



**City of Montclair as Successor Agency for  
the City of Montclair Redevelopment Agency  
(Successor Agency)**

**Bonding Requirement Financial Disclosure  
Financial Statement**

**Fiscal Year Ended June 30, 2022**

City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)

**Bonding Requirement Financial Disclosure Financial Statement**  
**Year Ended June 30, 2022**

City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)

**Bonding Requirement Financial Disclosure Financial Statement  
Year Ended June 30, 2022**

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## Independent Auditor's Report

City of Montclair as Successor Agency for the  
City of Montclair Redevelopment Agency  
Montclair, California

### *Opinion*

We have audited the accompanying financial statements of the City of Montclair as Successor Agency for the City of Montclair Redevelopment Agency (Successor Agency), which comprise the bonding financial disclosure basis project area balance sheet, all debt services funds as of June 30, 2022, and the bonding financial disclosure basis project area revenues, expenditures and changes in fund balances, all debt service funds for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Successor Agency as of June 30, 2022, and its revenues, expenditures and changes in fund balances for the year then ended in accordance with the financial reporting disclosure provisions applicable to its bond issues outstanding.

### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Successor Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with financial reporting disclosure requirements of bond issues of the Successor Agency, 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 Successor Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

### *Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting and the reporting entity. The financial statements are prepared by the Successor Agency on the basis of the financial reporting provisions of bonding financial disclosure requirements, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial disclosure provisions of the bonding contractual relationships referred to above. Our opinion is not modified with respect to this matter.

*Restriction on Use*

Our report is intended solely for the information and use of the City of Montclair as Successor Agency for the City of Montclair Redevelopment Agency and organizations assessing compliance with bonding provisions. It is not intended to be and should not be used by anyone other than these specified parties.

*Van Lant & Fankhaed, LLP*

Murrieta, California

March 30, 2023

**CITY OF MONTCLAIR AS SUCCESSOR AGENCY  
FOR THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY  
COMBINING BONDING FINANCIAL DISCLOSURE BASIS PROJECT AREA BALANCE SHEET  
ALL DEBT SERVICE FUNDS  
JUNE 30, 2022**

	<u>Project Area No. 1</u>	<u>Project Area No. 2</u>	<u>Project Area No. 3</u>	<u>Project Area No. 4</u>	<u>Project Area No. 5</u>	<u>Mission Blvd. Project Area</u>	<u>2019 Series A Refunding Bonds</u>	<u>2019 Series B Refunding Bonds</u>	<u>Total</u>
<u>ASSETS</u>									
Cash and investments	\$ 18,304	\$ -	\$ 369,284	\$ 52,734	\$ 700,592	\$ 445	\$ -	\$ -	\$ 1,141,359
Cash and investments with trustee	-	-	-	-	-	-	1,450,355	621,592	2,071,947
Total Assets	<u>\$ 18,304</u>	<u>\$ -</u>	<u>\$ 369,284</u>	<u>\$ 52,734</u>	<u>\$ 700,592</u>	<u>\$ 445</u>	<u>\$ 1,450,355</u>	<u>\$ 621,592</u>	<u>\$ 3,213,306</u>
<u>FUND BALANCES</u>									
Fund Balances:									
Restricted	<u>\$ 18,304</u>	<u>\$ -</u>	<u>\$ 369,284</u>	<u>\$ 52,734</u>	<u>\$ 700,592</u>	<u>\$ 445</u>	<u>\$ 1,450,355</u>	<u>\$ 621,592</u>	<u>\$ 3,213,306</u>
Total Fund Balances	<u>\$ 18,304</u>	<u>\$ -</u>	<u>\$ 369,284</u>	<u>\$ 52,734</u>	<u>\$ 700,592</u>	<u>\$ 445</u>	<u>\$ 1,450,355</u>	<u>\$ 621,592</u>	<u>\$ 3,213,306</u>

**CITY OF MONTCLAIR AS SUCCESSOR AGENCY  
FOR THE CITY OF MONTCLAIR REDEVELOPMENT AGENCY  
COMBINING BONDING FINANCIAL DISCLOSURE BASIS PROJECT AREA STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL DEBT SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Project Area No. 1	Project Area No. 2	Project Area No. 3	Project Area No. 4	Project Area No. 5	Mission Blvd. Project Area	2019 Series A Refunding Bonds	2019 Series B Refunding Bonds	Total
<b>Revenues:</b>									
Taxes and Assessments:									
Tax Increment	\$ 192,033	\$ -	\$ 8,747,650	\$ 4,267,337	\$ 8,086,827	\$ 2,559,401	\$ -	\$ -	\$ 23,853,248
Use of Money and Property:									
Interest income	-	-	-	-	-	-	339	-	339
<b>Total Revenues</b>	<b>192,033</b>	<b>-</b>	<b>8,747,650</b>	<b>4,267,337</b>	<b>8,086,827</b>	<b>2,559,401</b>	<b>339</b>	<b>-</b>	<b>23,853,587</b>
<b>Expenditures:</b>									
<b>Current:</b>									
<b>General Government:</b>									
Administrative costs	915	-	42,156	14,212	39,027	12,288	-	-	108,598
<b>Debt Service:</b>									
Interest expense	-	-	-	-	-	-	704,800	355,112	1,059,912
Long-term debt repayments	-	-	-	-	-	-	1,070,000	285,000	1,355,000
<b>Total Expenditures</b>	<b>915</b>	<b>-</b>	<b>42,156</b>	<b>14,212</b>	<b>39,027</b>	<b>12,288</b>	<b>1,774,800</b>	<b>640,112</b>	<b>2,523,510</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>191,118</b>	<b>-</b>	<b>8,705,494</b>	<b>4,253,125</b>	<b>8,047,800</b>	<b>2,547,113</b>	<b>(1,774,461)</b>	<b>(640,112)</b>	<b>21,330,077</b>
<b>Other Financing Sources (Uses):</b>									
Transfers in - Debt Service	-	-	-	-	-	-	1,793,750	797,396	2,591,146
Transfers out - Debt Service	(15,948)	-	(1,355,307)	(287,000)	(932,891)	-	-	-	(2,591,146)
<b>Refunding Bonds:</b>									
Bond Proceeds	-	-	-	-	-	-	-	-	-
Issuance Premium	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-
Defeasance Cost	-	-	-	-	-	-	-	-	-
Administrative and operational fund payments	(328)	-	(17,282)	(9,442)	(17,423)	(5,912)	-	-	(50,387)
Pass through and residual taxing entity payments	(171,380)	-	(7,080,110)	(3,903,949)	(6,886,063)	(2,540,987)	-	-	(20,582,489)
<b>Total Other Financing Sources (Uses)</b>	<b>(187,656)</b>	<b>-</b>	<b>(8,452,699)</b>	<b>(4,200,391)</b>	<b>(7,836,377)</b>	<b>(2,546,899)</b>	<b>1,793,750</b>	<b>797,396</b>	<b>(20,632,876)</b>
<b>Excess of Revenues and Other Sources over   (under) Expenditures and Other Uses</b>	<b>3,462</b>	<b>-</b>	<b>252,795</b>	<b>52,734</b>	<b>211,423</b>	<b>214</b>	<b>19,289</b>	<b>157,284</b>	<b>697,201</b>
<b>Fund Balances:</b>									
Beginning of Year	14,842	-	116,489	-	489,169	231	1,431,066	464,308	2,516,105
End of Year	\$ 18,304	\$ -	\$ 369,284	\$ 52,734	\$ 700,592	\$ 445	\$ 1,450,355	\$ 621,592	\$ 3,213,306



**City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)  
Notes to Financial Statements  
June 30, 2022**

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A) Description of Entity**

This reporting entity is for the City of Montclair as Successor Agency for the City of Montclair Redevelopment Agency (Successor Agency).

The City of Montclair Redevelopment Agency (the Agency) was activated June 6, 1977, pursuant to the State of California Health and Safety Code, Section 33000, entitled "Community Development Law." The primary purpose of the Agency was to encourage private redevelopment of property and to rehabilitate areas suffering from economic disuse arising from poor and inadequate planning, inadequate street layout and street access, lack of open space, landscaping and other improvements and facilities necessary to establish and maintain the economic growth of the City. However, the Agency was dissolved as of February 1, 2012 as a result of State legislation and its assets and obligations were transferred to the Successor Agency for disposition.

The City of Montclair as Successor Agency for the City of Montclair Redevelopment Agency became effective on February 1, 2012 because 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. 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 12, 2012, the City Council of the City of Montclair elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City Resolution No. 12-2934.

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. The State Controller's Office review has been done and the Successor Agency complied with all findings present.

**City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)  
Notes to Financial Statements  
June 30, 2022**

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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. Prior to that date, the final several months of the activity of the redevelopment agency continued to be reported in the governmental funds of the Former Redevelopment Agency. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are maintained in the same accounting structure as previously utilized by the Successor Agency; however, they are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City of Montclair.

The Successor Agency is the continuing entity arising from the dissolution of the former Redevelopment Agency. Therefore, ending balances displayed in the accompanying financial statements represent balances applicable to the Successor Agency only.

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

The financial statements (i.e., balance sheet and statement of revenues, expenditures and changes in fund balance – all debit service funds) report information on all of the activities relating to bond financial disclosure requirements of the Successor Agency.

**C) Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements are prepared by the Successor Agency on the basis of the financial reporting provisions of bonding financial disclosure requirements, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This is done to comply with the financial disclosure provisions of the bonding contractual relationships as explained below.

The former Redevelopment Agency was a party to various bonding arrangements and those bond issues require financial reporting of the various assets, liabilities, revenues and expenditures segregated by redevelopment project area for pledged revenues and bonding transactions. To demonstrate that reporting, the accompanying financial statements have been prepared which are segregated by the project areas of the former Redevelopment Agency. The various governmental funds presented are limited to those that involve debt service operations of the Successor Agency. Since that is only a portion of the total operations of the Successor Agency (surviving entity of the dissolution process), these financial statements do not report the financial position and results of operations of the complete Successor Agency which has been done as part of the City of Montclair's financial reporting.

**City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)  
Notes to Financial Statements  
June 30, 2022**

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

The accompanying 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 period, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

The County of San Bernardino collects property taxes for the entities. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. 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 January each year and are delinquent on August 31. All property taxes are deposited, by the County of San Bernardino, into a Redevelopment Property Tax Trust Fund (RPTTF). Allocations from the RPTTF occur twice during the fiscal year and cover an upcoming six-month period. These allocations are based upon Department of Finance (DOF) approved enforceable obligations that are reported, by the Successor Agency, on Redevelopment Obligation Payment Schedules (ROPS). The County of San Bernardino deducts from the RPTTF administrative charges and pass through obligations that it calculates and, if sufficient monies remain, the DOF approved amount of enforceable obligations. Any remaining balance in the RPTTF after the enforceable obligation distribution, is distributed to the taxing entities by the County as residual balances. If insufficient monies are present to accomplish the required allocation for DOF approved enforceable obligations then the subordination of pass through obligations will be considered. Enforceable obligation allocations serve as the resources to accomplish debt service payments. Based upon information received from the County, the RPTTF allocations have been grossed up in the accompanying financial statements to show the total of property taxes received as well as administrative costs, pass through payments and residual balance allocations made.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

**2) CASH AND INVESTMENTS**

As of June 30, 2022, cash and investments were reported in the accompanying financial statements as follows:

Cash and Investments	\$ 1,141,359
Cash and Investments with Trustee	<u>2,071,947</u>
Total Cash and Investments	<u><u>\$ 3,213,306</u></u>

**City of Montclair as Successor Agency**  
**for the City of Montclair Redevelopment Agency (Successor Agency)**  
**Notes to Financial Statements**  
June 30, 2022

**2) CASH AND INVESTMENTS - Continued**

The Successor Agency maintains a cash and investment pool that is available for use for all of its funds. The amounts above represent only a portion of that investment pool applicable to its debt service funds. Monies held by its fiscal agents, under the provisions of bond indentures, are not part of this cash and investment pool and are reported separately as cash and investments with trustees. The Successor Agency has adopted an investment policy, which authorizes it to invest in various investments. Since the amounts above represent only a portion of the cash and investment pool of the Successor Agency, information on specific investments has not been included here. That information is available in the City of Montclair's financial report where the Successor Agency is reported as a private-purpose trust fund.

**Investments Authorized by Debt Agreements**

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Successor Agency's investment policy. The debt agreements, available at the City, identify the investment types that are authorized for investments held by bond trustees, and also include provisions relating to interest rate risk, credit risk, and concentration of credit risk.

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

As of June 30, 2022, the Successor Agency had no investments.

**Fair Value of Investments**

The Successor Agency 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 Successor Agency has no investments at year-end that are subject to recurring fair value measurements.

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Successor Agency held no investments at June 30, 2022.

**City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)  
Notes to Financial Statements  
June 30, 2022**

**2) CASH AND INVESTMENTS - Continued**

**Concentration of Credit Risk**

The Successor Agency does not have investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Successor Agency investments.

**Custodial Credit Risk**

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

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: The Successor Agency did not have any deposits with financial institutions in excess of federal depository insurance limits and held in uncollateralized accounts. As of June 30, 2022, the Successor Agency held no investments.

**3) INTERFUND TRANSFERS**

The accompanying financial statements report debt service funds for the Successor Agency. These funds receive pledged revenue and then transfer those amounts to the funds specified in the applicable bond indentures. Once the pledged revenues exceed the requirements of the bond indentures then the pledge is satisfied and any remaining amounts are available for use in accordance with applicable legal requirements. Transfers In and Out have been reported in the accompanying financial statements as follows:

**City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)  
Notes to Financial Statements  
June 30, 2022**

**3) INTERFUND TRANSFERS - Continued**

<b><u>Transfers In</u></b>	
Debt Service Requirements	\$ 2,591,146
<b><u>Transfers Out</u></b>	
Debt Service Requirements	\$ 2,591,146

Only accounting funds applicable to the debt servicing operations of the Successor Agency are presented in these financial statements. Administrative allowance and operational fund payments were made from the tax increment operations of the Successor Agency to remove monies from accounting funds handling pledged revenue to accounting funds which would accomplish distributions to taxing entities and pay administrative costs of the Successor Agency.

**4) LONG-TERM DEBT**

The following is a summary of changes in long-term debt of the Successor Agency for the year ended June 30, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax Allocation Refunding Bonds	\$ 30,970,000	\$ -	\$ 1,355,000	\$ 29,615,000	\$ 1,550,000

During Fiscal Year 2019-20, the Successor Agency issued Tax Allocation Refunding Bonds, 2019 Series A and B to refund bonds incurred by the Former Agency (the “Prior Bonds”), pay for a debt service reserve insurance policy to be established under the Indenture and pay costs of issuance. This issuance was done to achieve substantial debt service savings over the remaining life of the Prior Bonds. The refunding bond plan has been approved by the Successor Agency’s Board of Directors, County Oversight Board and the Department of Finance.

The Prior Bonds were issued to finance and refinance the Former Agency’s undertakings with respect to four project areas (Project Area No. 1, Project Area No. III, Project Area No. IV, and Project Area No. V).

The Prior Bonds consist of the following series of bonds issued by the Former Agency:

- Montclair Redevelopment Project Area No. I 1997 Taxable Tax Allocation Bonds, of which \$55,000 remains outstanding (the “1997 PA1 Bonds”);
- Montclair Redevelopment Project Area No. III Tax Allocation Bonds, Issue of 2007A, of which \$18,845,000 remains outstanding (the “2007A PA3 Bonds”);

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Notes to Financial Statements  
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**4) LONG-TERM DEBT - Continued**

- Montclair Redevelopment Project Area No. III Taxable Tax Allocation Bonds, Issue of 2007B, of which \$1,870,000 remains outstanding (the “2007B PA3 Bonds”);
- Montclair Redevelopment Project No. IV 2004 Tax Allocation Refunding Bonds, of which \$3,275,000 remains outstanding (the “2004 PA4 Bonds”);
- Montclair Redevelopment Project No. V 2001 Tax Allocation Refunding Bonds, of which \$6,255,000 remains outstanding (the “2001 PA5 Bonds”);
- Montclair Redevelopment Project No. V Taxable Tax Allocation Refunding Bonds, Issue of 2006A, of which \$4,830,000 remains outstanding (the “2006A PA5 Bonds”);
- Montclair Redevelopment Project No. V Tax Allocation Refunding Bonds, Issue of 2006B, of which \$3,280,000 remains outstanding (the “2006B PA5 Bonds”).

Proceeds of the 2019A Bonds were used to refund a portion of the 2007A Project Area III Bonds, a portion of the 2004 Project Area IV Bonds, a portion of the 2001 Project Area V Bonds and a portion of the 2006 Project Area V Bonds. Proceeds of the 2019B Bonds were used to refund all of remaining balance of the Prior Bonds.

Interest on the 2019 Series A and B Bonds is payable semiannually on April 1 and October 1 of each year, commencing April 1, 2020. The Bonds carry various interest rates from 1.856% to 4%. Principal maturities begin on October 1, 2020, and continue on October 1 of each year through 2035. The outstanding balance at June 30, 2022 is \$29,615,000. The debt service requirements to maturity for bonds outstanding as of June 30, 2022, are as follows:

	2019 Tax Allocation Refunding Bonds, Series A		2019 Taxable Tax Allocation Refunding Bonds, Series B		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022 - 2023	\$ 1,105,000	\$ 672,175	\$ 445,000	\$ 347,975	\$ 1,550,000	\$ 1,020,150
2023 - 2024	1,140,000	632,800	450,000	338,829	1,590,000	971,629
2024 - 2025	1,195,000	586,100	675,000	326,679	1,870,000	912,779
2025 - 2026	1,240,000	537,400	610,000	312,062	1,850,000	849,462
2026 - 2027	1,285,000	486,900	715,000	295,976	2,000,000	782,876
2027 - 2032	7,490,000	1,543,200	5,185,000	1,111,677	12,675,000	2,654,877
2032 - 2035	4,040,000	310,000	4,040,000	176,550	8,080,000	486,550
Totals	<u>\$ 17,495,000</u>	<u>\$ 4,768,575</u>	<u>\$ 12,120,000</u>	<u>\$ 2,909,748</u>	<u>\$ 29,615,000</u>	<u>\$ 7,678,323</u>

**City of Montclair as Successor Agency  
for the City of Montclair Redevelopment Agency (Successor Agency)  
Notes to Financial Statements  
June 30, 2022**

**5) AVAILABLE RESOURCES OF SUCCESSOR AGENCY**

As part of the elimination of the City of Montclair Redevelopment Agency, AB 1484 required that "due diligence" reviews be conducted on the Successor Agency to determine amounts that were to be paid to the county for allocation to taxing entities. Two reviews were required. The first related to Low- and Moderate-income Housing Funds held by the Successor Agency and the second was for all other funds of the Successor Agency. The Low- and Moderate-income Housing review was completed, approved by the Department of Finance and resulted in \$7,884,597 being paid to the County of San Bernardino for allocation to the respective taxing entities. The Other Funds review has also been completed by the Successor Agency, approved by the Department of Finance and it resulted in \$7,876,440 being paid to the County of San Bernardino for allocation to the respective taxing entities. As a result of these payments, the resources available to the Successor Agency to provide monies for debt service, etc. have been substantially depleted. On May 16, 2013, DOF issued a Finding of Completion to the Successor Agency indicating that all required payments specified under the legislation had been met.