,936,134
Underground utilities	-	-	-	-	12,757,391	12,757,391
Landscape maintenance	-	-	-	-	25,661,552	25,661,552
Library services	-	1,564,583	-	-	8,497,965	10,062,548
Contractual obligations	3,014,452	-	-	355,854	-	3,370,306
General plan update	900,683	-	-	-	-	900,683
PERS rate stabilization	5,704,206	-	-	12,988,371	-	18,692,577
Technology replacement	2,395,908	-	-	225,035	-	2,620,943
SB1186 certified access specialist services	225,287	-	-	-	-	225,287
<b>Total Restricted</b>	<b>16,546,349</b>	<b>93,922,890</b>	<b>139,802,938</b>	<b>26,100,546</b>	<b>145,332,409</b>	<b>421,705,132</b>
<b>Committed to:</b>						
Law enforcement	10,662,869	-	-	-	-	10,662,869
Vehicle and equipment replacement	-	-	-	6,228,110	-	6,228,110
Working capital	5,613,533	-	-	24,366,570	-	29,980,103
City facilities capital repair	35,844,927	-	-	7,073,236	-	42,918,163
Changes in economic circumstances	27,256,176	-	-	11,223,786	-	38,479,962
Employee leave payouts	4,291,379	-	-	4,772,230	-	9,063,609
Self-insurance	8,721,395	-	-	-	-	8,721,395
Economic development strategic reserve	8,084,078	-	-	-	-	8,084,078
Seasonal weather emergency reserve	418,880	-	-	-	-	418,880
PASIS worker's compensation tail claims	-	-	-	439,261	-	439,261
Community benefit projects	6,652,973	-	-	-	-	6,652,973
Public safety personnel affordable housing	-	-	-	577,800	-	577,800
<b>Total Committed</b>	<b>107,546,210</b>	<b>-</b>	<b>-</b>	<b>54,680,993</b>	<b>-</b>	<b>162,227,203</b>
<b>Assigned to:</b>						
Radio system acquisition	550,697	-	-	3,005,044	-	3,555,741
Capital infrastructure projects	24,475,604	-	-	-	-	24,475,604
Economic development special projects	3,252,525	-	-	-	-	3,252,525
Animal Center operations	1,700,354	-	-	-	-	1,700,354
Sphere of influence issues	1,108,604	-	-	-	-	1,108,604
Mobile home park program	204,110	-	-	-	-	204,110
Continuing operations	153,060	-	-	457,644	-	610,704
Community services recreation programs	1,831,277	-	-	-	-	1,831,277
Community services cultural programs	427,166	-	-	-	-	427,166
Harrow and Epicenter master plan	500,000	-	-	-	-	500,000
Capital projects	-	-	-	17,405,725	-	17,405,725
<b>Total Assigned</b>	<b>34,203,397</b>	<b>-</b>	<b>-</b>	<b>20,868,413</b>	<b>-</b>	<b>55,071,810</b>
<b>Unassigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,098,864)</b>	<b>(10,098,864)</b>
<b>Totals</b>	<b>\$ 180,998,603</b>	<b>\$ 93,922,890</b>	<b>\$ 139,805,331</b>	<b>\$ 101,952,917</b>	<b>\$ 135,244,527</b>	<b>\$ 651,924,268</b>

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVLEOPMENT AGENCY**

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Rancho Cucamonga that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

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 11, 2012, the City elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 12-001.

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.

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.

**A. Cash and investments**

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

Cash and investments	\$ 22,716,922
Cash and investments with fiscal agent	<u>15,471</u>
	<u>\$ 22,732,393</u>

**B. Loans Receivable**

On July 21, 2003, the Agency entered into a Disposition and Developer Agreement with Victoria Gardens, LLC. The Agency conveyed 147 acres generally located north of Foothill Boulevard, west of the I-15 Freeway and east of Day Creek Road in the City of Rancho Cucamonga in order for the Developer to construct an open air mixed use complex. The Agency conveyed the site to the Developer upon the execution of a promissory note to pay a cumulative sum of \$13,000,000 to the Agency over a term of thirty (30) years. The note stipulates the following payment structure: (1) the Developer shall make annual payments to the Agency equal to the amount required to amortize the excess return at the Agency’s cost of funds; (2) the Developer shall pay the Agency fifteen percent (15%) of the difference between the net sale proceeds and the higher of the project cost, or the initial gross proceeds of any loan; and (3) the Developer shall pay the Agency fifteen percent (15%) of any positive net refinance proceeds. As of June 30, 2023, the outstanding balance was \$10,259,967.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVLEOPMENT AGENCY**  
**(CONTINUED)**

**C. Long-Term Debt**

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2023, follows:

	Balance July 1, 2022	Additions	Repayments	Balance June 30, 2023	Due Within One Year
Tax Allocation Bonds					
Tax Allocation Refunding Bonds - 2007 Issue	\$ 52,190,000	\$ -	\$ 3,040,000	\$ 49,150,000	\$ 3,225,000
Tax Allocation Refunding Bonds - 2014 Issue	124,135,000	-	8,735,000	115,400,000	9,175,000
Tax Allocation Refunding Bonds - 2016 Issue	48,160,000	-	1,870,000	46,290,000	1,965,000
Total Bonds	<u>224,485,000</u>	<u>-</u>	<u>13,645,000</u>	<u>210,840,000</u>	<u>14,365,000</u>
Developer Loans					
Bank of New York	4,637,940	-	1,014,580	3,623,360	1,105,615
Total	<u>\$ 229,122,940</u>	<u>\$ -</u>	<u>\$ 14,659,580</u>	<u>214,463,360</u>	<u>\$15,470,615</u>
			Unamortized Premium	<u>18,210,807</u>	
			Total	<u>\$232,674,167</u>	

**Tax Allocation Bonds**

- Rancho Cucamonga Redevelopment Agency, Rancho Redevelopment Project, Housing Set-aside Tax Allocation Bonds, Tax Exempt Series 2007A and Taxable Series 2007B. \$155,620,000.** In November 2007, the Rancho Cucamonga Redevelopment Agency issued \$73,305,000 Rancho Redevelopment Project Housing Set-Aside Tax Allocation Bonds Tax-Exempt Series 2007A and \$82,315,000 Rancho Redevelopment Project Housing Set-Aside Tax Allocation Bonds Taxable series 2007B to (a) refund and redeem the Agency's outstanding Rancho Redevelopment Project 1996 Housing Set-Aside Tax Allocation Bonds, provide for the refunding and defeasance of the California Statewide Communities Development Authority Multifamily Housing Revenue Bonds, (c) extend set-aside and affordability restriction on 558 units within four apartment projects located in the City of Rancho Cucamonga pursuant to an Extended Affordability Agreement, and (d) finance other low and moderate income housing projects in or of benefit to the Project Area.

The Series A issue consists of \$29,950,000 in Serial bonds with maturities beginning September 1, 2008 through September 1, 2026, bearing interest ranging from 3.25% through 5.0%; and \$43,355,000 in Term bonds due September 1, 2034, bearing interest at 5%. The Series B issue consists of \$19,675,000 Term bonds due September 1, 2018, bearing interest at 5.529%; and \$62,640,000 Term bonds due September 1, 2031, bearing interest at 6.262%. Interest on both Series A and B bonds is payable semi-annually on March 1 and September 1 of each year, commencing March 1, 2008.

The 2007 bonds are secured and payable from Tax Revenues on a subordinate basis with respect to a Loan Agreement dated as of December 15, 1997, between the Agency, Northtown Housing Development Corporation and Pacific Life Insurance Company (Loan Payable-Bank of New York) – the Senior Loan. The Indenture does not permit additional senior obligations. The Agency is permitted under the Indenture to incur additional obligations – Parity Bonds – secured by a pledge of Tax Revenues on a parity basis with the pledge of Tax Revenues to the 2007 Bonds. Tax Revenues which secure the 2007 Bonds consist solely of the Housing Set-Aside.



**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVLEOPMENT AGENCY (CONTINUED)**

On July 20, 2016, the Successor Agency issued Tax Allocation Refunding Bonds, Series 2016 to refund the Series A. The refunding resulted in the recognition of an accounting loss of \$2,716,427. However, it reduced the total debt service payments by \$14 million and an economic gain (the difference between the present values of the debt service payments on the old and new debt) of \$11 million.

The Taxable Series B Bonds are subject to optional redemption, on any date prior to their maturity.

The balance at June 30, 2023, amounted to \$49,150,000 plus unamortized bond premium of \$183,387. The following schedule illustrates the debt service requirements to maturity for the 2007 Tax Allocation Refunding Bonds as of June 30, 2023:

Year Ending	Principal	Interest
June 30		
2024	\$ 3,225,000	\$ 2,976,798
2025	3,430,000	2,768,430
2026	3,640,000	2,547,069
2027	3,870,000	2,311,930
2028	7,920,000	1,942,786
2029-2034	27,065,000	2,634,580
Total	<u>\$ 49,150,000</u>	<u>\$ 15,181,593</u>

If an Event of Default shall occur, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, with the consent of the Insurer and if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding or if directed by the Insurer, the Trustee shall (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding, and (b) subject to the provisions of the Indenture, exercise any other remedies available to the Trustee and the bond owners in law or at equity.

- Rancho Cucamonga Redevelopment Agency, Rancho Redevelopment Project Area Tax Allocation Refunding Bonds, Series 2014. \$174,050,000.** These bonds are dated July 15, 2014, and were issued to refinance certain obligations of the Project Area including the 1999 Tax Allocation Refunding Bonds, 2001 Tax Allocation Bonds and 2004 Tax Allocation Bonds. The Bonds will be payable from and secured by, designated property tax revenues (formerly tax increment revenues) related to the Rancho Redevelopment Project, which will consist of moneys deposited, from time to time, in the Redevelopment Property Tax Trust Fund (“RPTTF”) established under the Dissolution Act, defined below, but exclude those amounts which were, prior to the Dissolution Act, required to be deposited into the Former Agency’s Low and Moderate Income Housing Fund to the extent required to pay debt service on existing Housing Obligations. Interest is payable semi-annually on March 1 and September 1, of each year commencing March 1, 2015. The bonds mature in annual installments ranging from \$2,750,000 to \$14,235,000 starting September 1, 2015, to September 1, 2032, and bear interest ranging from 3% to 5%.

The balance at June 30, 2023, amounted to \$115,400,000 plus unamortized bond premium of \$13,415,535 and unamortized gain on defeasance of \$1,261,827.

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVLEOPMENT AGENCY (CONTINUED)**

The following schedule illustrates the debt service requirements to maturity for the 2014 Tax Allocation Refunding Bonds as of June 30, 2023:

Year Ending June 30	Principal	Interest
2024	\$ 9,175,000	\$ 5,540,625
2025	9,635,000	5,070,375
2026	10,115,000	4,576,625
2027	10,620,000	4,058,250
2028	11,150,000	3,514,000
2029-2034	64,705,000	8,403,625
Total	<u>\$ 115,400,000</u>	<u>\$31,163,500</u>

If an Event of Default has occurred and is continuing, the Trustee may (but only with the consent of the Insurer), and if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, the Trustee shall (but only with the consent of the Insurer), (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding, and (b) exercise any other remedies available to the Trustee and the bond owners in law or at equity.

- Rancho Cucamonga Redevelopment Agency, Rancho Redevelopment Project Area Tax Allocation Refunding Bonds, Series 2016. \$56,860,000.** These bonds are dated October 5, 2016, and were issued to refinance certain obligations of the Rancho Redevelopment Project Housing Set-Aside Tax Allocation Bonds 2007 Series A. The Bonds will be payable from and secured by, designated property tax revenues (formerly tax increment revenues) related to the Rancho Redevelopment Project, which will consist of moneys deposited, from time to time, in the Redevelopment Property Tax Trust Fund (“RPTTF”) established under the Dissolution Act, but exclude those amounts which were, prior to the Dissolution Act, required to be deposited into the Former Agency’s Low and Moderate Income Housing Fund to the extent required to pay debt service on existing Housing Obligations. Interest is payable semi-annually on March 1 and September 1, of each year commencing March 1, 2017. The bonds mature in annual installments ranging from \$1,615,000 to \$10,060,000 starting September 1, 2017, to September 1, 2034, and bear interest ranging from 2% to 5%.

The balance at June 30, 2023, amounted to \$46,290,000 plus unamortized bond premium of \$4,611,885 and unamortized loss on defeasance of \$1,785,080.

The following schedule illustrates the debt service requirements to maturity for the 2016 Tax Allocation Refunding Bonds as of June 30, 2023:

Year Ending June 30	Principal	Interest
2024	\$ 1,965,000	\$ 1,887,175
2025	2,060,000	1,786,550
2026	2,170,000	1,680,800
2027	2,275,000	1,569,675
2028	-	1,512,800
2029-2034	18,085,000	6,851,100
2035-2039	19,735,000	797,100
Total	<u>\$ 46,290,000</u>	<u>\$ 16,085,200</u>

**CITY OF RANCHO CUCAMONGA**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ended June 30, 2023**

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**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVLEOPMENT AGENCY (CONTINUED)**

If an Event of Default has occurred and is continuing, the Trustee may (but only with the consent of the Insurer), and if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall (but only with the consent of the Insurer), (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding, and (b) exercise any other remedies available to the Trustee and the bond owners on law or at equity.

**Developer Loans Payable**

On August 21, 1996, the Agency executed a note payable to Pacific Life Insurance Company (subsequently assigned to Bank of New York) in the amount of \$9,411,477. The proceeds of the note were paid directly to Northtown Housing Development Corporation for the development of the Northtown Housing project. The outstanding principal bears interest at 8.78% compounding semi-annually from the date of the note until paid. Interest was added to the principal on each March 15 and September 15 through March 15, 2002, amounting to \$4,210,264 in addition to principal. Commencing on September 15, 2002, both principal and interest shall be due and payable semi-annually on March 20 and September 20, of each year through March 2026. The balance at June 30, 2023, amounted to \$3,623,360.

The following schedule illustrates the debt service requirements to maturity for the Bank of New York loan as of June 30, 2023:

Year Ending June 30	Principal	Interest
2024	\$ 1,105,615	\$ 294,385
2025	1,204,820	195,180
2026	1,312,925	87,075
Total	<u>\$ 3,623,360</u>	<u>\$ 576,640</u>

All outstanding principal and interest due under this note shall be due and payable in full on the earliest of March 15, 2026, or the date of an event of default.

**Pledged Revenue**

The City 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 \$277,470,293 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the City for the payment of indebtedness incurred by the dissolved redevelopment agency was \$27,414,768 and the debt service obligation on the bonds was \$26,189,380.

In July 1994, the Agency entered into an affordable housing Pledge Agreement with So Cal Housing which they could use to secure affordable housing units. In August 1996, the Agency approved Amendment No. 2 to the 1994 Original Pledge, to commit to pay \$339,200 annually to the California Housing Finance Agency (CHFA) to benefit the required reserves for three affordable family housing developments up to November 2026. The balance of the commitment at June 30, 2023, is \$1,187,200.

**NOTE 19: SUCCESSOR AGENCY TRUST FOR ASSETS OF THE FORMER REDEVLEOPMENT AGENCY  
(CONTINUED)**

**D. Insurance**

The Successor Agency is covered under the City of Rancho Cucamonga'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 16.

**E. Participation Agreements**

In August 2005, the Agency entered into a real estate tax, sales tax, tax increment and business license tax participation agreement with Bass Outdoor World, LLC (Bass Pro), 80 VGL, LLC and 20 VGL, LLC (80 VGL, LLC and 20 VGL, LLC are collectively referred to as Landlord). Under the terms of the agreement, the Agency is required to make annual payments equal to one hundred percent (100%) of the tax increment revenues, sales tax revenues and business license tax paid during each year. However, Landlord has the priority for reimbursements of real estate taxes paid for each year prior to any payments being made to Bass Pro. The total amount paid to Landlord and Bass Pro shall not exceed \$1,100,000 in any given year. The agreement terminates in fiscal year 2032-2033. However, due to ERAF payment made, the agreement was extended to December 2034. During the year ended June 30, 2023, the Agency made payments totaling \$671,781.

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# **REQUIRED SUPPLEMENTARY INFORMATION**

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**CITY OF RANCHO CUCAMONGA**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2023**

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**Budgetary Comparison Information**

**A. Budget Data**

General Budget Policies

The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them. The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. The Council conducts budget study sessions prior to holding a public hearing to adopt the budget. When required during the fiscal year, the Council also approves supplemental appropriations. There were several supplemental appropriations required during the year. A comprehensive update to budgeted figures occurs once per year as part of the Amended Budget process which is presented to the Council in May each fiscal year for approval. There were no significant non-budgeted financial activities during the year.

The City Council may transfer funds between funds or activities set forth in the budget. The City Manager may transfer funds between line items within an appropriation as set forth in the budget and may transfer appropriations between activities within any fund. The level of budgetary control (that is the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level within the General Fund, Special Revenue Funds, and Capital Project Funds.

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in process at year-end are completed. They do not constitute expenditures or estimated liabilities.

Basis of Budgeting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that for budgeting purposes only encumbrances are treated as expenditures. A reconciliation has been provided on the applicable schedule when the basis of budgeting differs from GAAP.

For the fiscal year ended June 30, 2023, the AB 2928 Traffic Congestion Relief fund had no adopted budget due to the timing of the usage of these funds. Money will be budgeted as needed based on specific projects.

For the fiscal year ended June 30, 2023, the following funds had excess expenditures over appropriations due to the close out of the SAFETEA-LU Grant and Proposition 1B special revenue funds and certain capital project funds. For CFD 2018-01 Empire Lakes special revenue fund, the excess is the result of encumbrance for future annexations which will be paid for by deposits from developers.

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Special revenue funds			
SAFETEA-LU Grant	\$ 491,818	\$ 488,890	\$ 2,928
Proposition 1B	304,656	283,170	21,486
CFD 2018-01 Empire Lakes	174,257	159,930	14,327
Capital projects funds	6,842,345	6,803,940	38,405



**CITY OF RANCHO CUCAMONGA**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 173,120,236	\$ 173,120,236	\$ 173,120,236	\$ -
<b>Resources (Inflows):</b>				
Taxes	86,462,450	89,703,740	90,082,114	378,374
Licenses and permits	5,025,220	5,851,690	6,756,581	904,891
Intergovernmental	787,840	778,500	691,118	(87,382)
Charges for services	7,861,470	7,944,630	8,467,873	523,243
Use of money and property	2,333,780	3,333,140	2,777,387	(555,753)
Fines and forfeitures	1,338,090	1,067,910	1,320,089	252,179
Contributions	141,000	151,000	144,420	(6,580)
Miscellaneous	4,320,570	6,229,970	7,588,412	1,358,442
Transfers in	1,693,830	2,212,350	2,232,718	20,368
Proceeds from sale of capital assets	79,500	80,700	35,419	(45,281)
Subscriptions issued	-	-	3,102,685	3,102,685
<b>Amounts Available for Appropriations</b>	<b>283,163,986</b>	<b>290,473,866</b>	<b>296,319,052</b>	<b>5,845,186</b>
<b>Charges to Appropriations (Outflow):</b>				
General government				
General overhead	4,192,510	9,576,480	8,205,849	1,370,631
Personnel overhead	3,239,550	1,387,930	1,353,881	34,049
City council	128,250	107,770	97,045	10,725
City management	1,212,300	1,115,000	1,111,382	3,618
City clerk	2,010	2,090	2,069	21
Administrative services	224,340	292,290	290,789	1,501
Business licensing	429,650	371,360	342,068	29,292
City facilities	1,143,940	1,283,610	1,206,066	77,544
Finance	1,850,760	1,761,950	1,700,390	61,560
Innovation and technology	4,857,890	4,972,310	1,479,809	3,492,501
Human resources	760,470	830,100	717,139	112,961
Procurement	262,700	256,140	254,107	2,033
Risk management	313,410	506,980	345,888	161,092
Treasury management	27,890	31,680	31,606	74
Community affairs	543,740	485,620	454,655	30,965
Records management	1,108,730	819,250	564,385	254,865
Healthy RC program	641,680	633,000	631,561	1,439
Public safety - police				
Sheriff contract services	49,561,410	49,224,190	45,587,287	3,636,903
Public safety - animal center				
Animal center	3,640,100	3,388,080	3,185,650	202,430
Community development				
Planning	2,185,510	4,104,310	3,998,853	105,457
Planning commission	21,590	21,590	17,704	3,886
Economic and community development	874,930	856,150	791,676	64,474
Administration	2,322,440	2,387,210	2,289,338	97,872
Building and safety	2,487,870	2,258,240	2,081,934	176,306
Community services				
Administration	2,191,950	2,081,990	1,859,945	222,045
Central Park	1,453,340	1,016,870	908,765	108,105
Lions Center	637,640	147,290	113,252	34,038
RC Family Resource Center	155,560	143,890	141,525	2,365
RC Sports Center	611,250	471,990	405,357	66,633
Special events	506,850	494,330	399,070	95,260
Victoria Gardens Cultural Center	3,167,720	2,145,550	1,821,874	323,676
Contract classes	610,630	477,620	467,147	10,473
Park services	444,290	313,980	284,600	29,380
Engineering and public works				
Engineering administration	875,300	842,230	780,726	61,504
Development management	1,354,720	1,416,010	1,262,634	153,376
NPDES	338,830	329,120	320,051	9,069
Project management	840,300	675,770	661,486	14,284
Traffic management	304,470	391,690	247,908	143,782
Park maintenance	2,884,920	2,834,940	2,408,325	426,615
Vehicle and equipment maintenance	2,290,360	2,387,150	2,297,915	89,235
City facilities maintenance	4,559,120	4,733,140	4,374,391	358,749
Street maintenance	2,302,980	2,342,230	2,202,554	139,676
Fire facilities maintenance	401,390	422,710	405,056	17,654
Capital outlay	8,148,300	7,099,110	11,902,948	(4,803,838)
Debt service:				
Principal retirement	100,230	100,230	778,997	(678,767)
Interest and fiscal charges	6,220	6,220	45,576	(39,356)
Transfers out	4,249,260	7,420,510	12,141,264	(4,720,754)
<b>Total Charges to Appropriations</b>	<b>120,469,300</b>	<b>124,967,900</b>	<b>122,972,497</b>	<b>1,995,403</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 162,694,686</b>	<b>\$ 165,505,966</b>	<b>173,346,555</b>	<b>\$ 7,840,589</b>
Encumbrances			7,652,048	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 180,998,603</b>	

See Notes to Required Supplementary Information

**CITY OF RANCHO CUCAMONGA**  
**Development Impact Fees**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 82,350,997	\$ 82,350,997	\$ 82,350,997	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	707,700	1,490,300	862,321	(627,979)
Developer participation	5,555,670	11,943,650	12,414,563	470,913
Miscellaneous	-	-	3,195	3,195
<b>Amounts Available for Appropriations</b>	<b>88,614,367</b>	<b>95,784,947</b>	<b>95,631,076</b>	<b>(153,871)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - police	1,280	1,310	1,310	-
Public safety - animal services	630	650	650	-
Community services	375,110	75,580	19,880	55,700
Engineering and public works	535,650	567,130	562,298	4,832
Capital outlay	10,765,520	3,494,900	1,555,792	1,939,108
Transfers out	-	4,470	4,461	9
<b>Total Charges to Appropriations</b>	<b>11,678,190</b>	<b>4,144,040</b>	<b>2,144,391</b>	<b>1,999,649</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 76,936,177</b>	<b>\$ 91,640,907</b>	<b>93,486,685</b>	<b>\$ 1,845,778</b>
Encumbrances			436,205	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 93,922,890</b>	

**CITY OF RANCHO CUCAMONGA**  
**Housing Successor Agency**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 139,673,896	\$ 139,673,896	\$ 139,673,896	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	17,550	207,730	198,064	(9,666)
Miscellaneous	12,000	312,090	312,087	(3)
<b>Amounts Available for Appropriations</b>	<b>139,703,446</b>	<b>140,193,716</b>	<b>140,184,047</b>	<b>(9,669)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	383,600	378,740	378,716	24
<b>Total Charges to Appropriations</b>	<b>383,600</b>	<b>378,740</b>	<b>378,716</b>	<b>24</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 139,319,846</b>	<b>\$ 139,814,976</b>	<b>139,805,331</b>	<b>\$ (9,645)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 139,805,331</b>	

**CITY OF RANCHO CUCAMONGA**  
**Fire District**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 93,641,173	\$ 93,641,173	\$ 93,641,173	\$ -
<b>Resources (Inflows):</b>				
Taxes	57,845,380	59,514,320	60,270,311	755,991
Licenses and permits	16,500	15,500	13,255	(2,245)
Intergovernmental	-	-	96,177	96,177
Charges for services	1,860	3,080	4,947	1,867
Use of money and property	560,660	1,702,310	2,065,744	363,434
Fines and forfeitures	148,000	156,000	130,911	(25,089)
Miscellaneous	2,457,310	1,995,390	1,915,480	(79,910)
Transfers in	-	2,000	866	(1,134)
Subscriptions issued	-	-	318,261	318,261
<b>Amounts Available for Appropriations</b>	<b>154,670,883</b>	<b>157,029,773</b>	<b>158,457,125</b>	<b>1,427,352</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - fire protection	50,767,610	52,882,500	48,430,266	4,452,234
Capital outlay	18,821,520	21,059,700	21,192,276	(132,576)
Debt service:				
Principal retirement	385,560	385,560	100,322	285,238
Interest and fiscal charges	14,430	14,440	22,946	(8,506)
Transfers out	105,470	105,480	105,466	14
<b>Total Charges to Appropriations</b>	<b>70,094,590</b>	<b>74,447,680</b>	<b>69,851,276</b>	<b>4,596,404</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 84,576,293</b>	<b>\$ 82,582,093</b>	<b>88,605,849</b>	<b>\$ 6,023,756</b>
Encumbrances			13,347,068	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 101,952,917</b>	

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**Miscellaneous Plan - Agent Multiple-Employer**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>TOTAL PENSION LIABILITY</b>				
Service Cost	\$ 4,661,973	\$ 4,342,707	\$ 4,193,507	\$ 4,743,810
Interest	12,370,506	12,931,479	13,651,750	14,301,966
Difference between Expected and Actual Experience	-	(3,882,722)	(1,557,585)	(1,926,722)
Changes in Assumptions	-	(3,352,733)	-	12,495,866
Benefit Payments, Including				
Refunds of Employee Contributions	(5,229,846)	(5,847,197)	(6,606,205)	(7,626,368)
<b>Net Change in Total Pension Liability</b>	<u>11,802,633</u>	<u>4,191,534</u>	<u>9,681,467</u>	<u>21,988,552</u>
<b>Total Pension Liability - Beginning</b>	<u>165,224,012</u>	<u>177,026,645</u>	<u>181,218,179</u>	<u>190,899,646</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 177,026,645</u>	<u>\$ 181,218,179</u>	<u>\$ 190,899,646</u>	<u>\$ 212,888,198</u>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - Employer	\$ 3,520,721	\$ 3,433,074	\$ 3,745,698	\$ 4,207,753
Contributions - Employee	2,156,312	2,074,191	2,120,443	2,150,126
Net Investment Income	21,772,350	3,320,843	782,082	16,691,043
Benefit Payments, Including				
Refunds of Employee Contributions	(5,229,846)	(5,847,197)	(6,606,205)	(7,626,368)
Administrative Expense	-	(168,508)	(91,249)	(220,985)
Net Plan to Plan Resource Movement	-	-	-	-
Other Miscellaneous Income/(Expense)	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<u>22,219,537</u>	<u>2,812,403</u>	<u>(49,231)</u>	<u>15,201,569</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>124,692,088</u>	<u>146,911,625</u>	<u>149,724,028</u>	<u>149,674,797</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 146,911,625</u>	<u>\$ 149,724,028</u>	<u>\$ 149,674,797</u>	<u>\$ 164,876,366</u>
<b>Plan Net Pension Liability/(Assets) - Ending (a) - (b)</b>	<u>\$ 30,115,020</u>	<u>\$ 31,494,151</u>	<u>\$ 41,224,849</u>	<u>\$ 48,011,832</u>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>82.99%</b>	<b>82.62%</b>	<b>78.40%</b>	<b>77.45%</b>
<b>Covered Payroll</b>	<b>\$ 25,819,515</b>	<b>\$ 25,082,858</b>	<b>\$ 25,682,090</b>	<b>\$ 26,459,567</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll</b>	<b>116.64%</b>	<b>125.56%</b>	<b>160.52%</b>	<b>181.45%</b>

(1) Historical information is required only for measurement years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Notes to Schedule:**

Benefit Changes:

The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions:

In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense).

In 2014, amounts reported were based on the 7.5 percent discount rate.

2019	2020	2021	2022	2023
\$ 4,869,644	\$ 4,749,046	\$ 4,521,001	\$ 4,313,387	\$ 4,645,530
15,134,775	16,072,077	16,720,224	17,333,452	17,859,530
(1,496,029)	-	(1,248,961)	(1,220,230)	(2,743,605)
2,212,199	2,512,596	-	-	9,509,378
(8,728,016)	(9,967,183)	(10,819,096)	(11,862,110)	(12,479,507)
<b>11,992,573</b>	<b>13,366,536</b>	<b>9,173,168</b>	<b>8,564,499</b>	<b>16,791,326</b>
<b>212,888,198</b>	<b>224,880,771</b>	<b>238,247,307</b>	<b>247,420,475</b>	<b>255,984,974</b>
<b>\$ 224,880,771</b>	<b>\$ 238,247,307</b>	<b>\$ 247,420,475</b>	<b>\$ 255,984,974</b>	<b>\$ 272,776,300</b>
\$ 4,622,851	\$ 5,133,141	\$ 5,863,963	\$ 6,250,129	\$ 6,735,527
2,032,448	1,976,074	1,971,470	1,921,495	1,836,998
13,809,497	11,584,539	9,140,223	42,762,843	(17,195,068)
(8,728,016)	(9,967,183)	(10,819,096)	(11,862,110)	(12,479,507)
(256,923)	(126,024)	(261,085)	(190,892)	(143,261)
(407)	-	-	-	-
242,458	407	-	-	-
<b>11,721,908</b>	<b>8,600,954</b>	<b>5,895,475</b>	<b>38,881,465</b>	<b>(21,245,311)</b>
<b>164,876,366</b>	<b>176,598,274</b>	<b>185,199,228</b>	<b>191,094,703</b>	<b>229,976,168</b>
<b>\$ 176,598,274</b>	<b>\$ 185,199,228</b>	<b>\$ 191,094,703</b>	<b>\$ 229,976,168</b>	<b>\$ 208,730,857</b>
<b>\$ 48,282,497</b>	<b>\$ 53,048,079</b>	<b>\$ 56,325,772</b>	<b>\$ 26,008,806</b>	<b>\$ 64,045,443</b>
78.53%	77.73%	77.23%	89.84%	76.52%
\$ 27,268,038	\$ 27,077,712	\$ 26,743,856	\$ 24,764,323	\$ 24,973,838
177.07%	195.91%	210.61%	105.03%	256.45%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Plan Contributions**  
**Miscellaneous Plan - Agent Multiple-Employer**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 3,433,074	\$ 3,745,756	\$ 4,192,505	\$ 4,642,132
Contribution in Relation to the Actuarially Determined Contribution	<u>(3,433,074)</u>	<u>(3,745,756)</u>	<u>(4,192,505)</u>	<u>(4,642,132)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 25,082,858	\$ 25,682,090	\$ 26,459,567	\$ 27,268,038
Contributions as a Percentage of Covered Payroll	13.69%	14.59%	15.84%	17.02%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Note to Schedule:**

Valuation Date: June 30, 2021

Methods and assumptions used to determine contribution rates:

Discount Rate 6.90%

Inflation 2.30%

Salary Increases Varies by entry age and service

Post Retirement Benefit Increase The lesser of contract COLA or 2.30% until Purchasing Power Protection

Mortality The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

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<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 5,135,066	\$ 5,862,979	\$ 6,250,173	\$ 6,734,618	\$ 11,399,836
(5,135,066)	(5,862,979)	(6,250,173)	(6,734,618)	(11,399,836)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 27,077,712	26,743,856	24,764,323	24,973,838	26,841,937
18.96%	21.92%	25.24%	26.97%	42.47%



**CITY OF RANCHO CUCAMONGA**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**Cost Sharing Multiple-Employer Plan - Miscellaneous Rate Plan**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Proportion of the Net Pension Liability	0.02166%	0.02652%	0.06568%	0.06723%
Proportionate Share of the Net Pension Liability	\$ 1,348,194	\$ 1,819,909	\$ 2,281,501	\$ 2,650,258
Covered Payroll	\$ 1,474,657	\$ 1,437,227	\$ 1,524,047	\$ 1,577,007
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	91.42%	126.63%	149.70%	168.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	75.87%	75.39%

(1) Historical information is required only for measurement years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Notes to Schedule:**

Benefit Changes:

The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2020 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2020 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions:

In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense).

In 2014, amounts reported were based on the 7.5 percent discount rate.

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<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
0.06897%	0.07095%	0.07296%	0.09528%	0.07746%
\$ 2,599,301	\$ 2,841,232	\$ 3,077,476	\$ 1,809,262	\$ 3,624,318
\$ 1,619,191	\$ 1,593,099	\$ 1,771,563	\$ 1,798,563	\$ 1,851,717
160.53%	178.35%	173.72%	100.59%	195.73%
77.69%	77.73%	77.71%	90.49%	78.19%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Plan Contributions**  
**Cost Sharing Multiple-Employer Plan - Miscellaneous Rate Plan**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 210,430	\$ 219,901	\$ 238,202	\$ 254,681
Contribution in Relation to the Actuarially Determined Contribution	(210,430)	(219,901)	(238,202)	(254,681)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 1,437,227	\$ 1,524,047	\$ 1,577,007	\$ 1,619,191
Contributions as a Percentage of Covered Payroll	14.64%	14.43%	15.10%	15.73%

(1) Historical information is required only for measurement years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Note to Schedule:**

Valuation Date:	June 30, 2021
Methods and assumptions used to determine contribution rates:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
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
Mortality	The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

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<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 283,247	\$ 332,407	\$ 372,168	\$ 406,745	\$ 433,129
(283,247)	(332,407)	(372,168)	(406,745)	(433,129)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,593,099	\$ 1,771,563	\$ 1,798,563	\$ 1,851,717	\$ 1,819,838
17.78%	18.76%	20.69%	21.97%	23.80%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Proportionate Share of the Net Pension Liability**  
**Cost Sharing Multiple-Employer Plan - Safety Rate Plan**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Proportion of the Net Pension Liability	0.31131%	0.33146%	0.57027%	0.57286%
Proportionate Share of the Net Pension Liability	\$ 19,373,864	\$ 22,750,560	\$ 29,535,666	\$ 34,229,524
Covered Payroll	\$ 10,396,960	\$ 10,554,523	\$ 11,373,722	\$ 11,451,394
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	186.34%	215.55%	259.68%	298.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	72.69%	71.74%

(1) Historical information is required only for measurement years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Notes to Schedule:**

Benefit Changes:

The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2020 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2020 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions:

In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017.

In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense).

In 2014, amounts reported were based on the 7.5 percent discount rate.

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<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
0.59184%	0.60633%	0.62729%	0.55761%	0.59487%
\$ 34,726,501	\$ 37,850,274	\$ 41,792,462	\$ 19,529,265	\$ 40,876,767
\$ 11,663,014	\$ 12,029,495	\$ 12,348,120	\$ 13,128,489	\$ 13,129,347
297.75%	314.65%	338.45%	148.75%	311.34%
73.39%	73.37%	73.12%	86.61%	75.53%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Plan Contributions**  
**Cost Sharing Multiple-Employer Plan - Safety Rate Plan**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 2,827,842	\$ 3,007,980	\$ 3,273,056	\$ 3,577,900
Contribution in Relation to the Actuarially Determined Contribution	(2,827,842)	(3,007,980)	(3,273,056)	(3,577,900)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 10,554,523	\$ 11,373,722	\$ 11,451,394	\$ 11,663,014
Contributions as a Percentage of Covered Payroll	26.79%	26.45%	28.58%	30.68%

(1) Historical information is required only for measurement years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Note to Schedule:**

Valuation Date:	June 30, 2021
Methods and assumptions used to determine contribution rates:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection
Mortality	The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

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<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 4,101,079	\$ 4,727,134	\$ 10,065,699	\$ 9,113,770	\$ 9,243,848
(4,101,079)	(4,727,134)	(10,065,699)	(9,113,770)	(9,243,848)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 12,029,495	\$ 12,348,120	\$ 13,128,489	\$ 13,129,347	\$ 13,063,714
34.09%	38.28%	76.67%	69.42%	70.76%



**CITY OF RANCHO CUCAMONGA**  
**Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios**  
**PARS Retirement Enhancement Plan**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>TOTAL PENSION LIABILITY</b>				
Service Cost	\$ 719,000	\$ 743,000	\$ 716,000	\$ 774,673
Interest	1,329,000	1,425,000	1,523,000	1,639,815
Changes of Benefits Terms	-	-	538,000	-
Difference Between Expected and Actual Experience	-	-	(110,000)	-
Changes in Assumptions	-	-	2,100,000	-
Changes in Benefit Terms	-	-	-	(4,236)
Benefit Payments, Including Refunds of Employee Contributions	(495,000)	(546,000)	(631,000)	(719,919)
<b>Net Change in Total Pension Liability</b>	<b>1,553,000</b>	<b>1,622,000</b>	<b>4,136,000</b>	<b>1,690,333</b>
<b>Total Pension Liability - Beginning</b>	<b>20,790,000</b>	<b>22,343,000</b>	<b>23,965,000</b>	<b>28,101,000</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 22,343,000</b>	<b>\$ 23,965,000</b>	<b>\$ 28,101,000</b>	<b>\$ 29,791,333</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contribution - Employer	\$ 497,000	\$ 467,000	\$ 312,000	\$ 279,830
Net Investment Income	3,177,000	660,000	21,000	2,872,446
Benefit Payments, Including Refunds of Employee Contributions	(495,000)	(546,000)	(631,000)	(719,919)
Other Changes in Fiduciary Net Position	(33,000)	(47,000)	(35,000)	(52,639)
<b>Net Change in Fiduciary Net Position</b>	<b>3,146,000</b>	<b>534,000</b>	<b>(333,000)</b>	<b>2,379,718</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>24,536,000</b>	<b>27,682,000</b>	<b>28,216,000</b>	<b>27,883,000</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 27,682,000</b>	<b>\$ 28,216,000</b>	<b>\$ 27,883,000</b>	<b>\$ 30,262,718</b>
<b>Plan Net Pension Liability/(Asset) - Ending (a) - (b)</b>	<b>\$ (5,339,000)</b>	<b>\$ (4,251,000)</b>	<b>\$ 218,000</b>	<b>\$ (471,385)</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>123.90%</b>	<b>117.74%</b>	<b>99.22%</b>	<b>101.58%</b>
<b>Covered Payroll</b>	<b>\$ 24,363,588</b>	<b>\$ 22,739,613</b>	<b>\$ 21,593,214</b>	<b>\$ 19,909,987</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll</b>	<b>-21.91%</b>	<b>-18.69%</b>	<b>1.01%</b>	<b>-2.37%</b>

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

**Notes to Schedule:**

Benefit Changes

In 2020, employer paid member contributions for Fire Management employee group added. There were no benefit changes in 2019. In 2018, the Benefit Factor used to determine the City Manager's benefit was changed to 0.5% beginning at age 55 instead of age 60.

Changes of Assumptions:

In 2020, Mortality improvement scale was updated to Scale MP2020.

In 2018, the discount rate was updated from 5.75% to 6.00%, the demographic assumptions were updated to CalPERS 1997-2015 Experience Study, and the mortality improvement scale was updated to Society of Actuaries Scale MP-2018.

2019	2020	2021	2022	2023
\$ 736,116	\$ 660,456	\$ 632,103	\$ 561,042	\$ 462,828
1,731,246	1,716,445	1,794,641	1,803,717	1,867,197
-	-	149,388	-	-
(1,975,546)	-	(933,120)	-	(2,701,648)
(683,589)	-	(283,683)	-	1,680,083
(323,105)	-	-	-	-
(837,663)	(983,660)	(1,106,896)	(1,167,119)	(1,249,979)
<b>(1,352,541)</b>	<b>1,393,241</b>	<b>252,433</b>	<b>1,197,640</b>	<b>58,481</b>
<b>29,791,333</b>	<b>28,438,792</b>	<b>29,832,033</b>	<b>30,084,466</b>	<b>31,282,106</b>
<b>\$ 28,438,792</b>	<b>\$ 29,832,033</b>	<b>\$ 30,084,466</b>	<b>\$ 31,282,106</b>	<b>\$ 31,340,587</b>
\$ 657,424	\$ 609,239	\$ 648,386	\$ 563,099	\$ 547,799
1,865,280	1,890,679	1,090,928	7,631,818	(5,309,778)
(837,663)	(983,660)	(1,106,896)	(1,167,119)	(1,249,979)
(39,500)	(38,432)	(57,282)	(49,786)	(62,204)
<b>1,645,541</b>	<b>1,477,826</b>	<b>575,136</b>	<b>6,978,012</b>	<b>(6,074,162)</b>
<b>30,262,718</b>	<b>31,908,259</b>	<b>33,386,085</b>	<b>33,961,221</b>	<b>40,939,233</b>
<b>\$ 31,908,259</b>	<b>\$ 33,386,085</b>	<b>\$ 33,961,221</b>	<b>\$ 40,939,233</b>	<b>\$ 34,865,071</b>
<b>\$ (3,469,467)</b>	<b>\$ (3,554,052)</b>	<b>\$ (3,876,755)</b>	<b>\$ (9,657,127)</b>	<b>\$ (3,524,484)</b>
112.20%	111.91%	112.89%	130.87%	111.25%
\$ 18,246,690	\$ 16,119,382	\$ 14,750,069	\$ 13,301,202	\$ 12,451,110
-19.01%	-22.05%	-26.28%	-72.60%	-28.31%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Plan Contributions**  
**PARS Retirement Enhancement Plan**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 467,000	\$ 307,590	\$ 278,740	\$ 657,424
Contribution in Relation to the Actuarially Determined Contribution	(467,000)	(307,590)	(278,740)	(657,424)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,523,000</u>	<u>\$ -</u>
Covered Payroll	\$ 22,739,613	\$ 21,593,214	\$ 19,909,987	\$ 18,246,690
Contributions as a Percentage of Covered Payroll (2)	2.05%	1.42%	1.40%	3.60%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only nine years are shown.

(2) Due to timing differences for when the plan recognizes contributions and a change in the actuarially determined contribution rate from 1.40% to 3.90% during the fiscal year, the rate does not report the actuarially determined rate of 3.90% for 2018.

**Note to Schedule:**

Valuation Date: June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal in accordance with the requirements of GASB 68
Discount rate	5.50%
Inflation	2.50%
Asset valuation method	Market value of assets
Mortality	Based on assumptions for Public Agency Miscellaneous Employees published in the 2021 CalPERS Experience Study. These tables include generational mortality improvement using 80% of scale MP-2020.

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<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 628,911	\$ 626,595	\$ 563,099	\$ 547,799	\$ 506,916
(628,911)	(626,595)	(563,099)	(547,799)	(506,916)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,119,382	\$ 14,750,069	\$ 13,301,202	12,451,110	11,520,818
3.90%	4.25%	4.23%	4.40%	4.40%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Changes in the Net OPEB Liability/(Asset) and Related Ratios**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 400,000	\$ 412,316	\$ 424,685
Interest on the total OPEB liability	1,516,000	1,562,020	1,606,264
Actual and expected experience difference	-	-	(3,896,602)
Changes in assumptions	-	-	(239,453)
Benefit payments	(1,046,000)	(1,143,902)	(1,216,647)
<b>Net change in total OPEB liability</b>	<b>870,000</b>	<b>830,434</b>	<b>(3,321,753)</b>
<b>Total OPEB liability - beginning</b>	<b>27,688,000</b>	<b>28,558,000</b>	<b>29,388,434</b>
<b>Total OPEB liability - ending (a)</b>	<b>28,558,000</b>	<b>29,388,434</b>	<b>26,066,681</b>
<b>Plan Fiduciary Net Position</b>			
Contribution - employer	281,000	998,969	469,195
Net investment income	1,429,000	1,339,488	2,114,944
Benefit payments	(1,046,000)	(1,143,902)	(1,216,647)
Administrative expense	(14,000)	(52,080)	(8,528)
<b>Net change in plan fiduciary net position</b>	<b>650,000</b>	<b>1,142,475</b>	<b>1,358,964</b>
<b>Plan fiduciary net position - beginning</b>	<b>27,617,000</b>	<b>28,267,000</b>	<b>29,409,475</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 28,267,000</b>	<b>\$ 29,409,475</b>	<b>\$ 30,768,439</b>
<b>Net OPEB Liability/(Asset) - ending (a) - (b)</b>	<b>\$ 291,000</b>	<b>\$ (21,041)</b>	<b>\$ (4,701,758)</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	98.98%	100.07%	118.04%
<b>Covered payroll</b>	\$ 15,842,421	\$ 16,635,534	\$ 16,440,813
<b>Net OPEB asset as a percentage of covered payroll</b>	1.84%	-0.13%	-28.60%

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

**Notes to Schedule:** None

**Changes in assumptions:**

In 2020, the ACA Excise Tax was removed from liabilities.

In 2021, the following changes of assumptions were made:

Discount rate was updated based on newer capital market assumptions

Inflation assumption dropped from 2.75% to 2.50%. which dropped the discount rate, medical trend, and aggregate payroll increase by 0.25%.

Decreased medical trend rate for Kaiser Senior Advantage.

New rates from CalPERS Experience Study.

Updated assumption for medical eligible implied subsidy.

Mortality improvement scale was updated to Scale MP-2021.

<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 362,464	\$ 351,997	\$ 315,155
1,418,049	1,421,351	1,335,833
-	(107,488)	-
(415,987)	(729,439)	-
(1,292,883)	(1,295,174)	(1,300,571)
<b>71,643</b>	<b>(358,753)</b>	<b>350,417</b>
<b>26,066,681</b>	<b>26,138,324</b>	<b>25,779,571</b>
<b>26,138,324</b>	<b>25,779,571</b>	<b>26,129,988</b>
454,699	32,589	15,729
1,949,800	4,356,510	(3,733,741)
(1,292,883)	(1,295,174)	(1,300,571)
(17,988)	(13,863)	(11,634)
<b>1,093,628</b>	<b>3,080,062</b>	<b>(5,030,217)</b>
<b>30,768,439</b>	<b>31,862,067</b>	<b>34,942,129</b>
<b>\$ 31,862,067</b>	<b>\$ 34,942,129</b>	<b>\$ 29,911,912</b>
<b>\$ (5,723,743)</b>	<b>\$ (9,162,558)</b>	<b>\$ (3,781,924)</b>
121.90%	135.54%	114.47%
\$ 17,940,240	\$ 18,018,339	\$ 20,503,652
-31.90%	-50.85%	-18.45%

**CITY OF RANCHO CUCAMONGA**  
**Schedule of Contributions - OPEB**  
**As of June 30, For the Last Ten Fiscal Years (1)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially Determined Contribution	\$ 998,969	\$ 469,195	\$ 454,699
Contribution in Relation to the Actuarially Determined Contributions	(998,969)	(469,195)	(454,699)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 16,635,534	\$ 16,440,813	\$ 17,940,240
Contributions as a percentage of covered payroll	6.01%	2.85%	2.53%

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

**Methods and assumptions used to determine contributions:**

Valuation Date	June 30, 2022
Actuarial Cost Method	Entry Age Nomal, Level percent of pay
Amortization Valuation Method/Period	Level percent of pay over a 15-year fixed period for 2022-23
Asset Valuation Method	Investment gains/losses spread over 5-year rolling period
Discount Rate	5.25%
General Inflation	2.50%
Payroll Growth	2.75% per annum, in aggregate
Mortality, Disability, Termination, Retirement	CalPERS 2000-2019 Experience Study; Mortality Improvement - Mortality projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076; Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076;
Other Assumptions	PEMHCA minimum increases of 4.00% annually; Healthcare participation for future retirees at 100% for Tier 1 and 75% if Tier 2 for currently covered, and 50% for others

<b>2021</b>	<b>2022</b>	<b>2023</b>
\$ 32,589	\$ 15,729	\$ 3,741
(32,589)	(15,729)	(3,741)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,018,339	\$ 20,503,652	\$ 20,132,489
0.18%	0.08%	0.02%



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**CITY OF RANCHO CUCAMONGA**  
Non-Major Governmental Funds

**Special Revenue Funds**

Special Revenue Funds account for revenues derived from specific sources which are required by law or administrative regulation to be accounted for in a separated fund. Funds included are:

Gas Tax Fund - Established to account for the receipts and disbursements of the state gas tax allocations to fund road construction and maintenance of the City network system.

Recreation Fund - Established to account for the receipts and disbursements for community classes, special events, and activities that are sponsored by the Community Services Department, as well as, state and local grants which provide funding for related community services or facilities.

Beautification Fund - Established to account for receipts from development projects to provide proper landscaping and irrigation systems after the construction of parkway and median improvements.

Lighting District Fund – Established to account for the costs associated with providing street lighting throughout the City. Revenues are provided by special assessments levied against the benefiting property owners.

Landscape Maintenance Districts Fund - Established to account for receipts of special assessments which are restricted for providing landscape maintenance within specified geographical boundaries.

Pedestrian Grant Fund - Established to account for the receipts and disbursements of county entitlement funds for the construction of public facilities for the exclusive use of pedestrians and bicycles.

Community Development Block Grant Fund - Established to account for Federal grant funding from the Department of Housing and Urban Development under the Housing and Community Development Act of 1974, as amended.

Assessment Administration Fund - Established to account for the administration of the various special districts within the City.

SB 140 Fund - Established to account for the receipt and disbursement of state matching funds that are restricted for the construction of eligible street construction projects.

Air Quality Improvement Fund - Established to account for the receipt and disbursement of funds received from the South Coast Air Quality Management District as a result of Assembly Bill 2766.

Measure I Fund - Established to account for the receipts and disbursements of the City's allocation of the half-cent sales tax collected throughout San Bernardino County for local street construction and maintenance.

Library Services Fund - Established to account for the receipts and disbursements for library-related services provided by the City of Rancho Cucamonga Library. Funding for this service is made possible through a transfer of San Bernardino County library property tax revenues to the City of Rancho Cucamonga for library purposes.

**CITY OF RANCHO CUCAMONGA**  
Non-Major Governmental Funds

**Special Revenue Funds (Continued)**

Public Safety Grants Fund - Established to account for the receipts and disbursements of miscellaneous state, local, and Federal grant monies. These receipts are restricted for law enforcement and public safety-related expenditures.

Used Oil Recycling Fund - Established to account for the receipts and disbursements of the state grant monies for the purpose of establishing and administering used oil collection programs. These receipts are restricted for oil recycling collection and educational programs.

Library Services Grants Fund - Established to account for the receipts and disbursements of miscellaneous state, local, and Federal grant monies not accounted for in other funds. These receipts are restricted for library-related expenditures.

AB 2928 Traffic Congestion Relief Fund - Established fund to account for the receipts and disbursements of funds received as a result of Assembly Bill 2928. These receipts are restricted for transportation projects that relieve congestion, connect transportation systems, and provide better goods movement.

Litter Reduction Grant Fund - Established to account for the receipts and disbursements of the state grant monies that are used for the collection and recycling of beverage containers at large venues, public areas, residential communities or schools.

SAFETEA-LU Grant Fund - Established to account for the receipts and disbursements of Federal grant monies received from the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) from the Department of Transportation. The receipts are restricted for funding highways, highway safety, and public transportation projects.

Underground Utilities Fund - Established to account for fees collected from developments for future undergrounding of overhead utilities.

Citywide Infrastructure Improvement Fund - Established to account for capital improvement project reimbursements, primarily from the San Bernardino County Transportation Authority, to provide funds that will be used for general infrastructure throughout the City.

Proposition 1B Fund – Established to account for the receipts and disbursements of Proposition 1B and Proposition 1B State-Local Partnership Program (SLPP) funds which provide for the maintenance and improvement of local transportation facilities. This fund is allocated to the City by the California Transportation Commission.

Integrated Waste Management Fund - Established to account for receipts from Assembly Bill 939 which are generated from refuse haulers. These receipts are restricted for providing funding for the disposal of household hazardous waste.

SB1 - TCEP Fund – Established to account for the receipts and disbursements of SB 1 Trade Corridor Enhancement Program (TCEP) funds which provide for the design and construction of the Etiwanda Grade Separation Project.

**CITY OF RANCHO CUCAMONGA**  
Non-Major Governmental Funds

**Special Revenue Funds (Continued)**

Public Art Trust Fund – Established to account for the receipts of public art in-lieu fees restricted for the selection, purchase, placement, and maintenance of art installed by the City or on City property.

State Grants Fund – Established to account for grant fund received from the State of California and the allowable expenditures for those programs. The State grant programs reported in this special revenue fund are nonrecurring.

Federal Grants Fund – Established to account for grant funds received directly or in pass-through from the Federal government and the allowable expenditures reported in those programs. The Federal grant programs reported in this special revenue fund are nonrecurring.

Assessment District 91-2 Redemption-Day Canyon Fund - Established to account for Drainage Area No. 91-2 assessments revenues which are restricted for maintenance and servicing of a Day Canyon Drainage Basin.

Park Improvement District No. 85 Maintenance Fund - Established to account for Park and Recreation Improvement District No. PD-85 assessments revenues which are restricted for the maintenance and operations of Heritage and Red Hill Community Parks.

Community Facilities District 2000-03 Park Maintenance Fund - Established to account for Community Facilities District No. 2000-03 special tax revenues which are restricted for the park maintenance and operations of the District.

CFD 2017-01 No. Etiwanda - Established to account for Community Facilities District No. 2017-01 special tax revenues which are restricted for the maintenance and operations of the District.

CFD 2018-01 Empire Lakes - Established to account for Community Facilities District No. 2018-01 special tax revenues which are restricted for the maintenance and operations of the District.

Enhanced Infrastructure Financing District (EIFD) - Established to account for the receipt and use of incremental property tax revenue to finance public facilities, maintenance and operations of those public facilities, and administration of the EIFD within a designated district boundary.

Industrial Area Traffic Fund – Established to account for payments collected from developers as identified in Development Agreements for construction of traffic related improvements within the Industrial Area of the City.

Opioid Settlement Fund - Established to account for funds received from the State of California as part of the multiple lawsuits against manufacturers, distributors, and other entities responsible for aiding the opioid epidemic. Funds received from opioid settlements will be used for opioid remediation activities.

**Capital Projects Fund**

Capital Projects Fund - Established to account for major capital improvement projects not accounted for in other funds.

**CITY OF RANCHO CUCAMONGA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Gas Tax</b>	<b>Recreation</b>	<b>Beautification</b>	<b>Lighting Districts</b>
<b>ASSETS</b>				
Cash and investments	\$ 14,979,001	\$ -	\$ 581,003	\$ 4,551,022
Receivables (net of allowance for uncollectible):				
Accounts	804,018	-	-	195,977
Taxes	386,554	-	-	23,181
Accrued interest	75,816	-	2,795	15,171
Other loans	-	-	-	-
Grants	-	-	-	-
Leases	-	-	-	-
Prepaid costs	-	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>16,245,389</b>	<b>-</b>	<b>583,798</b>	<b>4,785,351</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 933,934	\$ -	\$ -	\$ 254,686
Accrued liabilities	38,823	-	-	4,090
Unearned revenues	-	-	-	6,335
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	91,836
Advances from other funds	-	-	-	8,275,172
<b>Total liabilities</b>	<b>972,757</b>	<b>-</b>	<b>-</b>	<b>8,632,119</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	186,086
Deferred lease inflows	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>186,086</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	-	-	-
Restricted				
Community development projects	-	-	-	-
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	15,272,632	-	583,798	-
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Unassigned	-	-	-	(4,032,854)
<b>Total fund balances (deficits)</b>	<b>15,272,632</b>	<b>-</b>	<b>583,798</b>	<b>(4,032,854)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 16,245,389</b>	<b>\$ -</b>	<b>\$ 583,798</b>	<b>\$ 4,785,351</b>

	Special Revenue Funds			
	Landscape Maintenance Districts	Pedestrian Grant	Community Development Block Grant	Assessment Administration
<b>ASSETS</b>				
Cash and investments	\$ 22,227,313	\$ -	\$ -	\$ 843,169
Receivables (net of allowance for uncollectible):				
Accounts	40,255	-	-	-
Taxes	129,867	-	-	-
Accrued interest	100,462	-	-	4,723
Other loans	-	-	1,347,570	-
Grants	-	11,555	536,630	-
Leases	1,849,233	-	-	-
Prepaid costs	900	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>24,348,030</b>	<b>11,555</b>	<b>1,884,200</b>	<b>847,892</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,035,535	\$ 1,027	\$ 119,302	\$ 384
Accrued liabilities	61,313	-	3,111	6,282
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	523,329	-
Due to other funds	-	10,529	434,968	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>1,096,848</b>	<b>11,556</b>	<b>1,080,710</b>	<b>6,666</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	11,555	239,841	-
Deferred lease inflows	1,760,299	-	-	-
<b>Total deferred inflows of resources</b>	<b>1,760,299</b>	<b>11,555</b>	<b>239,841</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	900	-	-	-
Restricted				
Community development projects	-	-	563,649	841,226
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	21,489,983	-	-	-
Library services	-	-	-	-
Unassigned	-	(11,556)	-	-
<b>Total fund balances (deficits)</b>	<b>21,490,883</b>	<b>(11,556)</b>	<b>563,649</b>	<b>841,226</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 24,348,030</b>	<b>\$ 11,555</b>	<b>\$ 1,884,200</b>	<b>\$ 847,892</b>

**CITY OF RANCHO CUCAMONGA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>SB 140</b>	<b>Air Quality Improvement</b>	<b>Measure I</b>	<b>Library Services</b>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 608,888	\$ 8,531,716	\$ 27,194,970
Receivables (net of allowance for uncollectible):				
Accounts	-	58,190	11,400	5,237
Taxes	-	-	1,137,586	50,953
Accrued interest	-	2,506	36,703	74,159
Other loans	-	-	-	-
Grants	-	-	-	-
Leases	-	-	-	-
Prepaid costs	-	-	-	5,700
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>669,584</b>	<b>9,717,405</b>	<b>27,331,019</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 2,068	\$ 266,904	\$ 963,889
Accrued liabilities	-	-	10,937	77,247
Unearned revenues	-	-	-	4,517,624
Deposits payable	-	-	-	15
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>2,068</b>	<b>277,841</b>	<b>5,558,775</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	392,693	-
Deferred lease inflows	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>392,693</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	-	-	5,700
Restricted				
Community development projects	-	667,516	-	-
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	9,046,871	-
Capital improvement projects	-	-	-	13,627,389
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	8,139,155
Unassigned	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>667,516</b>	<b>9,046,871</b>	<b>21,772,244</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ -</b>	<b>\$ 669,584</b>	<b>\$ 9,717,405</b>	<b>\$ 27,331,019</b>

	Special Revenue Funds			
	Public Safety Grants	Used Oil Recycling	Library Services Grants	AB 2928 Traffic Congestion Relief
<b>ASSETS</b>				
Cash and investments	\$ 1,591,958	\$ 27,641	\$ 357,780	\$ -
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	-
Taxes	-	-	-	-
Accrued interest	405	96	1,214	-
Other loans	-	-	-	-
Grants	80,401	-	-	-
Leases	-	-	-	-
Prepaid costs	-	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>1,672,764</b>	<b>27,737</b>	<b>358,994</b>	<b>-</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 82,522	\$ 424	\$ 184	\$ -
Accrued liabilities	-	1,045	-	-
Unearned revenues	19,367	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	72,030	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>173,919</b>	<b>1,469</b>	<b>184</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	45,381	-	-	-
Deferred lease inflows	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>45,381</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	-	-	-
Restricted				
Community development projects	-	-	-	-
Public safety - police	1,453,464	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	26,268	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	358,810	-
Unassigned	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>1,453,464</b>	<b>26,268</b>	<b>358,810</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 1,672,764</b>	<b>\$ 27,737</b>	<b>\$ 358,994</b>	<b>\$ -</b>



**CITY OF RANCHO CUCAMONGA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Litter Reduction Grant</b>	<b>SAFETEA-LU Grant</b>	<b>Underground Utilities</b>	<b>Citywide Infrastructure Improvement</b>
<b>ASSETS</b>				
Cash and investments	\$ 44,601	\$ -	\$ 12,702,650	\$ 31,885,817
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	16,806,637
Taxes	-	-	-	-
Accrued interest	-	-	55,576	133,128
Other loans	-	-	-	-
Grants	-	-	-	-
Leases	-	-	-	-
Prepaid costs	2,932	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>47,533</b>	<b>-</b>	<b>12,758,226</b>	<b>48,825,582</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,482	\$ -	\$ 835	\$ 489,240
Accrued liabilities	259	-	-	208
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	400,000
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>1,741</b>	<b>-</b>	<b>835</b>	<b>889,448</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
Deferred lease inflows	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	2,932	-	-	-
Restricted				
Community development projects	42,860	-	-	-
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	47,936,134
Underground utilities	-	-	12,757,391	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>45,792</b>	<b>-</b>	<b>12,757,391</b>	<b>47,936,134</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 47,533</b>	<b>\$ -</b>	<b>\$ 12,758,226</b>	<b>\$ 48,825,582</b>

	<b>Special Revenue Funds</b>			
	<b>Proposition 1B</b>	<b>Integrated Waste Management</b>	<b>SB1 - TCEP</b>	<b>Public Art Trust Fund</b>
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 4,787,363	\$ -	\$ 591,367
Receivables (net of allowance for uncollectible):				
Accounts	-	28,131	1,105,216	-
Taxes	-	436,053	-	-
Accrued interest	-	21,359	-	3,027
Other loans	-	-	-	-
Grants	-	-	542,028	-
Leases	-	-	-	-
Prepaid costs	-	1,450	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>5,274,356</b>	<b>1,647,244</b>	<b>594,394</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 4,105	\$ 67,332	\$ -
Accrued liabilities	-	23,752	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	4,774,602	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>27,857</b>	<b>4,841,934</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	542,028	-
Deferred lease inflows	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>542,028</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	1,450	-	-
Restricted				
Community development projects	-	-	-	-
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	594,394
Engineering and public works	-	5,245,049	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	-	-	-	-
Library services	-	-	-	-
Unassigned	-	-	(3,736,718)	-
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>5,246,499</b>	<b>(3,736,718)</b>	<b>594,394</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ -</b>	<b>\$ 5,274,356</b>	<b>\$ 1,647,244</b>	<b>\$ 594,394</b>

**CITY OF RANCHO CUCAMONGA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>State Grants Fund</b>	<b>Federal Grants Fund</b>	<b>AD 91-2 Redemption- Day Canyon</b>	<b>PD 85 Maintenance</b>
<b>ASSETS</b>				
Cash and investments	\$ 100,072	\$ -	\$ 84,558	\$ 3,215,917
Receivables (net of allowance for uncollectible):				
Accounts	86,345	2,464	-	5,262
Taxes	-	-	383	10,808
Accrued interest	-	231	347	17,389
Other loans	-	-	-	-
Grants	3,054,545	62,169	-	-
Leases	-	-	-	1,466,201
Prepaid costs	-	-	-	-
Due from other funds	-	-	-	-
<b>Total assets</b>	<b>3,240,962</b>	<b>64,864</b>	<b>85,288</b>	<b>4,715,577</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 626,537	\$ -	\$ -	\$ 142,284
Accrued liabilities	-	-	487	4,871
Unearned revenues	2,126,407	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	61,762	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>2,752,944</b>	<b>61,762</b>	<b>487</b>	<b>147,155</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	2,554,545	62,169	-	-
Deferred lease inflows	-	-	-	1,410,989
<b>Total deferred inflows of resources</b>	<b>2,554,545</b>	<b>62,169</b>	<b>-</b>	<b>1,410,989</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	-	-	-
Restricted				
Community development projects	-	-	-	-
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	-	-	84,801	3,157,433
Library services	-	-	-	-
Unassigned	(2,066,527)	(59,067)	-	-
<b>Total fund balances (deficits)</b>	<b>(2,066,527)</b>	<b>(59,067)</b>	<b>84,801</b>	<b>3,157,433</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 3,240,962</b>	<b>\$ 64,864</b>	<b>\$ 85,288</b>	<b>\$ 4,715,577</b>

	Special Revenue Funds			
	CFD 2000-03	CFD 2017-01	CFD 2018-01	Enhanced Infrastructure
	Park Maintenance	No. Etiwanda	Empire Lakes	Financing District
<b>ASSETS</b>				
Cash and investments	\$ 637,854	\$ 5,211	\$ 353,427	\$ -
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	-
Taxes	3,902	-	1,662	-
Accrued interest	2,101	-	1,272	-
Other loans	-	-	-	-
Grants	-	-	-	-
Leases	-	-	-	-
Prepaid costs	-	-	-	-
Due from other funds	-	-	-	97,036
<b>Total assets</b>	<b>643,857</b>	<b>5,211</b>	<b>356,361</b>	<b>97,036</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 21,158	\$ -	\$ 895	\$ 2,818
Accrued liabilities	4,041	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	50,000	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	280,896
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>25,199</b>	<b>-</b>	<b>50,895</b>	<b>283,714</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	-
Deferred lease inflows	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	-	-	-
Restricted				
Community development projects	-	-	-	-
Public safety - police	-	-	-	-
Parks and recreation	-	-	-	-
Engineering and public works	-	-	-	-
Capital improvement projects	-	-	-	-
Street lighting	-	-	-	-
Underground utilities	-	-	-	-
Landscape maintenance	618,658	5,211	305,466	-
Library services	-	-	-	-
Unassigned	-	-	-	(186,678)
<b>Total fund balances (deficits)</b>	<b>618,658</b>	<b>5,211</b>	<b>305,466</b>	<b>(186,678)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 643,857</b>	<b>\$ 5,211</b>	<b>\$ 356,361</b>	<b>\$ 97,036</b>

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**CITY OF RANCHO CUCAMONGA**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2023**

	Special Revenue Funds		Capital Projects Funds	Total Nonmajor Funds
	Industrial Area Traffic Fund	Opioid Settlement Fund	Capital Projects Fund	
<b>ASSETS</b>				
Cash and investments	\$ 1,787,330	\$ 151,290	\$ 709,765	\$ 138,551,683
Receivables (net of allowance for uncollectible):				
Accounts	-	-	-	19,149,132
Taxes	-	-	-	2,180,949
Accrued interest	19	-	17,137	565,636
Other loans	-	-	-	1,347,570
Grants	-	-	-	4,287,328
Leases	-	-	-	3,315,434
Prepaid costs	-	-	-	10,982
Due from other funds	-	-	-	97,036
<b>Total assets</b>	<b>1,787,349</b>	<b>151,290</b>	<b>726,902</b>	<b>169,505,750</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 5,017,545
Accrued liabilities	-	-	-	236,466
Unearned revenues	-	156,754	-	6,826,487
Deposits payable	-	-	-	450,015
Due to other governments	-	-	-	523,329
Due to other funds	-	-	-	5,726,623
Advances from other funds	-	-	-	8,275,172
<b>Total liabilities</b>	<b>-</b>	<b>156,754</b>	<b>-</b>	<b>27,055,637</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenues	-	-	-	4,034,298
Deferred lease inflows	-	-	-	3,171,288
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,205,586</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Prepaid costs	-	-	-	10,982
Restricted				
Community development projects	-	-	-	2,115,251
Public safety - police	-	-	-	1,453,464
Parks and recreation	-	-	-	594,394
Engineering and public works	1,787,349	-	-	16,105,537
Capital improvement projects	-	-	726,902	30,210,721
Street lighting	-	-	-	47,936,134
Underground utilities	-	-	-	12,757,391
Landscape maintenance	-	-	-	25,661,552
Library services	-	-	-	8,497,965
Unassigned	-	(5,464)	-	(10,098,864)
<b>Total fund balances (deficits)</b>	<b>1,787,349</b>	<b>(5,464)</b>	<b>726,902</b>	<b>135,244,527</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 1,787,349</b>	<b>\$ 151,290</b>	<b>\$ 726,902</b>	<b>\$ 169,505,750</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Gas Tax</b>	<b>Recreation</b>	<b>Beautification</b>	<b>Lighting Districts</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ 2,138,729
Licenses and permits	-	-	-	-
Intergovernmental	8,298,513	-	-	-
Charges for services	-	-	-	-
Use of money and property	305,606	529	8,201	39,483
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	119,385	-	-	48,950
<b>Total revenues</b>	<b>8,723,504</b>	<b>529</b>	<b>8,201</b>	<b>2,227,162</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	2,209,547
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	2,333,024	-	410	-
Capital outlay	7,451,507	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	1,450
<b>Total expenditures</b>	<b>9,784,531</b>	<b>-</b>	<b>410</b>	<b>2,210,997</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,061,027)</b>	<b>529</b>	<b>7,791</b>	<b>16,165</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	5,267	-	170,800
Transfers out	-	(49)	-	-
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>5,218</b>	<b>-</b>	<b>170,800</b>
<b>Net change in fund balances</b>	<b>(1,061,027)</b>	<b>5,747</b>	<b>7,791</b>	<b>186,965</b>
Fund balances (deficit)-beginning	16,333,659	(5,747)	576,007	(4,219,819)
<b>Fund balances (deficit)-ending</b>	<b>\$ 15,272,632</b>	<b>\$ -</b>	<b>\$ 583,798</b>	<b>\$ (4,032,854)</b>

CITY OF RANCHO CUCAMONGA  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

(Continued)

	Special Revenue Funds			
	Landscape Maintenance Districts	Pedestrian Grant	Community Development Block Grant	Assessment Administration
<b>REVENUES</b>				
Taxes	\$ 11,604,789	\$ -	\$ -	\$ -
Licenses and permits	125,848	-	-	-
Intergovernmental	-	-	897,224	-
Charges for services	40,295	-	-	-
Use of money and property	460,245	-	11,810	16,162
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	15,300	-	157,598	700,610
<b>Total revenues</b>	<b>12,246,477</b>	<b>-</b>	<b>1,066,632</b>	<b>716,772</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	744,799
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	10,993,645	-	1,972,577	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	1,435,352	11,556	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>12,428,997</b>	<b>11,556</b>	<b>1,972,577</b>	<b>744,799</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(182,520)</b>	<b>(11,556)</b>	<b>(905,945)</b>	<b>(28,027)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	382,471	9,237	126,680	-
Transfers out	-	-	-	-
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>382,471</b>	<b>9,237</b>	<b>126,680</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>199,951</b>	<b>(2,319)</b>	<b>(779,265)</b>	<b>(28,027)</b>
Fund balances (deficit)-beginning	21,290,932	(9,237)	1,342,914	869,253
<b>Fund balances (deficit)-ending</b>	<b>\$ 21,490,883</b>	<b>\$ (11,556)</b>	<b>\$ 563,649</b>	<b>\$ 841,226</b>



**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>SB 140</b>	<b>Air Quality Improvement</b>	<b>Measure I</b>	<b>Library Services</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ 5,699,184
Licenses and permits	-	-	-	-
Intergovernmental	-	250,317	4,634,809	1,054,328
Charges for services	-	-	-	70,377
Use of money and property	1,586	2,409	14,341	(93,757)
Contributions	-	-	-	999,599
Developer participation	-	-	-	-
Miscellaneous	-	1,678	11,400	51,808
<b>Total revenues</b>	<b>1,586</b>	<b>254,404</b>	<b>4,660,550</b>	<b>7,781,539</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	13,371	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	4,189,097
Engineering and public works	-	-	1,450,169	-
Capital outlay	-	112,369	816,118	3,790,154
Debt service:				
Principal	-	-	-	52,929
Interest and fiscal charges	-	-	-	316
<b>Total expenditures</b>	<b>-</b>	<b>125,740</b>	<b>2,266,287</b>	<b>8,032,496</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,586</b>	<b>128,664</b>	<b>2,394,263</b>	<b>(250,957)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	180	-	9,238,332
Transfers out	(36,690)	-	-	-
Subscriptions issued	-	-	-	106,910
<b>Total other financing sources (uses)</b>	<b>(36,690)</b>	<b>180</b>	<b>-</b>	<b>9,345,242</b>
<b>Net change in fund balances</b>	<b>(35,104)</b>	<b>128,844</b>	<b>2,394,263</b>	<b>9,094,285</b>
Fund balances (deficit)-beginning	35,104	538,672	6,652,608	12,677,959
<b>Fund balances (deficit)-ending</b>	<b>\$ -</b>	<b>\$ 667,516</b>	<b>\$ 9,046,871</b>	<b>\$ 21,772,244</b>

CITY OF RANCHO CUCAMONGA  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

(Continued)

	Special Revenue Funds			
	Public Safety Grants	Used Oil Recycling	Library Services Grants	AB 2928 Traffic Congestion Relief
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	528,454	26,450	26,443	-
Charges for services	-	-	-	-
Use of money and property	(1,114)	214	3,969	12,691
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>527,340</b>	<b>26,664</b>	<b>30,412</b>	<b>12,691</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety - police	236,881	-	-	-
Public safety - fire protection	80,435	-	-	-
Community development	-	-	-	-
Community services	-	-	19,565	-
Engineering and public works	-	24,604	-	-
Capital outlay	29,560	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>346,876</b>	<b>24,604</b>	<b>19,565</b>	<b>-</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>180,464</b>	<b>2,060</b>	<b>10,847</b>	<b>12,691</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(33)	(365)	-	(294,026)
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(33)</b>	<b>(365)</b>	<b>-</b>	<b>(294,026)</b>
<b>Net change in fund balances</b>	<b>180,431</b>	<b>1,695</b>	<b>10,847</b>	<b>(281,335)</b>
Fund balances (deficit)-beginning	1,273,033	24,573	347,963	281,335
<b>Fund balances (deficit)-ending</b>	<b>\$ 1,453,464</b>	<b>\$ 26,268</b>	<b>\$ 358,810</b>	<b>\$ -</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>Litter Reduction Grant</b>	<b>SAFETEA-LU Grant</b>	<b>Underground Utilities</b>	<b>Citywide Infrastructure Improvement</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	43,651	-	-	16,423,622
Charges for services	-	-	-	-
Use of money and property	880	23,523	109,160	99,741
Contributions	-	-	-	-
Developer participation	-	-	1,400,000	-
Miscellaneous	-	-	-	206,165
<b>Total revenues</b>	<b>44,531</b>	<b>23,523</b>	<b>1,509,160</b>	<b>16,729,528</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	54,045	-	5,100	171,393
Capital outlay	-	-	-	565,823
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>54,045</b>	<b>-</b>	<b>5,100</b>	<b>737,216</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(9,514)</b>	<b>23,523</b>	<b>1,504,060</b>	<b>15,992,312</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	6,911,161
Transfers out	-	(491,818)	-	(9,237)
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(491,818)</b>	<b>-</b>	<b>6,901,924</b>
<b>Net change in fund balances</b>	<b>(9,514)</b>	<b>(468,295)</b>	<b>1,504,060</b>	<b>22,894,236</b>
Fund balances (deficit)-beginning	55,306	468,295	11,253,331	25,041,898
<b>Fund balances (deficit)-ending</b>	<b>\$ 45,792</b>	<b>\$ -</b>	<b>\$ 12,757,391</b>	<b>\$ 47,936,134</b>

CITY OF RANCHO CUCAMONGA  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

(Continued)

	Special Revenue Funds			
	Proposition 1B	Integrated Waste Management	SB1 - TCEP	Public Art Trust Fund
<b>REVENUES</b>				
Taxes	\$ -	\$ 1,874,939	\$ -	\$ -
Licenses and permits	-	29,007	-	-
Intergovernmental	-	-	5,526,094	-
Charges for services	-	-	-	-
Use of money and property	13,419	43,962	-	8,000
Contributions	-	-	-	-
Developer participation	-	-	-	62,495
Miscellaneous	-	148,766	133,651	-
<b>Total revenues</b>	<b>13,419</b>	<b>2,096,674</b>	<b>5,659,745</b>	<b>70,495</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	35,068
Community services	-	-	-	-
Engineering and public works	110	1,308,108	2,410	-
Capital outlay	-	-	9,398,514	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>110</b>	<b>1,308,108</b>	<b>9,400,924</b>	<b>35,068</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>13,309</b>	<b>788,566</b>	<b>(3,741,179)</b>	<b>35,427</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	2,942	4,461	-
Transfers out	(304,656)	(218,390)	-	-
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(304,656)</b>	<b>(215,448)</b>	<b>4,461</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(291,347)</b>	<b>573,118</b>	<b>(3,736,718)</b>	<b>35,427</b>
Fund balances (deficit)-beginning	291,347	4,673,381	-	558,967
<b>Fund balances (deficit)-ending</b>	<b>\$ -</b>	<b>\$ 5,246,499</b>	<b>\$ (3,736,718)</b>	<b>\$ 594,394</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>Special Revenue Funds</b>			
	<b>State Grants Fund</b>	<b>Federal Grants Fund</b>	<b>AD 91-2 Redemption- Day Canyon</b>	<b>PD 85 Maintenance</b>
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ 26,553	\$ 1,166,047
Licenses and permits	-	-	-	-
Intergovernmental	978,038	962,162	-	-
Charges for services	-	-	-	31,302
Use of money and property	4,054	637	905	218,447
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>982,092</b>	<b>962,799</b>	<b>27,458</b>	<b>1,415,796</b>
<b>EXPENDITURES</b>				
Current:				
General government	363,106	23,465	23,472	-
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	1,106,739
Capital outlay	2,363,313	-	-	637,332
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>2,726,419</b>	<b>23,465</b>	<b>23,472</b>	<b>1,744,071</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,744,327)</b>	<b>939,334</b>	<b>3,986</b>	<b>(328,275)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	153,467
Transfers out	(314,092)	(1,000,866)	-	-
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(314,092)</b>	<b>(1,000,866)</b>	<b>-</b>	<b>153,467</b>
<b>Net change in fund balances</b>	<b>(2,058,419)</b>	<b>(61,532)</b>	<b>3,986</b>	<b>(174,808)</b>
Fund balances (deficit)-beginning	(8,108)	2,465	80,815	3,332,241
<b>Fund balances (deficit)-ending</b>	<b>\$ (2,066,527)</b>	<b>\$ (59,067)</b>	<b>\$ 84,801</b>	<b>\$ 3,157,433</b>

CITY OF RANCHO CUCAMONGA  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2023

(Continued)

	Special Revenue Funds			
	CFD 2000-03 Park Maintenance	CFD 2017-01 No. Etiwanda	CFD 2018-01 Empire Lakes	Enhanced Infrastructure Financing District
<b>REVENUES</b>				
Taxes	\$ 557,853	\$ 3,016	\$ 257,007	\$ 97,037
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	60	-	-	-
Use of money and property	2,234	(176)	(2,649)	-
Contributions	-	-	-	-
Developer participation	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>560,147</b>	<b>2,840</b>	<b>254,358</b>	<b>97,037</b>
<b>EXPENDITURES</b>				
Current:				
General government	429,873	1,220	22,133	41,917
Public safety - police	-	-	-	-
Public safety - fire protection	-	-	-	-
Community development	-	-	-	-
Community services	-	-	-	-
Engineering and public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<b>429,873</b>	<b>1,220</b>	<b>22,133</b>	<b>41,917</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>130,274</b>	<b>1,620</b>	<b>232,225</b>	<b>55,120</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	(116,940)	-
Subscriptions issued	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(116,940)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>130,274</b>	<b>1,620</b>	<b>115,285</b>	<b>55,120</b>
Fund balances (deficit)-beginning	488,384	3,591	190,181	(241,798)
<b>Fund balances (deficit)-ending</b>	<b>\$ 618,658</b>	<b>\$ 5,211</b>	<b>\$ 305,466</b>	<b>\$ (186,678)</b>

**CITY OF RANCHO CUCAMONGA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2023**

	Special Revenue Funds		Capital Projects Funds	Total Nonmajor Funds
	Industrial Area Traffic Fund	Opioid Settlement Fund	Capital Projects Fund	
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ 23,425,154
Licenses and permits	-	-	-	154,855
Intergovernmental	-	-	-	39,650,105
Charges for services	-	-	-	142,034
Use of money and property	(73,278)	(5,464)	394,707	1,620,477
Contributions	-	-	-	999,599
Developer participation	1,860,627	-	-	3,323,122
Miscellaneous	-	-	-	1,595,311
<b>Total revenues</b>	<b>1,787,349</b>	<b>(5,464)</b>	<b>394,707</b>	<b>70,910,657</b>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	1,240	3,874,143
Public safety - police	-	-	-	236,881
Public safety - fire protection	-	-	-	80,435
Community development	-	-	945,884	13,947,174
Community services	-	-	-	4,208,662
Engineering and public works	-	-	-	6,456,112
Capital outlay	-	-	-	26,611,598
Debt service:				
Principal	-	-	-	52,929
Interest and fiscal charges	-	-	-	1,766
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>947,124</b>	<b>55,469,700</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>1,787,349</b>	<b>(5,464)</b>	<b>(552,417)</b>	<b>15,440,957</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	41,128	17,046,126
Transfers out	-	-	(5,895,221)	(8,682,383)
Subscriptions issued	-	-	-	106,910
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(5,854,093)</b>	<b>8,470,653</b>
<b>Net change in fund balances</b>	<b>1,787,349</b>	<b>(5,464)</b>	<b>(6,406,510)</b>	<b>23,911,610</b>
Fund balances (deficit)-beginning	-	-	7,133,412	111,332,917
<b>Fund balances (deficit)-ending</b>	<b>\$ 1,787,349</b>	<b>\$ (5,464)</b>	<b>\$ 726,902</b>	<b>\$ 135,244,527</b>

**CITY OF RANCHO CUCAMONGA**  
**Gas Tax**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 16,333,659	\$ 16,333,659	\$ 16,333,659	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	9,086,410	8,246,970	8,298,513	51,543
Use of money and property	184,930	278,330	305,606	27,276
Miscellaneous	-	-	119,385	119,385
<b>Amounts Available for Appropriations</b>	<b>25,604,999</b>	<b>24,858,959</b>	<b>25,057,163</b>	<b>198,204</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	2,911,030	2,431,460	2,380,507	50,953
Capital outlay	6,450,000	11,415,610	10,439,727	975,883
<b>Total Charges to Appropriations</b>	<b>9,361,030</b>	<b>13,847,070</b>	<b>12,820,234</b>	<b>1,026,836</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 16,243,969</b>	<b>\$ 11,011,889</b>	<b>12,236,929</b>	<b>\$ 1,225,040</b>
Encumbrances			3,035,703	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 15,272,632</b>	



CITY OF RANCHO CUCAMONGA  
 Recreation  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (5,747)	\$ (5,747)	\$ (5,747)	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	10	-	529	529
Transfers in	-	5,270	5,267	(3)
<b>Amounts Available for Appropriations</b>	<b>(5,737)</b>	<b>(477)</b>	<b>49</b>	<b>526</b>
<b>Charges to Appropriation (Outflow):</b>				
Transfers out	-	13,610	49	13,561
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>13,610</b>	<b>49</b>	<b>13,561</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (5,737)</b>	<b>\$ (14,087)</b>	<b>-</b>	<b>\$ 14,087</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ -</b>	

CITY OF RANCHO CUCAMONGA  
 Beautification  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 576,007	\$ 576,007	\$ 576,007	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	5,910	9,980	8,201	(1,779)
<b>Amounts Available for Appropriations</b>	<b>581,917</b>	<b>585,987</b>	<b>584,208</b>	<b>(1,779)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	400	410	410	-
<b>Total Charges to Appropriations</b>	<b>400</b>	<b>410</b>	<b>410</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 581,517</b>	<b>\$ 585,577</b>	<b>583,798</b>	<b>\$ (1,779)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 583,798</b>	

**CITY OF RANCHO CUCAMONGA**  
**Lighting Districts**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (4,219,819)	\$ (4,219,819)	\$ (4,219,819)	\$ -
<b>Resources (Inflows):</b>				
Taxes	2,162,730	2,162,730	2,138,729	(24,001)
Use of money and property	34,040	50,870	39,483	(11,387)
Miscellaneous	-	40,060	48,950	8,890
Transfers in	187,230	218,650	170,800	(47,850)
<b>Amounts Available for Appropriations</b>	<b>(1,835,819)</b>	<b>(1,747,509)</b>	<b>(1,821,857)</b>	<b>(74,348)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	2,244,140	2,349,260	2,210,197	139,063
Debt service:				
Principal retirement	9,860	9,860	-	9,860
Interest and fiscal charges	1,460	1,460	1,450	10
<b>Total Charges to Appropriations</b>	<b>2,255,460</b>	<b>2,360,580</b>	<b>2,211,647</b>	<b>148,933</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (4,091,279)</b>	<b>\$ (4,108,089)</b>	<b>(4,033,504)</b>	<b>\$ 74,585</b>
Encumbrances			650	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (4,032,854)</b>	

**CITY OF RANCHO CUCAMONGA**  
**Landscape Maintenance Districts**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 21,290,932	\$ 21,290,932	\$ 21,290,932	\$ -
<b>Resources (Inflows):</b>				
Taxes	11,645,970	11,663,190	11,604,789	(58,401)
Licenses and permits	60,000	80,000	125,848	45,848
Charges for services	26,130	37,670	40,295	2,625
Use of money and property	279,620	433,210	460,245	27,035
Miscellaneous	300	300	15,300	15,000
Transfers in	472,020	493,740	382,471	(111,269)
<b>Amounts Available for Appropriations</b>	<b>33,774,972</b>	<b>33,999,042</b>	<b>33,919,880</b>	<b>(79,162)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	12,930,780	13,247,490	11,371,040	1,876,450
Capital outlay	3,430,270	2,402,150	1,765,739	636,411
<b>Total Charges to Appropriations</b>	<b>16,361,050</b>	<b>15,649,640</b>	<b>13,136,779</b>	<b>2,512,861</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 17,413,922</b>	<b>\$ 18,349,402</b>	<b>20,783,101</b>	<b>\$ 2,433,699</b>
Encumbrances			707,782	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 21,490,883</b>	

**CITY OF RANCHO CUCAMONGA**  
**Pedestrian Grant**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (9,237)	\$ (9,237)	\$ (9,237)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	403,000	72,000	-	(72,000)
Transfers in	-	9,240	9,237	(3)
<b>Amounts Available for Appropriations</b>	<b>393,763</b>	<b>72,003</b>	<b>-</b>	<b>(72,003)</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	403,000	72,000	11,556	60,444
<b>Total Charges to Appropriations</b>	<b>403,000</b>	<b>72,000</b>	<b>11,556</b>	<b>60,444</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (9,237)</b>	<b>\$ 3</b>	<b>(11,556)</b>	<b>\$ (11,559)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (11,556)</b>	

**CITY OF RANCHO CUCAMONGA**  
**Community Development Block Grant**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,342,914	\$ 1,342,914	\$ 1,342,914	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	982,350	692,350	897,224	204,874
Use of money and property	-	-	11,810	11,810
Miscellaneous	150,000	150,000	157,598	7,598
Transfers in	-	126,680	126,680	-
<b>Amounts Available for Appropriations</b>	<b>2,475,264</b>	<b>2,311,944</b>	<b>2,536,226</b>	<b>224,282</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	1,132,350	2,136,170	1,994,317	141,853
<b>Total Charges to Appropriations</b>	<b>1,132,350</b>	<b>2,136,170</b>	<b>1,994,317</b>	<b>141,853</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 1,342,914</b>	<b>\$ 175,774</b>	<b>541,909</b>	<b>\$ 366,135</b>
Encumbrances			21,740	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 563,649</b>	

**CITY OF RANCHO CUCAMONGA**  
**Assessment Administration**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 869,253	\$ 869,253	\$ 869,253	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	6,180	17,590	16,162	(1,428)
Miscellaneous	698,370	700,610	700,610	-
<b>Amounts Available for Appropriations</b>	<b>1,573,803</b>	<b>1,587,453</b>	<b>1,586,025</b>	<b>(1,428)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	792,950	823,480	744,799	78,681
<b>Total Charges to Appropriations</b>	<b>792,950</b>	<b>823,480</b>	<b>744,799</b>	<b>78,681</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 780,853</b>	<b>\$ 763,973</b>	<b>841,226</b>	<b>\$ 77,253</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 841,226</b>	

CITY OF RANCHO CUCAMONGA  
 SB 140  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 35,104	\$ 35,104	\$ 35,104	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	1,586	1,586
<b>Amounts Available for Appropriations</b>	<b>35,104</b>	<b>35,104</b>	<b>36,690</b>	<b>1,586</b>
<b>Charges to Appropriation (Outflow):</b>				
Transfers out	-	36,700	36,690	10
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>36,700</b>	<b>36,690</b>	<b>10</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 35,104</b>	<b>\$ (1,596)</b>	<b>-</b>	<b>\$ 1,596</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ -</b>	



**CITY OF RANCHO CUCAMONGA**  
**Air Quality Improvement**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 538,672	\$ 538,672	\$ 538,672	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	231,560	252,330	250,317	(2,013)
Use of money and property	5,200	8,420	2,409	(6,011)
Miscellaneous	-	1,680	1,678	(2)
Transfers in	-	180	180	-
<b>Amounts Available for Appropriations</b>	<b>775,432</b>	<b>801,282</b>	<b>793,256</b>	<b>(8,026)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	15,120	18,770	15,011	3,759
Capital outlay	297,000	170,380	153,428	16,952
<b>Total Charges to Appropriations</b>	<b>312,120</b>	<b>189,150</b>	<b>168,439</b>	<b>20,711</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 463,312</b>	<b>\$ 612,132</b>	<b>624,817</b>	<b>\$ 12,685</b>
Encumbrances			42,699	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 667,516</b>	

CITY OF RANCHO CUCAMONGA

Measure I

Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,652,608	\$ 6,652,608	\$ 6,652,608	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	3,710,670	4,493,200	4,634,809	141,609
Use of money and property	47,490	122,360	14,341	(108,019)
Miscellaneous	-	-	11,400	11,400
<b>Amounts Available for Appropriations</b>	<b>10,410,768</b>	<b>11,268,168</b>	<b>11,313,158</b>	<b>44,990</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	1,685,930	1,731,740	1,513,549	218,191
Capital outlay	2,250,000	2,666,260	2,283,421	382,839
<b>Total Charges to Appropriations</b>	<b>3,935,930</b>	<b>4,398,000</b>	<b>3,796,970</b>	<b>601,030</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 6,474,838</b>	<b>\$ 6,870,168</b>	<b>7,516,188</b>	<b>\$ 646,020</b>
Encumbrances			1,530,683	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 9,046,871</b>	

**CITY OF RANCHO CUCAMONGA**  
**Library Services**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 12,677,959	\$ 12,677,959	\$ 12,677,959	\$ -
<b>Resources (Inflows):</b>				
Taxes	5,709,600	5,757,960	5,699,184	(58,776)
Intergovernmental	23,000	9,312,240	1,054,328	(8,257,912)
Charges for services	133,050	67,360	70,377	3,017
Use of money and property	79,540	236,110	(93,757)	(329,867)
Contributions	975,000	998,000	999,599	1,599
Miscellaneous	60,000	68,000	51,808	(16,192)
Transfers in	-	5,038,340	9,238,332	4,199,992
Subscriptions issued	-	-	106,910	106,910
<b>Amounts Available for Appropriations</b>	<b>19,658,149</b>	<b>34,155,969</b>	<b>29,804,740</b>	<b>(4,351,229)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	5,964,800	5,326,970	4,297,556	1,029,414
Capital outlay	4,088,650	7,744,990	6,596,500	1,148,490
Debt service:				
Principal retirement	-	-	52,929	(52,929)
Interest and fiscal charges	-	-	316	(316)
<b>Total Charges to Appropriations</b>	<b>10,053,450</b>	<b>13,071,960</b>	<b>10,947,301</b>	<b>2,124,659</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 9,604,699</b>	<b>\$ 21,084,009</b>	<b>18,857,439</b>	<b>\$ (2,226,570)</b>
Encumbrances			2,914,805	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 21,772,244</b>	

**CITY OF RANCHO CUCAMONGA**  
**Public Safety Grants**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 1,273,033	\$ 1,273,033	\$ 1,273,033	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	500,570	637,500	528,454	(109,046)
Use of money and property	760	1,490	(1,114)	(2,604)
<b>Amounts Available for Appropriations</b>	<b>1,774,363</b>	<b>1,912,023</b>	<b>1,800,373</b>	<b>(111,650)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety - police	313,890	354,590	236,881	117,709
Public safety - fire protection	28,020	66,350	80,435	(14,085)
Capital outlay	37,300	43,100	42,938	162
Transfers out	-	50	33	17
<b>Total Charges to Appropriations</b>	<b>379,210</b>	<b>464,090</b>	<b>360,287</b>	<b>103,803</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 1,395,153</b>	<b>\$ 1,447,933</b>	<b>1,440,086</b>	<b>\$ (7,847)</b>
Encumbrances			13,378	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,453,464</b>	

**CITY OF RANCHO CUCAMONGA**  
**Used Oil Recycling**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 24,573	\$ 24,573	\$ 24,573	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	23,330	26,450	26,450	-
Use of money and property	160	310	214	(96)
<b>Amounts Available for Appropriations</b>	<b>48,063</b>	<b>51,333</b>	<b>51,237</b>	<b>(96)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	26,450	26,840	24,604	2,236
Transfers out	-	-	365	(365)
<b>Total Charges to Appropriations</b>	<b>26,450</b>	<b>26,840</b>	<b>24,969</b>	<b>1,871</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 21,613</b>	<b>\$ 24,493</b>	<b>26,268</b>	<b>\$ 1,775</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 26,268</b>	

**CITY OF RANCHO CUCAMONGA**  
**Library Services Grants**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 347,963	\$ 347,963	\$ 347,963	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	20,000	26,450	26,443	(7)
Use of money and property	2,570	4,370	3,969	(401)
<b>Amounts Available for Appropriations</b>	<b>370,533</b>	<b>378,783</b>	<b>378,375</b>	<b>(408)</b>
<b>Charges to Appropriation (Outflow):</b>				
Community services	29,310	27,950	19,565	8,385
<b>Total Charges to Appropriations</b>	<b>29,310</b>	<b>27,950</b>	<b>19,565</b>	<b>8,385</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 341,223</b>	<b>\$ 350,833</b>	<b>358,810</b>	<b>\$ 7,977</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 358,810</b>	

CITY OF RANCHO CUCAMONGA  
Litter Reduction Grant  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 55,306	\$ 55,306	\$ 55,306	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	43,480	43,480	43,651	171
Use of money and property	-	-	880	880
<b>Amounts Available for Appropriations</b>	<b>98,786</b>	<b>98,786</b>	<b>99,837</b>	<b>1,051</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	57,070	57,620	54,045	3,575
<b>Total Charges to Appropriations</b>	<b>57,070</b>	<b>57,620</b>	<b>54,045</b>	<b>3,575</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 41,716</b>	<b>\$ 41,166</b>	<b>45,792</b>	<b>\$ 4,626</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 45,792</b>	

**CITY OF RANCHO CUCAMONGA**  
**SAFETEA-LU Grant**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 468,295	\$ 468,295	\$ 468,295	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	4,810	8,110	23,523	15,413
<b>Amounts Available for Appropriations</b>	<b>473,105</b>	<b>476,405</b>	<b>491,818</b>	<b>15,413</b>
<b>Charges to Appropriation (Outflow):</b>				
Transfers out	-	488,890	491,818	(2,928)
<b>Total Charges to Appropriations</b>	<b>-</b>	<b>488,890</b>	<b>491,818</b>	<b>(2,928)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 473,105</b>	<b>\$ (12,485)</b>	<b>-</b>	<b>\$ 12,485</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ -</b>	



CITY OF RANCHO CUCAMONGA  
 Underground Utilities  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,253,331	\$ 11,253,331	\$ 11,253,331	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	124,350	204,300	109,160	(95,140)
Developer participation	-	-	1,400,000	1,400,000
<b>Amounts Available for Appropriations</b>	<b>11,377,681</b>	<b>11,457,631</b>	<b>12,762,491</b>	<b>1,304,860</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	4,980	5,100	5,100	-
<b>Total Charges to Appropriations</b>	<b>4,980</b>	<b>5,100</b>	<b>5,100</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 11,372,701</b>	<b>\$ 11,452,531</b>	<b>12,757,391</b>	<b>\$ 1,304,860</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 12,757,391</b>	

**CITY OF RANCHO CUCAMONGA**  
**Citywide Infrastructure Improvement**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 25,041,898	\$ 25,041,898	\$ 25,041,898	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	16,423,630	16,423,622	(8)
Use of money and property	268,110	451,440	99,741	(351,699)
Miscellaneous	-	205,480	206,165	685
Transfers in	-	4,406,850	6,911,161	2,504,311
<b>Amounts Available for Appropriations</b>	<b>25,310,008</b>	<b>46,529,298</b>	<b>48,682,587</b>	<b>2,153,289</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	25,540	182,459	181,458	1,001
Capital outlay	1,421,000	1,901,841	1,512,078	389,763
Transfers out	-	9,240	9,237	3
<b>Total Charges to Appropriations</b>	<b>1,446,540</b>	<b>2,093,540</b>	<b>1,702,773</b>	<b>390,767</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 23,863,468</b>	<b>\$ 44,435,758</b>	<b>46,979,814</b>	<b>\$ 2,544,056</b>
Encumbrances			956,320	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 47,936,134</b>	

**CITY OF RANCHO CUCAMONGA**  
**Proposition 1B**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 291,347	\$ 291,347	\$ 291,347	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	2,790	4,670	13,419	8,749
<b>Amounts Available for Appropriations</b>	<b>294,137</b>	<b>296,017</b>	<b>304,766</b>	<b>8,749</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	110	110	110	-
Transfers out	-	283,060	304,656	(21,596)
<b>Total Charges to Appropriations</b>	<b>110</b>	<b>283,170</b>	<b>304,766</b>	<b>(21,596)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 294,027</b>	<b>\$ 12,847</b>	-	<b>\$ (12,847)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ -</b>	

**CITY OF RANCHO CUCAMONGA**  
**Integrated Waste Management**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 4,673,381	\$ 4,673,381	\$ 4,673,381	\$ -
<b>Resources (Inflows):</b>				
Taxes	1,675,160	1,845,450	1,874,939	29,489
Licenses and permits	40,600	30,600	29,007	(1,593)
Use of money and property	40,550	73,170	43,962	(29,208)
Miscellaneous	75,000	100,500	148,766	48,266
Transfers in	5,000	5,000	2,942	(2,058)
<b>Amounts Available for Appropriations</b>	<b>6,509,691</b>	<b>6,728,101</b>	<b>6,772,997</b>	<b>44,896</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	1,336,170	1,382,690	1,308,138	74,552
Transfers out	218,390	218,390	218,390	-
<b>Total Charges to Appropriations</b>	<b>1,554,560</b>	<b>1,601,080</b>	<b>1,526,528</b>	<b>74,552</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 4,955,131</b>	<b>\$ 5,127,021</b>	<b>5,246,469</b>	<b>\$ 119,448</b>
Encumbrances			30	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 5,246,499</b>	

**CITY OF RANCHO CUCAMONGA**  
**SB1 - TCEP**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	62,352,350	9,150,000	5,526,094	(3,623,906)
Miscellaneous	-	-	133,651	133,651
Transfers in	-	4,470	4,461	(9)
<b>Amounts Available for Appropriations</b>	<b>62,352,350</b>	<b>9,154,470</b>	<b>5,664,206</b>	<b>(3,490,264)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	2,350	2,410	2,410	-
Capital outlay	62,350,000	10,000,000	9,802,312	197,688
<b>Total Charges to Appropriations</b>	<b>62,352,350</b>	<b>10,002,410</b>	<b>9,804,722</b>	<b>197,688</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ -</b>	<b>\$ (847,940)</b>	<b>(4,140,516)</b>	<b>\$ (3,292,576)</b>
Encumbrances			403,798	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (3,736,718)</b>	

**CITY OF RANCHO CUCAMONGA**  
**Public Art Trust Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 558,967	\$ 558,967	\$ 558,967	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	6,050	9,570	8,000	(1,570)
Developer participation	100,000	50,000	62,495	12,495
<b>Amounts Available for Appropriations</b>	<b>665,017</b>	<b>618,537</b>	<b>629,462</b>	<b>10,925</b>
<b>Charges to Appropriation (Outflow):</b>				
Community development	48,510	63,520	35,068	28,452
<b>Total Charges to Appropriations</b>	<b>48,510</b>	<b>63,520</b>	<b>35,068</b>	<b>28,452</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 616,507</b>	<b>\$ 555,017</b>	<b>594,394</b>	<b>\$ 39,377</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 594,394</b>	

**CITY OF RANCHO CUCAMONGA**  
**State Grants Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (8,108)	\$ (8,108)	\$ (8,108)	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	102,360	3,382,630	978,038	(2,404,592)
Use of money and property	-	-	4,054	4,054
<b>Amounts Available for Appropriations</b>	<b>94,252</b>	<b>3,374,522</b>	<b>973,984</b>	<b>(2,400,538)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	96,210	438,180	376,333	61,847
Capital outlay	-	2,628,300	2,621,138	7,162
Transfers out	6,150	316,150	314,092	2,058
<b>Total Charges to Appropriations</b>	<b>102,360</b>	<b>3,382,630</b>	<b>3,311,563</b>	<b>71,067</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (8,108)</b>	<b>\$ (8,108)</b>	<b>(2,337,579)</b>	<b>\$ (2,329,471)</b>
Encumbrances			271,052	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (2,066,527)</b>	

**CITY OF RANCHO CUCAMONGA**  
**Federal Grants Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 2,465	\$ 2,465	\$ 2,465	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,000,000	1,033,540	962,162	(71,378)
Use of money and property	-	-	637	637
<b>Amounts Available for Appropriations</b>	<b>1,002,465</b>	<b>1,036,005</b>	<b>965,264</b>	<b>(70,741)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	-	31,540	31,534	6
Capital outlay	1,000,000	-	-	-
Debt service:				
Transfers out	-	1,002,000	1,000,866	1,134
<b>Total Charges to Appropriations</b>	<b>1,000,000</b>	<b>1,033,540</b>	<b>1,032,400</b>	<b>1,140</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 2,465</b>	<b>\$ 2,465</b>	<b>(67,136)</b>	<b>\$ (69,601)</b>
Encumbrances			8,069	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (59,067)</b>	



**CITY OF RANCHO CUCAMONGA**  
**AD 91-2 Redemption-Day Canyon**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 80,815	\$ 80,815	\$ 80,815	\$ -
<b>Resources (Inflows):</b>				
Taxes	26,640	26,640	26,553	(87)
Use of money and property	730	1,220	905	(315)
<b>Amounts Available for Appropriations</b>	<b>108,185</b>	<b>108,675</b>	<b>108,273</b>	<b>(402)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	24,110	23,950	23,472	478
<b>Total Charges to Appropriations</b>	<b>24,110</b>	<b>23,950</b>	<b>23,472</b>	<b>478</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 84,075</b>	<b>\$ 84,725</b>	<b>84,801</b>	<b>\$ 76</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 84,801</b>	

CITY OF RANCHO CUCAMONGA  
PD 85 Maintenance  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual (Budgetary Basis)  
For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,332,241	\$ 3,332,241	\$ 3,332,241	\$ -
<b>Resources (Inflows):</b>				
Taxes	1,176,840	1,238,050	1,166,047	(72,003)
Charges for services	21,590	21,590	31,302	9,712
Use of money and property	126,340	176,550	218,447	41,897
Miscellaneous	100	100	-	(100)
Transfers in	207,510	211,380	153,467	(57,913)
<b>Amounts Available for Appropriations</b>	<b>4,864,621</b>	<b>4,979,911</b>	<b>4,901,504</b>	<b>(78,407)</b>
<b>Charges to Appropriation (Outflow):</b>				
Engineering and public works	1,255,780	1,298,290	1,106,739	191,551
Capital outlay	659,870	771,500	637,332	134,168
<b>Total Charges to Appropriations</b>	<b>1,915,650</b>	<b>2,069,790</b>	<b>1,744,071</b>	<b>325,719</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 2,948,971</b>	<b>\$ 2,910,121</b>	<b>3,157,433</b>	<b>\$ 247,312</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 3,157,433</b>	

**CITY OF RANCHO CUCAMONGA**  
**CFD 2000-03 Park Maintenance**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 488,384	\$ 488,384	\$ 488,384	\$ -
<b>Resources (Inflows):</b>				
Taxes	566,690	566,690	557,853	(8,837)
Charges for services	-	-	60	60
Use of money and property	3,960	6,230	2,234	(3,996)
<b>Amounts Available for Appropriations</b>	<b>1,059,034</b>	<b>1,061,304</b>	<b>1,048,531</b>	<b>(12,773)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	526,910	508,200	429,873	78,327
<b>Total Charges to Appropriations</b>	<b>526,910</b>	<b>508,200</b>	<b>429,873</b>	<b>78,327</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 532,124</b>	<b>\$ 553,104</b>	<b>618,658</b>	<b>\$ 65,554</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 618,658</b>	

CITY OF RANCHO CUCAMONGA  
 CFD 2017-01 No. Etiwanda  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,591	\$ 3,591	\$ 3,591	\$ -
<b>Resources (Inflows):</b>				
Taxes	3,020	3,020	3,016	(4)
Use of money and property	-	-	(176)	(176)
<b>Amounts Available for Appropriations</b>	<b>6,611</b>	<b>6,611</b>	<b>6,431</b>	<b>(180)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	1,220	1,220	1,220	-
<b>Total Charges to Appropriations</b>	<b>1,220</b>	<b>1,220</b>	<b>1,220</b>	<b>-</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 5,391</b>	<b>\$ 5,391</b>	<b>5,211</b>	<b>\$ (180)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 5,211</b>	

CITY OF RANCHO CUCAMONGA  
 CFD 2018-01 Empire Lakes  
 Schedule of Revenues, Expenditures, and Changes in  
 Fund Balance - Budget and Actual (Budgetary Basis)  
 For the Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 190,181	\$ 190,181	\$ 190,181	\$ -
<b>Resources (Inflows):</b>				
Taxes	257,650	257,650	257,007	(643)
Use of money and property	2,200	4,550	(2,649)	(7,199)
<b>Amounts Available for Appropriations</b>	<b>450,031</b>	<b>452,381</b>	<b>444,539</b>	<b>(7,842)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	41,920	42,990	57,317	(14,327)
Transfers out	116,940	116,940	116,940	-
<b>Total Charges to Appropriations</b>	<b>158,860</b>	<b>159,930</b>	<b>174,257</b>	<b>(14,327)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 291,171</b>	<b>\$ 292,451</b>	<b>270,282</b>	<b>\$ (22,169)</b>
Encumbrances			35,184	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 305,466</b>	

**CITY OF RANCHO CUCAMONGA**  
**Enhanced Infrastructure Financing District**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ (241,798)	\$ (241,798)	\$ (241,798)	\$ -
<b>Resources (Inflows):</b>				
Taxes	-	97,040	97,037	(3)
Use of money and property	-	4,300	-	(4,300)
<b>Amounts Available for Appropriations</b>	<b>(241,798)</b>	<b>(140,458)</b>	<b>(144,761)</b>	<b>(4,303)</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	51,350	59,850	41,917	17,933
<b>Total Charges to Appropriations</b>	<b>51,350</b>	<b>59,850</b>	<b>41,917</b>	<b>17,933</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ (293,148)</b>	<b>\$ (200,308)</b>	<b>(186,678)</b>	<b>\$ 13,630</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (186,678)</b>	

**CITY OF RANCHO CUCAMONGA**  
**Industrial Area Traffic Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	-	-	(73,278)	(73,278)
Developer participation	-	104,150	1,860,627	1,756,477
<b>Amounts Available for Appropriations</b>	<b>-</b>	<b>104,150</b>	<b>1,787,349</b>	<b>1,683,199</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ -</b>	<b>\$ 104,150</b>	<b>1,787,349</b>	<b>\$ 1,683,199</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 1,787,349</b>	

**CITY OF RANCHO CUCAMONGA**  
**Opioid Settlement Fund**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	156,760	-	(156,760)
Use of money and property	-	-	(5,464)	(5,464)
<b>Amounts Available for Appropriations</b>	<b>-</b>	<b>156,760</b>	<b>(5,464)</b>	<b>(162,224)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ -</b>	<b>\$ 156,760</b>	<b>(5,464)</b>	<b>\$ (162,224)</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ (5,464)</b>	



**CITY OF RANCHO CUCAMONGA**  
**Capital Projects Funds**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended June 30, 2023**

<b>CAPITAL PROJECTS FUND</b>	<b>Budget Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Budgetary Fund Balance, July 1	\$ 7,133,412	\$ 7,133,412	\$ 7,133,412	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	79,410	141,240	394,707	253,467
Transfers in	-	41,130	41,128	(2)
<b>Amounts Available for Appropriations</b>	<b>7,212,822</b>	<b>7,315,782</b>	<b>7,569,247</b>	<b>253,465</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	1,240	1,240	1,240	-
Community development	-	927,170	945,884	(18,714)
Transfers out	-	5,875,530	5,895,221	(19,691)
<b>Total Charges to Appropriations</b>	<b>1,240</b>	<b>6,803,940</b>	<b>6,842,345</b>	<b>(38,405)</b>
<b>Budgetary Fund Balance, June 30 (Budgetary Basis)</b>	<b>\$ 7,211,582</b>	<b>\$ 511,842</b>	<b>726,902</b>	<b>\$ 215,060</b>
Encumbrances			-	
<b>Budgetary Fund Balance, June 30 (GAAP Basis)</b>			<b>\$ 726,902</b>	

**CITY OF RANCHO CUCAMONGA**  
Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Equipment and Vehicle Replacement - Established to account for the accumulation of user charges to various City departments and the costs associated with replacing the City's vehicles.

Computer Equipment/Technology Replacement - Established to account for the accumulation of resources and the costs associated with replacing the City's data processing equipment and maintaining current technology.

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2023**

	<b>Equipment and Vehicle Replacement</b>	<b>Computer Equipment/ Technology Replacement</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 2,955,167	\$ 8,583,613	\$ 11,538,780
Receivables:			
Accounts	-	29,020	29,020
Accrued interest	15,672	36,607	52,279
Prepaid costs	-	128,070	128,070
Total current assets	<u>2,970,839</u>	<u>8,777,310</u>	<u>11,748,149</u>
Noncurrent:			
Capital assets, net	<u>2,421,856</u>	<u>736,482</u>	<u>3,158,338</u>
Total noncurrent assets	<u>2,421,856</u>	<u>736,482</u>	<u>3,158,338</u>
<b>Total assets</b>	<b><u>5,392,695</u></b>	<b><u>9,513,792</u></b>	<b><u>14,906,487</u></b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	296,127	906,961	1,203,088
Accrued liabilities	-	1,913	1,913
Total current liabilities	<u>296,127</u>	<u>908,874</u>	<u>1,205,001</u>
<b>Total liabilities</b>	<b><u>296,127</u></b>	<b><u>908,874</u></b>	<b><u>1,205,001</u></b>
<b>NET POSITION</b>			
Invested in capital assets	2,421,856	736,482	3,158,338
Unrestricted	<u>2,674,712</u>	<u>7,868,436</u>	<u>10,543,148</u>
<b>Total net position</b>	<b><u>\$ 5,096,568</u></b>	<b><u>\$ 8,604,918</u></b>	<b><u>\$ 13,701,486</u></b>

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Revenues, Expenses and**  
**Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2023**

	<b>Equipment and Vehicle Replacement</b>	<b>Computer Equipment/ Technology Replacement</b>	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>			
Interdepartmental changes	\$ 1,245,230	\$ 1,007,050	\$ 2,252,280
Miscellaneous	-	1,331,430	1,331,430
<b>Total operating revenues</b>	<b>1,245,230</b>	<b>2,338,480</b>	<b>3,583,710</b>
<b>OPERATING EXPENSES</b>			
Contractual services	579,569	414,876	994,445
Maintenance and operations	12,150	2,939,984	2,952,134
Depreciation/amortization	706,526	870,946	1,577,472
<b>Total operating expenses</b>	<b>1,298,245</b>	<b>4,225,806</b>	<b>5,524,051</b>
<b>Operating income (loss)</b>	<b>(53,015)</b>	<b>(1,887,326)</b>	<b>(1,940,341)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest revenue	24,946	141,841	166,787
Interest expense	-	(12,926)	(12,926)
<b>Total nonoperating revenues (expenses)</b>	<b>24,946</b>	<b>128,915</b>	<b>153,861</b>
<b>Income (loss) before contributions and transfers</b>	<b>(28,069)</b>	<b>(1,758,411)</b>	<b>(1,786,480)</b>
Contributions	14,607	-	14,607
Transfers in	156,300	1,427,330	1,583,630
<b>Change in net position</b>	<b>142,838</b>	<b>(331,081)</b>	<b>(188,243)</b>
Net position-beginning	4,953,730	8,935,999	13,889,729
<b>Net position-ending</b>	<b>\$ 5,096,568</b>	<b>\$ 8,604,918</b>	<b>\$ 13,701,486</b>

CITY OF RANCHO CUCAMONGA  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended June 30, 2023

	Equipment and Vehicle Replacement	Computer Equipment/ Technology Replacement	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from interfund services provided	\$ 1,245,230	\$ 2,338,480	\$ 3,583,710
Payments to suppliers and service providers	(404,493)	(2,443,867)	(2,848,360)
<b>Net cash provided by (used for) operating activities</b>	<b>840,737</b>	<b>(105,387)</b>	<b>735,350</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	156,300	1,427,330	1,583,630
Contributions	14,607	-	14,607
<b>Net cash provided by (used for) noncapital financing activities</b>	<b>170,907</b>	<b>1,427,330</b>	<b>1,598,237</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(439,330)	(122,545)	(561,875)
Principal paid on capital debt	-	(507,340)	(507,340)
Interest paid on capital debt	-	(19,990)	(19,990)
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>(439,330)</b>	<b>(649,875)</b>	<b>(1,089,205)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on investments	14,366	115,022	129,388
<b>Net cash provided by (used for) investing activities</b>	<b>14,366</b>	<b>115,022</b>	<b>129,388</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>586,680</b>	<b>787,090</b>	<b>1,373,770</b>
Cash and cash equivalents-beginning	2,368,487	7,796,523	10,165,010
<b>Cash and cash equivalents-ending</b>	<b>\$ 2,955,167</b>	<b>\$ 8,583,613</b>	<b>\$ 11,538,780</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (53,015)	\$ (1,887,326)	\$ (1,940,341)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation/amortization expense	706,526	870,946	1,577,472
(Increase) decrease in prepaid items	-	98,247	98,247
Increase (decrease) in accounts payable	187,226	810,833	998,059
Increase (decrease) in accrued liabilities	-	1,913	1,913
Total adjustments	893,752	1,781,939	\$ 2,675,691
<b>Net cash provided by (used for) operating activities</b>	<b>\$ 840,737</b>	<b>\$ (105,387)</b>	<b>\$ 735,350</b>

**SCHEDULE OF NON-CASH NONCAPITAL, CAPITAL,  
AND INVESTING ACTIVITIES**

There was no non-cash investing, capital and financing activities in the current fiscal year

**CITY OF RANCHO CUCAMONGA**  
Custodial Funds

Custodial funds are used to account for assets held by the City as trustee or agent for individuals, private organizations, or other governmental units, and/or other funds.

Community Facilities District 2004-01 Fund – Established to account for the Community Facilities District No. 2004-01 special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Assessment District 93-1 Masi Commerce Center Fund – Established to account for the Assessment District No. 93-1 assessment revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2000-01 South Etiwanda Fund – Established to account for the Community Facilities District No. 2000-01 special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2000-02 Rancho Cucamonga Corporate Park Fund – Established to account for the Community Facilities District No. 2000-02 special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2000-03 Rancho Summit Fund – Established to account for the Community Facilities District No. 2000-03 special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2001-01 Series A Fund – Established to account for the Community Facilities District No. 2001-01 Series A special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2001-01 Series B Fund – Established to account for the Community Facilities District No. 2001-01 Series B special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2003-01 Series A Fund – Established to account for the Community Facilities District No. 2003-01 Series A special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2003-01 Series B Fund – Established to account for the Community Facilities District No. 2003-01 Series B special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2006-01 Fund – Established to account for the Community Facilities District No. 2006-01 special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

Community Facilities District 2006-02 Fund – Established to account for the Community Facilities District No. 2006-02 special tax revenues which are restricted repayment of the annual principal and semiannual interest payment on the bonds.

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds - Custodial Funds**  
**June 30, 2023**

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	<u>CFD 2004-01</u>	<u>CFD 2000-01</u>	<u>CFD 2000-02</u>	<u>CFD 2000-03</u>
<b>ASSETS</b>				
Cash and investments	\$ 2,968,023	\$ 86,374	\$ 431,870	\$ 553,898
Receivables:				
Accounts	-	-	-	-
Taxes	25,326	-	-	3,877
Accrued interest	10,236	231	867	1,542
Restricted assets:				
Cash and investments with fiscal agents	1,268,652	23,418	215,040	267,085
<b>Total assets</b>	<u><b>4,272,237</b></u>	<u><b>110,023</b></u>	<u><b>647,777</b></u>	<u><b>826,402</b></u>
<b>NET POSITION</b>				
Restricted for:				
Organizations and other governments	4,272,237	110,023	647,777	826,402
<b>Total net position</b>	<u><u><b>\$ 4,272,237</b></u></u>	<u><u><b>\$ 110,023</b></u></u>	<u><u><b>\$ 647,777</b></u></u>	<u><u><b>\$ 826,402</b></u></u>

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds - Custodial Funds**  
**June 30, 2023**

**(Continued)**

	<b>CFD 2001-01 Series A</b>	<b>CFD 2001-01 Series B</b>	<b>CFD 2003-01 Series A</b>	<b>CFD 2003-01 Series B</b>
<b>ASSETS</b>				
Cash and investments	\$ 1,249,265	\$ 60,119	\$ 906,197	\$ 200,702
Receivables:				
Accounts	-	-	-	-
Taxes	4,748	-	284	-
Accrued interest	13,263	-	2,737	540
Restricted assets:				
Cash and investments with fiscal agents	312,574	30,348	1,836,798	136,341
<b>Total assets</b>	<b>1,579,850</b>	<b>90,467</b>	<b>2,746,016</b>	<b>337,583</b>
<b>NET POSITION</b>				
Restricted for:				
Organizations and other governments	1,579,850	90,467	2,746,016	337,583
<b>Total net position</b>	<b>\$ 1,579,850</b>	<b>\$ 90,467</b>	<b>\$ 2,746,016</b>	<b>\$ 337,583</b>



**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds - Custodial Funds**  
**June 30, 2023**

**(Continued)**

	<u>CFD 2006-01</u>	<u>CFD 2006-02</u>	<u>Total Custodial Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 356,783	\$ 236,902	\$ 7,050,133
Receivables:			
Accounts	-	2,016	2,016
Taxes	916	965	36,116
Accrued interest	1,157	790	31,363
Restricted assets:			
Cash and investments with fiscal agents	133,229	80,641	4,304,126
<b>Total assets</b>	<u><b>492,085</b></u>	<u><b>321,314</b></u>	<u><b>11,423,754</b></u>
<b>NET POSITION</b>			
Restricted for:			
Organizations and other governments	492,085	321,314	11,423,754
<b>Total net position</b>	<u><b>\$ 492,085</b></u>	<u><b>\$ 321,314</b></u>	<u><b>\$ 11,423,754</b></u>

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Changes in Fiduciary**  
**Net Position**  
**Fiduciary Funds - Custodial Funds**  
**For the Year Ended June 30, 2023**

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	<u>CFD 2004-01</u>	<u>CFD 2000-01</u>	<u>CFD 2000-02</u>	<u>CFD 2000-03</u>
<b>ADDITIONS</b>				
Collection of special taxes	\$ 2,337,277	\$ 73,680	\$ 517,806	\$ 562,115
Investment earnings:				
Interest	60,424	1,232	8,867	11,691
Net Change in fair value of investments	13,040	176	2,996	881
Contributions from City	51,177	63	-	-
<b>Total additions</b>	<u><b>2,461,918</b></u>	<u><b>75,151</b></u>	<u><b>529,669</b></u>	<u><b>574,687</b></u>
<b>DEDUCTIONS</b>				
Administrative expenses	22,300	18,328	49,038	21,140
Interest expense	1,062,747	5,246	51,850	205,959
Principal expense	1,285,000	48,000	446,000	304,000
<b>Total deductions</b>	<u><b>2,370,047</b></u>	<u><b>71,574</b></u>	<u><b>546,888</b></u>	<u><b>531,099</b></u>
<b>Net increase (decrease) in fiduciary net position</b>	<b>91,871</b>	<b>3,577</b>	<b>(17,219)</b>	<b>43,588</b>
Net position-beginning	<u>4,180,366</u>	<u>106,446</u>	<u>664,996</u>	<u>782,814</u>
<b>Net position-ending</b>	<u><b>\$ 4,272,237</b></u>	<u><b>\$ 110,023</b></u>	<u><b>\$ 647,777</b></u>	<u><b>\$ 826,402</b></u>

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Changes in Fiduciary**  
**Net Position**  
**Fiduciary Funds - Custodial Funds**  
**For the Year Ended June 30, 2023**

**(Continued)**

	<b>CFD 2001-01 Series A</b>	<b>CFD 2001-01 Series B</b>	<b>CFD 2003-01 Series A</b>	<b>CFD 2003-01 Series B</b>
<b>ADDITIONS</b>				
Collection of special taxes	\$ 668,517	\$ 61,467	\$ 1,225,838	\$ 209,165
Investment earnings:				
Interest	23,154	982	53,823	5,314
Net Change in fair value of investments	(25,208)	176	8,283	1,057
Contributions from City	685,743	-	200,553	-
<b>Total additions</b>	<b>1,352,206</b>	<b>62,625</b>	<b>1,488,497</b>	<b>215,536</b>
<b>DEDUCTIONS</b>				
Administrative expenses	58,218	2,008	26,470	8,680
Interest expense	170,311	16,490	562,544	90,316
Principal expense	425,000	41,000	570,000	115,000
<b>Total deductions</b>	<b>653,529</b>	<b>59,498</b>	<b>1,159,014</b>	<b>213,996</b>
<b>Net increase (decrease) in fiduciary net position</b>	<b>698,677</b>	<b>3,127</b>	<b>329,483</b>	<b>1,540</b>
Net position-beginning	881,173	87,340	2,416,533	336,043
<b>Net position-ending</b>	<b>\$ 1,579,850</b>	<b>\$ 90,467</b>	<b>\$ 2,746,016</b>	<b>\$ 337,583</b>

**CITY OF RANCHO CUCAMONGA**  
**Combining Statement of Changes in Fiduciary**  
**Net Position**  
**Fiduciary Funds - Custodial Funds**  
**For the Year Ended June 30, 2023**

**(Continued)**

	<b>CFD 2006-01</b>	<b>CFD 2006-02</b>	<b>Total Custodial Funds</b>
<b>ADDITIONS</b>			
Collection of special taxes	\$ 291,525	\$ 179,413	\$ 6,126,803
Investment earnings:			
Interest	6,818	4,299	176,604
Net Change in fair value of investments	352	176	1,929
Contributions from City	1,848	6,500	945,884
<b>Total additions</b>	<b>300,543</b>	<b>190,388</b>	<b>7,251,220</b>
<b>DEDUCTIONS</b>			
Administrative expenses	14,288	14,248	234,718
Interest expense	114,111	67,777	2,347,351
Principal expense	144,000	86,000	3,464,000
<b>Total deductions</b>	<b>272,399</b>	<b>168,025</b>	<b>6,046,069</b>
<b>Net increase (decrease) in fiduciary net position</b>	<b>28,144</b>	<b>22,363</b>	<b>1,205,151</b>
Net position-beginning	463,941	298,951	10,218,603
<b>Net position-ending</b>	<b>\$ 492,085</b>	<b>\$ 321,314</b>	<b>\$ 11,423,754</b>

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**City of Rancho Cucamonga**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended June 30, 2023**

**Statistical Section**

Certain schedules recommended for inclusion in Annual Comprehensive Financial Reports of Municipalities by the Government Finance Officers Association have been omitted from this report. The omission of such schedules was made only after careful consideration of the merits of each recommended schedule by City management.

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This part of the City of Rancho Cucamonga's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the City's overall financial health.

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## Contents

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### **Financial Trends**

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

### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

### **Debt Capacity**

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

### **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.

### **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.

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



## CITY OF RANCHO CUCAMONGA

### Net Position by Component

Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year			
	2023	2022	2021	2020
Governmental activities:				
Investment in capital assets	\$ 814,128,463	\$ 799,863,587	\$ 801,333,979	\$ 784,815,868
Restricted	485,593,578	464,700,055	386,151,633	362,202,181
Unrestricted	147,512,123	115,274,716	102,102,912	92,851,674
Total governmental activities net position	<u>\$ 1,447,234,164</u>	<u>\$ 1,379,838,358</u>	<u>\$ 1,289,588,524</u>	<u>\$ 1,239,869,723</u>
Business-type activities:				
Investment in capital assets	\$ 44,627,315	\$ 42,752,205	\$ 39,126,035	\$ 38,550,464
Restricted	891,016	403,327	351,851	584,719
Unrestricted	16,459,630	17,256,997	18,811,705	17,960,938
Total business-type activities net position	<u>\$ 61,977,961</u>	<u>\$ 60,412,529</u>	<u>\$ 58,289,591</u>	<u>\$ 57,096,121</u>
Primary government:				
Investment in capital assets	\$ 858,755,778	\$ 842,615,792	\$ 840,460,014	\$ 823,366,332
Restricted	486,484,594	465,103,382	386,503,484	362,786,900
Unrestricted	163,971,753	132,531,713	120,914,617	110,812,612
Total primary government net position	<u>\$ 1,509,212,125</u>	<u>\$ 1,440,250,887</u>	<u>\$ 1,347,878,115</u>	<u>\$ 1,296,965,844</u>

# CITY OF RANCHO CUCAMONGA

## Net Position by Component (Continued)

Last Ten Fiscal Years  
(accrual basis of accounting)

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 786,942,172	\$ 819,589,002	\$ 791,849,229	\$ 738,555,693	\$ 723,399,215	\$ 718,539,205
347,133,366	314,706,032	376,102,366	343,261,614	294,289,084	292,367,349
90,907,741	86,031,110	58,567,782	101,752,275	119,693,433	164,042,159
<u>\$ 1,224,983,279</u>	<u>\$ 1,220,326,144</u>	<u>\$ 1,226,519,377</u>	<u>\$ 1,183,569,582</u>	<u>\$ 1,137,381,732</u>	<u>\$ 1,174,948,713</u>
\$ 34,506,531	\$ 33,679,139	\$ 32,434,369	\$ 28,183,314	\$ 25,869,537	\$ 25,457,466
629,390	733,900	770,383	717,336	718,571	858,497
17,007,191	15,096,398	12,073,232	10,145,015	10,875,224	10,380,836
<u>\$ 52,143,112</u>	<u>\$ 49,509,437</u>	<u>\$ 45,277,984</u>	<u>\$ 39,045,665</u>	<u>\$ 37,463,332</u>	<u>\$ 36,696,799</u>
\$ 821,448,703	\$ 853,268,141	\$ 824,283,598	\$ 766,739,007	\$ 749,268,752	\$ 743,996,671
347,762,756	315,439,932	376,872,749	343,978,950	295,007,655	293,225,846
107,914,932	101,127,508	70,641,014	111,897,290	130,568,657	174,422,995
<u>\$ 1,277,126,391</u>	<u>\$ 1,269,835,581</u>	<u>\$ 1,271,797,361</u>	<u>\$ 1,222,615,247</u>	<u>\$ 1,174,845,064</u>	<u>\$ 1,211,645,512</u>

**CITY OF RANCHO CUCAMONGA**

Statement of Activities (Condensed)

Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2023	2022	2021	2020	2019
<b>Expenses:</b>					
<b>Governmental activities:</b>					
General government	\$ 24,034,094	\$ 18,945,300	\$ 22,450,487	\$ 19,286,640	\$ 19,670,962
Public safety-police	46,384,884	45,826,735	44,200,543	41,858,815	40,689,664
Public safety-fire protection	59,429,842	38,905,872	43,819,839	42,713,637	37,963,605
Public safety-animal center	3,070,329	2,362,765	2,652,789	3,329,047	3,307,736
Community development	20,978,521	17,757,830	21,053,431	18,942,599	17,684,128
Community services	15,274,331	13,172,949	12,922,140	17,634,143	18,442,135
Engineering and public works	40,969,175	29,237,399	33,574,147	35,467,833	30,443,979
Interest on long-term debt	83,214	76,038	269,752	258,635	232,919
Total governmental activities expenses	<u>210,224,390</u>	<u>166,284,888</u>	<u>180,943,128</u>	<u>179,491,349</u>	<u>168,435,128</u>
<b>Business-type activities:</b>					
Municipal Utility	16,032,760	13,503,837	10,747,217	10,641,764	9,407,567
Fiber Optic Network	893,179	801,230	1,044,879	736,499	658,291
Sports Complex	2,468,360	1,719,849	2,302,733	2,857,684	2,746,411
Second Story Library and Beyond	-	-	-	-	-
REGIS Connect	-	-	-	270	19,284
Total business-type activities expenses	<u>19,394,299</u>	<u>16,024,916</u>	<u>14,094,829</u>	<u>14,236,217</u>	<u>12,831,553</u>
Total primary government expenses	<u>229,618,689</u>	<u>182,309,804</u>	<u>195,037,957</u>	<u>193,727,566</u>	<u>181,266,681</u>
<b>Program revenues:</b>					
<b>Governmental activities:</b>					
<b>Charges for services:</b>					
General government	11,659,179	10,176,185	9,475,907	8,984,984	8,576,190
Public safety-police	1,126,473	998,096	1,358,233	778,374	1,541,582
Public safety-fire protection	155,812	140,675	116,648	330,210	552,486
Public safety-animal center	146,569	146,314	109,803	186,283	215,137
Community development	11,802,366	11,627,478	11,770,864	11,391,312	11,281,208
Community services	1,485,456	609,768	483,665	2,302,821	3,260,244
Engineering and public works	10,158,777	3,874,898	6,998,156	6,619,231	8,778,764
Operating contributions and grants	14,253,133	39,846,497	15,901,843	12,062,536	10,961,729
Capital contributions and grants	45,188,652	30,787,358	24,768,600	14,633,970	17,347,427
Total governmental activities program revenues	<u>95,976,417</u>	<u>98,207,269</u>	<u>70,983,719</u>	<u>57,289,721</u>	<u>62,514,767</u>
<b>Business-type activities:</b>					
<b>Charges for services:</b>					
Municipal Utility	18,864,181	14,551,353	12,663,515	12,389,983	12,777,773
Fiber Optic Network	413,356	326,985	103,575	91,596	81,605
Sports Complex	175,549	246,722	236,650	479,896	540,972
Second Story Library and Beyond	-	-	-	-	-
REGIS Connect	-	-	-	-	25,470
Operating contributions and grants	30,564	133,455	-	-	-
Capital contributions and grants	577,414	2,821,754	1,442,873	4,050,235	662,677
Total business-type activities program revenues	<u>20,061,064</u>	<u>18,080,269</u>	<u>14,446,613</u>	<u>17,011,710</u>	<u>14,088,497</u>
Total primary government program revenues	<u>116,037,481</u>	<u>116,287,538</u>	<u>85,430,332</u>	<u>74,301,431</u>	<u>76,603,264</u>

**CITY OF RANCHO CUCAMONGA**

Statement of Activities (Condensed) (Continued)

Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2018	2017	2016	2015	2014
\$	31,792,123	\$ 19,738,312	\$ 18,418,827	\$ 17,955,450	\$ 16,643,829
	38,576,433	36,753,481	34,083,785	32,076,421	30,849,283
	34,557,791	32,821,186	29,524,711	30,277,795	29,127,968
	3,263,155	3,414,315	2,697,430	2,721,890	2,569,847
	16,675,413	16,799,089	14,653,176	14,899,940	15,772,923
	19,060,265	16,437,565	13,852,277	14,995,308	13,690,338
	31,573,819	35,926,739	36,298,028	29,180,515	29,600,137
	213,912	172,041	806,322	239,368	234,057
	<u>175,712,911</u>	<u>162,062,728</u>	<u>150,334,556</u>	<u>142,346,687</u>	<u>138,488,382</u>
	8,419,196	7,904,738	8,436,122	8,341,877	8,173,924
	144,924	-	-	-	33,853
	2,851,970	2,981,392	2,663,119	2,536,440	2,186,016
	-	-	-	-	-
	104,969	167,618	65,042	57,003	33,853
	<u>11,521,059</u>	<u>11,053,748</u>	<u>11,164,283</u>	<u>10,935,320</u>	<u>10,427,646</u>
	<u>187,233,970</u>	<u>173,116,476</u>	<u>161,498,839</u>	<u>153,282,007</u>	<u>148,916,028</u>
	7,298,350	7,017,166	7,129,716	6,903,116	6,987,387
	1,525,700	1,444,596	1,040,776	1,203,718	1,152,805
	314,507	-	242,620	1,465,438	1,065,852
	211,865	191,073	215,147	206,941	186,434
	10,807,270	10,726,558	10,764,422	12,842,242	10,814,827
	3,329,478	3,251,353	3,316,077	3,162,413	3,295,354
	5,896,355	5,211,940	3,455,200	4,332,873	4,841,725
	8,845,496	5,326,579	14,464,379	8,216,190	9,237,651
	<u>16,584,193</u>	<u>8,184,228</u>	<u>31,356,340</u>	<u>12,145,954</u>	<u>6,241,838</u>
	<u>54,813,214</u>	<u>41,353,493</u>	<u>71,984,677</u>	<u>50,478,885</u>	<u>43,823,873</u>
	12,317,610	11,713,175	11,336,608	11,973,419	11,276,531
	58,857	23,750	-	-	-
	248,828	218,220	169,099	262,818	300,379
	-	-	-	-	-
	42,930	114,120	82,300	82,490	58,949
	-	-	-	-	-
	679,410	4,560,732	-	-	-
	<u>13,347,635</u>	<u>16,629,997</u>	<u>11,588,007</u>	<u>12,318,727</u>	<u>11,635,859</u>
	<u>68,160,849</u>	<u>57,983,490</u>	<u>83,572,684</u>	<u>62,797,612</u>	<u>55,459,732</u>

**CITY OF RANCHO CUCAMONGA**

Statement of Activities (Condensed)

Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year				
	2023	2022	2021	2020	2019
<b>Net revenues (expenses):</b>					
Governmental activities	(114,247,973)	(68,077,619)	(109,959,409)	(122,201,628)	(105,920,361)
Business-type activities	666,765	2,055,353	351,784	2,775,493	1,256,944
Total net revenues (expenses)	<u>(113,581,208)</u>	<u>(66,022,266)</u>	<u>(109,607,625)</u>	<u>(119,426,135)</u>	<u>(104,663,417)</u>
<b>General revenues and other changes in net assets:</b>					
Governmental activities:					
Taxes:					
Property taxes	101,598,563	96,971,793	91,685,839	77,021,958	75,479,699
Admissions tax	-	2,042	-	3,728	7,493
Transient occupancy taxes	4,950,215	4,423,148	2,726,555	3,511,232	4,054,058
Sales taxes	40,610,316	40,767,359	34,565,886	29,480,466	32,803,372
Franchise taxes	10,762,821	9,991,283	9,229,371	8,579,436	8,000,389
Motor vehicle in lieu, unrestricted	178,842	202,321	128,734	141,996	84,803
Use of money and property	10,055,661	(12,450,392)	5,956,806	13,421,654	19,113,374
Other	13,528,967	18,419,397	7,576,654	6,216,788	7,764,377
Contributions from other governments	-	-	-	-	-
Gain on sale of capital assets	28,628	1,061,719	-	-	57,563
Extraordinary item	-	-	-	-	-
Special Item	-	-	-	-	(36,406,951)
Transfers	(70,234)	(1,061,217)	(809,757)	(1,289,186)	(380,681)
Total governmental activities	<u>181,643,779</u>	<u>158,327,453</u>	<u>151,060,088</u>	<u>137,088,072</u>	<u>110,577,496</u>
Business-type activities:					
Admission tax	154,477	152,009	32,500	140,277	146,181
Use of money and property	614,662	(1,151,503)	(11,742)	748,053	849,869
Other	59,294	5,862	11,171	-	-
Transfers	70,234	1,061,217	809,757	1,289,186	380,681
Total business-type activities	<u>898,667</u>	<u>67,585</u>	<u>841,686</u>	<u>2,177,516</u>	<u>1,376,731</u>
Total primary government	<u>182,542,446</u>	<u>158,395,038</u>	<u>151,901,774</u>	<u>139,265,588</u>	<u>111,954,227</u>
<b>Changes in net position:</b>					
Governmental activities	67,395,806	90,249,834	41,100,679	14,886,444	4,657,135
Business-type activities	1,565,432	2,122,938	1,193,470	4,953,009	2,633,675
Total primary government	<u>\$ 68,961,238</u>	<u>\$ 92,372,772</u>	<u>\$ 42,294,149</u>	<u>\$ 19,839,453</u>	<u>\$ 7,290,810</u>

**CITY OF RANCHO CUCAMONGA**

Statement of Activities (Condensed) (Continued)

Last Ten Fiscal Years  
(accrual basis of accounting)

Fiscal Year				
2018	2017	2016	2015	2014
(120,899,697)	(120,709,235)	(78,349,879)	(91,867,802)	(94,664,509)
<u>1,826,576</u>	<u>5,576,249</u>	<u>423,724</u>	<u>1,383,407</u>	<u>1,208,213</u>
<u>(119,073,121)</u>	<u>(115,132,986)</u>	<u>(77,926,155)</u>	<u>(90,484,395)</u>	<u>(93,456,296)</u>
72,760,297	67,294,479	65,542,841	63,237,623	58,911,798
6,008	4,810	4,063	27,642	55,258
3,578,006	3,282,360	3,055,397	2,729,270	2,554,570
31,478,294	29,288,386	28,231,405	28,043,495	26,277,429
7,997,948	7,538,415	7,678,384	7,753,103	7,515,229
93,340	84,510	70,457	73,316	75,900
5,781,295	5,735,054	7,644,579	6,691,150	7,933,441
7,955,074	6,811,380	10,570,641	10,087,638	8,820,348
-	-	-	-	29,851,545
-	-	-	-	100,301
-	-	-	(295,169)	58,427
-	38,257,705	-	-	-
<u>(676,159)</u>	<u>(222,537)</u>	<u>(534,114)</u>	<u>(200,980)</u>	<u>(332,830)</u>
<u>128,974,103</u>	<u>158,074,562</u>	<u>122,263,653</u>	<u>118,147,088</u>	<u>141,821,416</u>
62,195	127,934	196,385	70,278	103,308
390,833	256,370	375,435	310,644	304,113
601,075	49,229	52,675	17,306	59,888
<u>676,159</u>	<u>222,537</u>	<u>534,114</u>	<u>200,980</u>	<u>332,830</u>
<u>1,730,262</u>	<u>656,070</u>	<u>1,158,609</u>	<u>599,208</u>	<u>800,139</u>
<u>130,704,365</u>	<u>158,730,632</u>	<u>123,422,262</u>	<u>118,746,296</u>	<u>142,621,555</u>
8,074,406	37,365,327	43,913,774	26,279,286	47,156,907
<u>3,556,838</u>	<u>6,232,319</u>	<u>1,582,333</u>	<u>1,982,615</u>	<u>2,008,352</u>
<u>\$ 11,631,244</u>	<u>\$ 43,597,646</u>	<u>\$ 45,496,107</u>	<u>\$ 28,261,901</u>	<u>\$ 49,165,259</u>

## CITY OF RANCHO CUCAMONGA

### Fund Balances of Governmental Funds

Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year			
	2023	2022	2021	2020
General Fund:				
Nonspendable	\$ 22,702,647	\$ 23,311,819	\$ 13,690,749	\$ 14,898,477
Restricted	16,546,349	16,162,437	9,631,596	12,720,339
Committed	107,546,210	101,962,810	73,280,103	68,240,058
Assigned	<u>34,203,397</u>	<u>31,683,170</u>	<u>30,154,237</u>	<u>24,978,451</u>
Total General Fund	<u>\$ 180,998,603</u>	<u>\$ 173,120,236</u>	<u>\$ 126,756,685</u>	<u>\$ 120,837,325</u>
All other governmental funds:				
Nonspendable	\$ 316,340	\$ 346,301	\$ 353,000	\$ 210,875
Restricted	405,158,783	365,313,909	336,949,180	322,090,080
Committed	54,680,993	46,159,904	45,172,751	41,474,853
Assigned	20,868,413	19,663,578	28,464,821	20,872,492
Unassigned	<u>(10,098,864)</u>	<u>(4,484,709)</u>	<u>(4,290,919)</u>	<u>(4,899,160)</u>
Total all other governmental funds	<u>\$ 470,925,665</u>	<u>\$ 426,998,983</u>	<u>\$ 406,648,833</u>	<u>\$ 379,749,140</u>

**CITY OF RANCHO CUCAMONGA**

Fund Balances of Governmental Funds (Continued)

Last Ten Fiscal Years  
(modified accrual basis of accounting)

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 15,996,672	\$ 16,980,622	\$ 6,035,467	\$ 6,304,659	\$ 4,024,826	\$ 14,266,118
10,000,336	6,351,557	8,152,268	4,256,949	3,091,255	1,527,198
72,103,374	71,335,361	69,939,616	75,193,291	74,310,635	68,857,871
20,680,463	20,414,553	27,837,965	24,762,041	24,724,037	24,541,289
<u>\$ 118,780,845</u>	<u>\$ 115,082,093</u>	<u>\$ 111,965,316</u>	<u>\$ 110,516,940</u>	<u>\$ 106,150,753</u>	<u>\$ 109,192,476</u>
\$ 273,968	\$ 333,012	\$ 152,628	\$ 143,987	\$ 121,898,056	\$ 119,252,242
300,217,925	276,926,931	295,093,183	270,307,985	129,495,612	109,579,369
41,633,706	40,295,153	41,954,990	43,026,277	41,239,963	40,846,591
22,798,449	15,287,695	9,290,502	25,606,377	23,778,666	22,697,507
(5,587,201)	(7,096,108)	(142,352)	(1,131,670)	(514,340)	(576,924)
<u>\$ 359,336,847</u>	<u>\$ 325,746,683</u>	<u>\$ 346,348,951</u>	<u>\$ 337,952,956</u>	<u>\$ 315,897,957</u>	<u>\$ 291,798,785</u>



## CITY OF RANCHO CUCAMONGA

### Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year			
	2023	2022	2021	2020
<b>Revenues:</b>				
Taxes	\$ 173,777,579	\$ 165,770,434	\$ 152,020,165	\$ 131,914,339
Licenses and permits	6,924,691	6,352,583	5,777,822	5,597,387
Intergovernmental	40,437,400	51,403,759	25,525,250	17,265,617
Charges for services	8,614,854	5,791,232	5,552,615	7,561,050
Use of money and property	7,523,993	(14,305,601)	3,158,954	10,425,355
Fines and forfeitures	1,451,000	1,407,126	1,320,788	959,003
Contributions	1,144,019	1,700,219	248,823	432,035
Developer participation	15,737,685	18,044,293	11,902,117	8,399,023
Miscellaneous	11,414,485	18,498,172	7,874,647	6,386,915
Total revenues	<u>267,025,706</u>	<u>254,662,217</u>	<u>213,381,181</u>	<u>188,940,724</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	22,062,843	19,778,343	19,754,199	16,939,055
Public safety-police	45,771,248	45,213,099	43,507,427	41,110,280
Public safety-fire protection	47,694,918	45,126,100	42,825,333	35,465,674
Public safety-animal center	3,180,526	2,772,904	2,399,523	3,031,587
Community development	21,300,881	19,610,481	20,133,316	17,817,804
Community services	10,553,221	8,601,487	7,114,800	11,837,246
Engineering and public works	21,753,305	19,322,761	18,054,572	17,452,234
Capital outlay	43,810,590	24,129,169	33,256,726	20,759,403
<b>Debt service:</b>				
Principal retirement	932,248	-	-	-
Interest and fiscal charges	70,288	42,278	167,698	191,382
Total expenditures	<u>217,130,068</u>	<u>184,596,622</u>	<u>187,213,594</u>	<u>164,604,665</u>
Excess (deficiency) of revenues over (under) expenditures	<u>49,895,638</u>	<u>70,065,595</u>	<u>26,167,587</u>	<u>24,336,059</u>
<b>Other financing sources (uses):</b>				
Transfers in	19,279,710	30,243,066	5,756,736	5,052,697
Transfers out	(20,933,574)	(37,139,933)	(7,752,182)	(7,019,213)
Leases	-	226,622	-	-
Subscriptions issued	3,527,856	-	-	-
Proceeds from sale of capital asset	35,419	3,318,351	28,790	99,230
Total other financing sources (uses)	<u>1,909,411</u>	<u>(3,351,894)</u>	<u>(1,966,656)</u>	<u>(1,867,286)</u>
Extraordinary item	-	-	-	-
Net change in fund balances	<u>\$ 51,805,049</u>	<u>\$ 66,713,701</u>	<u>\$ 24,200,931</u>	<u>\$ 22,468,773</u>
<b>Debt service as a percentage of noncapital expenditures*</b>				
	0.50%	0.03%	0.10%	0.13%

## CITY OF RANCHO CUCAMONGA

### Changes in Fund Balances of Governmental Funds (Continued)

Last Ten Fiscal Years  
(modified accrual basis of accounting)

		Fiscal Year					
		2019	2018	2017	2016	2015	2014
\$	133,377,533	\$ 128,469,600	\$ 119,970,717	\$ 119,703,685	\$ 113,149,656	\$ 107,276,318	
	4,941,123	4,639,219	4,274,825	4,353,727	4,245,688	3,876,449	
	15,990,890	12,960,734	16,859,643	24,000,432	15,156,829	12,808,079	
	8,953,709	7,240,417	6,470,452	6,822,557	6,722,125	7,918,741	
	16,310,820	3,519,828	4,036,737	5,675,579	4,917,234	6,002,756	
	1,828,096	1,688,965	1,249,351	1,161,894	1,441,231	1,177,803	
	514,193	575,123	662,854	4,717,131	762,415	784,540	
	13,473,699	9,924,665	7,117,954	7,795,528	12,051,237	4,929,192	
	8,671,089	9,162,631	6,819,525	10,545,310	12,276,817	10,475,281	
	<u>204,061,152</u>	<u>178,181,182</u>	<u>167,462,058</u>	<u>184,775,843</u>	<u>170,723,232</u>	<u>155,249,159</u>	
	18,012,280	30,564,911	16,622,855	17,891,520	16,056,022	14,326,672	
	40,006,374	37,899,533	36,138,669	33,524,295	31,553,594	30,411,403	
	32,264,246	32,280,716	30,336,949	33,176,658	29,526,901	28,462,817	
	3,230,781	3,113,889	3,007,643	2,924,840	2,745,903	2,569,847	
	17,522,679	16,030,847	15,449,447	14,945,240	14,646,602	15,167,284	
	13,869,406	14,086,226	13,179,568	12,575,734	12,239,617	11,881,755	
	20,472,914	18,925,102	19,920,719	26,420,727	16,984,218	17,616,297	
	18,772,606	41,757,957	27,736,389	17,151,712	19,486,586	12,204,148	
	-	18,759	21,901	21,260	20,104	20,021	
	<u>202,647</u>	<u>199,747</u>	<u>139,598</u>	<u>756,224</u>	<u>181,682</u>	<u>197,935</u>	
	<u>164,353,933</u>	<u>194,877,687</u>	<u>162,553,738</u>	<u>159,388,210</u>	<u>143,441,229</u>	<u>132,858,179</u>	
	<u>39,707,219</u>	<u>(16,696,505)</u>	<u>4,908,320</u>	<u>25,387,633</u>	<u>27,282,003</u>	<u>22,390,980</u>	
	2,804,478	2,770,399	2,446,170	2,323,725	2,060,144	2,161,845	
	(5,283,519)	(3,629,498)	(3,259,107)	(3,589,579)	(3,107,795)	(3,073,328)	
	-	-	-	-	-	-	
	-	-	-	-	-	-	
	<u>60,738</u>	<u>70,113</u>	<u>164,520</u>	<u>25,331</u>	<u>24,178</u>	<u>100,301</u>	
	<u>(2,418,303)</u>	<u>(788,986)</u>	<u>(648,417)</u>	<u>(1,240,523)</u>	<u>(1,023,473)</u>	<u>(811,182)</u>	
	-	-	-	-	(5,201,081)	(3,473,832)	
\$	<u>37,288,916</u>	<u>\$ (17,485,491)</u>	<u>\$ 4,259,903</u>	<u>\$ 24,147,110</u>	<u>\$ 21,057,449</u>	<u>\$ 18,105,966</u>	
	0.14%	0.12%	0.11%	0.55%	0.16%	0.24%	

**CITY OF RANCHO CUCAMONGA**

Assessed Value and Estimated Value of Taxable Property  
(in thousands of dollars)  
Last Ten Fiscal Years

	Fiscal Year			
	2023	2022	2021	2020
Residential	\$ 22,890,240	\$ 21,273,133	\$ 20,468,775	\$ 19,563,158
Commercial	3,120,391	3,037,908	2,927,439	2,824,976
Industrial	4,996,486	4,205,142	3,653,660	3,406,909
Dry Farm	103	983	973	954
Gov't Owned	2,929	2,872	2,831	3,882
Institutional	36,162	45,260	51,853	46,328
Irrigated	3,883	3,807	3,768	3,694
Miscellaneous	91,104	94,915	58,616	60,464
Recreational	38,075	38,103	34,823	35,309
Vacant	536,694	474,478	509,897	509,018
SBE Nonunitary	875	875	875	875
Unsecured	1,249,555	1,168,905	1,202,802	1,186,787
Unknown	-	-	-	-
<b>TOTALS</b>	<b>\$ 32,966,497</b>	<b>\$ 30,346,381</b>	<b>\$ 28,916,312</b>	<b>\$ 27,642,354</b>
<b>Total Direct Rate</b>	<b>0.17590%</b>	<b>0.17792%</b>	<b>0.17794%</b>	<b>0.17794%</b>

Notes:

Exempt values are not included in Total.

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

<sup>1</sup> Beginning in 2017, the net taxable value per HdL Coren & Cone (HdL) was utilized in lieu of the Agency Net Valuation provided by the County of San Bernardino Auditor-Controller's database, as HdL's net taxable value includes parcels from the County Assessor's database that were inadvertently excluded by the Auditor-Controller. The City believes that the data from HdL provides a more accurate picture for the financial statement reader.

Data Source: San Bernardino County Assessor 2013/14 - 2022/23 Combined Tax Rolls; HdL, Coren & Cone

**CITY OF RANCHO CUCAMONGA**

Assessed Value and Estimated Value of Taxable Property (Continued)  
(in thousands of dollars)

Last Ten Fiscal Years

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$18,747,242	\$17,775,114	\$16,641,454	\$ 16,063,674	\$ 15,244,895	\$ 13,988,519
2,680,215	2,559,971	2,354,367	2,261,894	2,229,715	2,221,814
3,235,492	2,976,956	2,802,918	2,667,060	2,504,695	2,402,218
936	977	957	943	920	920
3,806	3,659	3,587	7,839	7,745	7,732
45,436	45,531	43,495	42,113	41,023	49,286
3,686	3,552	3,483	3,433	3,366	3,439
50,481	55,920	294,036	18,964	23,805	27,365
32,926	32,634	44,814	40,343	41,663	47,757
501,443	408,907	374,179	350,353	327,609	330,538
7,994	24,483	24,173	28,682	22,485	26,591
1,109,392	1,075,088	1,154,119	1,233,623	1,190,416	1,111,254
-	-	-	-	-	-
<u>\$26,419,049</u>	<u>\$24,962,792</u> <sup>1</sup>	<u>\$23,741,582</u>	<u>\$ 22,718,921</u>	<u>\$ 21,638,337</u>	<u>\$ 20,217,433</u>
<u>0.17794%</u>	<u>0.17795%</u>	<u>0.17790%</u>	<u>0.17775%</u>	<u>0.17772%</u>	<u>0.47780%</u>

**CITY OF RANCHO CUCAMONGA**

Direct and Overlapping Property Tax Rates  
(Rate per \$100 of taxable value)

Last Ten Fiscal Years

Agency	Fiscal Year				
	2023	2022	2021	2020	2019
<b>Basic Levy<sup>1</sup></b>	1.00000	1.00000	1.00000	1.00000	1.00000
Alta Loma Elementary Bond	0.06280	0.07300	0.04570	0.06530	0.06800
Central Elementary Bond	0.05120	0.06140	0.04890	0.05020	0.04650
Chaffey Community College Bond	0.01370	0.01770	0.01110	0.02410	0.01530
Chaffey High School Bond	0.02940	0.03710	0.03520	0.03750	0.04020
Etiwanda Elementary Bond	0.03230	0.02330	0.02830	0.00340	0.02860
Fontana Unified School Bond	0.04840	0.05200	0.06710	0.04200	0.08900
Metropolitan Water Agency	0.00350	0.00350	0.00350	0.00350	0.00350
Upland Unified School Bond	0.04630	0.06340	0.05150	0.05600	0.05870
<b>Total Direct &amp; Overlapping<sup>2</sup> Tax Rates</b>	<b>1.28760</b>	<b>1.33140</b>	<b>1.29130</b>	<b>1.28200</b>	<b>1.34980</b>
<b>City Share of 1% levy per Prop 13<sup>3</sup></b>	0.17591	0.17591	0.17591	0.17591	0.17591
<b>Redevelopment Rate<sup>4</sup></b>	-	-	-	-	-
<b>Total Direct Rate<sup>5</sup></b>	<b>0.17590</b>	<b>0.17792</b>	<b>0.17794</b>	<b>0.17794</b>	<b>0.17794</b>

Notes:

- <sup>1</sup> 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
- <sup>2</sup> Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all property owners.
- <sup>3</sup> 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. The ERAF portion of the City's Levy has been subtracted where known.
- <sup>4</sup> Redevelopment Rate is based on the largest RDA tax rate area (TRA) and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the Fiscal Year 2012/13 and years thereafter.
- <sup>5</sup> Total Direct Rate is the weighted average of all individual direct rates applied by the City preparing the statistical section information and excludes revenues derived from aircraft. Beginning in Fiscal Year 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during Fiscal Year 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Data Source: San Bernardino County Assessor 2013/14 - 2022/23 Tax Rate Table; HdL, Coren & Cone

**CITY OF RANCHO CUCAMONGA**

Direct and Overlapping Property Tax Rates (Continued)  
 (Rate per \$100 of taxable value)

Last Ten Fiscal Years

Fiscal Year				
2018	2017	2016	2015	2014
1.00000	1.00000	1.00000	1.00000	1.00000
0.05640	0.04080	0.04170	0.04370	0.04500
0.06700	0.06880	0.06500	0.06600	0.07110
0.00880	0.01160	0.01130	0.01090	0.01570
0.02790	0.03190	0.04090	0.02940	0.03710
0.01690	-	-	-	-
0.11130	0.11170	0.11450	0.13840	0.15160
0.00350	0.00350	0.00350	0.00350	0.00350
0.05510	0.06070	0.05250	0.04620	0.04840
<b>1.34690</b>	<b>1.32900</b>	<b>1.32940</b>	<b>1.33810</b>	<b>1.37240</b>
0.17591	0.17591	0.17591	0.17591	0.17591
-	-	-	-	-
<u>0.17795</u>	<u>0.17790</u>	<u>0.17775</u>	<u>0.17772</u>	<u>0.47780</u>

## CITY OF RANCHO CUCAMONGA

Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	2023		2014	
	Assessed Value	Percent of Total City Assessed Value	Assessed Value	Percent of Total City Assessed Value
Rancho Mall LLC	\$ 357,010,057	1.08%	\$ 244,753,231	1.21%
BTC III Arrow Route CC LP	313,000,000	0.95%	-	0.00%
Homecoming I at Terra Vista LLC	298,344,088	0.90%	162,574,439	0.80%
Solamonte Owner LLC	225,060,000	0.68%	-	0.00%
GSIC II Cucamonga Owner	216,333,333	0.66%	-	0.00%
Bridge Point Rancho Cucamonga LLC	196,955,923	0.60%	-	0.00%
Frito Lay Inc	168,882,835	0.51%	-	0.00%
MG Victoria Arbors Apartments SLM LLC	140,352,000	0.43%	-	0.00%
Schlosser Forge Company	138,200,098	0.42%	-	0.00%
Prologis California I LLC/Catellus	128,829,383	0.39%	144,325,069	0.71%
Catellus Development Corporation	-	0.00%	-	0.00%
Frito Lay North America Inc	-	0.00%	90,278,520	0.45%
Knickerbocker Properties Inc XLVII	-	0.00%	83,169,584	0.41%
PPF MF 9200 Milliken Ave LP	-	0.00%	80,251,804	0.40%
RREEF AMERICA REIT II CORPORATION	-	0.00%	82,368,000	0.41%
THM ENT LLC	-	0.00%	-	0.00%
T-NAPF Meritage Ownership LLC	-	0.00%	116,029,895	0.57%
UDR RANCHO CUCAMONGA LP	-	0.00%	79,365,200	0.39%
Victoria Gardens Mall LLC	-	0.00%	-	0.00%
WNG Rancho Cucamonga 496 LLC	-	0.00%	100,872,016	0.50%
	<b><u>\$ 2,182,967,717</u></b>	<b><u>6.62%</u></b>	<b><u>\$ 1,183,987,758</u></b>	<b><u>5.86%</u></b>

**CITY OF RANCHO CUCAMONGA**

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 Levy		Collections in Subsequent Years <sup>1</sup>	Total Collections to Date	
		Received Amount	Percent of Levy		Amount	Percent of Levy
2014	\$ 95,016,035	\$ 93,063,071	97.94%	N/A	\$ 93,063,071	97.94%
2015	100,428,866	98,457,115	98.04%	N/A	98,457,115	98.04%
2016	105,120,614	103,112,427	98.09%	N/A	103,112,427	98.09%
2017	108,069,418	107,991,619	99.93%	N/A	107,991,619	99.93%
2018	112,950,393	114,778,741	101.62%	N/A	114,778,741	101.62%
2019	119,970,594	122,206,002	101.86%	N/A	122,206,002	101.86%
2020	126,916,757	128,333,882	101.12%	N/A	128,333,882	101.12%
2021	136,728,688	135,393,834	99.02%	N/A	135,393,834	99.02%
2022	142,994,120	143,427,161	100.30%	N/A	143,427,161	100.30%
2023	156,800,460	162,808,003	103.83%	N/A	162,808,003	103.83%

Note:

<sup>1</sup> Data provided by the San Bernardino County Auditor-Controller 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.

Source: San Bernardino County Auditor-Controller/Treasurer/Tax Collector



## CITY OF RANCHO CUCAMONGA

Principal Sales Tax Remitters <sup>1</sup>

Current Year and Nine Years Ago

2023		2014	
<u>Business Name</u>	<u>Business Category</u>	<u>Business Name</u>	<u>Business Category</u>
Amazon.com Services	Fulfillment Centers	Apple	Electronics/Appliance Stores
Apple	Electronics/Appliance Stores	Bass Pro Shops Outdoor World	Sporting Goods/Bike Stores
Bass Pro Shops Outdoor World	Sporting Goods/Bike Stores	Best Buy	Electronics/Appliance Stores
Best Buy	Electronics/Appliance Stores	Chevron	Service Stations
Chevron	Service Stations	Circle K	Service Stations
Circle K	Service Stations	Circle K 76	Service Stations
Costco	Discount Department Stores	Costco	Discount Department Stores
Floor & Décor Outlets of America	Building Materials	Day Creek Arco	Service Stations
Home Depot	Building Materials	Day Creek Shell	Service Stations
Huttig	Building Materials	Haven Mobil	Service Stations
ICL Performance Products	Drugs/Chemicals	Home Depot	Lumber/Building Materials
Living Spaces Furniture	Home Furnishings	JC Penney	Department Stores
Lowe's	Building Materials	Living Spaces Furniture	Home Furnishings
Macy's	Department Stores	Lowe's	Lumber/Building Materials
My Goods Market	Service Stations	Macys	Department Stores
Parallon Supply Chain Solutions	Medical/Biotech	Monoprice	Fulfillment Centers
Ralphs	Grocery Stores	NIC Partners	Electrical Equipment
Schwarz Paper Company	Light Industrial/Printers	Ralphs	Grocery Stores
Shell	Service Stations	Ralphs	Grocery Stores
Stater Bros	Grocery Stores	Ross	Family Apparel
Target	Discount Department Stores	Sears	Department Stores
Tesla Motors	New Motor Vehicle Dealers	Target	Discount Department Stores
Total Wine & More	Convenience Stores/Liquor	Tesoro Refining & Marketing	Service Stations
Walmart	Discount Department Stores	Walmart	Discount Department Stores
Walters Wholesale Electric	Plumbing/Electrical Supplies	Walters Wholesale Electric	Plumbing/Electrical Supplies

<sup>1</sup> Firms listed alphabetically

**CITY OF RANCHO CUCAMONGA**

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income <sup>1</sup>	Debt Per Capita <sup>1</sup>
	Leases	Subscriptions	Total Governmental Activities	Lease Revenue Bonds	Total Business-type Activities			
2014	\$ 2,083,890	\$ -	\$ 2,083,890	\$ -	\$ -	\$ 2,083,890	0.04%	12
2015	1,564,076	-	1,564,076	-	-	1,564,076	0.03%	9
2016	1,034,303	-	1,034,303	-	-	1,034,303	0.02%	6
2017	486,229	-	486,229	-	-	486,229	0.01%	3
2018	-	-	-	-	-	-	0.00%	-
2019	1,919,173	-	1,919,173	13,555,938	13,555,938	15,475,111	0.27%	86
2020	1,465,999	-	1,465,999	13,179,158	13,179,158	14,645,157	0.24%	83
2021	995,689	-	995,689	12,687,378	12,687,378	13,683,067	0.22%	78
2022	695,833	-	695,833	-	-	695,833	0.01%	4
2023	151,701	2,632,400	2,784,101	-	-	2,784,101	0.04%	16

Notes:

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

<sup>1</sup> This ratio is calculated using personal income and population for the prior calendar year.

## CITY OF RANCHO CUCAMONGA

### Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ended June 30	Outstanding General Bonded Debt			Percent of Assessed Value <sup>1</sup>	Percentage of Personal Income <sup>2</sup>	Per Capita <sup>2</sup>
	General Obligation Bonds	Tax Allocation Bonds	Total			
2014	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -
2015	-	-	-	0.00%	0.00%	-
2016	-	-	-	0.00%	0.00%	-
2017	-	-	-	0.00%	0.00%	-
2018	-	-	-	0.00%	0.00%	-
2019	-	-	-	0.00%	0.00%	-
2020	-	-	-	0.00%	0.00%	-
2021	-	-	-	0.00%	0.00%	-
2022	-	-	-	0.00%	0.00%	-
2023	-	-	-	0.00%	0.00%	-

**Notes:**

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

<sup>1</sup> Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

<sup>2</sup> These ratios are calculated using personal income and population for the prior calendar year.

## CITY OF RANCHO CUCAMONGA

Direct and Overlapping Debt

June 30, 2023

City Net Taxable Assessed Value		\$ 32,966,497,484 <sup>2</sup>	
	Percentage Applicable <sup>1</sup>	Total Debt 6/30/23	City Share of Debt
<b><u>Overlapping Tax and Assessment Debt:</u></b>			
Metropolitan Water District	0.906%	\$ 19,215,000	\$ 174,088
Chaffey Community College District	22.233%	290,030,000	64,482,370
Chaffey Union High School District	41.923%	600,532,563	251,761,266
Alta Loma School District	98.900%	55,603,304	54,991,668
Central School District	98.093%	73,572,479	72,169,452
Cucamonga School District Community Facilities District No. 97-1	100.000%	3,700,000	3,700,000
Etiwanda School District	69.160%	104,723,083	72,426,484
Etiwanda School District CFD No. 7	25.417%	6,650,000	1,690,231
Etiwanda School District CFD No. 8	64.507%	3,720,000	2,399,660
Etiwanda School District CFD No. 9	69.668%	6,495,000	4,524,937
Etiwanda School District CFD Nos. 2004-2, 2007-1, 2018-1	100.000%	20,150,000	20,150,000
Etiwanda School District Rancho Etiwanda Public Facilities Authority CFD No. 1	100.000% #	8,955,000	8,955,000
Fontana Unified School District	0.503%	264,519,841	1,330,535
Upland Unified School District	0.116%	81,880,003	94,981
City of Rancho Cucamonga CFDs	100.000%	53,587,000	53,587,000
City of Rancho Cucamonga 1915 Act Bonds	100.000%	-	-
Total overlapping tax and assessment debt		1,593,333,273	612,437,672
<b><u>Direct and Overlapping General Fund Debt</u></b>			
San Bernardino County General Fund Obligations	11.347%	160,860,000	18,252,784
San Bernardino County Pension Obligation Bonds	11.347%	62,960,000	7,144,071
San Bernardino County Flood Control District General Fund Obligations	11.347%	41,065,000	4,659,646
Chaffey Community College District General Fund Obligations	22.233%	25,815,000	5,739,449
Cucamonga School District Certificates of Participation	41.777%	2,616,000	1,092,886
Fontana Unified School District Certificates of Participation	0.503%	18,865,000	94,891
West Valley Vector Control District Certificates of Participation	30.953%	1,682,042	520,642
Total direct and overlapping general fund debt		313,863,042	37,504,369
<b><u>Overlapping Tax Increment Debt (Successor Agency)</u></b>	100.000%	210,840,000	210,840,000
Total overlapping debt		\$ 2,118,036,315	\$ 860,782,041
City direct debt			2,784,101
Total direct and overlapping debt <sup>3</sup>			\$ 863,566,142

**Notes:**

<sup>1</sup> The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

<sup>2</sup> Includes aircraft values. For 2022, the net taxable value per HdL Coren & Cone (HdL) was utilized in lieu of the Agency Net Valuation provided by the County of San Bernardino Auditor-Controller's database, as HdL's net taxable value includes parcels from the County Assessor's database that were inadvertently excluded by the Auditor-Controller. The City believes that the data from HdL provides a more accurate picture for the financial statement reader.

<sup>3</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Source: California Municipal Statistics, HdL Coren & Cone

**CITY OF RANCHO CUCAMONGA**

Legal Debt Margin Information

Last Ten Fiscal Years

	Fiscal Year			
	2023	2022	2021	2020
Debt limit	\$ 1,236,243,656	\$ 1,137,989,277	\$ 1,084,361,716	\$ 1,036,588,356
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 1,236,243,656</u>	<u>\$ 1,137,989,277</u>	<u>\$ 1,084,361,716</u>	<u>\$ 1,036,588,356</u>
Total net debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

Legal Debt Margin Calculation for Fiscal Year 2022/23:

Net taxable assessed value	\$ 32,966,497,484
Debt limit (3.75% of assessed value)	1,236,243,656
Debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u>\$ 1,236,243,656</u>

Notes: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). Although the statutory debt limit has not been amended by the State since this change, the percentages presented in the above computations have been proportionately modified to 3.75% (25% of 15%) for the purpose of this calculation in order to be consistent with the computational effect of the debt limit at the time of the State's establishment of the limit.

Source: California Municipal Statistics, HdL Coren & Cone

**CITY OF RANCHO CUCAMONGA**

Legal Debt Margin Information (Continued)

Last Ten Fiscal Years

Fiscal Year					
2019	2018	2017	2016	2015	2014
\$ 990,714,408	\$ 936,104,692	\$ 890,309,325	\$ 851,959,538	\$ 811,437,638	\$ 758,153,738
-	-	-	-	-	-
<u>\$ 990,714,408</u>	<u>\$ 936,104,692</u>	<u>\$ 890,309,325</u>	<u>\$ 851,959,538</u>	<u>\$ 811,437,638</u>	<u>\$ 758,153,738</u>
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## CITY OF RANCHO CUCAMONGA

### Pledged-Revenue Coverage

Last Ten Fiscal Years  
(In Thousands)

Fiscal Year Ended June 30,	Tax Allocation Bonds			
	Tax Increment <sup>1</sup>	Debt Service		Coverage
		Principal	Interest	
2014	n/a	n/a	n/a	n/a
2015	n/a	n/a	n/a	n/a
2016	n/a	n/a	n/a	n/a
2017	n/a	n/a	n/a	n/a
2018	n/a	n/a	n/a	n/a
2019	n/a	n/a	n/a	n/a
2020	n/a	n/a	n/a	n/a
2021	n/a	n/a	n/a	n/a
2022	n/a	n/a	n/a	n/a
2023	n/a	n/a	n/a	n/a

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

<sup>1</sup> Tax increment figures are net of related pass-through payments.

# CITY OF RANCHO CUCAMONGA

## Demographic and Economic Statistics

### Last Ten Calendar Years

Calendar Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2013	172,299	\$ 5,335,755	\$ 30,968	5.4%
2014	174,064	5,402,772	31,039	6.0%
2015	175,251	5,365,133	30,613	4.8%
2016	177,324	5,317,032	29,984	4.2%
2017	176,671	5,586,992	31,623	3.9%
2018	179,412	5,767,788	32,148	3.1%
2019	175,522	5,982,230	34,082	2.9%
2020	175,131	6,320,248	36,088	7.7%
2021	174,476	6,672,933	38,245	5.4%
2022	173,545	6,997,396	40,320	3.0%

Sources: (1) California State Department of Finance  
(2) U.S. Census Bureau  
(3) California Employment Development Department



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## CITY OF RANCHO CUCAMONGA

### Principal Employers

Current Year and Nine Years Ago

Employer	2023			2014		
	Number of Employees <sup>1</sup>	Rank	Percent of Total Employment	Number of Employees <sup>1</sup>	Rank	Percent of Total Employment
Inland Empire Health Plan (IEHP)	3,511	1	3.70%	850	5	1.17%
Chaffey Community College	1,619	2	1.70%	1,229	1	1.69%
Etiwanda School District	1,854	3	1.95%	1,058	2	1.45%
Frito-Lay	950	4	1.00%	n/a	n/a	n/a
Majestic Terminal Services, Inc.	684	5	0.72%	n/a	n/a	n/a
City of Rancho Cucamonga	662	6	0.70%	858	4	1.18%
Amphastar Pharmaceutical	641	7	0.67%	880	3	1.21%
Central School District	591	8	0.62%	527	6	0.72%
National Community Renaissance Of California	550	9	0.58%	n/a	n/a	n/a
Reyes Coca Cola Bottling, LLC	453	10	0.48%	n/a	n/a	n/a
Kindred Hospital Rancho	305	11	0.32%	n/a	n/a	n/a
Bass Pro Shops Outdoor World	338	12	0.36%	n/a	n/a	n/a
Evolution Fresh	279	13	0.29%	n/a	n/a	n/a

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

<sup>1</sup> Includes full-time and part-time employees.

\*Only the top ten employers for each year presented have data displayed. If a company did not rank in the top ten employers for both years presented, then one of the two years will state "n/a".

Source: ESRI, Infogroup, HdL, Economic and Community Development Department

## CITY OF RANCHO CUCAMONGA

Full-time and Part-time City Employees  
by Function

Last Ten Fiscal Years

<u>Function</u>	Fiscal Year					
	2023	2022	2021	2020	2019	2018
General Government	96	86	86	86	88	91
Public Safety <sup>1,2</sup>	167	154	157	147	180	175
Engineering and Public Works	168	154	169	171	191	192
Community Development	43	37	39	38	36	41
Community Services <sup>3</sup>	221	129	87	71	325	366
 Total	695	560	538	513	820	865

NOTES:

<sup>1</sup> Police services are provided by a contract with the San Bernardino County Sheriff's Department which provided 143 sworn and 43 non-sworn employees for 2023.

<sup>2</sup> Includes Fire Protection and Animal Center

<sup>3</sup> Includes Community Services and Library Services

Source: City Finance Department

**CITY OF RANCHO CUCAMONGA**

Full-time and Part-time City Employees (Continued)  
by Function

Last Ten Fiscal Years

Fiscal Year			
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
90	93	86	86
175	165	159	145
204	208	214	193
42	42	42	46
<u>371</u>	<u>347</u>	<u>348</u>	<u>389</u>
<u>882</u>	<u>855</u>	<u>849</u>	<u>859</u>

## CITY OF RANCHO CUCAMONGA

Operating Indicators  
by Function  
Last Ten Fiscal Years

	Fiscal Year				
	2023	2022	2021	2020	2019
<b>General government:</b>					
Building permits issued <sup>1</sup>	5,692	5,010	4,976	4,196	4,679
Building inspections conducted	12,932	12,291	13,422	13,136	14,236
<b>Police:</b>					
Arrests <sup>2</sup>	2,756	3,793	3,531	3,947	4,762
Parking citations issued <sup>2</sup>	5,264	3,709	4,275	2,840	8,693
Traffic citations issued <sup>2</sup>	7,016	7,164	9,308	15,050	14,082
<b>Fire:</b>					
Number of emergency calls	18,205	18,250	16,907	16,545	15,861
Inspections	5,223	5,259	4,308	5,080	4,071
<b>Public works:</b>					
Number of potholes repaired	6,282	4,881	3,419	4,866	5,784
<b>Parks and recreation:</b>					
Number of recreation classes	985	788	422	2,684	2,483
Number of program registrations	16,475	8,085	3,577	27,763	33,511
Number of facility rentals	860	318	353	2,241	4,100
<b>Library:</b>					
Volumes in collection	243,157	269,027	259,622	226,580	274,993
Total volumes borrowed	502,260	479,395	326,345	754,690	987,448
<b>Municipal utility:</b>					
Number of customers	2,979	2,503	2,126	1,744	1,247
Peak demand (MW)	25	22	19	18	18

Notes:

<sup>1</sup> Effective Fiscal Year 2015, building permits are segregated into more detailed subcategories resulting in a higher total count than prior years.

<sup>2</sup> Data for the months of July 2023 - April 2023 not available due to countywide system disruption.

Source: Various City departments

# CITY OF RANCHO CUCAMONGA

## Operating Indicators (Continued) by Function

Last Ten Fiscal Years

Fiscal Year				
2018	2017	2016	2015	2014
4,173	4,061	4,891	5,126	2,989
12,897	12,718	17,118	18,326	19,451
3,027	4,442	4,968	4,534	4,497
6,438	6,354	5,151	5,946	5,603
9,742	10,881	18,056	18,935	13,569
16,762	15,670	15,158	14,212	13,674
2,277	2,294	2,162	1,758	2,206
3,060	3,701	3,423	3,284	2,030
5,350	5,055	6,048	6,865	6,688
24,278	25,912	30,648	35,477	41,807
3,980	2,703	2,069	2,424	1,536
300,462	295,619	302,689	314,390	310,896
898,037	985,474	1,085,020	1,067,070	1,069,335
945	899	896	887	686
18	17	17	17	17

# CITY OF RANCHO CUCAMONGA

## Capital Asset Statistics by Function Last Ten Fiscal Years

	Fiscal Year					
	2023	2022	2021	2020	2019	2018
<b>Police:</b>						
Stations	1	1	1	1	1	1
Patrol units	67	67	63	67	67	65
<b>Fire:</b>						
Fire stations	7	7	7	7	7	7
<b>Public works:</b>						
Streets (miles)	538	538	537	537	533	532
Streetlights	17,074	17,074	17,019	17,027	16,950	16,721
Traffic signals	239	239	238	238	238	235
<b>Parks and recreation:</b>						
Parks	30	30	30	30	30	30
Acreage	346	346	346	346	346	346
Community centers	6	6	6	6	6	6

Source: Various City departments

# CITY OF RANCHO CUCAMONGA

## Capital Asset Statistics (Continued) by Function

Last Ten Fiscal Years

Fiscal Year			
2017	2016	2015	2014
1	1	1	1
65	63	63	60
7	7	7	7
532	532	531	524
16,792	16,744	16,669	16,334
226	224	222	220
30	29	29	29
346	343	343	343
6	6	6	6



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