CITY OF ONTARIO
CITY COUNCIL/HOUSING AUTHORITY
AGENDA
JANUARY 19, 2021

Paul S. Leon
Mayor

Alan D. Wapner
Mayor pro Tem

Jim W. Bowman
Council Member

Debra Dorst-Porada
Council Member

Ruben Valencia
Council Member

Sheila Mautz
City Clerk

James R. Milhiser
Treasurer

Scott Ochoa
City Manager

Ruben Duran
City Attorney

WELCOME to a meeting of the Ontario City Council.

- **All documents for public review are on file with the Records Management/City Clerk's Department located at 303 East B Street, Ontario, CA 91764.**
- **Anyone wishing to provide public comment or to address the Council have been provided alternative measures including U.S. mail, email, a website comment form, and the ability to dial in and record a 3 minute voicemail. All public comments received by the established deadline for this meeting will be included as part of the official meeting record.**
- **In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.**

SPECIAL AND URGENT NOTICE

In accordance with the Governor's Declarations of Emergency for the State of California (Executive Orders N-25-20 and N-29-20), the Ontario City Council Meetings are being conducted via teleconference to limit in-person attendance at the upcoming meeting of the City of Ontario City Council and Housing Authority.

Members of the Public may utilize alternative measures established by the City of Ontario to view the City Council meetings and/or to address the Mayor and City Council Members.

The meeting will be live broadcast on local cable Channel 3, as well as live streamed at: www.ontarioca.gov/Agendas/CityCouncil, YouTube.com/CityofOntario; or Zoom.

TO PROVIDE PUBLIC COMMENT: Those wishing to speak during the "Public Comment" portion for any Closed Session item must call 909-395-2900 between 5:15 p.m. and 5:30 p.m. the day of the meeting. Those wishing to speak during the "Public Comment" portion of the meeting or any item on "Consent Calendar" must call 909-395-2900 between 6:00 p.m. and 6:30 p.m. the day of the meeting.

TO COMMENT BY EMAIL: Submit your comments by email no later than 4:00 p.m. on the day of the meeting by emailing your name, agenda item you are commenting on and your comment to publiccomments@ontarioca.gov. All Comments received by the deadline will be forwarded to the City Council for consideration before action is taken on the matter.

TO COMMENT BY MAIL: To submit your comments by mail, provide your name, agenda item you are commenting on, and your comment by mailing to Records Management, Ontario City Hall, 303 East "B" Street, Ontario, CA 91764. Comments by mail must be received by the Records Management Department no later than 4:00 p.m. on the day of the meeting. Postmarks are not accepted. All comments received by the deadline will be provided to the City Council for consideration before action us taken on the matter.

We appreciate your understanding during this unprecedented time of social distancing under the Stay at Home Order. These procedures may be modified in the future as social and public gathering protocols change.

ORDER OF BUSINESS

The regular City Council and Housing Authority meeting begins with Closed Session and Closed Session Comment at 5:30 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

CALL TO ORDER *(OPEN SESSION)*

ROLL CALL

Wapner, Bowman, Dorst-Porada, Valencia, Mayor/Chairman Leon

PLEDGE OF ALLEGIANCE

Mayor pro Tem Wapner

INVOCATION

CLOSED SESSION PUBLIC COMMENT
Members of the public who wish to address a closed session agenda item may do so by mailing comments to the City Clerk's Office, or by calling (909) 395-2900 between 5:15 - 5:30 p.m. or by emailing PublicComments@ontarioca.gov no later than 4:00 p.m. on the day of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

CLOSED SESSION

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: APNs: 1048-565-01 and 1048-565-03; 236 North Laurel Avenue and 245 North Euclid Avenue; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: 245 Ontario Place, LLC; Under Negotiation: Price and terms of payment.

- GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
  Robles, et al. v. City of Ontario et al., Case No. CIVDS 2007038.

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS **6:30 p.m.**
Members of the Public who wish to provide a general comment or address a specific agenda item may do so by mailing comments to the City Clerk's Office, or by calling (909) 395-2900 between 6:00 - 6:30 p.m. or by emailing PublicComments@ontarioca.gov no later than 4:00 p.m. on the day of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

AGENDA REVIEW/ANNOUNCEMENTS

The City Manager will go over all updated materials and correspondence received after the Agenda was distributed to ensure Council Members have received them. He will also make any necessary recommendations regarding Agenda modifications or announcements regarding Agenda items to be considered.

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

Each member of the public wishing to address the City Council on items listed on the Consent Calendar will be given a total of 3 minutes.

1. APPROVAL OF MINUTES

Minutes for the regular meeting of the City Council and Housing Authority of December 1, 2020, December 15, 2020, approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Bills December 3, 2020 through December 22, 2020 and Payroll December 5, 2020 through December 19, 2020 when audited by the Finance Committee.

3. REQUEST FOR ADDITIONAL APPROPRIATIONS FOR THE EMERGENCY SENIOR MEALS PROGRAM

That the City Council authorize the City Manager, or his designee, to approve a request for additional appropriations for the Letter of Agreement (on file in the Records Management Department) with the Ontario-Montclair School District of Ontario, California, for the emergency senior meals program in the new not-to-exceed amount of $436,125 through June 30, 2021.

4. A RESOLUTION FOR PLACEMENT OF SPECIAL ASSESSMENTS ON THE SAN BERNARDINO COUNTY TAX ROLLS

That the City Council adopt a resolution for recovery of fees and costs incurred in abating property and dangerous building violations, as well as administrative citations and civil penalties associated with property maintenance violations and placing assessments on the San Bernardino County Tax Rolls.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A REPORT REQUESTING THE PLACEMENT OF SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS FOR CIVIL PENALTIES

OR RECOVERY OF COSTS INCURRED FOR ABATEMENT OF VIOLATIONS OF CITY CODES AND ORDINANCES.

5. ***A DEVELOPMENT IMPACT FEE CREDIT AGREEMENT (FILE NO. PDIF20-001) BETWEEN THE CITY OF ONTARIO AND BROOKCAL ONTARIO LLC., FOR FACILITY CONSTRUCTION ASSOCIATED WITH TRACT MAP NO. 18937 (FILE NO. PMTT17-002), LOCATED AT THE NORTHEAST CORNER OF ARCHIBALD AVENUE AND ONTARIO RANCH ROAD, WITHIN THE AVENUE SPECIFIC PLAN; AND TRACT MAP NO. 20081 (FILE NO. PMTT17-003) AND A FUTURE MAP ("REGIONS SOUTH"), LOCATED AT THE NORTHEAST AND SOUTHEAST CORNERS, RESPECTIVELY, OF HAVEN AVENUE AND ONTARIO RANCH ROAD, WITHIN THE RICH-HAVEN SPECIFIC PLAN.***

   That the City Council approve the Development Impact Fee Credit Agreement (File No. PDIF20-001) between the City of Ontario and BrookCal Ontario, LLC., for facility construction associated with Tract Map No. 18937 (File No. PMTT17-002), located at the northeast corner of Archibald Avenue and Ontario Ranch Road, within The Avenue Specific Plan; and Tract Map No. 20081 (File No. PMTT17-003) and a future map ("Regions South"), located at the northeast and southeast corners, respectively, of Haven Avenue and Ontario Ranch Road, within the Rich-Haven Specific Plan, and authorize the City Manager to execute the agreement.

6. ***A RESOLUTION OF THE ONTARIO CITY COUNCIL FINDING THAT THE PUBLIC INTEREST AND CONVENIENCE REQUIRE THE SALE OF CERTAIN REAL PROPERTY AND DECLARING ITS INTENT TO SELL SUCH PROPERTY***

   That the City Council adopt a resolution finding the public interest and convenience require the sale of certain real property located at 1108 and 1120 East California Street and declaring its intent to sell a portion of such property.

   A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FINDING THAT THE PUBLIC INTEREST AND CONVENIENCE REQUIRE THE SALE OF CERTAIN REAL PROPERTY AND DECLARING ITS INTENT TO SELL SUCH PROPERTY.

7. ***A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20157 LOCATED AT THE NORTHWEST CORNER OF SUNKIST STREET AND CAMPUS AVENUE***

   That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Parcel Map No. 20157 located at the northwest corner of Sunkist Street and Campus Avenue.

   A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20157 LOCATED AT THE NORTHWEST CORNER OF SUNKIST STREET AND CAMPUS AVENUE.

8. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NOS. 20135, 20136 AND 20137 LOCATED AT THE NORTHEAST CORNER OF HAVEN AVENUE AND SCHAEFER AVENUE

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map Nos. 20135, 20136 and 20137 located at the northeast corner of Haven Avenue and Schaefer Avenue within the Rich-Haven Specific Plan.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FINAL TRACT MAP NOS. 20135, 20136 AND 20137 LOCATED AT THE NORTHEAST CORNER OF HAVEN AVENUE AND SCHAEFER AVENUE.

9. AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE)

That the City Council consider and adopt an ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 55 (Parklane).

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE).

10. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020

That the City Council accept the City of Ontario's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2020.

11. APPROVAL OF THE HOME SUBRECIPIENT AGREEMENT BETWEEN MERCY HOUSE LIVING CENTERS AND THE CITY OF ONTARIO FOR THE IMPLEMENTATION OF A TENANT-BASED RENTAL ASSISTANCE ("HOME TBRA") PROGRAM

That the City Council approve the HOME Subrecipient Agreement ("TBRA Agreement") between Mercy House Living Centers, of Santa Ana, California, and the City of Ontario for the implementation of a tenant-based rental assistance program, in the amount of $800,000 (on file in the Records Management Department); and authorize the City Manager to execute the contract and take all actions necessary to implement the contract.

12. PRE-AUTHORIZED LIST OF VENDORS TO PROVIDE SPECIALIZED COMPUTER AND NETWORK EQUIPMENT

That the City Council approve a pre-authorized vendor list to provide computer and network hardware to maintain and support the City's technology infrastructure.

13. AN AMENDMENT TO THE AGREEMENT WITH INERGEX, LLC DBA CROSSFUZE FOR REMOTE SERVICENOW AND MICROSOFT SUPPORT

That the City Council authorize the City Manager to execute an amendment to the agreement with Inergex, LLC dba Crossfuze, of Minneapolis, Minnesota (on file in the Records Management Department), for ServiceNow and Microsoft remote support extending the term by three years and increasing the revised authorized contract amount by $207,000. The contract also includes a contingency of $27,000 (15%), bringing the contract agreement to a new total of $299,000.

14. A GOODS AND EQUIPMENT PURCHASE AGREEMENT FOR 32, 64, AND 96 GALLON AUTOMATED REFUSE/RECYCLING CONTAINERS

That the City Council approve and authorize the City Manager to execute a Goods and Equipment Purchase Agreement (on file in the Records Management Department) with Sierra Container Group of Ocala, Florida, in the amount of $300,000; and authorize the City Manager to extend the agreement for up to four additional one-year periods consistent with City Council approved budgets.

15. ACCEPT AND APPROVE GRANT PROGRAM CITIZEN'S OPTION FOR PUBLIC SAFETY/ ENHANCING LAW ENFORCEMENT ACTIVITIES FOR FISCAL YEAR 2020-21

Request the City Council accept and approve for Fiscal Year 2020-21, the Citizen's Option for Public Safety (COPS) / Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant.

16. A RESOLUTION ESTABLISHING THE MEMBERSHIP COMPOSITION OF THE DEVELOPMENT ADVISORY BOARD

That the City Council adopt a resolution to identify the members of the Development Advisory Board in accordance with Division 2.01-Planning Agency, Section 2.01.030 of the City of Ontario Development Code.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ESTABLISHING THE MEMBERSHIP OF THE DEVELOPMENT ADVISORY BOARD IN ACCORDANCE WITH DIVISION 2.01-PLANNING AGENCY, SECTION 2.01.030 OF THE CITY OF ONTARIO DEVELOPMENT CODE.

17. AUTHORIZE THE PURCHASE OF FLEET VEHICLES

That the City Council take the following actions:

(A) Authorize the cooperative purchase and delivery of three Ford Explorers in the amount of $108,916 for the Police Department, three Ford Escapes in the amount of $77,421, two for the Engineering Department and one for the Utilities Department, two Ford F150 trucks in the amount of $66,715 for the Parks and Maintenance Department, one Ford F550 Gate Valve truck in the amount of $177,518 for the Utilities Department, one Ford F350 Stake Bed truck in the amount of $72,075 for the Fire Department, two Ford F250 Battalion Chief trucks in the amount of $216,833 for the Fire Department, one Ford F150 truck in the amount of $51,656 for the Fire Department,

one Ford F350 in the amount of $50,293 for the Fire Department, and two Ford F250 truck in the amount of $75,752 for the Police Department from National Auto Fleet Group of Watsonville, California consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF.

(B) Authorize the cooperative purchase and delivery of one Ford F650SD Aerial truck in the amount of $174,175 for the Facilities Department from Terex Utilities of Watertown, South Dakota, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 012418-TER.

(C) Authorize the cooperative purchase and delivery of two CNG Freightliner Dump trucks in the amount of $427,894, one for the Parks and Maintenance Department and one for the Utilities Department, two Ford F350 Dump trucks in the amount of $183,362 for the Parks and Maintenance Department, and one CNG Freightliner Water Service Body truck in the amount of $327,333 for the Utilities Department from PB Loader Corporation of Fresno, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 052417-PBL.

(D) Authorize the cooperative purchase and delivery of one Kubota Excavator in the amount of $46,044 for the Utilities Department from Glenn B. Dorning of Ontario, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 040319-KBA.

(E) Authorize the cooperative purchase and delivery of one John Deere Commercial Mower in the amount of $22,001, and one John Deere Tractor in the amount of $32,745 for the Parks and Maintenance Department from John Deere Company of Cary, North Carolina, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 062117-DAC.

(F) Authorize the cooperative purchase and delivery of one Hamm Asphalt Roller in the amount of $133,377 for the Parks and Maintenance Department from Nixon Egli of Ontario, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 032119-JDC.

(G) Authorize the cooperative purchase and delivery of two Peterbilt Refuse Roll Off trucks in the amount of $502,818 for the Integrated Waste Department from Rush Truck Centers of Pico Rivera, California consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 060920-PMC.

PUBLIC HEARINGS

Pursuant to Government Code Section 65009, if you challenge the City's zoning, planning or any other decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the public hearing. Affidavits of posting compliance, for all items below, are on file with the Records Management Department.

18. A RESOLUTION OF NECESSITY FOR THE ACQUISITION BY EMINENT DOMAIN OF FEE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1236 EAST AIRPORT DRIVE

That the City Council conduct a public hearing and adopt a Resolution of Necessity declaring that the acquisition of a fee interest in certain real property located at 1236 East Airport Drive, more particularly described as Assessor Parcel No. 0113-221-31 (the "Property"), for the construction of airport fueling facilities (the "Project") in Ontario, California.

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF FEE INTERESTS IN CERTAIN REAL PROPERTY LOCATED AT 1236 EAST AIRPORT DRIVE, IN ONTARIO, SAN BERNARDINO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 0113-221-31, FOR THE CONSTRUCTION OF AIRPORT FUELING FACILITIES.

STAFF MATTERS

CITY MANAGER OCHOA

COUNCIL MATTERS

CITY COUNCIL ASSIGNMENTS

MAYOR LEON
MAYOR PRO TEM WAPNER
COUNCIL MEMBER BOWMAN
COUNCIL MEMBER DORST-PORADA
COUNCIL MEMBER VALENCIA

ADJOURNMENT

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // *(GC 54957.1)*
January 19, 2021

ROLL CALL: Wapner _, Bowman _, Dorst-Porada _, Valencia _, Mayor / Chairman Leon _.

STAFF: City Manager / Executive Director __, City Attorney __

In attendance: Wapner _, Bowman _, Dorst-Porada _,Valencia _, Mayor / Chairman Leon _.

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: APNs: 1048-565-01 and 1048-565-03; 236 North Laurel Avenue and 245 North Euclid Avenue; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: 245 Ontario Place, LLC; Under negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

In attendance: Wapner _, Bowman _, Dorst-Porada _,Valencia _, Mayor / Chairman Leon _.

- GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
  Robles, et al. v. City of Ontario et al., Case No. CIVDS 2007038

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

_____
City Attorney / City Manager / Executive Director

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
DECEMBER 1, 2020
(Not Official Until Approved)

JOINT MEETINGS

Regular meetings of the Ontario City Council/Ontario Housing Authority were held on Tuesday, December 1, 2020, at the Ontario City Hall, 303 East B Street, Ontario, California.

SPECIAL AND URGENT ANNOUNCEMENT

In accordance with the Governor's Declarations of Emergency for the State of California (Executive Orders N-25-20 and N-29-20), the Ontario City Council Meetings are being conducted via teleconference to limit in-person attendance at meetings of the City of Ontario City Council and Housing Authority.

Members of the public were advised to utilize alternative measures to view the City Council meetings and/or to address the Mayor and City Council Members.

The meeting was live broadcast on local cable Channel 3, as well as internet live streamed at www.ontarioca.gov/Agendas/CityCouncil.

CALL TO ORDER - CLOSED SESSION

Mayor Leon called the City Council/Housing Authority meetings to order at 5:33 p.m.

ROLL CALL

PRESENT:	Mayor/Chairman	Paul S. Leon
	Mayor pro Tem/Vice Chairman	Debra Dorst-Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman, and Ruben Valencia (All participating via teleconference)
ABSENT:	Council/Authority Members	None

Also present were City Manager/Executive Director Scott Ochoa, City Attorney/Legal Counsel Ruben Duran, and City Clerk/Secretary Sheila Mautz (all participating via teleconference).

CLOSED SESSION

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session items. Hearing no one, City Attorney Duran announced the matters for discussion, as listed on the agenda and the City Council recessed to Closed Session at 5:33 p.m. for discussion of the following:

- GC 54957, PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
  Employee: Gricelda Perez

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: APN: 0210-204-12 through 0210-204-15, 0210-204-20 through 0210-204-23, 0210-204-38 and 0210-204-39; City Negotiator: Scott Ochoa or his designee; Negotiating parties: American General Design, Inc. (d/b/a Adept Development); Under negotiation: Price and terms of payment.

CALL TO ORDER – OPEN SESSION

Mayor Leon called the City Council and Ontario Housing Authority meetings to order at 6:34 p.m.

PRESENT:	Mayor/Chairman	Paul S. Leon
	Mayor pro Tem/Vice Chair	Debra Dorst-Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman and Ruben Valencia (all participating via teleconference)
ABSENT:	Council/Authority Members:	None

Also present were City Manager/Executive Director Scott Ochoa, City Attorney/Legal Counsel Ruben Duran and City Clerk/Secretary Sheila M. Mautz (all participating via teleconference).

REPORT ON CLOSED SESSION

City Attorney Duran announced Council considered the first item for Closed Session, GC 54957, PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE regarding employee: Gricelda Perez and on a vote of 4-1, with Council Member Valencia opposed, Council took action to grant the City's appeal of the hearing officer's decision and upheld the employee termination. There were no further reportable actions.

The Pledge of Allegiance was led by Council Member Bowman.

Mayor Leon led a moment of silent reflection in lieu of the Invocation.

PUBLIC COMMENTS

Assistant City Clerk Isbell reported that there were no written comments presented. There was one web submission as follows:

Anthony Pace, regarding AIDS awareness and a request for flashing streetlights one block east and west of Fourth Street and Mountain Avenue.

Assistant City Clerk Isbell further reported that there was one caller as follows:

D'Andre Lampkin, thanked residents for continual support of his food pantry and announced how people can donate to his holiday toy drive.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa announced the need to report salaries and compensations regarding Item No. 10. City Manager Ochoa noted the recognition of the City Treasurer, Director of Finance and the respective team that works on the City's investments and trust funds.

CONSENT CALENDAR

Mayor Leon called on City Attorney Duran regarding Item No. 10. City Attorney Duran noted this was an announcement in accordance with GC 54953§(C)(3); Economic Development Director base salary range $13,029 – $15,837 per month, Assistant General Manager Administration and Customer Service and Assistant General Manager Integrated Waste $10,804 - $15,837 per month, Innovation Performance and Audit Director $10,804 - $15,084 per month, Budget Director salary range $10,804 – $13,130 per month. He further announced salary modifications for the Assistant City Clerk/Director of Records Management and the Communication and Community Relations Director with a new base salary of $10,804 - $15,084 per month, and a salary modification for Housing Director with a base salary of $10,478 – $12,733 per month. For each of these positions, the benefits packet equates to approximately $3,000 per month.

MOTION: Moved by Mayor pro Tem Dorst-Porada, seconded by Council Member Bowman and carried by unanimous roll call vote of those present, to approve the Consent Calendar as presented.

1. APPROVAL OF MINUTES

City Council approved Minutes for the special meeting of the City Council and Housing Authority of November 2, 2020 and the regular meeting of the City Council and Housing Authority of November 3, 2020.

2. BILLS/PAYROLL

City Council approved **Bills** for the period October 30, 2020 through November 12, 2020 in the amount of $18,232,951.54 and **Payroll** for the period October 25, 2020 through November 7, 2020 in the amount of $3,458,399.99 when audited by the Finance Committee.

3. AN ORDINANCE APPROVING THE DEVELOPMENT AGREEMENT (FILE NO. PDA20-001) BETWEEN THE CITY OF ONTARIO AND ONTARIO SCHAEFER HOLDINGS, LLC., TO ESTABLISH THE TERMS AND CONDITIONS FOR THE DEVELOPMENT OF TENTATIVE TRACT MAP 20298 (FILE NO. PMTT19-015), A 10.49-ACRE PROPERTY LOCATED AT THE NORTHEAST CORNER OF LA AVENIDA DRIVE AND MANITOBA PLACE, WITHIN THE PROPOSED LOW-MEDIUM DENSITY RESIDENTIAL LAND USE DISTRICT OF THE AVENUE SPECIFIC PLAN (APN: 0218-652-27)

The City Council considered and adopted an ordinance approving the Development Agreement (File No. PDA20-001) between the City of Ontario and Ontario Schaefer Holdings, LLC., to establish the terms and conditions for the development of Tentative Tract Map 20298 (File No. PMTT19-015), a 10.49 - acre property located at the northeast corner of La Avenida Drive and Manitoba Place, within the proposed Low-Medium Density Residential land use district of The Avenue Specific Plan (APN: 0218-652-27). First introduced at a regular meeting Council Meeting on November 17, 2020.

ORDINANCE NO. 3171 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDA20-001, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND ONTARIO SCHAEFER HOLDINGS, LLC., TO ESTABLISH THE TERMS AND CONDITIONS FOR THE DEVELOPMENT OF TENTATIVE TRACT MAP 20298 (FILE NO. PMTT19-015), A 10.49 ACRE PROPERTY LOCATED AT THE NORTHEAST CORNER OF LA AVENIDA DRIVE AND MANITOBA PLACE, WITHIN THE PROPOSED LOW-MEDIUM DENSITY RESIDENTIAL LAND USE DISTRICT OF THE AVENUE SPECIFIC PLAN, AND MAKING FINDINGS IN SUPPORT THEREOF - APN: 0218-652-27.

4. A ZONE CHANGE (FILE NO. PZC19-002) ON 41.35 ACRES OF LAND, FROM LDR-5 (LOW DENSITY RESIDENTIAL (2.1 TO 5.0 DU/AC)), CC (COMMUNITY COMMERCIAL), AND SP (SPECIFIC PLAN), TO 33.75 ACRES OF IL (LIGHT INDUSTRIAL) AND 7.6 ACRES OF CC (COMMUNITY COMMERCIAL) ZONED LAND AND A SPECIFIC PLAN AMENDMENT (FILE NO. PSPA19-010) RESCINDING THE TUSCANA VILLAGE SPECIFIC PLAN. THE PROJECT SITE IS LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE (APNS: 1083-361-01, 1083-361-04 AND 1083-361-07)

The City Council considered and adopted an ordinance approving a Zone Change (File No. PZC19-002) on 41.35 acres of land from LDR-5 (Low Density Residential

– 2.1 to 5.0 dwelling units per acre), CC (Community Commercial), and SP (Specific Plan) to 33.75 acres of IL (Light Industrial) and 7.6 acres of CC (Community Commercial) zoned land and a Specific Plan Amendment (File No. PSPA19-010) rescinding the Tuscana Village Specific Plan. First introduced at a regular meeting Council Meeting on November 17, 2020.

ORDINANCE NO. 3172 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NOS. PZC19-002 AND PSPA19-010, A ZONE CHANGE REQUEST TO CHANGE THE ZONING DESIGNATION ON 41.35 ACRES OF LAND FROM LDR-5 (LOW DENSITY RESIDENTIAL - 2.1 TO 5.0 DU/AC), CC (COMMUNITY COMMERCIAL), AND SP (SPECIFIC PLAN) TO 33.75 ACRES OF IL (LIGHT INDUSTRIAL) AND 7.6 ACRES OF CC (COMMUNITY COMMERCIAL) ZONED LAND AND A SPECIFIC PLAN AMENDMENT RESCINDING THE TUSCANA VILLAGE SPECIFIC PLAN, LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1083-361-01, 1083-361-04 AND 1083-361-07.

5. AN ORDINANCE APPROVING THE DEVELOPMENT AGREEMENT (FILE NO. PDA19-001) BETWEEN THE CITY OF ONTARIO AND EUCLID LAND VENTURE, LLC., TO ESTABLISH THE TERMS AND CONDITIONS FOR THE DEVELOPMENT OF TENTATIVE PARCEL MAP 20016 (FILE NO. PMTT18-011), AN 85.6-ACRE PROPERTY LOCATED AT THE NORTHEAST CORNER OF MERRILL AVENUE AND EUCLID AVENUE, WITHIN THE INDUSTRIAL AND BUSINESS PARK LAND USE DISTRICTS OF THE ONTARIO RANCH BUSINESS PARK SPECIFIC PLAN (APNS: 1054-011-01, 1054-011-02, 1054-011-04, 1054-021-01, 1054-021-02, 1054-271-01, 1054-271-02, 1054-271-03, 1054-281-01, 1054-281-02 AND 1054-281-03

The City Council considered and adopted an ordinance approving the Development Agreement (File No. PDA19-001) between the City of Ontario and Euclid Land Venture, LLC., to establish the terms and conditions for the development of Tentative Parcel Map 20016 (File No. PMTT18-011), an 85.6-acre property located at the northeast corner of Merrill Avenue and Euclid Avenue, within the Industrial and Business Park land use districts of the Ontario Ranch Business Park Specific Plan (APNs: 1054-011-01, 1054-011-02, 1054-011-04, 1054-021-01, 1054-021-02, 1054-271-01, 1054-271-02, 1054-271-03, 1054-281-01, 1054-281-02 and 1054-281-03. First introduced at a regular meeting Council Meeting on November 17, 2020.

ORDINANCE NO. 3173 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDA19-001, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND EUCLID LAND VENTURE, LLC., TO ESTABLISH THE TERMS AND CONDITIONS FOR THE DEVELOPMENT OF TENTATIVE PARCEL MAP 20016 (FILE NO. PMTT18-011), A 85.6-ACRE PROPERTY LOCATED AT THE

NORTHEAST CORNER OF MERRILL AVENUE AND EUCLID AVENUE, WITHIN THE INDUSTRIAL AND BUSINESS PARK LAND USE DISTRICTS OF THE ONTARIO RANCH BUSINESS PARK SPECIFIC PLAN AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1054-011-01, 1054-011-02, 1054-011-04, 1054-021-01, 1054-021-02, 1054-271-01, 1054-271-02, 1054-271-03, 1054-281-01, 1054-281-02 AND 1054-281-03.

6. AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 57 (NEUHOUSE)

The City Council considered and adopted an ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 57 (Neuhouse). First introduced at a regular meeting Council Meeting on November 17, 2020.

ORDINANCE NO. 3174 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 57 (NEUHOUSE).

7. A DEVELOPMENT CODE AMENDMENT PROPOSING TO: [1] REVISE CURRENT PROVISIONS REGARDING THE REGULATION OF ACCESSORY DWELLING UNITS AND RESCIND AN URGENCY ORDINANCE PREVIOUSLY APPROVED BY THE CITY COUNCIL ON JANUARY 21, 2020; [2] REVISE CURRENT MU-1 (DOWNTOWN MIXED USE) ZONING DISTRICT PROVISIONS TO FACILITATE THE ESTABLISHMENT OF THE DOWNTOWN DISTRICT PLAN; [3] ESTABLISH PROVISIONS REGULATING THE DEVELOPMENT OF SMALL LOT INFILL SUBDIVISIONS; [4] REVISE PROVISIONS REGULATING MASSAGE SERVICES AND MASSAGE ESTABLISHMENTS, AND ESTABLISHING AN ADMINISTRATIVE APPROVAL PROCEDURE FOR MASSAGE ESTABLISHMENTS; AND [5] ADJUST AND CLARIFY CERTAIN DEVELOPMENT CODE PROVISIONS WITHIN CHAPTER 2.0 (ADMINISTRATION AND PROCEDURES), CHAPTER 3.0 (NONCONFORMING LOTS, LAND USES, STRUCTURES, AND SIGNS), CHAPTER 5.0 (ZONING AND LAND USE), CHAPTER 6.0 (DEVELOPMENT AND SUBDIVISION REGULATIONS), CHAPTER 7.0 (HISTORIC PRESERVATION), CHAPTER 8.0 (SIGN REGULATIONS), AND CHAPTER 9.0 (DEFINITIONS AND GLOSSARY)

The City Council considered and adopted an ordinance (first introduced at a regular meeting Council Meeting on November 17, 2020), approving File No. PDCA18-003, a Development Code Amendment proposing to:

A. Revise current provisions regarding the regulation of accessory dwelling units and rescind an urgency ordinance previously approved by the City Council on January 21, 2020;
B. Revise current MU-1 (Downtown Mixed Use) zoning district provisions to facilitate the establishment of the Downtown District Plan;
C. Establish provisions regulating the development of small lot infill subdivisions;

D. Revise provisions regulating massage services and massage establishments, and establishing an administrative approval procedure for massage establishments; and
E. Adjust and clarify certain Development Code provisions within Chapter 2.0 (Administration and Procedures), Chapter 3.0 (Nonconforming Lots, Land Uses, Structures, and Signs), Chapter 5.0 (Zoning and Land Use), Chapter 6.0 (Development and Subdivision Regulations), Chapter 7.0 (Historic Preservation), Chapter 8.0 (Sign Regulations), and Chapter 9.0 (Definitions and Glossary).

ORDINANCE NO. 3175 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA18-003, A DEVELOPMENT CODE AMENDMENT PROPOSING TO: [1] REVISE CURRENT PROVISIONS REGARDING THE REGULATION OF ACCESSORY DWELLING UNITS AND RESCIND AN URGENCY ORDINANCE PREVIOUSLY APPROVED BY THE CITY COUNCIL ON JANUARY 21, 2020; [2] REVISE CURRENT MU-1 (DOWNTOWN MIXED USE) ZONING DISTRICT PROVISIONS TO FACILITATE THE ESTABLISHMENT OF THE DOWNTOWN DISTRICT PLAN; [3] ESTABLISH PROVISIONS REGULATING THE DEVELOPMENT OF SMALL LOT INFILL SUBDIVISIONS; [4] REVISE PROVISIONS REGULATING MASSAGE SERVICES AND MASSAGE ESTABLISHMENTS, AND ESTABLISHING AN ADMINISTRATIVE APPROVAL PROCEDURE FOR MASSAGE ESTABLISHMENTS; AND [5] MODIFY, ADJUST, AND CLARIFY CERTAIN DEVELOPMENT CODE PROVISIONS WITHIN CHAPTER 2.0 (ADMINISTRATION AND PROCEDURES), CHAPTER 3.0 (NONCONFORMING LOTS, LAND USES, STRUCTURES, AND SIGNS), CHAPTER 5.0 (ZONING AND LAND USE), CHAPTER 6.0 (DEVELOPMENT AND SUBDIVISION REGULATIONS), CHAPTER 7.0 (HISTORIC PRESERVATION), CHAPTER 8.0 (SIGN REGULATIONS), AND CHAPTER 9.0 (DEFINITIONS AND GLOSSARY), AND MAKING FINDINGS IN SUPPORT THEREOF.

8. STORMWATER PERMIT PARTICIPATION AND JOINT DEFENSE AGREEMENT

The City Council approved and authorized the City Manager to execute the Municipal Separate Storm Sewer System (MS4) Stormwater Permit Participation and Joint Defense Agreement between San Bernardino County, City of Ontario, the County Flood Control District, and fifteen co-permittee agencies.

9. APPROVAL OF THE UPDATED INVESTMENT POLICY (2020)

The City Council considered and approved an update to the City of Ontario's Investment Policy.

10. FISCAL YEAR 2020-21 FIRST QUARTER BUDGET UPDATE REPORT

The City Council approved the budget adjustments and recommendations as listed in the Fiscal Year 2020-21 First Quarter Budget Update Report.

11. A RESOLUTION CONTINUING THE EXISTENCE OF A LOCAL EMERGENCY FOR THE 2020 CORONAVIRUS PANDEMIC

The City Council adopted a resolution continuing the Proclamation of Local Emergency for the 2020 Coronavirus Pandemic until further notice with an update scheduled for the December 15, 2020 City Council Meeting, unless canceled sooner.

RESOLUTION NO. 2020-202 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, PROCLAIMING THE CONTINUED EXISTENCE OF A LOCAL EMERGENCY AND DIRECT THE EMERGENCY ORGANIZATION OF THE CITY OF ONTARIO TO TAKE ALL NECESSARY STEPS FOR THE PROTECTION OF LIFE, HEALTH AND SAFETY IN THE CITY OF ONTARIO.

12. AWARD OF A CONSTRUCTION CONTRACT TO CP CONSTRUCTION, INC., FOR THE SAN ANTONIO AVENUE WATER TRANSMISSION MAIN, PHASE 1

The City Council approved the plans and specifications and award Contract No. UT 1013 to CP Construction, Inc. of Ontario, California, for the construction of the San Antonio Avenue Water Transmission Main, Phase 1, in the amount of $1,900,210 plus a 15% contingency of $285,032, for a total amount of $2,185,242; and authorize the City Manager to execute said contract and file a notice of completion at the conclusion of all construction activities related to the project.

13. AWARD OF A CONSTRUCTION CONTRACT TO E.L. ENGINEERING CORP., FOR ON-CALL PLUMBING SERVICES

The City Council authorized the City Manager to execute a three-year Construction Contract with E.L. Engineering Corp., of La Verne, California, for on-call plumbing services in the amount of $450,000; and authorize the option to extend the agreements for up to two additional years.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

14. INTRODUCTION OF AN ORDINANCE ADDING SECTION 2-10.09, "ELECTRONIC FILING OF CAMPAIGN DISCLOSURE STATEMENTS AND STATEMENTS OF ECONOMIC INTEREST," TO THE CITY OF ONTARIO MUNICIPAL CODE

The City Council introduced and waived further reading of an Ordinance adding Section 2-10.09 to the Ontario Municipal Code – Electronic Filing of Campaign Disclosure Statements and Statements of Economic Interest.

ORDINANCE NO. 3176 (First Reading) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 10 OF TITLE 2, ADDING NEW SECTION 2-10.09 TO THE ONTARIO MUNICIPAL CODE, RELATING TO ELECTRONIC FILING OF CAMPAIGN STATEMENTS AND STATEMENTS OF ECONOMIC INTERESTS AND FINDING THE ACTION EXEMPT FROM CEQA.

MOTION: Moved by Council Member Bowman, seconded by Mayor pro Tem Dorst-Porada and carried by unanimous roll call vote of those present to introduce Ordinance No. 3176.

STAFF MATTERS

City Manager Ochoa made no announcements.

COUNCIL MATTERS

Council Member Valencia extended his condolences for the Leon family.

Council Member Bowman thanked staff for a successful Tree Lighting ceremony.

Mayor pro Tem Dorst-Porada thanked staff for the expedient debris removal after high winds knocked tree branches down and announced several local charities seeking donations for the holidays.

Council Member Wapner extended his condolences for the Leon family.

Mayor Leon spoke of his mother’s health and her current state. He also made request for Board and Commission applications from residents who are interested in serving the community.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 6:58 p.m. to the next regular meetings to be held on Tuesday, December 15, 2020.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
DECEMBER 15, 2020
(Not Official Until Approved)

JOINT MEETINGS

Regular meetings of the Ontario City Council/Ontario Housing Authority were held on Tuesday, December 15, 2020, at the Ontario City Hall, 303 East B Street, Ontario, California.

SPECIAL AND URGENT ANNOUNCEMENT

In accordance with the Governor's Declarations of Emergency for the State of California (Executive Orders N-25-20 and N-29-20), the Ontario City Council Meetings are being conducted via teleconference to limit in-person attendance at meetings of the City of Ontario City Council and Housing Authority.

Members of the public were advised to utilize alternative measures to view the City Council meetings and/or to address the Mayor and City Council Members.

The meeting was live broadcast on local cable Channel 3, as well as internet live streamed at www.ontarioca.gov/Agendas/CityCouncil.

CALL TO ORDER - CLOSED SESSION

Mayor Leon called the City Council/Housing Authority meetings to order at 5:32 p.m.

ROLL CALL

PRESENT:	Mayor/Chairman	Paul S. Leon
	Mayor pro Tem/Vice Chairman	Debra Dorst-Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman, and Ruben Valencia (All participating via teleconference)
ABSENT:	Council/Authority Members	None

Also present were City Manager/Executive Director Scott Ochoa, City Attorney/Legal Counsel Ruben Duran, and City Clerk/Secretary Sheila Mautz (all participating via teleconference).

CLOSED SESSION

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session items. Hearing no one, City Attorney Duran announced the matters for discussion, as listed on the agenda and the City Council recessed to Closed Session at 5:36 p.m. for discussion of the following:

- GC 54956.9, CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Case: *Ramos v. City of Ontario, Case No. CIVDS 1923240*

- GC 54957, PUBLIC EMPLOYEE PERFORMANCE EVALUATION: *City Attorney*

CALL TO ORDER – OPEN SESSION

Mayor Leon called the City Council and Ontario Housing Authority meetings to order at 6:32 p.m.

PRESENT:	Mayor/Chairman	Paul S. Leon
	Mayor pro Tem/Vice Chair	Debra Dorst-Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman and Ruben Valencia (all participating via teleconference)
ABSENT:	Council/Authority Members:	None

Also present were City Manager/Executive Director Scott Ochoa, City Attorney/Legal Counsel Ruben Duran and City Clerk/Secretary Sheila M. Mautz (all participating via teleconference).

REPORT ON CLOSED SESSION

City Attorney Duran announced there was no reportable actions.

The Pledge of Allegiance was led by Mayor pro Tem Dorst-Porada.

Mayor Leon led a moment of silent reflection in lieu of the Invocation.

PUBLIC COMMENTS

Assistant City Clerk Isbell reported that there were no written comments presented. There was one web submission as follows:

Mackenzie Bello Ponce, regarding mental health resources.

Assistant City Clerk Isbell further reported that there were two callers as follows:

Everardo Melendez, representative from Ontario's sister city Guamúchil, Sinaloa, Mexico, congratulated the re-elected Council Members.

D'Andre Lampkin, thanked residents who donated to the D'Andre D. Lampkin Foundation.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa announced the need to pull Public Hearing Item No. 14.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

1. CANVASS OF GENERAL MUNICIPAL ELECTION ON NOVEMBER 3, 2020

The City Council adopted a resolution of the City Council of the City of Ontario, California, reciting the facts of the General Municipal Election held on November 3, 2020, and declaring the results thereof and such other matters as provided by law.

The whole number of votes including absentee votes cast for Council Member were as follows:

Celina Lopez	17,837
Debra Porada	33,738
Norberto "Beto" Corona	7,512
Ruben Valencia	27,219

The whole number of votes including absentee votes cast for City Clerk were as follows:

Richard Galvez	18,714
Sheila L. Mautz	36,036

The whole number of votes including absentee votes cast for City Treasurer were as follows:

James R. Milhiser	39,449
Michael Fillpot	15,684

MOTION: Moved by Council Member Bowman, seconded by Council Member Wapner and carried by unanimous roll call vote of those present, to adopt Resolution No. 2020-203.

RESOLUTION NO. 2020-203 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, RECITING THE FACT OF THE GENERAL MUNICIPAL ELECTION HELD ON NOVEMBER 3, 2020, DECLARING THE RESULT AND SUCH OTHER MATTERS AS PROVIDED BY LAW.

By said adoption the City Council declared that:

Debra Dorst-Porada was elected as Member of the City Council of the City of Ontario for a full term of four years to expire upon certification of the election of November 5, 2024.

Ruben Valencia was elected as Member of the City Council of the City of Ontario for a full term of four years to expire upon certification of the election of November 5, 2024.

Sheila L. Mautz was elected as City Clerk of the City of Ontario for a full term of four years to expire upon certification of the election of November 5, 2024.

James R. Milhiser was elected as Treasurer of the City of Ontario for a full term of four years to expire upon certification of the election of November 5, 2024.

MEETING ADJOURNED IN SINE DIE

Council Member Wapner called for a point of order stating the meeting should be adjourned in sine die.

MOTION: Moved by Council Member Wapner, seconded by Mayor Leon and carried by unanimous roll call vote of those present, to adjourn Sine Die.

Meeting adjourned in Sine Die at 6:50 p.m. and reconvened at 6:58 p.m.

SPECIAL CEREMONIES

2. OATH OF OFFICE OF NEWLY ELECTED OFFICIALS

Assistant City Clerk Isbell administered the oath of office to City Clerk Mautz. City Clerk Mautz administered the oath of office to City Treasurer Milhiser, Council Member Valencia, and Mayor pro Tem Dorst-Porada.

Meeting recessed at 7:05 p.m. and reconvened at 7:18 p.m.

Council Member Valencia thanked the residents, supporters, and his campaign advocates for their support.

CONSENT CALENDAR

MOTION: Moved by Mayor pro Tem Dorst-Porada, seconded by Council Member Bowman and carried by unanimous roll call vote of those present, to approve the Consent Calendar as presented.

3. APPROVAL OF MINUTES

City Council approved Minutes for the special meeting of the City Council and Housing Authority of November 16, 2020 and the regular meeting of the City Council and Housing Authority of November 17, 2020.

4. BILLS/PAYROLL

City Council approved **Bills** for the period November 13, 2020 through November 25, 2020 in the amount of $10,547,750.07 and **Payroll** for the period November 8, 2020 through November 21, 2020 in the amount of $4,286,240.32 when audited by the Finance Committee.

5. AB 1600 DEVELOPMENT IMPACT FEE (DIF) ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020

The City Council accepted the City of Ontario's AB 1600 Development Impact Fee (DIF) Annual Report for Fiscal Year Ending June 30, 2020.

6. A DEVELOPMENT IMPACT FEE CREDIT AND REIMBURSEMENT AGREEMENT (FILE NO. PDIF19-007) BETWEEN THE CITY OF ONTARIO AND ONTARIO LAND VENTURES, LLC., FOR FACILITY CONSTRUCTION ASSOCIATED WITH PARCEL MAP 19738 (FILE NO. PMTT17-011), LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND CARPENTER AVENUE, WITHIN THE BUSINESS PARK AND GENERAL INDUSTRIAL LAND USE DISTRICTS OF THE WEST ONTARIO CENTER SPECIFIC PLAN

The City Council approved the Development Impact Fee Credit and Reimbursement Agreement (File No. PDIF19-007) between the City of Ontario and Ontario Land Ventures, LLC., for facility construction associated with Parcel Map 19738 (PMTT17-011), located at the southeast corner of Eucalyptus Avenue and Carpenter Avenue, within the Business Park and General Industrial land use districts of the West Ontario Commerce Center Specific Plan; and authorize the City Manager to execute the agreement.

7. AMENDMENT 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH GOODWIN CONSULTING GROUP FOR FISCAL IMPACT STUDIES

The City Council authorized the City Manager to negotiate and execute an amendment to the agreement for various fiscal impact studies, not to exceed $50,000, subject to non-substantive changes as mutually agreed to by the City and Goodwin Consulting Group of Sacramento, California.

8. AMENDMENT 2 TO THE PROFESSIONAL SERVICES AGREEMENT WITH HARRIS & ASSOCIATES FOR A COMPREHENSIVE ANALYSIS OF THE NEW MODEL COLONY FACILITIES MASTER FILES

The City Council authorized the City Manager to negotiate and execute an amendment to the agreement for a comprehensive analysis of the New Model Colony (NMC) Facilities Master files, not to exceed $60,000, subject to non-substantive changes as mutually agreed to by the City and Harris & Associates of Irvine, California.

9. A RESOLUTION CONTINUING THE EXISTENCE OF A LOCAL EMERGENCY FOR THE 2020 CORONAVIRUS PANDEMIC

The City Council adopted a resolution continuing the Proclamation of Local Emergency for the 2020 Coronavirus Pandemic until further notice with an update scheduled for the January 19, 2021, City Council Meeting, unless canceled sooner.

RESOLUTION NO. 2020-204 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, PROCLAIMING THE CONTINUED EXISTENCE OF A LOCAL EMERGENCY AND DIRECT THE EMERGENCY ORGANIZATION OF THE CITY OF ONTARIO TO TAKE ALL NECESSARY STEPS FOR THE PROTECTION OF LIFE, HEALTH AND SAFETY IN THE CITY OF ONTARIO.

10. APPROVE AND AUTHORIZE THE CITY MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SISENSE, INC. IN THE AMOUNT OF $89,250 WITH AN OPTION TO RENEW FOR AN ADDITIONAL YEAR IN THE AMOUNT OF $93,713 FOR BUSINESS ANALYTICS SOFTWARE SYSTEM

The City Council authorized the City Manager to execute a one-year Professional Services Agreement with Sisense, Inc., headquartered in New York, in the amount of $89,250 for business analytics software system, and authorized the City Manager to extend the agreement for up to one additional one-year term consistent with the terms and conditions of the original Professional Services Agreement at a cost of $93,713; contingent upon City Council approved budgets.

11. A RESOLUTION APPROVING THE SUBMITTAL OF AN APPLICATION TO PARTICIPATE IN THE BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM (FISCAL YEAR 2020-21) FROM THE STATE OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVER (CALRECYCLE)

The City Council adopted a resolution approving the submittal of an application for approximately $45,000 from the Beverage Container Recycling City/County

Payment Program (Fiscal Year 2020-21) and authorize the City Manager or his designee to execute all necessary documents to participate in the program.

RESOLUTION NO. 2020-205 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE SUBMITTAL OF AN APPLICATION TO PARTICIPATE IN THE BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM (FISCAL YEAR 2020-21) FROM THE STATE OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE).

12. GENERAL SERVICES AGREEMENT FOR THE POLICE DEPARTMENT FIREARMS TRAINING FACILITY

The City Council authorized the City Manager to execute a three-year contract, not to exceed an estimated cost of $115,219.48, with HCI Environmental and Engineering of Riverside, CA.

13. ADOPTION OF AN ORDINANCE ADDING SECTION 2-10.09, "ELECTRONIC FILING OF CAMPAIGN DISCLOSURE STATEMENTS AND STATEMENTS OF ECONOMIC INTEREST," TO THE CITY OF ONTARIO MUNICIPAL CODE

The City Council adopted an Ordinance adding Section 2-10.09 to the Ontario Municipal Code – Electronic Filing of Campaign Disclosure Statements and Statements of Economic Interest. First reading and introduction took place at the regular meeting of December 1, 2020.

ORDINANCE NO. 3176 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 10 OF TITLE 2, ADDING NEW SECTION 2-10.09 TO THE ONTARIO MUNICIPAL CODE, RELATING TO ELECTRONIC FILING OF CAMPAIGN STATEMENTS AND STATEMENTS OF ECONOMIC INTERESTS AND FINDING THE ACTION EXEMPT FROM CEQA.

PUBLIC HEARINGS

14. A PUBLIC HEARING TO CONSIDER A RESOLUTION OF NECESSITY FOR THE ACQUISITION BY EMINENT DOMAIN OF PERMANENT ROADWAY EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT INTERESTS IN PORTIONS OF CERTAIN REAL PROPERTY LOCATED AT 1395 W. PHILLIPS STREET, IN ONTARIO, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 1011-582-01, FOR THE CONSTRUCTION AND MAINTENANCE OF THE ATP CYCLE 4 PEDESTRIAN IMPROVEMENTS FOR AROUND HAYNES, VISTA GRANDE, AND OAKS SCHOOLS PROJECT

The City Council adopted a Resolution of Necessity for the acquisition of permanent roadway easement and temporary construction easement interests in portions of real property located at 1395 W. Phillips Street, in Ontario, more particularly described as Assessor Parcel No. 1011-582-01 (“Subject Property”),

for the construction and maintenance of the Active Transportation Program (ATP) Cycle 4 Pedestrian Improvements Around Haynes, Vista Grande, and Oaks Schools Project ("Project") in Ontario, San Bernardino County, California, as further identified in Exhibits "A" and "B" attached to the Resolution of Necessity submitted herewith.

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF PERMANENT ROADWAY EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT INTERESTS IN PORTIONS OF CERTAIN REAL PROPERTY LOCATED AT 1395 W. PHILLIPS STREET, IN ONTARIO, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 1011-582-01, FOR THE CONSTRUCTION AND MAINTENANCE OF THE ATP CYCLE 4 PEDESTRIAN IMPROVEMENTS AROUND HAYNES, VISTA GRANDE, AND OAKS SCHOOLS PROJECT, IN THE CITY OF ONTARIO, SAN BERNARDINO COUNTY, CALIFORNIA.

Public Hearing Item No. 14 was pulled. No action was taken.

15. A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE); ADOPTION OF A RESOLUTION TO INCUR BONDED INDEBTEDNESS; AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

The City Council considered and:

A. Adopted a resolution of formation of Community Facilities District No. 55 (Parklane), authorizing the levy of special taxes within the community facilities district, and establishing an appropriations limit for the community facilities district;
B. Adopted a resolution deeming it necessary to incur bonded indebtedness within Community Facilities District No. 55 (Parklane);
C. Adopted a resolution calling a special election for City of Ontario Community Facilities District No. 55 (Parklane);
D. Adopted a resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
E. Introduced and waived further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 55 (Parklane); and
F. Adopted a resolution authorizing the execution and delivery of an acquisition and funding agreement with Lennar Homes of California, a California corporation.

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department.

There were no written communications.

Mayor Leon opened the public hearing asking those persons interested in this item to speak. Hearing no one, Mayor Leon closed the public hearing.

RESOLUTION NO. 2020-207 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE), AUTHORIZING THE LEVY OF A SPECIAL TAX.

RESOLUTION NO. 2020-208 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE).

RESOLUTION NO. 2020-209 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE).

MOTION: Moved by Council Member Bowman, seconded by Mayor pro Tem Dorst-Porada and carried by unanimous roll call vote of those present to adopt Resolution Nos. 2020-207, 2020-208, and 2020-209.

Mayor Leon requested the ballots be opened, and results of the election announced. Assistant City Clerk Isbell reported one ballot in favor of formation of the District.

City Clerk Mautz opened the ballot and announced one ballot in favor of the formation.

RESOLUTION NO. 2020-210 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE).

MOTION: Moved by Mayor pro Tem Dorst-Porada, seconded by Council Member Bowman and carried by unanimous roll call vote of those present to adopt Resolution No. 2020-210.

ORDINANCE NO. 3177 (First Reading) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN COMMUNITY FACILITY DISTRICT NO. 55 (PARKLANE).

MOTION: Moved by Council Member Bowman, seconded by Council Member Valencia and carried by unanimous roll call vote of those present to introduce Ordinance No. 3177.

RESOLUTION NO. 2020-211 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND

DELIVERY OF AN ACQUISITION AND FUNDING AGREEMENT WITH LENNAR HOMES OF CALIFORNIA

MOTION: Moved by Council Member Bowman, seconded by Council Member Valencia and carried by unanimous roll call vote of those present to adopt Resolution No. 2020-211.

STAFF MATTERS

City Manager Ochoa made no announcements.

COUNCIL MATTERS

CITY COUNCIL ASSIGNMENT & APPOINTMENTS

Mayor Leon recommended the following Council Appointments:

Chaffey College Downtown Ontario Campus Construction Committee L/DP
Primary: Mayor Leon
Alternate: Mayor pro Tem Dorst-Porada

Chino Basin Desalter Authority Board
Primary: Council Member Bowman
Alternate: Mayor pro Tem Dorst-Porada

Chino Basin Watermaster Board
Primary: Council Member Bowman
Alternate: Mayor pro Tem Dorst-Porada

Chino Valley Unified School District
Primary: Mayor pro Tem Dorst-Porada
Alternate: Mayor Leon

City Selection Committee - County Level
Primary: Mayor Leon

Council Nominations Committee
Primary: Council Member Wapner
Alternate: Mayor pro Tem Dorst-Porada

County of San Bernardino Solid Waste Advisory Task Force
Primary: Mayor Leon
Staff Alternate: Thomas Coates

Inland Empire Utilities Agency (IEUA) – Regional Sewerage Policy Committee
Primary: Mayor pro Tem Dorst-Porada
Alternate: Council Member Bowman

Library Board of Trustees Liaison
Primary: Mayor pro Tem Dorst-Porada
Alternate: Mayor Leon

Metro Gold Line Foothill Extension JPA
Primary: Mayor Leon
Alternate: Mayor pro Tem Dorst-Porada

Museum of History and Art Liaison
Primary: Mayor pro Tem Dorst-Porada
Alternate: Council Member Bowman

OmniTrans Board of Directors
Primary: Council Member Wapner
Alternate: Mayor pro Tem Dorst-Porada

Ontario International Airport Authority w/b alternate
Primary: Council Members Wapner and Bowman
Alternates: Mayor Leon and Mayor pro Tem Dorst-Porada

ONT-IAC Mediation Board Liaison w/b
Primary: Council Member Wapner
Alternate: Council Member Bowman

Recreation & Parks Commission Liaison
Primary: Council Member Wapner
Alternate: Mayor pro Tem Dorst-Porada

SBTCA (Formerly: San Bernardino Association of Governments) Board of Directors
Primary: Council Member Wapner
Alternate: Mayor Leon

School Districts (Subcommittee)
Primary: Mayor Leon
Alternate: Mayor pro Tem Dorst-Porada

Sister Cities Liaison L/DP
Primary: Mayor Leon
Alternate: Mayor pro Tem Dorst-Porada

Water Facilities Authority – Board of Directors dp/L
Primary: Mayor pro Tem Dorst-Porada
Alternate: Mayor Leon

West Valley Mosquito & Vector Control District – Board of Trustees
Primary: Leon

Council Member Valencia called for a point of order and expressed his concerns regarding Council Appointments.

MOTION: Moved by Mayor pro Tem Dorst-Porada, seconded by Council Member Wapner and carried by a roll call vote of those present, 4-1-0, with Council Member Valencia opposed, to approve Council Appointments.

BOARD/COMMISSION APPOINTMENTS

Mayor Leon recommended the following Board/Commission appointments:

Library Board of Trustees:
Nancy Bumstead
Crisol Mena
Maria “Anne” Lawliss
Gina Lanthripe

Museum of History and Art Board of Trustee:
Christian Kueng
Randy Del Turco
Shannon Gerstheimer
Jerry Weems
Luis “Rick” Caughman

Planning Commission:
Rick Gage
James Downs
Jim Willoughby
Bob Gregorek
Nancy DeDiemar
D’Andre Lampkin
Nicola Ricci

City Manager Ochoa requested a brief recess. Meeting recessed at 7:42 p.m. and reconvened at 7:43 p.m.

Recreation & Parks Commission:
Marty Binney
Ken Dean
Rita Nelsen
Virginia Riley
Larry Trinidad
Gary Ovitt
Joe Caskey

MOTION: Moved by Council Member Wapner, seconded by Council Member Bowman and carried by a roll call vote of those present, 4-1-0, with Council Member Valencia opposed, to approve the Board and Commission Appointments.

COUNCIL REORGANIZATION

Mayor Leon recognized and expressed gratitude for Mayor pro Tem Dorst-Porada. He recommended Council Member Wapner serve as Mayor pro Tem until December 2022.

MOTION: Moved by Mayor Leon, seconded by Mayor pro Tem Dorst-Porada and carried by a unanimous roll call vote of those present, to appoint Mayor pro Tem Wapner.

COUNCIL COMMENTS

Council Member Dorst-Porada thanked the residents of Ontario, family, and supporters for their votes.

Council Member Bowman stated they will make a much better team in the upcoming year.

Council Member Valencia thanked the residents of Ontario for their votes and spoke against bullying.

Mayor pro Tem Wapner extended his condolences for the loss of Mayor Leon's mother, Mrs. Audrey Leon, and for Barbara Hartley and asked that the meeting be adjourned in their memory.

Mayor Leon thanked Mayor pro-Tem Wapner for his condolences and spoke on the importance of continuing a trajectory that leads to the success of the City of Ontario.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 8:05 p.m. in memory of Mrs. Audrey Leon and Barbara Hartley, to the next regular meetings to be held on Tuesday, January 19, 2021.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Community Life & Culture Prepared By: Alonso Ramirez Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 3.

SUBJECT: REQUEST FOR ADDITIONAL APPROPRIATIONS FOR THE EMERGENCY SENIOR MEALS PROGRAM

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to approve a request for additional appropriations for the Letter of Agreement (on file in the Records Management Department) with the Ontario-Montclair School District of Ontario, California, for the emergency senior meals program in the new not-to-exceed amount of $436,125 through June 30, 2021.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: The Ontario-Montclair School District (OMSD) provides senior meals at the rate of $4.00 per meal. The initial purchase and distribution of food was approved for reimbursement through FEMA until July 10, 2020. Once the FEMA compensation ended, the meals between the months of July through December were covered by CARES Act stimulus funding, which was an estimated total of $296,465.70. To sustain the program through June 30, 2021, staff recommends amending the current agreement to increase it by $139,659.30. The new not-to-exceed amount of the agreement will be $436,125. Funding will be included in the Mid-Year Budget Update report. Should additional Federal stimulus funding for state and local governments be made available, an additional $139,659.30 would be requested to cover the remainder of the year. The proposed request sustains the program until June 30, 2021.

BACKGROUND & ANALYSIS:

On March 10, 2020 the San Bernardino County Health Department proclaimed a public Health Emergency; and the Board of Supervisors issued a Proclamation of Local Emergency due to COVID-19. Through Ontario Ordinance No. 2990, the City Manager, as the Director of Emergency Services, proclaimed a local emergency on March 14, 2020 in order to enhance the City's ability to mobilize local resources, coordinate interagency response, accelerate procurements of vital supplies, use mutual aid, and see potential reimbursement by the State and Federal governments. On March 17, 2020 the City Council ratified the local emergency proclamation.

Due to the proclamation, the Ontario Senior Center has remained closed to the public since March 17, 2020. At the beginning of the closure, Recreation & Community Services staff worked quickly with partners to finalize daily food distribution plans for Ontario seniors through the community. The City entered into an initial agreement with OMSD on April 6, 2020 to arrange for senior meals to be delivered to the Ontario Senior Center at a cost of $4.00 per meal, Monday through Friday. As the FEMA reimbursement deadline came to a close, the City of Ontario amended the agreement with OMSD on October 6, 2020 to increase the not-to-exceed amount and continue providing meals to seniors through December 30, 2020 through the CARES Act reimbursement. However, as the pandemic pushed beyond the end of the calendar year, the Recreation & Community Services Department extended the term of the agreement one more time to June 30, 2021.

OMSD prepares a nutritionally adequate meal that provides at a minimum an entrée, a fruit, a vegetable and a milk. A Recreation & Community Services staff has been working closely with OMSD on packaging all meals and preparing them for disbursement. Seniors that are part of this program must provide proof of residency within the City and can elect to have a meal delivered to their residence or pick up a meal at the Ontario Senior Center through a drive up system to minimize risk and exposure.

Through the partnership with OMSD, Recreation & Community Services staff has provided over 63,000 senior meals to Ontario residents. Meal counts are averaging at approximately 375 meals per day. OMSD remains a valuable and reliable partner for the City's emergency senior meals program and staff is recommending that the total not-to-exceed amount of this agreement be increased to $436,125 to successfully finance the program. The City has the right to terminate this agreement should Ontario Senior Center open to the public before the expiration date of the amendment.

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Community Improvement Prepared By: Douglas J Sorel Staff Member Presenting: Scott Murphy, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 4.

SUBJECT: A RESOLUTION FOR PLACEMENT OF SPECIAL ASSESSMENTS ON THE SAN BERNARDINO COUNTY TAX ROLLS

RECOMMENDATION: That the City Council adopt a resolution for recovery of fees and costs incurred in abating property and dangerous building violations, as well as administrative citations and civil penalties associated with property maintenance violations and placing assessments on the San Bernardino County Tax Rolls.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The levy of special assessments will result in the recovery of $73,149.53 in costs that the City has expended for inspection or abatement of property violations, as well as the collection of $7,650.00 associated with civil penalties and/or fines for continued violations, for a total of $80,799.53 related to 95 parcels. When received, these reimbursements will be deposited into the General Fund. The special assessment revenue is included in the Fiscal Year 2020-21 Adopted Budget.

BACKGROUND & ANALYSIS: The City has established revolving funds to cover the City costs for abatement of property and dangerous building violations as a result of community improvement activities. Additionally, the City has established administrative citations fines for property maintenance violations and fees and penalties associated with the Systematic Health and Safety Inspection Program, Abandoned and Distressed Property Program, and Weed and Refuse Abatement Program. These costs, fines, fees, and penalties are recovered through placement of special tax assessments upon the properties. The placement of special assessments and collection of revenue is done under Ordinance 3046, Property Appearance (Title 5, Chapter 22 of the Ontario Municipal Code); Chapter 9 of the Uniform Code for the Abatement of Dangerous Buildings; and Ordinance 2920 for civil penalties for continued violations of the Ontario Municipal Code and fines associated with administrative citations (Title 1, Chapters 2 and 5 of the Ontario Municipal Code). The City and County currently have a contractual agreement regarding implementation of special assessments; however, a resolution authorizing the placement of the specific assessments is required.

During this assessment cycle, the Community Improvement Department has billed property owners for: the abatement of violations; the issuance of fines associated with administrative citation; the issuance of fees and penalties associated with the Systematic Health and Safety Inspection Program; the issuance of registration fees and civil penalties associated with the Abandoned and Distressed Property Program;

the issuance of notice and re-inspection fees; and civil penalties for the Weed and Refuse Abatement Program on 192 parcels. Of these, there are remaining amounts due on 95 parcels. Attached are itemized accounts of: (1) costs associated with inspection or abatement as shown in Exhibit A of the resolution; (2) civil penalties and/or fines for continued violations as shown in Exhibit B of the resolution; and (3) total amounts per parcel as shown in Exhibit C of the resolution. The expenditure list, with any necessary corrections and adjustments, will be submitted to the County prior to August 2021 for its 2021-2022 tax rolls.

All affected property owners were given notice of the imposition of special assessments via certified mail as provided in Ontario Municipal Code Section 1-4.05(a) and have either not requested an appeal or have exhausted the appellate procedure in Ontario Municipal Code Section 1-4.05(b).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A REPORT REQUESTING THE PLACEMENT OF SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS FOR CIVIL PENALTIES OR RECOVERY OF COSTS INCURRED FOR ABATEMENT OF VIOLATIONS OF CITY CODES AND ORDINANCES.

WHEREAS, Ordinance No. 3046, Property Appearance (Title 5, Chapter 22, of the Ontario Municipal Code) and Chapter 9 of the Uniform Code for the Abatement of Dangerous Buildings provide for the abatement of property nuisances by repair, rehabilitation, demolition or removal; and

WHEREAS, under Resolution 94-112, Resolution ORA-499, and the Cooperation and Reimbursement Agreement entered into on the 15th day of November, 1994, by the City of Ontario and the Ontario Redevelopment Agency, the Ontario Redevelopment Agency made a one-time advance to the City of One Hundred Fifty Thousand Dollars ($150,000) to repair or abate dangerous buildings and properties throughout the City; and

WHEREAS, under a first amendment to the Cooperation and Reimbursement Agreement entered into on the 16th day of July 1996, by the City of Ontario and the Ontario Redevelopment Agency, the Ontario Redevelopment Agency made an additional advance to the City of One Hundred Thousand Dollars ($100,000) to continue to repair or abate dangerous buildings and properties throughout the City; and

WHEREAS, under Resolution 94-113, Resolution ORA-500, and the Cooperation and Reimbursement Agreement entered into on the 15th day of November 1994, by the City of Ontario and the Ontario Redevelopment Agency, the Ontario Redevelopment Agency made a one-time advance to the City of Thirty Thousand Dollars ($30,000) to repair or abate dangerous buildings and properties in the 6th and Grove area; and

WHEREAS, under Resolution 94-12, Resolution ORA-464, and the Cooperation and Reimbursement Agreement entered into on the 22nd day of February 1994, by the City of Ontario and the Ontario Redevelopment Agency, the Ontario Redevelopment Agency made a one-time advance to the City of One Hundred Fifty Thousand Dollars ($150,000) to repair or demolish dangerous buildings throughout the City; and

WHEREAS, Ordinance No. 2894, Systematic Health and Safety Inspection Program (Title 8, Chapter 17, of the Ontario Municipal Code), provides for the collection of unpaid service fees, plus any penalties and accrued interest by Special Assessment; and

WHEREAS, Ordinance No. 2920, provides for the assessment of civil penalties for continued violations of the Ontario Municipal Code (Title 1, Chapter 2 of the Ontario Municipal Code), and for fines associated with administrative citations to be collected by Special Assessment (Title 1, Chapter 5 of the Ontario Municipal Code), and establishes a uniform procedure before imposing such Special Assessments (Title 1, Chapter 4 of the Ontario Municipal Code); and

WHEREAS, the above said ordinances, resolutions and agreements provide for recovery of costs incurred in the abatement of violations by means of a Special Assessment placed on the tax rolls; and

WHEREAS, the City has incurred costs involved in the abatement of violations under the Ontario Municipal Code and Uniform Code for the Abatement of Dangerous Buildings, issuing Notices of Violation, and administering the Systematic Health and Safety Program and wishes to recover said costs; and

WHEREAS, the owners of all parcels listed in Exhibit A, B, and C were given notice of imposition of such Special Assessment as provided in Ontario Municipal Code Section 1-4.05(a), and either have not requested an appeal, or have exhausted the appellate procedure provided in Ontario Municipal Code Section 1-4.05(b); and

WHEREAS, the City has an executed contract with the San Bernardino County Board of Supervisors for collection of said assessments.

NOW, THEREFORE, BE IT RESOLVED that the City Council:

1. Confirmed the costs associated with inspection or abatement on the properties as set forth in the report in Exhibit A; and

2. Confirmed the civil penalties and/or fines for continued violations on the properties as set forth in the report in Exhibit B; and

3. Confirmed that Exhibit C contains the total amount assessed for both confirmed costs and confirmed civil penalties and/or fines for each of the properties; and

4. Found and determined that the report, and Exhibits contained therein are true and accurate; and

5. Adopts the above said report and finds that the costs of inspection or abatement on the properties listed are the costs set forth in Exhibit A, the civil penalties and/or fines for continued violations are the penalties and/or fines as set forth in Exhibit B, and the same are hereby charged and placed as special assessments upon the respective properties; and

6. Directs Exhibit C shall be sent to the Auditor-Controller of San Bernardino County and shall be collected on the County tax roll.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2021- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held January 19, 2021 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2021- duly passed and adopted by the Ontario City Council at their regular meeting held January 19, 2021.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit A - Costs Associated with Inspection or Abatement

Parcel Number	Address	Amount Due
0108-412-18	1722 N DEL NORTE AV, Ontario, CA 91764	40.00
0108-541-19	1646 E YALE ST, Ontario, CA 91764	91.00
0110-013-20	1205 E D ST, Ontario, CA 91764	806.50
0110-061-01	1375 E HOLT BL, Ontario, CA 91761	7,710.90
0110-071-06	1381 E HOLT BL, Ontario, CA 91761	91.00
0110-071-07	1381 E HOLT BL, Ontario, CA 91761	91.00
0110-311-44	761 N ARCHIBALD AV, Building:1, Unit:A, Ontario, CA 91764	372.00
0110-322-22	2653 E GUASTI RD, Ontario, CA 91761	91.00
0110-322-33	2236 E HOLT BL, Ontario, CA 91761	91.00
0110-431-10	750 N ARCHIBALD AV, Building:1, Unit:A, Ontario, CA 91764	332.00
0113-351-52	1215 E ACACIA ST, Unit:104, Ontario, CA 91761	613.55
0210-212-47	3939 E GUASTI RD, Unit:C, Ontario, CA 91761	1,564.11
0210-331-56	1306 N DEL RIO WY, Ontario, CA 91764	391.50
0210-431-26	992 N TURNER AV, Building:21, Unit:119, Ontario, CA 91764	36.00
0211-232-38	0 S MILLIKEN AV, Ontario, CA 91761	148.00
0216-401-61	2570 S VINEYARD AV, Ontario, CA 91761	461.52
0216-401-63	2450 S VINEYARD AV, Building:1, Ontario, CA 91761	6,400.14
0218-151-38	3677 S BEARBERRY AV, Ontario, CA 91761	839.24
0218-171-27	0 S MILLIKEN AV, Ontario, CA 91761	140.00
0218-891-15	3142 S CLOVER LN, Ontario, CA 91761	1,133.72
0238-012-31	5056 E FOURTH ST, Ontario, CA 91764	148.00
0238-014-10	4451 E ONTARIO MILLS PW, Building:3, Unit:D, Ontario, CA 91764	91.00
1008-421-09	1312 N BENSON AV, Ontario, CA 91762	242.00
1008-421-10	1318 N BENSON AV, Ontario, CA 91762	105.50
1008-431-26	1337 N MOUNTAIN AV, Unit:4, Ontario, CA 91762	447.00
1010-455-03	1116 W D ST, Ontario, CA 91762	1,171.73
1010-481-08	823 W G ST, Ontario, CA 91762	20.00
1010-522-10	1100 W HOLT BL, Ontario, CA 91762	950.74
1010-551-06	1444 W STONERIDGE CT, Ontario, CA 91762	148.00
1011-111-24	1533 W HOLT BL, Ontario, CA 91762	140.00
1011-181-12	1108 W MISSION BL, Ontario, CA 91762	835.28
1011-361-05	1559 W MISSION BL, Ontario, CA 91762	148.00
1011-361-19	1411 W MISSION BL, Ontario, CA 91762	91.00
1011-421-12	0 S ELDERBERRY AV, Ontario, CA 91762	91.00
1011-582-03	1329 W PHILLIPS ST, Ontario, CA 91762	1,828.00
1014-152-17	1411 S GRANITE AV, Ontario, CA 91762	91.00
1014-441-25	1387 W FRANCIS ST, Ontario, CA 91762	1,272.23
1014-532-04	2004 S PALMETTO AV, Ontario, CA 91762	148.00
1015-131-20	2219 S MOUNTAIN AV, Building:2, Ontario, CA 91762	91.00
1046-511-17	0 E EIGHTH ST, Ontario, CA 91764	91.00
1047-353-01	304 E SIXTH ST, Ontario, CA 91764	20.00
1047-502-05	728 E HARVARD PL, Ontario, CA 91764	91.00

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit A - Costs Associated with Inspection or Abatement

Parcel Number	Address	Amount Due
1048-022-34	1010 N SAN ANTONIO AV, Ontario, CA 91762	944.00
1048-064-18	329 E J ST, Ontario, CA 91764	91.00
1048-081-39	603 E PLAZA SERENA ST, Ontario, CA 91764	91.00
1048-161-26	833 N ALAMEDA AV, Ontario, CA 91764	91.00
1048-181-25	921 E H ST, Ontario, CA 91764	91.00
1048-305-05	726 N CYPRESS AV, Ontario, CA 91762	554.00
1048-362-04	515 N LEMON AV, Ontario, CA 91764	557.75
1048-471-20	1104 E NOCTA ST, Ontario, CA 91761	140.00
1048-481-06	947 E HOLT BL, Ontario, CA 91761	140.00
1048-504-11	839 E ELMA ST, Ontario, CA 91761	20.00
1048-511-01	136 N CAMPUS AV, Ontario, CA 91761	1,275.50
1048-511-05	210 N CAMPUS AV, Ontario, CA 91761	248.72
1048-565-02	115 W C ST, Building:1, Ontario, CA 91762	212.00
1048-581-28	301 N VINE AV, Ontario, CA 91762	148.00
1049-021-08	555 W HOLT BL, Ontario, CA 91762	91.00
1049-053-09	319 W HOLT BL, Ontario, CA 91762	897.00
1049-055-01	221 W HOLT BL, Building:1, Ontario, CA 91762	1,142.00
1049-101-34	767 E EMPORIA ST, Ontario, CA 91761	40.00
1049-111-01	316 S BON VIEW AV, Building:1, Ontario, CA 91761	2,080.98
1049-141-24	1194 E HOLT BL, Ontario, CA 91761	6,102.00
1049-201-04	519 S CAMPUS AV, Ontario, CA 91761	91.00
1049-212-04	713 S TAYLOR AV, Ontario, CA 91761	91.00
1049-232-18	550 E PARK ST, Ontario, CA 91761	91.00
1049-232-20	560 E PARK ST, Ontario, CA 91761	4,290.45
1049-246-08	514 S CHERRY AV, Ontario, CA 91761	40.00
1049-246-09	329 E SUNKIST ST, Ontario, CA 91761	20.00
1049-284-07	521 W PARK ST, Ontario, CA 91762	91.00
1049-301-05	752 W PARK ST, Ontario, CA 91762	140.00
1049-333-04	209 W CARLTON ST, Unit:A, Ontario, CA 91762	40.00
1049-333-12	910 S EUCLID AV, Ontario, CA 91762	91.00
1049-362-03	736 E CALIFORNIA ST, Ontario, CA 91761	91.00
1049-372-09	998 E CALIFORNIA ST, Ontario, CA 91761	3,680.95
1049-491-02	532 E BELMONT ST, Ontario, CA 91761	8,993.00
1050-291-07	431 W MAPLE ST, Ontario, CA 91762	20.00
1050-301-12	453 W LOCUST ST, Ontario, CA 91762	2,109.50
1050-551-06	645 E SPRUCE ST, Ontario, CA 91761	20.00
1050-632-33	2045 S CYPRESS AV, Ontario, CA 91762	2,172.50
1051-011-15	751 W MONTICELLO ST, Ontario, CA 91762	553.37
1051-051-72	2230 S EUCLID AV, Building:1, Ontario, CA 91762	416.13
1051-171-42	2420 S GROVE AV, Building:1, Ontario, CA 91761	347.00
1051-331-67	2621 S MARIGOLD AV, Ontario, CA 91761	190.00
1052-191-03	7716 E CHINO AV, Ontario, CA 91761	105.50
1083-071-19	0 S ARCHIBALD AV, Ontario, CA 91761	91.00

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit A - Costs Associated with Inspection or Abatement

Parcel Number	Address	Amount Due
1083-331-32	2592 S COLD SPRINGS PL, Ontario, CA 91761	3,265.50
1083-461-04	3881 E ANTELOPE CREEK DR, Ontario, CA 91761	1,446.02
		73,149.53

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit B - Civil Penalties and/or Fines for Continued Violations

Parcel Number	Address	Amount Due
0108-401-35	1737 N AMADOR AV, Ontario, CA 91764	300.00
0108-412-18	1722 N DEL NORTE AV, Ontario, CA 91764	800.00
0110-355-03	914 N ORANGE AV, Ontario, CA 91764	100.00
0210-211-33	700 N HAVEN AV, Ontario, CA 91764	100.00
0211-232-38	0 S MILLIKEN AV, Ontario, CA 91761	500.00
0238-012-31	5056 E FOURTH ST, Ontario, CA 91764	500.00
1010-455-03	1116 W D ST, Ontario, CA 91762	300.00
1010-481-08	823 W G ST, Ontario, CA 91762	200.00
1010-551-06	1444 W STONERIDGE CT, Ontario, CA 91762	500.00
1011-361-05	1559 W MISSION BL, Ontario, CA 91762	500.00
1014-211-13	1320 W FRANCIS ST, Ontario, CA 91762	150.00
1014-532-04	2004 S PALMETTO AV, Ontario, CA 91762	500.00
1047-353-01	304 E SIXTH ST, Ontario, CA 91764	100.00
1048-104-04	845 E ROSEWOOD CT, Ontario, CA 91764	150.00
1048-131-25	1045 N CUCAMONGA AV, Ontario, CA 91764	150.00
1048-504-11	839 E ELMA ST, Ontario, CA 91761	100.00
1048-571-05	405 W D ST, Unit:A, Ontario, CA 91762	100.00
1048-581-28	301 N VINE AV, Ontario, CA 91762	500.00
1049-101-34	767 E EMPORIA ST, Ontario, CA 91761	300.00
1049-204-08	844 E ONTARIO BL, Ontario, CA 91761	100.00
1049-246-08	514 S CHERRY AV, Ontario, CA 91761	450.00
1049-246-09	329 E SUNKIST ST, Ontario, CA 91761	100.00
1049-333-04	209 W CARLTON ST, Unit:A, Ontario, CA 91762	600.00
1050-291-07	431 W MAPLE ST, Ontario, CA 91762	150.00
1050-551-06	645 E SPRUCE ST, Ontario, CA 91761	400.00
		7,650.00

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit C - Total Amounts per Parcel

Parcel Number	Address	Amount Due
0108-401-35	1737 N AMADOR AV, Ontario, CA 91764	300.00
0108-412-18	1722 N DEL NORTE AV, Ontario, CA 91764	840.00
0108-541-19	1646 E YALE ST, Ontario, CA 91764	91.00
0110-013-20	1205 E D ST, Ontario, CA 91764	806.50
0110-061-01	1375 E HOLT BL, Ontario, CA 91761	7,710.90
0110-071-06	1381 E HOLT BL, Ontario, CA 91761	91.00
0110-071-07	1381 E HOLT BL, Ontario, CA 91761	91.00
0110-311-44	761 N ARCHIBALD AV, Building:1, Unit:A, Ontario, CA 91764	372.00
0110-322-22	2653 E GUASTI RD, Ontario, CA 91761	91.00
0110-322-33	2236 E HOLT BL, Ontario, CA 91761	91.00
0110-355-03	914 N ORANGE AV, Ontario, CA 91764	100.00
0110-431-10	750 N ARCHIBALD AV, Building:1, Unit:A, Ontario, CA 91764	332.00
0113-351-52	1215 E ACACIA ST, Unit:104, Ontario, CA 91761	613.55
0210-211-33	700 N HAVEN AV, Ontario, CA 91764	100.00
0210-212-47	3939 E GUASTI RD, Unit:C, Ontario, CA 91761	1,564.11
0210-331-56	1306 N DEL RIO WY, Ontario, CA 91764	391.50
0210-431-26	992 N TURNER AV, Building:21, Unit:119, Ontario, CA 91764	36.00
0211-232-38	0 S MILLIKEN AV, Ontario, CA 91761	648.00
0216-401-61	2570 S VINEYARD AV, Ontario, CA 91761	461.52
0216-401-63	2450 S VINEYARD AV, Building:1, Ontario, CA 91761	6,400.14
0218-151-38	3677 S BEARBERRY AV, Ontario, CA 91761	839.24
0218-171-27	0 S MILLIKEN AV, Ontario, CA 91761	140.00
0218-891-15	3142 S CLOVER LN, Ontario, CA 91761	1,133.72
0238-012-31	5056 E FOURTH ST, Ontario, CA 91764	648.00
0238-014-10	4451 E ONTARIO MILLS PW, Building:3, Unit:D, Ontario, CA 91764	91.00
1008-421-09	1312 N BENSON AV, Ontario, CA 91762	242.00
1008-421-10	1318 N BENSON AV, Ontario, CA 91762	105.50
1008-431-26	1337 N MOUNTAIN AV, Unit:4, Ontario, CA 91762	447.00
1010-455-03	1116 W D ST, Ontario, CA 91762	1,471.73
1010-481-08	823 W G ST, Ontario, CA 91762	220.00
1010-522-10	1100 W HOLT BL, Ontario, CA 91762	950.74
1010-551-06	1444 W STONERIDGE CT, Ontario, CA 91762	648.00
1011-111-24	1533 W HOLT BL, Ontario, CA 91762	140.00
1011-181-12	1108 W MISSION BL, Ontario, CA 91762	835.28
1011-361-05	1559 W MISSION BL, Ontario, CA 91762	648.00
1011-361-19	1411 W MISSION BL, Ontario, CA 91762	91.00
1011-421-12	0 S ELDERBERRY AV, Ontario, CA 91762	91.00
1011-582-03	1329 W PHILLIPS ST, Ontario, CA 91762	1,828.00
1014-152-17	1411 S GRANITE AV, Ontario, CA 91762	91.00
1014-211-13	1320 W FRANCIS ST, Ontario, CA 91762	150.00
1014-441-25	1387 W FRANCIS ST, Ontario, CA 91762	1,272.23
1014-532-04	2004 S PALMETTO AV, Ontario, CA 91762	648.00
1015-131-20	2219 S MOUNTAIN AV, Building:2, Ontario, CA 91762	91.00
1046-511-17	0 E EIGHTH ST, Ontario, CA 91764	91.00

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit C - Total Amounts per Parcel

Parcel Number	Address	Amount Due
1047-353-01	304 E SIXTH ST, Ontario, CA 91764	120.00
1047-502-05	728 E HARVARD PL, Ontario, CA 91764	91.00
1048-022-34	1010 N SAN ANTONIO AV, Ontario, CA 91762	944.00
1048-064-18	329 E J ST, Ontario, CA 91764	91.00
1048-081-39	603 E PLAZA SERENA ST, Ontario, CA 91764	91.00
1048-104-04	845 E ROSEWOOD CT, Ontario, CA 91764	150.00
1048-131-25	1045 N CUCAMONGA AV, Ontario, CA 91764	150.00
1048-161-26	833 N ALAMEDA AV, Ontario, CA 91764	91.00
1048-181-25	921 E H ST, Ontario, CA 91764	91.00
1048-305-05	726 N CYPRESS AV, Ontario, CA 91762	554.00
1048-362-04	515 N LEMON AV, Ontario, CA 91764	557.75
1048-471-20	1104 E NOCTA ST, Ontario, CA 91761	140.00
1048-481-06	947 E HOLT BL, Ontario, CA 91761	140.00
1048-504-11	839 E ELMA ST, Ontario, CA 91761	120.00
1048-511-01	136 N CAMPUS AV, Ontario, CA 91761	1,275.50
1048-511-05	210 N CAMPUS AV, Ontario, CA 91761	248.72
1048-565-02	115 W C ST, Building:1, Ontario, CA 91762	212.00
1048-571-05	405 W D ST, Unit:A, Ontario, CA 91762	100.00
1048-581-28	301 N VINE AV, Ontario, CA 91762	648.00
1049-021-08	555 W HOLT BL, Ontario, CA 91762	91.00
1049-053-09	319 W HOLT BL, Ontario, CA 91762	897.00
1049-055-01	221 W HOLT BL, Building:1, Ontario, CA 91762	1,142.00
1049-101-34	767 E EMPORIA ST, Ontario, CA 91761	340.00
1049-111-01	316 S BON VIEW AV, Building:1, Ontario, CA 91761	2,080.98
1049-141-24	1194 E HOLT BL, Ontario, CA 91761	6,102.00
1049-201-04	519 S CAMPUS AV, Ontario, CA 91761	91.00
1049-204-08	844 E ONTARIO BL, Ontario, CA 91761	100.00
1049-212-04	713 S TAYLOR AV, Ontario, CA 91761	91.00
1049-232-18	550 E PARK ST, Ontario, CA 91761	91.00
1049-232-20	560 E PARK ST, Ontario, CA 91761	4,290.45
1049-246-08	514 S CHERRY AV, Ontario, CA 91761	490.00
1049-246-09	329 E SUNKIST ST, Ontario, CA 91761	120.00
1049-284-07	521 W PARK ST, Ontario, CA 91762	91.00
1049-301-05	752 W PARK ST, Ontario, CA 91762	140.00
1049-333-04	209 W CARLTON ST, Unit:A, Ontario, CA 91762	640.00
1049-333-12	910 S EUCLID AV, Ontario, CA 91762	91.00
1049-362-03	736 E CALIFORNIA ST, Ontario, CA 91761	91.00
1049-372-09	998 E CALIFORNIA ST, Ontario, CA 91761	3,680.95
1049-491-02	532 E BELMONT ST, Ontario, CA 91761	8,993.00
1050-291-07	431 W MAPLE ST, Ontario, CA 91762	170.00
1050-301-12	453 W LOCUST ST, Ontario, CA 91762	2,109.50
1050-551-06	645 E SPRUCE ST, Ontario, CA 91761	420.00
1050-632-33	2045 S CYPRESS AV, Ontario, CA 91762	2,172.50
1051-011-15	751 W MONTICELLO ST, Ontario, CA 91762	553.37

City of Ontario
Community Improvement Department
2021/2022 Tax Roll Year Special Assessments
Exhibit C - Total Amounts per Parcel

Parcel Number	Address	Amount Due
1051-051-72	2230 S EUCLID AV, Building:1, Ontario, CA 91762	416.13
1051-171-42	2420 S GROVE AV, Building:1, Ontario, CA 91761	347.00
1051-331-67	2621 S MARIGOLD AV, Ontario, CA 91761	190.00
1052-191-03	7716 E CHINO AV, Ontario, CA 91761	105.50
1083-071-19	0 S ARCHIBALD AV, Ontario, CA 91761	91.00
1083-331-32	2592 S COLD SPRINGS PL, Ontario, CA 91761	3,265.50
1083-461-04	3881 E ANTELOPE CREEK DR, Ontario, CA 91761	1,446.02
95		**80,799.53**

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Development Administration Prepared By: Derrick E Womble Staff Member Presenting: Scott Murphy, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5.

SUBJECT: A DEVELOPMENT IMPACT FEE CREDIT AGREEMENT (FILE NO. PDIF20-001) BETWEEN THE CITY OF ONTARIO AND BROOKCAL ONTARIO LLC., FOR FACILITY CONSTRUCTION ASSOCIATED WITH TRACT MAP NO. 18937 (FILE NO. PMTT17-002), LOCATED AT THE NORTHEAST CORNER OF ARCHIBALD AVENUE AND ONTARIO RANCH ROAD, WITHIN THE AVENUE SPECIFIC PLAN; AND TRACT MAP NO. 20081 (FILE NO. PMTT17-003) AND A FUTURE MAP ("REGIONS SOUTH"), LOCATED AT THE NORTHEAST AND SOUTHEAST CORNERS, RESPECTIVELY, OF HAVEN AVENUE AND ONTARIO RANCH ROAD, WITHIN THE RICH-HAVEN SPECIFIC PLAN.

RECOMMENDATION: That the City Council approve the Development Impact Fee Credit Agreement (File No. PDIF20-001) between the City of Ontario and BrookCal Ontario, LLC., for facility construction associated with Tract Map No. 18937 (File No. PMTT17-002), located at the northeast corner of Archibald Avenue and Ontario Ranch Road, within The Avenue Specific Plan; and Tract Map No. 20081 (File No. PMTT17-003) and a future map ("Regions South"), located at the northeast and southeast corners, respectively, of Haven Avenue and Ontario Ranch Road, within the Rich-Haven Specific Plan, and authorize the City Manager to execute the agreement.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: Approval of the proposed Development Impact Fee ("DIF") Credit Agreement (File No. PDIF20-001) will result in no fiscal impact to the City's General Fund. The project's Development Agreements (File Nos. PDA15-003 and PDA17-002) and the related Conditions of Approval ("COA") require BrookCal Ontario, LLC., ("Developer") to construct DIF Program infrastructure with an estimated cost of $8,992,428. The proposed DIF Credit Agreement defines the amount of DIF Credit that the Developer may be eligible to receive for construction of these improvements. The DIF Credit that the Developer will receive upon completion of the improvements may be exchanged for a refund of DIF that was paid by the Developer (up to the Developer's maximum

DIF obligation) in the respective DIF category.

BACKGROUND & ANALYSIS: On December 5, 2017, and October 2, 2018, the City Council approved Development Agreements (File Nos. PDA15-003 and PDA17-002, respectively) between the City of Ontario and Developer for Tract Map Nos. 18937 and 20081. A future map ("Regions South") and separate development agreement will be submitted by the Developer at a later date and is included with the proposed DIF Credit Agreement (File No. PDIF20-001) to remain consistent with the formation of the Community Facilities Districts (CFD Nos. 40, 41 and 52), pursuant to the Acquisition and Funding Agreement ("Acquisition Agreement") approved by the City Council on May 7, 2019.

Per the Development Agreements, Acquisition Agreement, and COA, the Developer is required to construct DIF Program infrastructure to serve Tract Map Nos. 18937, 20081, and Regions South. Improvements include the installation of street and bridge improvements, traffic signals, storm drain, and fiber optic facilities generally located along Archibald Avenue, Ontario Ranch Road, Haven Avenue, and Schaefer Avenue, within The Avenue and Rich-Haven Specific Plan development areas, respectively.

Pursuant to the City's adopted DIF Credit policies, construction of DIF Program facilities requires the Developer and the City to enter into a DIF Credit Agreement ("Agreement"). The terms of the proposed Agreement specify the defined portion of the infrastructure to be constructed by the Developer in the Local Adjacent or Regional DIF categories and includes an estimate of the maximum DIF Credit (not reimbursement) that may be applied in the respective Local Adjacent or Regional DIF category. This infrastructure is within Ontario Ranch Regional and Local Adjacent, Streets, Storm Drain, and Fiber Optic System categories. Since the maximum eligible costs in the Agreement for the required infrastructure exceeds the Developer's DIF obligation, the Developer is eligible to receive DIF Credit under the proposed Agreement.

The proposed Agreement complies with the City's DIF policies and is in conformance with the approved Development Agreements, Acquisition Agreement, and COA. Under the provisions of the City's DIF Program, the City Manager is authorized to execute such agreements upon approval by the City Council.

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

CITY OF ONTARIO
CITY CLERK / RECORDS MANAGEMENT
303 EAST "B" STREET
ONTARIO, CA 91764-4196

Space above this line for Recorder's Use Exempt from Fees Per Gov. Code §6103

FILE NO. PDIF20-001

DEVELOPMENT IMPACT FEE CREDIT AGREEMENT FOR FACILITY CONSTRUCTION

By and Between

City of Ontario
a California municipal corporation

and

BrookCal Ontario, LLC
a California limited liability company

_____, 2021

San Bernardino County, California

DEVELOPMENT IMPACT FEE CREDIT AGREEMENT FOR FACILITY CONSTRUCTION BY AND BETWEEN THE CITY OF ONTARIO AND BROOKCAL ONTARIO, LLC FILE NO. PDIF20-001

This DEVELOPMENT IMPACT FEE CREDIT AGREEMENT ("Fee Credit Agreement"), entered into this _____ day of _____, 2021, between the CITY OF ONTARIO, a California municipal corporation, hereinafter referred to as the "City," and BrookCal Ontario, LLC a California limited liability company, hereinafter referred to as the "Developer."

RECITALS

A. Developer is the owner and developer of property located within the City, which property has received development approvals from the City, including The Avenue and Rich-Haven Specific Plans (collectively the "Specific Plan") and Tract Map No(s). 18937, 20081, and future map ("Regions South") (collectively the "Tract Map"). A legal description of the property is attached as Exhibit 1 (the "Property"). A map of the Property is attached as Exhibit 2.

B. As a condition of the development approvals for the Property, including the Specific Plan and Tract Map approvals, the Developer is required to construct those public improvements identified on Exhibit 3, consisting of certain master planned public infrastructure and Improvements, (hereinafter referred to as the "Improvements") The estimated costs for the design and construction of the Improvements are set forth in Exhibit 4.

C. On July 1, 2003, City Ordinance No. Ordinance No. 2779 was adopted establishing certain development impact fees ("DIF Fees") to be paid as a condition to the issuance of certain entitlements within the City. Section 7 of Ordinance 2779 authorizes the City Manager, when he or she determines that the public interest among other reasons would be served by such an agreement, to execute agreements on behalf of the City with applicants in order to provide a credit to the applicant against certain DIF Fees in exchange for the applicant's construction and dedication of public improvements, upon reasonable terms and conditions as may be determined on a case by case basis.

D. City and the previous owner of the Property have previously entered into a statutory Development Agreement (File No. PDA15-003 and File No. PDA17-002), pursuant to Section 65864, et seq., of the Government Code, (the "Development Agreement") and such Development Agreement has been assigned to Developer and Developer has assumed all rights, responsibilities and obligations of the Development Agreement, including the design and construction of the Improvements identified in Exhibit 3 and such improvements are included in the City's Development Impact Fee (DIF) Program as a project, or a portion of a project and eligible for credit against DIF Fees.

E. City and Developer have agreed that the costs to design and construct the Improvements shall be eligible for DIF Credit in accordance with the City's [Ontario Ranch] DIF Credit policies as contained in the City's DIF Program and Resolution No. 2019-135.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and the mutual promises contained herein, it is agreed as follows:

1. Definitions. For purposes of this Agreement, the terms below shall be defined as follows:

"Acceptable Title" means title to land or an interest therein required for the construction, operation and maintenance of an Improvement, in form acceptable to the City Manager, free and clear of all liens, taxes, assessments, leases, easements and encumbrances, whether or not recorded, but subject to any exceptions determined by the City Manager as not materially interfering with the actual or intended use of the land or interest therein required for the operation of an Improvement. Notwithstanding the foregoing, an irrevocable offer of dedication may constitute "Acceptable Title."

"Acceptance Date" means the earlier of (i) date the City Manager or his/her designee takes final action, in writing, to accept dedication or transfer of an Improvement or (ii) the date determined pursuant to Section 3 below.

"Bid Documents" means all designs, bid documents, construction plans and specifications, system layout drawings and other construction documents and permits approved by the City relating to an Improvement.

"Certificate of DIF Credit" means a City certificate for the issuance of DIF Credit to Developer in the form attached hereto as Exhibit 5.

"City DIF Program and Policies" or "DIF Program" means Ordinance Nos. 2779 and 2780 and Resolution No. 2019-135, as -it may be amended from time to time and as DIF Fees and the capital improvement projects and public infrastructure identified therein may be revised by Resolution.

"City Manager" means the City Manager of the City or his or her designee.

"City Engineer" means the City's City Engineer or his or her designee.

"Completed", "Complete" and "Completion" with respect to an Improvement mean that such Improvement has been completed in accordance with its Bid Documents, including any final "punch list" items, as approved in writing by the City Engineer, which approval shall not be unreasonably withheld, and that such

Improvement is Usable. Notwithstanding the foregoing, if an Improvement which Developer is obligated to construct pursuant to the applicable conditions of approval for a portion of the Property is only a portion of a larger work of improvement, then a determination of "Completed" or "Completion" with respect to that Improvement shall be made only as to that Improvement and not with respect to the larger work of improvement of which it is a portion.

"Credit Request" means a document, substantially in the form of Exhibit 6, to be used by Developer in requesting DIF Credits with respect to one or more Improvements.

"Days" shall mean business days unless otherwise stated.

"Developer Contract" means a contract between the Developer and a qualified contractor awarded to the qualified contractor for the construction of the Improvements at the direction of Developer.

"Development Agreement" has the meaning set forth in Recital D above.

"DIF" or "DIF Fees" means the development impact fees imposed within the [Ontario Ranch] area pursuant to City Ordinance Nos. 2779 and 2780 and City Resolution No. 2019-135 and any subsequent City ordinances and resolutions lawfully adopted by the City Council to update or modify such development impact fees.

"DIF Credit" means credits earned against the payment of DIF pursuant to this Agreement.

"DIF Obligation" means the amount of Developer's total obligation for Development Impact Fees in either the Regional or Local Adjacent portion of a DIF category for the Property. Developer's DIF Obligation Amounts for each DIF Category shall be as provided in Exhibit 4.

"Effective Date" means the date set forth in the first paragraph of this Agreement.

"Eligible Cost" means the substantiated cost of an Improvement to be used in calculating DIF Credit amounts, which costs may include: (i) the costs for the construction (including grading) of such Improvement, (ii) costs directly related to the construction and/or acquisition of the Improvement, such as costs of payment, performance and/or maintenance bonds, the professional costs of material testing, and insurance costs (including costs of any title insurance required); (iii) the cost of acquiring any real property or interest therein in order to construct or operate the Improvement, (iv) the fees paid to the City and any other governmental agencies for, and all other costs incurred in connection with obtaining permits, licenses or other governmental approvals for such Improvement, (v) the costs incurred in preparing Bid Documents and the related costs of geotechnical and environmental evaluations

of the Improvement, (vi) costs of construction and project management, administration and supervision (but only up to five percent (5%) of the costs described in clause (i) above) incurred for the construction of such Improvement, (vii) professional costs associated with such Improvement, such as design, engineering, accounting, inspection, construction staking, and similar professional services including legal services related to the review of construction contracts. The maximum amount of Eligible Costs described in clauses (v) through (vii) shall be limited to a total of fifteen percent (15%) of the costs described in clause (i).

"Improvement" or "Improvements" means the public improvements required to support the development of the Property as described in Exhibit 3 to the extent required by the applicable conditions of approval.

"Program Cost" or "DIF Program Cost" means the estimated cost of an Improvement identified in the "Nexus Study" referenced in City Resolution No. 2019-135 as it may be modified, supplemented or superseded from time to time. The Program Cost to be applied shall be the Program Cost in effect at the time the DIF Credit Request is submitted to the City.

"Usable" shall mean that, with respect to any particular Improvement, the Improvement is actually usable for its intended purposes, and includes, for water Improvements, connection to the applicable water supply, for sewer Improvements connection to an applicable disposal system, and for recycled water Improvements connection to a treated water supply and distribution system as those connections are set out in the project approvals. Notwithstanding the foregoing, if an Improvement which Developer is obligated to construct pursuant to the applicable conditions of approval for a portion of the Property is only a portion of a larger work of improvement, then a determination by the City Engineer of whether that Improvement is "Usable" shall be made only with respect to that Improvement and not with respect to the larger work of improvement of which it is a portion.

2. Construction and Funding of Improvements by Developer.

(a) Construction of Improvements by Developer. Developer shall commence each Improvements in accordance with the terms of the conditions of approval, Development Agreement and individual Tract or Parcel Maps, including any extension thereof. In the event of any conflict between these documents, the soonest date of commencement shall apply. Upon commencement of the Improvement(s), Developer shall proceed expeditiously with the construction of the Improvement(s) under the terms herein.

(b) For the purposes of this Agreement, commencement of the Improvements shall mean when Developer receives the first permit from City for any grading of the Property.

(c) City and Developer agree that Developer shall award, or cause to be awarded, all contracts for the construction and Completion of the Improvements

as necessary to assure the timely and satisfactory completion of such Improvements. The Developer shall perform all of its obligations hereunder and shall conduct all operations with respect to the construction of the Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken.

(d) The Developer shall not be relieved of its obligation to construct the Improvements and shall cause title to the Improvements to be conveyed to the City even if the DIF Credit Amount is less than the actual cost of the Improvements.

(e) If Developer is unable or unwilling to proceed with, and Complete, the construction of the Improvement(s) for any reason, and subject to the provisions in Section 14 below, Developer shall be considered to be in default of this Agreement.

3. Inspection and Acceptance of Completed Improvement by City. City shall make or shall cause to be made periodic site inspections of Developer's construction work. The Acceptance Date for each Improvement constructed by Developer shall be no later than twenty (20) Days following the last to occur of the following requirements:

(a) the City Engineer's determination the Improvement is Complete;

(b) the City Engineer's determination that Acceptable Title with respect to the Improvement is available for acceptance;

(c) Developer's provision of one (1) set of "as-built" or record drawings or plans for the Improvement, certified and reflecting the condition of the Improvement as constructed; and

(d) Developer's provision of such evidence or proof as the City Manager shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment to the construction of the Improvement have been paid and that no claims or liens have been recorded by or on behalf of any such person, firm or corporation. Alternatively, rather than await the expiration of the time for the recording of claims of liens, Developer may elect to provide a title insurance policy or other security acceptable to the City Manager guaranteeing that no such claims of liens will be recorded or become a lien upon any of the real property required for the Improvement.

4. Conveyance of Acceptable Title to City. Acceptable Title to all property on, in or over which the Improvement is located, shall, prior to and as a condition precedent to the City's acceptance of any Improvement, be conveyed to City by way of dedication of such property on the Tract or Parcel Map or by a separate recorded instrument, to permit the City to properly own, operate and maintain such Improvement. Developer shall assist the City in obtaining such documents as are

required to obtain Acceptable Title. Completion of the transfer of Acceptable Title shall be evidenced by recordation of the acceptance thereof by the City Engineer.

5. Maintenance and Warranties to be provided to City. Developer shall maintain the Improvement in good and safe condition until the Acceptance Date of the Improvement. Prior to the Acceptance Date, Developer shall, at its sole cost and expense, be responsible for performing any required maintenance on the Improvement. On or before the Acceptance Date of the Improvement, Developer shall assign to the City all of Developer's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to such Improvement. All warranties, guarantees or other evidences of contingent obligations of third persons with respect to the Improvement shall be delivered to the City Engineer, in writing, as part of the transfer of title.

(a) After the Acceptance Date, City shall be solely responsible for maintenance of the Improvement.

(b) With respect to the Improvement, Developer shall warrant that the Improvement is free from defects in materials and construction defects (and shall correct or cause to be corrected any such defects at Developer's expense) for a period of one year from the Acceptance Date thereof (the "Warranty Period") and Developer shall provide a bond or other security reasonably acceptable in form and substance to the City for such period and such purpose to insure that such defects that appear within said period will be repaired, replaced or corrected by Developer, at its own cost and expense, to the reasonable satisfaction of the City Manager. During the Warranty Period, Developer shall continue to repair, replace or correct any such defects within thirty (30) Days after written notice thereof by the City Engineer to Developer, and shall complete such repairs, replacement or correction as soon as practicable.

(c) In the event that Developer does not repair, replace or correct defects after such written notice, in addition to the provisions of Section 14 below, City may repair, replace or correct the defects in the Improvement and charge the Developer for the cost of such repair, replacement or correction plus City staff time and overhead.

6. Issuance of DIF Credit to Developer. Developer shall receive DIF Credits based upon the verified Eligible Costs of the Improvement (or accepted portion of the Improvement). Issued DIF Credits shall specify the DIF Credit infrastructure category and whether the DIF Credit is for construction of a Regional or Local Adjacent DIF Program Improvement.

7. Limitations on the Issuance of DIF Credit to Developer upon Completion of an Improvement. The amount of DIF Credit to be issued by City shall be limited to the amount of the DIF Program Costs for the Improvement or segment cost for the percentage of the Program Costs proportional to the segment of improvement constructed or accepted. The DIF Program Costs identified in the City's

DIF Program shall be subject to change, from time to time, as part of the continuing update of the City's DIF Program. The DIF Program Costs for the Improvement (or accepted portion of the Improvement) shall be those in effect at the time the DIF Credit Request is submitted to the City.

(a) To the extent that NMC Builders LLC incurred the costs for the design of the Improvements, Developer agrees that the DIF Credit, up to ten (10%) of the DIF Program Costs, for those design costs portion of the Improvements shall be issued to NMC Builders LLC.

8. Issuance of a DIF Credit Certificate. When an Improvement is Complete, Developer shall submit a DIF Credit Request to City with all supporting documentation evidencing the total actual Eligible Costs of the Improvement at the time of submittal. The City Manager shall determine the completeness of the DIF Credit Request and notify Developer of whether the DIF Credit Request is considered complete or if additional information is needed from Developer. Once the DIF Credit Request is considered complete, the City Manager shall use his or her best efforts to determine the total actual Eligible Costs of the Improvements and provide Developer with a Certificate of DIF Credit within twenty (20) Days following receipt of the completed DIF Credit Request.

9. DIF Program Modifications. The estimated cost in the City's DIF Program for DIF Improvements (or defined portions of DIF Improvements) as listed in Exhibit 4 and Developer's total DIF Obligation amount may be modified from time to time based on modifications to the City's DIF Program.

10. Assignment of DIF Credits. Developer shall have the right to sell, transfer or assign DIF Credits provided for herein, to any person, partnership, limited liability company, joint venture, firm or corporation; provided, however, that any such sale, transfer or assignment shall only be made in strict compliance with the following:

(a) Concurrent with any such sale, transfer or assignment, or within fifteen (15) business days thereafter, Developer (i) shall notify the City Manager, in writing, of such sale, transfer or assignment and (ii) shall provide the City with an executed agreement between Developer and the purchaser, transferee or assignee that identifies the amount of DIF Credits transferred, as provided in Exhibit 8 of this Agreement.

(b) Except for the limited assignment of DIF Credits under subsection 10 (a) above, any assignment by Developer of any of the obligations of Developer under this Agreement (a "DIF Improvement Assignment") with regards to the Improvements listed in Exhibit 3, shall identify the Improvements that are the subject of the Assignment Agreement and require the prior written approval of the City Manager, which approval shall not be unreasonably withheld so long as adequate security as determined by City in its sole discretion, is in place to secure the Completion of the subject Improvements. Any DIF Improvement Assignment not made in strict compliance with the foregoing conditions (other than a transfer under

Section 23 below) shall, unless such obligations are performed by Developer when required by this Agreement notwithstanding such assignment, constitute a default by Developer under Section 14 below. In such event, City shall have no further obligations with regard to acceptance of Certificates of DIF Credit issued to Developer, including any DIF Credit assigned or transferred by Developer.

(c) If Developer enters into a DIF Improvement Assignment with a successor in interest with respect to all or a part of the Property (a "Successor Developer") in accordance with subsection 10(b) above, and the Successor Developer obtains DIF Credit pursuant to this Agreement upon its completion of the Improvements identified in the DIF Improvement Assignment, then

(i) such Successor Developer shall have the right to sell, transfer or assign to Developer, and Developer shall have the right to acquire from such Successor Developer, all or a portion of such DIF Credit by complying only with Section 10(a) above , and

(ii) Developer shall have the right to sell, transfer or assign all or a portion of such DIF Credit to other Successor Developers who acquire other portions of the Property by complying only with Section 10(a) above, if the sale, transfer or assignment of such DIF Credit occurs concurrently with the conveyance of another portion of the Property to the other Successor Developer.

11. Additional Documents/Actions. The City Manager is authorized to approve and execute any documents and to take any actions necessary to effectuate the purposes of this Agreement.

12. Integration. This Agreement reflects the complete understanding of the parties with respect to the subject matter hereof. In all other respects, the parties hereto re-affirm and ratify all other provisions of the Development Agreement.

13. Prevailing Wages. Developer is aware of the requirements of California Labor Code Section 1720, et seq. (as amended by Stats 2001 ch. 938 § 2 (S.B. 975)), through 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq. and Labor Code Sections 1810, 1811, 1813, 1814; (collectively, the "Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. The Bid Documents and each Developer's Contract shall require all contractors for the construction of Improvements to register with the Department of Industrial Relations and to pay and report prevailing wages in accordance with the applicable provisions of the Labor Code. Developer shall obtain from the City and make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the services available to interested parties upon request, and shall post copies at the Developer's principal place of business and at the project site. Developer shall defend, indemnify and hold the City, its officials, officers, employees, agents, contractors, attorneys and volunteers free and harmless from any fine,

penalty claim or liability of any kind arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

14. Default and Force Majeure.

(a) Default. Failure or delay by Developer or City to perform any of its obligations under this Agreement constitutes a default by such party under this Agreement. The party alleged to be in default shall have thirty (30) Days after the date of the written notice by the other party to commence to cure such default. The party alleged to be in default shall diligently pursue such cure to completion within a reasonable timeframe as established in the written notice provided by the party asserting the default. If the party alleged to be in default has not cured its default within the cure period set forth therein, the defaulting party shall be deemed in breach. Any failure or delay in giving such notice or in asserting any rights and remedies as to any default shall not constitute a waiver of any default, nor shall it change the time of default, nor shall it deprive the party not in default of its rights to institute and maintain any actions or proceeding which it may deem necessary to protect, assert or enforce any of its rights or remedies. If any default by Developer is not cured within the time period provided by the City, City shall be entitled to terminate this Agreement in its entirety and thereafter, the City shall be under no obligation to perform any of City's obligations hereunder, including, but not limited to, the issuance of DIF Credits and DIF Reimbursements that Developer may claim.

(b) Force Majeure. Notwithstanding the provisions contained in the foregoing paragraph, performance by either party hereunder shall not be deemed to be in default where delay or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation brought by a third party, unusually severe weather, reasonably unforeseeable property conditions, acts of the other party, acts or failure to act of the other party or any other public or governmental agency or entity, or any causes beyond the control or without the failure of the party claiming an extension of time to perform (a “Force Majeure Event”). An extension of time for any such cause (an "Excusable Delay") shall be for the time period of the delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of knowledge of the commencement of the cause or from the date of the notice if provided after such thirty-day period. Notwithstanding the foregoing, none of the foregoing events shall constitute an Excusable Delay unless and until the party claiming such delay and interference delivers to the other party written notice describing the event, its cause, when and how such party obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom. Any party claiming an Excusable Delay shall make a good faith effort to deliver such written notice within thirty (30) Days after it obtains actual knowledge of the event. Times of performance under this Agreement may also be extended in writing by City and Developer. The Parties hereto expressly acknowledge and agree that changes in either general economic conditions or changes in the economic assumptions of any

of them (unless such conditions were caused by a Force Majeure Event) that may have provided a basis for entering into this Agreement and that occur at any time after the execution of this Agreement are not Force Majeure Events and do not provide any Party with grounds for asserting the existence of a delay in the performance of any covenant or undertaking that may arise under this Agreement. Each Party expressly assumes the risk that changes in general economic conditions or changes in such economic assumptions relating to the terms and covenants of this Agreement could impose an inconvenience or hardship on the continued performance of such Party under this Agreement, but that such inconvenience or hardship is not a force majeure event and does not excuse the performance by such Party of its obligations under this Agreement. Without limiting the nature of the foregoing, the parties agree that the inability of Developer to obtain a satisfactory commitment from a construction lender for the improvement of the Property or to satisfy any other condition of this Agreement relating to the development of the Property shall not be deemed to be a force majeure event or otherwise provide grounds for the assertion of the existence of a delay under this Section 14.

15. Licenses and Permits. The Developer shall secure (or shall cause to be secured) any and all permits that may be required by the City or any other governmental agency for the construction of the Improvements. The Developer shall be responsible for paying all applicable fees and charges to the City or other governmental agency to obtain any land use entitlements and permits that are necessary to construct the Improvements, although a portion of such costs may be recoverable as DIF credits.

16. Indemnification. The Developer shall protect, indemnify, defend and hold the City, and its respective officials, officers, employees, agents contractors , attorneys and volunteers, and each of them, harmless from and against any and all claims, losses, expenses, suits, actions, fines, penalties decrees, judgments, awards, attorney's fees (to Counsel chosen by City), expert and court costs (collectively "Damages") that the City, or its respective officers, officials, employees, agents, contractors and volunteers or any combination thereof, may suffer or that may be sought against or recovered or obtained from the City, or its respective officers, officials employees, agents, contractors, attorneys or volunteers or any combination thereof, as a result of or by reason of or arising out of or in consequence of (a) the acquisition, construction, or installation of the Improvements; (b) the untruth or inaccuracy of any representation or warranty made by the Developer in this Agreement or in any certifications delivered by the Developer hereunder; or (c) any act or omission of the Developer or any of its subcontractors, or their respective officers, employees, agents, or contractors in connection with the Improvements. If the Developer fails to do so, the City shall have the right, but not the obligation, to defend the same and charge all of the direct, indirect and incidental costs of such defense, including any reasonable attorney fees expert or court costs, to and recover the same from the Developer. Notwithstanding the foregoing, neither the City nor its respective officers, officials employees, agents, contractors, attorneys or volunteers shall be indemnified, defended or held harmless against such Damages to the extent that such Damages have been caused by their sole active negligence or sole willful

misconduct. The parties acknowledge and agree that the Developer shall be released from the indemnity, defense and hold harmless obligations set forth herein upon the acceptance of the Completed Improvements by the City and completion of the Warranty Period for such Improvements.

17. Developer as a Private Developer. In performing under this Agreement, it is mutually understood that the Developer is acting as a private developer, and not as an agent of the City or as a joint venturer with City. The City shall have no responsibility for payment to any contractor, subcontractor or supplier of the Developer. Accordingly, this Agreement does not constitute a debt or liability of the City. The City shall not be obligated to advance any of its own funds or any other costs incurred in connection with the Project. No member, official, employee, agent, contractor, attorney or volunteer of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount that may become due to the Developer or its successors, or on any obligations under the terms of this Agreement.

18. Other Obligations. Nothing contained herein shall be construed as affecting the Developer's respective duty to perform its respective obligations under other agreements, land use regulations or subdivision requirements relating to the development of the Property, which obligations are and shall remain independent of the Developer's rights and obligations, and the City's rights and obligations, under this Agreement; provided, however, that the Developer shall use its reasonable and diligent efforts to perform each and every covenant to be performed by it under any lien or encumbrance, instrument, declaration, covenant, condition, restriction, license, order, or other agreement, the nonperformance of which could reasonably be expected to materially and adversely affect the design, acquisition, construction and installation of the Improvements. This Agreement is not, and shall not be construed as, a statutory development agreement as authorized by Government Code sections 65864 et seq., and this Agreement shall not be interpreted as limiting the authority of the City to adopt and amend regulations concerning permitted uses of property, the density or intensity of use, the maximum height and size of proposed buildings, provisions for the reservation or dedication of land or the payment of impact fees for public purposes.

19. Binding on Successors and Assigns. Except as set forth in Section 10 or Section 23 hereof, neither this Agreement nor the duties and obligations of the Developer hereunder may be assigned to any person or legal entity other than an affiliate of the Developer without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed. Neither this Agreement nor the duties and obligations of the City hereunder may be assigned to any person or legal entity, without the written consent of the Developer, which consent shall not be unreasonably withheld or delayed. The agreements and covenants included herein shall be binding on and inure to the benefit of any partners, permitted and accepted assigns, and successors-in-interest of the parties hereto.

20. Amendments. This Agreement can only be amended by an instrument in writing executed and delivered by the City and the Developer.

21. Waivers. No waiver of, or consent with respect to, any provision of this Agreement by a party hereto shall in any event be effective unless the same shall be in writing and signed by such party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

22. No Third Party Beneficiaries. No person or entity, other than the City, shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the City and the Developer (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

23. Mortgagee Protection. The parties hereto agree that this Agreement shall not prevent or limit Developer, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. Developer shall have the right to encumber and assign its rights and interests hereunder to the lenders providing such financing as security for such financing without the consent of the City and without complying with Section 10 hereof. City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Developer and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. City will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. A mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage or deed of trust on the Property made in good faith and for value, unless otherwise required by law.

(b) The mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If City timely receives a request from a mortgagee requesting a copy of any notice of default given to Developer under the terms of this Agreement, City shall provide a copy of that notice to the mortgagee within ten (10) Days following the sending of the notice of default to Developer. The mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and further provided that any sale, transfer or assignment by any mortgagee in possession shall be subject to the provisions of Section 10 of this Agreement.

24. Notices. Any written notice, statement, demand, consent approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

Developer:
Attn: Dave Bartlett
BrookCal Ontario, LLC
3200 Park Center Drive, Suite 1000
Costa Mesa, CA 92626
Email: dave.bartlett@brookfieldpropertiesdevelopment.com
Phone: (714) 200-1533

Attn: Tim Roberts
BrookCal Ontario, LLC
3200 Park Center Drive, Suite 1000
Costa Mesa, CA 92626
Email: Tim.Roberts@brookfieldpropertiesdevelopment.com
Phone: (714) 200-2483

with a copy to:
Timothy L. Randall
Songstad Randall Coffee Humphrey LLP
3200 Park Center Drive, Suite 950
Costa Mesa, CA 92626
Email: TRandall@SR-Firm.com
Phone: (949) 757-1600

City:
City of Ontario
Attn: City Manager
303 East "B" Street
Ontario, CA 91764

Phone: (909) 395-2000

with a copy to:
Ruben Duran, City Attorney
Best Best & Krieger, LLP
2855 E. Guasti Road, Suite 400
Ontario, CA 91761

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery; (b) if given by electronic communication, whether by telex, or telecopy, upon the sender's receipt of an appropriate answerback or other written acknowledgment; (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail; (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier; or (e) if given by any other means, upon delivery at the address specified in this Section.

25. Jurisdiction and Venue. City and the Developer (a) agree that any suit, action or other legal proceeding arising out of or relating to this Agreement shall be brought in state or local court in the County of San Bernardino or in the Courts of the United States of America in the district in which the City is located, (b) each consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) each waives any objection that it may have to the venue or any suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the City and the Developer agrees that a final and non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

26. Attorneys' Fees. If any action is instituted to interpret or enforce any of the provisions of this Agreement, the prevailing party in such action shall be entitled to recover from the other party thereto reasonable attorney's fees and costs of such suit (including both prejudgment and post judgment fees and costs) as determined by the court as part of the judgment.

27. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

28. Usage of Words. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine and the non-gender specific.

29. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

30. Severability**.** If any section, sentence, clause or phrase of this Agreement or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provision of application, and to this end the provisions of this Agreement are severable. The City Council hereby declares that they would have adopted this Agreement and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

31. Incorporation by Reference. The following Exhibits attached hereto and the Recitals of this Agreement are hereby incorporated by reference as though fully set forth herein:

Exhibit 1 – Legal Description of Property
Exhibit 2 – Map of Property
Exhibit 3 – Description of Improvements
Exhibit 4 – Estimated Costs of Improvements
Exhibit 5 – Certificate of DIF Credit
Exhibit 6 - DIF Credit Request
Exhibit 7 - none referenced
Exhibit 8 - DIF Improvement Assignment

[*Signatures On Next Page*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the respective dates set forth below.

"CITY"

CITY OF ONTARIO, a California municipal corporation

Dated: _____, 2021

By: _____
Scott Ochoa, City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:
BEST BEST & KRIEGER, LLP

By: _____
City Attorney

“DEVELOPER”

BROOKCAL ONTARIO, LLC
a California limited liability company

Dated: _____, 2021

By: _____

Name: _____

Its: _____

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20_____, before me, _____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)

_____,
who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20_____, before me, _____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)

_____,
who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____
Signature of Notary Public

Place Notary Seal Above

Exhibit 1

Legal Description of Property

Tract Map No. 18937

Real property in the City of Ontario, County of San Bernardino, State of California, described as follows: LETTERED LOTS “JJ“ THOUGH “PP“, INCLUSIVE, AND LOT “SS” OF TRACT NO 18937, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 351, PAGES 18 THROUGH 26, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Tract Map No 20081

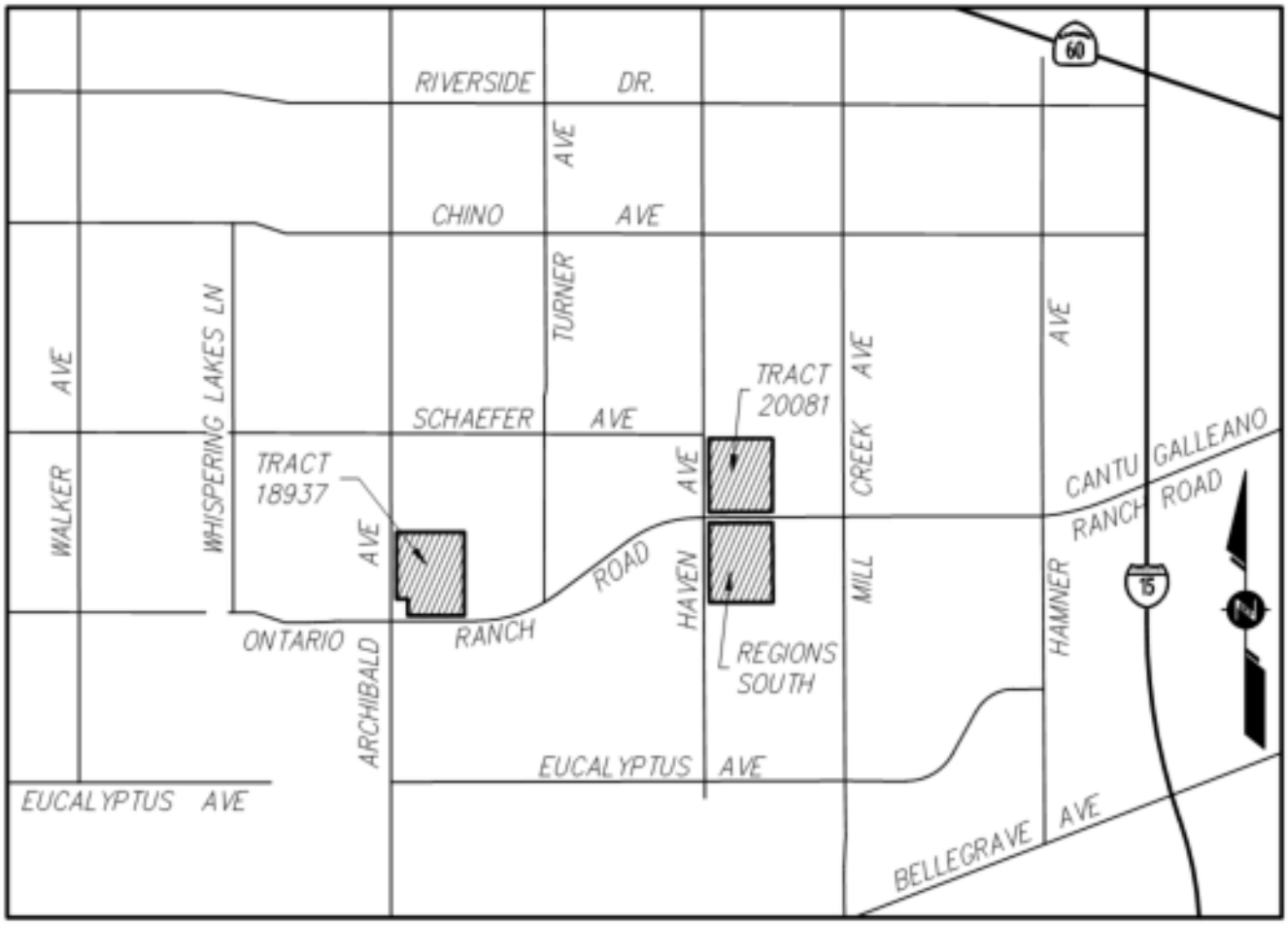
Real property in the City of Ontario, County of San Bernardino, State of California, described as follows: LETTERED LOTS “F“ THOUGH “BJ“ OF TRACT NO 20081, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 354, PAGES 8 THROUGH 20, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Regions South

Real property in the City of Ontario, County of San Bernardino, State of California, described as follows: APN 0218-211-01-000

Exhibit 2

Map of Property



VICINITY MAP

NOT TO SCALE

Exhibit 3

Description of Improvements

DIF Eligible Facilities: The DIF Eligible Facilities consist of the following Components and Segments; provided, however, that each such Segment described below shall constitute a Segment for purposes of this Agreement only if such Segment was constructed by or on behalf of the Developer

BrookCal Ontario, LLC - Regions South					
Local Adjacent Storm Drain Facilities					
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]
Regions South	Local Adjacent Storm Drain	SD-027	Haven Avenue Storm Drain -Riverside Drive to Countyline Channel	96 inch Storm Drain in Haven Avenue from existing Countyline Channel connection to South Tract Boundary of Tract 20012 - Old Edison Avenue	5,200
Regions South	Local Adjacent Storm Drain	SD-027	Haven Avenue Storm Drain -Riverside Drive to Countyline Channel	84 inch Storm Drain in Haven Avenue from Ontario Ranch Road (Edison Avenue) to Schaefer Avenue (North Tract boundary of Tract 20012)	3,540

BrookCal Ontario, LLC - Regions South					
Fiber Optic Communications Facilities					
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**
Regions South	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Haven Avenue to Eastern Tract Limits	1,510
Regions South	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Haven Avenue from Ontario Ranch Road to Southern Tract Limits	1,305

Exhibit 3 Continued

Description of Improvements

BrookCal Ontario, LLC - TM 18937 Local Adjacent Streets and Bridges					
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]
TM 18937	Local Adjacent Streets	ST-025	Non-Developer owned Rights of Way, Frontage Improvements and SCE Pole Relocations	Last lane and Parkway improvements on Archibald Avenue adjacent to SCE Substation	270
TM 18937	Local Adjacent Streets	ST-025	Non-Developer owned Rights of Way, Frontage Improvements and SCE Pole Relocations	Last lane and Parkway improvements on Ontario Ranch Road adjacent to SCE Substation	240

BrookCal Ontario, LLC - TM 18937 Regional Streets and Bridges					
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]
TM 18937	Local Adjacent Streets	ST-026	Additional SCE Pole Relocations	Pole Relocations and Improvement of ROW, adjacent to SCE substation at Ontario Ranch Road and Archibald Avenue	N/A

BrookCal Ontario, LLC - TM 18937 Fiber Optic Communications Facilities					
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**
TM 18937	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Archibald Avenue to Eastern Tract Limits	950
TM 18937	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Archibald Avenue from Ontario Ranch Road to Northern Tract Limits	1,250

Exhibit 3 Continued

Description of Improvements

BrookCal Ontario, LLC - TM 20081					
Local Adjacent Streets and Bridges					
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]
TM 20081	Local Adjacent Streets	ST-024	Ontario Ranch Traffic Control System	Signalized Intersection at Ontario Ranch Road (Edison Avenue) and "D" Street entrance to Tract 20081	Three-way Signal

BrookCal Ontario, LLC - TM 20081					
Fiber Optic Communications Facilities					
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**
TM 20081	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Haven Avenue to Eastern Tract Limits	1,380
TM 20081	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Haven Avenue from Ontario Ranch Road to Northern Tract Limits	1,307

Exhibit 4

Estimated Costs of Improvements

BrookCal Ontario, LLC - Regions South Local Adjacent Storm Drain Facilities								
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]	Total DIF Project Costs	Segment Cost Percentage	Maximum Eligible Costs
Regions South	Local Adjacent Storm Drain	SD-027	Haven Avenue Storm Drain -Riverside Drive to Countyline Channel	96 inch Storm Drain in Haven Avenue from existing Countyline Channel connection to South Tract Boundary of Tract 20012 - Old Edison Avenue	5,200	$ 8,266,143	42.5184%	$ 3,514,632
Regions South	Local Adjacent Storm Drain	SD-027	Haven Avenue Storm Drain -Riverside Drive to Countyline Channel	84 inch Storm Drain in Haven Avenue from Ontario Ranch Road (Edison Avenue) to Schaefer Avenue (North Tract boundary of Tract 20012)	3,540	$ 8,266,143	28.9452%	$ 2,392,653
							Subtotal Local Adjacent Storm Drain	$ 5,907,285

BrookCal Ontario, LLC - TM 18937 Local Adjacent Streets and Bridges								
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]	Total DIF Project Costs	Segment Cost Percentage	Maximum Eligible Costs
TM 18937	Local Adjacent Streets	ST-025	Non-Developer owned Rights of Way, Frontage Improvements and SCE Pole Relocations	Last lane and Parkway improvements on Archibald Avenue adjacent to SCE Substation	270	$ 54,525,631	0.12231%	$ 66,690
TM 18937	Local Adjacent Streets	ST-025	Non-Developer owned Rights of Way, Frontage Improvements and SCE Pole Relocations	Last lane and Parkway improvements on Ontario Ranch Road adjacent to SCE Substation	240	$ 54,525,631	0.11312%	$ 61,680
							Subtotal Local Adjacent Streets	$ 128,370

BrookCal Ontario, LLC - TM 18937 Regional Streets and Bridges								
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]	Total DIF Project Costs	Segment Percentage	Maximum Eligible Costs
TM 18937	Local Adjacent Streets	ST-026	Additional SCE Pole Relocations	Pole Relocations and Improvement of ROW, adjacent to SCE substation at Ontario Ranch Road and Archibald Avenue	N/A	$ 2,415,000	100.0000%	$ 2,415,000
							Subtotal Local Adjacent Streets	$2,415,000

Exhibit 4 Continued

Estimated Costs of Improvements

BrookCal Ontario, LLC - TM 20081 Local Adjacent Streets and Bridges								
Project	DIF Category	DIF Program Project No.	DIF Project Description	Segment Description	Project Scope/Length [LF]	Total DIF Project Costs	Segment Percentage	Maximum Eligible Costs
TM 20081	Local Adjacent Streets	ST-024	Ontario Ranch Traffic Control System	Signalized Intersection at Ontario Ranch Road (Edison Avenue) and "D" Street entrance to Tract 20081	Three-way Signal	$ 22,245,200	1.4896%	$ 331,355
							Subtotal Local Adjacent Streets	$ 331,355

BrookCal Ontario, LLC - Regions South Fiber Optic Communications Facilities								
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**	**Total DIF Project Costs**	**Segment Cost Percentage**	**Maximum Eligible Costs**
Regions South	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Haven Avenue to Eastern Tract Limits	1,510	$ 9,819,358	0.4201%	$ 41,253
Regions South	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Haven Avenue from Ontario Ranch Road to Southern Tract Limits	1,305	$ 9,819,358	0.3631%	$ 35,653
							Subtotal Local Adjacent Fiber Optic Communications	**$ 76,906**

BrookCal Ontario, LLC - TM 18937 Fiber Optic Communications Facilities								
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**	**Total DIF Project Costs**	**Segment Cost Percentage**	**Maximum Eligible Costs**
TM 18937	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Archibald Avenue to Eastern Tract Limits	950	$ 9,819,358	0.2643%	$ 25,954
TM 18937	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Archibald Avenue from Ontario Ranch Road to Northern Tract Limits	1,250	$ 9,819,358	0.3478%	$ 34,150
							Subtotal Local Adjacent Fiber Optic Communications	**$ 60,104**

Exhibit 4 Continued

Estimated Costs of Improvements

BrookCal Ontario, LLC - TM 20081 Fiber Optic Communications Facilities								
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**	**Total DIF Project Costs**	**Segment Cost Percentage**	**Maximum Eligible Costs**
TM 20081	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Haven Avenue to Eastern Tract Limits	1,380	$ 9,819,358	0.3840%	$ 37,702
TM 20081	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Haven Avenue from Ontario Ranch Road to Northern Tract Limits	1,307	$ 9,819,358	0.3636%	$ 35,707
							Subtotal Local Adjacent Fiber Optic Communications	**$ 73,409**

BrookCal Ontario, LLC - Regions South Fiber Optic Communications Facilities								
Project	**DIF Category**	**DIF Program Project No.**	**DIF Project Description**	**Segment Description**	**Project Scope/Length [LF]**	**Total DIF Project Costs**	**Segment Cost Percentage**	**Maximum Eligible Costs**
Regions South	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Ontario Ranch Road from Haven Avenue to Eastern Tract Limits	1,510	$ 9,819,358	0.4201%	$ 41,253
Regions South	Local Adjacent Fiber Optic Communications	FO-004	Distribution Network - Major Streets Conduit System	Fiber Optic Communications Conduit in Haven Avenue from Ontario Ranch Road to Southern Tract Limits	1,305	$ 9,819,358	0.3631%	$ 35,653
							Subtotal Local Adjacent Fiber Optic Communications	**$ 76,906**

Exhibit 4 Continued

Estimated Costs of Improvements

Total DIF Eligible Facilities - BrookCal Ontario, LLC			
Tract Map 18937 - Emerald Park (Kaplan)	**DIF Eligible Improvements to be Constructed**		
Infrastructure Category	**Total DIF Eligible Costs**	**DIF Obligations - Maximum DIF Credit**	**DIF Credit Exceeding Obligations**
Local Adjacent Streets and Bridges Facilities	$ 128,370	$ 560,998	$ -
Regional Streets and Bridges Facilities	$ 2,415,000	$ 374,087	$2,040,913
Local Adjacent Fiber Optic Facilities	$ 60,104	$ 227,900	$ -
DIF Totals	**$ 2,603,474**	**$ 1,162,985**	**$2,040,913**

Total DIF Eligible Facilities - BrookCal Ontario, LLC			
Tract Map 20081 - Canvas Park (Regions North)	**DIF Eligible Improvements to be Constructed**		
Infrastructure Category	**Total DIF Eligible Costs**	**DIF Obligations - Maximum DIF Credit**	**DIF Credit Exceeding Obligations**
Local Adjacent Streets and Bridges Facilities	$ 331,355	$ 1,210,532	$ -
Local Adjacent Fiber Optic Facilities	$ 73,409	$ 509,980	$ -
DIF Totals	**$ 404,764**	**$ 1,720,512**	**$ -**

Total DIF Eligible Facilities - BrookCal Ontario, LLC			
Future Map ("Regions South")	**DIF Eligible Improvements to be Constructed**		
Infrastructure Category	**Total DIF Eligible Costs**	**DIF Obligations - Maximum DIF Credit**	**DIF Credit Exceeding Obligations**
Local Adjacent Storm Drain Facilities	$ 5,907,285	$ 281,480	$ 5,625,805
Local Adjacent Fiber Optic Facilities	$ 76,906	$ 266,600	$ -
DIF Totals	**$ 5,984,190**	**$ 548,080**	**$ 5,625,805**

Exhibit 5

FORM OF CERTIFICATE OF REGIONAL OR LOCAL ADJACENT DIF CREDIT

Pursuant to Section 6 of the Development Impact Fee Credit Agreement for Facility Construction by and between the City of Ontario and _____ dated _____, 20__, the terms and definitions of which are hereby incorporated herein by this reference and hereinafter called the "Fee Credit Agreement" , the City of Ontario hereby certifies that Developer is entitled to the following amount and nature of DIF Credits:

Amount of Credit: $_____
Infrastructure Category of DIF: _____
Local Adjacent or Regional Category of DIF: _____

_____
Scott Ochoa, City Manager

Dated:_____

Exhibit 6

FORM OF DIF CREDIT REQUEST

DIF Project Name & Number: _____

The undersigned (the "Developer"), hereby requests DIF Credits in the DIF categories and amounts specified in Attachment 1 hereto, attached and incorporated. In connection with this Credit Request, the undersigned hereby represents and warrants to the City as follows:

1. He (she) is a duly authorized officer or representative of the Developer, qualified to execute this Credit Request on behalf of the Developer and is knowledgeable as to the matters set forth herein.

2. All costs of the Improvements for which credit is requested hereby are Eligible Costs (as defined in the Fee Credit Agreement) and have not been inflated in any respect. The Eligible Costs for which credit is requested have not been the subject of any prior credit request submitted to the City.

3. Supporting documentation (such as the applicable Developer Contract, third party invoices, lien releases and cancelled checks or other evidence of payment) is attached with respect to each cost for which credit is requested.

4. The Improvement for which credit is requested was constructed in accordance with the requirements of the Fee Credit Agreement.

5. Please issue a Certificate of DIF Credit to the Developer in the amount requested.

I declare under penalty of perjury that the above representations and warranties are true and connect.

DEVELOPER:	CITY:
[INSERT ENTITY]	Credit Request Approved
By: _____	_____
Authorized Representative of Developer	Scott Ochoa, City Manager
Date: _____	Date: _____

ATTACHMENT 1 to **Form of DIF Credit Request**

SUMMARY OF IMPROVEMENTS AND REQUESTED DIF CREDITS

Improvement	Eligible Costs/Contract Amount	DIF Credit Requested

[List here all Improvements for
which credit is requested, and attach support documentation]

Exhibit 8

FORM OF ASSIGNMENT, SALE, OR TRANSFER OF DIF CREDIT

FROM _____ to _____

This Sale or Transfer of DIF Credit ("DIF Credit Transfer") is entered into as of _____, 20__, between _____, a _____ _____"Transferor")
and_____ ("Transferee").

A. NMC Builders, LLC is a limited liability company formed under the laws of the state of California, the business affairs of which are governed by that certain Amended and Restated Limited Liability Company Agreement of NMC Builders, LLC dated as of March 31, 2005, as amended ("NMC Agreement").

B. Transferor is a Member of the NMC Builders, LLC.

C. Pursuant to that certain Certificate of DIF Credit (the "Certificate") issued by the City of Ontario to NMC Builders, LLC, dated _____, an amount of DIF Credit was made available to the Transferor for use in the eastern portion of the New Model Colony. A copy of the Certificate is DIF Credit issued to NMC Builders, LLC by CITY is attached hereto and incorporated herein as Exhibit "C-2".

D. Transferee is owner of real property within the eastern portion of the New Model Colony of the City of Ontario and further described as Tract Map No. _____ . (*or other description of the property*).

D. Pursuant to the terms of this DIF Credit Assignment, Transferee desires to receive from the Transferor, a share of the DIF Credit issued to Transferor by NMC Builders LLC.

For good, valuable and sufficient consideration received, the receipt of which is hereby acknowledged, the Transferor and Transferee hereby agree as follows:

1. TRANSFER

The Transferor hereby assigns, transfers and conveys to Transferee the DIF Credit of:

DIF Credit Category	DIF Credit Amount
_____	_____

2. ACCEPTANCE

Transferee hereby accepts and assumes DIF Credit as listed above. Transferee and CITY shall track DIF Credit as it is redeemed, and the remaining balance to be used, by completing, dating and initialing Exhibit "D-3" attached hereto and incorporated herein. The original Exhibit "C-2" shall not be removed from this Transfer Agreement.

3. EFFECTIVE DATE.

This Transfer Agreement shall become effective as of the date first above written.

4. TRANSFEROR'S REPRESENTATIONS AND WARRANTIES.

The Transferor makes the following representations and warranties, which representations and warranties shall survive this DIF Credit Transfer:

The Transferor has the full power and authority to enter into this DIF Credit Transfer.

The execution, delivery and performance of this DIF Credit Transfer will not result in any violation or default under its organizational documents or any instruments to which the Transferor is a party.

From and after the date of this DIF Credit Transfer, the Transferor shall have no further rights, title or interest in or to the DIF Credit.

5. TRANSFEREE'S REPRESENTATION AND WARRANTIES.

Transferee makes the following representations and warranties, which representations and warranties shall survive this Transfer:

Transferee is the owner of Tract No. _____ (*or other property description*) in the eastern portion of the New Model Colony, City of Ontario.

Transferee has the full power and authority to enter into this DIF Credit Transfer.

This DIF Credit Transfer, when executed, shall constitute a valid and legal obligation binding as to Transferee.

6. NOTICES.

All notices, consents, waivers and other communications under this DIF Credit Transfer must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a party may designate by notice to the other parties); (c) when received by the addresses as confirmed by a confirmation receipt, if sent by facsimile to the appropriate facsimile number designated below (or to such other facsimile number as the parties may designate by notice to the other parties).

If to the Transferor: Entity Name: _____
Address:_____
_____
Attention: _____
Phone: _____
Email: _____

If to Transferee: Entity Name:_____
Address:_____
_____
Attention: _____
Phone: (___) _____
Email: _____

7. GENERAL PROVISIONS.

Severability. In the event that the application of any of the provisions of this DIF Credit Transfer are held to be unenforceable or invalid, the validity and enforceability of other applications of that provision and of the remaining provisions shall not be affected.

Counterparts. This DIF Credit Transfer may be executed in counterparts.

Entire Agreement. This DIF Credit Transfer contains the entire final understanding of and between the parties and supersedes any prior written or oral agreements between them respecting the subject matter of this DIF Credit Transfer. There are no representations, agreements, arrangements or understandings, oral or written, between the parties that are not fully set forth herein.

Construction. Every covenant, term and provision of this DIF Credit Transfer shall be construed simply according to its fair meaning and not strictly for or against any party.

No Modifications. No supplement, modifications or amendment to this DIF Credit Transfer shall be binding unless executed in writing by both parties.

Further Assurances. The Transferor and Transferee each agree to execute such other documents and perform such other acts as may be necessary or desirable to effectuate this DIF Credit Transfer.

Effect of NMC Agreement and Certificate. This DIF Credit Transfer Agreement is, and shall remain, subject to the terms and conditions of the DIF Credit Certificate and the NMC Agreement, as may be amended by the parties thereto from time to time.

No Third Party Beneficiaries. This DIF Credit Transfer Agreement is made and entered into for the sole protection and benefit of the parties hereto, the City of Ontario, and their respective successors and assigns. No other person or entity shall have any right of action based upon any provision of this DIF Credit Transfer Agreement.

IN WITNESS WHEREOF, the Transferor and Transferee have duly executed this DIF Credit Transfer as of the date first written above.

TRANSFEROR:

Entity Name (NMC Builders Member) a _____

By: _____

By: _____

TRANSFEREE:

Entity Name _____a, _____

By: _____

By: _____

(All Signatures must be notarized)

EXHIBIT “C-2” to Transfer of DIF Credit

(Certificate of DIF Credit)

(Original DIF Credit Certificate issued by City must be attached).

EXHIBIT "D-3" to Transfer of DIF Credit

Available DIF Credit Reconciliation

DIF Credit Category _____

Assigned to: _____(NMC Member)

Date Assigned to NMC Member: _____

Transferee: _____

Date Transferred: _____

Starting DIF Credit Balance	Amount Redeemed	Date	Remaining DIF Credit Balance	City's Initials	Transferee's Initials

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Economic Development Prepared By: Charity Hernandez Staff Member Presenting: John P. Andrews, Executive Director Economic Development Reviewed By: Darlene M Sanchez, John P Andrews Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 6.

SUBJECT: A RESOLUTION OF THE ONTARIO CITY COUNCIL FINDING THAT THE PUBLIC INTEREST AND CONVENIENCE REQUIRE THE SALE OF CERTAIN REAL PROPERTY AND DECLARING ITS INTENT TO SELL SUCH PROPERTY

RECOMMENDATION: That the City Council adopt a resolution finding the public interest and convenience require the sale of certain real property located at 1108 and 1120 East California Street and declaring its intent to sell a portion of such property.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner

FISCAL IMPACT: There is no fiscal impact associated with the adoption of the proposed resolution. Any fiscal impacts will be detailed as part of the consideration for the disposition of the Property, tentatively scheduled for February 2, 2021.

BACKGROUND & ANALYSIS: California Government Code Sections 37420 through 37430 authorizes the City to dispose of public property. Government Code Section 37421 states that when the legislative body of a city finds that the public interest and convenience require the sale of public buildings and sites, it must adopt a resolution of its finding and intention to sell such property. Government Code Section 37422 states that such resolution shall fix a time for hearing protests to the property conveyance, provide for publication of notice of the hearing, fix the time when the City will take final action regarding the property conveyance, and contain an accurate description of the property to be conveyed.

The City is proposing to convey City owned property located at 1108 and 1120 East California Street ("Property") essential to allow for the redevelopment of the Property; a location map is provided for reference as Exhibit "A". Redevelopment of the Property would include one 29,290 square foot combination office/warehouse with 27,290 square feet of warehouse space and 2,000 square feet of office space. The project has been found to be consistent with the Ontario International Airport Compatibility Plan and offers land development flexibility, due to numerous site restrictions, while supporting the surrounding land use patterns. The project will include a contemporary light industrial development, bringing forth a much needed improvement considering the high demand for industrial

buildings space in the real estate marketplace.

Conveyance of the Property will also help alleviate conditions of economic and physical blight in the area along the East Mission Boulevard Corridor and create an increase in property taxes, all of which benefit the health, safety and welfare of the City.

Staff recommends adoption of the resolution declaring the City's intent to dispose of and convey a portion of the Property pursuant to the terms of the proposed Purchase and Sale Agreement to be considered on February 2, 2021, for final action on the disposition of the Property, the hearing of any protests to the disposition, and provide for publication of the notice of the said hearing in a newspaper of general circulation no less than ten days prior to February 2, 2021.

EXHIBIT “A”


CALIFORNIA STREET
CACUMOONGA AVENUE
1108
1120
1124
1128
MISSION BLVD

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FINDING THAT THE PUBLIC INTEREST AND CONVENIENCE REQUIRE THE SALE OF CERTAIN REAL PROPERTY AND DECLARING ITS INTENT TO SELL SUCH PROPERTY.

WHEREAS, the City of Ontario ("City") currently owns in fee that certain real property generally located at 1108 and 1120 East California Street in the City of Ontario (APN: 1049-382-01 and 1049-382-02) and legally described in Exhibit "A" attached to this resolution and incorporated by reference herein (the "Property"); and

WHEREAS, the City desires to sell the Property by entering into a Purchase and Sale Agreement ("Purchase Agreement") with Phelan Development Company, a California limited liability company, for purposes of economic development; and

WHEREAS, California Government Code Sections 37420 through 37430 authorize the City to dispose of property; and

WHEREAS, California Government Code Section 37421 provides that when the legislative body of a city finds that the public interest and convenience require the sale of public buildings and sites, it must adopt a resolution of its finding and intention to sell such property; and

WHEREAS, California Government Code Section 37422 provides that such resolution shall fix a time for hearing protests to the property conveyance, provide for publication of notice of the hearing, fix the time when the City will take final action regarding the property conveyance; and contain an accurate description of the property to be conveyed; and

WHEREAS, pursuant to Government Code section 65402, the proposed disposition of the Property pursuant to the Purchase Agreement shall be presented to the City's Planning Commission ("Planning Commission"), and such disposition shall be contingent on a finding by the Planning Commission that the conveyance of the Property from City to Phelan Development Company, LLC. is in conformance with the City's general plan; and

WHEREAS, the City wishes to declare its intent to dispose of and convey the Property pursuant to the terms of the Purchase Agreement, fix a time for the hearing of any protests to the disposition, provide for publication of the notice of said hearing, and fix the time for final action on the disposition of the Property and approval of the DDA.

WHEREAS, City staff has determined that the approval and adoption of this resolution does not constitute an approval of any specific program, project or expenditure and does not constitute a project within the meaning of the California Environmental Quality Act (Public Resources Code § 21000) ("CEQA"); and

WHEREAS, pursuant to the foregoing, City staff has determined that a notice of exemption ("Notice of Exemption") for the approval of this should be filed with the County of San Bernardino, pursuant to CEQA, the State CEQA Guidelines and the City's Local CEQA Guidelines.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The foregoing recitals are true and correct and are incorporated herein and made an operative part of this Resolution.

SECTION 2. Findings. The City Council of the City hereby finds and determines that public convenience and necessity require the sale of the Property. The factors demonstrating that the public convenience and necessity require the sale of the Property include, but are not limited to the following: the Property will consist of a 29,290 square foot combination office/warehouse with 27,290 square feet of warehouse space and 2,000 square feet of office space for economic development purposes, which will create jobs within the City, alleviate conditions of economic and physical blight in the City, and create an increase in property taxes, all of which benefit the health, safety and welfare of the City.

SECTION 3. Declaration of Intent to Sell; Fixing of Hearing and Time of Final Action. The City Council of the City hereby declares its intent to sell the Property pursuant to the Purchase Agreement and fixes February 2, 2021, at 6:00 P.M. or as soon thereafter that the matter can be heard at the City of Ontario, City Council Chambers, located at 303 East "B" Street, Ontario, California 91764 as the date, time and location for hearing any protests to the proposed sale of the Property, approval of the Purchase Agreement, and as the final action date.

SECTION 4. Publication and Posting. In compliance with California Government Code Section 37423, the City Council of the City hereby directs City staff to publish this resolution at least once in a daily newspaper prior to February 2, 2021 and to post this Resolution for not less than ten (10) days in at least three (3) conspicuous places upon the Property prior to February 2, 2021.

SECTION 5. CEQA. The City Council of the City hereby directs City staff to file a Notice of Exemption with the San Bernardino County Clerk's Office within five (5) working days of the adoption of this Resolution.

SECTION 6. Severability. If any provision of this Resolution is held invalid, the remainder of this Resolution shall not be affected by such invalidity, and the provisions of this Resolution are severable.

SECTION 7. Effective Date. This Resolution shall become effective immediately upon its adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHELIA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER, LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHELIA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2021- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held January 19, 2021, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHELIA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2021- duly passed and adopted by the Ontario City Council at their regular meeting held April 21, 2021.

_____
SHELIA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

APN: 1049-382-01 and 1049-382-02

REAL PROPERTY IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THE WEST 90 FEET OF THAT PORTION OF THE NORTH TWO FIFTHS OF LOT 224, VILLA PLOTS, SOUTH SIDE TRACT, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6, PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF SAID LOT, DISTANT THEREON 189.52 FEET EAST OF THE NORTHWEST CORNER OF SAID LOT; THENCE EASTERLY ALONG THE NORTH LINE OF SAID LOT, 145.3 FEET; THENCE SOUTHERLY AND PARALLEL TO THE WEST LINE OF SAID LOT 299.8 FEET TO A POINT; THENCE WESTERLY AND PARALLEL TO THE NORTH LINE OF SAID LOT 145.3 FEET; THENCE NORTHERLY 299.8 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION CONVEYED TO THE STATE OF CALIFORNIA, BY DEED RECORDED AUGUST 16, 1944 IN BOOK 1699, PAGE 173 OFFICIAL RECORDS.

THAT PORTION OF LOT 224, VILLA PLOTS, SOUTH SIDE TRACT, AS PER PLAT THEREOF RECORDED IN BOOK 6 OF MAP, PAGE 11, RECORDS OF SAID COUNTY, DESCRIDED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WEST LINE OF SAID LOT 224, AND THE SOUTH LINE OF CALIFORNIA STREET AS SAME NOW EXISTS, 80 FEET WIDE; THENCE SOUTH ALONG THE WEST LINE OF SAID LOT 224, 162.8 FEET TO THE NORTHWEST CORNER OF THE PROPERTY DESCRIBED IN THE DEED FROM H.F.VAN HOUTEN, ET AL, TO THE STATE OF CALIFORNIA, RECORDED AUGUST 23, 1948 IN BOOK 2282 OF OFFICAL RECIRDS, PAGE 150; THENCE EAST 189.52 FEET; THENCE NORTH 162.8 FEET TO THE SOUTH LINE OF CALIFORNIA STREET, AS SAME NOW EXISTS, 80 FEET WIDE; THENCE WEST ALONG SOUTH LINE, 189.52 FEET TO POINT OF BEGINNING.

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Engineering Prepared By: Eric Woosley Staff Member Presenting: Scott Murphy, Executive Director Community Development Reviewed By: Rachele Wells, Raymond Lee, Khoi Do Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 7.

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20157 LOCATED AT THE NORTHWEST CORNER OF SUNKIST STREET AND CAMPUS AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Parcel Map No. 20157 located at the northwest corner of Sunkist Street and Campus Avenue.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

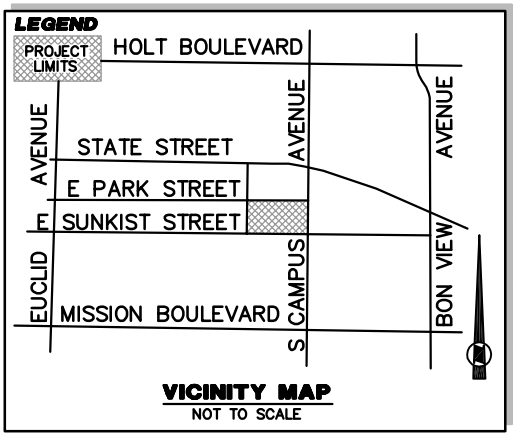
BACKGROUND & ANALYSIS: A Final Parcel Map (No. 20157) consisting of a single industrial lot on approximately 5 acres, as shown on Exhibit A, has been submitted by Heliodor Sunkist, LLC, a Delaware Limited Liability Company/Patriot Development Partners, L.P., a California Limited Partnership (Mr. Kevin Rice, Managing Member). Additionally, a tentative Parcel Map (No. 20157) was approved by the Planning Commission (7-0) on April 28, 2020.

Improvements will include concrete pavement, curb, gutter, sidewalk, driveways, access ramps, fire hydrants, street light upgrades and relocations, and parkway landscaping with irrigation. Improvements in the parkway will be consistent with current City approved drought measures.

The owner has entered into an Improvement Agreement with the City for Final Parcel Map No. 20157 and has posted adequate security to ensure construction of the required improvements.

The map meets all conditions of the Subdivision Map Act and the Ontario Municipal Code and has been reviewed and approved by the City Engineer.

EXHIBIT A
PM 20157





N

PREPARED BY:

HUITT-ZOLLARS
Huitt-Zollars, Inc. Ontario
)0 CONCOURS, SUITE 330 * ONTARIO, CALIFORNIA 91764 * (909) 941-7799

CITY OF ONTARIO
ENGINEERING DEPARTMENT

FILE NO. PM -20157

APPLICANT: HELIODOR SUNKIST, LLC

PROJECT : PARCEL MAP NO. 20157

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20157 LOCATED AT THE NWC OF SUNKIST STREET AND CAMPUS AVENUE.

WHERAS, Tentative Parcel Map No. 20157, submitted for approval by Heliodor Sunkist, LLC, a Delaware Limited Liability Corporation/Patriot Development Partners, L.P., a California Limited Partnership (Mr. Kevin Rice, Managing Member) ("Owner") was approved by the Planning Commission of the City of Ontario on April 28, 2020; and

WHEREAS, Tentative Parcel Map No. 20157 consists of a single parcel, being a subdivision of portions of lots 1 through 8, inclusive, in Block 114 and all Lot 9 through 30, inclusive, in Block 114 of Villa Plots South Side Tract, filed in Book 32, Page 24, of Maps, together with a portion of Monterey Avenue, formerly known as Ontario Avenue and the Alley, vacated by Resolution No. 6950, recorded December 4, 1970, in Book 7567, Page 107 and December 7, 1970, in Book 7568, Page 192 of Official Records as described in Deed recorded June 17, 2019, as Instrument No. 2019-197592 of Official Records, all in the Office of the County Recorder of San Bernardino County, State of California; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Parcel Map No. 20157, the Owner has offered the improvement agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ontario, California, as follow:

1. That said Improvement Agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and

2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and

3. That Final Parcel Map No. 20157 be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2021- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held January 19, 2021 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2021- duly passed and adopted by the Ontario City Council at their regular meeting held January 19, 2021.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Engineering Prepared By: Michael Bhatanawin Staff Member Presenting: Scott Murphy, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8.

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NOS. 20135, 20136 AND 20137 LOCATED AT THE NORTHEAST CORNER OF HAVEN AVENUE AND SCHAEFER AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map Nos. 20135, 20136 and 20137 located at the northeast corner of Haven Avenue and Schaefer Avenue within the Rich-Haven Specific Plan.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: None. All public infrastructure improvements required for these subdivisions will be constructed by the developer at its sole cost.

BACKGROUND & ANALYSIS: Final Tract Map No. 20135, consisting of ten (10) numbered lots and thirteen (13) lettered lots on 6.16 acres, Final Tract Map No. 20136, consisting of one hundred (100) numbered lots and twenty (20) lettered lots on 8.60 acres, and Final Tract Map No. 20137, consisting of eighteen (18) numbered lots and twelve (12) lettered lots on 9.21 acres (see Exhibit A), have been submitted by LS-Ontario II, LLC, a Delaware Limited Liability Company (Mr. David Mello, Jr., Vice President of Forward Planning), Haven Ontario NMC 2, LLC, a Florida Limited Liability Company (Mr. Craig Cristina, Senior Vice President), and Legacy Land Partners, LLC, a Florida Limited Liability Company (Mr. Craig Cristina, Senior Vice President).

Tentative Tract Map Nos. 20135, 20136 and 20137 are contiguous maps approved by the Planning Commission on April 23, 2019, and are consistent with the adopted Rich-Haven Specific Plan Area.

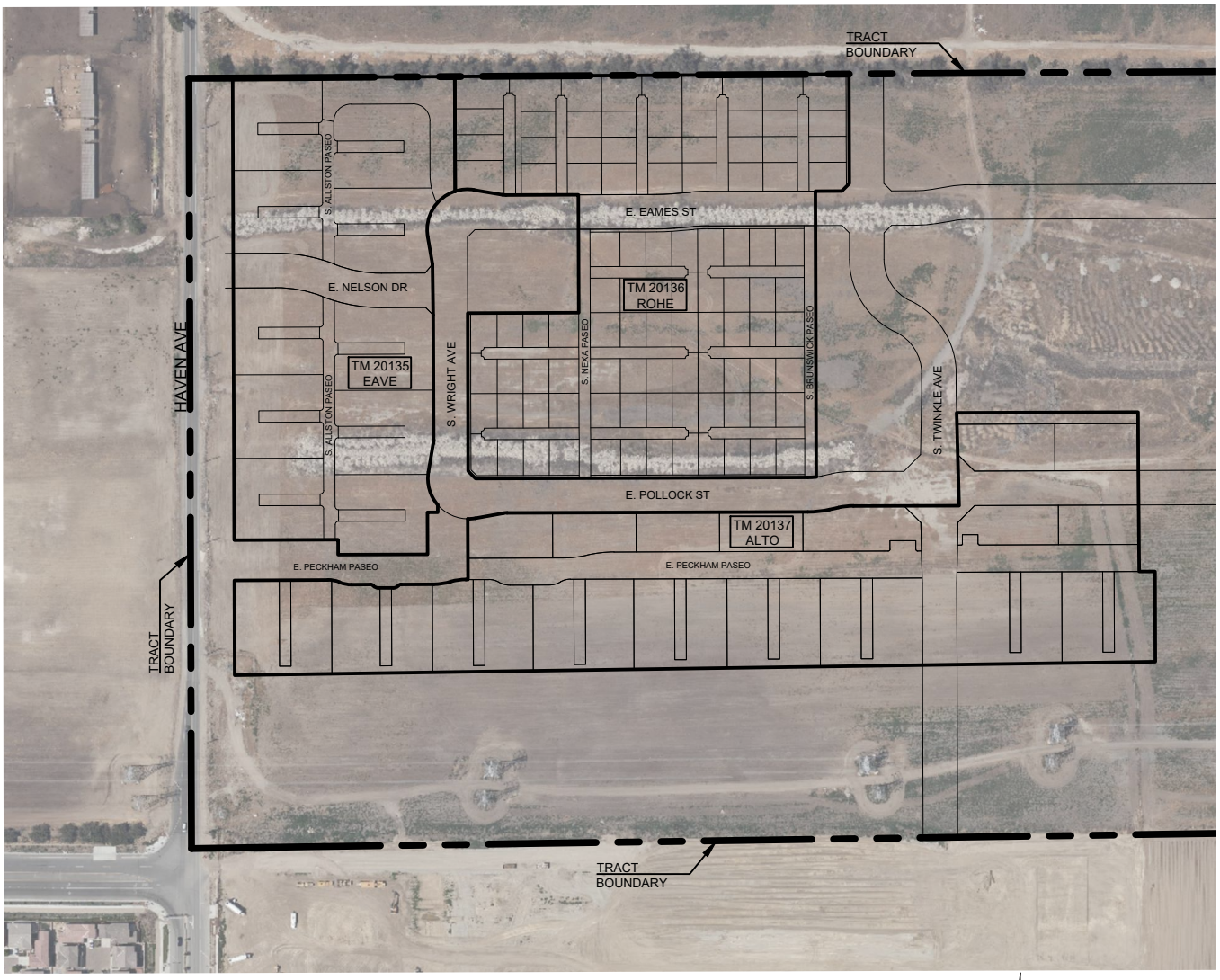
Improvements will include AC pavement, curb, gutter, sidewalk, landscaped parkways, fiber optic conduits, fire hydrants, sewer, water, recycled water mains, storm drain, and streetlights. The improvements in parkway landscaping will be consistent with current City approved drought measures.

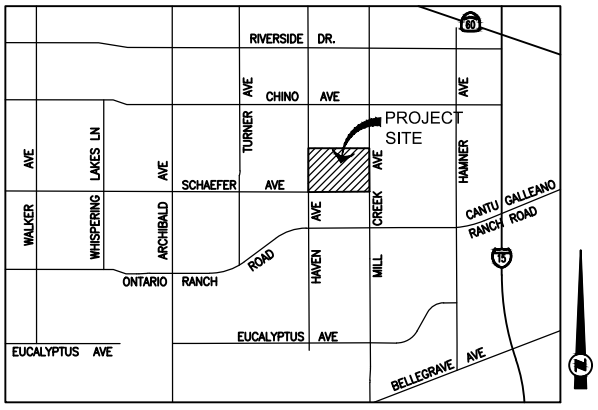
The developer has entered into an improvement agreement with the City for Final Tract Map Nos.

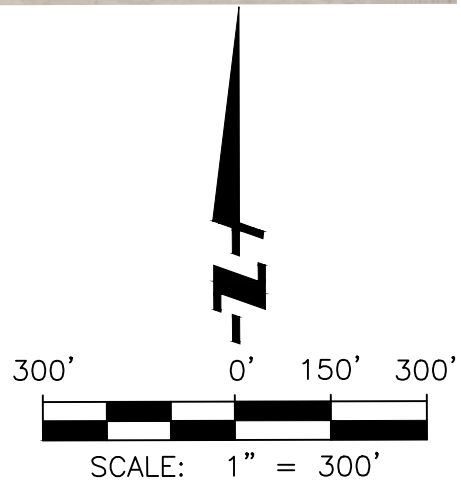
20135, 20136 and 20137 and posted adequate security to ensure construction of the required public improvements.

These maps meet all conditions of the Subdivision Map Act and the Ontario Municipal Code and have been reviewed and approved by the City Engineer.

EXHIBIT A







X ENGINEERING & CONSULTING, INC.
6 Hutton Centre Drive, Suite 650
Santa Ana, California 92707
949.522.7100 | xengineeringinc.com

EXHIBIT A

TR 20135, 20136, 20137
PREPARED 2020-12-22

P:\103\003\Exhibits\103-003 Tract Map Exhibit A - TR35-37.dwg December 22, 2020 2:57 PM

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FINAL TRACT MAP NOS. 20135, 20136 AND 20137 LOCATED AT THE NORTHEAST CORNER OF HAVEN AVENUE AND SCHAEFER AVENUE.

WHEREAS, Tentative Tract Map Nos. 20135, 20136 and 20137 submitted for approval by Richland Communities, were approved by the Planning Commission of the City of Ontario on April 23, 2019; and

WHEREAS, Tentative Tract Map No. 20135 consists of 10 numbered lots and 13 lettered lots within the Rich Haven Specific Plan Area being Lot 1 and Lot 5 of Tract Map No. 20134, as per Map Recorded November 10, 2020, as Document No. 2020-0445112, in Map Book 357, Pages 23-33, inclusive, in the Office of the County Recorder of San Bernardino; and

WHEREAS, Tentative Tract Map No. 20136 consists of 100 numbered lots and 20 lettered lots within the Rich Haven Specific Plan Area being Lot 2 and Lot 3 of Tract Map No. 20134, as per Map Recorded November 10, 2020, as Document No. 2020-0445112, in Map Book 357, Pages 23-33, inclusive, in the Office of the County Recorder of San Bernardino; and

WHEREAS, Tentative Tract Map No. 20137 consists of 18 numbered lots and 12 lettered lots within the Rich Haven Specific Plan Area being Lot 4, Lot 8, and Lot 9 of Tract Map No. 20134, as per Map Recorded November 10, 2020, as Document No. 2020-0445112, in Map Book 357, Pages 23-33, inclusive, in the Office of the County Recorder of San Bernardino; and

WHEREAS, Tentative Tract Map Nos. 20135 and 20136 were subsequently sold to LS-Ontario II, LLC, a Delaware Limited Liability Company (Mr. David Mello, Jr., Vice President of Forward Planning); and

WHEREAS, Tentative Tract Map No. 20137 is owned by LS-Ontario II, LLC, a Delaware Limited Liability Company (Mr. David Mello, Jr., Vice President of Forward Planning), Haven Ontario NMC 2, LLC a Florida Limited Liability Company (Mr. Craig Cristina, Senior Vice President) and Legacy Land Partners, LLC a Florida Limited Liability Company (Mr. Craig Cristina, Senior Vice President); and

WHEREAS, to meet the requirements established as prerequisite to final approval of Tract Map Nos. 20135, 20136 and 20137, LS-Ontario II, LLC, a Delaware Limited Liability Company (Mr. David Mello, Jr., Vice President of Forward Planning), Haven Ontario NMC 2, LLC a Florida Limited Liability Company (Mr. Craig Cristina, Senior Vice President) and Legacy Land Partners, LLC a Florida Limited Liability Company (Mr. Craig Cristina, Senior Vice President) have offered the improvement agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

WHEREAS, the requirement for the preparation of Covenants, Conditions and Restrictions (CC&R's), approved by the City Attorney's Office, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by the commonly affected property owners has been deferred to a date that coincides with the recordation of the subject Tract Maps.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ontario, California, as follows:

1. That said Improvement Agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and

2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and

3. That Final Tract Map Nos. 20135, 20136 and 20137 be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

_____
BEST, BEST & KREIGER, LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2021- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held January 19, 2021 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2021- duly passed and adopted by the Ontario City Council at their regular meeting held January 19, 2021.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Investments & Revenue Resources Prepared By: Jason M Jacobsen Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Reviewed By: Jason M Jacobsen, Armen Harkalyan Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 9.

SUBJECT: AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE)

RECOMMENDATION: That the City Council consider and adopt an ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 55 (Parklane).

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The use of Mello-Roos financing for facilities in the residential development of the Parklane project is estimated to generate approximately $8.7 million in bond proceeds to be used to fund a portion of the public infrastructure improvements that will serve the project, and approximately $381,158 per year, at build out, to fund City services. Mello-Roos bonds are not a direct obligation of the City and are paid from special taxes levied on each taxable parcel in the district; therefore, there is no General Fund impact from the issuance of Mello Roos bonds. City Council approval will be required in future years to process annual special tax levies.

BACKGROUND & ANALYSIS: The Mello-Roos Community Facilities Act of 1982 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts (CFDs) for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities.

At a public hearing conducted by the City Council on December 15, 2020, the City Council adopted resolutions which established Community Facilities District No. 55 (Parklane); authorized the levy of a special tax within the Community Facilities District; called an election within the Community Facilities District on the proposition of incurring indebtedness, levying a special tax within the Community Facilities District; and establishing an appropriations limit for the Community Facilities District. On that date, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act. Adoption of the ordinance authorizing the levy of special taxes within the Community Facilities District will conclude the

formation process for City of Ontario Community Facilities District No. 55 (Parklane).

The Parklane project addresses the development of approximately 52 gross acres located west of Haven Avenue, generally east of Monarch Place, north of Merrill Avenue and south of Parkview Avenue. At build out, the development is projected to include 226 detached units.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 55 (PARKLANE).

WHEREAS, on November 3, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 55 (Parklane), and to Authorize the Levy of Special Taxes" stating its intention to establish City of Ontario Community Facilities District No. 55 (Parklane) (the "Community Facilities District") and to finance certain public facilities (the "Facilities") and services (the "Services"); and

WHEREAS, on December 15, 2020, the City Council held a noticed public hearing on the establishment of the Community Facilities District, as required by the Act; and

WHEREAS, subsequent to the close of said hearing, the City Council adopted resolutions entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 55 (Parklane), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" (the "Resolution of Formation"), "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 55 (Parklane)" and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 55 (Parklane)", which resolutions established the Community Facilities District, authorized the levy of a special tax within the Community Facilities District and called an election within the Community Facilities District on the proposition of incurring indebtedness, levying a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District, respectively; and

WHEREAS, on December 15, 2020, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act.

THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby authorizes and levies special taxes within the Community Facilities District pursuant to Sections 53328 and 53340 of the Act, at the rate and in accordance with the method of apportionment set forth in Exhibit B to the Resolution of Formation (the "Rate and Method of Apportionment"). The special taxes are hereby levied commencing in fiscal year 2021-22 and in each fiscal year thereafter until the last fiscal year in which such special taxes are authorized to be levied pursuant to the Rate and Method of Apportionment.

SECTION 2. The City Council may, in accordance with subdivision (b) of Section 53340 of the Act, provide, by resolution, for the levy of the special tax in future tax years at the same rate or at a lower rate than the rate provided by this Ordinance. In no event shall the special tax be levied on any parcel within the Community Facilities District in excess of the maximum tax specified therefor in the Rate and Method of Apportionment.

SECTION 3. The special tax shall be levied on all of the parcels in the Community Facilities District, unless exempted by law or by the Rate and Method of Apportionment.

SECTION 4. The proceeds of the special tax shall only be used to pay, in whole or in part, the cost of providing the Facilities and Services and incidental expenses pursuant to the Act.

SECTION 5. The special tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in the case of delinquency as is provided for *ad valorem* taxes, unless another procedure is adopted by the City Council.

SECTION 6. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the Community Facilities District, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the Community Facilities District shall not be affected.

SECTION 7. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

The City Clerk of the City of Ontario shall certify as to the adoption of this Ordinance.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____

PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. 3177 was duly introduced at a regular meeting of the City Council of the City of Ontario held December 15, 2020 and adopted at the regular meeting held January 19, 2021 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 3177 duly passed and adopted by the Ontario City Council at their regular meeting held January 19, 2021 and that Summaries of the Ordinance were published on December 22, 2020 and January 26, 2021 in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Financial Services Prepared By: Michelle D Honis Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Reviewed By: Doreen Nunes, Darlene M Sanchez Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 10.

SUBJECT: COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020

RECOMMENDATION: That the City Council accept the City of Ontario's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2020.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: There is no direct fiscal impact as a result of this action; however, the City's receipt of an unqualified audit report with no material internal control weaknesses or significant deficiencies reported, can result in enhanced bond ratings.

BACKGROUND & ANALYSIS: The primary objectives of a financial audit are: (1) to express an opinion on the fairness of the financial statements in conformity with generally accepted accounting principles; and (2) to determine whether the City has complied with applicable legal requirements in obtaining and expending public funds.

The audit for Fiscal Year 2019-20 was performed in accordance with generally accepted auditing standards by the accounting firm of Lance, Soll & Lunghard, LLP. These standards are required to obtain reasonable assurances that the general purpose financial statements are free from material misstatements. The opinion given in the Independent Auditors Report states that "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 of Ontario, California, as of June 30, 2020, 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."

The City of Ontario has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for 31 consecutive years. This year's CAFR has been submitted again to GFOA for award consideration.

Also, it is worth noting that staff did make the audited financial statements available for the public and the City Council review prior to the December 31, 2020, deadline, as required by law.







CITY OF
ONTARIO
SOUTHERN CALIFORNIA









Comprehensive Annual Financial Report

Fiscal Year

Ended June 30, 2020



ON THE COVER

The **Ontario Youth Activities League** (OYAL) hosted a free soccer clinic coached by the Ontario Fury for 150 kids.



Toyota became the new sponsor for the Arena this year.



The annual **Fire Department Open House** was held at Station 3 in October. The event was full of safety demonstrations and family activities.



Ontario Mills continues to be the hub of retail activity in the city.



Ontario International Airport continues to thrive with China Airlines completing its 1st year at ONT terminals and international travel booming at the start of 2019.



Ontario Police Department Bike Patrol continues to keep the Civic Center area safe for special events, pedestrians and employees.



Ontario Night Out had 42 registered block parties of residents, all committed to building a healthier and safer community.



The City of Ontario opened its 3rd public **Dog Park** at James R. Bryant Park on April 27, 2019.





City of Ontario, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ending June 30, 2020

Prepared By:
Fiscal Services Department
Of the Financial Services Agency


CITY OF ONTARIO CALIF.
SCHOOLS & CHURCHES
BUSINESS & AGRICULTURE
BALANCED COMMUNITY
INCORPORATED 1891

CITY OF ONTARIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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CITY OF ONTARIO
303 EAST "B" STREET, CIVIC CENTER ONTARIO CALIFORNIA 91764-4105
(909) 395-2000
FAX (909) 395-2070

PAUL S. LEON
MAYOR

ALAN D. WAPNER
MAYOR PRO TEM

JIM W. BOWMAN
DEBRA DORST-PORADA
RUBEN VALENCIA
COUNCIL MEMBERS

SCOTT OCHOA
CITY MANAGER

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

December 23, 2020

To the Honorable Mayor, City Council, City Manager, and Citizens of the City of Ontario:

State law requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the City of Ontario for the fiscal year ended June 30, 2020. This report provides a broad view of the City's financial activities for the 2019-20 Fiscal Year and its financial position as of June 30, 2020. Although addressed to the elected officials and the citizens of the City, this report has a number of other users. Foremost among these other users are bondholders of the City, financial institutions, credit rating agencies, educational institutions, and other governmental entities. In producing a CAFR, the City of Ontario has chosen to provide financial information that is significantly greater than that which is required under state law.

Responsibility for both the accuracy of the information presented in the CAFR as well as the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe that the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the City and the results of its operations; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The management of the City has established a system of internal control that is designed to assure that the assets of the City are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Ontario's financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable

assurance that the financial statements of the City of Ontario for the fiscal year ended June 30, 2020, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Ontario's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis (MD&A) included in this report on page 3 to obtain the most complete assessment of the City's current financial status and its future prospects.

Profile of the Government

The City of Ontario was founded as a "Model Colony" and incorporated on December 10, 1891. Ontario is located approximately 35 miles east of downtown Los Angeles and encompasses nearly 50 square miles. Ontario is one of the 150 largest cities in the United States and is home to approximately 12,000 businesses, 119,000 jobs and a population of 185,010.

Ontario is ideally situated as a gateway to Southern California and beyond, with direct access to the I-10, I-210, and I-15 freeways, State Routes 60 and 83, and two major railways. Ontario International Airport (ONT) was recently ranked as both the fastest growing airport in the United States and the largest outbound cargo gateway. Today, ONT offers nonstop commercial jet service to 18 major airports in the U.S., Mexico and Taiwan, including the only transpacific services from a Southern California airport other than LAX.

The City of Ontario operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The governing council is responsible, amongst other things, for passing ordinances, adopting the budget, appointing committees and hiring both the City's manager and attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government and for appointing the heads of the various agencies. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected every two years. The mayor is elected to serve a four-year term. The mayor and the four council members are elected at large.

The City of Ontario is a full-service city with approximately 1,313 full-time employees. Services provided include police and fire protection; development including the construction and maintenance of streets, parks, water and sewer lines, traffic signals and other infrastructure; water, sewer and integrated waste services; recreation and community services; and arts, cultural, and social programs. In addition to general government activities, the City Council also serves as the Board of Directors for the Ontario Industrial Development Authority, the Ontario Redevelopment Financing Authority, Ontario Public Financing Authority and the Ontario Housing Authority. These activities have therefore been included as an integral part of the City of Ontario's financial statements. Additional information on these entities can be found in Note 1 in the notes to the financial statements.

The Ontario Municipal Code requires that the City Manager present the Annual Operating Budget to the City Council for approval. The Financial Services Agency, under the direction of the Executive Director of Finance, is responsible for compiling the estimated revenues and appropriations for the City Manager. Prior to the beginning of the new fiscal year, the City Council adopts the Annual Operating Budget at a public budget workshop.

The development of the Fiscal Year Annual Operating Budget begins in February with the dissemination of the budget preparation guidelines. The guidelines include policies and procedures to ensure that the preparation of the budget conforms to fiscal policies and guidelines established by the City Council. Before the Agency budget requests are submitted to the City Manager, the Financial Services staff reviews and analyzes all Agency requests. This review includes comparative analysis of historical and current expenditure levels. The City Manager and the Financial Services staff then hold meetings with each Agency Executive Director to discuss the budget requests and obtain additional information to assist in the assessment of the requests. A proposed budget is then submitted to City Council for consideration in June. The budget must be approved by City Council before the start of the new fiscal year: July 1st.

The City's budget policy is that all appropriations lapse at fiscal year-end. Outstanding encumbrance balances at fiscal year-end require re-approval by City Council at the First Quarter Budget Update. City Council may amend the budget at any time during the fiscal year. Budget reports are presented to City Council and the public on a quarterly basis. They include appropriations adjustments and revised revenue projections as needed. The City Manager may authorize budget transfers between line items, programs and agencies as long as the total budget does not exceed the amount approved by City Council. Budgetary changes between funds require City Council approval. The level of budgetary controls is set at the Agency level by fund to ensure compliance with the budget as approved by City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. Additional information regarding the City's general budget policies can be found in the Required Supplementary Information.

Economic Condition and Outlook

Prior to the COVID-19 pandemic, economists were forecasting 2020 to be similar to 2019, where employment reached record highs, international trade increased, and manufacturing output grew. Within the span of a few weeks, many businesses and public gathering spaces were shutdown statewide, consumer spending of non-emergency items plummeted, and unemployment filings shattered old records resulting in an instant global recession. Global economies were brought to a screeching halt as supply chains were

disrupted. Confirmed cases of COVID-19 continues to rise with significant financial impacts on the economies at regional, national, and global levels.

The city of Ontario is taking every precaution to prioritize community health, slow the rate of transmission of COVID-19, and assist community members who are at risk of serious illness. The effects of the COVID-19 Recession are inevitably forcing the City to change the way it conducts business to ensure its future financial stability. Included as part of the General Fund balancing strategies is the reduction of the General Fund Reserve from 18 percent to 15 percent, re-prioritizing community programs and capital projects, and staggering agency proposed reductions. In addition, the Retirement/Separation Incentive Program consisting of a six-month lump sum payment of salary and medical benefits was approved by City Council on June 2, 2020. The Retirement Incentive portion of the program also includes offering two years of additional service credit for designated classifications, departmental or organizational units. The present value cost of both programs is estimated at $28.3 million or, if amortized over five years, $6.4 million per year.

Other major challenges are the City's revenues will soon be outpaced in the forthcoming fiscal years by increasing pension expenses, rising medical benefit costs, and the overall cost of labor. The City joined California Employers' Retiree Benefit Trust (CERBT) to pre-fund its Other Post Employment Benefit (OPEB) liability. Section 115 Trust was established in Fiscal Year 2019-20 with the initial deposit of $140 million and an annual contribution of $5 million (increased each year by the CPI index) from the OPEB Internal Service Fund.

The California State Public Employees Retirement System (CalPERS) is considerably underfunded, primarily due to the lower than projected earning rates combined with significant investment losses incurred during the Great Recession. Over the last several years, CalPERS has made significant changes to the assumptions used in the calculations of local agencies' pension liabilities. These changes have resulted in (1) an increased overall unfunded pension liability as the discount rate has been reduced from 7.5 percent to 7.0 percent, and (2) sharp increase in annual payments to CalPERS in earlier years followed by declining payments in later years due to the method of amortizing the Unfunded Accrued Liability (UAL) payments. CalPERS' proposed rates will increase by nearly 45 percent by Fiscal Year 2024-25 and more than 80 percent by Fiscal Year 2029-30.

The City issued pension obligation bonds on May 12, 2020, in the amount of $236.6 million for the CalPERS Safety Plans (Police and Fire) per City Council direction. The pay down of the City's CalPERS safety plans UAL will potentially save the city up to $110 million over the life of the bond financing. Also, to stabilize future pension cost increases for its Miscellaneous employee group, on May 19, 2020, City Council authorized staff to utilize the City's Investment Portfolio with available cash balances to pay down the current UAL amount of $102.5 million for this group. This will result in the City saving approximately $60 million, with a combined savings of about $170 million for all three CalPERS pension plans: Fire Safety, Police Safety and Miscellaneous. The issuance of pension obligation bonds help the City achieve General Fund goals to stabilize existing CalPERS cost, but it will come at heightened levels in the coming years.

Other major challenges ahead are the overall increase in labor costs and rising cost of medical benefits. Additionally, it is crucial that recurring operating expenditures are strategically contained and are not outpacing recurring revenues. In addition, funding of the Internal Service Allocations for Equipment Services, Information Technology Services, Facilities Maintenance, and Risk Liability/Safety have not increased to levels that ensure the sustainability of these services.

Federal, State, and local governments are working diligently to limit the spread of COVID-19. Orders intended to contain the virus, has caused temporary closure of businesses and limited access to retail and service industries. Pandemic uncertainties, increased wild fire occurrences, working from home, childcare issues and bankruptcies are expected to result in uneven gains; with each jurisdiction's experience differing according to the scope and character of individual tax bases. While the economy remains relatively unstable with the presidential election in dispute and the risk of the COVID-19 second wave widespread, economic indicators suggest a slow recovery from the COVID-19 pandemic. Overall recovery and improvement in the economy is not expected to begin until Fiscal Year 2021-22. Revenues are expected to come in at a modest pace during the second quarter and will pick up after the start of the 2021 calendar year. However, it will take several years for revenues to recover to pre-COVID-19 levels. It is unlikely to realize structural balance until the crisis is resolved.

Although there are a lot of unknowns about the rate of the nation's recovery, there is no doubt Ontario will recover. Whether recovery is in the near future or in the coming years, there will be challenging times. For the City to successfully manage these significant fiscal issues, while coping with a lean organization as a result of the recent retirement/separation incentive program, it is recommended that the City continue to practice fiscal discipline and establish proactive measures to safely navigate the current and upcoming fiscal challenges. The upside is that whatever is learned – and how it is applied going forward – will aid the City with future flare-ups of COVID-19 as well as other fiscal crises. The City will be sharper, stronger, and more resilient for it.

Long-Term Financial Plan

In addition to managing the City's money in a manner that ensures Ontario is financially stable, the long-term goals, efforts and actions reflect the City Council's continued commitment to support high quality public safety and municipal services, provides for the maintenance and expansion needs of the City's infrastructure and facilities, profiles an aggressive economic development strategy, and assures the investment and reinvestment of City resources into the community – all in the name of affording Ontario residents and businesses an exceptional quality of life.

Ontario's commitment to infrastructure improvements is demonstrated by the City's Capital Improvement Program that includes projects such as:

- $ 3,343,512 in parks and public facility improvement projects;
- $ 5,717,223 in street and traffic improvements;
- $ 11,353,885 in water and sewer projects; and
- $ 6,500,000 in other miscellaneous improvements

The City of Ontario has, through prudent long-range policy decisions and sound fiscal management, maintained its position as an economic leader in Southern California. The City will continue to monitor key economic indicators, sources of revenues, and spending levels as part of its sound conservative fiscal approach. In order to maintain this structural balance, however, the City will have to proceed with caution. Balancing fiscal discipline and long-term vision, Ontario is well-positioned to address its obligations while capitalizing on opportunities.

Through the combined leadership of City Council and the implementation of its prudent fiscal policies, the City has been able to enhance service levels to the community, invest in capital projects to enhance public facilities and infrastructure, and continue programs that promote its standing as the economic leader in the Inland Empire, and a formidable player in California and the nation.

Relevant Financial Policies

Fund Balance Policy

The City's Fund Balance Policy, which was approved on June 22, 2011, established the procedures for reporting unrestricted fund balance in the General Fund financial statements. Certain commitments and assignments of the fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. The policy also authorizes and directs the Financial Services Agency/Fiscal Services Department in preparing financial reports that accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Included in the Fund Balance Policy is the 18 Percent Stabilization Plan – the goal of City Council to achieve a minimum of 18 percent of the annual general fund appropriations, as Assigned Fund Balance in the general fund. Based on the current year general fund appropriations, the amount assigned to the 18 percent Stabilization Plan will either increase or decrease accordingly. This assigned balance is intended to be used for specific and defined emergency events, such as an earthquake, to address immediate needs in resources without impacting City services and to minimize the potential for disruption of municipal services to its citizens. However, included as part of the General Fund balancing strategies for Fiscal Year 2020-21 is the reduction of the General Fund Reserve from 18 percent to 15 percent. As of June 30, 2020, the City's General Fund had an assigned fund balance for the stability arrangement of $51.27 million, which achieves the goal of 15 percent of the General Fund Adopted Budget for Fiscal Year 2020-21.

This 15 percent of the General Fund is separate from the General Fund Contingency, also established in the Fund Balance Policy. The City's General Fund Contingency consists of amounts formally set aside and/or arrangements to maintain amounts for working capital needs, contingencies and contractual obligations. Assigned amounts under General Fund Contingency include: Economic Uncertainties, Compensated Absences, Public Safety Equipment, Communications/Computer Dispatch, City Facilities, and Events Center Capital Equipment.

Cash and Investments

The City of Ontario 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. Interest income earned on pooled cash and investments is allocated monthly to the various fund based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund. As of June 30, 2020, the City of Ontario's cash and investments were $721,640,657.

Major Initiatives

Complete Community

Ontario is committed in building a "Complete Community" by investing in the growth and evolution of the area's economy while providing a balance of jobs, housing, and educational and recreational opportunities for our residents in a safe, well-maintained community. Ontario is evolving into an urban landscape of activity centers – complete with a full range of educational opportunities and health care providers, high paying jobs, a diverse mix of housing and rich in cultural and recreational amenities.

Ontario's Urban Lifestyle Project includes the Ontario Ranch – the 8,200 acre master planned development where new homes and commercial space are artfully woven into unique communities where families can gather at clubhouses, parks and retail centers. The Ontario Ranch will add approximately 47,000 homes and 165,000 new residents to Ontario.

The Ontario Plan

The Ontario Plan (TOP) is the City's forward-thinking General Plan update – a dynamic framework for sustained, comprehensive leadership in building our community. It integrates components of city governance that are typically disconnected. The Plan states community direction at a point in time (2009) and integrates it into a single guidance system that will shape the Ontario community 20 years or more into the future. The Ontario Plan provides for lasting policies to accommodate change.

> *Our job is to create, maintain and grow economic value and we do our job by providing infrastructure and services. The better we do our job, the more investment we will attract and the more revenue it will generate for investment, creating a self-sustaining cycle.*
>
> *Adopted by City Council, January 27, 2010*
> *Governance Principles, The Ontario Plan*

Fiber Optic Master Plan

Currently, Ontario is developing a Fiber Optic Master Plan to guide the design, construction, and operation of a fiber optic backbone infrastructure. The City Fiber Optic network – OntarioNet – will result in cost effective, secure, fast, and reliable communications capabilities. OntarioNet high speed internet services continue to be extended and are available in the Ontario Ranch community, at the Ontario International Airport (ONT), the Toyota Arena, Ontario Convention Center, and many local businesses, as well as at several City facilities and over sixty traffic cabinets.

Service to the Community

The "Approach to Public Service" is the underlaying principal for each Agency citywide. This "Approach to Public Service" emphasizes that City employees "*choose public service to make a positive impact on the community*". The three principles behind this approach are the following:

- *Be Committed to the Community* – Whatever job you do, do it well!
- *Achieve Excellence Through Teamwork* – Take ownership of your job and support other team members.
- *Do the Right Thing the Right Way* – Focus on what is important and never compromise integrity.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ontario for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. This was the thirtieth consecutive year that the City has received this prestigious award. In order to be awarded the annual certificate for excellence, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must also satisfy both generally acceptable accounting principles and applicable legal requirements. We believe our current comprehensive annual financial report conforms to the GFOA Certificate of Achievement Program and are submitting it for review and consideration.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Fiscal Services Department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor, City Council and the City Manager for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Ontario's finances.

Sincerely,



Armen Harkalyan
Executive Director of Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Ontario
California

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

CITY OF ONTARIO
List of Officials & Executive Staff

Elected Officials

Paul S. Leon ..... Mayor
Alan Wapner ..... Mayor Pro Tem
Jim W. Bowman ..... Council Member
Debra Dorst-Porada ..... Council Member
Ruben Valencia ..... Council Member
James R. Milhiser ..... City Treasurer
Sheila Mautz ..... City Clerk

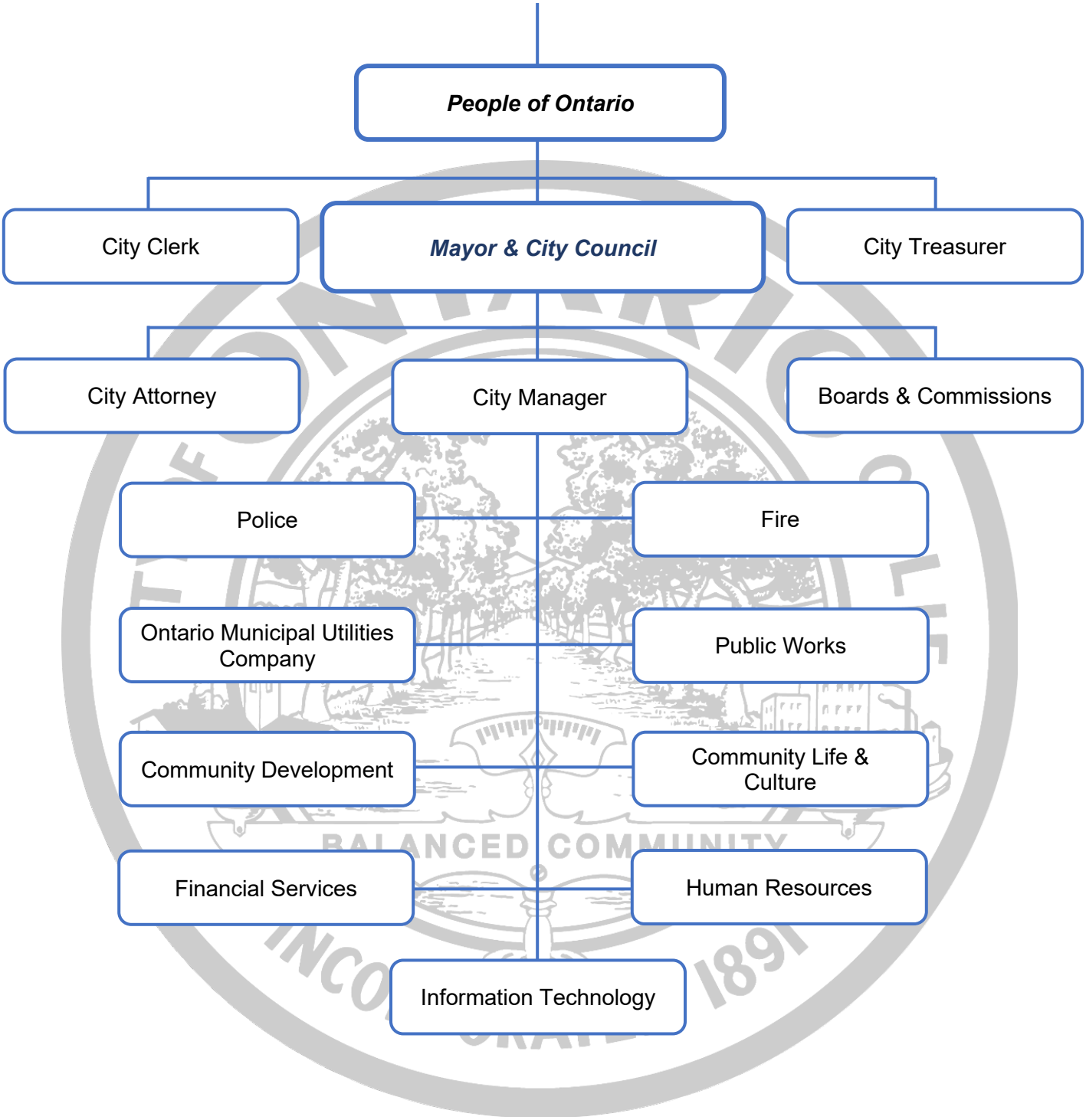
Executive Staff

Scott Ochoa ..... City Manager/Executive Director of the Housing Authority
Darlene Sanchez ..... Assistant City Manager
Ruben Duran ..... City Attorney
Mike Lorenz ..... Police Chief
Ray Gayk ..... Fire Chief
Scott Burton ..... Utilities General Manager
Tito Haes ..... Executive Director Public Works
Scott Murphy ..... Executive Director Community Development
Helen McAlary ..... Executive Director Community Life & Culture
Armen Harkalyan ..... Executive Director of Finance
Angela Lopez ..... Executive Director Human Resources
Colin Fernandes ..... Executive Director Information Technology

CITY OF ONTARIO

CITYWIDE ORGANIZATIONAL CHART

FISCAL YEAR 2020-21





INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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 City of Ontario, California, (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 of Ontario, California, as of June 30, 2020, 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.

Other Matters

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, Measure I, Ontario Housing Authority, the modified approach for the City's infrastructure capital assets, the schedule of changes in net pension liability and related ratios, the schedule of pension plan contributions, the schedule of changes in OPEB liability and related ratios, and the schedule of OPEB contributions be presented to supplement the basic financial statements. Such information, 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.

Other 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 introductory section, the combining and individual nonmajor fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020 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.

Lance, Soll & Lunghard, LLP

Brea, California
December 21, 2020

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Management's Discussion and Analysis

The following Management Discussion and Analysis (MD&A) of the City of Ontario's (City) financial performance provides an introduction and overview to the financial activities of the City for the fiscal year ended June 30, 2020. This narrative discussion and analysis focuses on the current year's activities, resulting changes and currently known facts; therefore, the information presented here should be considered in conjunction with additional information furnished in the Letter of Transmittal and the accompanying basic financial statements.

FINANCIAL HIGHLIGHTS

Government-Wide

- Total assets and deferred outflows of the City exceeded liabilities and deferred inflows by $1.76 billion (net position). Of this amount, $360.36 million (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- For the fiscal year ended June 30, 2020, total net position increased by $15.53 million before a ($1.10) million restatement. Total revenues from all sources were $469.15 million and total expenses for all functions/programs were $453.62 million.
- Of total revenues, program revenues were $294.21 million and general revenues were $174.94 million. Program revenues are broken into three categories: Charges for Services, $236.78 million; Operating Contributions and Grants, $6.68 million; and Capital Contributions and Grants, $50.75 million.

Fund Based

- For the fiscal year ended June 30, 2020, the assigned fund balance of the General Fund was $99.86 million. The assigned portion of $51.27 million represents the City Council's goal to achieve a minimum of 18 percent of the annual general fund appropriations (stabilization policy).
- For the General Fund, actual resources (inflows) available for appropriation were $421.00 million, which was more than the final budget of $419.47 million by $1.53 million. Actual charges (outflows) of $313.45 million were $17.77 million more than the final budget of $295.68 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements presented herein include all of the activities of the City of Ontario and its component units as prescribed by GASB Statement No. 34. This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) *Government-Wide Financial Statements*, 2) *Fund Financial Statements,* and 3) *Notes to the Financial Statements*. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* present both long-term and short-term information about the City's overall financial picture. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The ***Statement of Net Position*** is measured as the difference between (a) assets and deferred outflow of resources and (b) liabilities and deferred inflow of resources. This is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position may serve as an indicator of whether or not its financial health is improving or deteriorating.

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

In both the *Statement of Net Position* and *Statement of Activities*, we divide the City into two kinds of activities:

Governmental activities – Most of the City's basic services are reported here, including *General Government* (City Council, Office of the City Manager, Records Management, Financial Services and Human Resources), Public Safety, Community Development, and Public Works. Revenues from property taxes, transient occupancy tax (TOT), sales tax, parking tax, business license tax, etc., finance most of these activities.

Business-type activities – The City charges a fee to customers to recover all or most of the cost of certain services it provides. The City's water, sewer, integrated waste, and broadband/fiber operations are reported in this category.

The *Government-Wide Financial Statements* include not only the City, known as the *primary government*, but also the legally separate *component units.* The Ontario Housing Authority, the Industrial Development Authority, the Ontario Redevelopment Financing Authority, and the Ontario Public Financing Authority are known as *Blended Component Units*. Although legally separate, these component units' function for all practical purposes as departments of the City, and therefore have been included as an integral part of the primary government.

Fund Financial Statements

The *Fund Financial Statements* are designed to report information about groupings (*funds*) of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The City uses all three types, each using different accounting methods.

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

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

The City maintains twenty-one individual governmental funds. These funds report financial transactions using the modified accrual accounting method. Information for five out of the twenty funds are presented separately in the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances. The following five funds are major funds: General Fund, Measure I Fund, Ontario Housing Authority Fund, Capital Projects Fund, and Impact Fees Fund. Data for other governmental funds (non-major) are combined into a single presentation as part of the additional required supplementary information. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements that follow the notes to the financial statements.

The City adopts an annual appropriated budget for the General Fund, the Special Revenue Funds, and the Capital Project Funds. A budgetary comparison statement has been provided for each of the funds to demonstrate compliance with this budget.

Proprietary Funds – *Proprietary funds* are primarily used to account for when the City charges for the services it provides, whether to outside customers or to other units of the City. These funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities, using an accrual basis of accounting. In fact, the City's *enterprise funds* (a component of proprietary funds) are the same as the business-type activities that is reported in the *government-wide financial statements* but provide more detail information, such as the statement of cash flows. The City uses *internal service funds* (the other component of proprietary funds) to report activities that provide supplies and services for the City's other programs and activities, such as Equipment Services, Self-Insurance, Information Technology and Other Post Employment Benefit funds. Since these activities predominantly benefit governmental rather than business-type functions, they are included within the governmental activities in the *government-wide financial statements*.

Fiduciary Funds – *Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. In these cases, the City has a fiduciary responsibility and is acting as a *trustee*. The *Statement of Fiduciary Net Position* separately reports all of the City's fiduciary activities. The City excludes these activities from the City's other financial statements because the City cannot use these assets to finance its operations. However, the City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements, and it is an integral part of the financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain combining statements referred to earlier in connection with non-major governmental and proprietary funds. These combining and individual fund statements and schedules can be found immediately following the *Notes to the Financial Statements.*

GOVERNMENT - WIDE FINANCIAL ANALYSIS

This analysis will focus on the City's net position (Table 1) and changes in net position (Table 2) of the governmental and business-type activities for the fiscal year ended June 30, 2020. Management has included comparative data from fiscal year ended June 30, 2019 in its analysis.

Net Position (Table 1)

(in millions)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	$ 663.97	$ 841.93	$ 336.99	$ 387.07	$ 1,000.96	$ 1,229.00
Capital Assets	1,084.36	1,023.72	248.89	251.40	1,333.25	1,275.12
Total Assets	**1,748.33**	**1,865.65**	**585.88**	**638.47**	**2,334.21**	**2,504.12**
Deferred Charges on Refunding	-	-	0.80	0.85	0.80	0.85
Deferred Pension Related Items	391.32	65.72	36.87	5.46	428.19	71.18
Deferred OPEB Related Items	130.03	5.13	16.54	0.98	146.57	6.11
Total Deferred Outflows of Resources	**521.34**	**70.85**	**54.21**	**7.29**	**575.55**	**78.14**
Long-term Debt Outstanding	800.32	579.72	115.91	136.99	916.23	716.71
Other Liabilities	64.42	51.18	21.11	18.91	85.53	70.09
Total Liabilities	**864.74**	**630.90**	**137.02**	**155.90**	**1,001.76**	**786.80**
Deferred Charges on Refunding	1.00	1.06	-	-	1.00	1.06
Deferred Pension Related Items	7.25	8.94	0.72	0.64	7.98	9.58
Deferred OPEB Related Items	124.17	33.77	15.80	6.43	139.97	40.21
Total Deferred Inflows of Resources	**132.43**	**43.77**	**16.52**	**7.07**	**148.95**	**50.84**
Net Position:						
Net Investment in Capital Asset	997.86	959.78	182.09	184.56	1,179.94	1,144.34
Restricted	215.61	204.45	3.14	-	218.75	204.45
Unrestricted	59.05	97.60	301.32	298.23	360.36	395.83
Total Net Position	**$ 1,272.51**	**$ 1,261.83**	**$ 486.54**	**$ 482.79**	**$ 1,759.05**	**$ 1,744.62**

The City's Government-wide total net position was $1.76 billion, with assets of $2.33 billion, deferred outflows of $575.55 million, liabilities of $1.00 billion and deferred inflows of $148.95 million. The net investment in capital assets of $1.18 billion represents 67.1 percent of the City's total net position. This is an increase of $35.60 million from the previous year. The net investment in capital assets (e.g., infrastructure, land, structures and improvements, furniture and equipment) component of net position consists of capital assets, net of accumulated depreciation, reduced by any related outstanding debt used to acquire, construct, or improve those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are **not** available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's net position of $218.75 million (12.4 percent of the total net position) represents resources that are subject to external restrictions in how they may be used. The remaining balance of $360.36 million or 20.5 percent of the total net position (unrestricted position) may be used to meet the government's ongoing obligations to citizens and creditors within the program areas.

Overall Financial Activities

Overall, the City's financial position increased from the prior year by $14.42 million (see Table 2 on the following page).

The overall cost of all governmental and business-type activities this year was $453.61 million and was an overall net increase of $2.36 million or less than one percent compared to the prior year.

Total revenue of all governmental and business-type activities was $469.15 million for this fiscal year; a decrease of $69.44 million or 12.9 percent. Program revenues were $294.21 million and general revenues were $174.94 million. The largest single revenue category was Charges for Services, at $236.78 million, which is *program revenue*. This revenue goes directly against the expenses in recovering the costs of providing those services. Charges for Services revenue increased by $0.71 million or less than one percent. Sales Taxes, which are considered *general revenues,* were the second largest revenue at $90.29 million. The third largest revenue source was Property Taxes (*general revenue*) at $67.24 million. Capital Contributions and Grants, another *program revenue* source, at $50.75 million was the fourth largest revenue category.

Changes in Net Position (Table 2)
(in millions)

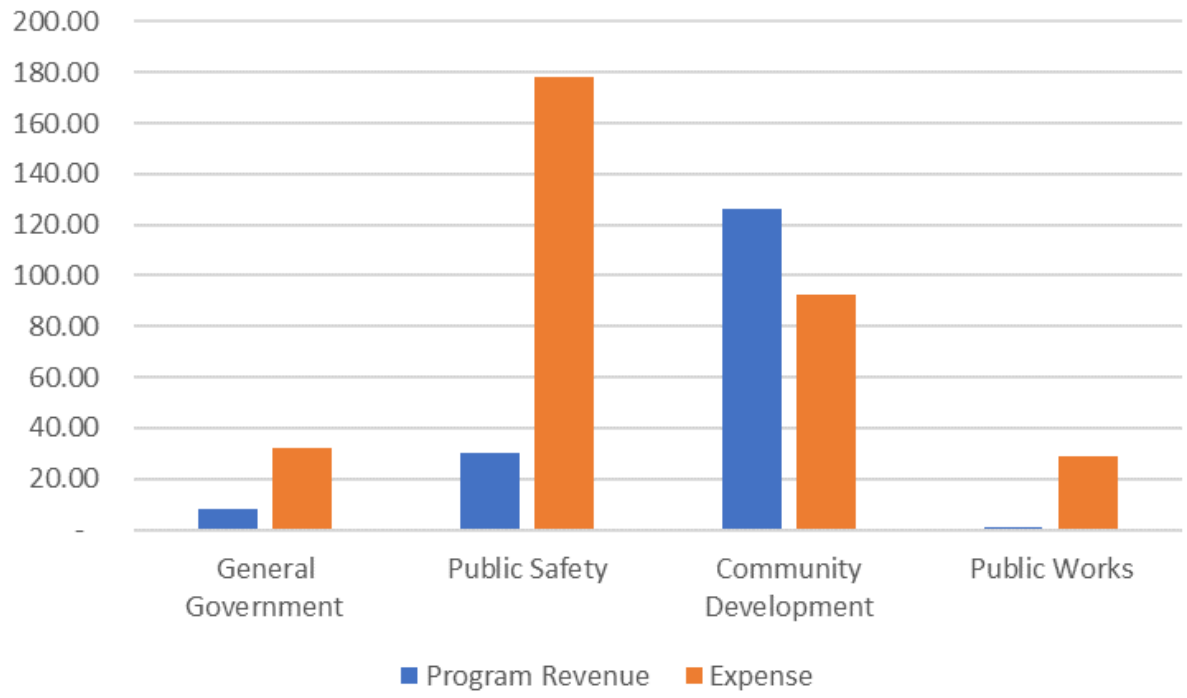
	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for Services	$ 112.33	$ 113.71	$ 124.45	$ 122.36	$ 236.78	$ 236.07
Operating Contributions and Grants	6.54	8.85	0.14	0.12	6.68	8.97
Capital Contributions and Grants	46.20	58.83	4.55	4.46	50.75	63.29
Sub-total Program Revenues	165.07	181.39	129.14	126.94	294.21	308.33
General Revenues:						
Property Taxes	67.24	63.16	-	-	67.24	63.16
Sales Taxes	90.29	94.49	-	-	90.29	94.49
Business Licenses Taxes	7.79	7.79	-	-	7.79	7.79
Franchise Taxes	3.43	3.42	-	-	3.43	3.42
Transient Occupancy Taxes	12.16	14.94	-	-	12.16	14.94
Other Taxes	4.04	4.50	-	-	4.04	4.50
Motor Vehicle In-Lieu	0.14	0.08	-	-	0.14	0.08
Use of Money and Property	18.60	32.11	8.35	7.87	26.95	39.98
Other	4.20	1.65	0.47	0.25	4.67	1.90
Gain on Sale of Other Investments	0.61	-		-	0.61	-
Special Item (Note 15)	(42.37)	-	-	-	(42.37)	-
Sub-total General Revenues	166.12	222.14	8.82	8.12	174.94	230.26
Total Revenues	**$ 331.19**	**$ 403.53**	**$ 137.96**	**$ 135.06**	**$ 469.15**	**$ 538.59**
Expenses						
General government	$ 31.86	$ 34.59	$ -	$ -	$ 31.86	$ 34.59
Public safety	177.84	178.04	-	-	177.84	178.04
Community development	92.31	76.42	-	-	92.31	76.42
Public works	28.83	40.40	-	-	28.83	40.40
Interest on long-term debt	3.49	2.66	-	-	3.49	2.66
Water	-	-	57.70	52.90	57.70	52.90
Sewer	-	-	23.26	24.73	23.26	24.73
Integrated Waste	-	-	34.38	39.48	34.38	39.48
I.T. Fiber	-	-	3.94	2.03	3.94	2.03
Total Expenses	**$ 334.33**	**$ 332.11**	**$ 119.28**	**$ 119.14**	**$ 453.61**	**$ 451.25**
Change in Net Position before Transfers	**$ (3.14)**	**$ 71.42**	**$ 18.68**	**$ 15.92**	**$ 15.54**	**$ 87.34**
Transfers	14.47	4.65	(14.47)	(4.65)	-	-
Change in Net Position	$ 11.34	$ 76.07	$ 4.21	$ 11.27	$ 15.54	$ 87.34
Restatement of Net Position	(0.66)	45.93	(0.45)	(36.20)	(1.10)	9.73
Net Position at Beginning of Year	1,261.83	1,139.83	482.79	507.72	1,744.61	1,647.55
Net Position at End of Year	**$ 1,272.51**	**$ 1,261.83**	**$ 486.54**	**$ 482.79**	**$ 1,759.05**	**$ 1,744.62**

Governmental Activities

Under the governmental activities, the City's *net position* at the end of the year increased to $1.27 billion after a ($3.14) million net difference between revenue and expense, transfers of $14.47 million and restatement of ($0.66) million. The cost of all governmental activities this year was $334.33 million or 73.7 percent of the government-wide total expenses and was an increase of $2.22 million or less than one percent from last fiscal year.

Graph 1 below presents the costs of each of the City's five governmental functions – general government, public safety, community development, public works, and interest on long-term debt, as well the governmental program's revenues. The net cost (total cost less *program revenues*) is the amount that was paid from *general revenues*.

Expenses and Program Revenues – Governmental Activities (Graph 1)
(in millions)



Expenses in *General Government* were $31.86 million or 9.5 percent of total Governmental Activities expenses. Of this amount, $7.83 million was funded by program revenues, while the remaining $24.03 million was funded by general revenues. General Government expenditures decreased $2.73 million or 7.9 percent compared to the previous year as a result of reduced administrative expenditures.

Public Safety expenses were $177.84 million or 53.2 percent of the total Governmental Activities expenses. Of this amount, $30.04 million was funded by program revenues, while the remaining $147.8 million was funded by general revenues. Expenses for Public Safety decreased slightly by $0.20 million or less than one percent.

Expenses in *Community Development* were $92.31 million or 27.6 percent of the total Governmental Activities expenditures. These expenses increased by $15.89 million or 20.8 percent due to development activities in the Ontario Ranch planned community. Program revenues relating to the funding of community development activities amounted to $126.16 million, which were primarily from charges for services of $78.67 million and capital contributions and grants of $45.02 million.

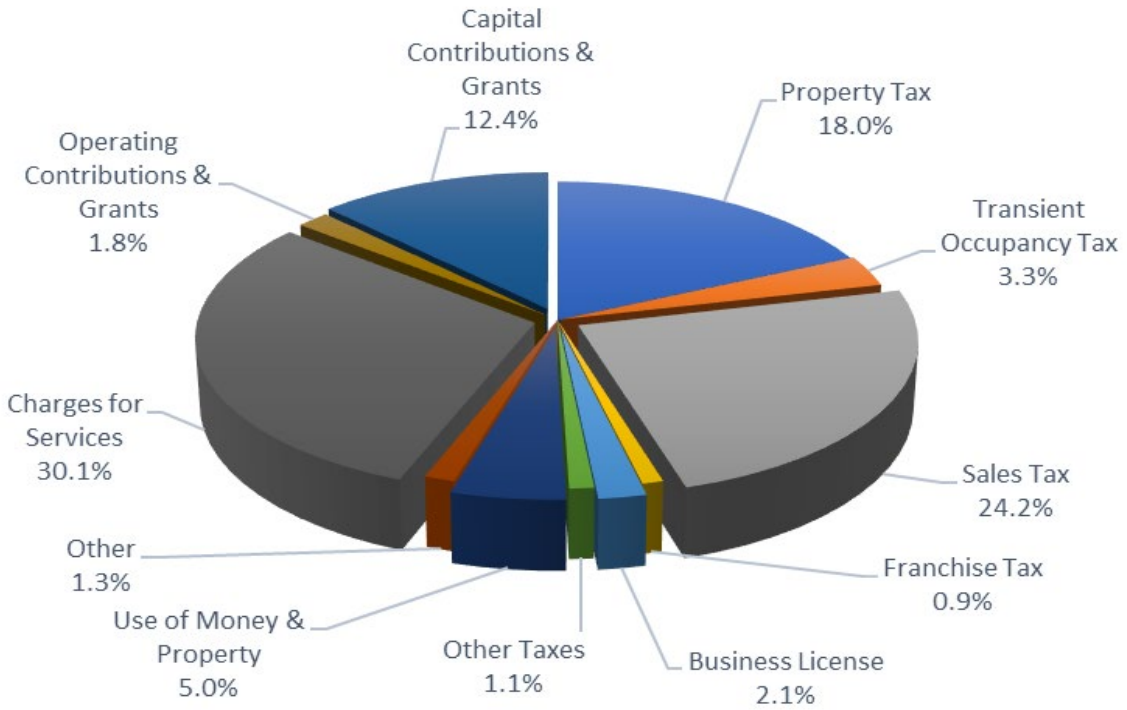
Public Works expenses were $28.83 million or 8.6 percent of the total Governmental Activities expenditures. Of this amount, $1.04 million was funded by program revenues, with the remaining $27.79 million funded by general revenues. Public Works expenses decreased by $11.57 million or 28.6 percent from the prior year due to the reduction of capital improvement projects completed in the current year.

Interest on long-term debt had expenses of $3.49 million or one percent of total Governmental Activities and is funded entirely by general revenues.

Graph 2 below presents governmental activities revenue by source. Total revenue for governmental activities was $331.19 million (before transfers); a decrease of $72.34 million or 17.9 percent compared to the previous fiscal year. The four largest revenue sources under governmental activities were the categories of *Charges for Services, Sales Taxes, Property Taxes, and Capital Contributions and Grants.*

Charges for Services (program revenue) was $112.33 million or 30.1 percent of total governmental activities revenue. Compared to the prior year, charges for services revenue slightly declined $1.38 million or 1.2 percent. *Sales Taxes* (general revenue) were $90.29 million or 24.2 percent of total governmental activities revenue. It had a decrease of $4.20 million or 4.4 percent compared to the previous fiscal year – primarily from the economic slowdown resulting from COVID-19 stay in place and business shut down orders. *Property Taxes* (general revenue) was $67.24 million or 18.0 percent of total governmental activities revenue. Growth in assessed valuations and new development are primarily the reason for this increase in revenue. *Capital Contributions and Grants* (program revenue) was $46.20 million or 12.4 percent of the total governmental activities revenue. This program revenue experienced a decrease of $12.62 million or 21.5 percent over the prior year – mainly due to the sluggish economy from the COVID19 pandemic.

Revenues by Source – Governmental Activities (Graph 2)



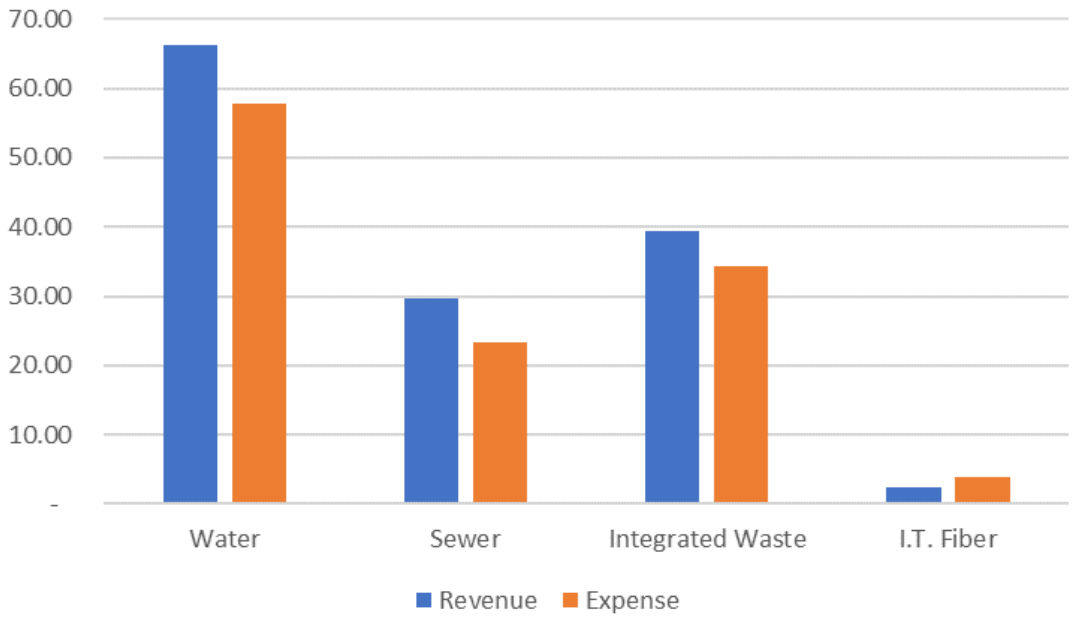
Business-type Activities

Net position for business-type activities was $486.54 million at June 30, 2020, with assets of $585.88 million, deferred outflows of resources of $54.21 million, liabilities of $137.02. million and deferred inflows of resources of $16.52 million. Unrestricted net position of $301.32 million represented 61.9 percent of total business-type activities net position; this amount may be used to meet the government's on-going obligations. Net investment in capital assets of $182.09 million represented 37.4 percent of the total net position from business-type activities. Compared to the prior year, the City's net position from business-type activities from the prior year increased slightly by $3.75 million or less than one percent.

Total revenue (excluding transfers) for the City's business-type activities was $137.96 million, which represented a small gain of $2.90 million or 2.1 percent from the prior year. Program revenues amounted to $129.14 million or 93.6. percent of total business-type related revenue. Program revenues increased $2.20 million or 1.7 percent. General revenue for business-type activities was $8.82 million. Business-type activities incurred $119.28 million of expenditures for the year; relatively flat compared to the prior year amount of $119.14 million.

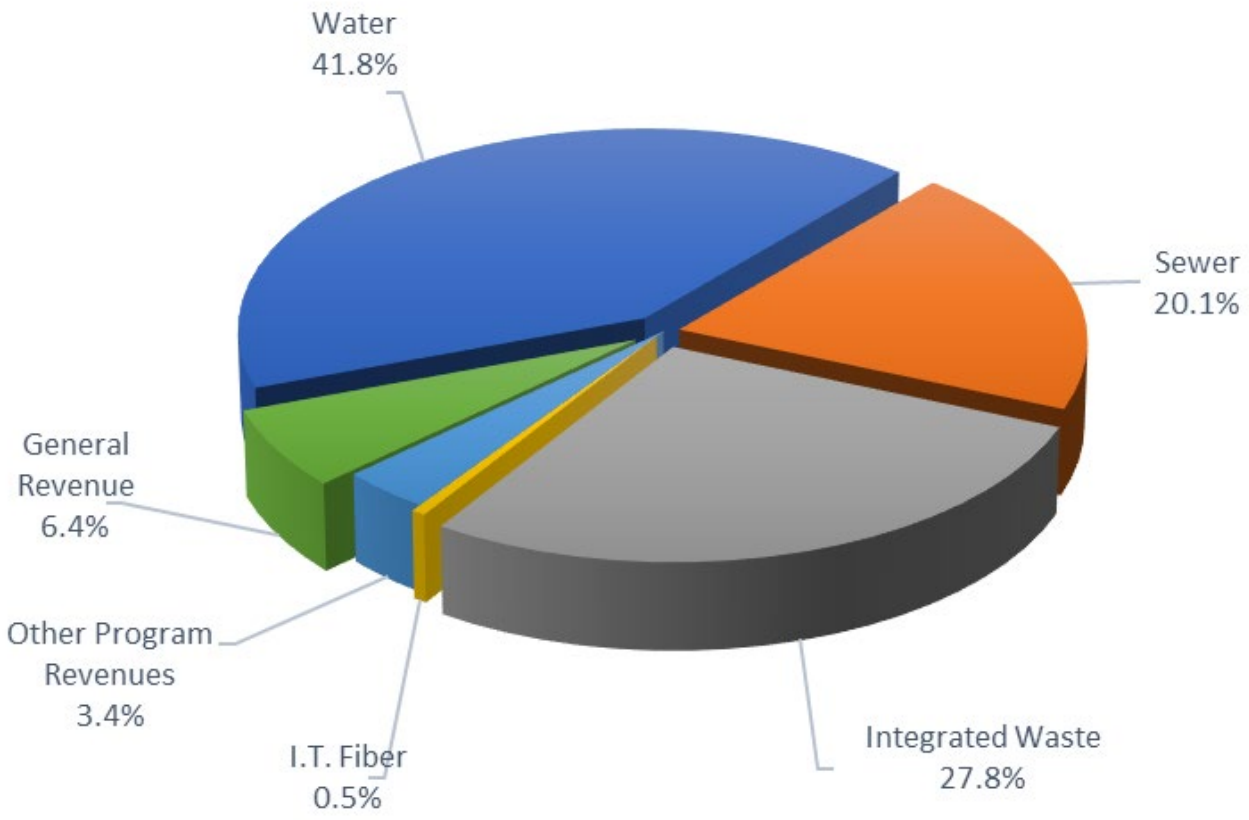
Graph 3 presents the costs of each of the City's business activities and the associated program revenue. Since business-type activities are primarily used when the City charges customers for the services it provides, program revenues (charges for services) should be comparable to the costs of these programs and represent the major funding source for these activities.

Expenses and Program Revenues – Business-type Activities (Graph 3)
(in millions)



Graph 4 presents revenues by source for business-type activities. Total revenue for business-type activities was $137.96 million (before transfers); this was a small increase of $2.90 million or 2.1 percent compared to the previous year. Charges for Services (program revenue) amounted to $124.45 million or 90.2 percent of total business-type activities revenues. The remaining revenues by source of 9.8 percent is from Capital Contributions and Grants ($4.55 million), General Revenues ($8.82 million) and Operating Contributions and Grants ($0.14 million). Revenue from Water Services is the largest revenue source at $57.70 million or 41.8 percent of the total revenues from business-type activities. It had a minor increase of $2.23 million or 4.0 percent compared to the previous fiscal year due to additional usage from a drier winter and the COVID-19 stay in place orders. The second largest revenue source was revenue from Integrated Waste services at $38.34 million or 27.8 percent of total business-type activities revenues. Integrated Waste services revenue had a slight decrease of approximately $20,000 or less than one percent.

Revenues by Source – Business-Type Activities (Graph 4)



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

During the current fiscal year, the City had five major governmental funds: General Fund, Measure I Fund, Ontario Housing Authority, Capital Projects Fund, and Impact Fees Fund. The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is discussed in depth later in the MD&A. The special revenue fund for the Measure I Fund accounts for revenues from a one-half percent sales tax on all retail transactions within the County. The proceeds are to be used for transportation improvements, railroad grade separation projects, and traffic management programs. The special revenue fund for the Ontario Housing Authority Fund accounts for low and moderate housing funds to implement various programs and projects to assist in affordable housing. The Capital Projects Fund accounts for financial transactions of general capital improvements. The capital projects fund for the Impact Fees Fund accounts for developer-paid impact fees for infrastructure construction. Each major fund is discussed in the *Notes to the Financial Statements*.

As of June 30, 2020, governmental funds reported combined ending fund balances of $479.61 million. Approximately 26.1 percent or $124.98 million of this total amount constitutes assigned/unassigned fund balance. The remaining fund balance of $354.63 million is comprised of the following: Nonspendable ($4.05 million), Restricted ($215.61 million), and Committed ($134.97 million). Included in the Nonspendable fund balance are as follows: Advances to Other Funds ($3.50 million); Inventories ($0.30 million); Prepaid costs ($0.18 million); and Notes and Loans ($0.07 million). For the Restricted fund balance (external enforceable limitations on usage), they are comprised as follows: Community Development projects ($90.74 million); Public Services ($37.65 million); Affordable Housing projects ($37.30 million); Park Development projects ($24.30 million); Bond Improvement projects ($18.60 million); Transportation improvement projects ($4.84 million); AQMD activities ($1.60 million); Endowment and trusts ($0.42 million) and Public Safety ($0.16 million). Included in the Committed fund balance (self-imposed limitations on usage) is $134.97 million for City Facilities infrastructure improvements and capital replacement.

Governmental Revenues

Revenues of governmental funds for Fiscal Year 2019-20 were $374.31 million, with a decrease of $13.99 million or 3.6 percent compared to the previous fiscal year. This small reduction in governmental revenue is primarily attributable to decreased revenues in Contribution from Property Owners and Impact Fees from developer completed infrastructure in the Ontario Ranch planned community.

Table 3 below presents a summary of governmental fund revenues for the fiscal year ended June 30, 2020, with comparative amounts from the prior year.

Comparison of Major Governmental Revenues (Table 3)
Fiscal Years 2019-20 and 2018-19

	Amount FY 19-20	% of Total Revenues	Amount FY 18-19	% of Total Revenues	$ Increase / (Decrease)	% Increase / (Decrease)
Property Tax	$ 66,821,934	17.9%	$ 63,156,933	16.3%	$ 3,665,001	5.8%
Sales Tax	90,290,690	24.1%	94,486,731	24.3%	(4,196,041)	-4.4%
Transient Occupancy Tax	12,160,235	3.2%	14,945,483	3.8%	(2,785,248)	-18.6%
Parking Tax	2,771,083	0.7%	3,235,108	0.8%	(464,025)	-14.3%
Business Licenses Tax	7,793,962	2.1%	7,786,821	2.0%	7,141	0.1%
Other Taxes	13,019,343	3.5%	8,287,241	2.1%	4,732,102	57.1%
Licenses & Permits	5,488,023	1.5%	5,067,374	1.3%	420,649	8.3%
Intergovernmental	17,814,256	4.8%	21,912,280	5.6%	(4,098,024)	-18.7%
Contribution from Property Owners and Impact Fees	15,503,662	4.1%	35,587,107	9.2%	(20,083,445)	100.0%
Charges for Services	114,818,886	30.7%	109,518,406	28.2%	5,300,480	4.8%
Use of Money & Property	18,759,439	5.0%	14,861,752	3.8%	3,897,687	26.2%
Fines and Forfeitures	786,630	0.2%	1,185,128	0.3%	(398,498)	-33.6%
Miscellaneous	8,286,111	2.2%	8,275,990	2.1%	10,121	0.1%
TOTAL	$ 374,314,254	100.0%	$ 388,306,354	100.0%	$ (13,992,100)	-3.6%

Governmental Expenditures

Total expenditures for Fiscal Year 2019-20 were $370.44 million, an increase of $47.12 million or 14.6 percent compared to the prior year. This is primarily due to an increase of $27.74 million in Community Development from development related projects at the Ontario Ranch planned community and an increase of $19.23 million in Public Safety due to the purchase a helicopter and increase public safety service levels at Ontario Ranch.

Table 4 presents a summary of governmental fund expenditures for the Fiscal Year ended June 30, 2020 with comparative amounts from the prior year.

Comparison of Major Governmental Expenditures (Table 4)
Fiscal Years 2019-20 and 2018-19

	Amount FY 19-20	% of Total Expenditures	Amount FY 18-19	% of Total Expenditures	$ Increase / (Decrease)	% Increase/ (Decrease)
General Government	$ 33,754,652	9.1%	$ 33,100,934	10.2%	$ 653,718	2.0%
Public Safety	180,119,824	48.6%	160,884,992	49.8%	19,234,832	12.0%
Community Development	130,014,298	35.1%	102,279,086	31.6%	27,735,212	27.1%
Public Works	22,694,083	6.1%	24,047,574	7.4%	(1,353,491)	-5.6%
Total Operating Expenditures	$ 366,582,857	99.0%	$ 320,312,586	99.1%	$46,270,271	14.4%
Debt Service	3,852,938	1.0%	2,999,049	0.9%	853,889	28.5%
TOTAL	$ 370,435,795	100.0%	$ 323,311,635	100.0%	$47,124,160	14.6%

Proprietary Funds

The City's Proprietary funds consist of four Enterprise Funds and five Internal Service Funds. The Internal Service Funds are presented as *Governmental Activities* in the Proprietary Funds financial statements. Individual fund data is provided in the form of *combining statements*.

Operating revenues for Enterprise Funds include sales and service charges, interdepartmental charges and miscellaneous. Total operating revenues for all Enterprise Funds for Fiscal Year 2019-20 were $122.78 million, while non-operating revenues were $10.63 million. Operating expenses for Fiscal Year 2019-20 were $118.52 million, while non-operating expenses were $3.27 million. During the fiscal year, the net amount transferred out to the City's Governmental Funds was $14.47 million to support for the various governmental activities.

The City also has five Internal Service funds to allocate costs of the City's information systems, equipment services, risk management, other post-employment benefits, and pension benefits operations to the various departments. The interdepartmental charges for service (revenues) in Fiscal Year 2019-20 were $42.19 million.

Fiduciary Funds

As mentioned earlier, the City uses Fiduciary Funds to account for resources held for the benefit of parties outside the City, in which the City is acting as trustee. The *Statement of Fiduciary Net Position* reports twenty-five activities for which the City has a fiduciary responsibility. These include: the Redevelopment Financing Authority, a JPA formed between the City and the Agency to establish a vehicle to reduce local borrowing costs and promote greater use of new and existing financial instruments; West End Communications Authority, a seven-member JPA that operates and maintains a consolidated 800MHZ communication system designed to serve public safety agencies; the Sanitary Collection Treatment Fund which collects sewer capital assessment fees on behalf of the Inland Empire Utilities Agency; the West End Fire and Emergency Response Commission, a JPA of five local fire departments to establish a hazardous materials response team, an urban search and rescue team and the servicing of joint authority breathing apparatus equipment used for emergency purposes; and the Private Purpose Trust Fund for the Successor Agency of the Former Redevelopment Agency, which was formed upon dissolution of the Ontario Redevelopment Agency. The successor agency is subject to the control of newly established County Oversight Board and can only pay enforceable obligations in existence at the date of dissolution. Furthermore, it will hold the remaining assets of the former Redevelopment Agency until they are distributed to other units of state and local government. The remaining are assessment/special assessment bond redemption funds and community facility district debt service funds used to collect assessments and administer the debt service of the districts.

GENERAL FUND – FUND BALANCE ANALYSIS

The General Fund is the primary operating fund of the City. The fund balance of $107.55 million as of June 30, 2020 had a decrease of $23.85 million compared to the previous year. This is primarily due to the City's forgiveness of a $42.37 million receivable for services associated with the transfer of the Ontario International Airport (ONT) to a local joint powers authority: Ontario International Airport Authority (OIAA). As a measure of the General Fund's liquidity, it may be useful to compare both Assigned and Unassigned fund balance and total fund balance to total fund operating expenditures. Assigned and Unassigned fund balance of $102.49 million represents 95.3 percent of total General Fund fund balance, while the total Nonspendable, Restricted, and Committed fund balance amounts to $5.07 million and comprises 4.7 percent of the total fund balance.

Total fund balance of the General Fund consists of four components: 1) Nonspendable fund balance of $4.05 million – represents $3.50 million in advances to other funds and $0.55 million in prepaid, inventory, and notes and loans; 2) Restricted fund balance of $0.42 million – consists of endowment and trust funds; 3) Committed fund balance of $0.60 million – represents City infrastructure ($370,412) and Ontario Motor Speedway ($225,057) – to be used for community activities, facilities, and projects; and 4) Assigned fund balance of $99.86 million – consists of the stability arrangement of $51.27 million, economic uncertainty of $20.00 million, compensated absences of $17.23 million, City facilities and capital replacement of $6.20 million, and continuing appropriations of $5.16 million.

For additional details of the City's General Fund Balance, please refer to Note 14 in the Notes to the Basic Financial Statements.

GENERAL FUND – REVENUE AND EXPENDITURE ANALYSIS

Revenues

For Fiscal Year 2019-20, General Fund revenues were $241.43 million, a decline of $4.40 million or 1.8 percent from the prior fiscal year. Sales Tax revenues were $90.29 million, a decrease of $4.20 million from the prior fiscal year mainly due to the economic slowdown resulting from the COVID-19 stay at home and business shut down orders. Transient Occupancy Tax was $12.16 million, a decline of $2.79 million or 18.6 percent as result of the closure of many hotels due to the shut down orders and reduced travel from the COVID-19 sanctions. Charges for Services revenue was $36.17 million, a decrease of $2.61 million or 6.7 percent due to slight decline in developmental activities. However, Property Tax revenues were $66.82 million, an increase of $3.67 million or 5.8 percent from the prior year because of increased property assessed valuations.

General Fund Revenues (Table 5)
Fiscal Years 2019-20 and 2018-19

	FY 19-20	% of Total	FY 18-19	$ Increase / (Decrease) to Last Year	% of Increase (Decrease)
Property Tax	$ 66,821,934	27.7%	$ 63,156,933	$ 3,665,001	5.8%
Sales Tax	90,290,690	37.4%	94,486,731	(4,196,041)	-4.4%
Transient Occupancy Tax	12,160,235	5.0%	14,945,483	(2,785,248)	-18.6%
Other Taxes	15,002,981	6.2%	14,005,502	997,479	7.1%
License & Permits	5,488,023	2.3%	5,067,374	420,649	8.3%
Intergovernmental	1,268,005	0.5%	3,132,474	(1,864,469)	-59.5%
Charges for Services	36,168,302	15.0%	38,777,697	(2,609,395)	-6.7%
Use of Money & Property	8,476,572	3.5%	7,072,112	1,404,460	19.9%
Fines & Forfeitures	786,630	0.3%	1,185,028	(398,398)	-33.6%
Miscellaneous	4,969,244	2.1%	4,002,652	966,592	24.1%
Totals	$ 241,432,616	100.0%	$ 245,831,986	$ (4,399,370)	-1.8%

Following is an in-depth analysis of each of the revenue sources:

- Property Tax revenues increased $3.67 million or 5.8 percent, comprising 27.7 percent of total General Fund revenue. This gain was the result of increased property assessed valuations.
- Sales Tax revenues experienced a decrease of $4.20 million or 4.4 percent from the prior year. Of the total General Fund revenue, 37.4 percent comes from sales taxes. This decline is due to the economic impact resulting from the pandemic.
- Transient Occupancy Tax (TOT) declined $2.77 million or 18.6 percent as the result of hotel closures and less travel from the COVID-19 sanctions; it comprises 5.0 percent of the City's total General Fund revenue base.
- Other tax revenues include Franchise Fee, Business License Tax, Property Transfer Tax and Parking Tax, comprising 6.2 percent of the City's total General Fund revenue. This revenue category reflected an increase of $1.0 million or 7.1 percent, primarily from increases in Business License and Property Transfer taxes.
- License and Permit revenues experienced an increase of $420,649 or 8.3 percent from the prior year due to continued steady development related activity.
- Intergovernmental revenues decreased by $1.86 million or 59.5 percent compared to the previous year due to the change in how General Fund Grants are now reported – a separate fund from the General Fund.
- Charges for Services revenues were $36.17 million; a slight decrease of $2.61 million. Of the total General Fund revenue, 15.0 percent comes from charges for services.
- Revenues of $8.48 million for the Use of Money and Property category represent 3.5 percent of the City's total General Fund revenue base and experienced an increase of $1.4 million from the prior year due to investment portfolio valuation gains.
- Fines and Forfeiture revenue of $786,630 decreased $398,398 compared to the previous fiscal year and represents less than 1 percent of total General Fund revenues.
- Miscellaneous revenues of $4.97 million, representing 2.1 percent of the total General Fund revenue, increased $966,592 compared to the prior year primarily due to a one-time receipt of miscellaneous revenue received in the current fiscal year.

Expenditures

For Fiscal Year 2019-20, total General Fund expenditures were $256.18 million, and increased $16.35 million or 6.8 percent compared to the previous year.

General Fund Expenditures (Table 6)
Fiscal Years 2019-20 and 2018-19

	FY 19-20	% of Total	FY 18-19	$ Increase / (Decrease) to Last Year	% of Increase (Decrease)
General Government	$ 28,322,100	11.1%	$ 27,251,880	$ 1,070,220	3.9%
Public Safety	166,873,394	65.1%	157,310,539	9,562,855	6.1%
Community Development	35,829,046	14.0%	31,597,820	4,231,226	13.4%
Public Works	21,303,770	8.3%	20,679,198	624,572	3.0%
Debt Service	3,852,938	1.5%	2,989,049	863,889	28.9%
Totals	256,181,247	100.0%	239,828,486	16,352,762	6.8%

- General Government expenditures were $28.32 million, an increase of $1.07 million or 3.9 percent from the prior fiscal year. This was primarily due to increased reimbursements to local businesses that have sales tax abatement agreements with the City.
- Public Safety expenditures were $166.87 million, an increase of $9.56 million or 6.1 percent compared to the previous year, mainly from labor contractual increase and the purchase of a new police helicopter.
- Community Development expenditures were $35.83 million, an increase of $4.23 million or 13.4 percent from the prior fiscal year mainly due to increase community development activities related to the Ontario Ranch planned community.
- Public Works expenditures were $21.30 million, an increase of $0.62 million or 3.0 percent compared to the previous fiscal year. This increase is the result of rising material costs.
- Debt Service expenditures were $3.85, an increase of $0.86 million or 28.9 percent. This is the result of increasing debt service payments.

MEASURE I FUND – FUND BALANCE ANALYSIS

The Measure I Fund accounts for revenues from a one-half percent sales tax on all retail transactions within the County. The proceeds are to be used for transportation improvements, railroad grade separation projects, and traffic management programs. It is one of the five major funds included in the City's Comprehensive Annual Financial Report for June 30, 2020. The fund balance of $2.37 million as of June 30, 2020 had a decrease of $1.67 million compared to the prior year. Total Assets were $16.73 million, a decrease of $1.87 million from the prior fiscal year. This is primarily due to combination of an increase in Cash and Investments (including Restricted Cash and Investments) of $9.26 million, with an offsetting decrease in Accounts Receivable of $10.74 million. Total Liabilities of $4.00 million, reflected a slight decrease of $0.21 million primarily from Accounts Payable.

MEASURE I FUND – REVENUE AND EXPENDITURE ANALYSIS

Revenues

For Fiscal Year 2019-20, total Measure I Fund revenues were $3.51 million or $4.19 million less compared to the prior year. This is due to the completion of the South Milliken and North Vineyard Grade Separation projects, which decreased the reimbursement revenue amounts for Measure I funded projects.

Expenditures

For Fiscal Year 2019-20, total Measure I Fund expenditures were $5.18 million, a minor increase of $0.64 million compared to the prior year.

ONTARIO HOUSING AUTHORITY – FUND BALANCE ANALYSIS

The Ontario Housing Authority Fund accounts for financial transactions for the Ontario Housing Authority. It is one of the five major funds included in the City's Comprehensive Annual Financial Report for June 30, 2020. The fund balance of $21.29 million as of June 30, 2020, which is a slight decrease of only $3,957 compared to the prior year. Total Assets were $53.81 million; an increase of $5.06 million from the prior year. This is primarily due to the increase in Cash and Investments of the same amount. Total Liabilities were $11.05 million and an increase of $5.04 million compared to the previous fiscal year. This increase was the result of the California Housing Community Development grant received in FY 2019-20 of $5.00 million.

ONTARIO HOUSING AUTHORITY – REVENUE AND EXPENDITURE ANALYSIS

Revenues

For Fiscal Year 2019-20, total Ontario Housing Authority Fund revenues were $789,245; a decrease of $15.3 million compared to the prior year. This decrease is mainly due to contributions from property owners of $12.46 million that was received in FY 2018-19 to partly fund affordable multi-family housing projects located in downtown Ontario.

Expenditures

For Fiscal Year 2019-20, total Ontario Housing Authority Fund expenditures were $0.79 million. This is a major decrease of $18.60 million over the previous fiscal year primarily the result of the prior year development of affordable multi-family housing projects located in downtown Ontario.

CAPITAL PROJECTS FUND – FUND BALANCE ANALYSIS

The Capital Projects Fund accounts for financial transactions of general capital improvements. It is one of the five major funds included in the City's Comprehensive Annual Financial Report for June 30, 2020. The fund balance of $56.39 million as of June 30, 2020 reflected a slight decrease of $1.76 million compared to the prior year. Total Assets were $62.69 million; a minor decrease of $0.49 million from the previous year. This is mainly attributable to decreases in Restricted Cash and Investments $4.14 million, Cash and Investments of $2.32 million, and Deposits of $1.46 million, and Accounts Receivables of $0.57 million, with an offsetting increase in Land Held for Resale of $8.03 million. Total Liabilities of $4.42 million increased $1.27 million from the prior fiscal year, primarily due to an increase in Accounts Payable.

CAPITAL PROJECTS FUND – REVENUE AND EXPENDITURE ANALYSIS

Revenues

For Fiscal Year 2019-20, total Capital Projects Fund revenues were $7.84 million; a decrease of $0.65 million compared to the prior year.

Expenditures

For Fiscal Year 2019-20, total Capital Projects Fund expenditures were $12.80 million. This was a decrease of $5.19 million over the previous fiscal year due to the completion of capital improvement projects in fiscal year 2018-19.

IMPACT FEES FUND – FUND BALANCE ANALYSIS

The Impact Fees Fund accounts for revenues from developer-paid impact fees for infrastructure or construction. It is one of the five major funds included in the City's Comprehensive Annual Financial Report for June 30, 2020. The fund balance of $146.25 million as of June 30, 2020 reflected an increase of $23.46 million. Total Assets were $149.63 million; an increase of $20.43 million from the previous year which is mainly attributable to the increase in Cash and Investments of $21.21 million. Total Liabilities of $3.38 million decreased by $3.02 million due to the decrease in Accounts Payable.

IMPACT FEES FUND – REVENUE AND EXPENDITURE ANALYSIS

Revenues

For Fiscal Year 2019-20, total Impact Fees Fund revenues were $52.22 million; a slight decrease of $0.90 million compared to the prior year.

Expenditures

For Fiscal Year 2019-20, total Impact Fees Fund expenditures were $28.78 million. This was an increase of $8.91 million over the prior year as a result of increased development activity in the Ontario Ranch planned community.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the City budget several times. Budget revisions fall into three categories. The first category includes carry-forward encumbrances and capital projects that are approved shortly after the beginning of the year. The second category includes changes that the Council makes during the quarterly budget process. Finally, the Council approves supplemental appropriations through-out the year based on individual items that are brought forward by various departments. The General Fund budgetary comparison statement is located in the Basic Financial Statements.

Resources (Inflows)

The budgeted amount for *revenues* (resources available for appropriation) had an increase of $8.88 million between the original budget of $279.19 million and the final amended budget of $288.07 million. The increase was mainly due to budget adjustments for Transfers-In (increase of $21.75) and the offsetting budget adjustment to Taxes (reduction of $12.21 million). Actual revenues were $1.53 million more than the final amended budget.

Charges to Appropriations (Outflows)

The difference between the original budget and the final budget was an increase of $14.96 million in appropriations. This increase was primarily the result of increases in Community Development ($7.64 million) to fund increased development related activities, Public Safety ($3.34 million) to fund the purchase of a new police helicopter, and General Government ($3.11 million) for administrative expenditures. Actual expenditures were $17.77 million more than the final amended budget, primarily due to the Special Item related to the City's forgiveness of a $42.37 million receivable for services associated with the transfer of the Ontario International Airport (ONT) to a local joint powers authority: Ontario International Airport Authority (OIAA).

Table 7 on the next page is a comparison of actual inflow and outflow with the final budget.

Budgetary Comparison for General Fund (Table 7)
Fiscal Year 2019-20
(in millions)

	Budget Amounts				Final Budget Variance Favorable / (Unfavorable)
	Original	Final	Variance	Actuals	
Resources (Inflows):					
Taxes	$ 192.54	$ 180.33	$ 12.21	$ 184.28	$ 3.94
Licenses and Permits	3.68	4.91	(1.23)	5.49	0.58
Intergovernmental	0.31	0.20	0.10	1.27	1.06
Charges for Services	31.08	31.56	(0.49)	36.17	4.60
Use of Money and Property	2.86	2.00	0.86	8.48	6.48
Fines and Forfeitures	0.93	0.69	0.24	0.79	0.10
Miscellaneous	5.16	4.00	1.17	4.97	0.97
Transfers from Other Funds	42.63	64.38	(21.75)	48.17	(16.21)
Total Resources	$ 279.19	$ 288.07	$ (8.88)	$ 289.60	$ 1.53
Charges to Appropriations (Outflows):					
General Government	$ 28.76	$ 31.87	$ (3.11)	$ 28.32	$ 3.55
Public Safety	172.36	175.69	(3.34)	166.87	8.82
Community Development	34.50	42.14	(7.64)	35.83	6.31
Public Works	23.08	23.91	(0.82)	21.30	2.60
Debt Service	3.85	3.85	-	3.85	0.00
Transfers to Other Funds	18.16	18.22	(0.06)	14.89	3.32
Special Item	-	-	-	42.37	(42.37)
Total Charges to Appropriations	$ 280.72	$ 295.68	$ (14.96)	$ 313.45	$ (17.77)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets (Table 8) for its governmental and business-type activities as of June 30, 2020, is $1.33 billion (net of accumulated depreciation). This investment in capital assets includes land, structures and improvements, furniture and equipment, infrastructure and construction in progress. For more information, please refer to Note 6 in the Notes to the Basic Financial Statements. The Capital Assets of the City are those assets which are used in the performance of the City's functions including infrastructure assets. Depreciation on capital assets is recognized in the Government-wide financial statements.

Capital Assets (Table 8)
(net of depreciation)
(in millions)

	Governmental Activities		Business-Type Activities		Government-Wide Totals	
	2020	2019	2020	2019	2020	2019
Land	$ 124.67	$ 91.56	$ 16.15	$ 16.03	$ 140.82	$ 107.59
Structures and Improvements	278.43	268.84	7.40	7.63	285.83	276.47
Furniture and Equipment	13.76	13.88	1.60	0.60	15.36	14.48
Infrastructure	605.46	600.47	154.79	161.07	760.25	761.54
Construction in Progress	62.04	48.97	68.95	66.08	130.99	115.05
Total Capital Assets	$ 1,084.36	$ 1,023.72	$ 248.89	$ 251.41	$ 1,333.25	$ 1,275.13

Additional detail information is provided on Capital Assets in the *Notes to Financial Statements, Note 6*.

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for its Governmental Activities infrastructure reporting. Under GASB Statement No. 34, eligible infrastructure capital asset is not required to be depreciated under the following requirements:

- The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amount to maintain and preserve at the established condition assessment level.
- The City documents that eligible infrastructure capital assets are being preserved approximately at or above the established disclosed assessment.

The City's streets are constantly deteriorating resulting from the following four factors: (1) traffic using the streets; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development interests trenching operations; and (4) water damage from natural precipitation and other urban runoff. The City is continuously taking actions to arrest the deterioration through short-term maintenance activities such as pothole patching, street sweeping, and street paving.

The City expended $14.17 million on street maintenance for the fiscal year ended June 30, 2020 to delay deterioration. The City has estimated that the amount of annual expenditures required maintaining the City's streets at the minimum PCI rating of "Good" through the year of 2020 is a minimum of $5.70 million per year. As of June 30, 2020, the City had approximately 109 million square feet of streets with a carrying amount of approximately $374.95 million and a replacement cost of approximately $800 million.

The City is also continuously taking actions to arrest the deterioration of other infrastructure assets through short-term maintenance activities. The City expended $5.62 million on other infrastructure (sidewalks, traffic signals/streetlights and catch basins/storm drains) maintenance for the fiscal year ended June 30, 2020. These expenditures delayed deterioration and improved the overall condition through these maintenance efforts. It is estimated that it will cost approximately $4.00 million per year to maintain other infrastructure assets at their present level. For more information, see Required Supplemental Information following the footnotes to the financial statements.

Long-term Debt

At year end, the City had $439.50 million in outstanding long-term debt. This debt consisted of revenue bonds, pension obligation bonds, loans payable, installment sale, advances from Successor Agency, compensated absences, claims and judgments, and unamortized bond premiums and discounts. For additional details of the City's long-term debt, please refer to Note 7 in the Notes to the Basic Financial Statements.

Table 9 below is a summary of the City's long-term debt for the year ended June 30, 2020.

Long-Term Debt (Table 9)
(in millions)

	Governmental Activities		Business-Type Activities		Government-wide Totals	
	2020	2019	2020	2019	2020	2019
Revenue Bonds	$ 58.99	$ 60.04	$ 65.91	$ 65.90	$ 124.89	$ 125.94
Pension Obligation Bonds	236.59	-	-	-	236.59	-
Loan Payable	0.13	0.13	-	-	0.13	0.13
Installment Sale	23.78				23.78	-
Advances from Successor Agency	1.60	1.60	-	-	1.60	1.60
Claims and Judgments	28.55	24.62	-	-	28.55	24.62
Compensated Absences	18.04	16.22	1.49	1.43	19.54	17.65
Unamortized Bond Premium/Discount	2.74	2.85	1.69	1.79	4.43	4.64
	$ 370.41	$ 105.46	$ 69.09	$ 69.12	$ 439.50	$ 174.58

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'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:

Executive Director of Finance
City of Ontario
303 East "B" Street
Ontario, California 91764

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CITY OF ONTARIO

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	$ 454,915,579	$ 162,755,228	$ 617,670,807
Receivables:			
Accounts	28,701,275	10,691,016	39,392,291
Taxes	287,430	-	287,430
Notes and loans	39,023,397	-	39,023,397
Accrued interest	1,743,927	572,024	2,315,951
Internal balances	9,649,048	(9,649,048)	-
Prepaid costs	1,977,305	5,494	1,982,799
Deposits	826,803	-	826,803
Due from other government	120,081	-	120,081
Inventories	1,139,277	57,474,190	58,613,467
Advances to Successor Agency	3,500,000	-	3,500,000
Land held for resale	85,214,721	-	85,214,721
Investment in joint venture	-	65,164,852	65,164,852
Other investments	-	46,625,898	46,625,898
Restricted assets:			
Cash and investments	1,266,574	210,592	1,477,166
Cash with fiscal agent	35,606,035	3,140,719	38,746,754
Capital assets not being depreciated	494,309,041	85,101,651	579,410,692
Capital assets, net of depreciation	590,051,784	163,785,898	753,837,682
Total Assets	**1,748,332,277**	**585,878,514**	**2,334,210,791**
Deferred Outflows of Resources:			
Deferred charges on refunding	-	795,277	795,277
Deferred pension related items	391,315,398	36,867,926	428,183,324
Deferred OPEB related items	130,027,422	16,542,662	146,570,084
Total Deferred Outflows of Resources	**521,342,820**	**54,205,865**	**575,548,685**
Liabilities:			
Accounts payable	23,888,562	11,456,246	35,344,808
Accrued liabilities	7,037,717	580,726	7,618,443
Accrued interest	1,446,133	1,655,606	3,101,739
Unearned revenue	14,587,698	116,327	14,704,025
Deposits payable	14,591,547	7,302,161	21,893,708
Due to other governments	2,866,258	-	2,866,258
Noncurrent liabilities:			
Due within one year			
Long-term debt	9,100,104	1,485,000	10,585,104
Compensated absences	12,774,000	1,177,713	13,951,713
Claims and judgments	10,063,000	-	10,063,000
Due in more than one year			
Long-term debt	314,717,322	66,111,108	380,828,430
Compensated absences	5,269,894	316,636	5,586,530
Claims and judgments	18,485,000	-	18,485,000
OPEB liability	144,273,525	18,355,113	162,628,638
Net pension liabilities	285,638,863	28,460,583	314,099,446
Total Liabilities	**864,739,623**	**137,017,219**	**1,001,756,842**
Deferred Inflows of Resources:			
Deferred charges on refunding	998,130	-	998,130
Deferred pension related items	7,254,363	724,849	7,979,212
Deferred OPEB related items	124,173,715	15,797,928	139,971,643
Total Deferred Inflows of Resources	**132,426,208**	**16,522,777**	**148,948,985**
Net Position:			
Net investment in capital assets	997,856,845	182,086,718	1,179,943,563
Restricted for:			
Community development projects	148,789,489	-	148,789,489
Public safety	2,622,961	-	2,622,961
Capital projects	26,474,260	-	26,474,260
Debt service	-	3,140,719	3,140,719
Affordable housing	37,302,694	-	37,302,694
Other purposes	417,464	-	417,464
Unrestricted	59,045,553	301,316,946	360,362,499
Total Net Position	**$1,272,509,266**	**$ 486,544,383**	**$1,759,053,649**

See Notes to Financial Statements

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Contributions and Grants	Program Revenues: Capital Contributions and Grants
Primary Government:				
Governmental Activities:				
General government	$ 31,859,857	$ 6,965,874	$ 862,382	$ -
Public safety	177,840,309	26,688,490	3,212,278	142,857
Community development	92,310,831	78,671,622	2,468,244	45,016,558
Public works	28,825,751	-	-	1,042,327
Interest on long-term debt	3,493,124	-	-	-
Total Governmental Activities	**334,329,872**	**112,325,986**	**6,542,904**	**46,201,742**
Business-Type Activities:				
Water	57,700,824	57,676,762	-	3,095,761
Sewer	23,255,045	27,685,371	-	-
Integrated Waste	34,380,261	38,341,478	137,783	-
I.T. Fiber	3,943,666	747,095	-	1,452,724
Total Business-Type Activities	**119,279,796**	**124,450,706**	**137,783**	**4,548,485**
Total Primary Government	**$ 453,609,668**	**$ 236,776,692**	**$ 6,680,687**	**$ 50,750,227**

General Revenues:	
Taxes:	
Property taxes, levied for general purpose	
Transient occupancy taxes	
Sales taxes	
Franchise taxes	
Business licenses taxes	
Other taxes	
Motor vehicle in lieu - unrestricted	
Use of money and property	
Other	
Gain on sale of other investments	
Special Item (Note 15)	
Transfers	
Total General Revenues, Special Item and Transfers	
Change in Net Position	
Net Position at Beginning of Year	
Restatement of Net Position	
Net Position at End of Year	

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
$ (24,031,601)	$ -	$ (24,031,601)
(147,796,684)	-	(147,796,684)
33,845,593	-	33,845,593
(27,783,424)	-	(27,783,424)
(3,493,124)	-	(3,493,124)
(169,259,240)	**-**	**(169,259,240)**
-	3,071,699	3,071,699
-	4,430,326	4,430,326
-	4,099,000	4,099,000
-	(1,743,847)	(1,743,847)
-	**9,857,178**	**9,857,178**
(169,259,240)	**9,857,178**	**(159,402,062)**
67,236,079	-	67,236,079
12,160,235	-	12,160,235
90,290,690	-	90,290,690
3,426,464	-	3,426,464
7,793,962	-	7,793,962
4,044,908	-	4,044,908
141,091	-	141,091
18,599,331	8,345,624	26,944,955
4,198,849	474,940	4,673,789
605,267	-	605,267
(42,373,148)	-	(42,373,148)
14,472,260	(14,472,260)	-
180,595,988	**(5,651,696)**	**174,944,292**
11,336,748	4,205,482	15,542,230
1,261,827,709	482,787,059	1,744,614,768
(655,191)	(448,158)	(1,103,349)
$ 1,272,509,266	**$ 486,544,383**	**$ 1,759,053,649**

CITY OF ONTARIO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	Special Revenue Funds: Measure I	Special Revenue Funds: Ontario Housing Authority	Capital Projects Fund: Capital Projects
Assets:				
Cash and investments	$ 54,108,152	$ 15,705,283	$ 8,663,805	$ 34,573,687
Receivables:				
Accounts	21,493,884	680,181	-	2,971,812
Taxes	200,483	-	-	-
Notes and loans	75,000	-	28,419,800	-
Accrued interest	685,878	56,723	30,659	86,692
Prepaid costs	103,754	-	2,060	-
Deposits	72,400	287,230	214,005	23,798
Due from other governments	120,081	-	-	-
Due from other funds	495,315	-	-	-
Advances to other funds	58,180,692	-	-	-
Advances to Successor Agency	3,500,000	-	-	-
Inventories	300,943	-	-	-
Land held for resale	-	-	16,476,284	10,855,141
Restricted assets:				
Cash and investments	-	-	-	360,308
Cash and investments with fiscal agents	-	-	-	13,819,632
Total Assets	**$ 139,336,582**	**$ 16,729,417**	**$ 53,806,613**	**$ 62,691,070**
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	$ 11,305,415	$ 4,003	$ 50,250	$ 3,416,429
Accrued liabilities	6,688,007	-	24,989	-
Unearned revenues	-	4,000,000	5,000,000	-
Deposits payable	12,846,099	-	8,395	1,002,287
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	5,961,399	-
Total Liabilities	**30,839,521**	**4,004,003**	**11,045,033**	**4,418,716**
Deferred Inflows of Resources:				
Unavailable revenues	946,691	10,351,842	21,469,021	1,879,410
Total Deferred Inflows of Resources	**946,691**	**10,351,842**	**21,469,021**	**1,879,410**
Fund Balances:				
Nonspendable	4,052,097	-	-	-
Restricted	417,464	2,373,572	21,292,559	45,077,702
Committed	595,469	-	-	-
Assigned	99,862,976	-	-	11,315,242
Unassigned	2,622,364	-	-	-
Total Fund Balances	**107,550,370**	**2,373,572**	**21,292,559**	**56,392,944**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 139,336,582**	**$ 16,729,417**	**$ 53,806,613**	**$ 62,691,070**

CITY OF ONTARIO

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	Capital Projects Fund		
	Impact Fees	**Other Governmental Funds**	**Total Governmental Funds**
Assets:			
Cash and investments	$ 148,799,320	$ 66,165,396	$ 328,015,643
Receivables:			
Accounts	-	3,236,120	28,381,997
Taxes	-	86,947	287,430
Notes and loans	-	10,528,597	39,023,397
Accrued interest	525,406	199,175	1,584,533
Prepaid costs	-	22,473	128,287
Deposits	229,370	-	826,803
Due from other governments	-	-	120,081
Due from other funds	-	-	495,315
Advances to other funds	-	5,961,399	64,142,091
Advances to Successor Agency	-	-	3,500,000
Inventories	-	-	300,943
Land held for resale	-	57,883,296	85,214,721
Restricted assets:			
Cash and investments	73,115	35,775	469,198
Cash and investments with fiscal agents	-	21,777,916	35,597,548
Total Assets	**$ 149,627,211**	**$ 165,897,094**	**$ 588,087,987**
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	$ 3,378,661	$ 2,533,225	$ 20,687,983
Accrued liabilities	-	103,826	6,816,822
Unearned revenues	-	5,587,698	14,587,698
Deposits payable	-	734,766	14,591,547
Due to other governments	-	2,866,258	2,866,258
Due to other funds	-	495,315	495,315
Advances from other funds	-	-	5,961,399
Total Liabilities	**3,378,661**	**12,321,088**	**66,007,022**
Deferred Inflows of Resources:			
Unavailable revenues	-	7,823,888	42,470,852
Total Deferred Inflows of Resources	**-**	**7,823,888**	**42,470,852**
Fund Balances:			
Nonspendable	-	-	4,052,097
Restricted	229,370	146,216,201	215,606,868
Committed	134,372,092	-	134,967,561
Assigned	11,647,088	-	122,825,306
Unassigned	-	(464,083)	2,158,281
Total Fund Balances	**146,248,550**	**145,752,118**	**479,610,113**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	**$ 149,627,211**	**$ 165,897,094**	**$ 588,087,987**

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CITY OF ONTARIO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Fund balances of governmental funds		$ 479,610,113
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity:		
Capital assets	$ 1,285,984,887	
Accumulated depreciation	(240,601,112)	1,045,383,775
Governmental funds report all pension contributions as expenditures. However, the net pension liability has a measurement date of June 30, 2018, and pension contributions subsequent to the measurement date are reclassified as deferred pension contributions.		37,581,052
Deferred outflows of resources reported for the pension plan for government-wide statements:		
Differences between expected and actual experiences	29,743,377	
Change in assumptions	14,477,621	44,220,998
Long-term debt and compensated absences have not been included in the governmental fund activity:		
Revenue bonds		(58,985,000)
Loan payable		(126,566)
Installment sale		(23,780,842)
Advance from Successor Agency		(1,600,000)
Unamortized bond discount and premium		(2,740,018)
Unamortized deferred loss on refunding		(998,130)
Compensated absences		(17,480,934)
Bond insurance premium is an expenditure in the governmental funds, but it is a prepaid item on the statement of net position.		153,997
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(1,446,133)
Governmental funds report all pension contributions as expenditures, however, in the statement of net position, the excess of the total pension liability over the plan fiduciary net position is reported as a net pension liability.		(274,414,703)
Deferred inflows of resources reported for the pension plan for government-wide statements:		
Differences between expected and actual experiences	(1,577,785)	
Changes in assumptions	(2,751,120)	
Net difference between projected and actual earnings on pension plan investments	(2,639,595)	(6,968,500)
Revenues are reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		42,470,852
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		11,629,305
Net Position of Governmental Activities		**$ 1,272,509,266**

CITY OF ONTARIO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	General	Special Revenue Funds: Measure I	Special Revenue Funds: Ontario Housing Authority	Capital Projects Fund: Capital Projects
Revenues:				
Taxes	$ 184,275,840	$ -	$ -	$ -
Special assessment taxes	-	-	-	-
Licenses and permits	5,488,023	-	-	-
Intergovernmental	1,268,005	3,442,615	-	168,434
Contribution from property owners	-	-	26,254	-
Charges for services	36,168,302	-	-	6,501,986
Use of money and property	8,476,572	67,240	703,122	1,166,015
Fines and forfeitures	786,630	-	-	-
Miscellaneous	4,969,244	-	59,869	-
Total Revenues	**241,432,616**	**3,509,855**	**789,245**	**7,836,435**
Expenditures:				
Current:				
General government	28,322,100	-	-	-
Public safety	166,873,394	-	-	6,828,766
Community development	35,829,045	5,176,198	793,202	5,968,452
Public works	21,303,770	-	-	-
Debt service:				
Principal retirement	1,050,000	-	-	-
Interest and fiscal charges	2,802,938	-	-	-
Total Expenditures	**256,181,247**	**5,176,198**	**793,202**	**12,797,218**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,748,631)	(1,666,343)	(3,957)	(4,960,783)
Other Financing Sources (Uses):				
Transfers in	48,168,298	-	-	3,205,200
Transfers out	(14,894,106)	-	-	-
Notes and loans issued	-	-	-	-
Total Other Financing Sources (Uses)	**33,274,192**	**-**	**-**	**3,205,200**
Special item	(42,373,148)	-	-	-
Net Change in Fund Balances	(23,847,587)	(1,666,343)	(3,957)	(1,755,583)
Fund Balances:				
Beginning of year	131,397,957	4,039,915	21,296,516	58,148,527
End of year	**$ 107,550,370**	**$ 2,373,572**	**$ 21,292,559**	**$ 56,392,944**

CITY OF ONTARIO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2020

	Capital Projects Fund		
	Impact Fees	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	$ -	$ -	$ 184,275,840
Special assessment taxes	-	8,581,407	8,581,407
Licenses and permits	-	-	5,488,023
Intergovernmental	-	12,935,202	17,814,256
Contribution from property owners	-	15,477,408	15,503,662
Charges for services	46,413,912	25,734,686	114,818,886
Use of money and property	5,810,447	2,536,043	18,759,439
Fines and forfeitures	-	-	786,630
Miscellaneous	-	3,256,998	8,286,111
Total Revenues	**52,224,359**	**68,521,744**	**374,314,254**
Expenditures:			
Current:			
General government	2,532,851	2,899,701	33,754,652
Public safety	4,555,436	1,862,228	180,119,824
Community development	21,592,501	60,654,900	130,014,298
Public works	98,625	1,291,688	22,694,083
Debt service:			
Principal retirement	-	-	1,050,000
Interest and fiscal charges	-	-	2,802,938
Total Expenditures	**28,779,413**	**66,708,517**	**370,435,795**
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,444,946	1,813,227	3,878,459
Other Financing Sources (Uses):			
Transfers in	11,000	1,306,773	52,691,271
Transfers out	-	(14,136,243)	(29,030,349)
Notes and loans issued	-	23,780,842	23,780,842
Total Other Financing Sources (Uses)	**11,000**	**10,951,372**	**47,441,764**
Special item	-	-	(42,373,148)
Net Change in Fund Balances	23,455,946	12,764,599	8,947,075
Fund Balances:			
Beginning of year	122,792,604	132,987,519	470,663,038
End of year	**$ 146,248,550**	**$ 145,752,118**	**$ 479,610,113**

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CITY OF ONTARIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2020

Net change in fund balances - total governmental funds		$ 8,947,075
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital outlay	$ 70,262,127	
Depreciation	(15,091,759)	
Disposition of capital assets	(1,930,545)	53,239,823
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Whereas, issuance of long-term debt is a current financial resource in the governmental funds, but the issuance increase long-term debt in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and deferral on loss of refunding when the debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Long-term debt repayment:		
Lease Revenue Bonds	1,050,000	
Long-term debt issuance:		
Installment sale	(23,780,842)	
Bond Premium Amortization	123,418	
Bond Discount Amortization	(18,938)	
Deferred Charges Amortization	62,060	(22,564,302)
Bond insurance premium are expenditures in governmental funds, but these costs are capitalized on the statement of net position.		(6,783)
Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		(849,943)
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(2,005,488)
Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(16,643,749)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in intergovernmental revenues in the governmental fund activity.		(1,772,924)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities.		(7,006,961)
Change in Net Position of Governmental Activities		**$ 11,336,748**

CITY OF ONTARIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water	Sewer	Integrated Waste	Nonmajor Enterprise Fund I.T. Fiber	Totals	
Assets:						
Current:						
Cash and investments	$ 81,880,374	$ 53,529,788	$ 24,931,619	$ 2,413,447	$ 162,755,228	$ 126,899,936
Receivables:						
Accounts	5,504,041	2,105,126	2,988,518	93,331	10,691,016	319,278
Accrued interest	286,116	189,366	88,001	8,541	572,024	159,394
Prepaid costs	5,494	-	-	-	5,494	1,695,021
Inventories	55,698,931	275,256	-	1,500,003	57,474,190	838,334
Restricted:						
Cash and investments	210,592	-	-	-	210,592	797,376
Cash with fiscal agent	3,140,719	-	-	-	3,140,719	8,487
Total Current Assets	**146,726,267**	**56,099,536**	**28,008,138**	**4,015,322**	**234,849,263**	**130,717,826**
Noncurrent:						
Advances to other funds	12,503,000	5,614,000	11,738,000	-	29,855,000	14,034,000
Investment in joint venture	65,164,852	-	-	-	65,164,852	-
Other investments	46,625,898	-	-	-	46,625,898	-
Capital assets - net of accumulated depreciation	194,962,227	28,288,440	6,078,657	19,558,225	248,887,549	38,977,050
Total Noncurrent Assets	**319,255,977**	**33,902,440**	**17,816,657**	**19,558,225**	**390,533,299**	**53,011,050**
Total Assets	**465,982,244**	**90,001,976**	**45,824,795**	**23,573,547**	**625,382,562**	**183,728,876**
Deferred Outflows of Resources:						
Deferred charges on refunding	795,277	-	-	-	795,277	-
Deferred pension related items	2,214,851	653,562	3,381,011	130,285	6,379,709	340,001,565
Deferred OPEB related items	-	-	-	-	-	146,570,084
Total Deferred Outflows of Resources	**3,010,128**	**653,562**	**3,381,011**	**130,285**	**7,174,986**	**486,571,649**
Total Assets & Deferred Ouflow of Resources	**$ 468,992,372**	**$ 90,655,538**	**$ 49,205,806**	**$ 23,703,832**	**$ 632,557,548**	**$ 670,300,525**
Liabilities, Deferred Inflows and Net Position						
Liabilities:						
Current:						
Accounts payable	$ 4,927,013	$ 3,491,617	$ 2,763,301	$ 274,315	$ 11,456,246	$ 3,200,579
Accrued liabilities	208,155	86,282	272,959	13,330	580,726	220,895
Accrued interest	1,655,606	-	-	-	1,655,606	-
Unearned revenues	-	-	116,327	-	116,327	-
Deposits payable	5,844,876	-	1,457,285	-	7,302,161	-
Accrued compensated absences	454,000	66,000	618,000	39,713	1,177,713	406,000
Accrued claims and judgments	-	-	-	-	-	10,063,000
Long-term debt	1,485,000	-	-	-	1,485,000	3,370,000
Total Current Liabilities	**14,574,650**	**3,643,899**	**5,227,872**	**327,358**	**23,773,779**	**17,260,474**
Noncurrent:						
Advances from other funds	-	-	-	-	-	102,069,692
Accrued compensated absences	124,758	93,552	98,326	-	316,636	156,960
Accrued claims and judgments	-	-	-	-	-	18,485,000
Net pension liability	9,880,691	2,915,614	15,083,061	581,217	28,460,583	11,224,160
OPEB liability	-	-	-	-	-	162,628,638
Long-term debt	66,111,108	-	-	-	66,111,108	233,215,000
Total Noncurrent Liabilities	**76,116,557**	**3,009,166**	**15,181,387**	**581,217**	**94,888,327**	**527,779,450**
Total Liabilities	**90,691,207**	**6,653,065**	**20,409,259**	**908,575**	**118,662,106**	**545,039,924**
Deferred Inflows of Resources:						
Deferred pension related items	251,647	74,256	384,144	14,802	724,849	285,863
Deferred OPEB related items	-	-	-	-	-	139,971,643
Total Deferred Inflows of Resources	**251,647**	**74,256**	**384,144**	**14,802**	**724,849**	**140,257,506**

CITY OF ONTARIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

	Business-Type Activities - Enterprise Funds					
	Water	Sewer	Integrated Waste	Nonmajor Enterprise Fund I.T. Fiber	Totals	Governmental Activities- Internal Service Funds
Net Position:						
Net investment in capital assets	128,161,396	28,288,440	6,078,657	19,558,225	182,086,718	38,977,050
Restricted for debt service	3,140,719	-	-	-	3,140,719	-
Unrestricted	246,747,403	55,639,777	22,333,746	3,222,230	327,943,156	(53,973,955)
Total Net Position	**378,049,518**	**83,928,217**	**28,412,403**	**22,780,455**	**513,170,593**	**(14,996,905)**
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 468,992,372**	**$ 90,655,538**	**$ 49,205,806**	**$ 23,703,832**	**$ 632,557,548**	**$ 670,300,525**

Reconciliation of Net Position to the Government-Wide Statement of Net Position:

Net Position per Statement of Net Position - Proprietary Funds	$ 513,170,593
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds	(29,135,929)
Current year's adjustment to reflect the consolidation of internal service activities related to enterprise funds	2,509,719
Net Position per Government-Wide Statement of Net Position	$ 486,544,383

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water	Sewer	Integrated Waste	Nonmajor Enterprise Fund I.T. Fiber	Totals	
Operating Revenues:						
Sales and service charges	$ 53,292,458	$ 27,214,080	$ 37,137,371	$ 747,095	$ 118,391,004	$ -
Interdepartmental charges	1,240,711	46,234	604,699	93,500	1,985,144	42,194,893
Miscellaneous	1,294,640	467,974	611,313	25,000	2,398,927	9,054,816
Total Operating Revenues	**55,827,809**	**27,728,288**	**38,353,383**	**865,595**	**122,775,075**	**51,249,709**
Operating Expenses:						
Administration and general	6,008,743	3,982,126	10,087,168	1,584,531	21,662,568	23,820,365
Source of supply	25,880,993	-	-	-	25,880,993	8,043,555
Pumping	4,519,420	-	-	-	4,519,420	-
Transmission/collection	13,594,283	3,112,995	25,769,973	-	42,477,251	-
Treatment	-	15,584,909	-	-	15,584,909	-
Cost of sales and services	-	-	-	1,618,991	1,618,991	-
Claims expense	-	-	-	-	-	9,239,263
Depreciation expense	4,774,329	1,157,053	104,799	740,144	6,776,325	6,481,284
Total Operating Expenses	**54,777,768**	**23,837,083**	**35,961,940**	**3,943,666**	**118,520,457**	**47,584,467**
Operating Income (Loss)	1,050,041	3,891,205	2,391,443	(3,078,071)	4,254,618	3,665,242
Nonoperating Revenues (Expenses):						
Grant revenue	-	-	137,783	-	137,783	-
Interest revenue	5,019,590	2,040,214	1,018,635	113,564	8,192,003	420,911
Interest expense	(3,269,058)	-	-	-	(3,269,058)	-
Gain on joint venture	2,304,192	-	-	-	2,304,192	-
Total Nonoperating Revenues (Expenses)	**4,054,724**	**2,040,214**	**1,156,418**	**113,564**	**7,364,920**	**1,026,178**
Income (Loss) Before Transfers and Capital Contributions	5,104,765	5,931,419	3,547,861	(2,964,507)	11,619,538	4,691,420
Capital grants and contributions	3,095,761	-	-	1,452,724	4,548,485	-
Transfers in	-	-	-	-	-	10,972,772
Transfers out	(6,674,072)	(3,049,186)	(4,735,668)	(13,334)	(14,472,260)	(20,161,434)
Changes in Net Position	$ 1,526,454	$ 2,882,233	$ (1,187,807)	$ (1,525,117)	$ 1,695,763	$ (4,497,242)
Net Position:						
Beginning of Year, as originally reported	$ 376,523,064	$ 81,045,984	$ 30,048,368	$ 24,305,572	$ 511,922,988	$ (9,844,472)
Restatements	-	-	(448,158)	-	(448,158)	(655,191)
Beginning of Fiscal Year, as restated	376,523,064	81,045,984	29,600,210	24,305,572	511,474,830	(10,499,663)
Changes in Net Position	1,526,454	2,882,233	(1,187,807)	(1,525,117)	1,695,763	(4,497,242)
End of Fiscal Year	**$ 378,049,518**	**$ 83,928,217**	**$ 28,412,403**	**$ 22,780,455**	**$ 513,170,593**	**$ (14,996,905)**

Reconciliation of Changes in Net Position to the Statement of Activities:

Changes in Net Position, per the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	$ 1,695,763
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds	2,509,719
Changes in Net Position of Business-Type Activities per Statement of Activities	**$ 4,205,482**

CITY OF ONTARIO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds					Governmental Activities- Internal Service Funds
	Water	Sewer	Integrated Waste	Nonmajor Enterprise Fund I.T. Fiber	Totals	
Cash Flows from Operating Activities:						
Cash received from customers and users	$ 57,700,141	$ 28,760,545	$ 39,627,850	$ 785,309	$ 126,873,845	$ -
Cash received from/(paid to) interfund service provided	-	-	-	-	-	51,372,361
Cash paid to suppliers for goods and services	(47,188,566)	(19,625,504)	(25,631,321)	(1,510,430)	(93,955,821)	(13,716,701)
Cash paid to employees for services	(5,427,981)	(4,405,403)	(7,077,207)	(1,603,147)	(18,513,738)	(169,534,326)
Operating Activities	**5,083,594**	**4,729,638**	**6,919,322**	**(2,328,268)**	**14,404,286**	**(131,878,666)**
Cash Flows from Non-Capital Financing Activities:						
Cash transfers in	-	-	-	-	-	10,972,772
Cash transfers out	(6,674,072)	(3,049,186)	(4,735,668)	(13,334)	(14,472,260)	(20,161,434)
Advance from other funds	-	-	-	-	-	102,069,692
Advance paid to other funds	(12,503,000)	(5,614,000)	(11,738,000)	-	(29,855,000)	(14,034,000)
Proceeds from issuance of pension obligation bonds	-	-	-	-	-	236,585,000
Additional payments to employees pensiion plans	-	-	-	-	-	(337,485,564)
Grant subsidy	-	-	137,783	-	137,783	-
Net Cash Provided (Used) by Non-Capital Financing Activities	**(19,177,072)**	**(8,663,186)**	**(16,335,885)**	**(13,334)**	**(44,189,477)**	**(22,053,534)**
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(2,375,701)	(333,854)	(424,512)	(119,696)	(3,253,763)	(14,534,197)
Acquisition of other investments	(46,625,898)	-	-	-	(46,625,898)	-
Interest paid on capital debt	(3,311,212)	-	-	-	(3,311,212)	-
Reimbursement agreement	3,095,761	-	-	-	3,095,761	-
Net Cash Provided (Used) by Capital and Related Financing Activities	**(49,217,050)**	**(333,854)**	**(424,512)**	**(119,696)**	**(50,095,112)**	**(14,534,197)**
Cash Flows from Investing Activities:						
Change in investments	-	-	-	-	-	38,743,379
Interest received	5,300,114	2,067,269	1,067,053	114,484	8,548,920	894,737
Net Cash Provided (Used) by Investing Activities	**5,300,114**	**2,067,269**	**1,067,053**	**114,484**	**8,548,920**	**39,638,116**
Net Increase (Decrease) in Cash and Cash Equivalents	**(58,010,414)**	**(2,200,133)**	**(8,774,022)**	**(2,346,814)**	**(71,331,383)**	**(128,828,281)**
Cash and Cash Equivalents at Beginning of Year	143,242,099	55,729,921	33,705,641	4,760,261	237,437,922	256,534,080
Cash and Cash Equivalents at End of Year	**$ 85,231,685**	**$ 53,529,788**	**$ 24,931,619**	**$ 2,413,447**	**$ 166,106,539**	**$ 127,705,799**
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	$ 1,050,041	$ 3,891,205	$ 2,391,443	$ (3,078,071)	$ 4,254,618	$ 3,665,242
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:						
Depreciation	4,774,329	1,157,053	104,799	740,144	6,776,325	6,481,284
(Increase) decrease in accounts receivable	1,621,644	1,032,257	1,263,018	61,420	3,978,339	122,652
(Increase) decrease in prepaid expense	1,080	44,731	-	7,213	53,024	(576,577)
(Increase) decrease in inventories	(4,160,969)	(96,853)	-	101,348	(4,156,474)	(54,805)
Increase (decrease) in accounts payable	966,019	(875,478)	138,652	(141,706)	87,487	1,433,140
Increase (decrease) in accrued liabilities	62,865	24,282	101,772	3,829	192,748	58,472
Increase (decrease) in unearned revenues	-	-	(34,744)	-	(34,744)	-
Increase (decrease) in deposits payable	250,688	-	46,193	-	296,881	-
Increase (decrease) in claims and judgments	-	-	-	-	-	3,925,000
Increase (decrease) in compensated absences	63,688	(111,207)	125,879	(9,117)	69,243	(185,814)
Increase (decrease) in net pension liability	612,149	(403,526)	3,528,696	(13,723)	3,723,596	1,141,489
Increase (decrease) in deferred pension related items	(157,940)	67,174	(746,386)	395	(836,757)	(266,304)
Increase (decrease) in OPEB liability	-	-	-	-	-	(106,925,495)
Increase (decrease) in deferred OPEB related items	-	-	-	-	-	(40,696,950)
Total Adjustments	**4,033,553**	**838,433**	**4,527,879**	**749,803**	**10,149,668**	**(135,543,908)**
Net Cash Provided (Used) by Operating Activities	**$ 5,083,594**	**$ 4,729,638**	**$ 6,919,322**	**$ (2,328,268)**	**$ 14,404,286**	**$ (131,878,666)**
Non-Cash Investing, Capital, and Financing Activities:						
Gain on investment in joint venture	$ 2,304,192	$ -	$ -	$ -	$ 2,304,192	$ -
Gain on value of store water inventory	1,655,606	-	-	-	1,655,606	-
Amortization of deferred cost	57,323	-	-	-	57,323	-
Amortization of bond premium	99,477	-	-	-	99,477	-
Capital contributions	-	-	-	1,452,724	1,452,724	-

CITY OF ONTARIO

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	Agency Funds	Private-Purpose Trust Fund Successor Agency of the Former RDA
Assets:		
Cash and investments	$ 35,829,648	$ 12,933,088
Receivables:		
Accounts	20,884	-
Taxes	68,631	-
Notes and leases	215,830,448	35,000
Accrued interest	14,834	14
Prepaid costs	3,900	-
Advances to City	-	1,600,000
Land held for resale	-	10,904,181
Restricted assets:		
Cash and investments with fiscal agents	12,093,253	2,889,941
Total Assets	**$ 263,861,598**	**28,362,224**
Liabilities:		
Accounts payable	$ 2,081,564	-
Accrued interest	-	1,972,813
Deposits payable	-	305,886
Due to other governments	247,236,827	-
Due to external parties/other agencies	14,543,207	-
Long-term liabilities:		
Due in one year		
Long-term debt	-	6,299,205
Due in more than one year		
Long-term debt	-	41,132,149
Total Liabilities	**$ 263,861,598**	**49,710,053**
Net Position:		
Held in trust for other purposes		(21,347,829)
Total Net Position		**$ (21,347,829)**

CITY OF ONTARIO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2020

	Private-Purpose Trust Fund
	Successor Agency of the Former RDA
Additions:	
Taxes	$ 10,707,680
Interest and change in fair value of investments	85,994
Total Additions	**10,793,674**
Deductions:	
Administrative expenses	405,878
Contractual services	10,886
Interest expense	4,726,044
Contributions to other governments	828,437
Total Deductions	**5,971,245**
Changes in Net Position	**4,822,429**
Net Position:	
Beginning of year	(26,170,258)
End of the Year	**$ (21,347,829)**

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Note 1: Summary of Significant Accounting Policies

a. Description of Entity

The reporting entity is a municipal corporation governed by an elected mayor and a four-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Ontario, California (the City) and its component units, entities for which the City is considered financially accountable. The criteria used in determining the scope of the reporting entity is based on the provision of GASB Statement No. 14 and amended by GASB Statement No. 61. Blended component units, although legally separate entities, are in substance part of the Government's operation, so data from these units are combined herein. The following criteria were used in the determination of blended units:

1. The members of the City Council also act as the governing body of the Industrial Development Authority, the Ontario Redevelopment Financing Authority, the Ontario Public Financing Authority and the Ontario Housing Authority.

2. The Authorities are managed by employees of the City.

The City of Ontario was incorporated December 10, 1891, under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities.

Blended Component Units

The former Ontario Redevelopment Agency (the Agency) was activated November 1, 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. The former Redevelopment Agency was dissolved as of January 31, 2012, through the Supreme Court decision on Assembly Bill 1X 26. See Note 20 for more information on the dissolution.

The Industrial Development Authority was established August 18, 1981, pursuant to the California Industrial Development Financing Act (AB74). The law authorizes limited issuance of small-issue industrial development bonds to assist private industry. The sole function of the Authority is to review and approve the issuance of bonds to finance eligible projects. Separate financial statements are not available for the Industrial Development Authority.

The Ontario Redevelopment Financing Authority was established November 5, 1991, pursuant to Article 1 (commencing with Section 6500) of Chapter 5, Division 7 of Title 1 of the California Government Code in order to jointly exercise powers of the Agency and the City, and to establish a vehicle to reduce local borrowing costs and promote greater use of existing and new financial instruments. Separate financial statements are not available for the Ontario Redevelopment Financing Authority.

Note 1: Summary of Significant Accounting Policies (Continued)

The Ontario Public Financing Authority was created by a joint exercise of joint powers agreement between the City of Ontario and the Ontario Housing Authority (the Members) on June 1, 2013. The purpose of the Authority is to assist in the financing of capital improvement projects of the Members and other activities of the Members as permitted under Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code, as amended. Separate financial statements are not available for the Ontario Public Financing Authority.

The Ontario Housing Authority was established on December 2, 1997. The primary purpose of the Authority is to assist property owners in rejuvenating and improving substandard housing conditions within the City. Separate financial statements are not prepared for the Ontario Housing Authority.

Since the City Council serves as the governing board for these component units, all of the City's component units are considered to be blended component units. Blended component units, although legally separate entities, are in substance, part of the City's operations and so data from these units are reported with the primary government.

Other governmental agencies providing services either to the City in its entirety or to a portion thereof are:

State of California	County of San Bernardino
Metropolitan Water District	Inland Empire Utilities Agency
Cucamonga Valley Water District	Chaffey Community College District
Chino Valley Unified School District	Ontario-Montclair School District
Chaffey Joint Union High School District	Cucamonga School District
Mountain View School District	Monte Vista County Water District
Chino Basin Water Conservation District	San Bernardino County Transportation Authority

Financial data for joint ventures that do not meet the criteria for inclusion within the reporting entity have been reported in the footnotes (see Note 15).

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. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Note 1: Summary of Significant Accounting Policies (Continued)

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

Measurement focus is commonly used to describe the types of transactions and events that are reported in a fund's operating statement. Once it has been determined whether a fund is to measure changes in total economic resources or changes in current financial resources, the next issue to be addressed is the timing of the recognition of transactions and events. The technical term that describes the criteria governing the timing of the recognition of transactions and events is "basis of accounting."

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 taxes and grant revenue where the government considers revenue to be available if collected within 90 days and 180 days respectively of the end of current fiscal year. 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 agency funds and a private purpose trust fund. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Private purpose trust fund funds are accounted for using the *"economic resources"* measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

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

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

- The Measure I Fund accounts for revenues from a one-half percent sales tax on all retail transactions within the County. The proceeds are to be used for transportation improvements, railroad grade separation projects, and traffic management programs.

- The Ontario Housing Authority Fund accounts for the financial transactions of the Ontario Housing Authority. Revenue sources for the Authority include rent proceeds from properties, housing loan repayments and agency fees.

- The Capital Projects Fund accounts for financial transactions of general capital improvements.

- The Impact Fees Fund accounts for revenues from developer-paid impact fees for infrastructure construction.

The City reports the following major proprietary funds:

- The Water Enterprise Fund accounts for the operation and maintenance of the City's water distribution system.

- The Sewer Enterprise Fund accounts for the financial transactions of the City's wastewater collection system.

- The Integrated Waste Enterprise Fund accounts for the collection and disposal of integrated waste from industrial, commercial and residential users throughout the Ontario area.

Additionally, the City reports the following fund types:

- Internal Service Funds account for financial transactions related to repair, replacement and maintenance of City-owned equipment, the City's self-insurance programs, the City's general information systems and telecommunications hardware and software, and the City’s defined benefit healthcare plan for its retired employees. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

- Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds account for assets held for specific uses that are not part of the City’s operating activities; specifically, monies held by the City as an agent for property owners with special assessments and monies collected from individuals, private organization or other government who have made special deposits with the City for various purposes.

- Private-purpose trust funds are 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: 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 function 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, including special assessments. 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the 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 nonoperating revenues and expenses.

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

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

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both unrestricted and restricted cash and investments.

Investments are reported at fair value, which is the quoted market price at June 30, 2020. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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 and property tax receivables are shown net of an allowance for uncollectibles.

Note 1: Summary of Significant Accounting Policies (Continued)

Functional Classifications

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

- General Government includes legislative activities, which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities that provide management or support services across more than one functional area.
- Public Safety includes those activities that involve the protection of people and property.
- Community Development includes those activities that involve the enhancing of the general quality of life.
- Public Works includes those activities that involve the maintenance and improvement of City streets, roads and parks.
- Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.

Inventories, Prepaid Items and Land Held for Resale

All inventories are valued at cost using the first-in/first-out (FIFO) method, except for water stock inventory which is valued at fair value at the end of the fiscal year. Inventories in the Internal Service Funds consist of expendable supplies held for consumption, whereas in the Enterprise Funds, it represents water stock in the water utility fund and expendable supplies held for consumption in both water utility and sewer utility funds. Inventory costs are recorded as expenditure when used.

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 using the purchases method.

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

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. In addition, funds have been restricted for future capital improvements by City resolution.

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, 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. Capital assets and infrastructure are defined by the City as assets with an initial, individual cost of more than $15,000 and $50,000 respectively (amount not rounded) and an estimated useful life in excess of five years. Capital assets purchased with federal grant money with a cost of more than $5,000 should be capitalized. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The Governmental Accounting Standards Board (GASB) issued Statement No. 34, which requires the inclusion of infrastructure capital assets in local government's basic financial statements. The City defines infrastructure as long-lived capital assets that normally can be preserved for a significant greater number of years than most capital assets (non-infrastructure assets). Infrastructure assets are normally stationary in nature and are of value only to the government entity. They are basic physical assets that allow the government entity to function. Examples include street systems, water purification and distribution systems, sewer collection and treatment systems, parks and recreation lands and improvement systems, storm water conveyance systems, fiber optics, bridges, tunnels, dams and buildings combined with the site amenities such as parking and landscaped areas used by the government entity in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into concrete and asphalt pavements, concrete curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land.

Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems.

In accordance with GASB Statement No. 34, the City has elected the Modified Approach for reporting its pavement system. In 1999, the City commissioned a physical condition assessment of the streets, which was completed and dated July 15, 1999. These streets, primarily asphalt concrete, were defined as all physical features associated with the operation of motorized vehicles that exist within the limits of right of way. This condition assessment will be performed every three years. Each street was assigned a physical condition on 17 potential defects. A Pavement Condition Index (PCI), a nationally recognized index, was assigned to each street and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned the physical characteristics of a new street.

Note 1: Summary of Significant Accounting Policies (Continued)

The following conditions were defined: excellent condition was assigned to those segments with a rating between 86 to 100, very good condition was assigned a rating between 71 to 85, good condition was assigned a rating between 56 to 70, fair condition was assigned a rating between 41 to 55, poor condition was assigned with a rating between 26 to 40, very poor condition was assigned with a rating between 11 to 25, and a failed condition was assigned to those segments with a rating between 0 to 10.

The City's policy, relative to maintaining the street assets, is to maintain the existing weighted average rate of "Good", which is a PCI index range between 56 and 70. This rating allows minor cracking and raveling of the pavement along with minor roughness that could be noticeable to drivers traveling at the posted speeds. A detailed description of the modified approach for the City's infrastructure capital assets can be found in the Required Supplementary Information section.

For all other capital assets, structures and improvements, furniture and equipment, infrastructure and intangible assets, the City has elected to use the Basic Approach as defined by GASB Statement No. 34. Accordingly, these capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and structures	20 - 99
Vehicles	4 - 15
Other equipment	5 - 25
Intangible assets – software	5
Infrastructure	20 - 50

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. One is deferred charges on refunding reported in the government-wide statement of net position and the proprietary funds statement of net position. Deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is deferred pension related items reported in the government-wide statement of net position and the proprietary funds statement of net position. The City reports deferred outflows of resources for pension contributions made after the actuarial measurement date, this amount is deferred and will be expensed in the following fiscal year. The deferred outflows of resources for the net difference between projected and actual earning on pension plan investments will be amortized over a five-year period on a straight-line basis. The difference between expected and actual experience and all other deferred outflows related pension items will be recognized as indicated below. The third item is deferred OPEB related items reported in the government-wide statement of net position and proprietary funds statement of net position for contribution made subsequent to the measurement date. This amount will be expensed in the following fiscal year.

Note 1: Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the balance sheet or statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items. One item, unavailable revenue, which arises only under a modified accrual basis of accounting, qualifies for reporting in this category. Accordingly, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from deferred loans. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The second item is deferred charges on refunding reported in the government-wide statement of net position. Deferred charges on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The third item is deferred pension related items reported in the government-wide statement of net position and the proprietary funds statement of net position. This amount is the result of the differences between expected and actual experience and the changes in assumptions. These will be recognized as indicated below. The fourth item is deferred OPEB related items reported in the government-wide statement of net position and proprietary funds statement of net position for changes in actuarial OPEB assumption. This amount will be amortized over a five-year period on a straight-line basis.

Gains and losses related to changes in total pension or OPEB liability and their related fiduciary net position are recognized in pension or OPEB expense, respectively, systematically over time. Amounts are first recognized in pension or OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pension or OPEB and are recognized in future pension and OPEB expense, respectively.

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

Net difference between projected and actual earning on pension or OPEB plan investments	5 years	All plans
All other amounts are amortized over the expected average remaining service lifetime (EARSL) of the respective plan. As of June 30, 2019, EARLS were:	6.68 years	OPEB plan
	3.4 years	Pension Miscellaneous -Agent Multiple Employer Plan
	5.5 years	Pension Safety Police – Agent Multiple Employer Plan
	6.3 years	Pension Safety Fire – Agent Multiple Employer Plan

Note 1: Summary of Significant Accounting Policies (Continued)

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the 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, 2018
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

Other Post-Employment Benefits Liability

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

Generally accepted accounting principles require 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, 2019
Measurement Date:	June 30, 2019
Measurement Period:	July 1, 2018 to June 30, 2019

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the government. City employees receive from 10 to 25 days' vacation each year, depending on the length of service. All vacation pay is accrued when incurred in the government-wide financial statements and in the proprietary funds financial statements.

Long-Term Obligations

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

Note 1: Summary of Significant Accounting Policies (Continued)

Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses when incurred.

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

Fund Balance

Fund balance is essentially the difference between the assets, deferred outflows and deferred inflows of resources and liabilities 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)

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.

Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Pursuant to the City's fund balance policy established by the City Council on June 22, 2011 by resolution, (#2011-041), the City Council has delegated the authority to assign amounts to be used for specific purposes to the City Manager or Finance Director for the purpose of reporting these amounts on the annual financial statements.

Included in the Fund Balance Policy is the 18 percent Stabilization Plan. This is the goal of City Council to achieve a minimum of 18 percent of annual General Fund appropriations, as assigned fund balance in the General Fund. Based on the current year General Fund appropriations, the amount assigned to the 18 percent stabilization plan will either increase or decrease accordingly. This assigned balance is intended to be used for specific and defined emergency services and to minimize the potential for disruption of municipal services to its citizens. However, included as part of the General Fund balancing strategies for fiscal year 2020-21 is the reduction of the General Fund stabilization assignment from 18 percent to 15 percent. As of June 30, 2020, the City's General Fund has an assigned fund balance for the stability arrangement of $51.3 million, which achieves the goal of 15 percent of the General Fund adopted budget for fiscal year 2020-21.

Note 1: Summary of Significant Accounting Policies (Continued)

The General Fund is the only City fund that is able to report a positive unassigned fund balance.

Fund Balance Flow Assumptions

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 consider restricted fund balance to have been spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when 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.

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 that 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 do 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 – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Property Tax Revenue

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

Note 1: Summary of Significant Accounting Policies (Continued)

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.

Changes in Presentation

Beginning fiscal year 2019-20, the City is reporting its grants activities in a Special Revenue Fund rather than within its General Fund.

Note 2: Stewardship, Compliance and Accountability

a. Deficit Fund Balances or Net Position

At June 30, 2020, the following funds had fund balance deficit:

Grant Fund	$	(7,206)
NMC CFD Special Revenue Fund		(456,877)
Successor Agency of the Former RDA		(21,347,829)
Other Post Employment Benefits Fund		(111,377,830)

These deficits will be eliminated with future revenue.

b. Budget

A budget schedules is not presented for the OMC CFD Capital Project Fund.

Note 3: Cash and Investments

As of June 30, 2020, cash and investments were reported in the accompanying financial statements as follows:

Governmental activies	$	491,788,188
Business-type activities		166,106,539
Fiduciary funds		63,745,930
Total Cash and Investments	$	721,640,657

The City of Ontario 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. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

Deposits

At June 30, 2020, the carrying amount of the City's deposits was $74,745,983 and the bank balance was $67,750,180. The $6,995,803 difference represents outstanding checks and other reconciling items. The City's restricted cash and investments consist of deposits and cash in escrow in the amount of $1,477,166.

Note 3: Cash and Investments (Continued)

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

- United States Treasury Bills, Notes and Bonds
- Banker's Acceptances with a maturity not to exceed 180 days
- Commercial paper rated "A1" by Standard and Poor's and "P1" by Moody's Investor Services, and issued by a domestic corporation having assets in excess of $500 million and having an "A" or better rating on its long-term debentures as provided by Moody's or Standard and Poor's.
- Negotiable Certificates of Deposits with a nationally or State chartered bank
- Repurchase Agreements with primary dealers of the Federal Reserve Bank of New York, with which the City has entered into a master repurchase agreement.
- The Local Agency Investment Fund of the State of California
- Time Deposits
- Medium-Term Notes of a maximum of five years maturity issued by corporations organized and operating within the United States with a minimum rating of "A" by both Moody's and Standard & Poor's and in excess of $500 million in shareholder equity. Purchase of medium-term notes may not exceed 30% of the cost value of the fund with no more than 15% of the cost value of the fund rated below "AA" by both Standard & Poor's and Moody's. No more than 3% of the fund (at time of purchase) may be invested in any one corporate name, including the parent corporation or subsidiaries.
- Obligations issued by various agencies of the Federal Government including, but not limited to, the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Student Loan Marketing Association as well as such agencies or enterprises which may be created. There is no percentage limitation on the dollar amount which can be invested in Agency issues in total, no more than 20% of the cost value of the portfolio may be invested in the securities of any one issuer.

Note 3: Cash and Investments (Continued)

- Any U.S. Government Agency's Mortgage pass-through security, collateralized mortgage obligations, mortgage backed or other pay-through bond, equipment l ease-backed certificate, or consumer receivable-backed bond of a maximum of five years maturity. Securities eligible for investment under this section shall be issued by an issuer having an “A” or higher rating for the issuer’s unsecured debt, as provided by a nationally recognized rating service. The Securities must be rated “AAA” by both Moody’s and Standard and Poor’s. Purchase of securities authorized by this subdivision may not exceed 20% of the cost value of the fund.
- United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 9% of the agency's moneys that may be invested pursuant to this section. Investment in these issues is further limited to a 3% allocation in anyone name.
- Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency or authority of the state.
- Bonds, notes, warrants, or other evidences of indebtedness of any local agency within the State.

Investment 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 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 City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawals is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF does not impose limits or restrictions on participant withdrawals, and the entire balance of the City’s investment in the portfolio is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of $1 and not fair value. Accordingly, the City’s investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

Note 3: Cash and Investments (Continued)

GASB Statement No. 31

The City adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

As of June 30, 2020, the City's investment in medium-term notes consisted of investments with various corporations and were rated “A2” to “Aaa” by Moody’s and “A” to “AA+” by Standard & Poor’s. Investment in government agencies issued by the Federal National Mortgage Association, the Federal Home Loan Banks, and the Federal Home Loan Mortgage Corporation were rated “Aaa” by Moody’s and “AA+” by Standard & Poor’s. Asset-Backed Securities were rated “Aaa” by Moody’s and “AAA” by Standard & Poor’s.

All securities were investment grade and were legal under State and City law. Investments in U.S. Treasury securities are not considered to have credit risk; therefore, their credit quality is not disclosed. As of June 30, 2020, 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, 2020, none of the City’s deposits or investments was exposed to custodial credit risk.

Concentration of Credit Risk

The City is in compliance with restrictions imposed by its investment policy, which limits certain types of investments. In accordance with the disclosure requirement of GASB Statement No. 40, if the City has invested more than 5% of its investments in any one issuer, it is exposed to credit risk. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement. During the fiscal year ending June 30, 2020, the City did not hold any investments in any one issuer (other than mutual funds and external investment pools) that represents 5% or more of total City’s investments.

Note 3: Cash and Investments (Continued)

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 states that weighted average of the City's portfolio will be limited to two and a half years. 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.

As of June 30, 2020, the City had the following investments and original maturities:

	Remaining Investment Maturities				
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	Fair Value
Investments:					
US Treasury	$ 243,376,660	$ 10,355,860	$ 62,550,000	$ 53,882,800	$ 370,165,320
Federal Government Agency	20,071,140	-	4,992,220	10,012,110	35,075,470
Medium-Term Corporate Notes	35,029,291	5,160,625	5,155,845	39,285,107	84,630,868
Asset-Backed Securities	-	13,365,480	-	16,468,480	29,833,960
Local Agency Investment Fund	71,987,322	-	-	-	71,987,322
Total Cash Investments	370,464,413	28,881,965	72,698,065	119,648,497	591,692,940
Investments with Fiscal Agents:					
Money Market Funds	53,724,568	-	-	-	53,724,568
Total Investments with Fiscal Agent	53,724,568	-	-	-	53,724,568
Total Investments	$ 424,188,981	$ 28,881,965	$ 72,698,065	$ 119,648,497	$ 645,417,508

Fair Value Measurement and Application

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 quoted prices for similar assets in active markets; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2020:

Investment Type	June 30, 2020	Investments not Measured at Fair Value	Level 1	Level 2	Level Uncategorized
U.S. Treasury Securities	$ 370,165,320	$ -	$ -	$ 370,165,320	$ -
Federal Government Agency	35,075,470	-	-	35,075,470	-
Medium-Term Corporate Notes	84,630,868	-	-	84,630,868	-
Asset-Backed Securities	29,833,960	-	-	29,833,960	-
Municipal Bonds	-	-	-	-	-
Collateral Mortgage Obligations	-	-	-	-	-
Supranational	-	-	-	-	-
Local Agency Investment Fund (LAIF)	71,987,322	-	-	-	71,987,322
Investments with Fiscal Agent:					
Money Market Funds	53,724,568	53,724,568	-	-	-
Total Investments	$ 645,417,508	$ 53,724,568	$ -	$ 519,705,618	$ 71,987,322

Note 4: Notes and Loans Receivable

Notes and loans receivable as of June 30, 2020, totaled $39,023,397 and were recorded as follows:

General Fund	$ 75,000
Community Development	10,528,597
Ontario Housing Authority	28,419,800
Total Notes and Loans Receivable	$ 39,023,397

On March 20, 2014, the City entered into a Memorandum of Understanding (MOU) with the Ontario International Airport Authority (OIAA) to document the understanding and responsibilities with respect to costs associated with the "Set ONTario Free" campaign and the services associated with the transfer of Ontario International Airport (ONT). There are no set terms for repayment of the balance. During fiscal year 2019-20, the City elected to forgive the debt incurred with these costs. The amount forgiven has been presented as a special item on the financial statements. $ -

The City provides loans to City police officers to assist them in acquiring personal residence within the City or reducing an existing loan on an officer's residence within the City. The loans are non-interest bearing until maturity, and thereafter interest shall be 7% per annum. The outstanding balance at June 30, 2020, as: 50,000

In order to assist those individuals and families who are the most in need, the former Ontario Redevelopment Agency's Combined Low and Moderate Housing Fund provided down payment assistance and deferred repayment loans to low and moderate income residents for the acquisition and rehabilitation of single-family homes, condominiums or townhouses located within the Ontario HUD Revitalization Target Area. Upon dissolution of the Ontario Redevelopment Agency, the note receivable was transferred to the Ontario Housing Authority. The receivable balance at June 30, 2020, was: 2,312,072

On June 7, 1994, the former Ontario Redevelopment Agency's Combined Low and Moderate Housing Fund loaned $43,000 to a developer to finance the purchase of low and moderate income property located outside of redevelopment project areas. The note is non-interest bearing and was due in full on March 7, 1995. A new note was negotiated on November 11, 1996, and will mature on October 31, 2026. Upon dissolution of the Ontario Redevelopment Agency, the note receivable was transferred to the Ontario Housing Authority. The receivable balance at June 30, 2020, was: 43,000

Note 4: Notes and Loans Receivable (Continued)

On June 7, 1994, the former Ontario Redevelopment Agency's Combined Low and Moderate Housing Fund loaned $39,000 to a developer to finance the purchase of low and moderate income property located outside of redevelopment project areas. The note is non-interest bearing and was due in full on March 7, 1995. A new note was negotiated on November 8, 1996, and will mature on October 31, 2026. Upon dissolution of the Ontario Redevelopment Agency, the note receivable was transferred to the Ontario Housing Authority. The receivable balance at June 30, 2020, was:	$ 39,000
On March 16, 1993, the former Ontario Redevelopment Agency accepted a note receivable of $112,000 from a developer as consideration for housing located outside of the redevelopment areas. The note is non-interest bearing and is due and payable upon the sale or transfer of property. Upon dissolution of the Ontario Redevelopment Agency, the note receivable was transferred to the Ontario Housing Authority. The unpaid principal balance at June 30, 2020, was:	77,000
On October 4, 1994, the former Redevelopment Agency loaned a developer, Cichon, $135,030 to finance the cost of rehabilitation and construction of a low and moderate income residence located in the Center City Project Area. On December 5, 1995, the Agency loaned an additional $4,647, bringing the total amount to $139,677. During the fiscal year ended June 30, 2000, the Agency advanced an additional $254. The note is a 25-year amortized loan and bears interest at 5% annually. Upon dissolution of the Ontario Redevelopment Agency, the note receivable was transferred to the Ontario Housing Authority. The receivable balance at June 30, 2020, was:	6,532
On May 29, 1997, the former Ontario Redevelopment Agency agreed to loan up to $2,656,200 to Ontario Housing Investors, L.P. to finance development of residential improvements to the Ground Lease premises as defined in a disposition and development agreement dated March 19, 1996. The note bears interest at the rate of 3% per annum. The note is due and payable either: (a) on the first day of the first full calendar month following the date of the last disbursement of the agency loan proceeds, or (b) on the first day of the 15th full calendar month following the date of recordation of the Agency Loan Deed and Trust in the Official Records of the County. Upon dissolution of the Ontario Redevelopment Agency, the note receivable was transferred to the Ontario Housing Authority. The receivable balance at June 30, 2020, was:	4,381,441
On September 11, 2003, the former Ontario Redevelopment Agency and Ontario Housing Investors entered into a Residual Receipts promissory note in the amount of $487,408. The loan bears interest of 7% per annum and requires principal and interest payments from residual receipts. On May 1, 2007, the Authority agreed to provide a gap loan in the amount of $168,469. The loan has a 40-year term and a 6% simple interest per annum. The receivable balance at June 30, 2020, was:	1,063,092

Note 4: Notes and Loans Receivable (Continued)

On February 15, 2005, the City Council approved the Ontario OPEN (Ownership Program Enhancing Neighborhoods) House Program to assist low income first time homebuyers. This program was funded with American Dream Down Payment Initiative (ADDI) funds from HUD. As of June 30, 2020, 4 households have been assisted with these funds. The receivable at June 30, 2020, was:	$ 28,740
Pursuant to the disposition and development agreement dated August 12, 2003, between the Ontario Housing Authority and the Ontario Senior Housing, Inc., the Authority accepted a promissory note for the principal amount of $950,000. This promissory note bears a rate of 0% per annum and is secured by a deed of trust. The receivable balance at June 30, 2020, was:	922,636
The City uses Community Development Block Grant (CDBG) and HOME funds in a custodial capacity to provide housing rehabilitation loans and grants to eligible applicants. The City makes deferred loans to low and moderate income families based on income and residency guidelines. These loans have been secured by a note and deed of trust. The deferred loan is due and payable when the title of the property changes. The balance at June 30, 2020, was:	2,735,440
Pursuant to the disposition and development agreement between the Ontario Housing Authority and D Street Senior Housing, Inc., the Authority approved a gap loan in the amount of $1,276,909 to provide new housing development opportunities to address regional needs. The Agency gap loan is a zero percent residual receipts note that will be paid from available cash flow over the term of the affordable covenant period of the project. The receivable balance at June 30, 2020, was:	1,200,909
Pursuant to the disposition and development agreement between the Ontario Housing Authority and Ontario Senior Housing Partners, LP, the Authority approved a gap loan in the amount of $5,155,500 to provide new housing development opportunities to address regional needs. The Authority's gap loan will have a 55 year term with an interest rate of 1% simple interest. The loan will be paid back utilizing 85% of the residual cash flow. Any remaining balance at the end of the 55 year term is due and payable. The receivable balance at June 30, 2020, was:	5,331,643
The Ontario Housing Authority was approved a maximum of $1,590,300 BEGIN (Building Equity and Growth In Neighborhoods) funds provided by the California Department of Housing and Community Development. BEGIN funds are used for down payment assistance loans to moderate households in the form of a deferred payment loan with a 30-year term and a 3% deferred simple interest per annum, the receivable balance at June 30, 2020, was:	263,017

Note 4: Notes and Loans Receivable (Continued)

On February 21, 2014, the Ontario Housing Authority entered into a HOME loan agreement with Mercy House Living Centers. The loan was made in the amount of $1,000,000 to be used to finance the purchase price of property and up to $523,858 in rehabilitation costs. The rehabilitation costs balance of $523,858 was placed in a bank account where Mercy House is allowed to draw monies, as needed, to rehabilitate the property. As these monies are drawn from the bank, the amount is added to the loans receivable balance. The receivable balance at June 30, 2020, was:	$ 1,523,858
On January 22, 2018, the Ontario Housing Authority entered into a HOME loan agreement with Mercy House CHDO, Inc. in the amount of $1,145,000 to finance the acquisition, rehabilitation and operation of a multi-family property located at 411 North Parkside Avenue. The loan is an interest-free residual receipts note with a 30-year term. The receivable balance at June 30, 2020, was:	1,145,000
The Ontario Housing Authority entered into two CalHome Mortgage Assistance Program totaling $108,200 to assist in the purchase of single family residences. The loans have simple interest at the rate of 1% with repayment occurring either 30 years from the date of recordation, upon sale or transfer of the property, or if they fail to occupy the home as a primary residence. The receivable balance at June 30, 2020, was:	119,679
On November 15, 2018, pursuant to the disposition and development agreement between the Ontario Housing Authority and Ontario Emporia Housing Partners, L.P., the Authority approved a gap loan in the amount of $15,700,000 for the development of a 75-unit affordable housing development. The Authority's gap loan is a residual receipt note that will be paid back over a 65-year term. The land purchase price of the loan is $3,400,000 with a 20-year term and a 3.31% interest rate. The remaining portion of the loan, $12,300,000, bears a rate of 0% per annum. At June 30, 2020 the outstanding principal balance was:	15,770,338
Pursuant to the disposition and development agreement between the Ontario Housing Authority and the National Community Renaissance of California, the Authority approved a gap loan in the amount of $2,000,000 to finance the cash portion of the purchase price and other project costs that will provide affordable multifamily rental housing. The loan is due and payable on the 55th anniversary of the Recordation Date bearing a simple interest rate of 3.00% per annum. At June 30, 2020 the outstanding principal balance was $2,000,000 with accrued interest of $10,000, totaling:	2,010,000
Total Notes and Loans	$39,023,397

Note 4: Notes and Loans Receivable (Continued)

Notes and leases receivable in the Redevelopment Financing Authority agency fund in the amount of $90,940,448 represents receivable made to the City and the Former Redevelopment Agency from the proceeds of debt issued to reduce local borrowing costs and promote greater use of existing and new financial instruments.

Notes and leases receivable in the Ontario Public Financing Authority agency fund in the amount of $124,890,000 represents receivable made to the City from the proceeds of debt issued to reduce local borrowing costs and promote greater use of existing and new financial instruments.

Note 5: Interfund Receivable, Payable and Transfers

The composition of interfund balances as of June 30, 2020, is as follows:

Due To/From Other Funds

	Due to Other Funds
Due from Other Funds	Nonmajor Enterprise Fund
General Fund	$ 495,315

The interfund balances at June 30, 2020, were the results of routine interfund transactions not cleared prior to the end of the fiscal year.

Advances To/From Other Funds

	Advances from Other Funds		
Adavances to Other Funds	Ontario Housing Authority	Internal Service Funds	Total
General Fund	$ -	$ 58,180,692	$ 58,180,692
Community Development	5,961,399	-	5,961,399
Water Fund	-	12,503,000	12,503,000
Sewer Fund	-	5,614,000	5,614,000
Integrated Wate Fund	-	11,738,000	11,738,000
Internal Service Funds	-	14,034,000	14,034,000
Total	$ 5,961,399	$ 102,069,692	$ 108,031,091

During prior years, the Community Development Fund has loaned $5,961,399 to the Ontario Housing Authority for the acquisition, relocation and rehabilitation of various properties.

In fiscal year 2019-2020, the City Council authorized an internal financing of $102,069,692 to pay down 100% of the City's June 30, 2018 unfunded liability for the Miscellaneous Plan within the California Public Employees' Retirement System ("CalPERS"). This internal loan bears interest ranging between 1% and 2% with principal and interest payable annually over 25 years beginning fiscal year 2020-2021.

Note 5: Interfund Receivable, Payable and Transfers (Continued)

Interfund Transfers

	Transfers In					
Transfers Out	General Fund	Capital Projects	Impact Fees	Nonmajor Governmental Funds	Internal Service Funds	Total
General Fund	$ -	$ 3,205,200	$ 11,000	$ 1,306,773	$ 10,371,133	$ 14,894,106
Nonmajor Governmental Funds	14,098,930	-	-	-	37,313	14,136,243
Water Fund	6,525,158	-	-	-	148,914	6,674,072
Sewer Fund	2,985,256	-	-	-	63,930	3,049,186
Integrated Waste Fund	4,558,954	-	-	-	176,714	4,735,668
Nonmajor Enterprise Funds	-	-	-	-	13,334	13,334
Internal Service Funds	20,000,000	-	-	-	161,434	20,161,434
Total	$ 48,168,298	$ 3,205,200	$ 11,000	$ 1,306,773	$ 10,972,772	$ 63,664,043

The General Fund transferred $3,205,200 to the Capital Projects Fund to fund various public facility improvement projects. The General Fund transferred $4,371,132 to the OPEB Fund to fund the annual required contribution. In addition, the Water, Sewer and Integrated Waste Funds transferred a combined total of $389,558 to the OPEB Fund to fund the annual required contribution.

The Water Fund, Sewer Fund and Integrated Waste Fund transferred $6,525,158, $2,985,256, and $4,558,954, respectively, to the General Fund to cover the cost of operations.

The OPEB Fund transferred $20,000,000 to the General Fund for the establishment of the Economic Uncertainty Reserve.

General fund transfers to the non-major governmental funds are for funding toward the pavement management program, parkway maintenance district and street light maintenance district.

Note 6: Capital Assets

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the government-wide financial statements. The City elected to use the "modified approach" for its infrastructure street pavement system as defined by GASB Statement No. 34. As a result, no accumulated depreciation or depreciation expense has been recorded for this system. A more detailed discussion of the "modified approach" is presented in the Required Supplementary Information section of this report. All other capital assets including other infrastructure systems were reported using the basic approach, whereby accumulated depreciation and depreciation expense has been recorded.

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Adjustment	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:							
Capital assets, not being depreciated:							
Land	$ 91,557,736	$ -	$ 91,557,736	$ 33,109,040	$ -	$ -	$ 124,666,776
Infrastructure - pavement system	298,863,240	-	298,863,240	-	-	8,736,249	307,599,489
Construction in progress	48,965,577	-	48,965,577	34,219,853	(1,930,545)	(19,212,109)	62,042,776
Total Capital Assets, Not Being Depreciated	439,386,553	-	439,386,553	67,328,893	(1,930,545)	(10,475,860)	494,309,041
Capital assets, being depreciated:							
Infrastructure - other systems	394,541,262	-	394,541,262	-	-	-	394,541,262
Structures and improvements	421,640,373	-	421,640,373	15,070,672	(5,921,812)	10,180,022	440,969,255
Furniture and equipment	39,690,695	-	39,690,695	2,267,343	(171,906)	295,838	42,081,970
Total Capital Assets, Being Depreciated	855,872,330	-	855,872,330	17,338,015	(6,093,718)	10,475,860	877,592,487
Less accumulated depreciation:							
Infrastructure - other systems	92,922,012	-	92,922,012	3,763,595	-	-	96,685,607
Structures and improvements	152,804,559	507,216	153,311,775	15,145,139	(5,921,812)	-	162,535,102
Furniture and equipment	25,809,032	18,559	25,827,591	2,664,309	(171,906)	-	28,319,994
Total Accumulated Depreciation	271,535,603	525,775	272,061,378	21,573,043	(6,093,718)	-	287,540,703
Total Capital Assets, Being Depreciated, Net	584,336,727	(525,775)	583,810,952	(4,235,028)	-	10,475,860	590,051,784
Governmental Activities Capital Assets, Net	$ 1,023,723,280	$ (525,775)	$ 1,023,197,505	$ 63,093,865	$ (1,930,545)	$ -	$ 1,084,360,825

Note 6: Capital Assets (Continued)

	Beginning Balance	Adjustments	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:							
Capital assets, not being depreciated:							
Land	$ 16,026,537	$ -	$ 16,026,537	$ 128,066	$ -	$ -	$ 16,154,603
Construction in progress	66,083,011	-	66,083,011	4,941,266	(482,540)	(1,594,689)	68,947,048
Total Capital Assets, Not Being Depreciated	82,109,548	-	82,109,548	5,069,332	(482,540)	(1,594,689)	85,101,651
Capital assets, being depreciated:							
Structures and improvements	10,961,824	-	10,961,824	-	-	87,465	11,049,289
Furniture and equipment	2,778,273	-	2,778,273	119,695	-	1,027,928	3,925,896
Infrastructure	271,533,886	(448,158)	271,085,728	-	-	479,296	271,565,024
Total Capital Assets, Being Depreciated	285,273,983	(448,158)	284,825,825	119,695	-	1,594,689	286,540,209
Less accumulated depreciation:							
Structures and improvements	3,333,010	-	3,333,010	318,881	-	-	3,651,891
Furniture and equipment	2,181,196	-	2,181,196	147,048	-	-	2,328,244
Infrastructure	110,463,780	-	110,463,780	6,310,396	-	-	116,774,176
Total Accumulated Depreciation	115,977,986	-	115,977,986	6,776,325	-	-	122,754,311
Total Capital Assets, Being Depreciated, Net	169,295,997	(448,158)	168,847,839	(6,656,630)	-	1,594,689	163,785,898
Business-Type Activities Capital Assets, Net	$ 251,405,545	$ (448,158)	$ 250,957,387	$ (1,587,298)	$ (482,540)	$ -	$ 248,887,549

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

Governmental Activities:	
General Government	$ 526,981
Public Safety	1,597,923
Community Development	7,175,140
Public Works	5,791,715
Equipment Services	5,162,115
Information Technology	1,319,169
	$ 21,573,043
Business-Type Activities:	
Water	$ 4,774,329
Sewer	1,157,053
Integrated Waste	104,799
IT Fiber	740,144
	$ 6,776,325

Note 7: Long-Term Debt

a. Governmental Activities

The following is a summary of changes in long-term debt of the City for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Public Offerings:					
Revenue Bonds	$ 60,035,000	$ -	$ 1,050,000	$ 58,985,000	$ 1,120,000
Pension Obligation Bonds	-	236,585,000	-	236,585,000	3,370,000
Direct Borrowings:					
Loan Payable	126,566	-	-	126,566	12,000
Installment Sale	-	23,780,842	-	23,780,842	4,598,104
Advances from the Successor Agency	1,600,000	-	-	1,600,000	-
Total	$ 61,761,566	$ 260,365,842	$ 1,050,000	321,077,408	$ 9,100,104
			Unamortized Bond Discount	(248,282)	
			Unamortized Bond Premium	2,988,300	
				$323,817,426	

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

Revenue Bonds

2013 Lease Revenue Bonds

In August 2013, the Ontario Public Financing Authority issued revenue bonds in the amount of $33,390,000 to finance construction of City public facilities. The bonds dated August 20, 2013, and issued at a discount of $380,848 mature in 2043, and are payable semiannually on April 1 and October 1 of each year, commencing April 2014, from base rental payments to be made by the City for the right to the use certain real property and improvements of the City pursuant to a Lease Agreement, dated September 1, 2013. The balance at June 30, 2020, including the unamortized bond discount of $(248,282) amounted to $32,616,718.

The annual requirements to amortize the outstanding bond indebtedness as of June 30 including interest, are as follows:

	2013 Lease Revenue Bonds	
	Principal	Interest
2020 - 2021	$ 580,000	$ 1,624,356
2021 - 2022	630,000	1,605,419
2022 - 2023	690,000	1,581,381
2023 - 2024	750,000	1,552,581
2024 - 2025	815,000	1,521,281
2025 - 2030	5,165,000	6,992,050
2030 - 2035	6,765,000	5,547,572
2035 - 2040	8,690,000	3,564,719
2040 - 2045	8,780,000	974,756
Total	$ 32,865,000	$ 24,964,115

Note 7: Long-Term Debt (Continued)

The outstanding bonds contain a provision that if any event of default should occur, the Trustee, as assignee of the Authority under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the City, or may retain the Lease Agreement and hold the City liable for all base rental payments thereunder on an annual basis.

2017 Lease Refunding Revenue Bonds

In July 2017, the Ontario Public Financing Authority issued lease revenue bonds in the amount of $26,810,000 to provide funds to refinance the City's remaining lease payment obligations under the City's 2001 Lease Revenue Bonds and to fully refund the 2007 Lease Revenue Bonds. The bonds dated July 1, 2018, and issued at a premium of $3,260,875, are payable semiannually on November 1 and May 1 of each year, commencing May 1, 2019, and mature in 2042. The bonds are payable from base rental payments to be made by the City for the right to the use certain real property and improvements of the City pursuant to a Lease Agreement, dated July 1, 2018. The balance at June 30, 2020, including the unamortized bond premium of $2,988,300 amounted to $29,108,300

The annual requirements to amortize the outstanding bond indebtedness as of June 30 including interest, are as follows:

	2017 Lease Revenue Refunding Bonds	
	Principal	Interest
2020 - 2021	$ 540,000	$ 1,143,331
2021 - 2022	560,000	1,121,331
2022 - 2023	585,000	1,095,506
2023 - 2024	780,000	1,061,381
2024 - 2025	820,000	1,021,381
2025 - 2030	4,770,000	4,431,406
2030 - 2035	5,935,000	3,278,991
2035 - 2040	7,055,000	2,183,675
2040 - 2045	5,075,000	634,375
Total	$ 26,120,000	$ 15,971,377

The outstanding bonds contain a provision that if any event of default should occur, the Trustee, as assignee of the Authority under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the City, or may retain the Lease Agreement and hold the City liable for all base rental payments thereunder on an annual basis.

Pension Obligation Bonds

In May 2020, the City of Ontario issued taxable pension obligation bonds in the amount of $236,585,000 to pay a portion of the City's unfunded pension liability to the California Public Employees' Retirement System ("CalPERS") for the benefit of the City public safety police and fire employees. The bonds are payable semiannually on June 1 and December 1 of each year, commencing June 1, 2020 and maturing in 2050 at an interest rate ranging from 1.971% to 3.379% per annum. The balance at June 30, 2020 amounted to $236,585,000.

Note 7: Long-Term Debt (Continued)

The annual requirements to amortize the outstanding bond indebtedness as of June 30 including interest, are as follows:

	2020 Taxable Pension Allocation Bonds	
	Principal	Interest
2020 - 2021	$ 3,370,000	$ 8,492,099
2021 - 2022	4,360,000	8,196,161
2022 - 2023	5,190,000	8,105,865
2023 - 2024	5,850,000	7,990,855
2024 - 2025	6,660,000	7,848,290
2025 - 2030	40,425,000	36,050,462
2030 - 2035	47,500,000	28,968,650
2035 - 2040	57,075,000	19,412,400
2040 - 2045	57,960,000	7,654,178
2040 - 2045	8,195,000	664,891
Total	$ 236,585,000	$ 133,383,851

Pursuant to the Retirement Law, the City Council is required to make the appropriations to pay the amounts required to be paid by the City, including the portion of the unfunded pension liability. The remedies available to the Trustee and the Owners of the Bonds upon an event of default are dependent upon regulatory and judicial actions. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. In the case of any bankruptcy proceeding involving the City, the rights of the Owners could be modified at the direction of the court.

Loan Payable

On May 19, 2015, the Ontario Housing Authority (Authority) negotiated the purchase of the Vesta property and assumed a promissory note and deed from Housing Opportunities Group Inc. (HOGI). HOGI entered into a promissory note secured by a subordinated deed of trust with the Inland Fair Housing and Mediation Board (Board) and agreed to assign the Authority such property and promissory note with a balance of $158,566, effective September 11, 2015. Monthly payments in the amount of $1,000, shall commence one year after the effective date. The loan is payable within 20 years from the effective date at zero interest. A monthly payment may be deferred by Borrower, upon providing notice to the Lender, should Borrower have insufficient net revenue from operation of the Property for the relevant month, as determined by Borrower in its reasonable discretion. In such case, the subsequent month's payment shall remain One Thousand Dollars ($1,000), and the payment period shall be extended. No monthly payments were received during fiscal year 2019-2020. The outstanding balance at June 30, 2020 amounted to $126,566.

Note 7: Long-Term Debt (Continued)

The annual requirements to amortize the outstanding loan as of June 30, including interest, are as follows:

	Loan Payable	
	Principal	Interest
2020 - 2021	$ 12,000	$ -
2021 - 2022	12,000	-
2022 - 2023	12,000	-
2023 - 2024	12,000	-
2024 - 2025	12,000	-
2025 - 2030	60,000	-
2030-2031	6,566	-
Total	$ 126,566	$ -

Installment Sale

In November 2019, the City entered into an installment sale agreement in the amount of $33,100,000 for the purchase of a parcel of land in the Ontario Ranch for the future Great Park. The purchase and sale agreement includes an initial payment amount of $8,100,000 to be paid at close of the escrow and five (5) equal annual payments of $5,000,000 each to the seller with an inputted interest rate of 1.690%. The outstanding balance at June 30, 2020 amounted to $23,780,843.

The annual requirements for the installment sale agreement outstanding as of June 30, including inputted interest, as follows:

	Ontario Ranch Great Park Loan Payable	
	Principal	Interest
2020 - 2021	$ 4,598,104	$ 401,896
2021 - 2022	4,675,812	324,188
2022 - 2023	4,754,833	245,167
2023 - 2024	4,835,190	164,810
2024 - 2025	4,916,904	83,096
Total	$ 23,780,843	$ 1,219,157

Advances from the Successor Agency

During previous fiscal years, the former Redevelopment Agency advanced the Capital Projects fund $1,600,000 for the purchase of property adjacent to Ontario Mills. There is no repayment schedule for the advances.

Note 7: Long-Term Debt (Continued)

b. Business-Type Activities

The following is a summary of changes in Proprietary Fund long-term debt for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Public Offerings:					
Revenue Bonds	$ 65,905,000	$ -	$ -	$ 65,905,000	$ 1,485,000
Total	$ 65,905,000	$ -	$ -	65,905,000	$ 1,485,000
			Unamortized Bond Premium	1,691,108	
				$ 67,596,108	

Revenue Bonds

2013 Water Revenue Bonds

In September 2013, the Ontario Public Financing Authority issued revenue bonds in the amount of $74,545,000 to finance the acquisition and construction of certain improvements to the water enterprise of the City of Ontario, and refinance an installment payment obligation of the City and the related City of Ontario Certificates of Participation (2004 Water System Improvement Project). The bonds dated September 10, 2013, and issued at a premium of $2,362,578 mature in 2043, and are payable semiannually on January 1 and July 1 of each year, commencing January 2014, from certain revenues consisting primarily of installment payments to be made by the City to the Ontario Public Financing Authority under an Installment Purchase Agreement dated September 1, 2013 between the City and the Authority. The balance at June 30, 2020, including the unamortized bond premium of $1,691,108 amounted to $67,596,108

The annual requirements to amortize the outstanding bond indebtedness as of June 30, including interest, are as follows:

	2013 Water Revenue Bonds	
	Principal	Interest
2020 - 2021	$ 1,485,000	$ 3,281,513
2021 - 2022	1,545,000	3,213,188
2022 - 2023	1,620,000	3,134,063
2023 - 2024	1,700,000	3,051,063
2024 - 2025	1,785,000	2,963,938
2025 - 2030	10,350,000	13,369,119
2030 - 2035	13,325,000	10,384,550
2035 - 2040	17,085,000	7,633,000
2040 - 2045	17,010,000	3,229,750
Total	$ 65,905,000	$ 50,260,184

The outstanding bonds are secured by a pledge of revenues of the Water System and payable solely from net revenues of the Water System. The bonds contain a provision that if any event of default should occur by the City, it will not result in the loss of the Water System or water rights held by or on behalf of the City or the Water System. Furthermore, any remedies available upon the occurrence of an event of default under the Indenture are in many respects dependent upon judicial actions.

Note 8: Non-City Obligations

a. Special Assessment Bonds

The City has entered into a number of Special Assessment Bond programs. The City of Ontario is not obligated in any manner for the Special Assessment Bonds as the bonds are secured by unpaid assessments against the property owners. Accordingly, the City is only acting as an agent for the property owners/bondholders in collecting and forwarding the special assessments. Special Assessment Bonds payable at June 30, 2020, totaled $113,355,000. This amount is not reported in the City's financial statements. The construction phase is reported in the Capital Projects Funds. Likewise, amounts recorded in the Agency Funds represent only debt service activities, i.e., collection from property owners and payment to bondholders.

b. Other Bond and Loan Programs

The City has entered into a number of bond programs to provide low-interest financing for various residential and industrial developments within the City. Although the City has arranged these financing programs, these debts are not payable from any revenues or assets of the City. Neither the faith or credit, nor the taxing power of the City, or any political subdivision of the City is pledged to repay the indebtedness. Generally, the bondholders may look only to assets held by trustees for security on the indebtedness. Accordingly, since these debts do not constitute an obligation of the City, they are not reflected in the accompanying financial statements. The bond programs are as follows:

Multi-Family Mortgage Revenue Bonds	Interest % Rate	Date Issued	Date Series Matures	Outstanding Balance at June 30, 2020
City of Ontario Multi-Family Housing Revenue Bonds, Seasons at Ontario, Series 2017A	Variable	2017	2036	$ 2,611,192
City of Ontario Multi-Family Housing Revenue Bonds, Vista Verde Apts, Series 2019A	Variable	2019	2051	9,232,156
Total				$ 11,843,348

Note 9: Compensated Absences

As described in Note 1, it is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements and in the proprietary fund financial statements. For the governmental activities, the liability will be paid in future years by the General Fund and for business-type activities by the Proprietary Funds. The following is a summary of changes in compensated absences for the year ended June 30, 2020:

	July 1, 2019	Additions	Deletions	June 30, 2020	One Year
Governmental Activities	$ 16,224,220	$ 13,262,804	$ 11,443,130	$ 18,043,894	$ 12,774,000
Business-Type Activities	1,425,106	1,151,300	1,082,057	1,494,349	1,177,713
Total	$ 17,649,326	$ 14,414,104	$ 12,525,187	$ 19,538,243	$ 13,951,713

Note 10: Pension Plan

Defined Benefit Pension Plan

	Net Pension Liability	Deferred Outflows of Resources Pension Related Items	Deferred Inflows of Resources Pension Related Items
Miscellaneous Plan	$ (95,281,496)	$ 123,427,940	$ (2,426,682)
Safety Police Plan	(130,812,373)	180,380,025	(3,455,234)
Safety Fire Plan	(88,005,577)	124,375,359	(2,097,296)
	$ (314,099,446)	$ 428,183,324	$ (7,979,212)

General Information about the Pension Plans

Plan Description

The City of Ontario 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 from its executive office: 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.

The plans' provisions and benefits in effect at June 30, 2020, are summarized as follow:

	Miscellaneous Plan	
	Tier 1 *	PEPRA (Tier 2)
Hire date	Prior to January 1, 2013	January 1, 2013 and after
Benefit formula	2.5% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	2.000% - 2.500%, 50 yrs - 55+ yrs, respectively	1.000% - 2.500%, 52 yrs - 67+ yrs, respectively
Required employee contribution rates	8.000% (a)	6.250%
Required employer contribution rates	21.588%	21.588%

(a) City contributed 0% to employee contribution rate of 8.0%

*Closed to new entrants

Note 10: Pension Plan (Continued)

	Safety Police Plan		
	Tier 1 *	Tier 2	PEPRA (Tier 3)
Hire date	Prior to July 1, 2012	On July 1, 2012 and prior to Janaury 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	3.000% 50 yrs - 55+ yrs, respectively	2.400% - 3.000%, 50 yrs - 55+ yrs, respectively	2.000 - 2.700%, 50 yrs - 57+ yrs, respectively
Required employee contribution rates	9.000% (b)	9.000% (b)	12.000%
Required employer contribution rates	46.444%	46.444%	46.444%

(b) City contributed 0.0% to employee contribution rate of 9.0% for 2020.

	Safety Fire Plan		
	Tier 1 *	Tier 2	PEPRA (Tier 3)
Hire date	Prior to July 1, 2012	On July 1, 2012 and prior to Janaury 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	3.000% 50 yrs - 55+ yrs, respectively	2.400% - 3.000%, 50 yrs - 55+ yrs, respectively	2.000 - 2.700%, 50 yrs - 57+ yrs, respectively
Required employee contribution rates	9.000% (c)	9.000% (c)	10.500%
Required employer contribution rates	41.864%	41.864%	41.864%

(c) City contributed 0.0% to employee contribution rate of 9.0% for 2020.

* Closed to new entrants.

Employees Covered

As of the June 30, 2019 measurement date, the following employees were covered by the benefit terms of the plans:

	Number of members		
Description	**Miscellaneous Plan**	**Safety Police Plan**	**Safety Fire Plan**
Active members	718	281	167
Transferred members	329	26	13
Terminated members	270	23	14
Retired members and beneficiaries	888	260	165
Total	**2,205**	**590**	**359**

Note 10: Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERSL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the City 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, 2020, the contributions that were recognized as a reduction to the net pension liability were $9,748,790, $13,281,877, and $7,797,113 for the Miscellaneous Plan, the Safety Police Plan and the Safety Fire Plan, respectively.

Net Pension Liability

The City's 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, 2019 using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard updated procedures. 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, 2018 valuation was rolled forward to determine the June 30, 2019 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
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 2.5% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 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 December 2017 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.

Note 10: Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

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, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 PERF fund. The expected rate of return was set by calculating the 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 rounded down to the nearest one quarter of one percent.

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. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	100.00%		

(1) An expected inflation of 2.00% used for this period.
(2) An expected inflation of 2.92% used for this period.

Note 10: Pension Plan (Continued)

Changes in the Net Pension Liability

The changes in Net Pension Liability for each Plan follows:

Miscellaneous Plan	Increase (Decrease) Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at: 6/30/2018	**$ 362,019,456**	**$ 277,444,012**	**$ 84,575,444**
Changes recognized for the Measurement Period:			
Service Cost	8,873,061	-	8,873,061
Interest on Total Pension Liability	26,179,759	-	26,179,759
Differences between Expected and Actual Experience	7,329,159	-	7,329,159
Contributions - Employer	-	9,748,790	(9,748,790)
Contributions - Employees	-	3,976,957	(3,976,957)
Net Investment Income	-	18,145,412	(18,145,412)
Benefit Payments, Including Refunds of Employee Contributions	(15,269,344)	(15,269,344)	-
Administrative Expense	-	(197,990)	197,990
Other Miscellaneous Income/(Expense)	-	2,758	(2,758)
Net changes during 2018-19	**27,112,635**	**16,406,583**	**10,706,052**
Balance at: 6/30/19 (Measurement Date)	**$ 389,132,091**	**$ 293,850,595**	**$ 95,281,496**

Safety Police Plan	Increase (Decrease) Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at: 6/30/2018	**$ 373,258,198**	**$ 260,639,647**	**$ 112,618,551**
Changes recognized for the Measurement Period:			
Service Cost	9,490,945	-	9,490,945
Interest on Total Pension Liability	27,456,414	-	27,456,414
Differences between Expected and Actual Experience	14,622,182	-	14,622,182
Contributions - Employer	-	13,281,877	(13,281,877)
Contributions - Employees	-	3,171,669	(3,171,669)
Net Investment Income	-	17,108,327	(17,108,327)
Benefit Payments, Including Refunds of Employee Contributions	(17,240,114)	(17,240,114)	-
Administrative Expense	-	(185,998)	185,998
Other Miscellaneous Income/(Expense)	-	(156)	156
Net changes during 2018-19	**34,329,427**	**16,135,605**	**18,193,822**
Balance at: 6/30/19 (Measurement Date)	**$ 407,587,625**	**$ 276,775,252**	**$ 130,812,373**

Safety Fire Plan	Increase (Decrease) Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at: 6/30/2018	**$ 277,222,157**	**$ 201,841,769**	**$ 75,380,388**
Changes recognized for the Measurement Period:			
Service Cost	5,774,916	-	5,774,916
Interest on Total Pension Liability	20,209,053	-	20,209,053
Differences between Expected and Actual Experience	9,490,435	-	9,490,435
Contributions - Employer	-	7,797,113	(7,797,113)
Contributions - Employees	-	2,057,562	(2,057,562)
Net Investment Income	-	13,135,037	(13,135,037)
Benefit Payments, Including Refunds of Employee Contributions	(13,911,900)	(13,911,900)	-
Administrative Expense	-	(144,039)	144,039
Other Miscellaneous Income/(Expense)	-	3,542	(3,542)
Net changes during 2018-19	**21,562,504**	**8,937,315**	**12,625,189**
Balance at: 6/30/19 (Measurement Date)	**$ 298,784,661**	**$ 210,779,084**	**$ 88,005,577**
Total Plans:	**$ 1,095,504,377**	**$ 781,404,931**	**$ 314,099,446**

Note 10: Pension Plan (Continued)

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

The following presents the net pension liability of each Plan, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (6.15%) or 1% point higher (8.15%) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Miscellaneous Plan's Net Pension Liability	$ 148,412,072	$ 95,281,496	$ 51,365,452
Safety Police Plan's Net Pension Liability	188,166,240	130,812,373	83,935,209
Safety Fire Plan's Net Pension Liability	127,823,960	88,005,577	55,158,477
Total Net Pension Liability	$ 464,402,272	$ 314,099,446	$ 190,459,138

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in the GASB 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, 2018), the combined net pension liability for the Miscellaneous Plan, the Safety Police Plan and the Safety Fire Plan was $272,574,383. For the measurement period ending June 30, 2019, (the measurement date), the City recognized pension expense of $23,419,559, $24,636,596, and $16,249,825 for the Miscellaneous Plan, the Safety Police Plan, and the Safety Fire Plan, respectively. Note that no adjustments have been made for contributions subsequent to the measurement date.

Note 10: Pension Plan (Continued)

As of June 30, 2020, the City of Ontario has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous Plan		
Contributions made after the measurement date	$ 117,241,733	$ -
Change in assumptions	631,395	1,278,431
Difference between expected and actual experience	5,554,812	-
Net difference between projected and actual earnings on pension plan investments	-	1,148,251
Miscellaneous Plan Total	**123,427,940**	**2,426,682**
Safety Police Plan		
Contributions made after the measurement date	158,004,442	-
Change in assumptions	7,933,861	981,329
Difference between expected and actual experience	14,441,722	1,296,473
Net difference between projected and actual earnings on pension plan investments	-	1,177,432
Safety Police Plan Total	**180,380,025**	**3,455,234**
Safety Fire Plan		
Contributions made after the measurement date	106,139,596	-
Change in assumptions	6,175,341	1,023,825
Difference between expected and actual experience	12,060,422	281,312
Net difference between projected and actual earnings on pension plan investments	-	792,159
Safety Fire Plan Total	**124,375,359**	**2,097,296**
Total	**$ 428,183,324**	**$ 7,979,212**

The amounts of $117,241,733, $158,004,442, and $106,139,596 reported as deferred outflows of resources represents contributions made after the measurement date of the net pension liability but before the end of the City's reporting period and will be recognized as a reduction of the net pension liability in the subsequent fiscal period rather than in the current fiscal period.

Note 10: Pension Plan (Continued)

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

Year ended June 30:	Miscellaneous Deferred Outflows/(Inflows) of Resources	Safety - Police Deferred Outflows/(Inflows) of Resources	Safety - Fire Deferred Outflows/(Inflows) of Resources
2021	$ 3,264,365	$ 7,743,307	$ 5,945,918
2022	(338,536)	3,967,999	3,414,906
2023	513,483	2,570,733	2,529,243
2024	320,213	3,071,648	2,468,984
2025	-	1,566,662	1,779,416
Total	**$ 3,759,525**	**$ 18,920,349**	**$ 16,138,467**

Note 11: Other Post-Employment Benefits

Plan Description

The City has established the City of Ontario Retiree Healthcare Plan, an agent multiple employer defined benefit healthcare plan. The plan, which is administered by the CalPERS, provides health insurance for its retired employees according to the Personnel Rules and Regulations for each of the ten employee groups. The City pays monthly health insurance benefits subjects to caps which vary by bargaining group. The authority to do so is included annually in the Memorandum of Understanding between the City and each of its employee groups and ultimately passed by Council action.

Employees Covered

At June 30, 2019, the measurement date, the following numbers of participants were covered by the benefit terms:

	Number of Covered Participants
Inactives currently receiving benefits	589
Inactives entitled to but not yet receiving benefits	161
Active employees	1,174
Total	1,924

Contributions

The City participates in the California Employers' Retiree Benefit Trust (CERBT) administered by CalPERS for purposes of funding the required retiree medical payments and is evaluating various options for funding its post-employment benefits liability. For fiscal year 2019-2020, the City paid $6,570,084 in benefits and made a one-time contribution to the trust (CERBT) of $140 million. Thereafter, the City will contribute $5,000,000 per year adjusted for inflation.

Note 11: Other Post-Employment Benefits (Continued)

Total OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019 for the measurement period July 1, 2018 through June 30, 2019. The net OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019, based on the following actuarial assumptions:

Actuarial Assumptions:	
Discount rate	6.75% at June 30, 2019 (Long-Term expected asset return)
Inflation	2.75% per annum
Salary Increases	Aggregate - 3.00% Merit - Tables from CalPERS 1997-2015 Experience Study
Investment rate of retrun	6.75%
Mortality rate	CalPERS 1997-2015 Experince Study
Retirement, Disability, Termination	CalPERS 1997-2015 Experince Study
Medical Trend	Non-medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years
Contribution policy	City contributed $140 million in 2019/20, and will contribute $5 million per year (adjusted for inflation) thereafter
Mortality improvement	Post-retirement mortality projected fully generational with Scale MP-2019
Cap increases	Miscellaneous $ Caps: 0% Safety Tier 1 Premium Caps: Medical Trend

Change of Assumptions

The discount rate was changed from 3.87% Bond Buyer 20-Bond Index at June 30, 2018 to 6.75% long-term expected asset return at June 30, 2019.

Discount Rate

The discount rate used to measure the net OPEB liability was 6.75%. The discount rate is based on the long-term expected asset return described below:

Asset Class Component	Target Allocation CERBT Strategy 1	Expected Real Rate of Return
Global Equity	59%	4.82%
Fixed Income	25%	1.47%
TIPS	5%	1.29%
Commodities	3%	0.84%
REITs	8%	3.76%
Assumed Long-Term Rate of Inflation		2.75%
Expected Long-Term Net Rate of Return		6.75%

Note 11: Other Post-Employment Benefits (Continued)

Changes in the Net OPEB Liability.

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

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at 6/30/19 (6/30/18 measurement date)	$ 269,554,133	$ -	$ 269,554,133
Changes for the year			
Service cost	9,940,301	-	9,940,301
Interest	10,698,499	-	10,698,499
Actual vs. expected experience	(31,315,151)	-	(31,315,151)
Assumption changes	(90,154,275)	-	(90,154,275)
Contributions - employer	-	6,108,661	(6,108,661)
Benefit payments	(6,094,869)	(6,094,869)	-
Administrative expenses	-	(13,792)	13,792
Net changes	(106,925,495)	-	(106,925,495)
Balance at 6/30/20 (6/30/19 measurement date)	$ 162,628,638	$ -	$ 162,628,638

The net OPEB liability for the City's plan has been liquidated by funding from Governmental Funds and Proprietary Funds.

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point higher or one percentage point lower than the current discount rate, for the measurement period June 30, 2019:

	Discount Rate		
	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability	$ 186,550,137	$ 162,628,638	$ 143,236,868

Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point higher or one percentage point lower than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current Rate	1% Increase
Net OPEB Liability	$ 141,997,640	$ 162,628,638	$ 188,724,068

Note 11: Other Post-Employment Benefits (Continued)

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

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of $147,622,445. At June 30, 2020, the City's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (27,400,757)
Change in assumptions	-	(112,570,886)
Employer contributions made subsequent to measurement date	146,570,084 *	-
Total	$ 146,570,084	$ (139,971,643)

* Includes $4,975,703 cash benefit payments, $140,000,000 in trust contributions, and $1,578,000 implied subsidy payment in 2019-20, and administrative expense of $16,381.

The $146,570,084 reported as deferred outflows of resources represents contributions made after the measurement date of the OPEB liability but before the end of the City's reporting period and will be recognized as a reduction of the OPEB liability in the subsequent fiscal period rather than in the current fiscal period.

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

Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2021	$ (21,704,953)
2022	(21,704,953)
2023	(21,704,953)
2024	(21,704,953)
2025	(21,225,991)
Thereafter	(31,925,840)
Total	$ (139,971,643)

Note 12: Self-Insurance Program

On December 22, 1974, the City initiated a program of self-insurance for workers' compensation liability claims. The City will pay all claims up to $750,000 per claim; amounts in excess of $750,000 are covered through an outside insurance carrier.

On January 1, 1975, the City initiated a program of self-insurance for unemployment liability claims. By this action, the City will pay all claims based on the individual reimbursement account method, as provided by the State of California.

Note 12: Self-Insurance Program (Continued)

On April 6, 1979, the City initiated a program of self-insurance for general liability claims. At present, the City will pay all claims up to $1,000,000 per claim arising from general liability claim actions brought against the City. Amounts in excess of $1,000,000 per claim are covered by the Authority for California Cities Excess Liability (ACCEL).

ACCEL is organized under a joint powers agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. ACCEL pools catastrophic general liability, automobile liability and public officials errors and omissions losses. ACCEL members share risk from $1,000,000 to $4,000,000, and insurance in layers exceeding $5,000,000.

The City has not experienced a significant reduction in insurance coverage from coverage in the prior year. Additionally, the amount of settlements has not exceeded budgeted coverage for each of the past three fiscal years.

The City has entered into contracts with third-party administrators who supervise the general liability and worker's compensation programs. When it is probable that a claims liability has been incurred and the amount of the loss can be reasonably estimated through historical trends and calculation of incurred but not reported claims (IBNR), the City accrues the estimated liability in an internal service fund for expected claims and judgments. The following is a summary of the changes in the claims liability over the past two fiscal years:

Fiscal Year	Beginning Balance	Changes in Estimates	Claim Payments	Ending Balance
2018-2019	$ 21,784,000	$ 10,533,441	$ 7,694,441	$ 24,623,000
2019-2020	24,623,000	13,164,263	9,239,263	28,548,000

Of the total estimated claims liabilities, $10,063,000 is estimated due within one year or less. The liability will be paid in future years from the Self Insurance Fund.

Note 13: Fund Balance and Net Position Restatement

Beginning net positions in the Equipment Services fund has been restated by $(655,191) to correct prior year accumulated depreciation on capital assets and beginning net position in the Integrated Waste fund has been restated by $(448,158) to correct capital assets balance. As a result, net position in the governmental activities and in the business-type activities have been restated by $(655,191) and $(448,158) respectively.

Note 14: Fund Balances

a. Governmental Fund Balance Classifications

Fund balances in governmental funds at June 30, 2020, have been classified as follows:

	Governmental Funds					
	General	Measure I	Ontario Housing Authority	Capital Projects	Impact Fees	Other Governmental Funds
Fund Balances:						
Nonspendable						
Inventory	$ 300,943	$ -	$ -	$ -	$ -	$ -
Prepaid costs	176,154	-	-	-	-	-
Notes and loans	75,000	-	-	-	-	-
Advances to other funds	3,500,000	-	-	-	-	-
Total Nonspendable	4,052,097	-	-	-	-	-
Restricted						
Endowment/Trust	417,464	-	-	-	-	-
Community development projects	-	-	-	10,466,800	229,370	80,048,721
Public safety	-	-	-	-	-	156,236
Park development	-	-	-	-	-	24,301,848
Transportation improvement	-	2,373,572	-	-	-	2,466,725
Affordable housing	-	-	21,292,559	16,010,135	-	-
AQMD activities	-	-	-	-	-	1,595,474
Public services	-	-	-	-	-	37,647,197
Bond improvement projects	-	-	-	18,600,767	-	-
Total Restricted	417,464	2,373,572	21,292,559	45,077,702	229,370	146,216,201
Committed						
City infrastructure	370,412	-	-	-	134,372,092	-
Ontario motor speedway	225,057	-	-	-	-	-
Total Committed	595,469	-	-	-	134,372,092	-
Assigned						
City facilities project	2,614,032	-	-	-	-	-
Public safety equipment	330,460	-	-	-	-	-
Communications/computer dispatch	3,267,724	-	-	-	-	-
Compensated absences	17,230,207	-	-	-	-	-
Continuing appropriations	5,155,020	-	-	11,315,242	11,647,088	-
Stability arrangement	51,265,533	-	-	-	-	-
Ecomonic uncertainty	20,000,000	-	-	-	-	-
Total Assigned	99,862,976	-	-	11,315,242	11,647,088	-
Unassigned	2,622,364	-	-	-	-	(464,083)
Total Fund Balances	**$ 107,550,370**	**$ 2,373,572**	**$ 21,292,559**	**$ 56,392,944**	**$ 146,248,550**	**$ 145,752,118**

Note 15: Special Item

On March 20, 2014, the City entered into a Memorandum of Understanding (MOU) with the Ontario International Airport Authority (OIAA) to document the understanding and responsibilities with respect to costs associated with the "Set ONTario Free" campaign and the services associated with the transfer of Ontario International Airport (ONT). There was no set terms for repayment of the balance. The City had recorded a receivable of $42,373,148 as of July 1st, 2019. During fiscal year 2019-20, the City elected to forgive the debt incurred with these costs. The amount forgiven has been presented as a special item on the financial statements.

Note 16: Joint Ventures

Water Facilities Authority

On February 19, 1980, the Water Facilities Authority (Authority) was created under a joint exercise of powers agreement between the City of Chino, the City of Ontario, the City of Upland, the City of Chino Hills and the Monte Vista Water District. It was formed for the purpose of acquisition and construction of facilities directly benefiting the participants by supplying potable water to the inhabitants within the boundaries of its members. Thus, each participant has an ongoing financial interest in the Authority.

The governing Board of Directors consists of one member appointed from each participating agency and has approval of all budget and finance activities. The City's investment in the Authority has been recorded under the equity method of accounting and is shown as an investment in joint venture in the Water Enterprise Fund.

On September 30, 1997, the Authority issued $24,455,000 in 1997 Refunding Certificates of Participation (COPs) to refund $25,820,000 of then outstanding 1986 COPs. The 1997 Refunding COPs carry interest rates from 4.0% to 5.3% and will be repaid in various principal increments with the final payment due on October 1, 2015. Each participant in the joint venture has pledged gross revenues from its respective Enterprise Fund and has agreed to restrictive covenants that establish rates and charges for each respective water enterprise fund at levels sufficient to maintain net revenues equal to at least 1.25 times the aggregate amount of each respective party's installment payments to the Authority as well as any parity debt that shall become due and payable within the succeeding twelve months. Each City has an ongoing financial responsibility as each has assumed a portion of the Authority's debt. The City of Ontario's percentage share of the installment payment is 41.51681% and the outstanding balance was paid in full during the fiscal year ending June 30, 2016.

At June 30, 2020, the City's investment in the Authority, including its share of Authority's debt, was $9,076,721.

Note 16: Joint Ventures (Continued)

Audited financial information of the Authority for the fiscal year ended June 30, 2020, is summarized as follows:

Water Facilities Authority Net Position:	
Total assets	$ 31,612,814
Total deferred outflows	338,150
Total liabilities	(5,650,733)
Total deferred inflows	(66,933)
Total net position	$ 26,233,298
Water Facilities Authority Changes in Net Position:	
Operating revenues	$ 24,669,955
Operating expenses	24,833,343
Operating gain (loss) before depreciation and amortization	(163,388)
Depreciation and amortization	(1,191,076)
Operating revenue (loss)	(1,354,464)
Nonoperating revenues (expenses)	1,728,032
Capital contributions	531,624
Change in net position	905,192
Beginning net position	25,328,106
Ending net position	$ 26,233,298

The current participants and their financial contributions through June 30, 2020, were as follows:

	Amount	Percent
City of Chino	$ 6,693,894	15.70%
City of Chino Hills	6,986,722	16.40%
Monte Vista Water District	14,725,941	34.60%
City of Ontario	8,545,801	20.10%
City of Upland	5,520,600	13.00%
Non-Participant	117,703	0.30%
Total	$ 42,590,661	100%

Financial statements of the Water Facility Authority can be obtained from the offices of Teaman, Ramirez & Smith, Inc., 4201 Brockton Avenue, Suite 100, Riverside, California 92501.

Note 16: Joint Ventures (Continued)

Chino Basin Desalter Authority

On January 15, 2002, the Chino Basin Desalter Authority (the Authority) was created under a joint exercise of powers agreement between the City of Ontario and other neighboring government agencies. This agreement was formed to successfully manage the groundwater resources in the Chino Basin.

The governing Board of Director consists of one representative appointed from each participating agency and has the power and responsibility to adopt budgets, operating plans and finance activities to further the purpose of the Authority. As of June 30, 2020, the City's investment in the Authority was $56,088,131.

On June 22, 2016, the Chino Basin Desalter Authority issued the Desalter Revenue Refunding Bonds, Series 2016A in the amount of $67,105,000 to refund the Desalter Revenue Refunding Bonds, Series 2008A. The new revenue refunding bond has various debt payment schedules tailored to each member agency, based on their respective election. This provision affords each member the ability to prepay their share of debt service.

The financial information of the Authority for the fiscal year ended June 30, 2020, is summarized as follows:

Chino Basin Desalter Authority Net Position:	
Total Assets	$ 299,114,935
Deferred Outflows of Resources	3,812,920
Total Liabilities	90,002,105
Total net position	$ 212,925,750

Chino Basin Desalter Authority Changes in Net Position:	
Operating Revenues	$ 51,585,750
Operating Expenses	46,836,025
Operating Gain Before Depreciation and Amortization	4,749,725
Depreciation and Amortization	4,316,354
Operating Revenue (loss)	433,371
Nonoperating Revenues (expenses)	2,981,376
Income (loss) Before Contributions	3,414,747
Contributions	5,829,604
Changes in Net Position	9,244,351
Beginning Net Position	203,681,399
Ending Net Position	$ 212,925,750

Note 16: Joint Ventures (Continued)

The current participants and their financial contributions through June 30, 2020, were as follows:

	Amount	Percent
Jurupa Community Services District	$ 10,555,204	34.7%
City of Chino Hills	4,098,545	13.5%
City of Chino	4,879,188	16.0%
City of Norco	975,738	3.2%
City of Ontario	6,167,035	20.3%
Santa Ana River Co.	1,170,834	3.9%
Western Municipal Water District	2,554,228	8.4%
Total	$ 30,400,772	100.0%

Financial statements of the Authority can be obtained from the Chino Basin Desalter Authority Treasurer's office located at 6075 Kimball Avenue, Chino, California 91710.

West End Communications Authority

The "Authority" governed by a seven-member board is a joint exercise of powers between the following entities as created by a joint powers:

City of Chino
City of Montclair
City of Rancho Cucamonga
City of Ontario
City of Upland
Rancho Cucamonga Fire Protection District
Chino Valley Independent Fire Protection District

The purpose of the Authority is to provide a cooperative voluntary association to establish operate and maintain a consolidated 800MHZ communication system designed to serve public safety agencies throughout the western end of San Bernardino County, California. The City has an ongoing financial interest in the residual assets of the Authority upon disbandment.

The following is a summary of the West End Communications Authority financial information for the fiscal year ended June 30, 2020:

West End Communication Authority Net Position:	
Total assets	$ 1,410,934
Total liabilities	-
Total net position	$ 1,410,934
West End Communication Authority Changes in Net Position:	
Operating revenues	$ -
Operating expenses	2,800
Operating revenue (loss)	(2,800)
General revenue	46,845
Change in net position	44,045
Beginning net position	1,366,889
Ending net position	$ 1,410,934

Note 16: Joint Ventures (Continued)

Separate financial statements of the West End Communications Authority are available upon request from the City of Ontario, Fiscal Services Department, 303 East "B" Street, Ontario, California 91764.

West End Fire and Emergency Response Commission

On January 23, 1989, the West End Fire and Emergency Response Commission was created under the Joint Exercise Powers Agreement between the Fire Departments of the City of Ontario, Upland, Montclair, Rancho Cucamonga and Chino. The governing board of directors consists of the Fire Chief from each city. The purpose of the Authority is to establish a hazardous materials response team. It has been amended to include an Urban Search and Rescue Team and the servicing of joint authority breathing apparatus equipment for emergency purposes.

The following is a summary of the West End Fire and Emergency Response Commission financial information for the fiscal year ended June 30, 2020:

West End Fire and Emergency Response Commission Net Position:	
Total assets	$ 603,841
Total liabilities	-
Total net position	$ 603,841
West End Fire and Emergency response Commission Changes in Net Position:	
Operating revenues	$ 100,000
Operating expenses	31,757
Operating revenue (loss)	68,243
General revenue	20,886
Change in net position	89,129
Beginning net position	514,712
Ending net position	$ 603,841

Separate financial statements of the West End Fire and Emergency Response Commission are available upon request from the City of Ontario, Fiscal Services Department, 303 East "B" Street, Ontario, California 91764.

Note 17: Other Investments

Other investments of $46,625,898 at June 30, 2020 in the Water Fund represents water rights, investment in stored water and air quality credits. The City values its other investments at fair value in accordance with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2020:

		Level		
Investment Type	Totals	1	2	3
Water Rights	$ 45,833,661	$ -	$ -	$ 45,833,661
Investment in Stored Water	416,442	-	-	416,442
Air Quality Credits	375,795	-	-	375,795
Total Investments	$ 46,625,898	$ -	$ -	$ 46,625,898

Note 18: Contingencies

Liabilities

Claims and suits have been filed against the City in the normal course of business. Based upon information received from the City Attorney and the self-insurance administrator, the estimated liability under such claims would be adequately covered by self-insurance designations and insurance coverage.

Grant

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

Proposition 218

Proposition 218, which was approved by the voters in November, 1996, will regulate the City's ability to impose, increase and extend taxes, assessments and fees. Any new, increased or extended taxes, assessments and fees subject to the provisions of Proposition 218 require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments and fees are subject to the voter initiative process and may be rescinded in the future by the voters. Therefore, the City's ability to finance the services for which the taxes, assessments and fees were imposed may be significantly impaired. At this time, it is uncertain how Proposition 218 will affect the City's ability to maintain or increase the revenue it receives from taxes, assessments and fees.

Note 19: Commitments

Construction Commitments

The following material construction commitments existed at June 30, 2020:

Project Name	Contract Amount	Expenditures to date as of June 30, 2020: Capital Projects	Impact Fees	General Fund Deposits	Remaining Commitments
Francis Street Storm Drain Construction Project	$9,550,045	$ 7,589,962	$ 1,315,476	$ 66,561	$ 578,046
Fire Training Facility Project	9,110,871	7,263,645	1,473,965	-	373,261
Fire Station #9 Project	9,393,665	-	1,538,620	-	7,855,045
Anthony Munoz Community Center Project	11,471,217	465,679	1,299,998	-	9,705,540
		Water Fund	**Sewer Fund**	**Integrated Waste**	
I-10/4th & Grove Interchange-Engineering	$4,307,958	$ 62,790	$ -	$ -	4,245,168
Construction of Well 41	3,861,984	3,420,805	-	-	441,179
Construction of Recycled Water Improvements for Riverside Dr.	3,809,053	3,491,479	-	-	317,574
Recycled Water Improvements	3,481,886	1,044,552	-	-	2,437,334
CIS Infinity Software Installation	2,828,379	963,587	545,020	991,854	327,918
Parco Ave & Plaza Serena/ Granada Storm Drain Project	3,379,117	168,300	-	-	3,210,817
		Information Technollogy			
On-Call Fiber Conduit, Construction Contracts	6,400,000	5,433,228			966,772
On-Call Citywide Fiber Cable Installation Services	3,000,000	1,959,882			1,040,118
			Total Remaining Commitments		$ 31,498,772

Note 20: Tax Abatements

The City entered into various tax abatement agreements with local businesses. The abatements may be granted to any business located within or promising to relocate to the City. For the fiscal year ended June 30, 2020, the City abated taxes totaling $8,264,525 under this program. The City has the following tax abatement agreements:

- A professional agreement with a consultant to assist the City in sales tax consulting services related to operating covenant agreements. The consultant will invoice the City on a quarterly basis and will receive a 5% fee each year on the first $5,000,000 of local sales and use tax received by the City. Payments will continue for a 20-year term of the operating covenant agreement the City entered into with the retailer of equipment and merchandise of health care products and services. In fiscal year 2019-20, the abatement amounted to $61,484.

- An operating covenant agreement with a retailer of equipment and merchandise of health care products and services to establish its only regional sales office in California within the City for not less than 20 years. The establishment of such retailer will generate local sales tax revenue, create high paying/management jobs and provide opportunity for additional job growth. The City agreed to rebate quarterly 50% of sales tax revenues attributable to taxable sales. In fiscal year 2019-20, the abatement amounted to $1,765,833.

Note 20: Tax Abatements (Continued)

- An operating covenant agreement with an automotive dealership which agreed to operate the entirety of its dealership facilities within the City for a period of 26 years. The dealership will generate substantial tax revenue, create potential for additional job growth and stimulate the economy. The City agreed to rebate 50% of sales tax revenues in excess of $700,000 during the period April 1, 2018 through March 31, 2028. In fiscal year 2019-20, the abatement amounted to $336,437.

- The City entered into a professional agreement with a consultant to provide sales tax audit and information services to the City. The audit services will detect and correct taxpayer reporting errors and generate new revenue without causing additional tax liability to businesses. The City agreed to pay quarterly 20% of new sales and use tax revenues received as a result of corrections identified by the consultant. In fiscal year 2019-20, the amount paid was $320,063.

- Operating covenant agreement with a retailer of consumer products to establish its warehouse and distribution center in the City and remain in the City for no less than 41 years. The establishment of such retailer in the City will generate substantial revenue, create new jobs, revitalize the City, and result in community and public improvements. The City agreed to refund quarterly, 55% of sales tax revenues attributable to annual taxable sales up to $500 million and 60% of sales tax revenues over $500 million of annual taxable sales. In fiscal year 2019-20, the abatement amounted to $2,063,418.

- Operating covenant agreement with a retailer of consumer products to ensure that it maintains its existing warehouse and distribution center in the City and expands its operations within the City. This will generate substantial revenue for the City, possibly create job growth, continue to stimulate the economy and result in community and public improvements. For the period January 1, 2016 through December 31, 2019, provided the City receives not less than $1.2 million of sales tax revenue from the retailer, the City agreed to make annual payments in the amount of $600,000 payable within 120 days following the end of each calendar year. In fiscal year 2019-20, the abatement amounted to $600,000.

- Operating covenant agreement with an auto dealership to develop and operate a facility in the City for its Inland Empire sales territory. The City will receive additional local sales tax revenues, property taxes, employment benefits, and other tangible and intangible benefits arising from the operation of the Dealership within the City. The eligibility period of this agreement is from July 1, 2009 until June 30, 2034. The City agreed to make quarterly payments equal to 50% of local sales tax revenues in excess of $50,000 not to exceed $200,000 for any computation year or $500,000 in the aggregate during the entire eligibility period. In fiscal year 2019-20, the abatement amounted to $101,747.

- Operating covenant agreement with a global retailer of healthcare services and products to retain and operate its two facilities in the City for transacting sales. The City will receive additional sales tax revenues, maintain and create jobs and stimulate the economic recovery of the Inland Empire. The eligibility period of this agreement commenced on April 1, 2018 and will continue until terminated by either party. The City agreed to make quarterly payments equal to 50% of sales tax revenues. In fiscal year 2019-20, the abatement amounted to $1,923,319.

Note 20: Tax Abatements (Continued)

- Operating covenant agreement with a sanitary supplies distributor to retain existing jobs, allow for the potential increase in job opportunities, foster a business and civic environment that may attract additional businesses and investments and create additional job opportunities in the City. The eligibility period of this agreement began on July 1, 2017. The City agreed to make quarterly payments equal to 25% of sales tax revenues in excess of $201,000 during the quarter up to $500,000. In fiscal year 2019-20, the abatement amounted to $28,141.

- Operating covenant agreement with several concrete companies to establish a sale office and/or a business location that participate in the sale process within the City, expand operations within the City as appropriate and remains in the City for not less than 40 years. The establishment of such businesses is expected to generate substantial revenue for the City, create new jobs, revitalize an area of the City which has suffered a loss of jobs and result in community and public improvements. The eligibility period of this agreement began on October 1, 2018. The City agrees to refund on a quarterly basis 50% of the sales tax revenue attributable to annual taxable sales for the calendar year which is directly allocated to the City. In fiscal year 2019-20, the abatement amounted to $283,107.

- Retention agreement with an auto dealership to encourage the auto dealership to remain in the City and consider future sales expansions in consideration of the local sales tax revenues, property taxes, employment benefits, and other tangible and intangible benefits that are expected to be received by the City arising from the Dealership within the City. During the eligibility period the City will pay to the Company on a quarterly basis for (1) operating years 1-5, an amount equal to 50% of the local sales tax revenues received above the annual base amount of $75,000; (2) for operating years 6-10, an amount equal to 50% of the local sales tax revenues received above the annual base amount of $l00,000; and (3) for operating years 11-15, an amount equal to 50% of the local sales tax revenues received above the annual base amount of $125,000. The cumulative total of any and all covenant payments paid by the City pursuant to this Agreement shall not exceed $1,200,000. In fiscal year 2019-20, the abatement amounted to $90,819.

- Operating Covenant Agreement with a technology consulting company to ensure the company maintains its existing facility within the City and expands its operations by increasing the size of its sales office and sales force. The City has determined that the long-term operation of the sales office will result in substantial benefits to the City, and its citizens including, without limitation, the creation of significant new numbers of employment opportunities, property tax revenues, sales tax revenues and other ancillary benefits. The City agrees to pay an amount equal to 50% of the sales tax revenues attributable to the property in excess of the base sales tax amount of $45,000 for each computation quarter during the eligibility period. The eligibility period began on January 1, 2016 and end upon termination notice from either party to the agreement. In fiscal year 2019-20, the abatement amounted to $690,157.

Note 21: Successor Trust for Assets of Former Redevelopment 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 Ontario that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

Note 21: Successor Trust for Assets of Former Redevelopment Agency (Continued)

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

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

Successor agencies are only allocating 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.

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

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

As of June 30, 2020, cash and investments were reported in the accompanying financial statements as follows:

Cash and investments	$ 12,933,088
Cash and investments with fiscal agent	2,889,941
Total Cash and Investments	$ 15,823,029

b. Notes Receivable

On October 19, 1993, the Ontario Redevelopment Agency accepted a note receivable of $35,000 from a developer as part of a transaction involving the sale of property. The note bears interest at 0% annually and was due in full on June 20, 1995. A new note was negotiated on November 8, 1996 and will mature on October 31, 2026. The unpaid principal balance at June 30, 2020, was $35,000.

Note 21: Successor Trust for Assets of Former Redevelopment Agency (Continued)

c. Advances to City

During prior fiscal year, the Former RDA loaned $1,600,000 to the Capital Project Fund for the purchase of property adjacent to Ontario Mills.

d. Long-Term Debt

The following is a summary of changes in long-term debt of the Successor Agency as of June 30, 2020:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Public Offerings:					
1993 Tax Allocation Bonds	$ 35,950,225	$ -	$ 4,154,633	$ 31,795,592	$ 4,648,466
1995 Tax Allocation Bonds	3,178,875	-	367,367	2,811,508	411,034
2002 Refunding Revenue Bonds	1,915,000	-	630,000	1,285,000	610,000
Direct Borrowings:					
Loans Payable	8,630,158	-	598,010	8,032,148	629,705
Advance from City	3,500,000	-	-	3,500,000	-
Total	$ 53,174,258	$ -	$ 5,750,010	47,424,248	$ 6,299,205
			Unamotized Bond Premuim	7,106	
			Total	$ 47,431,354	

1993 Tax Allocation Bond

The 1993 Tax Allocation Bonds in the amount of $45,708,900 were issued on June 11, 1993, to finance redevelopment activities related to Project Area #1. The Agency sold the bonds to the Financing Authority at a purchase price equal to the principal amount of the bonds plus a premium. The investment by the Authority in the bonds is held in an agency fund. The terms were negotiated in a prior year and reduced the outstanding principal balance by $800. Additionally, the maturity date was extended two years to August 1, 2025. The interest is paid semi-annually at the stated rate of 12%. The balance at June 30, 2020, amounted to $31,795,592.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, including interest, are as follows:

	1993 Tax Allocation Bonds	
	Principal	Interest
2020 - 2021	$ 4,648,466	$ 3,536,563
2021 - 2022	5,213,685	2,944,834
2022 - 2023	5,842,021	2,281,492
2023 - 2024	6,028,988	1,569,231
2024 - 2026	10,062,432	1,001,267
Total	$ 31,795,592	$ 11,333,387

The outstanding bonds contain a provision that if any event of default should occur, the Trustee shall at the written direction of the Owner of a majority in aggregate principal amount outstanding, declare the principal of all the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

Note 21: Successor Trust for Assets of Former Redevelopment Agency (Continued)

1995 Tax Allocation Bonds

On August 15, 1995, the Ontario Redevelopment Agency issued $4,041,700 in 1995 Tax Allocation Bonds. The bonds were sold to the Ontario Redevelopment Financing Authority at par plus premium. All proceeds of the 1995 Bonds will be used to finance redevelopment projects related to Project Area #1. The 1995 Bonds were issued on parity with the Agency's existing Project Area #1 1992 and 1993 Tax Allocation Bonds. The 1995 Bonds were issued with an interest rate of 12.00%, provided that the interest rate for the period from August 1, 1995 through July 1, 1996, shall be 10.55% per annum, the interest rate for the period from August 1, 1996 through July 31, 1997, shall be 11.70% per annum, and the interest for the period from August 1, 1997 through July 31, 1999, shall be 11.86% per annum. Interest is paid semi-annually each year and commenced February 1, 1996, until final maturity on August 1, 2025. The balance at June 30, 2020, amounted to $2,811,508.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, including interest, are as follows:

	1995 Tax Allocation Bonds	
	Principal	Interest
2020 - 2021	$ 411,034	$ 485,004
2021 - 2022	461,015	485,004
2022 - 2023	516,579	485,004
2023 - 2024	533,112	485,004
2024 - 2026	889,768	727,506
Total	$ 2,811,508	$ 2,667,522

The outstanding bonds contain a provision that if any event of default should occur, the Trustee shall at the written direction of the Owner of a majority in aggregate principal amount outstanding, declare the principal of all the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

2002 Refunding Revenue Bonds

In February 2002, the Ontario Redevelopment Financing Authority issued revenue bonds in the amount of $35,290,000 to provide funds to concurrently refund on a current basis a portion of the Authority's 1992 Revenue Bonds and certain outstanding tax allocation bonds of the Agency, and to finance redevelopment activities within the Agency's Project Area #1, Center City and Cimarron redevelopment projects. The bonds issued at a premium of $1,702,231, consist of $17,472,433 capital appreciation bonds maturing annually through 2018 and $9,795,000 interest bonds with interest payable semiannually on February 1 and August 1 of each year and maturing in 2021. The bonds are secured by a pledge and a lien on a portion of the taxes levied on all taxable property within the related project of the Agency. The outstanding balance at June 30, 2020, amounted to $1,285,000.

Note 21: Successor Trust for Assets of Former Redevelopment Agency (Continued)

The annual requirements to amortize the outstanding bond indebtedness as of June 30, including interest, are as follows:

	2002 Refunding Revenue Bonds	
	Principal	Interest
2020 - 2021	$ 610,000	$ 46,550
2021 - 2022	675,000	16,031
Total	$ 1,285,000	$ 62,581

The outstanding bonds contain a provision that if any event of default should occur, the Trustee shall at the written direction of the Owner of a majority in aggregate principal amount outstanding, declare the principal of all the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

Loans Payable

Pursuant to a loan agreement dated February 1, 2002, the Ontario Redevelopment Agency issued the Ontario Redevelopment Project #1 2002 Housing Set-Aside Loan in the amount of $15,145,000 to finance low and moderate income activities of the Agency within or of the benefit to the Ontario Redevelopment Agency Project Area #1. The loan matures in 2029 and is payable from Housing Tax Revenues allocated to the Agency. Interest is paid semi-annually at a rate of 5.30% per annum. The balance at June 30, 2020, amounted to $8.032,148.

At June 30, 2020, the annual requirements to repay the outstanding indebtedness were as follows:

	2002 FNMA Housing Set-Aside Loan	
	Principal	Interest
2020 - 2021	$ 629,705	$ 409,017
2021 - 2022	663,079	374,758
2022 - 2023	698,222	338,683
2023 - 2024	735,228	300,697
2024 - 2029	4,303,627	859,368
2029 - 2030	1,002,287	26,561
Total	$ 8,032,148	$ 2,309,084

The remedies available upon the occurrence of an event of default under the loan agreement are in many respects dependent upon regulatory and judicial actions.

Advance from City

The General Fund made an advance in the amount of $3,500,000 to the Successor Agency of the Former Redevelopment Agency to assist the Agency in implementation of the redevelopment plan.

Note 21: Successor Trust for Assets of Former Redevelopment Agency (Continued)

Debt Service Requirements

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 $60,296,822 with annual debt service requirements as indicated on the previous pages. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of obligations incurred by the dissolved redevelopment agency was $10,707,680 and the debt service obligation on the bonds was $10,817,314.

Note 22: Subsequent Events

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in China, and has since spread to a number of other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, several states in the U.S., including California, have declared a state of emergency. Potential impacts to our future tax revenues include disruptions or restrictions on our current employees' ability to work. Any of the foregoing could negatively impact our revenues and we currently cannot anticipate all of the ways in which this health epidemics, COVID-19, could adversely impact our government agency. Although we are continuing to monitor and assess the effects of the COVID-19 pandemic on our government agency, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

On March 27, 2020, in response to the economic fallout of the Coronavirus pandemic in the United States, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, which provided $2.2 trillion in economic stimulus funding through a variety of channels. The State of California received a $500 million allocation to provide cities which did not receive a direct federal allocation through the CARES Act. The City entered into an agreement with the State of California in July 2020 and the County of San Bernardino in October 2020 to receive their allocation of the CARES Act funding. The total amount of CARES Act funding to be received by the City is $4,515,864. This funding was for the reimbursement of costs incurred by the City since the start of the pandemic.

REQUIRED SUPPLEMENTARY INFORMATION

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Budgetary Comparison Information

General Budget Policies

1. 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.

2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. All amendments made during the year are included in the budgetary amounts reported herein. The "appropriated budget" covers all City expenditures, including capital improvement projects carried forward from the prior year, which is re-appropriated each year. Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of control. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

3. Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Appropriations that are encumbered lapse at year-end and then are added to the following year budgeted appropriations.

4. Budgets for the General, Special Revenue, Capital Projects and Debt Service Funds are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. Budget comparisons are not presented for the Proprietary Funds, as the City is not legally required to adopt a budget for these type funds.

5. Capital projects are budgeted through the Capital Projects Fund. Appropriations for capital projects authorized, but not constructed or completed during the year, are re-appropriated in the following year’s budget.

6. Under Article XIII-B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset by a deficit in the following year. For the fiscal year ended June 30, 2020, based on calculations by City staff, proceeds of taxes did not exceed appropriations.

   Further, Section 5 of Article XIII-B allows the City to designate a portion of fund balance for general contingencies to be used for any purpose. On August 10, 1996, the City Council passed Resolution 96-073 setting aside all unappropriated fund balances in the General Fund as a contingency fund.

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 131,397,957	$ 131,397,957	$ 131,397,957	$ -
Resources (Inflows):				
Taxes	192,541,000	180,334,655	184,275,840	3,941,185
Licenses and permits	3,675,000	4,906,281	5,488,023	581,742
Intergovernmental	307,700	203,200	1,268,005	1,064,805
Charges for services	31,075,615	31,564,027	36,168,302	4,604,275
Use of money and property	2,864,185	2,000,000	8,476,572	6,476,572
Fines and forfeitures	928,800	689,500	786,630	97,130
Miscellaneous	5,162,359	3,996,771	4,969,244	972,473
Transfers in	42,633,335	64,380,180	48,168,298	(16,211,882)
Amounts Available for Appropriations	**410,585,951**	**419,472,571**	**420,998,871**	**1,526,300**
Charges to Appropriations (Outflow):				
General government				
Mayor and City council	456,900	459,319	399,565	59,754
Planning commissioners	43,945	43,945	30,392	13,553
City treasurer/City clerk	113,843	114,278	84,640	29,638
Records management	934,093	952,213	1,005,773	(53,560)
City attorney	389,900	389,900	491,541	(101,641)
Office of the City manager	1,241,192	1,474,113	1,404,061	70,052
General government	619,250	499,250	476,897	22,353
Financial services administration	1,186,070	1,594,141	1,008,928	585,213
Fiscal services	2,895,520	3,067,500	2,893,290	174,210
General services	1,118,822	1,102,619	828,158	274,461
Billing and collection	3,916,487	3,951,722	3,541,146	410,576
Business license	510,535	494,805	883,142	(388,337)
Central services	355,109	355,978	297,012	58,966
Human Resources	3,046,343	3,422,584	3,504,373	(81,789)
Economic development	10,018,918	11,432,259	9,575,110	1,857,149
Airport HR & risk management services	303,422	306,444	205,844	100,600
Communication and community services	-	784,424	605,328	179,096
Office of legislative services	1,614,538	911,328	652,780	258,548
Innovation and performance audit	-	517,858	434,120	83,738
Public safety				
Police administration	1,583,668	1,653,151	1,397,956	255,195
Traffic support services	4,276,508	4,315,335	4,387,863	(72,528)
Community engagement team	6,658,860	6,725,733	6,576,300	149,433
Patrol	33,456,419	33,782,166	35,249,700	(1,467,534)
Extra duty - other	484,200	484,200	476,790	7,410
Canine	1,765,292	1,793,154	1,669,069	124,085
Air support	8,838,094	9,708,751	7,878,989	1,829,762
Crime analysis and prevention	910,662	916,570	702,260	214,310
Communications/records	6,207,918	6,305,150	5,551,538	753,612
Personnel recruit & training	2,677,480	2,701,154	2,402,155	298,999
Airport operations bureau	13,581,356	14,003,439	12,891,171	1,112,268
Detective division	9,000,898	9,113,991	10,107,810	(993,819)
Career criminial division	5,206,174	5,240,334	5,622,858	(382,524)
ID/evidence	2,069,690	2,120,503	1,888,185	232,318
Office of the Fire Chief	1,223,154	1,250,807	1,170,824	79,983
Fire prevention bureau	3,047,493	3,040,676	2,723,964	316,712
Emergency services	39,493,212	39,821,983	36,772,630	3,049,353
Personnel training and development	741,626	1,012,715	1,051,865	(39,150)
E.M.S technical services	1,157,301	1,222,011	1,175,714	46,297
Emergency management	459,695	571,750	599,004	(27,254)
Operations support services	2,839,145	2,925,800	3,167,440	(241,640)
Community improvement	4,016,304	4,167,162	3,832,434	334,728
SWAT	497,952	497,952	385,261	112,691
Office of the police chief	2,628,315	2,654,235	3,058,864	(404,629)
Fire communications	2,691,265	2,682,107	2,452,056	230,051
Airport fire operations	7,948,338	8,018,929	7,850,486	168,443
Fire station No. 9	6,358,979	6,402,852	4,621,513	1,781,339
Police/Ontario Ranch	2,535,189	2,560,980	1,208,695	1,352,285

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Community development				
Community life and culture admin.	1,120,421	1,263,681	1,032,974	230,707
Recreation administration	954,174	1,014,007	889,414	124,593
Sports/fitness	458,702	453,103	393,712	59,391
Special events/facility rental	307,384	475,040	301,656	173,384
Community programs	1,964,598	1,987,626	2,202,119	(214,493)
Development administration	1,180,805	1,034,417	936,656	97,761
Planning administration	633,309	638,218	593,879	44,339
Planning land development	2,176,572	3,670,628	2,329,271	1,341,357
Advanced long range planning	1,580,547	2,093,324	1,249,145	844,179
Building	4,132,209	4,262,900	3,963,911	298,989
Engineering administration	421,361	424,870	241,905	182,965
Engineering land development	2,946,799	3,564,594	2,404,874	1,159,720
Transportation	559,816	565,238	475,539	89,699
Traffic engineer and signal operation	3,422,410	3,516,564	3,214,420	302,144
Traffic management	156,278	157,803	143,348	14,455
Field services	452,454	456,476	449,011	7,465
Museum	967,622	1,131,796	837,730	294,066
Community outreach	1,941,042	5,916,042	5,663,989	252,053
Senior services	589,667	654,656	684,901	(30,245)
Youth/teen services	698,436	760,998	669,151	91,847
CIP design administration	35,855	35,855	3,747	32,108
Building safety	1,157,830	1,349,852	1,019,476	330,376
Successor project management	1,206,136	1,297,329	1,124,937	172,392
Town Square Park	285,471	293,321	202,077	91,244
Library administration	691,879	727,954	724,312	3,642
Ovitt Family Community Library	3,802,541	3,729,608	3,449,556	280,052
Branch library	657,155	660,610	627,335	33,275
Public works				
Roadway maintenance	1,568,930	1,576,598	1,106,384	470,214
Paint striping and sign maintenance	1,074,834	1,068,663	871,058	197,605
Sidewalk	1,692,973	1,698,940	1,649,358	49,582
Street lighting maintenance	588,543	744,363	667,951	76,412
Parks and maintenance supervision	974,327	1,008,519	746,734	261,785
Park maintenance	4,670,660	4,704,685	4,440,792	263,893
Parkway tree trimming	1,298,981	1,299,583	1,031,210	268,373
Public grounds maintenance	2,720,641	2,776,954	2,554,158	222,796
Civic center grounds maintenance	200,070	200,866	179,312	21,554
Public works admin.	864,243	1,005,881	894,638	111,243
Public facilities building maintenance	5,022,227	5,288,222	5,095,277	192,945
Community events	46,075	46,075	32,200	13,875
Graffiti	615,881	616,545	590,977	25,568
Storm drain maintenance	549,195	686,396	503,261	183,135
Facility maintenance	1,000,000	1,091,201	874,711	216,490
Weed & Refuse abatement	195,221	92,209	65,749	26,460
Debt service:				
Principal retirement	1,050,000	1,050,000	1,050,000	-
Interest and fiscal charges	2,802,940	2,802,940	2,802,938	2
Transfers out	18,159,588	18,215,227	14,894,106	3,321,121
Special item	-	-	42,373,148	(42,373,148)
Total Charges to Appropriations	**280,716,876**	**295,678,647**	**313,448,501**	**(17,769,854)**
Budgetary Fund Balance, June 30	**$ 129,869,075**	**$ 123,793,924**	**$ 107,550,370**	**$ (16,243,554)**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
MEASURE I
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 4,039,915	$ 4,039,915	$ 4,039,915	$ -
Resources (Inflows):				
Intergovernmental	3,516,403	30,887,631	3,442,615	(27,445,016)
Use of money and property	115,189	115,189	67,240	(47,949)
Amounts Available for Appropriations	**7,671,507**	**35,042,735**	**7,549,770**	**(27,492,965)**
Charges to Appropriations (Outflow):				
Community development	5,640,200	33,675,768	5,176,198	28,499,570
Total Charges to Appropriations	**5,640,200**	**33,675,768**	**5,176,198**	**28,499,570**
Budgetary Fund Balance, June 30	**$ 2,031,307**	**$ 1,366,967**	**$ 2,373,572**	**$ 1,006,605**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
ONTARIO HOUSING AUTHORITY
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 21,296,516	$ 21,296,516	$ 21,296,516	$ -
Resources (Inflows):				
Contribution from property owners	-	27,300	26,254	(1,046)
Use of money and property	250,391	250,391	703,122	452,731
Miscellaneous	79,205	79,205	59,869	(19,336)
Amounts Available for Appropriations	**21,626,112**	**26,653,412**	**22,085,761**	**(4,567,651)**
Charges to Appropriations (Outflow):				
Community development	1,709,434	6,861,003	793,202	6,067,801
Total Charges to Appropriations	**1,709,434**	**6,861,003**	**793,202**	**6,067,801**
Budgetary Fund Balance, June 30	**$ 19,916,678**	**$ 19,792,409**	**$ 21,292,559**	**$ 1,500,150**

Modified Approach for City Infrastructure Capital Assets

In accordance with GASB Statement No. 34, the City is required to account for and report infrastructure capital assets. The City defines infrastructure as the basic physical assets including the street system; water purification and distribution system; wastewater collection and treatment system; park and recreation lands and improvement system; storm water conveyance system; and buildings combined with site amenities such as parking and landscaped areas used by the City in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be divided into concrete curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems.

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its Street Pavement System. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

- The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scales; and (3) estimate annual amount to maintain and preserve at the established condition assessment level.
- The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level.

In February 2020, the City completed a study to update the physical condition assessment of the streets. The prior assessment study was completed in January 2019. The streets, primarily surfaced with asphalt and concrete, were defined as all physical features associated with the operation of motorized vehicles that exist within the limits of right of way. City owned streets are classified based on land use, access and traffic utilization into the following four classifications: arterial, collector local, and alley. Currently, 50% of the City's arterial and collectors and 25% of the local streets and alleys are being assessed each year. Each street and its related subsystems were assigned a physical condition based on 17 potential defects. A Pavement Condition Index (PCI), a nationally recognized index, was assigned and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned the physical characteristics of a new street. The following conditions were defined in the 2010 study:

Condition	Rating
Excellent	86-100
Very Good	71-85
Good	56-70
Fair	41-55
Poor	26-40
Very Poor	11-25
Failed	0-10

The City's policy is to maintain the existing weighted average rating of "Good". This rating allows for minor cracking and raveling of the pavement along with minor roughness that could be noticeable to drivers traveling at the posted speeds.

Modified Approach for City Infrastructure Capital Assets (Continued)

As of February 2020, the City's average street and its related subsystem's PCI rating was 82.8, with the detail condition as follows:

Condition	% of Streets
Excellent to Very Good	80.4%
Good to Fair	15.2%
Poor to Failed	4.3%

The following is the condition assessment for the most recent years since implementation:

Report's Date	PCI Index
February 2020	82.8
January 2019	82.7
February 2018	82.0
April 2017	78.3
May 2016	76.3
March 2015	74.7
January 2013	70.6
May 14, 2012	71.1
March 18, 2010	69
February 18, 2008	65
January 11, 2007	67
February 21, 2006	68
April 11, 2005	65
February 28, 2002	71
July 15, 1999	69

As of February 2020, the City had some of its streets rated below a "fair" rating. The City will require several years to rehabilitate these segments of the streets.

The City's streets are constantly deteriorating resulting from the following four factors: (1) traffic using the streets, (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement, (3) utility company/private development interests trenching operations, and (4) water damage from natural precipitation and other urban runoff. The City is continuously taking actions to arrest the deterioration through short-term maintenance activities such as pothole patching, street sweeping, and street paving. The City expended $14.2 million on street maintenance for the fiscal year ended June 30, 2020. These expenditures delayed deterioration however, the overall condition of the streets was not improved through these maintenance expenditures. The City has estimated that the amount of annual expenditures required maintaining the City's streets at the average PCI rating of "Good" through the year 2020 is a minimum of $5.6 million per year. A schedule of estimated annual amount required to maintain and preserve the City's streets at the current level compared to actual expenditures for street maintenance for the last five years is presented below.

As of June 30, 2020, the City had approximately 108,968,070 square feet (520.0 centerline miles) of streets with a carrying amount of $374,948,186 and a replacement cost of approximately $799,860,100.

The City is also continuously taking actions to arrest the deterioration of other infrastructure assets through short-term maintenance activities. For the fiscal year ended June 30, 2020, the City expended $5.6 million on infrastructure maintenance for sidewalks, catch basin/storm drains, and traffic signal/street lightings. These expenditures delayed deterioration and improved the overall condition of these infrastructures. It is estimated that it will cost approximately $4.0 million per year to maintain these other infrastructure assets at their present level as shown on the schedule presented on the next page.

Modified Approach for City Infrastructure Capital Assets (Continued)

INFRASTRUCTURE MAINTENANCE

ESTIMATED AND ACTUAL EXPENDITURES FIVE YEARS (IN THOUSANDS)

	2017	2018	2019	2020	2021
Streets					
Estimated	$ 11,747	$ 10,702	$ 16,674	$ 12,034	$ 7,376
Actual	9,862	10,928	11,868	14,167	-
Sidewalks					
Estimated	1,669	1,489	1,760	1,693	1,530
Actual	1,580	1,489	1,552	1,667	-
Storm Drain					
Estimated	1,830	2,932	3,024	1,873	1,691
Actual	1,661	2,649	1,378	2,839	-
Traffic Signal/Street Lights					
Estimated	1,022	641	1,306	410	555
Actual	816	641	1,044	1,112	-

CITY OF ONTARIO

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

	2014	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY						
Service Cost	$ 6,439,440	$ 6,295,399	$ 6,785,157	$ 8,020,608	$ 8,293,305	$ 8,873,061
Interest	19,741,927	20,680,719	22,042,754	23,255,948	24,357,078	26,179,759
Difference Between Expected and Actual Experience	-	(2,539,125)	2,960,090	1,183,589	833,264	7,329,159
Changes in Assumptions	-	(5,069,730)	-	19,573,224	(3,104,763)	-
Benefit Payments, Including Refunds of employee Contributions	(11,000,119)	(11,779,873)	(12,973,536)	(13,196,500)	(14,285,430)	(15,269,344)
Net Change in Total Pension Liability	**15,181,248**	**7,587,390**	**18,814,465**	**38,836,869**	**16,093,454**	**27,112,635**
Total Pension Liability - Beginning	**265,506,030**	**280,687,278**	**288,274,668**	**307,089,133**	**345,926,002**	**362,019,456**
Total Pension Liability - Ending (a)	**$ 280,687,278**	**$ 288,274,668**	**$ 307,089,133**	**$ 345,926,002**	**$ 362,019,456**	**$ 389,132,091**
PLAN FIDUCIARY NET POSITION						
Contribution - Employer	$ 4,901,729	$ 5,932,946	$ 6,655,129	$ 7,726,588	$ 8,220,412	$ 9,748,790
Contribution - Employee	2,619,805	3,288,408	3,496,228	3,300,315	4,098,899	3,976,957
Net Investment Income	35,255,810	5,225,720	1,288,913	26,063,000	21,684,987	18,145,412
Benefit Payments, Including Refunds of Employee Contributions	(11,000,119)	(11,779,873)	(12,973,536)	(13,196,500)	(14,285,430)	(15,269,344)
Plan to Plan Resource Movement	-	(670)	221	-	(1,183)	-
Administrative Expense	-	(270,392)	(144,267)	(347,413)	(402,453)	(197,990)
Other Miscellaneous Income/(Expense)	-	-	-	-	(954,165)	2,758
Net Change in Fiduciary Net Position	**31,777,225**	**2,396,139**	**(1,677,312)**	**23,545,990**	**18,361,067**	**16,406,583**
Plan Fiduciary Net Position - Beginning	**203,040,903**	**234,818,128**	**237,214,267**	**235,536,955**	**259,082,945**	**277,444,012**
Plan Fiduciary Net Position - Ending (b)	**$ 234,818,128**	**$ 237,214,267**	**$ 235,536,955**	**$ 259,082,945**	**$ 277,444,012**	**$ 293,850,595**
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	**$ 45,869,150**	**$ 51,060,401**	**$ 71,552,178**	**$ 86,843,057**	**$ 84,575,444**	**$ 95,281,496**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**83.66%**	**82.29%**	**76.70%**	**74.90%**	**76.64%**	**75.51%**
Covered Payroll	**$ 38,282,148**	**$ 39,204,131**	**$ 43,085,834**	**$ 46,593,469**	**$ 50,001,261**	**$ 53,309,357**
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	**119.82%**	**130.24%**	**166.07%**	**186.38%**	**169.15%**	**178.73%**

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions:
In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.
In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.
In fiscal year 2018-19, there were none.

CITY OF ONTARIO

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

	2014	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY						
Service Cost	$ 6,239,776	$ 6,095,464	$ 6,630,087	$ 7,755,445	$ 8,903,620	$ 9,490,945
Interest	20,403,337	21,492,971	22,805,001	23,727,296	25,115,253	27,456,414
Difference Between expected and Actual Experience	-	(435,228)	1,866,294	(3,343,535)	3,330,790	14,622,182
Changes in Assumptions	-	(5,448,420)	-	20,461,012	(1,542,087)	-
Benefit Payments, Including Refunds of employee Contributions	(11,427,473)	(12,128,407)	(13,014,228)	(13,724,815)	(15,142,297)	(17,240,114)
Net Change in Total Pension Liability	**15,215,640**	**9,576,380**	**18,287,154**	**34,875,403**	**20,665,279**	**34,329,427**
Total Pension Liability - Beginning	**274,638,342**	**289,853,982**	**299,430,362**	**317,717,516**	**352,592,919**	**373,258,198**
Total Pension Liability - Ending (a)	**$ 289,853,982**	**$ 299,430,362**	**$ 317,717,516**	**$ 352,592,919**	**$ 373,258,198**	**$ 407,587,625**
PLAN FIDUCIARY NET POSITION						
Contribution - Employer	$ 6,579,735	$ 7,869,101	$ 8,627,418	$ 11,021,424	$ 11,243,370	$ 13,281,877
Contribution - Employee	1,562,761	2,077,172	2,185,576	2,309,239	3,082,481	3,171,669
Net Investment Income	32,668,031	4,795,601	1,073,635	24,253,009	20,500,833	17,108,327
Benefit Payments, Including Refunds of Employee Contributions	(11,427,473)	(12,128,407)	(13,014,228)	(13,724,815)	(15,142,297)	(17,240,114)
Plan to Plan Resource Movement	-	607	-	-	(60)	-
Administrative Expense	-	(246,269)	(133,344)	(321,771)	(375,070)	(185,998)
Other Miscellaneous Income/(Expense)	-	-	-	-	(505,795)	(156)
Net Change in Fiduciary Net Position	**29,383,054**	**2,367,805**	**(1,260,943)**	**23,537,086**	**18,803,462**	**16,135,605**
Plan Fiduciary Net Position - Beginning	**187,809,183**	**217,192,237**	**219,560,042**	**218,299,099**	**241,836,185**	**260,639,647**
Plan Fiduciary Net Position - Ending (b)	**$ 217,192,237**	**$ 219,560,042**	**$ 218,299,099**	**$ 241,836,185**	**$ 260,639,647**	**$ 276,775,252**
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	**$ 72,661,745**	**$ 79,870,320**	**$ 99,418,417**	**$ 110,756,734**	**$ 112,618,551**	**$ 130,812,373**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**74.93%**	**73.33%**	**68.71%**	**68.59%**	**69.83%**	**67.91%**
Covered Payroll	**$ 21,107,423**	**$ 21,416,900**	**$ 23,375,007**	**$ 26,602,363**	**$ 30,395,138**	**$ 32,697,789**
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	**344.25%**	**372.93%**	**425.32%**	**416.34%**	**370.52%**	**400.06%**

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions:
In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.
In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.
In fiscal year 2018-19, there were none.

CITY OF ONTARIO

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

	2014	2015	2016	2017	2018	2019
TOTAL PENSION LIABILITY						
Service Cost	$ 4,207,185	$ 3,826,254	$ 4,011,720	$ 4,694,688	$ 5,450,102	$ 5,774,916
Interest	15,722,984	16,115,504	17,007,366	17,663,790	18,731,153	20,209,053
Difference Between expected and Actual Experience	-	(5,049,828)	2,059,569	(205,847)	5,431,927	9,490,435
Changes in Assumptions	-	(3,893,081)	-	14,596,257	(1,280,641)	-
Benefit Payments, Including Refunds of employee Contributions	(9,226,093)	(10,326,665)	(10,544,779)	(11,502,192)	(12,416,436)	(13,911,900)
Net Change in Total Pension Liability	**10,704,076**	**672,184**	**12,533,876**	**25,246,696**	**15,916,105**	**21,562,504**
Total Pension Liability - Beginning	**212,149,220**	**222,853,296**	**223,525,480**	**236,059,356**	**261,306,052**	**277,222,157**
Total Pension Liability - Ending (a)	**$ 222,853,296**	**$ 223,525,480**	**$ 236,059,356**	**$ 261,306,052**	**$ 277,222,157**	**$ 298,784,661**
PLAN FIDUCIARY NET POSITION						
Contribution - Employer	$ 4,097,660	$ 4,950,167	$ 5,300,820	$ 6,271,125	$ 6,744,221	$ 7,797,113
Contribution - Employee	1,181,692	1,673,250	1,513,475	1,535,337	1,996,292	2,057,562
Net Investment Income	26,898,837	3,958,046	890,970	19,188,945	15,891,350	13,135,037
Benefit Payments, Including Refunds of Employee Contributions	(9,226,093)	(10,326,665)	(10,544,779)	(11,502,192)	(12,416,436)	(13,911,900)
Plan to Plan Resource Movement	-	-	(221)	-	(468)	-
Administrative Expense	-	(200,094)	(108,343)	(258,375)	(295,680)	(144,039)
Other Miscellaneous Income/(Expense)	-	-	-	-	(552,327)	3,542
Net Change in Fiduciary Net Position	**22,952,096**	**54,704**	**(2,948,078)**	**15,234,840**	**11,366,952**	**8,937,315**
Plan Fiduciary Net Position - Beginning	**155,181,255**	**178,133,351**	**178,188,055**	**175,239,977**	**190,474,817**	**201,841,769**
Plan Fiduciary Net Position - Ending (b)	**$ 178,133,351**	**$ 178,188,055**	**$ 175,239,977**	**$ 190,474,817**	**$ 201,841,769**	**$ 210,779,084**
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	**$ 44,719,945**	**$ 45,337,425**	**$ 60,819,379**	**$ 70,831,235**	**$ 75,380,388**	**$ 88,005,577**
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	**79.93%**	**79.72%**	**74.24%**	**72.89%**	**72.81%**	**70.55%**
Covered Payroll	**$ 15,672,135**	**$ 14,881,781**	**$ 15,700,218**	**$ 17,573,194**	**$ 20,851,973**	**$ 22,164,166**
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	**285.35%**	**304.65%**	**387.38%**	**403.06%**	**361.50%**	**397.06%**

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions:
In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.
In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.
In fiscal year 2018-19, there were none.

CITY OF ONTARIO

SCHEDULE OF PENSION PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2014	2015	2016	2017	2018	2019	2020
Miscellaneous Plan							
Actuarially Determined Contribution	$ 4,901,729	$ 5,932,946	$ 6,655,129	$ 7,726,588	$ 8,220,412	$ 9,748,790	$ 15,172,041
Contribution in Relation to the Actuarially Determined Contribution	(4,901,729)	(5,932,946)	(6,655,129)	(7,726,588)	(8,220,412)	(9,748,790)	(117,241,733)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ (102,069,692)
Covered Payroll	$ 38,282,148	$ 39,204,131	$ 43,085,834	$ 46,593,469	$ 50,001,261	$ 53,309,357	$ 48,861,556
Contributions as a Percentage of Covered Payroll	12.80%	15.13%	15.45%	16.58%	16.44%	18.29%	239.95%
Safety Police Plan							
Actuarially Determined Contribution	$ 6,579,735	$ 7,869,101	$ 8,627,418	$ 11,021,424	$ 11,243,370	$ 13,281,877	$ 17,530,270
Contribution in Relation to the Actuarially Determined Contribution	(6,579,735)	(7,869,101)	(8,627,418)	(11,021,424)	(11,243,370)	(13,281,877)	(158,004,442)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ (140,474,172)
Covered Payroll	$ 21,107,423	$ 21,416,900	$ 23,375,007	$ 26,602,363	$ 30,395,138	$ 32,697,789	$ 43,233,064
Contributions as a Percentage of Covered Payroll	31.17%	36.74%	36.91%	41.43%	36.99%	40.62%	365.47%
Safety Fire Plan							
Actuarially Determined Contribution	$ 4,097,660	$ 4,950,167	$ 5,300,820	$ 6,271,125	$ 6,744,221	$ 7,797,113	$ 11,197,896
Contribution in Relation to the Actuarially Determined Contribution	(4,097,660)	(4,950,167)	(5,300,820)	(6,271,125)	(6,744,221)	(7,797,113)	(106,139,596)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ (94,941,700)
Covered Payroll	$ 15,672,135	$ 14,881,781	$ 15,700,218	$ 17,573,194	$ 20,851,973	$ 22,164,166	$ 29,270,706
Contributions as a Percentage of Covered Payroll	26.15%	33.26%	33.76%	35.69%	32.34%	35.18%	362.61%

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

Note to Schedule:

Actuarial Valuation Date: June 30, 2017

Actuarial Cost Method: Entry Age Normal

Amortization of Unfunded Actuarial Accrued Liability:

	Source				
	(Gain) / Loss				
Driver	Investment	Non-Investment	Assumption/ Method Change	Benefit Change	Golden Handshake
Amortization Period	30 Years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.875%	2.875%	2.875%	2.875%	2.875%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Asset Valuation Method: Market Value of Assets
Discount Rate: 7.25%
Overall Payroll Growth: 2.875%
Inflation: 2.625%
Retirement Age: 2017 CalPERS Experience Study
Mortality: 2017 CalPERS Experience Study, with ongoing improvement using 90 percent of Scale MP-2016

CITY OF ONTARIO

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

	2017	2018	2019
Total OPEB Liability			
Service cost	$ 12,423,938	$ 10,440,905	$ 9,940,301
Interest on the total OPEB liability	8,541,783	9,882,614	10,698,499
Actual and expected experience difference	-	-	(31,315,151)
Changes in assumptions	(37,838,070)	(13,680,004)	(90,154,275)
Benefit payments	(4,213,032)	(5,398,279)	(6,094,869)
Net change in total OPEB liability	**(21,085,381)**	**1,245,236**	**(106,925,495)**
Total OPEB liability - beginning	**289,394,278**	**268,308,897**	**269,554,133**
Total OPEB liability - ending (a)	**268,308,897**	**269,554,133**	**162,628,638**
Plan Fiduciary Net Position (2)			
Contribution - employer	4,213,032	5,398,279	6,108,661
Benefit payments	(4,213,032)	(5,398,279)	(6,094,869)
Administrative expense	-	-	(13,792)
Net change in plan fiduciary net position	**-**	**-**	**-**
Plan fiduciary net position - beginning	**-**	**-**	**-**
Plan fiduciary net position - ending (b)	**-**	**-**	**-**
Net OPEB Liability/(Assets) - ending (a) - (b)	**$ 268,308,897**	**$ 269,554,133**	**$ 162,628,638**
Plan fiduciary net position as a percentage of the net OPEB liability	0.00%	0.00%	0.00%
Covered-employee payroll	$ 111,311,408	$ 127,657,357	$ 135,622,457
Net OPEB liability as a percentage of covered-employee payroll	241.04%	211.15%	119.91%

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

(2) The City opened a trust during fiscal year 2019-20, as such the presentation includes plan fiduciary net position, although no contributions were made to the trust during the measurement period ending June 30, 2019.

Notes to Schedule:

Changes in assumptions**:** The discount rate was changed from 3.87 percent to 6.75 percent for the measurement period ended June 30, 2019. Eligibility for Medicare assumption was changed based on recent plan experience. Mortality improvement scale was updated to Scale MP-2019.

CITY OF ONTARIO

SCHEDULE OF OPEB CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018	2019	2020
Actuarially Determined Contribution	$ 26,527,000	$ 28,414,000	$ 30,643,000
Contribution in Relation to the Actuarially Determined Contributions	(5,398,279)	(6,108,661)	(146,570,084)
Contribution Deficiency (Excess)	$ 21,128,721	$ 22,305,339	$ (115,927,084)
Covered-employee payroll	$ 127,657,357	$ 135,622,457	$ 142,599,181
Contributions as a percentage of covered-employee payroll	-4.23%	-4.50%	-102.78%

(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

Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2020 were from the June 30, 2017 actuarial valuation. For fiscal year 2019-2020, the City paid $6,570,084 in benefits and made a one-time contribution to the trust (CERBT) of $140 million.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of payroll; 16-year fixed period
Inflation	2.75% per annum
Discount Rate	3.75%
Medical Trend	Non-Medicare - 7.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2020, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2011 Experience Study
Mortality Improvement	Post-retirement mortality projected fully generational with Scale MP-2017

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CITY OF ONTARIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Special Gas Tax	**Quiet Home Program**	**Park Impact / Quimby**	**Community Development**
Assets:				
Cash and investments	$ 5,668,763	$ 1,037,766	$ 24,275,079	$ 525,969
Receivables:				
Accounts	356,506	-	6,000	906,731
Notes and loans	-	-	-	10,528,597
Accrued interest	20,056	-	85,883	-
Taxes	-	-	-	-
Prepaid costs	-	-	-	-
Advances to other funds	-	-	-	5,961,399
Land held for resale	-	57,832,246	-	51,050
Restricted assets:				
Cash and investments	-	-	-	35,775
Cash and investments with fiscal agents	-	-	-	-
Total Assets	**$ 6,045,325**	**$ 58,870,012**	**$ 24,366,962**	**$ 18,009,521**
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	$ 1,000,037	$ -	$ 65,114	$ 296,360
Accrued liabilities	12,019	-	-	-
Unearned revenues	-	863,420	-	35,775
Deposits payable	-	-	-	-
Due to other governments	-	-	-	2,866,258
Due to other funds	-	-	-	-
Total Liabilities	**1,012,056**	**863,420**	**65,114**	**3,198,393**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	7,823,888
Total Deferred Inflows of Resources	**-**	**-**	**-**	**7,823,888**
Fund Balances:				
Restricted for:				
Community development projects	5,033,269	58,006,592	-	6,987,240
Public safety	-	-	-	-
Park development	-	-	24,301,848	-
Police narcotics	-	-	-	-
AQMD activities	-	-	-	-
Public services	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	**5,033,269**	**58,006,592**	**24,301,848**	**6,987,240**
Total Liabilities and Fund Balances	**$ 6,045,325**	**$ 58,870,012**	**$ 24,366,962**	**$ 18,009,521**

	Special Revenue Funds			
	Asset Seizure	Mobile Source Air Pollution	Special Assessment/Fee Districts	Grants
Assets:				
Cash and investments	$ 2,709,637	$ 1,534,448	$ 9,472,882	$ 3,975,379
Receivables:				
Accounts	131,214	55,792	23,712	1,078,156
Notes and loans	-	-	-	-
Accrued interest	9,587	5,429	22,472	-
Taxes	-	-	7,867	-
Prepaid costs	2,929	-	-	8,800
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	**$ 2,853,367**	**$ 1,595,669**	**$ 9,526,933**	**$ 5,062,335**
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	$ 51,906	$ -	$ 312,927	$ 380,668
Accrued liabilities	63,756	195	8,101	370
Unearned revenues	-	-	-	4,688,503
Deposits payable	114,744	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**230,406**	**195**	**321,028**	**5,069,541**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	-	9,205,905	-
Public safety	156,236	-	-	-
Park development	-	-	-	-
Police narcotics	2,466,725	-	-	-
AQMD activities	-	1,595,474	-	-
Public services	-	-	-	-
Unassigned	-	-	-	(7,206)
Total Fund Balances	**2,622,961**	**1,595,474**	**9,205,905**	**(7,206)**
Total Liabilities and Fund Balances	**$ 2,853,367**	**$ 1,595,669**	**$ 9,526,933**	**$ 5,062,335**

CITY OF ONTARIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Cable Access	**Storm Drain Maintenance**	**Historic Preservation**	**NMC Public Services**
Assets:				
Cash and investments	$ 1,656,142	$ 382,871	$ 387,228	$ 13,208,439
Receivables:				
Accounts	45,944	84,403	-	547,662
Notes and loans	-	-	-	-
Accrued interest	5,865	1,587	1,370	46,730
Taxes	-	-	-	-
Prepaid costs	-	10,744	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	**$ 1,707,951**	**$ 479,605**	**$ 388,598**	**$ 13,802,831**
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	$ -	$ 34,183	$ -	$ 252,198
Accrued liabilities	-	19,385	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	29,782	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	**-**	**83,350**	**-**	**252,198**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	396,255	388,598	-
Public safety	-	-	-	-
Park development	-	-	-	-
Police narcotics	-	-	-	-
AQMD activities	-	-	-	-
Public services	1,707,951	-	-	13,550,633
Unassigned	-	-	-	-
Total Fund Balances	**1,707,951**	**396,255**	**388,598**	**13,550,633**
Total Liabilities and Fund Balances	**$ 1,707,951**	**$ 479,605**	**$ 388,598**	**$ 13,802,831**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020 **(CONTINUED)**

	Special Revenue Funds		Capital Projects Funds	
	NMC CFD	**OMC CFD**	**NMC CFD**	**OMC CFD**
Assets:				
Cash and investments	$ -	$ 40,697	$ 1,240,870	$ 49,226
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	-	-	196	-
Taxes	63,853	774	14,453	-
Prepaid costs	-	-	-	-
Advances to other funds	-	-	-	-
Land held for resale	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	21,747,054	30,862
Total Assets	**$ 63,853**	**$ 41,471**	**$ 23,002,573**	**$ 80,088**
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	$ 25,415	$ -	$ 114,417	$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	541,014	49,226
Due to other governments	-	-	-	-
Due to other funds	495,315	-	-	-
Total Liabilities	**520,730**	**-**	**655,431**	**49,226**
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	**-**	**-**	**-**	**-**
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	30,862
Public safety	-	-	-	-
Park development	-	-	-	-
Police narcotics	-	-	-	-
AQMD activities	-	-	-	-
Public services	-	41,471	22,347,142	-
Unassigned	(456,877)	-	-	-
Total Fund Balances	**(456,877)**	**41,471**	**22,347,142**	**30,862**
Total Liabilities and Fund Balances	**$ 63,853**	**$ 41,471**	**$ 23,002,573**	**$ 80,088**

CITY OF ONTARIO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Total Nonmajor Governmental Funds
Assets:	
Cash and investments	$ 66,165,396
Receivables:	
Accounts	3,236,120
Notes and loans	10,528,597
Accrued interest	199,175
Taxes	86,947
Prepaid costs	22,473
Advances to other funds	5,961,399
Land held for resale	57,883,296
Restricted assets:	
Cash and investments	35,775
Cash and investments with fiscal agents	21,777,916
Total Assets	**$ 165,897,094**
Liabilities and Fund Balances:	
Liabilities:	
Accounts payable	$ 2,533,225
Accrued liabilities	103,826
Unearned revenues	5,587,698
Deposits payable	734,766
Due to other governments	2,866,258
Due to other funds	495,315
Total Liabilities	**12,321,088**
Deferred Inflows of Resources:	
Unavailable revenues	7,823,888
Total Deferred Inflows of Resources	**7,823,888**
Fund Balances:	
Restricted for:	
Community development projects	80,048,721
Public safety	156,236
Park development	24,301,848
Police narcotics	2,466,725
AQMD activities	1,595,474
Public services	37,647,197
Unassigned	(464,083)
Total Fund Balances	**145,752,118**
Total Liabilities and Fund Balances	**$ 165,897,094**

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CITY OF ONTARIO

**COMBINING STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds			
	Special Gas Tax	**Quiet Home Program**	**Park Impact / Quimby**	**Community Development**
Revenues:				
Special assessment taxes	$ -	$ -	$ -	$ -
Intergovernmental	6,465,163	-	-	1,714,056
Contribution from property owners	-	-	-	-
Charges for services	-	-	19,436,684	-
Use of money and property	198,896	-	998,161	-
Miscellaneous	323,692	-	-	-
Total Revenues	**6,987,751**	**-**	**20,434,845**	**1,714,056**
Expenditures:				
Current:				
General government	-	-	2,132,965	-
Public safety	-	-	-	57,271
Community development	4,180,512	2,228	32,146,703	1,869,656
Public works	-	-	-	158,558
Total Expenditures	**4,180,512**	**2,228**	**34,279,668**	**2,085,485**
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,807,239	(2,228)	(13,844,823)	(371,429)
Other Financing Sources (Uses):				
Transfers in	837,351	-	-	-
Transfers out	(2,051,615)	-	-	-
Notes and loans issued	-	-	23,780,842	-
Total Other Financing Sources (Uses)	**(1,214,264)**	**-**	**23,780,842**	**-**
Net Change in Fund Balances	1,592,975	(2,228)	9,936,019	(371,429)
Fund Balances:				
Beginning of year	3,440,294	58,008,820	14,365,829	7,358,669
End of year	**$ 5,033,269**	**$ 58,006,592**	**$ 24,301,848**	**$ 6,987,240**

**COMBINING STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020** (CONTINUED)

	Special Revenue Funds			
	Asset Seizure	Mobile Source Air Pollution	Special Assessment/ Fee Districts	Grants
Revenues:				
Special assessment taxes	$ -	$ -	$ 1,132,780	$ -
Intergovernmental	613,429	226,104	-	3,910,686
Contribution from property owners	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	93,451	55,967	265,689	-
Miscellaneous	14,507	-	2,889,668	12,501
Total Revenues	**721,387**	**282,071**	**4,288,137**	**3,923,187**
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	457,035	-	-	1,347,922
Community development	-	97,602	1,004,727	2,820,050
Public works	-	-	704,753	-
Total Expenditures	**457,035**	**97,602**	**1,709,480**	**4,167,972**
Excess (Deficiency) of Revenues Over (Under) Expenditures	264,352	184,469	2,578,657	(244,785)
Other Financing Sources (Uses):				
Transfers in	-	-	214,416	244,760
Transfers out	(18,005)	(10,132)	(225,484)	-
Notes and loans issued	-	-	-	-
Total Other Financing Sources (Uses)	**(18,005)**	**(10,132)**	**(11,068)**	**244,760**
Net Change in Fund Balances	246,347	174,337	2,567,589	(25)
Fund Balances:				
Beginning of year	2,376,614	1,421,137	6,638,316	(7,181)
End of year	**$ 2,622,961**	**$ 1,595,474**	**$ 9,205,905**	**$ (7,206)**

CITY OF ONTARIO

**COMBINING STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds			
	Cable Access	Storm Drain Maintenance	Historic Preservation	NMC Public Services
Revenues:				
Special assessment taxes	$ 262,353	$ -	$ -	$ -
Intergovernmental	-	5,764	-	-
Contribution from property owners	-	-	-	-
Charges for services	-	1,309,316	97,450	4,891,236
Use of money and property	78,412	14,493	14,428	506,976
Miscellaneous	-	16,630	-	-
Total Revenues	**340,765**	**1,346,203**	**111,878**	**5,398,212**
Expenditures:				
Current:				
General government	-	-	-	747,223
Public safety	-	-	-	-
Community development	45,013	964,202	-	-
Public works	-	428,377	-	-
Total Expenditures	**45,013**	**1,392,579**	**-**	**747,223**
Excess (Deficiency) of Revenues Over (Under) Expenditures	295,752	(46,376)	111,878	4,650,989
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(15,755)	-	(5,734,129)
Notes and loans issued	-	-	-	-
Total Other Financing Sources (Uses)	**-**	**(15,755)**	**-**	**(5,734,129)**
Net Change in Fund Balances	295,752	(62,131)	111,878	(1,083,140)
Fund Balances:				
Beginning of year	1,412,199	458,386	276,720	14,633,773
End of year	**$ 1,707,951**	**$ 396,255**	**$ 388,598**	**$ 13,550,633**

**COMBINING STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020** (CONTINUED)

	Special Revenue Funds		Capital Projects Funds	
	NMC CFD	OMC CFD	NMC CFD	OMC CFD
Revenues:				
Special assessment taxes	$ 6,393,646	$ 110,474	$ 682,154	$ -
Intergovernmental	-	-	-	-
Contribution from property owners	-	-	15,471,772	5,636
Charges for services	-	-	-	-
Use of money and property	(20,276)	1,483	328,031	332
Miscellaneous	-	-	-	-
Total Revenues	**6,373,370**	**111,957**	**16,481,957**	**5,968**
Expenditures:				
Current:				
General government	19,513	-	-	-
Public safety	-	-	-	-
Community development	315,334	13,454	17,195,419	-
Public works	-	-	-	-
Total Expenditures	**334,847**	**13,454**	**17,195,419**	**-**
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,038,523	98,503	(713,462)	5,968
Other Financing Sources (Uses):				
Transfers in	10,246	-	-	-
Transfers out	(5,983,719)	(97,404)	-	-
Notes and loans issued	-	-	-	-
Total Other Financing Sources (Uses)	**(5,973,473)**	**(97,404)**	**-**	**-**
Net Change in Fund Balances	65,050	1,099	(713,462)	5,968
Fund Balances:				
Beginning of year	(521,927)	40,372	23,060,604	24,894
End of year	**$ (456,877)**	**$ 41,471**	**$ 22,347,142**	**$ 30,862**

CITY OF ONTARIO

**COMBINING STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	Total Nonmajor Governmental Funds
Revenues:	
Special assessment taxes	$ 8,581,407
Intergovernmental	12,935,202
Contribution from property owners	15,477,408
Charges for services	25,734,686
Use of money and property	2,536,043
Miscellaneous	3,256,998
Total Revenues	**68,521,744**
Expenditures:	
Current:	
General government	2,899,701
Public safety	1,862,228
Community development	60,654,900
Public works	1,291,688
Total Expenditures	**66,708,517**
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,813,227
Other Financing Sources (Uses):	
Transfers in	1,306,773
Transfers out	(14,136,243)
Notes and loans issued	23,780,842
Total Other Financing Sources (Uses)	**10,951,372**
Net Change in Fund Balances	12,764,599
Fund Balances:	
Beginning of year	132,987,519
End of year	**$ 145,752,118**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
SPECIAL GAS TAX
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 3,440,294	$ 3,440,294	$ 3,440,294	$ -
Resources (Inflows):				
Intergovernmental	7,361,885	6,841,885	6,465,163	(376,722)
Use of money and property	79,323	79,323	198,896	119,573
Miscellaneous	200,268	413,790	323,692	(90,098)
Amounts Available for Appropriations	**11,981,770**	**11,675,292**	**11,265,396**	**(409,896)**
Charges to Appropriations (Outflow):				
Community development	5,258,718	8,314,072	4,180,512	4,133,560
Transfers out	2,829,954	2,829,954	2,051,615	778,339
Total Charges to Appropriations	**8,088,672**	**11,144,026**	**6,232,127**	**4,911,899**
Budgetary Fund Balance, June 30	**$ 3,893,098**	**$ 531,266**	**$ 5,033,269**	**$ 4,502,003**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
QUIET HOME PROGRAM
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 58,008,820	$ 58,008,820	$ 58,008,820	$ -
Resources (Inflows):				
Intergovernmental	1,067,000	1,067,000	-	(1,067,000)
Amounts Available for Appropriations	**59,075,820**	**59,075,820**	**58,008,820**	**(1,067,000)**
Charges to Appropriations (Outflow):				
Community development	1,067,000	1,067,000	2,228	1,064,772
Total Charges to Appropriations	**1,067,000**	**1,067,000**	**2,228**	**1,064,772**
Budgetary Fund Balance, June 30	**$ 58,008,820**	**$ 58,008,820**	**$ 58,006,592**	**$ (2,228)**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
PARK IMPACT / QUIMBY
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 14,365,829	$ 14,365,829	$ 14,365,829	$ -
Resources (Inflows):				
Charges for services	11,621,000	21,350,408	19,436,684	(1,913,724)
Use of money and property	234,324	234,324	998,161	763,837
Notes and loans issued	-	-	23,780,842	23,780,842
Amounts Available for Appropriations	**26,221,153**	**35,950,561**	**58,581,516**	**22,630,955**
Charges to Appropriations (Outflow):				
General government	2,236	2,236	2,132,965	(2,130,729)
Community development	1,452,000	10,921,304	32,146,703	(21,225,399)
Total Charges to Appropriations	**1,454,236**	**10,923,540**	**34,279,668**	**(23,356,128)**
Budgetary Fund Balance, June 30	**$ 24,766,917**	**$ 25,027,021**	**$ 24,301,848**	**$ (725,173)**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 7,358,669	$ 7,358,669	$ 7,358,669	$ -
Resources (Inflows):				
Intergovernmental	5,381,404	7,212,031	1,714,056	(5,497,975)
Amounts Available for Appropriations	**12,740,073**	**14,570,700**	**9,072,725**	**(5,497,975)**
Charges to Appropriations (Outflow):				
Public safety	-	282,281	57,271	225,010
Community development	5,213,905	6,798,050	1,869,656	4,928,394
Public works	158,693	158,693	158,558	135
Transfers out	8,806	-	-	-
Total Charges to Appropriations	**5,381,404**	**7,239,024**	**2,085,485**	**5,153,539**
Budgetary Fund Balance, June 30	**$ 7,358,669**	**$ 7,331,676**	**$ 6,987,240**	**$ (344,436)**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
ASSET SEIZURE
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 2,376,614	$ 2,376,614	$ 2,376,614	$ -
Resources (Inflows):				
Intergovernmental	-	-	613,429	613,429
Use of money and property	-	-	93,451	93,451
Miscellaneous	-	-	14,507	14,507
Amounts Available for Appropriations	**2,376,614**	**2,376,614**	**3,098,001**	**721,387**
Charges to Appropriations (Outflow):				
Public safety	549,556	752,206	457,035	295,171
Transfers out	-	-	18,005	(18,005)
Total Charges to Appropriations	**549,556**	**752,206**	**475,040**	**277,166**
Budgetary Fund Balance, June 30	**$ 1,827,058**	**$ 1,624,408**	**$ 2,622,961**	**$ 998,553**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
MOBILE SOURCE AIR POLLUTION
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 1,421,137	$ 1,421,137	$ 1,421,137	$ -
Resources (Inflows):				
Intergovernmental	218,900	218,900	226,104	7,204
Use of money and property	25,433	25,433	55,967	30,534
Amounts Available for Appropriations	**1,665,470**	**1,665,470**	**1,703,208**	**37,738**
Charges to Appropriations (Outflow):				
Community development	1,020,908	1,101,276	97,602	1,003,674
Transfers out	10,151	10,151	10,132	19
Total Charges to Appropriations	**1,031,059**	**1,111,427**	**107,734**	**1,003,693**
Budgetary Fund Balance, June 30	**$ 634,411**	**$ 554,043**	**$ 1,595,474**	**$ 1,041,431**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
SPECIAL ASSESSMENT/FEE DISTRICTS
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 6,638,316	$ 6,638,316	$ 6,638,316	$ -
Resources (Inflows):				
Taxes	1,121,000	1,137,253	1,132,780	(4,473)
Use of money and property	60,651	60,651	265,689	205,038
Miscellaneous	753,127	753,127	2,889,668	2,136,541
Transfers in	382,000	382,000	214,416	(167,584)
Amounts Available for Appropriations	**8,955,094**	**8,971,347**	**11,140,869**	**2,169,522**
Charges to Appropriations (Outflow):				
Community development	977,224	2,934,192	1,004,727	1,929,465
Public works	906,892	907,163	704,753	202,410
Transfers out	230,330	230,330	225,484	4,846
Total Charges to Appropriations	**2,114,446**	**4,071,685**	**1,934,964**	**2,136,721**
Budgetary Fund Balance, June 30	**$ 6,840,648**	**$ 4,899,662**	**$ 9,205,905**	**$ 4,306,243**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
GRANTS
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ (7,181)	$ (7,181)	$ (7,181)	$ -
Resources (Inflows):				
Intergovernmental	39,243,333	45,697,278	3,910,686	(41,786,592)
Miscellaneous	-	60,000	12,501	(47,499)
Transfers in	-	-	244,760	244,760
Amounts Available for Appropriations	**39,236,152**	**45,750,097**	**4,160,766**	**(41,589,331)**
Charges to Appropriations (Outflow):				
Public safety	-	2,583,862	1,347,922	1,235,940
Community development	39,236,152	43,174,552	2,820,050	40,354,502
Transfers out	7,181	-	-	-
Total Charges to Appropriations	**39,243,333**	**45,758,414**	**4,167,972**	**41,590,442**
Budgetary Fund Balance, June 30	**$ (7,181)**	**$ (8,317)**	**$ (7,206)**	**$ 1,111**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
CABLE ACCESS
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$1,412,199	$ 1,412,199	$ 1,412,199	$ -
Resources (Inflows):				
Taxes	200,000	200,000	262,353	62,353
Use of money and property	-	-	78,412	78,412
Amounts Available for Appropriations	**1,612,199**	**1,612,199**	**1,752,964**	**140,765**
Charges to Appropriations (Outflow):				
Community development	-	149,217	45,013	104,204
Total Charges to Appropriations	**-**	**149,217**	**45,013**	**104,204**
Budgetary Fund Balance, June 30	**$1,612,199**	**$ 1,462,982**	**$ 1,707,951**	**$ 244,969**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
STORM DRAIN MAINTENANCE
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 458,386	$ 458,386	$ 458,386	$ -
Resources (Inflows):				
Intergovernmental	-	-	5,764	5,764
Charges for services	1,375,000	1,375,000	1,309,316	(65,684)
Use of money and property	8,677	8,677	14,493	5,816
Miscellaneous	15,000	15,000	16,630	1,630
Amounts Available for Appropriations	**1,857,063**	**1,857,063**	**1,804,589**	**(52,474)**
Charges to Appropriations (Outflow):				
Community development	1,165,936	1,169,588	964,202	205,386
Public works	526,791	527,887	428,377	99,510
Transfers out	29,101	29,101	15,755	13,346
Total Charges to Appropriations	**1,721,828**	**1,726,576**	**1,408,334**	**318,242**
Budgetary Fund Balance, June 30	**$ 135,235**	**$ 130,487**	**$ 396,255**	**$ 265,768**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
HISTORIC PRESERVATION
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 276,720	$ 276,720	$ 276,720	$ -
Resources (Inflows):				
Charges for services	-	-	97,450	97,450
Use of money and property	5,021	5,021	14,428	9,407
Amounts Available for Appropriations	**281,741**	**281,741**	**388,598**	**106,857**
Budgetary Fund Balance, June 30	**$ 281,741**	**$ 281,741**	**$ 388,598**	**$ 106,857**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
NMC PUBLIC SERVICES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	$ 14,633,773	$ 14,633,773	$ 14,633,773	$ -
Resources (Inflows):				
Charges for services	5,190,825	5,190,825	4,891,236	(299,589)
Use of money and property	212,254	212,254	506,976	294,722
Amounts Available for Appropriations	**20,036,852**	**20,036,852**	**20,031,985**	**(4,867)**
Charges to Appropriations (Outflow):				
General government	-	473,013	747,223	(274,210)
Transfers out	5,190,825	5,190,825	5,734,129	(543,304)
Total Charges to Appropriations	**5,190,825**	**5,663,838**	**6,481,352**	**(817,514)**
Budgetary Fund Balance, June 30	**$ 14,846,027**	**$ 14,373,014**	**$ 13,550,633**	**$ (822,381)**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
NMC CFD
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ (521,927)	$ (521,927)	$ (521,927)	$ -
Resources (Inflows):				
Taxes	5,494,500	6,422,574	6,393,646	(28,928)
Use of money and property	-	-	(20,276)	(20,276)
Transfers in	-	-	10,246	10,246
Amounts Available for Appropriations	**4,972,573**	**5,900,647**	**5,861,689**	**(38,958)**
Charges to Appropriations (Outflow):				
General government	21,000	21,000	19,513	1,487
Community development	275,000	312,000	315,334	(3,334)
Transfers out	5,198,500	5,945,777	5,983,719	(37,942)
Total Charges to Appropriations	**5,494,500**	**6,278,777**	**6,318,566**	**(39,789)**
Budgetary Fund Balance, June 30	**$ (521,927)**	**$ (378,130)**	**$ (456,877)**	**$ (78,747)**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
OMC CFD
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 40,372	$ 40,372	$ 40,372	$ -
Resources (Inflows):				
Taxes	104,000	104,000	110,474	6,474
Use of money and property	213	213	1,483	1,270
Amounts Available for Appropriations	**144,585**	**144,585**	**152,329**	**7,744**
Charges to Appropriations (Outflow):				
Community development	19,000	22,200	13,454	8,746
Transfers out	85,000	85,000	97,404	(12,404)
Total Charges to Appropriations	**104,000**	**107,200**	**110,858**	**(3,658)**
Budgetary Fund Balance, June 30	**$ 40,585**	**$ 37,385**	**$ 41,471**	**$ 4,086**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 58,148,527	$ 58,148,527	$ 58,148,527	$ -
Resources (Inflows):				
Intergovernmental	-	2,716,067	168,434	(2,547,633)
Charges for services	4,794,000	4,794,000	6,501,986	1,707,986
Use of money and property	360,787	360,787	1,166,015	805,228
Transfers in	3,026,000	3,205,200	3,205,200	-
Amounts Available for Appropriations	**66,329,314**	**69,224,581**	**69,190,162**	**(34,419)**
Charges to Appropriations (Outflow):				
Public safety	675,000	7,940,936	6,828,766	1,112,170
Community development	2,351,000	31,821,321	5,968,452	25,852,869
Total Charges to Appropriations	**3,026,000**	**39,762,257**	**12,797,218**	**26,965,039**
Budgetary Fund Balance, June 30	**$ 63,303,314**	**$ 29,462,324**	**$ 56,392,944**	**$ 26,930,620**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
IMPACT FEES
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 122,792,604	$ 122,792,604	$ 122,792,604	$ -
Resources (Inflows):				
Charges for services	47,070,000	47,070,000	46,413,912	(656,088)
Use of money and property	2,583,864	2,583,864	5,810,447	3,226,583
Transfers in	-	11,000	11,000	-
Amounts Available for Appropriations	**172,446,468**	**172,457,468**	**175,027,963**	**2,570,495**
Charges to Appropriations (Outflow):				
General government	24,845	3,798,561	2,532,851	1,265,710
Public safety	-	14,797,566	4,555,436	10,242,130
Community development	18,121,252	58,931,885	21,592,501	37,339,384
Public works	200,000	200,000	98,625	101,375
Total Charges to Appropriations	**18,346,097**	**77,728,012**	**28,779,413**	**48,948,599**
Budgetary Fund Balance, June 30	**$ 154,100,371**	**$ 94,729,456**	**$ 146,248,550**	**$ 51,519,094**

CITY OF ONTARIO

BUDGETARY COMPARISON SCHEDULE
NMC CFD
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, July 1	$ 23,060,604	$ 23,060,604	$ 23,060,604	$ -
Resources (Inflows):				
Taxes	-	815,241	682,154	(133,087)
Contribution from property owners	-	-	15,471,772	15,471,772
Use of money and property	-	-	328,031	328,031
Amounts Available for Appropriations	**23,060,604**	**23,875,845**	**39,542,561**	**15,666,716**
Charges to Appropriations (Outflow):				
Community development	-	67,000	17,195,419	(17,128,419)
Total Charges to Appropriations	**-**	**67,000**	**17,195,419**	**(17,128,419)**
Budgetary Fund Balance, June 30	**$ 23,060,604**	**$ 23,808,845**	**$ 22,347,142**	**$ (1,461,703)**

CITY OF ONTARIO

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

	Equipment Services	Self Insurance	Information Technology	Other Post Employment Benefits	Pension Benefits Fund	Totals
Assets:						
Current:						
Cash and investments	$ 30,065,125	$ 40,535,149	$ 6,108,875	$ 44,190,787	$ 6,000,000	$ 126,899,936
Receivables:						
Accounts	206,249	-	113,029	-	-	319,278
Accrued interest	-	-	-	159,394	-	159,394
Prepaid costs	-	-	1,392,815	302,206	-	1,695,021
Inventories	838,334	-	-	-	-	838,334
Restricted:						
Cash and investments	-	797,376	-	-	-	797,376
Cash with fiscal agent	-	-	-	-	8,487	8,487
Total Current Assets	**31,109,708**	**41,332,525**	**7,614,719**	**44,652,387**	**6,008,487**	**130,717,826**
Noncurrent:						
Advances to other funds	4,083,000	2,041,000	7,910,000	-	-	14,034,000
Capital assets - net of accumulated depreciation	32,029,320	-	6,947,730	-	-	38,977,050
Total Noncurrent Assets	**36,112,320**	**2,041,000**	**14,857,730**	**-**	**-**	**53,011,050**
Total Assets	**67,222,028**	**43,373,525**	**22,472,449**	**44,652,387**	**6,008,487**	**183,728,876**
Deferred Outflows of Resources:						
Deferred pension related items	986,750	153,780	1,375,471	-	337,485,564	340,001,565
Deferred OPEB related items	-	-	-	146,570,084	-	146,570,084
Total Deferred Outflows of Resources	**986,750**	**153,780**	**1,375,471**	**146,570,084**	**337,485,564**	**486,571,649**
Total Assets & Deferred Ouflow of Resources	**$ 68,208,778**	**$ 43,527,305**	**$ 23,847,920**	**$ 191,222,471**	**$ 343,494,051**	**$ 670,300,525**
Liabilities, Deferred Inflows and Net Position						
Liabilities:						
Current:						
Accounts payable	$ 1,273,256	$ 633,633	$ 1,293,670	$ 20	$ -	$ 3,200,579
Accrued liabilities	87,736	16,427	116,732	-	-	220,895
Accrued compensated absences	240,000	17,000	149,000	-	-	406,000
Accrued claims and judgments	-	10,063,000	-	-	-	10,063,000
Bonds, notes, and capital leases	-	-	-	-	3,370,000	3,370,000
Total Current Liabilities	**1,600,992**	**10,730,060**	**1,559,402**	**20**	**3,370,000**	**17,260,474**
Noncurrent:						
Advances from other funds	-	-	-	-	102,069,692	102,069,692
Accrued compensated absences	38,375	10,993	107,592	-	-	156,960
Accrued claims and judgments	-	18,485,000	-	-	-	18,485,000
Net pension liability	4,402,005	686,027	6,136,128	-		11,224,160
Total OPEB liability	-	-	-	162,628,638	-	162,628,638
Bonds, notes, and capital leases	-	-	-	-	233,215,000	233,215,000
Total Noncurrent Liabilities	**4,440,380**	**19,182,020**	**6,243,720**	**162,628,638**	**335,284,692**	**527,779,450**
Total Liabilities	**6,041,372**	**29,912,080**	**7,803,122**	**162,628,658**	**338,654,692**	**545,039,924**
Deferred Inflows of Resources:						
Deferred pension related items	112,113	17,472	156,278	-	-	285,863
Deferred OPEB related items	-	-	-	139,971,643	-	139,971,643
Total Deferred Inflows of Resources	**112,113**	**17,472**	**156,278**	**139,971,643**	**-**	**140,257,506**
Net Position:						
Investment in capital assets	32,029,320	-	6,947,730	-	-	38,977,050
Unrestricted	30,025,973	13,597,753	8,940,790	(111,377,830)	4,839,359	(53,973,955)
Total Net Position	**62,055,293**	**13,597,753**	**15,888,520**	**(111,377,830)**	**4,839,359**	**(14,996,905)**
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 68,208,778**	**$ 43,527,305**	**$ 23,847,920**	**$ 191,222,471**	**$ 343,494,051**	**$ 670,300,525**

CITY OF ONTARIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020

	Equipment Services	Self Insurance	Information Technology	Other Post Employment Benefits	Pension Benefits Fund	Totals
Operating Revenues:						
Interdepartmental charges	$ 15,617,773	$ 14,272,338	$ 11,408,099	$ 896,683	-	$ 42,194,893
Miscellaneous	1,359,792	57,276	15,303	7,622,445	-	9,054,816
Total Operating Revenues	**16,977,565**	**14,329,614**	**11,423,402**	**8,519,128**	**-**	**51,249,709**
Operating Expenses:						
Administration and general	5,634,384	4,162,451	7,880,498	4,982,391	1,160,641	23,820,365
Source of supply	1,970,617	-	6,072,938	-	-	8,043,555
Claims expense	-	9,239,263	-	-	-	9,239,263
Depreciation expense	5,162,115	-	1,319,169	-	-	6,481,284
Total Operating Expenses	**12,767,116**	**13,401,714**	**15,272,605**	**4,982,391**	**1,160,641**	**47,584,467**
Operating Income (Loss)	4,210,449	927,900	(3,849,203)	3,536,737	(1,160,641)	3,665,242
Nonoperating Revenues (Expenses):						
Interest revenue	-	-	-	420,911	-	420,911
Gain on sale of other investments	-	-	-	605,267	-	605,267
Total Nonoperating Revenues (Expenses)	**-**	**-**	**-**	**1,026,178**	**-**	**1,026,178**
Income (Loss) Before Transfers	4,210,449	927,900	(3,849,203)	4,562,915	(1,160,641)	4,691,420
Transfers in	-	-	-	4,972,772	6,000,000	10,972,772
Transfers out	(65,404)	(10,616)	(85,414)	(20,000,000)	-	(20,161,434)
Changes in Net Position	$ 4,145,045	$ 917,284	$ (3,934,617)	$ (10,464,313)	$ 4,839,359	$ (4,497,242)
Net Position:						
Beginning of Year, as originally reported	$ 58,565,439	$ 12,680,469	$ 19,823,137	$ (100,913,517)	-	$ (9,844,472)
Restatements	(655,191)	-	-	-	-	(655,191)
Beginning of Fiscal Year, as restated	57,910,248	12,680,469	19,823,137	(100,913,517)	-	(10,499,663)
Changes in Net Position	4,145,045	917,284	(3,934,617)	(10,464,313)	4,839,359	(4,497,242)
End of Fiscal Year	**$ 62,055,293**	**$ 13,597,753**	**$ 15,888,520**	**$ (111,377,830)**	**$ 4,839,359**	**$ (14,996,905)**

CITY OF ONTARIO

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2020

	Equipment Services	Self Insurance	Information Technology	Other Post Employment Benefits	Pension Benefits Fund	Totals
Cash Flows from Operating Activities:						
Cash received from/(paid to) interfund service provided	$ 16,946,039	$ 14,329,614	$ 11,575,580	$ 8,521,128	$ -	$ 51,372,361
Cash paid to suppliers for goods and services	(1,559,056)	(4,980,673)	(5,992,689)	(23,642)	(1,160,641)	(13,716,701)
Cash paid to employees for services	(5,212,465)	(4,069,629)	(7,647,396)	(152,604,836)	-	(169,534,326)
Net Cash Provided (Used) by Operating Activities	**10,174,518**	**5,279,312**	**(2,064,505)**	**(144,107,350)**	**(1,160,641)**	**(131,878,666)**
Cash Flows from Non-Capital Financing Activities:						
Cash transfers in	-	-	-	4,972,772	6,000,000	10,972,772
Cash transfers out	(65,404)	(10,616)	(85,414)	(20,000,000)	-	(20,161,434)
Advance received from other funds	-	-	-	-	102,069,692	102,069,692
Advance paid to other funds	(4,083,000)	(2,041,000)	(7,910,000)	-	-	(14,034,000)
Proceeds from issuance of pension obligation bonds	-	-	-	-	236,585,000	236,585,000
Additional payments to employees pensiion plans	-	-	-	-	(337,485,564)	(337,485,564)
Net Cash Provided (Used) by Non-Capital Financing Activities	**(4,148,404)**	**(2,051,616)**	**(7,995,414)**	**(15,027,228)**	**7,169,128**	**(22,053,534)**
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets	(13,040,608)	-	(1,493,589)	-		(14,534,197)
Net Cash Provided (Used) by Capital and Related Financing Activities	**(13,040,608)**	**-**	**(1,493,589)**	**-**	**-**	**(14,534,197)**
Cash Flows from Investing Activities:						
Proceeds from the sale of other investments	-	-	-	38,743,379		38,743,379
Interest received	-	-	-	894,737	-	894,737
Net Cash Provided (Used) by Investing Activities	**-**	**-**	**-**	**39,638,116**	**-**	**39,638,116**
Net Increase (Decrease) in Cash and Cash Equivalents	**(7,014,494)**	**3,227,696**	**(11,553,508)**	**(119,496,462)**	**6,008,487**	**(128,828,281)**
Cash and Cash Equivalents at Beginning of Year	37,079,619	38,104,829	17,662,383	163,687,249	-	256,534,080
Cash and Cash Equivalents at End of Year	**$ 30,065,125**	**$ 41,332,525**	**$ 6,108,875**	**$ 44,190,787**	**$ 6,008,487**	**$ 127,705,799**
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	$ 4,210,449	$ 927,900	$ (3,849,203)	$ 3,536,737	$ (1,160,641)	$ 3,665,242
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:						
Depreciation	5,162,115	-	1,319,169	-	-	6,481,284
(Increase) decrease in accounts receivable	(31,526)	-	152,178	2,000	-	122,652
(Increase) decrease in prepaid expense	9,263	-	(563,455)	(22,385)	-	(576,577)
(Increase) decrease in inventories	(54,805)	-	-	-	-	(54,805)
Increase (decrease) in accounts payable	457,103	333,590	643,704	(1,257)	-	1,433,140
Increase (decrease) in accrued liabilities	22,258	7,806	28,408	-	-	58,472
Increase (decrease) in claims and judgments	-	3,925,000	-	-	-	3,925,000
Increase (decrease) in compensated absences	74,443	(10,855)	(249,402)	-	-	(185,814)
Increase (decrease) in net pension liability	425,300	122,399	593,790	-	-	1,141,489
Increase (decrease) in deferred pension related items	(100,082)	(26,528)	(139,694)	-	-	(266,304)
Increase (decrease) in OPEB liability	-	-	-	(106,925,495)	-	(106,925,495)
Increase (decrease) in deferred OPEB related items	-	-	-	(40,696,950)	-	(40,696,950)
Total Adjustments	**5,964,069**	**4,351,412**	**1,784,698**	**(147,644,087)**	**-**	**(135,543,908)**
Net Cash Provided (Used) by Operating Activities	**$ 10,174,518**	**$ 5,279,312**	**$ (2,064,505)**	**$ (144,107,350)**	**$ (1,160,641)**	**$ (131,878,666)**

Non-Cash Investing, Capital, and Financing Activities:
There were no non-cash activities in Fiscal Year 2019-20.

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CITY OF ONTARIO

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2020

	Redevelopment Financing Authority	West End Communications Authority	Assessment District 106 Bond Redemption	Sanitary Collection Treatment
Assets:				
Cash and investments	$ 99,947	$ 1,410,934	$ 131,414	$ 31,200,346
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and leases	90,940,448	-	-	-
Accrued interest	354	4,992	469	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	45,325	-	465,154	-
Total Assets	**$ 91,086,074**	**$ 1,415,926**	**$ 597,037**	**$ 31,200,346**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ 2,081,564
Due to other governments	91,086,074	1,415,926	-	29,118,782
Due to external parties/other agencies	-	-	597,037	-
Total Liabilities	**$ 91,086,074**	**$ 1,415,926**	**$ 597,037**	**$ 31,200,346**

CITY OF ONTARIO

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2020 **(CONTINUED)**

	Reassessment Bond Redemption	Assessment District 100C Bond Redemption	Assessment District 103 Bond Redemption	Assessment District 104 Bond Redemption
Assets:				
Cash and investments	$ -	$ -	$ -	$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and leases	-	-	-	-
Accrued interest	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	**$ -**	**$ -**	**$ -**	**$ -**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	-	-	-	-
Due to external parties/other agencies	-	-	-	-
Total Liabilities	**$ -**	**$ -**	**$ -**	**$ -**

CITY OF ONTARIO

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2020

	Assessment District 108 Bond Redemption	Assessment District 107 Bond Redemption	West End Fire and Emergency Response Commission	Ontario Public Financing Authority
Assets:				
Cash and investments	$ -	$ -	$ 599,941	$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and leases	-	-	-	124,890,000
Accrued interest	12	-	2,123	-
Prepaid costs	-	-	3,900	-
Restricted assets:				
Cash and investments with fiscal agents	1,424,160	-	-	-
Total Assets	**$ 1,424,172**	**$ -**	**$ 605,964**	**$ 124,890,000**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	76,521	-	605,964	124,890,000
Due to external parties/other agencies	1,347,651	-	-	-
Total Liabilities	**$ 1,424,172**	**$ -**	**$ 605,964**	**$ 124,890,000**

	NMC CFD #28	NMC CFD #30	NMC CFD #34	NMC CFD #24
Assets:				
Cash and investments	$ 175,713	$ 71,910	$ 114,855	$ 202,984
Receivables:				
Accounts	-	-	-	-
Taxes	12,734	4,253	7,725	13,937
Notes and leases	-	-	-	-
Accrued interest	91	266	7	870
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	1,044,891	1,517,613	848,141	1,732,610
Total Assets	**$ 1,233,429**	**$ 1,594,042**	**$ 970,728**	**$ 1,950,401**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	-	-	-	-
Due to external parties/other agencies	1,233,429	1,594,042	970,728	1,950,401
Total Liabilities	**$ 1,233,429**	**$ 1,594,042**	**$ 970,728**	**$ 1,950,401**

CITY OF ONTARIO

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2020

	NMC CFD #25	NMC CFD #26	NMC CFD #31	NMC CFD #39
Assets:				
Cash and investments	$ -	$ -	$ 307,395	$ 352,827
Receivables:				
Accounts	-	-	20,884	-
Taxes	6,502	6,190	-	2,710
Notes and leases	-	-	-	-
Accrued interest	8	10	1,138	1,251
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	986,239	1,197,789	575,472	338,507
Total Assets	**$ 992,749**	**$ 1,203,989**	**$ 904,889**	**$ 695,295**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	2,537	41,023	-	-
Due to external parties/other agencies	990,212	1,162,966	904,889	695,295
Total Liabilities	**$ 992,749**	**$ 1,203,989**	**$ 904,889**	**$ 695,295**

	OMC CFD #5	OMC CFD #13	NMC CFD #38	CFD #33
Assets:				
Cash and investments	$ -	$ 774,881	$ 134,578	$ 251,923
Receivables:				
Accounts	-	-	-	-
Taxes	-	2,765	10,361	1,454
Notes and leases	-	-	-	-
Accrued interest	-	2,744	496	3
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents	-	354,580	1,185,526	377,246
Total Assets	**$ -**	**$ 1,134,970**	**$ 1,330,961**	**$ 630,626**
Liabilities:				
Accounts payable	$ -	$ -	$ -	$ -
Due to other governments	-	-	-	-
Due to external parties/other agencies	-	1,134,970	1,330,961	630,626
Total Liabilities	**$ -**	**$ 1,134,970**	**$ 1,330,961**	**$ 630,626**

CITY OF ONTARIO

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2020

	Total
Assets:	
Cash and investments	$ 35,829,648
Receivables:	
Accounts	20,884
Taxes	68,631
Notes and leases	215,830,448
Accrued interest	14,834
Prepaid costs	3,900
Restricted assets:	-
Cash and investments with fiscal agents	12,093,253
Total Assets	**$ 263,861,598**
Liabilities:	
Accounts payable	$ 2,081,564
Due to other governments	247,236,827
Due to external parties/other agencies	14,543,207
Total Liabilities	**$ 263,861,598**

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CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Redevelopment Financing Authority				
Assets:				
Cash and investments	$ 51,000	$ 31,721,974	$ 31,673,027	$ 99,947
Receivables:				
Notes and leases	97,371,681	-	6,431,233	90,940,448
Accrued interest	2,010	354	2,010	354
Restricted assets:				
Cash and investments with fiscal agents	1,045,982	10,395,839	11,396,496	45,325
Total Assets	**$ 98,470,673**	**$ 42,118,167**	**$ 49,502,766**	**$ 91,086,074**
Liabilities:				
Due to other governments	$ 98,470,673	$ 75,581,333	$ 82,965,932	$ 91,086,074
Total Liabilities	**$ 98,470,673**	**$ 75,581,333**	**$ 82,965,932**	**$ 91,086,074**
West End Communications Authority				
Assets:				
Cash and investments	$ 1,365,771	$ 68,619	$ 23,456	$ 1,410,934
Receivables:				
Accrued interest	5,307	4,993	5,308	4,992
Total Assets	**$ 1,371,078**	**$ 73,612**	**$ 28,764**	**$ 1,415,926**
Liabilities:				
Accounts payable	$ 4,191	$ 2,800	$ 6,991	$ -
Due to other governments	1,366,887	117,793	68,754	1,415,926
Total Liabilities	**$ 1,371,078**	**$ 120,593**	**$ 75,745**	**$ 1,415,926**
Assessment District 106 Bond Redemption				
Assets:				
Cash and investments	$ 552,294	$ 8,410	$ 429,290	$ 131,414
Receivables:				
Accrued interest	2,970	469	2,970	469
Restricted assets:				
Cash and investments with fiscal agents	459,568	5,687	101	465,154
Total Assets	**$ 1,014,832**	**$ 14,566**	**$ 432,361**	**$ 597,037**
Liabilities:				
Accounts payable	$ 103	$ 421,501	$ 421,604	$ -
Due to external parties/other agencies	1,014,729	14,480	432,172	597,037
Total Liabilities	**$ 1,014,832**	**$ 435,981**	**$ 853,776**	**$ 597,037**
Sanitary Collection Treatment				
Assets:				
Cash and investments	$ 20,933,499	$ 10,331,509	$ 64,662	$ 31,200,346
Total Assets	**$ 20,933,499**	**$ 10,331,509**	**$ 64,662**	**$ 31,200,346**
Liabilities:				
Accounts payable	$ -	$ 2,081,564	$ -	$ 2,081,564
Due to other governments	20,933,499	12,503,134	4,317,851	29,118,782
Total Liabilities	**$ 20,933,499**	**$ 14,584,698**	**$ 4,317,851**	**$ 31,200,346**

CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020 **(CONTINUED)**

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Reassessment Bond Redemption				
Assets:				
Cash and investments	$ 609,923	$ 5,188	$ 615,111	$ -
Receivables:				
Accrued interest	2,371	-	2,371	-
Total Assets	**$ 612,294**	**$ 5,188**	**$ 617,482**	**$ -**
Liabilities:				
Due to external parties/other agencies	$ 612,294	$ 10,443	$ 622,737	$ -
Total Liabilities	**$ 612,294**	**$ 10,443**	**$ 622,737**	**$ -**
Assessment District 100C Bond Redemption				
Assets:				
Cash and investments	$ 104,932	$ 859	$ 105,791	$ -
Receivables:				
Accrued interest	408	-	408	-
Total Assets	**$ 105,340**	**$ 859**	**$ 106,199**	**$ -**
Liabilities:				
Due to external parties/other agencies	$ 105,340	$ 3,231	$ 108,571	$ -
Total Liabilities	**$ 105,340**	**$ 3,231**	**$ 108,571**	**$ -**
Assessment District 103 Bond Redemption				
Assets:				
Cash and investments	$ 192,445	$ 1,576	$ 194,021	$ -
Receivables:				
Accrued interest	748		748	-
Total Assets	**$ 193,193**	**$ 1,576**	**$ 194,769**	**$ -**
Liabilities:				
Due to external parties/other agencies	$ 193,193	$ 3,231	$ 196,424	$ -
Total Liabilities	**$ 193,193**	**$ 3,231**	**$ 196,424**	**$ -**
Assessment District 104 Bond Redemption				
Assets:				
Cash and investments	$ 55,751	$ 457	$ 56,208	$ -
Receivables:				
Accrued interest	217	-	217	-
Total Assets	**$ 55,968**	**$ 457**	**$ 56,425**	**$ -**
Liabilities:				
Due to external parties/other agencies	$ 55,968	$ 936	$ 56,904	$ -
Total Liabilities	**$ 55,968**	**$ 936**	**$ 56,904**	**$ -**

CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assessment District 108 Bond Redemption				
Assets:				
Cash and investments	$ 1,137,442	$ 81,103	$ 1,218,545	$ -
Receivables:				
Accrued interest	6,879	12	6,879	12
Restricted assets:				
Cash and investments with fiscal agents	1,407,059	17,393	292	1,424,160
Total Assets	**$ 2,551,380**	**$ 98,508**	**$ 1,225,716**	**$ 1,424,172**
Liabilities:				
Accounts payable	$ 103	$ -	$ 103	$ -
Due to other governments	-	76,521	-	76,521
Due to external parties/other agencies	2,551,277	21,699	1,225,325	1,347,651
Total Liabilities	**$ 2,551,380**	**$ 98,220**	**$ 1,225,428**	**$ 1,424,172**
Assessment District 107 Bond Redemption				
Assets:				
Cash and investments	$ 143,205	$ 1,173	$ 144,378	$ -
Receivables:				
Accrued interest	557	-	557	-
Total Assets	**$ 143,762**	**$ 1,173**	**$ 144,935**	**$ -**
Liabilities:				
Due to external parties/other agencies	$ 143,762	$ 2,404	$ 146,166	$ -
Total Liabilities	**$ 143,762**	**$ 2,404**	**$ 146,166**	**$ -**
West End Fire and Emergency Response Commission				
Assets:				
Cash and investments	$ 510,295	$ 139,909	$ 50,263	$ 599,941
Receivables:				
Accrued interest	2,026	2,122	2,025	2,123
Prepaid costs	2,391	7,799	6,290	3,900
Total Assets	**$ 514,712**	**$ 149,830**	**$ 58,578**	**$ 605,964**
Liabilities:				
Due to other governments	$ 514,712	$ 145,991	$ 54,739	$ 605,964
Total Liabilities	**$ 514,712**	**$ 145,991**	**$ 54,739**	**$ 605,964**
Ontario Public Financing Authority				
Assets:				
Notes and loans	$ 125,940,000	$ -	$ 1,050,000	$ 124,890,000
Total Assets	**$ 125,940,000**	**$ -**	**$ 1,050,000**	**$ 124,890,000**
Liabilities:				
Due to other governments	$ 125,940,000	$ 3,870,735	$ 4,920,735	$ 124,890,000
Total Liabilities	**$ 125,940,000**	**$ 3,870,735**	**$ 4,920,735**	**$ 124,890,000**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020 **(CONTINUED)**

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
NMC CFD #28				
Assets:				
Cash and investments	$ 563,623	$ 22,017	$ 409,927	$ 175,713
Receivables:				
Taxes	4,959	65,956	58,181	12,734
Accrued interest	3,394	91	3,394	91
Restricted assets:				
Cash and investments with fiscal agents	583,645	854,712	393,466	1,044,891
Total Assets	**$ 1,155,621**	**$ 942,776**	**$ 864,968**	**$ 1,233,429**
Liabilities:				
Accounts payable	$ 394	$ 370,852	$ 371,246	$ -
Due to external parties/other agencies	1,155,227	1,055,060	976,858	1,233,429
Total Liabilities	**$ 1,155,621**	**$ 1,425,912**	**$ 1,348,104**	**$ 1,233,429**
NMC CFD #30				
Assets:				
Cash and investments	$ 635,784	$ 21,730	$ 585,604	$ 71,910
Receivables:				
Taxes	5,746	5,848	7,341	4,253
Accrued interest	4,116	266	4,116	266
Restricted assets:				
Cash and investments with fiscal agents	895,124	1,153,975	531,486	1,517,613
Total Assets	**$ 1,540,770**	**$ 1,181,819**	**$ 1,128,547**	**$ 1,594,042**
Liabilities:				
Due to external parties/other agencies	1,540,770	1,291,886	1,238,614	1,594,042
Total Liabilities	**$ 1,540,770**	**$ 1,291,886**	**$ 1,238,614**	**$ 1,594,042**
NMC CFD #34				
Assets:				
Cash and investments	$ 431,756	$ 17,908	$ 334,809	$ 114,855
Receivables:				
Taxes	4,936	7,725	4,936	7,725
Accrued interest	2,566	7	2,566	7
Restricted assets:				
Cash and investments with fiscal agents	471,397	689,975	313,231	848,141
Total Assets	**$ 910,655**	**$ 715,615**	**$ 655,542**	**$ 970,728**
Liabilities:				
Due to external parties/other agencies	$ 910,655	$ 773,033	$ 712,960	$ 970,728
Total Liabilities	**$ 910,655**	**$ 773,033**	**$ 712,960**	**$ 970,728**

CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
NMC CFD #24				
Assets:				
Cash and investments	$ 896,373	$ 26,472	$ 719,861	$ 202,984
Receivables:				
Taxes	1,441	13,937	1,441	13,937
Accrued interest	5,547	870	5,547	870
Restricted assets:				
Cash and investments with fiscal agents	1,010,955	1,072,115	350,460	1,732,610
Total Assets	**$ 1,914,316**	**$ 1,113,394**	**$ 1,077,309**	**$ 1,950,401**
Liabilities:				
Accounts payable	$ 103	$ 655,940	$ 656,043	$ -
Due to external parties/other agencies	1,914,213	1,554,947	1,518,759	1,950,401
Total Liabilities	**$ 1,914,316**	**$ 2,210,887**	**$ 2,174,802**	**$ 1,950,401**
NMC CFD #25				
Assets:				
Cash and investments	$ 318,961	$ 22,125	$ 341,086	$ -
Receivables:				
Taxes	11,214	6,502	11,214	6,502
Accrued interest	2,268	8	2,268	8
Restricted assets:				
Cash and investments with fiscal agents	574,651	804,954	393,366	986,239
Total Assets	**$ 907,094**	**$ 833,589**	**$ 747,934**	**$ 992,749**
Liabilities:				
Due to other governments	$ -	$ 2,537	$ -	$ 2,537
Due to external parties/other agencies	907,094	881,666	798,548	990,212
Total Liabilities	**$ 907,094**	**$ 884,203**	**$ 798,548**	**$ 992,749**
NMC CFD #26				
Assets:				
Cash and investments	$ 206,037	$ 53,317	$ 259,354	$ -
Receivables:				
Taxes	4,190	6,190	4,190	6,190
Accrued interest	851	10	851	10
Restricted assets:				
Cash and investments with fiscal agents	-	11,893,158	10,695,369	1,197,789
Total Assets	**$ 211,078**	**$ 11,952,675**	**$ 10,959,764**	**$ 1,203,989**
Liabilities:				
Due to other governments	$ -	$ 41,023	$ -	$ 41,023
Due to external parties/other agencies	211,078	11,041,473	10,089,585	1,162,966
Total Liabilities	**$ 211,078**	**$ 11,082,496**	**$ 10,089,585**	**$ 1,203,989**

CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020 **(CONTINUED)**

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
NMC CFD #31				
Assets:				
Cash and investments	$ 521,806	$ 20,665	$ 235,076	$ 307,395
Receivables:				
Accounts	-	20,884		20,884
Accrued interest	2,687	1,138	2,687	1,138
Restricted assets:				
Cash and investments with fiscal agents	311,343	614,402	350,273	575,472
Total Assets	**$ 835,836**	**$ 657,089**	**$ 588,036**	**$ 904,889**
Liabilities:				
Due to external parties/other agencies	$ 835,836	$ 697,916	$ 628,863	$ 904,889
Total Liabilities	**$ 835,836**	**$ 697,916**	**$ 628,863**	**$ 904,889**
NMC CFD #39				
Assets:				
Cash and investments	$ 85,610	$ 390,384	$ 123,167	$ 352,827
Receivables:				
Taxes	-	2,710		2,710
Accrued interest	1,132	1,251	1,132	1,251
Restricted assets:				
Cash and investments with fiscal agents	445,132	201,324	307,949	338,507
Total Assets	**$ 531,874**	**$ 595,669**	**$ 432,248**	**$ 695,295**
Liabilities:				
Due to external parties/other agencies	$ 531,874	$ 395,531	$ 232,110	$ 695,295
Total Liabilities	**$ 531,874**	**$ 395,531**	**$ 232,110**	**$ 695,295**
OMC CFD #5				
Assets:				
Cash and investments	$ 36,450	$ 223	$ 36,673	$ -
Receivables:				
Accrued interest	142		142	-
Total Assets	**$ 36,592**	**$ 223**	**$ 36,815**	**$ -**
Liabilities:				
Due to external parties/other agencies	$ 36,592	$ 585	$ 37,177	$ -
Total Liabilities	**$ 36,592**	**$ 585**	**$ 37,177**	**$ -**

CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
OMC CFD #13				
Assets:				
Cash and investments	$ 747,807	$ 400,038	$ 372,964	$ 774,881
Receivables:				
Taxes	-	2,765	-	2,765
Accrued interest	3,555	2,744	3,555	2,744
Restricted assets:				
Cash and investments with fiscal agents	350,320	15,597	11,337	354,580
Total Assets	**$ 1,101,682**	**$ 421,144**	**$ 387,856**	**$ 1,134,970**
Liabilities:				
Accounts payable	$ 103	$ 342,085	$ 342,188	$ -
Due to external parties/other agencies	1,101,579	409,868	376,477	1,134,970
Total Liabilities	**$ 1,101,682**	**$ 751,953**	**$ 718,665**	**$ 1,134,970**
NMC CFD #38				
Assets:				
Cash and investments	$ 152,471	$ 35,363	$ 53,256	$ 134,578
Receivables:				
Taxes	10,019	10,352	10,010	10,361
Accrued interest	2,149	496	2,149	496
Restricted assets:				
Cash and investments with fiscal agents	878,407	966,971	659,852	1,185,526
Total Assets	**$ 1,043,046**	**$ 1,013,182**	**$ 725,267**	**$ 1,330,961**
Liabilities:				
Due to external parties/other agencies	$ 1,043,046	$ 1,202,710	$ 914,795	$ 1,330,961
Total Liabilities	**$ 1,043,046**	**$ 1,202,710**	**$ 914,795**	**$ 1,330,961**
CFD #33				
Assets:				
Cash and investments	$ -	$ 251,923	$ -	$ 251,923
Receivables:				
Taxes	-	1,454	-	1,454
Accrued interest	-	3	-	3
Restricted assets:				
Cash and investments with fiscal agents	-	377,246	-	377,246
Total Assets	**$ -**	**$ 630,626**	**$ -**	**$ 630,626**
Liabilities:				
Due to external parties/other agencies	$ -	$ 630,626	$ -	$ 630,626
Total Liabilities	**$ -**	**$ 630,626**	**$ -**	**$ 630,626**

CITY OF ONTARIO

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2020 **(CONTINUED)**

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Totals - All Agency Funds				
Assets:				
Cash and investments	$ 30,253,235	$ 43,622,942	$ 38,046,529	$ 35,829,648
Receivables:				
Accounts	-	20,884	-	20,884
Taxes	42,505	123,439	97,313	68,631
Notes and leases	223,311,681	-	7,481,233	215,830,448
Accrued interest	51,900	14,834	51,900	14,834
Prepaid costs	2,391	7,799	6,290	3,900
Restricted assets:				
Cash and investments with fiscal agents	8,433,583	29,063,348	25,403,678	12,093,253
Total Assets	**$ 262,095,295**	**$ 72,853,246**	**$ 71,086,943**	**$ 263,861,598**
Liabilities:				
Accounts payable	$ 4,997	$ 3,874,742	$ 1,798,175	$ 2,081,564
Due to other governments	247,225,771	92,339,067	92,328,011	247,236,827
Due to external parties/other agencies	14,864,527	19,991,725	20,313,045	14,543,207
Total Liabilities	**$ 262,095,295**	**$ 116,205,534**	**$ 114,439,231**	**$ 263,861,598**

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Statistical Section

The statistical section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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City of Ontario
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2011	2012	2014	2015	2016	2017	2018	2019	2020
Governmental activities									
Net investment in capital assets	$ 704,218,787	$ 821,632,336	$ 812,874,736	$ 838,484,374	$ 908,309,555	$ 940,354,455	$ 950,420,687	$ 961,901,972	$ 997,856,845
Restricted	243,017,889	216,270,766	254,103,989	240,480,450	156,425,046	168,765,518	173,159,152	204,484,800	215,606,868
Unrestricted	135,744,173	127,864,653	137,590,247	(66,639,420)	(1,666,599)	179,846,318	16,250,642	95,440,937	59,045,553
Total governmental activities net position	$ 1,082,980,849	$ 1,165,767,755	$ 1,204,568,972	$ 1,012,325,404	$ 1,063,068,002	$ 1,288,966,291	$ 1,139,830,481	$ 1,261,827,709	$ 1,272,509,266
Business-type activities									
Net investment in capital assets	$ 136,609,773	$ 140,007,920	$ 143,574,879	$ 140,873,539	$ 136,336,952	$ 143,660,797	$ 161,791,743	$ 184,562,565	$ 182,086,718
Restricted	4,185,546	4,267,828	10,578,881	5,289,769	1,528,395	369	373	378	3,140,719
Unrestricted	201,923,905	223,743,456	273,069,164	271,397,325	299,336,371	329,045,082	345,926,734	298,224,116	301,316,946
Total business-type activities net position	$ 342,719,224	$ 368,019,204	$ 427,222,924	$ 417,560,633	$ 437,201,718	$ 472,706,248	$ 507,718,850	$ 482,787,059	$ 486,544,383
Primary government									
Net investment in capital assets	$ 840,828,560	$ 961,640,256	$ 956,449,615	$ 979,357,913	$ 1,044,646,507	$ 1,084,015,252	$ 1,112,212,430	$ 1,146,464,537	$ 1,179,943,563
Restricted	247,203,435	220,538,594	264,682,870	245,770,219	157,953,441	168,765,887	173,159,525	204,485,178	218,747,587
Unrestricted	337,668,078	351,608,109	410,659,411	204,757,905	297,669,772	508,891,400	362,177,376	393,665,053	360,362,499
Total primary government net position	$ 1,425,700,073	$ 1,533,786,959	$ 1,631,791,896	$ 1,429,886,037	$ 1,500,269,720	$ 1,761,672,539	$ 1,647,549,331	$ 1,744,614,768	$ 1,759,053,649

City of Ontario
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	$ 56,951,330	$ 64,330,936	$ 34,081,969	$ 28,982,239	$ 81,855,829	$ 40,011,028	$ 36,656,658	$ 27,554,284	$ 34,587,604	$ 31,859,857
Public safety	103,472,190	107,848,353	103,814,741	110,981,159	121,981,375	125,884,228	136,032,820	178,835,586	178,045,825	177,840,309
Community development	39,888,900	47,088,876	45,485,896	41,524,328	62,623,670	19,114,534	38,552,339	42,623,892	76,420,858	92,310,831
Library	4,363,701	3,764,564	3,745,405	4,602,190	4,542,196	4,850,620	5,026,299	5,938,560	-	-
Public works	23,165,874	21,371,492	18,519,391	25,092,721	23,852,377	38,104,811	50,703,275	42,308,931	40,398,759	28,825,751
Interest on long-term debt	14,514,729	13,740,250	1,880,787	3,017,116	1,786,957	1,712,433	1,630,517	3,921,536	2,661,754	3,493,124
Total governmental activities expenses	$ 242,356,724	$ 258,144,471	$ 207,528,189	$ 214,199,753	$ 296,642,404	$ 229,677,654	$ 268,601,908	$ 301,182,789	$ 332,114,800	$ 334,329,872
Business-type activities:										
Water	$ 31,052,190	$ 28,986,963	$ 21,485,576	$ 30,814,880	$ 54,841,770	$ 42,639,260	$ 41,413,255	$ 41,340,763	$ 52,901,637	$ 57,700,824
Sewer	11,008,579	11,766,599	13,167,026	16,136,421	17,047,306	15,971,504	17,211,364	20,270,716	24,733,369	23,255,045
Integrated Waste	21,296,114	21,309,485	21,664,001	23,164,916	23,877,028	24,970,912	26,663,301	31,337,795	39,475,286	34,380,261
I.T. Fiber	-	-	-	-	-	-	993,456	1,770,591	2,027,814	3,943,666
Total business-type activities expenses	$ 63,356,883	$ 62,063,047	$ 56,316,603	$ 70,116,217	$ 95,766,104	$ 83,581,676	$ 86,281,376	$ 94,719,865	$ 119,138,106	$ 119,279,796
Total primary government expenses	$ 305,713,607	$ 320,207,518	$ 263,844,792	$ 284,315,970	$ 392,408,508	$ 313,259,330	$ 354,883,284	$ 395,902,654	$ 451,252,906	$ 453,609,668
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 269,874	$ 294,873	$ 379,325	$ 445,079	$ 1,641,300	$ 2,622,684	$ 4,141,068	$ 6,149,697	$ 5,507,407	$ 6,965,874
Public safety	4,554,954	4,077,684	4,166,801	3,824,528	3,757,586	3,883,304	7,311,246	20,271,669	27,682,493	26,688,490
Community development	8,043,168	16,231,379	14,780,312	25,244,830	35,769,080	36,046,159	42,262,153	50,699,117	80,911,897	78,671,622
Library	147,610	143,055	124,581	121,043	155,962	131,407	137,689	122,329	-	-
Public works	-	47,931	-	-	-	-	-	-	-	-
Operating contributions and grants	15,606,700	15,311,536	7,859,746	12,081,691	15,015,783	8,710,100	10,220,710	12,542,758	8,465,032	6,542,904
Capital contributions and grants	18,851,354	47,080,485	23,737,443	33,842,540	37,210,682	35,628,037	78,825,884	56,737,883	58,825,481	46,201,742
Total governmental activities program revenues	$ 47,473,660	$ 83,186,943	$ 51,048,208	$ 75,559,711	$ 93,550,393	$ 87,021,691	$ 142,898,750	$ 146,523,453	$ 181,392,310	$ 165,070,632
Business-type activities:										
Charges for services:										
Water	$ 51,174,737	$ 51,434,727	$ 58,276,359	$ 63,193,036	$ 67,342,593	$ 65,653,131	$ 64,533,049	$ 68,933,067	$ 55,447,675	$ 57,676,762
Sewer	18,274,955	20,410,854	20,479,875	21,484,811	21,986,463	23,136,811	25,780,456	27,952,825	28,080,727	27,685,371
Integrated Waste	30,777,779	29,825,989	29,905,739	30,332,538	31,742,051	33,024,400	34,937,033	36,995,472	38,361,984	38,341,478
I.T. Fiber	-	-	-	-	-	4,126	38,954	276,033	466,522	747,095
Operating grants and contributions	6,338,128	290,724	100,546	145,881	539,519	174,073	133,279	126,452	119,686	137,783
Capital grants and contributions	-	-	2,405,396	6,642,816	1,329,404	3,505,475	11,223,634	11,256,557	4,460,250	4,548,485
Total business-type activities program revenues	$ 106,565,599	$ 101,962,294	$ 111,167,915	$ 121,799,082	$ 122,940,030	$ 125,498,016	$ 136,646,405	$ 145,540,406	$ 126,936,844	$ 129,136,974
Total primary government program revenues	$ 154,039,259	$ 185,149,237	$ 162,216,123	$ 197,358,793	$ 216,490,423	$ 212,519,707	$ 279,545,155	$ 292,063,859	$ 308,329,154	$ 294,207,606
Net (Expense)/Revenue										
Governmental activities	$ (194,883,064)	$ (174,957,528)	$ (156,479,981)	$ (138,640,042)	$ (203,092,011)	$ (142,655,963)	$ (125,703,158)	$ (154,659,336)	$ (150,722,490)	$ (169,259,240)
Business-type activities	43,208,716	39,899,247	54,851,312	51,682,865	27,173,926	41,916,340	50,365,029	50,820,541	7,798,738	9,857,178
Total primary government net expense	$ (151,674,348)	$ (135,058,281)	$ (101,628,669)	$ (86,957,177)	$ (175,918,085)	$ (100,739,623)	$ (75,338,129)	$ (103,838,795)	$ (142,923,752)	$ (159,402,062)

City of Ontario
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes - general purpose	$ 88,030,394	$ 66,733,840	$ 45,700,153	$ 45,144,867	$ 48,695,469	$ 60,338,698	$ 53,414,598	$ 56,199,666	$ 63,156,933	$ 67,236,079
Transient occupancy taxes	8,790,219	9,148,976	9,731,382	10,614,156	12,057,576	13,090,992	13,886,637	14,586,233	14,945,483	12,160,235
Sales taxes	56,390,363	61,362,958	67,150,866	67,509,611	84,294,827	78,533,022	86,168,797	87,910,014	94,486,731	90,290,690
Franchise taxes	2,879,831	2,897,780	3,047,369	3,251,592	3,476,151	3,413,854	3,020,829	3,352,120	3,420,656	3,426,464
Business licenses taxes	5,496,576	5,610,738	6,078,094	6,405,595	6,825,185	6,954,932	7,167,613	7,478,153	7,786,821	7,793,962
Other taxes	4,072,860	4,566,791	5,274,601	3,700,067	4,073,788	4,107,065	4,047,435	4,642,529	4,506,129	4,044,908
Intergovernmental, unrestricted:										
Motor vehicle in lieu	883,460	89,471	74,047	-	71,526	68,099	76,099	91,740	85,244	141,091
Use of money and property	10,267,816	10,082,524	979,899	5,174,360	3,755,010	5,422,398	2,617,545	10,834,185	32,107,405	18,599,331
Other	7,404,868	6,407,829	3,866,279	4,414,323	2,656,703	2,000,930	3,414,919	2,394,865	1,647,848	4,198,849
Gain on sale of capital asset	-	-	1,000,000	-	87,267	-	1,953,200	-	-	605,267
Special Item Note 15										(42,373,148)
Extraordinary gain on dissolution of RDA	-	72,762,201	-	-	-	-	-	-	-	-
Transfers	15,672,612	18,081,326	25,526,208	21,925,867	22,762,488	24,793,699	15,961,453	18,448,756	4,647,613	14,472,260
Total governmental activities	$ 199,888,999	$ 257,744,434	$ 168,428,898	$ 168,140,438	$ 188,755,990	$ 198,723,689	$ 191,729,125	$ 205,938,261	$ 226,790,863	$ 180,595,988
Business-type activities:										
Use of money and property	$ 2,611,942	$ 3,474,268	$ 308,392	$ 1,604,534	$ 1,435,511	$ 2,509,989	$ 1,087,037	$ 2,187,574	$ 7,873,778	$ 8,345,624
Other	7,768	7,791	17,237	23,416	105,193	8,455	13,917	24,988	245,676	474,940
Transfers	(15,672,612)	(18,081,326)	(25,526,208)	(21,925,867)	(22,762,488)	(24,793,699)	(15,961,453)	(18,448,756)	(4,647,613)	(14,472,260)
Total business-type activities	$ (13,052,902)	$ (14,599,267)	$ (25,200,579)	$ (20,297,917)	$ (21,221,784)	$ (22,275,255)	$ (14,860,499)	$ (16,236,194)	$ 3,471,841	$ (5,651,696)
Total primary government	$ 186,836,097	$ 243,145,167	$ 143,228,319	$ 147,842,521	$ 167,534,206	$ 176,448,434	$ 176,868,626	$ 189,702,067	$ 230,262,704	$ 174,944,292
Change in Net Position										
Governmental activities	$ 5,005,935	$ 82,786,906	$ 11,948,917	$ 29,500,396	$ (14,336,021)	$ 56,067,726	$ 66,025,967	$ 51,278,925	$ 76,068,373	$ 11,336,748
Business-type activities	30,155,814	25,299,980	29,650,733	31,384,948	5,952,142	19,641,085	35,504,530	34,584,347	11,270,579	4,205,482
Total primary government	$ 35,161,749	$ 108,086,886	$ 41,599,650	$ 60,885,344	$ (8,383,879)	$ 75,708,811	$ 101,530,497	$ 85,863,272	$ 87,338,952	$ 15,542,230

City of Ontario
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	$ 164,368,674	$ 148,681,943	$ 134,629,408	$ 132,908,792	$ 156,988,002	$ 176,088,421	$ 167,601,178	$ 173,605,420	$ 186,594,649	$ 184,275,840
Special assessment taxes	1,302,993	1,362,861	1,479,517	1,514,889	1,634,568	2,180,091	3,301,654	3,143,892	5,303,668	8,581,407
Licenses and permits	1,563,722	1,639,061	1,805,849	2,199,674	3,283,593	3,845,404	4,384,727	4,887,991	5,067,374	5,488,023
Intergovernmental	32,763,572	37,725,923	27,864,489	39,695,371	44,390,225	37,492,730	35,412,862	24,359,686	21,912,280	17,814,256
Charges for services	10,123,695	17,697,037	16,108,550	25,895,011	40,368,010	39,628,058	54,446,655	80,404,296	109,518,406	114,818,886
Use of money and property	8,614,113	17,707,695	1,533,296	3,906,235	3,507,845	5,339,722	2,576,499	4,004,514	14,899,017	18,759,439
Fines and forfeitures	1,318,369	1,202,716	1,298,235	1,134,395	1,267,994	1,125,237	1,189,956	1,042,090	1,185,128	786,630
Contributions from property owners	314,000	-	-	-	-	-	24,682,518	25,349,912	34,658,232	15,503,662
Miscellaneous	8,741,044	30,081,850	6,408,027	7,062,253	4,556,170	4,534,158	6,017,657	12,389,218	8,275,990	8,286,111
Contributions	-	-	-	-	-	-	-	-	928,875	-
Total Revenues	$ 229,110,182	$ 256,099,086	$ 191,127,371	$ 214,316,620	$ 255,996,407	$ 270,233,821	$ 299,613,706	$ 329,187,019	$ 388,343,619	$ 374,314,254
Expenditures										
Current:										
General government	$ 33,220,115	$ 51,424,202	$ 22,926,658	$ 16,565,106	$ 66,943,163	$ 28,292,531	$ 24,500,521	$ 23,830,837	$ 33,100,934	$ 33,754,652
Public safety	103,296,429	110,958,962	106,934,164	114,109,242	120,286,742	127,942,682	136,721,141	160,838,334	160,884,992	180,119,824
Community development	71,571,514	53,503,162	52,081,393	58,988,089	98,405,497	104,688,312	95,398,612	67,805,408	102,279,086	130,014,298
Library	3,974,567	4,049,363	4,077,037	4,196,204	4,368,241	4,568,202	4,654,465	4,768,627	-	-
Public works	16,164,629	20,642,548	18,851,564	17,231,048	18,784,827	21,003,964	23,834,203	21,279,011	24,047,574	22,694,083
Debt service:										
Principal retirement	5,849,785	25,255,023	1,290,000	1,350,000	1,410,000	1,480,000	1,565,000	12,000	175,000	1,050,000
Interest and fiscal charges	13,227,758	16,318,551	1,931,758	1,876,513	1,815,778	1,745,753	1,667,190	3,930,914	2,824,049	2,802,938
Bond issuance costs	-	-	-	965,190	-	-	-	526,390	-	-
Pass-through agreement payments	5,911,331	2,634,157	-	-	-	-	-	4,770,057	-	-
Total Expenditures	$ 253,216,128	$ 284,785,968	$ 208,092,574	$ 215,281,392	$ 312,014,248	$ 289,721,444	$ 288,341,132	$ 287,761,578	$ 323,311,635	$ 370,435,795
Excess (deficiency) of revenues over (under) expenditures	$ (24,105,946)	$ (28,686,882)	$ (16,965,203)	$ (964,772)	$ (56,017,841)	$ (19,487,623)	$ 11,272,574	$ 41,425,441	$ 65,031,984	$ 3,878,459

City of Ontario
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Financing Sources (Uses)										
Transfers in	$ 39,422,158	$ 68,493,176	$ 37,357,867	$ 34,628,235	$ 34,856,839	$ 34,615,190	$ 36,101,144	$ 58,065,111	$ 43,871,997	$ 52,691,271
Transfers out	(23,545,610)	(49,661,850)	(12,209,848)	(17,288,068)	(9,564,945)	(8,310,991)	(29,588,174)	(49,353,662)	(45,445,779)	(29,030,349)
Long-term debt issued	-	-	-	33,390,000	-	-	-	26,810,000	-	23,780,842
Bond Discount	-	-	-	(380,848)	-	-	-	3,260,875	-	-
Pass-through agreement payments	-	-	-	-	-	-	-	(28,554,885)	-	-
Gain (loss) on sale of assets	-	-	-	4,551	87,267	-	-	-	-	-
Proceeds from sale of capital equipment	-	-	1,000,000	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	$ 15,876,548	$ 18,831,326	$ 26,148,019	$ 50,353,870	$ 25,379,161	$ 26,304,199	$ 6,512,970	$ 10,227,439	$ (1,573,782)	$ 47,441,764
Special Item	-	-	-	-	-	-	-	-	-	(42,373,148)
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	(5,225,859)	-	-	-	-	-	-	-	-
Net change in fund balances	$ (8,229,398)	$ (15,081,415)	$ 9,182,816	$ 49,389,098	$ (30,638,680)	$ 6,816,576	$ 17,785,544	$ 51,652,880	$ 63,458,202	$ 8,947,075
Total Current Expenditures	$ 253,216,128	$ 284,785,968	$ 208,092,574	$ 215,281,392	$ 312,014,248	$ 289,721,444	$ 288,341,132	$ 287,761,578	$ 323,311,635	$ 370,435,795
Less: Capital outlay	(28,242,375)	(20,629,670)	(22,072,081)	(29,585,954)	(41,745,591)	(79,957,813)	(45,292,825)	(24,876,172)	(26,388,451)	(70,262,127)
Total Non-Capital Expenditures	$ 224,973,753	$ 264,156,298	$ 186,020,493	$ 185,695,438	$ 270,268,657	$ 209,763,631	$ 243,048,307	$ 262,885,406	$ 296,923,184	$ 300,173,668
Total Debt Service Expenditures	$ 19,077,543	$ 41,573,574	$ 3,221,758	$ 3,226,513	$ 3,225,778	$ 3,225,753	$ 3,232,190	$ 3,942,914	$ 2,999,049	$ 3,852,938
Debt service as a percentage of non-capital expenditures	8.5%	15.7%	1.7%	1.7%	1.2%	1.5%	1.3%	1.5%	1.0%	1.3%

City of Ontario
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	12,712,698	3,730,345	3,869,157	4,911,968	3,785,154	20,002,802	33,893,841	46,318,442	46,472,802	4,052,097
Restricted	398,047	403,914	408,576	412,411	415,723	419,644	424,497	430,484	438,872	417,464
Committed	44,429,493	41,613,880	42,685,082	43,817,117	42,436,574	23,195,527	28,877,191	21,066,012	415,884	595,469
Assigned	33,062,541	58,426,392	64,892,830	77,628,587	56,798,002	80,398,228	52,081,697	47,410,303	84,063,218	99,862,976
Unassigned	-	-	-	-	-	-	-	-	-	2,622,364
Total General Fund	$ 90,602,779	$ 104,174,531	$ 111,855,645	$ 126,770,083	$ 103,435,453	$ 124,016,201	$ 115,277,226	$ 115,225,241	$ 131,390,776	$ 107,550,370
All Other Governmental Funds										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital project funds	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	123,135,004	105,361,843	107,297,677	108,638,002	108,436,971	-	-	-	-	-
Restricted	83,617,857	53,187,901	46,333,050	46,603,397	30,597,699	156,005,402	168,341,021	172,728,668	204,045,928	215,189,404
Committed	45,687,149	54,286,462	64,646,487	82,201,933	102,233,386	75,173,595	91,585,019	113,795,063	121,913,367	134,372,092
Assigned	1,558,488	2,664,225	3,462,343	14,169,115	5,653,602	22,785,386	14,197,954	6,098,646	13,872,159	22,962,330
Unassigned	(9,845,119)	(219)	(4,614,745)	(12,975)	(2,626,236)	(23,149,529)	(16,784,621)	(402,755)	(521,927)	(464,083)
Total All Other Governmental Funds	$ 244,153,379	$ 215,500,212	$ 217,124,812	$ 251,599,472	$ 244,295,422	$ 230,814,854	$ 257,339,373	$ 292,219,622	$ 339,309,527	$ 372,059,743
Grand Total Governmental Funds	$ 334,756,158	$ 319,674,743	$ 328,980,457	$ 378,369,555	$ 347,730,875	$ 354,831,055	$ 372,616,599	$ 407,444,863	$ 470,700,303	$ 479,610,113

Note: The City implemented GASB Statement No. 54 in fiscal year ended June 30, 2011. Information prior to the implementation of GASB 54 is not presented.

City of Ontario
Assessed Value and Estimated Actual Value of Taxable Property*
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year Ended June 30	City				Redevelopment Agency			Total Direct Tax Rate [(a)]
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Taxable Assessed Value	
2011	11,851,209	1,854,606	(114,659)	13,591,156	4,260,662	834,052	5,094,714	1.0037
2012	11,997,380	1,792,402	(113,832)	13,675,950	4,021,157	763,987	4,785,144	1.0041
2013	12,065,269	1,788,106	(112,198)	13,741,177	3,999,768	737,016	4,736,784	1.0039
2014	12,465,751	1,758,596	(110,182)	14,114,165	4,137,730	774,208	4,911,938	1.0035
2015	12,413,859	2,552,384	(108,252)	14,857,991	4,295,948	786,273	5,082,221	1.0035
2016	13,124,582	2,611,079	(105,864)	15,629,797	4,494,605	786,273	5,280,877	1.0035
2017	13,781,901	2,543,614	(109,080)	16,216,435	4,697,741	781,204	5,478,946	1.0035
2018	14,844,332	2,624,317	(108,915)	17,359,734	5,060,484	781,204	5,841,689	1.0035
2019	16,575,762	2,814,842	(108,701)	19,281,903	5,458,072	781,204	6,239,276	1.0035
2020	18,181,749	2,910,729	(110,654)	20,981,823	5,754,326	781,204	6,535,530	1.0035

Source: San Bernardino County Auditor-Controller Property Tax Division, Agency Net Valuations

*In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. The value of the property was set at its 1975-76 level but was allowed to increase by an "inflation factor" (limited to a maximum increase of 2% each year. With few exceptions, property is only reassessed at its value when acquired through a change of ownership or by new construction. 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 earlier. The estimated actual taxable value is, therefore, not readily available for cities in the State of California.

[(a)] See Schedule 6 for Total Direct Tax Rate information.

City of Ontario
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of taxable value)

	Fiscal Year									
Agency	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Basic Levy[1]	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Chaffey Community College Bond	0.0091	0.0153	0.0111	0.0157	0.0109	0.0113	0.0116	0.0088	0.0153	0.0241
Chaffey High School Bond	0.0192	0.0194	0.0101	0.0371	0.0294	0.0409	0.0319	0.0279	0.0402	0.0375
Chino Unified School Bond	0.0395	0.0346	0.0357	0.0358	0.0331	0.0331	0.0383	0.0934	0.0849	0.079
Metropolitan Water Agency	0.0037	0.0037	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
Mt. View Elementary	0.0306	0.0357	0.0328	0.0351	0.0336	0.0314	0.0255	0.0263	0.0206	0.018
Ontario-Montclair Elementary Bond	0.0336	0.0289	0.0274	0.0294	0.026	0.0268	0.0264	0.0557	0.0555	0.0428
Total Direct & Overlapping[2] Tax Rates	1.1357	1.1376	1.1206	1.1566	1.1365	1.147	1.1372	1.2156	1.22	1.2049
City's Share of 1% Levy Per Prop 13[3]	0.16808	0.16808	0.16808	0.16808	0.16808	0.16808	0.16808	0.16808	0.16808	0.16808
Voter Approved City Debt RateRedevelopment Rate[4]	1.0037	1.0037								
Total Direct Rate[5]	0.39757	0.38632	0.38397	0.17052	0.17057	0.17058	0.17057	0.17064	0.17075	0.17087

Source: The HDL Companies (San Bernardino County Assessor 2010/11 - 2019-20 tax rate table)

City of Ontario
Principal Property Taxpayers
Current Year and Ten Years Ago

	2020		2011	
Taxpayer	Taxable Value ($)	Percent of Total City Taxable Value (%)	Taxable Value ($)	Percent of Total City Taxable Value (%)
Prologis	554,212,904	2.01%	267,290,589	1.42%
United Parcel Service Co	524,431,546	1.90%	426,382,045	2.27%
Ontario Mills LP	409,216,412	1.48%	352,287,548	1.88%
Vineyard Industrial I LLC	287,535,637	1.04%		
Watson Land Company	249,455,066	0.90%		
Rexford Industrial Realty LP	225,730,467	0.82%		
Catellus Finance 1 LLC	213,113,375	0.77%	215,489,004	1.15%
Roc III California Terracina LLC	150,849,527	0.55%		
Comref So California Industrial LLC	146,683,701	0.53%		
Majestic-CCC IV Partners	139,677,379	0.51%	120,707,804	0.64%
Landmark Pr I Ontario LLC			114,541,600	0.61%
SVF Safari LLC			110,504,932	0.59%
Southwest Airlines Company Inc			108,615,483	0.58%
Niagra Bottling Llc			99,030,340	0.53%
Toyota Motor Sales USA Inc.			86,230,525	0.46%
Total Top 10 Taxpayers	2,900,906,014	10.52%	1,901,079,870	10.12%
Total Taxable Value	27,568,831,755	100.00%	18,776,685,458	100.00%

Source: HDL, Coren & Cone

City of Ontario
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	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2011	23,607,260	22,446,825	95.08%	1,234,642	23,681,467	100.31%
2012	23,917,413	22,616,034	94.56%	934,663	23,550,698	98.47%
2013	24,076,262	23,032,185	95.66%	1,250,281	24,282,466	100.86%
2014	24,858,740	24,518,130	98.63%	812,490	25,330,619	101.90%
2015	25,868,724	25,584,269	98.90%	768,052	26,352,321	101.87%
2016	27,397,660	27,022,201	98.63%	755,577	27,777,778	101.39%
2017	28,598,396	28,237,630	98.74%	628,491	28,866,121	100.94%
2018	30,476,605	30,258,907	99.29%	662,586	30,921,494	101.46%
2019	33,855,137	33,811,751	99.87%	275,397	34,087,147	100.69%
2020	36,873,998	36,420,730	98.77%	332,350	36,753,080	99.67%

Schedule presents **City's property tax only, not RDA tax increment**

Source: San Bernardino County, Auditor-Controller-Recorder letter received in November of the previous calendar year and General Fund Revenue Statement as of June 30th.

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

City of Ontario
Taxable Sales by Category
Last Ten Fiscal Years
(dollars in thousands)

Category[a]	Fiscal Year 2011[a]	2012[a]	2013[a]	2014[a]	2015[a]	2016[a]	2017[a]	2018[a]	2019[a]
Office equipment	$ 7,640,210	$ 7,904,060	$ 8,488,630	$ 9,164,060	$ 11,186,139	$ 12,647,597	$ 12,242,885	$ 6,391,434	$ 4,501,683
Auto sales	7,321,120	8,822,100	9,781,880	11,325,100	12,148,725	13,199,228	13,914,694	13,450,234	13,809,754
Service stations/energy sales	6,858,610	6,586,720	8,126,030	8,166,950	7,092,706	4,933,726	5,383,423	6,307,067	6,943,784
Light/heavy industry	5,641,520	6,031,250	6,933,420	8,248,530	9,074,259	9,977,010	8,335,142	9,333,939	13,665,638
General merchandise	4,583,440	4,201,310	4,917,630	5,603,030	1,115,654	6,143,625	9,711,525	8,921,944	7,634,507
Building materials	3,882,920	4,226,400	4,599,700	4,968,440	5,072,811	5,547,679	5,570,950	5,340,675	5,252,016
Health & government	3,098,790	3,627,150	3,302,440	1,637,820	1,688,204	1,741,938	3,178,549	3,543,141	220,060
Apparel stores	3,584,610	3,785,500	4,295,240	4,712,040	5,030,620	5,367,609	5,961,700	5,623,498	5,443,386
Restaurants	3,000,890	3,156,450	3,194,150	3,475,260	3,802,133	4,013,129	4,268,377	4,538,666	4,761,664
Furniture/appliances	1,886,340	1,317,800	2,513,300	2,513,520	2,467,111	2,618,394	2,807,147	2,593,238	2,600,183
Leasing	1,256,270	1,361,150	1,395,150	1,604,750	1,776,856	1,995,507	2,343,558	8,121,151	2,878,862
Other	1,795,900	4,311,900	1,581,150	1,618,100	1,754,032	6,210,540	5,467,202	3,500,895	11,919,561
Total	$ 50,550,620	$ 55,331,790	$ 59,128,720	$ 63,037,600	$ 62,209,250	$ 74,395,982	$ 79,185,152	$ 77,665,882	$ 79,631,098

Category[b]	2020[b]
Autos & transporrtation	$ 17,073,347
Building & construciton	7,911,276
Business & industry	30,320,151
Food & drugs	1,095,211
Fuel & service stations	5,776,778
General consumer goods	11,025,448
Restaurants & hotels	4,465,893
Total	$ 77,668,104

City direct sales tax rate	-	-	-	-	-	-	-	-	-

Source: MuniServices, LLC[a] and The HDL Companies[b]

Note: For the City of Ontario, property and sales taxes provide similar amounts of annual revenue; therefore, the City has elected to disclose revenue capacity information about both the property and sales tax.

City of Ontario
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Ended June 30	City Direct Rate	County Transportation Authority Rate	San Bernardino County Rate	State Rate
2011	-	0.50%	1.00%	7.25%
2012	-	0.50%	1.00%	6.25%
2013	-	0.50%	1.00%	6.50%
2014	-	0.50%	1.00%	6.50%
2015	-	0.50%	1.00%	6.50%
2016	-	0.50%	1.25%	6.25%
2017	-	0.50%	1.25%	6.00%
2018	-	0.50%	1.25%	6.00%
2019	-	0.50%	1.25%	6.00%
2020	-	0.50%	1.25%	6.00%

Source: California Department of Tax and Fee Administration.

Note: The Bradley-Burns Uniform Local Sales and Use Tax Law was enacted in 1955. The law authorized counties to impose sales and use tax. Effective January 1, 1962, all counties within the State of California have adopted ordinances for the Board of Equalization to collect the local tax. Local tax rate for the San Bernardino County has been 1.25% since January 1, 2017.

The City of Ontario does not impose direct sales and use tax.

City of Ontario
Sales Taxpayers by Industry
Current Year and Ten Years Ago
(dollars in thousands)

	Fiscal Year 2020[b]			
Economic Category	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Autos & transportation	2,826	32.18%	$ 17,073	21.98%
Building & construction	632	7.20%	7,911	10.19%
Business & industry	339	3.86%	30,320	39.04%
Food & drugs	4,125	46.97%	1,095	1.41%
Fuel & service stations	98	1.12%	5,777	7.44%
General consumer goods	577	6.57%	11,025	14.20%
Restaurants & hotels	185	2.11%	4,466	5.75%
	8,782	100.00%	77,668	100.00%

	Fiscal Year 2011[a]			
Economic Category	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
General retail	1,564	38.90%	$ 8,830	17.47%
Food products	535	13.31%	4,023	7.96%
Transportation	442	10.99%	13,122	25.96%
Construction	219	5.45%	3,883	7.68%
Business to business	947	23.55%	17,506	34.63%
Miscellaneous	314	7.81%	3,187	6.30%
	4,021	100.00%	$ 50,551	100.00%

Source: MuniServices, LLC[a] and The HDL Companies[b]

Note: Due to confidentiality issues, the names of the ten largest sales tax remitters are not available. The categories presented above are intended to provide alternative information regarding the sources of the City's revenue.

City of Ontario
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year Ended June 30	Governmental Activities: General Obligation Bonds	Pension Obligation Bonds	Tax Allocation Bonds	Revenue Bonds	Loans	Total Governmental Activities	Certificates of Participation	Total Business-type Activities	Total Primary Government	Percentage of Personal Income [b]	Per Capita
2010	64,935		52,150	19,696	12,824	149,606	47,860	47,860	197,466	5.72%	1,205
2011	63,546		48,965	20,166	12,449	145,126	46,760	46,760	191,886	7.99%	1,164
2012 [a]	41,736		-	-	-	41,736	45,615	45,615	87,350	3.63%	527
2013	40,417		-	-	-	40,417	44,425	44,425	84,842	3.66%	508
2014 [c]	72,067		-	-	-	72,067	74,808	74,808	146,875	4.82%	877
2015	70,647		-	-	-	70,647	73,488	73,488	144,136	4.65%	852
2016	69,158		-	-	-	69,158	72,119	72,119	141,277	4.38%	832
2017 [d]	67,593		-	-	149	67,742	70,700	70,700	138,442	4.38%	794
2018	63,153		-	-	137	63,290	69,225	69,225	132,515	3.85%	754
2019	62,881		-	-	127	63,008	67,696	67,696	130,704	3.76%	722
2020	2,988 [e]	236,585	-	58,737 [f]	23,907	322,217	67,596	67,596	389,814	10.19%	2,107

Source: Notes to the Financial Statements, Long-Term Debt section.

a Outstanding long-term debts of the Ontario Redevelopment Agency were transferred to the Successor Agency on February 1, 2012 as a result of dissolution of Redevelopment Agencies in California.

b See Schedule 17 for personal and population data. These ratios are calculated using personal income and population for the prior calendar year.

c The City issued $74.545 million in Water Revenue Bonds.

d The Ontario Housing Authority (Authority) negotiated the purchase of a property and assumed a promissory note and deed from Housing Opportunities Group Inc (HOGI) with a balance of $158,566.

e City issued $236.585 million in Pension Obligation Bonds to pay a portion of the City's unfunded pension liability to the California Public Employees' Retirement System (CalPERS) for the benefit of the City public safety police and fire employees.

f The City entered into an installment sale agreement to purchase a parcel of land for the future Great Park in the Ontario Ranch development for $33.100 million, with a five year loan of $23,780 million.

City of Ontario
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year Ended June 30	General Bonded Debt Outstanding: General Obligation Bonds	General Obligation Bonds	Redevelopment Bonds: Tax Allocation Bonds	Redevelopment Bonds: Revenue Bonds	Total	Percentage of Assessed Value [a] of Property	Per Capita [b]
2010	64,935	-	52,150	19,696	136,782	0.79%	783.69
2011	63,546	-	48,965	20,166	132,677	0.78%	804.90
2012 [c]	41,736	-	-	-	41,736	0.25%	251.74
2013	40,417	-	-	-	40,417	0.24%	242.21
2014	72,067	-	-	-	72,067	0.41%	430.55
2015	70,647	-	-	-	70,647	0.40%	417.81
2016	69,158	-	-	-	69,158	0.38%	407.13
2017	67,593	-	-	-	67,593	0.31%	387.83
2018	63,153	-	-	-	63,153	0.27%	359.15
2019	62,881	-	-	-	62,881	0.25%	347.20
2020	2,988 [d]	236,585	-	-	239,573	0.87%	1,294.92

Note: General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in the enterprise funds (of which the City has none). Details regarding the City's outstanding debt can be found in the notes to the financial statements.

a Assessed value has been used because the actual value of taxable property is not readily available. See Schedule 5 for assessed property value data.

b See Schedule 17 for population data.

c Outstanding long-term debt of the Ontario Redevelopment Agency were transferred to the Successor Agency on February 1, 2012 as a result of dissolution of Redevelopment Agencies in California.

d City issued $236.585 million in Pension Obligation Bonds to pay a portion of the City's unfunded pension liability to the California Public Employees' Retirement System (CalPERS) for the benefit of the City's public safety police and fire employees.

City of Ontario
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020
(dollars in thousands)

City Assessed Valuation	$ 20,981,823	
Redevelopment Agency Incremental Valuation	6,535,530	
Total Assessed Valuation	$ 27,517,353	*

*Does not include deduction of the homeowner's exception of $108,701.

	Outstanding Debt 6/30/2020	Percentage Applicable [a]	Est. Share of Overlapping Debt 6/30/2020
Overlapping Debt Repaid with Property Taxes:			
Metropolitan Water District	$ 37,300,000	0.890%	$ 331,970
Chaffey Community College District	332,395,000	22.821%	75,855,863
Chino Valley Unified School District	568,980,000	5.929%	33,734,824
Chaffey Union High School District	486,526,948	40.668%	197,860,779
Ontario-Montclair School District	114,200,015	69.915%	79,842,940
Mountain View School District School Facilities Improvement District No. 1	10,482,376	99.778%	10,459,105
Mountain View School District CFD No. 1997-1	560,000	100.000%	560,000
Ontario Community Facilities District No. 13	3,720,000	100.000%	3,720,000
Ontario Community Facilities District No. 24	15,255,000	100.000%	15,255,000
Ontario Community Facilities District No. 25	8,505,000	100.000%	8,505,000
Ontario Community Facilities District No. 26	8,835,000	100.000%	8,835,000
Ontario Community Facilities District No. 28	8,675,000	100.000%	8,675,000
Ontario Community Facilities District No. 30	13,735,000	100.000%	13,735,000
Ontario Community Facilities District No. 31	4,885,000	100.000%	4,885,000
Ontario Community Facilities District No. 33	5,990,000	100.000%	5,990,000
Ontario Community Facilities District No. 34	7,770,000	100.000%	7,770,000
Ontario Community Facilities District No. 38	10,450,000	100.000%	10,450,000
Ontario Community Facilities District No. 39	5,115,000	100.000%	5,115,000
City of Ontario 1915 Act Bonds	1,570,000	100.000%	1,570,000
Total overlapping debt repaid with property taxes	1,644,949,339		493,150,481
Overlapping General Fund Debt:			
San Bernardino County General Fund Obligations	239,140,000	11.473%	27,436,532
San Bernardino County Pension Obligation Bonds	237,212,638	11.473%	27,215,406
San Bernardino County Flood Control District GF Obligation	57,155,000	11.473%	6,557,393
Chaffey Community College District Certificates of Participation	29,955,000	22.478%	6,733,285
Chino Valley Unified School District Certificates of Participation	1,315,000	5.569%	73,232
Cucamonga School District Certificate of Participation	4,960,000	52.581%	2,608,018
City of Ontario General Fund Obligations	58,985,000	100.000%	58,985,000
City of Ontario Pension Obligation Bonds	236,585,000	100.000%	236,585,000
City of Ontario General Fund Obligations-Unamortized Bond Premium and Discount	298,588,000		298,588,000
Loans Payable	23,907,409		23,907,409
West Valley Vector Control District Certificate of Participation	2,221,501	31.554%	700,972
Total overlapping general fund debt	1,190,024,548		161,373,873
Overlapping Tax Increment Debt (Successor Agency):	$ 35,892,100	100.00%	35,892,100
Total overlapping debt			308,936,045
City direct debt			381,480,409
Total direct and overlapping debt			$ 690,416,454

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

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

City of Ontario
Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Assessed valuation [a]	$ 13,476,497	$ 13,562,118	$ 13,741,177	$ 14,114,165	$ 14,857,991	$ 15,629,797	$ 16,216,435	$ 17,359,734	$ 19,281,903	$ 20,981,823
Conversion percentage [b]	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	$ 3,369,124	$ 3,390,530	$ 3,435,294	$ 3,528,541	$ 3,714,498	$ 3,907,449	$ 4,054,109	$ 4,339,934	$ 4,820,476	$ 5,245,456
Debt limit percentage [c]	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	$ 505,369	$ 508,579	$ 515,294	$ 529,281	$ 557,175	$ 586,117	$ 608,116	$ 650,990	$ 723,071	$ 786,818
Total net debt applicable to limit:										
General obligation bonds	61,995	41,285	39,995	72,035	70,625	69,145	67,590	60,200	60,035	58,985
Legal debt margin	$ 443,374	$ 467,294	$ 475,299	$ 457,246	$ 486,550	$ 516,972	$ 540,526	$ 590,790	$ 663,036	$ 727,833
Total debt applicable to the limit as a percentage of debt limit	13.98%	8.83%	8.41%	15.75%	14.52%	13.37%	12.50%	10.19%	9.05%	8.10%

Source: City of Ontario, Administrative Services Agency

a Assessed valuation includes the City portion only.

b The California Code Section 43605 provides for a legal debt margin limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computation shown above reflects a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that legal margin debt was enacted by the State of California for local governments within the State.

c The legal debt limit of 15% is established by the State of California Code Section 43605.

City of Ontario
Pledged-Revenue Coverage
Last Ten Fiscal Years
(dollars in thousands)

Fiscal Year Ended June 30	Tax Allocation/Tax Increment Revenue Bonds				Water Certificates of Participation					
	Tax Increment	Debt Service		Coverage	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
		Principal	Interest					Principal	Interest	
2011	49,667	5,592	9,454	3.30	51,182	28,759	22,423	1,055	2,352	6.58
2012 [a]	10,176	1,240	2,966	2.42	55,482	26,814	28,668	1,100	2,310	8.41
2013	-	-	-	-	57,433	31,039	26,394	1,145	2,266	7.74
2014	-	-	-	-	60,108	37,795	22,313	2,025	3,576	3.98
2015	-	-	-	-	60,176	45,679	14,497	1,220	3,576	3.98
2016	-	-	-	-	55,649	43,923	11,726	1,270	3,527	2.44
2017	-	-	-	-	59,459	40,855	18,604	1,320	3,476	3.88
2018	-	-	-	-	61,126	46,793	14,333	1,375	3,423	2.99
2019	-	-	-	-	59,888	44,776	15,112	1,430	3,368	3.15
2020	-	-	-	-	55,828	54,778	1,050	1,485	3,311	0.22

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

a Outstanding long term debts of the Ontario Redevelopment Agency were transferred to the Successor Agency on February 1, 2012 as a result of dissolution of Redevelopment Agencies in California.

City of Ontario
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)
2011	164,836	2,403,359	17,947	14.1%
2012	165,790	2,315,184	18,229	14.7%
2013	166,866	3,047,233	18,522	10.7%
2014	167,382	3,100,249	18,774	8.2%
2015	169,089	3,224,189	19,068	5.8%
2016	169,869	3,159,733	18,601	6.5%
2017	174,283	3,444,006	19,761	5.5%
2018	175,841	3,474,794	19,761	3.4%
2019	181,107	3,826,610	21,129	3.0%
2020	185,010	4,114,067	22,237	8.3%

Source: (1) - Ontario (City) QuickFacts from the US Census Bureau
(2) - Ontario (City) QuickFacts from the US Census Bureau
(3) - California Labor Market Info, EDD.

City of Ontario
Principal Employers - Current Year
Principal Employment Sectors - Current Year and Nine Years Ago

Employer	2020 Number of Employees [a]	2020 Percentage of Total City Employment	2011 Number of Employees	2011 Percentage of Total City Employment
Ontario Intl Airport-Ont	5,000 - 9,999			
United Parcel Service (UPS)	5,000 - 9,999			
Ontario Montclair School District	1,000-4,999			
Niagara Bottling LLC	1,000-4,999			
Chaffey Joint Union High School District	1,000-4,999			
QVC Ontario LLC	500 - 999			
Home Depot	500 - 999			
ULINE	500 - 999			
FedEx	500 - 999			
Cardinal Health	500 - 999			
Walmart #3796	250 to 499	[a] Left	[a] Left	[a] Left
Gold Star Foods Inc	250 to 499	intentionally	intentionally	intentionally
Autozone	250 to 499	blank	blank	blank
Toyota Motor Sales	250 to 499			
Ventura Foods	250 to 499			
Mag Instrument Inc	250 to 499			
Staples	250 to 499			
Ajinimoto Windsor	250 to 499			
Cardenas Markets LLC	250 to 499			
Total	-	-	-	0.00%

Notes: [a] Per EDD, employment numbers are confidential therefore, only the data for the range of numbers of employees are available.

City of Ontario
Principal Employers - Current Year
Principal Employment Sectors - Current Year and Nine Years Ago

Source: EDD
City of Ontario Business License Dept

Employment Sector	2020 Number of Employees [(a)]	2020 Percentage of Total City Employment	2011 Number of Employees	2011 Percentage of Total City Employment
Distribution	19,000	15.32%	23,194	25.69%
Retail/Wholesale Trade	27,010	21.77%	14,768	16.36%
Manufacturing	14,420	11.62%	11,970	13.26%
Administrative Support	15,470	12.47%	10,575	11.71%
Construction	5,480	4.42%	2,984	3.31%
Education	6,015	4.85%	4,993	5.53%
Other Services	3,150	2.54%	4,156	4.60%
Business Services	5,000	4.03%	3,534	3.91%
Engineering and Management	960	0.77%	2,468	2.73%
Financial Institution/Insurance/Real Estate	4,400	3.55%	3,066	3.40%
Hotels and Entertainment	8,480	6.84%	2,604	2.88%
Information	2,050	1.65%	1,074	1.19%
Health Services	6,015	4.85%	2,375	2.63%
Utilities	720	0.58%	781	0.87%
Public Administration	5,890	4.74%	1,202	1.33%
Aerospace (in the engineering figures)	-	0.00%	533	0.60%
Total	124,060	100.00%	90,277	100.00%

Source: Number of employees by sector estimates - California EDD
[(a)] most current number of employees as of 2016

City of Ontario
Full-Time City Government Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	103	103	103	148	137	147	122	126	144	149
Public Safety	492	492	492	495	499	506	596	600	624	640
Community Development	132	132	118	145	157	156	183	131	133	195
Public Works	333	332	331	285	289	289	296	355	376	329
Total	1,060	1,059	1,044	1,073	1,082	1,098	1,197	1,212	1,277	1,313

Source: City of Ontario, FY 2020-21 Adopted Budget, p.273-275, Current 2019-20 Full-Time Positions

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

City of Ontario
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government										
Building permits issued	3,244	3,300	3,550	3,724	3,987	4,353	4,231	5,130	4,652	4,568
Police										
Physical arrests	7,877	8,839	8,959	8,546	8,280	8,916	10,433	10,024	7,955	6,415
Citations	14,636	12,006	13,161	9,377	8,469	7,957	6,733	7,058	9,415	5,340
Fire										
Emergency response	15,487	15,889	15,783	16,736	16,794	18,326	19,418	20,223	20,258	20,623
Fire inspections	1,210	3,537	4,227	4,168	4,650	6,986	3,269	2,843	2,938	3,200
Public works										
Street resurfacing (miles)	9.10	9.30	16.10	18.50	15.20	11.26	8.97	11.00	13.50	8.00
Parks and recreation										
Number of recreation classes	1,286	1,401	1,402	1,299	1,265	1,233	1,202	1,106	1,125	806
Number of facility rentals	3,231	3,780	4,337	6,118	6,259	5,761	6,754	6,468	5,472	3,181
Library										
Total volumes of books borrowed	467,185	472,384	387,092	393,308	390,740	466,189	433,527	407,395	419,646	312,583
Total volumes of audio/visual items borrowed	169,827	155,855	129,435	133,041	121,908	127,989	120,066	100,901	100,333	65,548
Water										
Number of recycled water connections	205	218	221	220	244	290	333	339	417	426
Number of potable connections	32,907	32,904	33,304	33,134	33,504	34,000	34,468	35,308	36,831	30,912
Average daily potable consumption (MGD)	31	31	32	34	29	30	26	30	27	26
Solid waste										
Refuse collected (tons per day)	565	535	545	564	592	598	655	683	678	739
Recyclables collected (tons per day)	48	49	49	49	48	50	54	55	61	75
Recyclables recovered (tons per day)	33	34	33	38	38	39	37	40	41	49

Source: City of Ontario, various departments

City of Ontario
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Police stations	2	2	2	2	2	2	2	2	2	2
Fire										
Fire stations	8	8	8	8	8	8	8	9	9	9
Public works										
Streets (miles) [a]	544	544	552	552	543	503	503	486	508	499
Traffic signals	191	191	191	191	191	191	207	207	209	217

[a] *Number of street miles were adjusted to reflect only the mileage in the City of Ontario ~ not the surrounding cities.*

Source: City of Ontario, various departments

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CITY OF ONTARIO CALIF.
BALANCED COMMUNITY
INCORPORATED 1891



CITY OF
ONTARIO
SOUTHERN CALIFORNIA

MAYOR
PAUL S. LEON

MAYOR PRO TEM
ALAN D. WAPNER

COUNCIL MEMBERS
JIM W. BOWMAN
DEBRA DORST-PORADA
RUBEN VALENCIA

CITY TREASURER
JAMES R. MILHISER

CITY CLERK
SHEILA MAUTZ

CITY MANAGER
SCOTT OCHOA

EXECUTIVE DIRECTOR OF FINANCE
ARMEN HARKALYAN



CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Housing Prepared By: Katryna Gonzalez Staff Member Presenting: Scott Murphy, Executive Director Community Development Approved By: 	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 11.

SUBJECT: APPROVAL OF THE HOME SUBRECIPIENT AGREEMENT BETWEEN MERCY HOUSE LIVING CENTERS AND THE CITY OF ONTARIO FOR THE IMPLEMENTATION OF A TENANT-BASED RENTAL ASSISTANCE ("HOME TBRA") PROGRAM

RECOMMENDATION: That the City Council approve the HOME Subrecipient Agreement ("TBRA Agreement") between Mercy House Living Centers, of Santa Ana, California, and the City of Ontario for the implementation of a tenant-based rental assistance program, in the amount of $800,000 (on file in the Records Management Department); and authorize the City Manager to execute the contract and take all actions necessary to implement the contract.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The $800,000 in funding for the HOME TBRA Agreement will be provided from the U.S. Department of Housing and Urban Development HOME Investment Partnerships Program ("HOME") and is included in the FY 2020-21 Adopted Budget. No General Fund monies will be used to implement any of these projects.

BACKGROUND & ANALYSIS: The Homeless Services Continuum of Care Program (the "Continuum") is a multi-phased program that includes the following components: a homeless outreach service center, homeless street outreach services, a 34-bed transitional housing facility, 62 permanent affordable housing units, a tenant-based rental assistance program, and after-care services. In May 2005, January 2011 and June 2019, the City Council approved and subsequently modified the Homeless Services Continuum of Care Program in partnership with Mercy House Living Centers ("Mercy House"). Throughout the years, the City has worked with Mercy House to provide and implement a tenant-based rental assistance program specific to Ontario. Based on this work, Mercy House continues to be the City's preferred partner for this service.

TENANT-BASED RENTAL ASSISTANCE (TBRA) PROGRAM: The TBRA Program has been designed to build upon the successes that are occurring within the City's Continuum to reduce the City's chronically homeless population. This program assists Ontario's chronically homeless individuals and families secure permanent housing through temporary rental subsidies.

The TBRA Program will provide the following benefits to Ontario's qualified homeless individuals and

families:

- Rental assistance for up to 12-months with a possible extension of additional 12-month periods based upon program eligibility and funding availability;
- Participants will work with interested landlords to select a qualified unit within Ontario;
- Participants will pay approximately 30% of their adjusted household income towards rent;
- Financial assistance may also be provided for security deposits and utility deposits; and
- Mercy House staff will provide case management to participants.

In an effort to focus on homeless services, preference categories for participation in this program have been created. The preferences are designed to target individuals participating in the Continuum in the following order: (1) households that are currently permitted clients at the Ontario Access Center; (2) households residing in transitional housing facilities or referred from a school district serving Ontario schools; and (3) households participating in other homeless service programs funded by permitted service providers at the Ontario Access Center, or other homeless service providers funded by the City. Within each of these preference categories, qualified U.S. Veterans will receive priority.

It is estimated that approximately 36 households will be assisted through this program based upon the maximum rental subsidy amount of $20,000 per household within a 12-month period. The program also provides Mercy House with up to $43,200 for project delivery costs and $40,000 for administrative costs.

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Michael Stanley Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 12.

SUBJECT: PRE-AUTHORIZED LIST OF VENDORS TO PROVIDE SPECIALIZED COMPUTER AND NETWORK EQUIPMENT

RECOMMENDATION: That the City Council approve a pre-authorized vendor list to provide computer and network hardware to maintain and support the City's technology infrastructure.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: There is no direct fiscal impact with the approval of this vendor list. The designation of pre-authorized vendors to provide parts and equipment does not affect appropriations and does not commit the City to any specific level of future expenditures with these vendors. Expenditures for each vendor, and in total for each fiscal year, will not exceed the Information Technology Agency's appropriations limit established by the City Council.

BACKGROUND & ANALYSIS: The Information Technology Agency has standardized the City's computer and networking hardware and is able to procure directly from the manufactures (Dell, Konica Minolta), thus eliminating third party markups. When unable to procure directly from a manufacturer, the City's standard purchasing process is followed. Over the years, certain vendors (Fortinet Security, Compucenter, CDWG, Intelli-Tech, and Sandy's Communications) have consistently provided the best pricing and quality of service, prompt turnarounds and excellent products. Due to the nature of the computer equipment and the extended lead times because of the Covid-19 emergency, it is recommended that the City establish the following list of pre-authorized vendors:

Sole Source Vendors	**Non-Sole Source Vendors**
Dell	Fortinet Security
Konica Minolta	Compucenter
	CDWG
	Intelli-Tech
	Sandy's Communications

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Information Technology Prepared By: Toni McNaughton Staff Member Presenting: Colin Fernandes, Executive Director Information Technology Approved By: 	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 13.

SUBJECT: AN AMENDMENT TO THE AGREEMENT WITH INERGEX, LLC DBA CROSSFUZE FOR REMOTE SERVICENOW AND MICROSOFT SUPPORT

RECOMMENDATION: That the City Council authorize the City Manager to execute an amendment to the agreement with Inergex, LLC dba Crossfuze, of Minneapolis, Minnesota (on file in the Records Management Department), for ServiceNow and Microsoft remote support extending the term by three years and increasing the revised authorized contract amount by $207,000. The contract also includes a contingency of $27,000 (15%), bringing the contract agreement to a new total of $299,000.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The proposed amendment increases the agreement amount from $92,000 to $299,000, which includes a contingency of 15% and an extension of the contract term for an additional three years. Appropriations for FY 2020-21 service are contained in the Information Technology Fund. Appropriations for the latter two years of the amendment will be included in the annual proposed budgets for the respective fiscal years.

BACKGROUND & ANALYSIS: In 2020, the City first contracted with Inergex, LLC dba Crossfuze for support on the implementation of the Information Technology Agency's service management system, ServiceNow. Crossfuze provides specialized expertise and support of the Information Technology Agency's service management system, as well as specialized expertise and support of the City's extensive Microsoft infrastructure, on an as-needed basis.

This amendment extends the term of the current agreement through November 1, 2023, and amends the authorized contract amount to $299,000. Support from Crossfuze ensures that the City is able to maximize the value of the investment of the City's existing subscriptions with ServiceNow and Microsoft, through the use of data, dashboards and extended functionality.

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Integrated Waste Prepared By: Benjamin Mayorga Staff Member Presenting: Scott Burton, Utilities General Manager Reviewed By: Dennice Raygoza, Tito Haes, Michael Sigsbee Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 14.

SUBJECT: A GOODS AND EQUIPMENT PURCHASE AGREEMENT FOR 32, 64, AND 96 GALLON AUTOMATED REFUSE/RECYCLING CONTAINERS

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute a Goods and Equipment Purchase Agreement (on file in the Records Management Department) with Sierra Container Group of Ocala, Florida, in the amount of $300,000; and authorize the City Manager to extend the agreement for up to four additional one-year periods consistent with City Council approved budgets.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2020-21 Adopted Operating Budget includes appropriations from the Integrated Waste Fund in the amount of $220,000 and $80,000 in the Integrated Waste Impact Fund for 32, 64, and 96 gallon automated refuse and recycling containers for the remainder of this fiscal year. At the City's discretion, up to four additional one-year extensions may be exercised, for a total term of up to five years.

Actual expenditures will be based on fixed unit pricing and the actual quantity of containers purchased in order to meet operational requirements. Pricing for future years will be negotiated, and any increases shall not exceed 3% per year. Future contracting actions will be commensurate with City Council authorized work programs and approval of appropriations in future years' budgets. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: The Integrated Waste Department provides residential automated collection containers to approximately 34,000 customers for refuse, recycling, and green waste collection. Currently, there are nearly 100,000 residential automated collection containers of various sizes in service. Approximately ten percent of the containers are replaced each year when they become damaged or are otherwise no longer of usable quality. Additionally, new residential customers are provided a set of new collection containers upon occupancy.

On November 13, 2020, the City solicited proposals for 32, 64, and 96 gallon automated refuse and recycling containers. The following four vendors responded:

Company	Location
Sierra Container Group	Ocala, FL
Toter, Inc.	Statesville, NC
Rehrig Pacific	Los Angeles, CA
Schaefer Systems	Charlotte, NC

Staff recommends that the purchase agreement be awarded to Sierra Container Group LLC. Their proposal received the highest overall rating by the evaluation team, based on the following criteria: the cost of the containers, production design, warranty, delivery lead time, and customer references.

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Lizceth Zazueta Staff Member Presenting: Mike Lorenz, Chief of Police Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 15.

SUBJECT: ACCEPT AND APPROVE GRANT PROGRAM CITIZEN'S OPTION FOR PUBLIC SAFETY/ ENHANCING LAW ENFORCEMENT ACTIVITIES FOR FISCAL YEAR 2020-21

RECOMMENDATION: Request the City Council accept and approve for Fiscal Year 2020-21, the Citizen's Option for Public Safety (COPS) / Enhancing Law Enforcement Activities Subaccount (ELEAS) Grant.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: On September 14, 2020, the California State Department of Finance announced the estimated funding allocation amounts to be awarded to each participating agency under the COPS/ELEAS grant program. The City of Ontario is eligible to receive a maximum grant award of $277,795. Since this amount is based on an estimation of the Fiscal Year 2020-21 State of California's Vehicle License Fee (VLF) revenues, the allocation may be re-calculated and adjusted by the State Controller's Office. The grant funds will be distributed to the City in monthly installments. The City is not required to provide matching funds for this grant. If approved, the associated revenue and expenditure adjustments will be presented as part of the next quarterly budget report to the City Council.

BACKGROUND & ANALYSIS: Beginning in FY 2002-03, the State of California allocated grant monies (COPS/ELEAS), formerly known as Supplemental Law Enforcement Services Fund/Citizen's Option for Public Safety, to Counties who in turn, granted those monies to Cities for the purpose of supporting front-line law enforcement needs.

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Planning Prepared By: Rudy Zeledon Staff Member Presenting: Scott Murphy, Executive Director Community Development Approved By: 	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 16.

SUBJECT: A RESOLUTION ESTABLISHING THE MEMBERSHIP COMPOSITION OF THE DEVELOPMENT ADVISORY BOARD

RECOMMENDATION: That the City Council adopt a resolution to identify the members of the Development Advisory Board in accordance with Division 2.01-Planning Agency, Section 2.01.030 of the City of Ontario Development Code.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: There is no fiscal impact associated with this report.

BACKGROUND & ANALYSIS: On March 17, 1992, the City Council adopted Ordinance No. 2525, setting the membership composition of the City of Ontario Development Advisory Board. Subsequently, on December 21, 2004 the City Council adopted Resolution 2004-145, updating the composition of the Development Advisory Board in response to changes in the organization of the City of Ontario's departments and agencies. The attached resolution once again updates the membership composition of the Development Advisory Board in a manner consistent with the City's new organizational structure and includes the following members: Police Chief, Fire Chief, City Engineer, Planning Director, Building Official, Community Improvement Director, Utilities Assistant General Manager, and Economic Development Director or their designees.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ESTABLISHING THE MEMBERSHIP OF THE DEVELOPMENT ADVISORY BOARD IN ACCORDANCE WITH DIVISION 2.01-PLANNING AGENCY, SECTION 2.01.030 OF THE CITY OF ONTARIO DEVELOPMENT CODE.

WHEREAS, on March 17, 1992, the City Council of the City of Ontario adopted Ordinance No. 2525 setting forth the membership composition of the City of Ontario Development Advisory Board; and

WHEREAS, the City of Ontario Development Code Division 2.01-Planning Agency, Section 2.01.030 of the City of Ontario Development Code establishes, and sets forth requirements for governing the Development Advisory Board including membership to include City departments and agencies as established by Resolution of the City Council; and

WHEREAS, since 1992, changes have occurred in the organization of the City of Ontario's departments and agencies. Subsequently on December 21, 2004, the City Council adopted Resolution 2004-145, updating the composition of the Development Advisory Board in response to changes in the organization of the City of Ontario's departments and agencies; and

WHEREAS, membership of the Development Advisory Board requires updating to be consistent with the City of Ontario's current department and agency organization; and

WHEREAS, the members of the Development Advisory Board shall include Police Chief, Fire Chief, City Engineer, Planning Director, Building Official, Community Improvement Director, Utilities Assistant General Manager, and Economic Development Director or their designees

WHEREAS, the Application is a project pursuant to the California Environmental Quality Act, commencing with Public Resources Code Section 21000 (hereinafter referred to as "CEQA"); and

WHEREAS, the Project is exempt from CEQA pursuant to a categorical exemption (listed in CEQA Guidelines Article 19, commencing with Section 15300) and the application of that categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

WHEREAS, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, on January 19, 2021, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND RESOLVED by the City Council of the City of Ontario, as follows:

SECTION 1. ***Environmental Determination and Findings.*** As the decision-making body for the Project, the City Council has reviewed and considered the information contained in the administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the City Council, the City Council finds as follows:

(1) The administrative record has been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(2) The Project is exempt from the requirements of the California Environmental Quality Act (CEQA) and the guidelines promulgated thereunder, pursuant to Section 15061(b)(3) of the CEQA Guidelines, in that the activity is covered by the common sense exemption (general rule) that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and

(3) The determination of CEQA exemption reflects the independent judgment of the City Council.

SECTION 2. ***Concluding Facts and Reasons.*** Based upon the substantial evidence presented to the City Council during the above-referenced hearing, and upon the specific findings set forth in Sections 1, above, the City Council hereby concludes as follows:

(1) The establishment of membership composition of the Development Advisory Board is consistent with City of Ontario Development Code Division 2.01-Planning Agency, Section 2.01.030 of the City of Ontario Development Code that establishes, and sets forth requirements for governing the Development Advisory Board including membership to include City departments and agencies as established by Resolution of the City Council. The establishment of membership composition of the Development Advisory Board is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.

(2) The establishment of membership composition of the Development Advisory Board would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

SECTION 3. ***City Council Action.*** Based upon the findings and conclusions set forth in Sections 1 and 2, above, the City Council hereby ratifies and approves the membership of the Development Advisory Board as set forth herein.

SECTION 4. ***Custodian of Records.*** The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2021- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held January 19, 2021, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2021- duly passed and adopted by the Ontario City Council at their regular meeting held January 19, 2021.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **CONSENT CALENDAR**
Department: Municipal Services Prepared By: Manuel Rebolledo Staff Member Presenting: Tito Haes, Executive Director Public Works Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 17.

SUBJECT: AUTHORIZE THE PURCHASE OF FLEET VEHICLES

RECOMMENDATION: That the City Council take the following actions:

(A) Authorize the cooperative purchase and delivery of three Ford Explorers in the amount of $108,916 for the Police Department, three Ford Escapes in the amount of $77,421, two for the Engineering Department and one for the Utilities Department, two Ford F150 trucks in the amount of $66,715 for the Parks and Maintenance Department, one Ford F550 Gate Valve truck in the amount of $177,518 for the Utilities Department, one Ford F350 Stake Bed truck in the amount of $72,075 for the Fire Department, two Ford F250 Battalion Chief trucks in the amount of $216,833 for the Fire Department, one Ford F150 truck in the amount of $51,656 for the Fire Department, one Ford F350 in the amount of $50,293 for the Fire Department, and two Ford F250 truck in the amount of $75,752 for the Police Department from National Auto Fleet Group of Watsonville, California consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 120716-NAF.

(B) Authorize the cooperative purchase and delivery of one Ford F650SD Aerial truck in the amount of $174,175 for the Facilities Department from Terex Utilities of Watertown, South Dakota, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 012418-TER.

(C) Authorize the cooperative purchase and delivery of two CNG Freightliner Dump trucks in the amount of $427,894, one for the Parks and Maintenance Department and one for the Utilities Department, two Ford F350 Dump trucks in the amount of $183,362 for the Parks and Maintenance Department, and one CNG Freightliner Water Service Body truck in the amount of $327,333 for the Utilities Department from PB Loader Corporation of Fresno, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 052417-PBL.

(D) Authorize the cooperative purchase and delivery of one Kubota Excavator in the amount of $46,044 for the Utilities Department from Glenn B. Dorning of Ontario, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 040319-KBA.

(E) Authorize the cooperative purchase and delivery of one John Deere Commercial Mower in the amount of $22,001, and one John Deere Tractor in the amount of $32,745 for the Parks and Maintenance Department from John Deere Company of Cary, North Carolina, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 062117-DAC.

(F) Authorize the cooperative purchase and delivery of one Hamm Asphalt Roller in the amount of

$133,377 for the Parks and Maintenance Department from Nixon Egli of Ontario, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 032119-JDC.

(G) Authorize the cooperative purchase and delivery of two Peterbilt Refuse Roll Off trucks in the amount of $502,818 for the Integrated Waste Department from Rush Truck Centers of Pico Rivera, California consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract 060920-PMC.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2020-21 Adopted Budget includes appropriations of $2,233,000 in the Equipment Services Fund for the purchase of replacement vehicles, $35,000 in the Sewer Fund for one additional vehicle, and $520,000 in the Integrated Waste Vehicle Fund for two additional vehicles. The total cost of the vehicles recommended for purchase is $2,746,928.

BACKGROUND & ANALYSIS: The vehicles recommended for replacement in this action have outlived their useful life and it is no longer cost effective to maintain them. They are scheduled for replacement pursuant to ongoing efforts to reduce expenses, maximize useful life expectancy and extend replacement cycles of fleet equipment, while ensuring safe and reliable operations. This procurement action will result in the replaced vehicles being available to surplus, with any auction sale proceeds returning to the Equipment Service Fund.

The one vehicle addition requested for Utilities Department, and two vehicles requested for Integrated Waste, are a result of growth throughout the City.

In general, conformation with the provisions of Government Code Section 54201 through 54204 Ontario Municipal Code Section 2-6.29 allows for the purchase of supplies and equipment through cooperative purchasing programs, pursuant to California Government Code Section 6502 and City of Ontario Resolution No. 91-141. Cooperative purchasing allows the City to pool its procurement power with other public agencies to obtain lower pricing than otherwise might be possible.

QUANTITY	TYPE	DEPARTMENT	PRICE
3	Ford Explorers	PD	$108,916
3	Ford Escapes	ENG & PU	$77,421
2	Ford F150 Trucks	PKS/MT	$66,715
1	Ford F550 Gate Valve Truck	PU	$177,518
1	Ford F350 Truck	FD	$72,075
2	Ford F250 BC Trucks	FD	$216,833
1	Ford F150 Truck	FD	$51,656
1	Ford F350 Truck	FD	$50,293
2	Ford F250 Truck	PD	$75,752
1	Ford F650 Aerial Truck	FAC	$174,175
2	Freightliner Dump Trucks	PKS/MT & PU	$427,894
2	Ford F350 Dump Trucks	PKS/MT	$183,362

1	Freightliner Water Service Body Truck	PU	$327,333
1	Kubota Excavator	PU	$46,044
1	John Deere Commercial Mower	PKS/MT	$22,001
1	John Deere Tractor	PKS/MT	$32,745
1	Hamm Asphalt Roller	PKS/MT	$133,377
2	Peterbilt Refuse Roll Off Trucks	IW	$502,818
28			$2,746,928

CITY OF ONTARIO *Agenda Report* **January 19, 2021**	**SECTION:** **PUBLIC HEARINGS**
Department: Economic Development Prepared By: Charity Hernandez Staff Member Presenting: John P. Andrews, Executive Director Economic Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 18.

SUBJECT: A RESOLUTION OF NECESSITY FOR THE ACQUISITION BY EMINENT DOMAIN OF FEE INTEREST IN CERTAIN REAL PROPERTY LOCATED AT 1236 EAST AIRPORT DRIVE

RECOMMENDATION: That the City Council conduct a public hearing and adopt a Resolution of Necessity declaring that the acquisition of a fee interest in certain real property located at 1236 East Airport Drive, more particularly described as Assessor Parcel No. 0113-221-31 (the "Property"), for the construction of airport fueling facilities (the "Project") in Ontario, California.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: If approved, appropriation adjustments will be included in the next Quarterly Budget Report to the City Council to cover the acquisition costs. The deposit necessary for prejudgment possession of the Property is approximately $28,000,000.

BACKGROUND & ANALYSIS:

The Property is situated on the south side of East Airport Drive and east of South Grove Avenue, in close proximity to the Ontario International Airport ("Airport"). It was previously used as a privately-owned, long-term parking lot for customers of the Ontario International Airport, beginning in the 1980's; however it is no longer operational. The property was purchased by the current ownership in June of 2019, and is currently being redeveloped, with the construction of an industrial building underway.

The property is being acquired to facilitate the construction of a new fueling facility and storage area to support the future expansion and long-term operational needs of the Ontario International Airport. The facility would increase operational efficiency at the Airport by serving non-aircraft related vehicles and equipment that support day-to-day operations.

An assessment completed on jet fuel storage and delivery needs at Ontario International Airport concluded that in order to meet fueling demand at the airport into the future, land should be secured that would accommodate up to twelve 60,000-barrel storage tanks and the associated equipment, as well as the load and unload racks, and an administration building with parking. Several sites were identified for

evaluation and the former Sunrise Parking site was identified as the preferred location. This site was identified due to its proximity to existing Kinder-Morgan storage tanks and feed off the main pipeline, fuel truck accessibility and relatively low cost of construction. The only other viable site identified has multiple higher and better uses. Additionally, there would be a conflict with the long-range requirement to process passengers and cargo on and around that site.

The current challenge for continued growth at Ontario International Airport is fuel supply. The limitation for fuel is due to storage capacity. While passenger traffic continues its slow recovery, the pandemic has caused significant growth in commercial air cargo activity at Ontario International Airport. In addition, the recovery rate of passenger traffic at Ontario International Airport was third among U.S. airports in September 2020. Therefore, it is prudent to continue to address the issue of adequate fuel storage at ONT.

The City obtained an appraisal of the real estate from Bradford Thompson, MAI, AI-GRS, SR/WA, of Thompson & Thompson, and made an offer of just compensation to the property owner for the acquisition pursuant to California Government Code section 7267.2. The City did not retain a consulting firm to assist with acquisitions and relocations because no occupants or tenants will be relocated or otherwise affected. Following standard public records and due diligence searches for ownership information, a notice of this public hearing was mailed to the property owner. The affected Property is owned by Airport Drive Industrial Owner, L.P. Assessor Parcel No. 0113-221-31.

Notice as to Assessor Parcel No. 0113-221-31 was provided to Airport Drive Industrial Owner, L.P., through Oakmont Industrial Group, LLC, which oversees the Property.

The power of eminent domain is used by the City only as a last resort to obtain interests necessary for projects after 1) negotiations have stalled; or 2) the owner has requested that the City proceed directly to eminent domain for tax or other advantages; or 3) the eminent domain process is necessary to clear title to the property. In this case, an offer of just compensation was made to the owner for the full Fair Market Value, as determined by an independent appraisal. City staff attempted to acquire the property voluntarily and in good faith, and will continue to do so throughout the process.

DESCRIPTION OF PROPERTY TO BE ACQUIRED: The property affected by the proposed acquisition is located within the City of Ontario, on the south side of East Airport Drive and east of South Grove Avenue. The Property is located just northwest of the Ontario International Airport with a physical address of 1236 East Airport Drive, Ontario, California 91761 (Exhibit 1).

HEARINGS AND REQUIRED FINDINGS: The recommended actions of the City Council pertain to the acquisition property owned by:

Airport Industrial Owner, L.P., a Delaware limited partnership, Assessor Parcel No. 0113-221-31

California eminent domain law provides that a public entity may not commence an eminent domain proceeding until its governing body has adopted a Resolution of Necessity, which resolution may only be adopted after the governing body has given each party with an interest in the affected property or their representatives a reasonable opportunity to appear and be heard on the following matters:

1. The public interest and necessity require the proposed project.
2. The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The real property to be acquired is necessary for the project.
4. The offer of just compensation has been made to the property owner

The notice of hearing was mailed on January 4, 2021, by first class mail to the property owner in accordance with Section 1245.235 of the California Code of Civil Procedure.
The above four required findings are addressed as follows:

The Public Interest and Necessity Require the Proposed Project

State law authorizes cities to condemn property necessary to carry out their municipal duties and functions. (Gov. Code § 37350.5.) That power must be exercised pursuant to Part 3, Title 7 of the California Code of Civil Procedure or some other statute. (Code Civ. Proc. § 1230.020.) Moreover, public agencies may condemn property only for a public use. (Code Civ. Proc. § 1240.010.)

Local agencies are therefore authorized to acquire properties by eminent domain to promote airport development and mitigate airport impacts. (Gov. Code §§ 50470; 50474; *Miro v. Superior Court for San Bernardino* (1970) 5 Cal. App. 3d 87, 93.)

If acquired, the Property will be assembled and eventually developed into fueling and storage facility which uses conform to City and Airport land use requirements, mitigate Airport impacts and eliminate blight in the area. The fact that the Property is to be acquired for the Project, the mitigation of Airport impacts and the elimination of blight, is sufficient to satisfy the public use and necessity requirement.

The Project is Planned or Located in a Manner That Will be Most Compatible With the Greatest Public Good and the Least Private Injury

The Property is located immediately northwest of the runaways and are directly below arrival and departure flight paths. Additionally, it is located in an area that has been designated as being within the Airport's designated Safety and Noise Impact Zones. Since the acquisition of the Property will mitigate Airport impacts and blight, and the future development is in conformance with applicable City and Airport land use requirements, the acquisition for this Project satisfies the requirement that the Project be planned and located in a manner that will be most compatible with the greatest public good and least private injury.

The Real Property to be Acquired is Necessary for the Proposed Project

The Property affected by the proposed acquisition is located within the City of Ontario, on the south side of East Airport Drive and east of South Grove Avenue. The Property is adjacent to the northwest corner of the Ontario International Airport with a physical address of 1236 East Airport Drive, Ontario, California 91761 and is necessary for the Project.

The Offer of Just Compensation Has Been Made

An appraisal was prepared by Bradford Thompson of Thompson & Thompson, to establish the fair market value of the fee interest the City is seeking to acquire. An offer of just compensation was made to the record owner to purchase the fee interest as established by the approved appraisal and as required by Section 7267.2 of the California Government Code. Although a negotiated settlement may still be possible for the fee interest cited above, it would be appropriate to commence the procedures to acquire the fee interest through eminent domain.

ENVIRONMENTAL ANALYSIS: The environmental impacts of this project were previously reviewed in conjunction with The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) that was certified by the City Council on January 27, 2010. This proposed Project does not contemplate any actions that would require the preparation of a subsequent or supplemental

environmental document under State CEQA Guidelines sections 15162, 15163, and 15164. The proposed Project is consistent with the development scenarios identified and analyzed within the EIR and no further CEQA environmental review is required.

EXHIBIT 1

Airport Drive Industrial Owner L.P.



RESOLUTION NO. _____

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF FEE INTERESTS IN CERTAIN REAL PROPERTY LOCATED AT 1236 EAST AIRPORT DRIVE, IN ONTARIO, SAN BERNARDINO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 0113-221-31, FOR THE CONSTRUCTION OF AIRPORT FUELING FACILITIES.

WHEREAS, the City of Ontario (the "City") proposes to acquire, by eminent domain, a fee interest in certain real property located at 1236 East Airport Drive, more particularly described as Assessor Parcel No. 0113-221-31, in the City of Ontario, San Bernardino County, California, for the construction of airport fueling facilities pursuant to the authority granted to it by Section 37350.5 of the California Government Code; and

WHEREAS, pursuant to section 1245.235 of the California Code of Civil Procedure, the City scheduled a public hearing for Tuesday, January 19, 2021, at 6:30 p.m. at the Ontario City Hall, Council Chambers, 303 East “B” Street, Ontario, California, and gave to each person whose property is to be acquired and whose name and address appeared on the last equalized county assessment roll, notice and a reasonable opportunity to appear at said hearing and be heard on the matters referred to in section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, said hearing has been held by the City and each person whose property is to be acquired by eminent domain was afforded an opportunity to be heard on said matters; and

WHEREAS, the City may now adopt a Resolution of Necessity pursuant to section 1240.040 of the California Code of Civil Procedure.

NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE AND DECLARE AS FOLLOWS:

SECTION 1. Compliance with the California Code of Civil Procedure and California Environmental Quality Act. There has been compliance by the City with the requirements of Section 1245.235 of the California Code of Civil Procedure and the California Environmental Quality Act.

SECTION 2. Public Use. The public use for which the real property interest to be acquired is for the construction of airport fueling facilities, in the City of Ontario, San Bernardino County, California. Sections 37350.5 and 50470 of the California Government Code authorizes the City to acquire by eminent domain real property necessary for such purposes.

SECTION 3. Description of Property. Attached and marked as Exhibits “A” and “B” are the descriptions and depictions of the real property to be acquired by the City, which describe the general location and extent of the property to be acquired with sufficient detail for reasonable identification.

SECTION 4. Findings. The City hereby finds and determines each of the following:

(a) The public interest and necessity require the proposed project;

(b) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;

(c) The fee interest described in Exhibits "A" and “B” is necessary for the proposed project;

(d) The offer required by section 7267.2 of the California Government Code was made.

SECTION 5. Use Not Unreasonably Interfering with Existing Public Use: Some or all of the real property to be acquired is subject to easements and rights-of-way appropriated to existing public uses. The legal descriptions of these easements and rights-of-way are on file with the City and describe the general location and extent of the easements and rights-of-way with sufficient detail for reasonable identification. In the event the herein described use or uses will not unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, counsel for the City is authorized to acquire the fee interest subject to such existing public use(s) pursuant to section 1240.510 of the California Code of Civil Procedure.

SECTION 6. More Necessary Public Use. Some or all of the real property to be acquired is subject to easements and rights-of-way appropriated to existing public uses. To the extent that the herein described use or uses will unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the City finds and determines that the herein described use or uses are more necessary than said existing public use. Counsel for the City is authorized to acquire the real property appropriated to such existing public use(s) pursuant to section 1240.610 of the California Code of Civil Procedure. Staff is further authorized to make such improvements to the real property being acquired that it determines is reasonably necessary to mitigate any adverse impact upon the existing public use.

SECTION 7. Further Activities. Counsel for the City is hereby authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Legal counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of

court, to permit the City to take possession of and use said real property at the earliest possible time. Counsel is further authorized to correct any errors or to make or agree to non-material changes in the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transaction required to acquire the subject real property.

SECTION 8. Effective Date. This Resolution shall take effect upon adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of January 2021.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2021- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held January 19, 2021, by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2021- duly passed and adopted by the Ontario City Council at their regular meeting held January 19, 2021.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

LEGAL DESCRIPTION

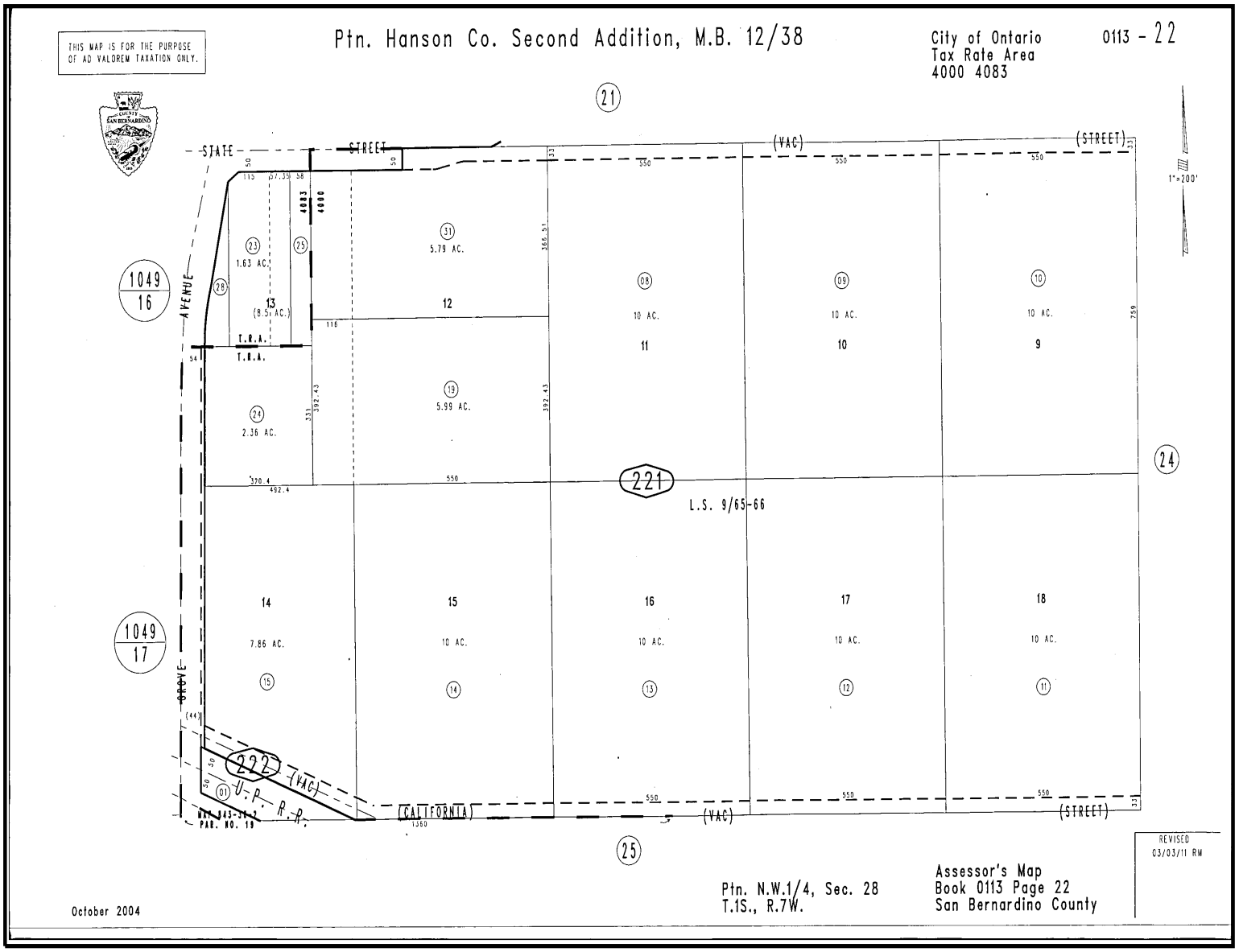
LOT(S) 12 AND A PORTION OF LOT 13, HANSON AND COMPANY'S SECOND ADDITION TO ONTARIO, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 12 PAGE(S) 38, OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIED AD FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF SAID LOT 13 WITH THE SOUTHERLY LINE OF STATE STREET; THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID LOT 13, 759 FEET; THENCE WESTERLY ALONG THE SOUTHERLY LINE OF LOT 13, 116 FEET; THEN CE NORTHERLY AND PARALLEL TO THE EASTERLY LINE OF SAID LOT 13, 759 FEET; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF STATE STREET, 116 FEET TO THE POINT OF BEGINNING;

EXCEPT FROM THE ABOVE THE SOUTH 392.43 FEET THEREOF, AS CONVEYED TO THE CITY OF ONTARIO BY DEED RECORDED OCTOBER 23, 1952 AS INSTRUMENT NO. 75, BOOK 3042, PAGE 128 OF OFFICIAL RECORDS.

TOGETHER WITH ANY PORTION LYING WITHIN VACATED PORTIONS OF STATE STREET.

APN: 0113-221-31-0-000


THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.
Ptn. Hanson Co. Second Addition, M.B. 12/38
City of Ontario
Tax Rate Area
4000 4083
0113 - 22
21
STATE STREET
(VAC)
(STREET)
1"=200'
1049
16
AVENUE
23
1.63 AC.
25
4083
4000
31
5.79 AC.
28
13
(8.5 AC.)
12
08
09
10
10 AC.
10 AC.
10 AC.
T.B.A.
T.B.A.
11
10
9
24
2.36 AC.
19
5.99 AC.
24
221
L.S. 9/65-66
14
15
16
17
18
1049
17
7.86 AC.
10 AC.
10 AC.
10 AC.
10 AC.
15
14
13
12
11
GROVE
222
(VAC)
01
U.P. R.R.
CALIFORNIA
(VAC)
(STREET)
PAR. NO. 19
25
REVISED
03/03/11 RM
October 2004
Ptn. N.W.1/4, Sec. 28
T.1S., R.7W.
Assessor's Map
Book 0113 Page 22
San Bernardino County