



City of Corona

400 S. Vicentia Ave.
Corona, CA 92882

Agenda

City Council

**CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF
CORONA/CORONA PUBLIC FINANCING AUTHORITY/CORONA UTILITY AUTHORITY/CORONA HOUSING
AUTHORITY MEETING**

Jason Scott, Mayor
Jim Steiner, Vice Mayor
Yolanda Carrillo, Council Member
Jacque Casillas, Council Member
Wes Speake, Council Member

Wednesday, November 20, 2019

5:30 PM

Closed Session Council Board Room
Open Session Council Chambers

5:30 P.M. CONVENE CLOSED SESSION

CITY COUNCIL

- A. 19-0985 [PUBLIC EMPLOYEE PERFORMANCE EVALUATION pursuant to Government Code Section 54957](#)
[Title: Interim City Manager](#)
- B. 19-1001 [CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION](#)
[Initiation of litigation pursuant to Government Code Section 54956.9\(d\)](#)
[\(4\) \(1 case\)](#)

INVOCATION - Sh. Jameel Besada, Islamic Society of Corona-Norco

PLEDGE OF ALLEGIANCE

6:30 P.M. CONVENE OPEN SESSION

Individuals wishing to address the City Council are requested to complete a Speakers Card available at the rear of the Council Chambers. Please deliver the card to the City Clerk prior to the item being heard by the City Council or, for items not listed on the agenda, before the "Oral Communications" section of the agenda is called. Please observe a three minute limit for communications and please note that the Oral Communications section of the agenda is limited to items within the subject matter jurisdiction of the City Council that are not listed on the agenda. Once called upon to speak, you are requested to state your name and address for the record.

1. PROCLAMATIONS/RECOGNITIONS/PRESENTATIONS

- A. 19-0981 [Recognition: City of Corona Employee Recognitions of 20 or more years of service.](#)

- B. 19-0990 [Recognition: Mission: Lifeline EMS Silver Plus Award - Corona Fire Department.](#)
- C. 19-0976 [Presentation: City Net Update.](#)
- D. 19-0977 [Presentation: Economic Development Update.](#)
- E. 19-0982 [Presentation: Foothill / El Cerrito Traffic Update.](#)

2. MEETING MINUTES

- A. 19-0978 [Approval of Minutes for the City Council, Successor Agency to the Redevelopment Agency of the City of Corona, Corona Public Financing Authority, Corona Utility Authority, Corona Housing Authority Meeting of November 6, 2019.](#)

3. CONSENT CALENDAR

All items listed on the Consent Calendar are considered to be routine matters, status reports or documents covering previous City Council action. The items listed on the Consent Calendar may be enacted in one motion. With the concurrence of the City Council, a Council Member or any person in attendance may request that an item be removed for further consideration.

- A. 19-0961 [City Council, Successor Agency to the Redevelopment Agency of the City of Corona, Corona Public Financing Authority, Corona Utility Authority, and Corona Housing Authority consideration to receive and file the Monthly Fiscal Report for the month of September 2019.](#)
- B. 19-0951 [City Council and Corona Utility Authority consideration of Amendment No. 6 to the Project and Capacity Agreement for the expansion of the Western Riverside County Regional Wastewater Authority Treatment Plant and Amendment No. 1 to the Agreement Between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project.](#)

Recommended action: That the:

1. City Council approve Amendment No. 6 to the Project and Capacity Agreement of the Western Riverside County Regional Wastewater Authority Treatment Plant.
2. City Council authorize the Department of Water and Power General Manager to execute Amendment No. 6 to the Project and Capacity Agreement of the Western Riverside County Regional Wastewater Authority Treatment Plant.
3. City Council approve Amendment No. 1 to the Agreement

between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project.

4. City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Agreement between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project.
5. City Council authorize the City Manager or General Manager, or their designee, to negotiate and execute any extensions and/or amendments which are either non-substantive or are otherwise in compliance with the City Council's actions hereunder.
6. Corona Utility Authority (CUA), review, ratify and to the extent necessary direct that the City Council take the above actions.

C. 19-0954 [City Council and Corona Utility Authority consideration of a First Amendment to the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.](#)

Recommended action: That the:

1. City Council authorize the City Manager, or his designee, to execute the First Amendment to the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.
2. Corona Utility Authority (CUA) review, ratify and to the extent necessary direct that the City Council take the above actions.

D. 19-0968 [City Council to receive and file Personnel Report.](#)

Recommended action: That the City Council receive and file the Personnel Report for employee updates and recruitment transactions.

E. 19-0973 [City Council consideration to receive and file an update on Contracted Emergency Repair Work for Fire Station #1 pursuant to Corona Municipal Code 3.08.130 \(A\).](#)

Recommended action: That the City Council receive and file the update on Contracted Emergency Repair Work for Fire Station #1 located at 540 Magnolia Avenue pursuant to Corona Municipal Code (CMC) 3.08.130 (A).

- F. 19-0971 [City Council consideration of Resolution No. 2019-096, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 \(Public Services\) of the City of Corona \(Annexation No. 15\).](#)

Recommended action: That the City Council adopt Resolution No. 2019-096, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 15).

- G. 19-0972 [City Council consideration of Resolution No. 2019-097, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 \(Public Services\) of the City of Corona \(Annexation No. 16\).](#)

Recommended action: That the City Council adopt Resolution No. 2019-097, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 16).

4. ORAL COMMUNICATIONS FROM THE PUBLIC

Persons wishing to address the City Council are requested to state their name and address for the record. This portion of the agenda is intended for general public comment only, which means it is limited to items within the subject matter jurisdiction of the City Council that are not listed on the agenda. Please note that state law prohibits the City Council from discussing or taking action on items not listed on the agenda. The City Council will appreciate your cooperation in keeping your comments brief. Please observe a three minute limit for communications.

A. Non-Profit Organizations

B. General Public Comments

5. PUBLIC HEARINGS - 6:30 P.M.

This portion of the agenda is for advertised public hearing items where formal public testimony on each individual item is accepted prior to City Council action.

- A. 19-0969 [Public Hearing for City Council consideration of Resolution No. 2019-092, calling special election and Resolution No. 2019-093, declaring the results of the special election for Community Facilities District No. 2016-3 \(Maintenance Services\) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed \(Annexation No. 13\).](#)

Recommended action: That the City Council:

1. Adopt Resolution No. 2019-092 calling special election and submitting to the qualified electors of territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona the question of levying special taxes within the territory proposed to be annexed (Annexation No. 13).

2. Adopt Resolution No. 2019-093 declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed to said Community Facilities District to pay the costs of certain services to be provided by the Community Facilities District, determining that the territory proposed to be annexed is added to and part of said Community Facilities District with full legal effect (Annexation No. 13).

- B. 19-0970** [Public Hearing for City Council consideration of Resolution No. 2019-094, calling special election and Resolution No. 2019-095, declaring the results of the special election for Community Facilities District No. 2016-3 \(Maintenance Services\) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed \(Annexation No. 14\).](#)

Recommended action: That the City Council:

1. Adopt Resolution No. 2019-094 calling special election and submitting to the qualified electors of territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona the question of levying special taxes within the territory proposed to be annexed (Annexation No. 14).
2. Adopt Resolution No. 2019-095 declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed to said Community Facilities District to pay the costs of certain services to be provided by the Community Facilities District, determining that the territory proposed to be annexed is added to and part of said Community Facilities District with full legal effect (Annexation No. 14).

- C. 19-0983** [Public Hearing for City Council adoption of Ordinance No. 3306, second reading of an Ordinance of the City of Corona, California for amending various Chapters within Title 15 of the Corona Municipal Code adopting by reference the 2019 California Building Standards Code \(California Code of Regulations, Title 24\).](#)

Recommended action: That the City Council adopt Ordinance No. 3306, second reading of an Ordinance amending Chapters 15.02, 15.04, 15.05, 15.07, 15.08, 15.09, 15.10, 15.11, 15.12, 15.20, 15.28, and Section 15.06.080 and adding Chapter 15.54 to Title 15 of the Corona Municipal Code, adopting by reference the 2019 Edition of the California Building

Standards Code (California Code of Regulations, Title 24); including the 2019 California Building Code; the 2019 California Green Building Standards Code; the 2019 California Residential Code; the 2019 California Mechanical Code; the 2019 California Energy Code; the 2019 California Historical Building Code; the 2019 California Existing Building Code; the 2019 California Fire Code with Errata; the 2019 California Plumbing Code; and the 2019 California Electrical Code; together with certain additions, insertions, deletions and changes thereto.

6. LEGISLATIVE MATTERS

This portion of the agenda is for proposed ordinances presented for the City Council's consideration.

- A. 19-0966 [City Council consideration of Ordinance No. 3307, first reading of an ordinance amending Chapter 1.12 of the Corona Municipal Code to clarify the procedures by which the City can retain or dispose of certain unclaimed property.](#)

Recommended action: That the City Council introduce by title only and waive full reading of Ordinance 3307, first reading of an Ordinance amending Chapter 1.12 of the Corona Municipal Code to clarify the procedures by which the City can retain or dispose of certain unclaimed property.

7. REPORTS FROM CITY COMMISSIONS, COMMITTEES, AND BOARDS

This portion of the agenda lists items from Commissions, Committees, and Boards.

- A. 19-0979 [As needed periodic oral updates from designated commission representatives.](#)

8. CITY COUNCIL MEMBER ORAL/WRITTEN REPORTS AND COMMENTS REGARDING COMMITTEES

Reports and comments from the City Council Committees are presented in this portion of the agenda.

9. CITY COUNCIL MEMBER ORAL/WRITTEN REPORTS AND COMMENTS REGARDING REGIONAL BOARDS AND COMMISSIONS

- A. 19-0996 [Update from Council Member Wes Speake on the Riverside County Transportation Commission \(RCTC\) Meeting of November 13, 2019.](#)

10. ADMINISTRATIVE REPORTS

- A. 19-0995 [City Council consideration to receive and file the auditor's reports related to the Fiscal Year 2018-19 Annual Financial Audits, Auditor's Communication, Comprehensive Annual Financial Report, Development Impact Fees Annual Report, and the Annual Report on Voter Approved](#)

Debt for fiscal year ended June 30, 2019

Recommended action: That the City Council:

1. Receive and file the Auditor's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets for the fiscal year ended June 30, 2019.
2. Receive and file the Auditor's Report on Agreed-Upon Procedures Applied to the Investment Portfolio Report for the month ended June 30, 2019.
3. Receive and file the Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements dated November 7, 2019.
4. Receive and file the Auditor's Report on Compliance with Applicable Requirement and on Internal Control over Compliance for the Housing Successor dated November 7, 2019.
5. Receive and file the transmittal of the Trip Reduction Fund Audit Report for fiscal year ended June 30, 2019.
6. Receive and file the Auditor's Communication letter to the City Council from the City's audit firm, Lance, Soll & Lunghard, LLP, dated November 7, 2019.
7. Receive and file the transmittal of the Comprehensive Annual Financial Report of the City of Corona for fiscal year ended June 30, 2019.
8. Receive and file the transmittal of the Development Impact Fees Annual Report for fiscal year ended June 30, 2019.
9. Receive and file the transmittal of the Annual Report on Voter Approved Debt for fiscal year ended June 30, 2019.

11. CITY ATTORNEY'S REPORTS AND COMMENTS**12. CITY MANAGER'S REPORTS AND COMMENTS**

- A. 19-0980 [As needed periodic oral updates from City Manager.](#)
- B. 19-0992 [Discussion and direction on Council term limits.](#)

13. CITY COUNCIL MEMBER REPORTS AND COMMENTS

- A. Council Member Yolanda Carrillo
- B. Council Member Jacque Casillas
- C. Council Member Wes Speake
- D. Vice Mayor Jim Steiner
- E. Mayor Jason Scott

14. ADJOURNMENT

The next regular meeting of the City Council/Successor Agency to the Redevelopment Agency of the City of Corona/Corona Public Financing Authority/Corona Utility Authority/Corona Housing Authority is scheduled for Wednesday, December 4, 2019 at 4:30 P.M. or thereafter as noted on the posted agenda for closed session items in the City Council Board Room followed by the regular meeting at 6:30 p.m. or thereafter as noted on the posted agenda in the City Council Chambers.

Corona City Hall - Online, All the Time at www.CoronaCA.gov

Agendas for all City Council meetings are posted at least 72 hours prior to the meeting in the entry way display case at City Hall. A complete agenda packet is available for public inspection during business hours at the City Clerk's Office. Any materials relating to an item on the agenda which are distributed to all, or a majority of all, members of the City Council after the posting of the agenda will also be available at the same time for public inspection during business hours at the City Clerk's Office.

Written communications from the public for the agenda must be received by the City Clerk's Office seven (7) days prior to the City Council meeting.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the ADA Coordinator at (951) 736-2235. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

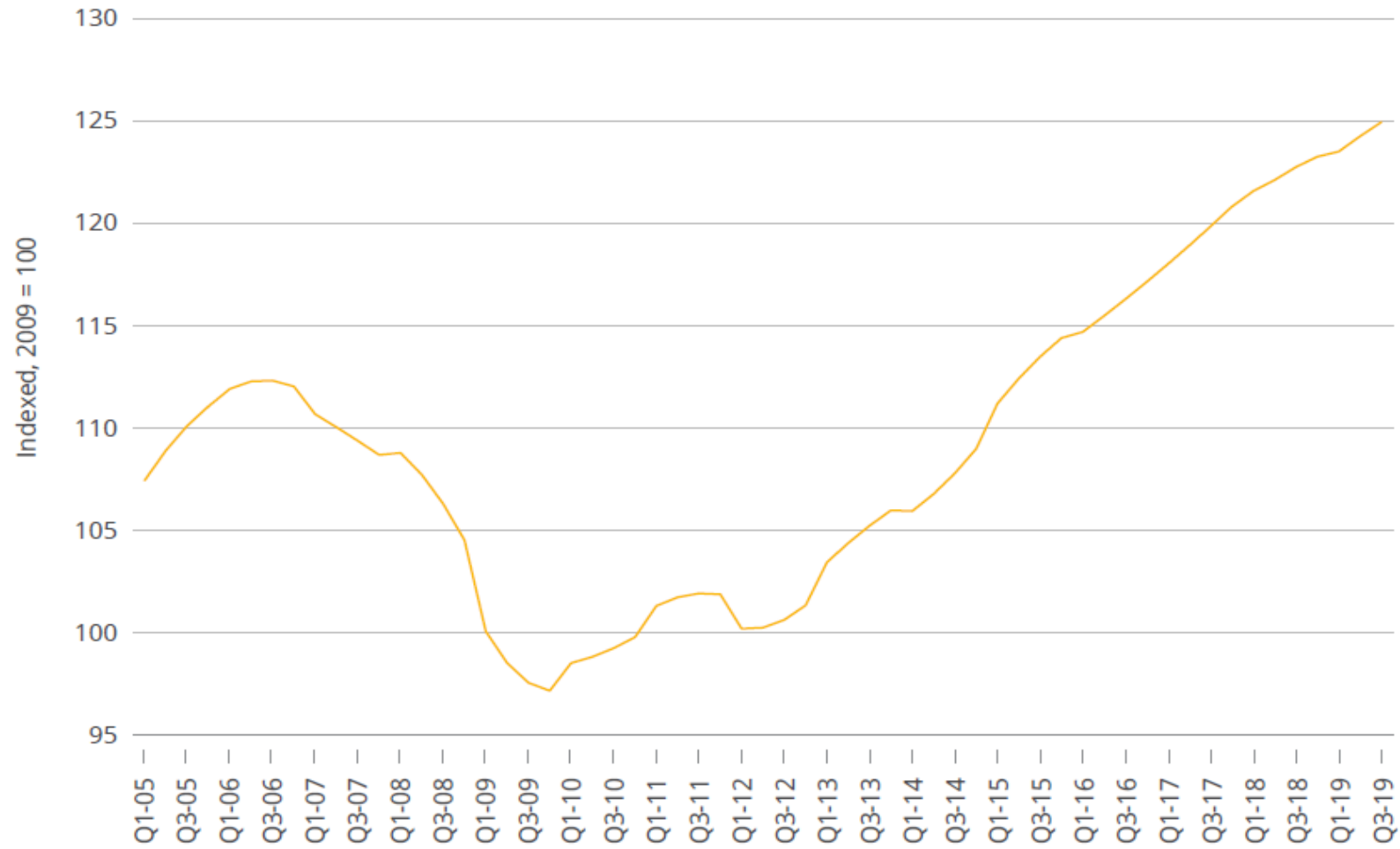
Meeting is Being Recorded



ECONOMIC DEVELOPMENT UPDATE

11.20.19

Business Activity Index – Q3 2019



*Comprised of a wide range of Economic Indicators including employment, economic output, income, real estate, and other national, state and regional indicators.

Residential Real Estate – Q2 2019

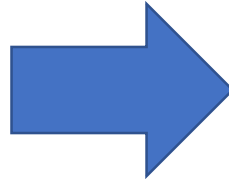
City	Q2-2019 Price	1-Year % Growth
Perris	331,728	6.7
San Bernardino	286,458	6.3
Victorville	258,578	6.2
Chino	511,719	5.2
Fontana	414,310	4.6
Moreno Valley	338,541	4.6
Inland Empire MSA	363,107	3.9
Riverside	425,816	2.1
Temecula	475,377	1.8
Murrieta	435,260	1.3
Corona	520,260	0.9
Ontario	426,231	0.3
Rancho Cucamonga	537,575	-1.0

Retail Market – Q3 2019

AVAILABILITY	SUBMARKET	MARKET
Market Rent/SF	\$22.44 ↑	\$21.67 ↑
Vacancy Rate	5.6% ↑	6.8% ↓
Vacant SF	360 K ↑	13.3 M ↓
Availability Rate	6.7% ↑	8.4% ↓
Available SF	431 K ↑	16.5 M ↓
Sublet SF	16.5 K ↓	600 K ↑
Months on Market	12.8	12.0

Employment Base Growth

	19-Sep	5 Yr	1 Yr
Inland Empire	1,551,000	3.5%	2.3%
San Francisco	1,191,200	3.5%	3.4%
Fresno	366,900	3.1%	3.4%
San Jose	1,164,000	2.7%	3.1%
Sacramento	1,022,600	2.7%	1.8%
East Bay	1,204,600	2.5%	1.9%
San Diego	1,518,600	2.3%	1.8%
Orange County	1,673,700	2.2%	1.1%
Modesto	180,100	2.1%	0.6%
Santa Rosa	212,100	1.9%	1.1%
Los Angeles	4,569,800	1.6%	1.1%
Ventura	310,400	1.1%	0.4%



	IE Emp Sep-2019	Year over Year % Growth		1-Year % Growth (CA)
		2018/19	2017/18	
Total Nonfarm	1,551.0	2.3	3.3	1.9
Education/Health	256.5	5.4	6.3	3.0
Admin Support	105.6	5.0	2.5	3.4
Prof Sci and Tech	44.3	4.5	5.0	3.2
Logistics	138.7	3.5	7.1	2.0
Finance	44.6	2.5	-1.6	0.6
Hospitality	175.5	2.5	2.2	2.3
Government	264.9	2.5	1.5	1.6
Manufacturing	103.3	1.3	2.9	1.0
Information	11.3	0.8	-0.8	2.5
Retail Trade	182.9	0.1	0.9	-0.5
Management	8.4	0.0	0.3	1.2
Wholesale Trade	64.9	-0.5	3.4	-0.3
Construction	104.4	-1.3	6.2	135

Education VS. Earnings

Education Level	2018 Earnings (\$)			5-Year % Growth		
	Inland Empire	Los Angeles	Orange County	Inland Empire	Los Angeles	Orange County
Less than HS	25,369	25,699	23,416	23.1%	31.8%	34.5%
HS Grad	32,134	32,288	30,563	14.0%	20.1%	11.4%
Some College	39,354	41,162	36,830	9.9%	7.2%	3.6%
Bachelor's degree	53,289	67,131	56,577	8.3%	12.1%	12.7%
Grad/Professional Degree	80,807	89,585	80,940	20.6%	13.2%	8.7%

Riverside County Small Business Assistance

- Loans Available between \$25K - \$380k
- Ideal for Startup Businesses Struggling with Financing
- Terms:
 - Variable Interest Rates
 - 3-5 Year Repayment of Working Capital
 - 7 Year Repayment on Equipment
 - 10 Year Repayment for Real Estate



**RIVERSIDE COUNTY
SMALL BUSINESS FINANCIAL
ASSISTANCE PROGRAM
LOANS FROM \$25,000 TO \$380,000**

BUSINESS LOANS
Business loans in the amounts from \$25,000 to \$380,000 may be used for start-up or existing companies for the following purposes:

- Equipment
- Inventory
- Working capital
- Real estate
- Business acquisition
- Construction

ELIGIBLE BORROWERS

- 18 years of age or older
- Business must be a legal entity
- Must show ability to repay the loan
- Must demonstrate credit is otherwise not available that make project viable
- Business must be for profit
- Must live in Riverside County
- Operate in Riverside County

TYPICAL BORROWER
Start-up or existing businesses that have been declined for a loan by a lender or are having difficulty obtaining a loan for their business. Does not meet minimum debt to income ratios with insufficient credit history.

CREDIT & UNDERWRITING
Must be current with credit status. No minimum credit score required. No Federal, State or local tax delinquencies will be considered.

INTEREST RATE
Variable, and based on several factors.

REPAYMENT TERMS
3 to 5 years for working capital. 7 years for equipment. Up to 10 years for real estate.


UNDERWRITING CRITERIA
Full collateral is not required. Personal guarantees from principals are required. Equity injection of 10% of total project required.

CO-BORROWER
Co-borrower must sign personal guarantee and have minimal ownership percentage.

APPROVAL TIMEFRAME
Approximately eight (8) weeks from receipt of completed application package.

HOW TO APPLY
Contact an Economic Development Representative to obtain all application forms and a detailed list of required documents. All applicants will be required to receive technical assistance from the Small Business Development Center as condition of consideration of loan.

Riverside County Economic Development Agency
Tel: (800) 984-1000 | E-mail: bizinfo@rivco.org
www.RivCoBiz.org



Events

- Coffee With An Entrepreneur – 2nd Monday of the Month
- Commercial Real Estate Mixer – 2nd Wednesday of the Month
- Tech – O – Tuesday – Last Tuesday of the Month
- Inland Valley Employers Advisory Council – 1/28 @ 11:00 A.M.
- Riverside County Opportunity Zones Workshop – January 21, 2020
- Naval Surface Warfare Center Industry Day – June 11, 2020

Ryan Cortez

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951.739.4964



CoronaCA.gov



City of Corona

400 S. Vicentia Ave.
Corona, CA 92882



Minutes - Draft

Wednesday, November 6, 2019

5:30 PM

Closed Session Council Board Room
Open Session Council Chambers

City Council

**CITY COUNCIL/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY OF CORONA/CORONA PUBLIC FINANCING AUTHORITY/CORONA UTILITY
AUTHORITY/CORONA HOUSING AUTHORITY MEETING**

Jason Scott, Mayor
Jim Steiner, Vice Mayor
Yolanda Carrillo, Council Member
Jacque Casillas, Council Member
Wes Speake, Council Member

5:30 P.M. CONVENE CLOSED SESSION

Closed Session convened at 5:30 p.m. for the purposes listed below.
Present were Mayor Scott, Vice Mayor Steiner, Council Member Carrillo,
Council Member Casillas, and Council Member Speake. Closed Session
adjourned at 6:20 p.m.

CITY COUNCIL

- A. [19-0944](#) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
pursuant to Government Code Section 54956.9(d)(1)
Name of Case: Karen Young v. City of Corona
Case Number: WCAB NO. ADJ6451525
- B. [19-0945](#) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
pursuant to Government Code Section 54956.9(d)(1)
Name of Case: Jeremy Verderber v. City of Corona
Case Number: WCAB NO. ADJ9238908

CITY COUNCIL / CORONA HOUSING AUTHORITY

- C. [19-0959](#) CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
pursuant to Government Code Section 54956.9(d)(4)
Initiation of Litigation Number of Potential Cases: 1

Rollcall

Present: 5 - Jason Scott, Jim Steiner, Yolanda Carrillo, Jacque Casillas, and Wes Speake

INVOCATION - Stephen Collins, Inland Vineyard Church

The Invocation was led by Stephen Collins.

PLEDGE OF ALLEGIANCE - Girl Scout Troop 716 and Girl Scout Troop 2081

The Pledge of Allegiance was led by Girl Scout Troop 716 and Girl Scout Troop 2081.

6:30 P.M. CONVENE OPEN SESSION

Mayor Scott called the meeting to order 6:35 p.m.

1. PROCLAMATIONS/RECOGNITIONS/PRESENTATIONS

- A. [19-0955](#) Proclamation: National Diabetes Awareness Month.
Debbie George and Michelle Thornburg accepted the Proclamation.

2. MEETING MINUTES

A motion was made by Vice Mayor Steiner, seconded by Council Member Carrillo, that these Minutes be approved. The motion carried by the following vote:

Aye: 5 - Scott, Steiner, Carrillo, Casillas, and Speake

- A. [19-0936](#) Approval of Minutes for the City Council, Successor Agency to the Redevelopment Agency of the City of Corona, Corona Public Financing Authority, Corona Utility Authority, Corona Housing Authority Special Meeting of October 9, 2019.
These Minutes were approved.
- B. [19-0937](#) Approval of Minutes for the City Council, Successor Agency to the Redevelopment Agency of the City of Corona, Corona Public Financing Authority, Corona Utility Authority, Corona Housing Authority Meeting of October 16, 2019.
These Minutes were approved.
- C. [19-0938](#) Approval of Minutes for the City Council, Successor Agency to the Redevelopment Agency of the City of Corona, Corona Public Financing Authority, Corona Utility Authority, Corona Housing Authority Special Meeting of October 16, 2019.
These Minutes were approved.
- D. [19-0939](#) Approval of Minutes for the City Council, Successor Agency to the Redevelopment Agency of the City of Corona, Corona Public Financing Authority, Corona Utility Authority, Corona Housing Authority Study Session Meeting of October 23, 2019.
These Minutes were approved.

3. CONSENT CALENDAR

A motion was made by Council Member Speake, seconded by Council Member Casillas, that the Consent Calendar be approved with the exception of Items 3C, 3G, and 3L which were voted on separately. The motion carried by the following vote:

Aye: 5 - Scott, Steiner, Carrillo, Casillas, and Speake

- A. [19-0950](#) City Council consideration of Ordinance No. 3305, second reading of an Ordinance of the City of Corona, California, amending Ordinance Numbers 3168 and 3203 to update the prima facie speed limits on certain street segments in the City of Corona.
This Ordinance was adopted.

- B.** [19-0931](#) City Council consideration of HRPP2019-0001 a Historic Resource Property Preservation Agreement for property listed on the Corona Register of Historic Resources (located at 506 E. Seventh Street). (Applicant: Robert and Angela Montanez)
- This Agreement was approved.**
- C.** [19-0943](#) City Council consideration of Request for Proposal No. 20-011WY award to Kaneko and Krammer dba Koff and Associates for the Classification and Compensation Study in the amount of \$279,560.
- Council Member Speake inquired about the proposed item and Mitchell Lansdell, Interim City Manager, provided a report.
- A motion was made by Council Member Speake, seconded by Mayor Scott, that this Agreement be approved. The motion carried by the following vote:**
- Aye:** 5 - Scott, Steiner, Carrillo, Casillas, and Speake
- D.** [19-0946](#) City Council consideration of Improvement Agreements and Security Substitution for Lots I, J, K, and L Tract Map 37030 - Richmond American Homes of Maryland, Inc.
- This Agreement was approved.**
- E.** [19-0948](#) City Council consideration of a Grading Agreement for rough grading, Tentative Tract Map 37644 - Arantine Hills Holdings LP, a Delaware Limited Partnership.
- This Agreement was approved.**
- F.** [19-0964](#) City Council consideration to appoint Jacob Ellis to the position of City Manager and approve his employment agreement.
- This Agreement was approved.**
- G.** [19-0541](#) City Council consideration of an Exception to Bidding to ImageTrend, Inc. for a software application.
- Council Member Casillas and Council Member Carrillo inquired about the proposed item and Mitchell Lansdell, Interim City Manager, and Fire Chief Young provided a report and clarification.
- A motion was made by Council Member Casillas, seconded by Vice Mayor Steiner, that this Bid & Purchase be approved. The motion carried by the following vote:**
- Aye:** 5 - Scott, Steiner, Carrillo, Casillas, and Speake
- H.** [19-0953](#) City Council consideration to Notification of Contracted Emergency Repair Work for Fire Station #1 pursuant to Corona Municipal Code (CMC) 3.08.130 (A).

This Bid & Purchase was approved.

- I. [19-0947](#) City Council consideration of releasing the Labor and Materials Securities associated with 3180 Garretson Avenue - Mohammed Altaf Hussain and Mohammad Imtiaz Hussain.

This Release of Security was approved.

- J. [19-0949](#) City Council consideration of releasing the Public Improvement Securities associated with the Bedford Canyon Water Line, Tract Map 36294 - Arantine Hills Holdings LP, a Delaware Limited Partnership.

This Release of Security was approved.

- K. [19-0930](#) City Council to receive and file Personnel Report.

This Report was received and filed.

- L. [19-0935](#) City Council to receive informational report on the Department of Housing and Community Development Regional Housing Needs Assessment (RHNA) Determination for the Southern California Association of Governments (SCAG) region for the 6th Cycle General Plan Housing Element Update (June 2021 through October 2029).

The Council inquired about the proposed item and Mitchell Lansdell, Interim City Manager, and Joanne Coletta, Community Development Director, provided a report and clarification.

The following residents addressed the Council regarding the proposed item: Tom Richins, Joe Morgan, and Barbara Young.

A motion was made by Council Member Carrillo, seconded by Council Member Casillas, that this Report be received and filed. The motion carried by the following vote:

Aye: 5 - Scott, Steiner, Carrillo, Casillas, and Speake

- M. [19-0916](#) City Council and Corona Utility Authority consideration of Resolution No. 2019-090, adopting an addendum to the Program Environmental Impact Report (SCH # 2008091085) prepared for the Groundwater Management Plan - Mangular Blending Facility Project, making environmental facts and findings in support thereof and reaffirming the statement of overriding considerations pursuant to the California Environmental Quality Act.

This Resolution was adopted.

- N. [19-0958](#) City Council consideration of: (1) Corona Police Supervisors Association Memorandum of Understanding effective July 1, 2018 through June 30, 2021; (2) Corona Police Employees Association Memorandum of Understanding effective July 1, 2018 through June 30, 2021; (3) Resolution

No. 2019-091, Approving the City of Corona Position Library and Compensation Plan and repealing prior plans, including Resolution No. 2019-077 to implement salary range increases for members of the Corona Police Supervisors Association, members of the Corona Police Employees Association, Public Safety Dispatcher I and II, Senior Public Safety Dispatcher, and Public Safety Dispatch Supervisor positions in the Corona General Employees Association and Corona Supervisors Association; and (4) Administrative Policy 01400.805, Pilot Incentive Pay Program - Experienced Lateral Police Officers and Public Safety Dispatchers.

This Resolution was adopted.

4. ORAL COMMUNICATIONS FROM THE PUBLIC

A. Non-Profit Organizations

None.

B. General Public Comments

Walter Henley resident, addressed the Council to express concerns with traffic on Magnolia Avenue and Sherborn Street.

Chris Curran, resident, addressed the Council to express concerns with the proposed water rate increase.

Tom Richins, resident, addressed the Council to commend the Spooktacular Halloween weekend hosted by the Library and Recreation Services Department. He also expressed concerns with Riverside County Transportation Commission (RCTC).

Barbra Young, resident, addressed the Council to express concerns with the proposed water rate increase.

Joe Morgan, resident, addressed the Council to express concerns with the proposed water rate increase.

5. PUBLIC HEARINGS - 6:30 P.M.

- A.** [19-0952](#) Public Hearing for City Council and Corona Utility Authority consideration to approve the Report on Water Quality relative to Public Health Goals for 2016 through 2018.

Mitchell Lansdell, Interim City Manager, introduced the item. Tom Moody, Department of Water and Power General Manager, provided a report on the proposed item. Mayor Scott opened the public hearing. Sylvia Edwards, City Clerk, stated there was no correspondence received regarding the public hearing. Mayor Scott closed the public hearing.

A motion was made by Mayor Scott, seconded by Vice Mayor Steiner, that this Public Hearing be approved. The motion carried by the following vote:

Aye: 5 - Scott, Steiner, Carrillo, Casillas, and Speake

6. LEGISLATIVE MATTERS

- A. [19-0942](#) City Council consideration of Ordinance No. 3306, first reading of Ordinance of the City of Corona, California for Amending various Chapters within Title 15 of the Corona Municipal Code adopting by reference the 2019 California Building Standards Code (California Code of Regulations, Title 24).

Mayor Scott noted revisions made to Ordinance No. 3306.

Tom Richins, resident, addressed the Council regarding the proposed item.

A motion was made by Council Member Speake, seconded by Council Member Carrillo, that this Ordinance be approved. The motion carried by the following vote:

Aye: 5 - Scott, Steiner, Carrillo, Casillas, and Speake

7. REPORTS FROM CITY COMMISSIONS, COMMITTEES, AND BOARDS

- A. [19-0941](#) As needed periodic oral updates from designated commission representatives.

None.

8. CITY COUNCIL MEMBER ORAL/WRITTEN REPORTS AND COMMENTS REGARDING COMMITTEES

None.

9. CITY COUNCIL MEMBER ORAL/WRITTEN REPORTS AND COMMENTS REGARDING REGIONAL BOARDS AND COMMISSIONS

- A. [19-0962](#) Update from Council Member Wes Speake on the Riverside County Transportation Commission (RCTC) Meeting of October 17, 2019.

Council Member Speake provided an update.

- B. [19-0965](#) Update from Council Member Jacque Casillas on the Western Riverside County Regional Conservation Authority (RCA) Meeting of November 4, 2019.

Council Member Casillas provided an update.

10. ADMINISTRATIVE REPORTS

None.

11. CITY ATTORNEY'S REPORTS AND COMMENTS

None.

12. CITY MANAGER'S REPORTS AND COMMENTS

- A. [19-0940](#) As needed periodic reports and comments from City Manager.

None.

The following item was taken out of order.

13. CITY COUNCIL MEMBER REPORTS AND COMMENTS

- A. Council Member Yolanda Carrillo

Council Member Carrillo reported she attended the following events: 13th Annual Family Values Award at the Church of Jesus Christ of Latter-day Saints, Chamber of Commerce Business State of the City, Support Sisterz Combat Cancer Walk 2019, Eduardo's Mexican Restaurant 25th Anniversary Celebration, Chamber of Commerce Legislative Action Committee Meeting, Community Meeting for the Department of Water and Power Proposed Water Rates, Grand Re-Opening of the Institute of Sports & Education, 4th Annual Amber Waves of Grain Beer Festival, Library and Recreation Services Department Volunteer Recognition Event, and Lazy Dog Restaurant & Bar Grand Opening, Corona Police Department Veterans Honor Wall Dedication. She provided an overview on each event.

Council Member Carrillo inquired about the valves that are put into homes. She provided clarification regarding comments made during oral communication.

- B. [19-0960](#) Sierra Peak Kraft Ranch Public vs Private Storm Drains.

Mitchell Lansdell, Interim City Manager, provided a presentation and Dean Derleth, City Attorney, provided clarification.

The following residents addressed the Council regarding the presentation: Joe Morgan and Tom Richins.

Council Member Speake had inquiries and Mr. Derleth provided clarification.

- B. Council Member Jacque Casillas

Council Member Casillas reported she attended the following events:

Community Meetings for the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program Funds and University of California, Riverside State of Women in the Inland Empire. She provided an overview on each event.

Council Member Casillas announced the grand opening of Lazy Dog Restaurant & Bar. She commended Cari Smith of the Corona Fire Department and Ryan Cortez, Economic Development Coordinator, for their heroic efforts during an emergency at Corona City Hall.

C. Council Member Wes Speake

Council Member Speake reported he attended the following events: Corona Genealogical Society 2019 Cemetery Stroll, 4th Annual Amber Waves of Grain Beer Festival, Community Meeting for the Department of Water and Power Proposed Water Rates, Eduardo's Mexican Restaurant 25th Anniversary Celebration, Principal for the Day at Orange Elementary School, Lazy Dog Restaurant & Bar Grand Opening, Futurelink Tour, and Meeting with Supervisor Kevin Jeffries and Commissioner/Council Member Robert E. Magee. He provided an overview on each event.

Council Member Speake provided an update regarding the Riverside County Transportation Commission (RCTC). He provided a brief overview regarding the incoming City Manager Jacob Ellis.

D. Vice Mayor Jim Steiner

Vice Mayor Steiner reported he participate in his 4th crossing guard shift at Prado View Elementary School and had an on-site visit to John Adams Elementary School to view the cross walks.

He announced he is hosting a Town Hall meeting on November 7, 2019 from 6:00 to 8:00 p.m. at Graziano's Pizza Restaurant.

Vice Mayor Steiner closed his comments in memory of Mary Joan Ré and Helen Dufault.

E. Mayor Jason Scott

Mayor Scott reported he attended the following events: League of California Cities Annual Conference & Expo, Chamber of Commerce Business State of the City, Corona Lemon Festival, Homelessness Forum in the City of Riverside, Riverside County Transportation Commission (RCTC) Traffic Relief Strategy Committee meeting, RCTC Western Riverside County Programs and Projects Committee meeting, Senior Scam Stopper Seminar, United States Census Complete Count Committee meeting, and the Corona Police Department Veterans Honor Wall Dedication. He provided an overview on each event.

Mayor Scott provided an overview on his recent trip to Seattle, Washington.

Police Chief Johnstone provided an overview on the No Shave November fundraiser and encouraged the public and Council to participate.

14. ADJOURNMENT

Mayor Scott adjourned the meeting at 9:07 p.m. dedicating it to the heroic efforts of Cari Smith and Ryan Cortez and in memory of Mary Joan Ré and Helen Dufault. The next scheduled meeting of the Council is November 20, 2019.



MEMORANDUM

November 20, 2019

TO: City Clerk

FROM: Kerry D. Eden
Assistant City Manager/Administrative Services Director

SUBJECT: Monthly Fiscal Report, September 2019

Pursuant to CMC Section 2.28.010 (D) the attached report provides an accounting of all receipts, disbursements and fund balances for the month of September 2019, subject to final audit.

Prepared By:

Reviewed By:

DocuSigned by:

Bernadette Merced

Financial Analyst I

DocuSigned by:

Jennifer Schaefer

Finance Manager

Respectfully submitted:

DocuSigned by:

Chad Willardson

City Treasurer

DocuSigned by:

Kerry D. Eden

Assistant City Manager/
Administrative Services Director

Attachment

CITY OF CORONA**Receipts and Disbursements****September 30, 2019**

DESCRIPTION	BEGINNING BALANCE	RECEIPTS	DISBURSEMENTS	ENDING BALANCE
Balance Per Bank - Bank of America	\$ 1,819,781.53	\$ 31,230,802.98	\$ 30,517,266.17	\$ 2,533,318.34
Deposits in Transit	746,507.48	848,917.23	746,507.48	848,917.23
Outstanding Checks	(609,106.55)	609,106.55	935,018.19	(935,018.19)
Fiscal Agents	46,256,908.18	19,553,367.18	39,644,973.68	26,165,301.68
Investments	308,566,853.59	24,897,369.18	25,796,572.75	307,667,650.02
Change Fund	10,148.00	0.00	0.00	10,148.00
Returned Checks	3,952.37	24,780.07	21,697.11	7,035.33
Pcard Reconciling Items	(0.00)	0.00	1,948.66	(1,948.66)
TOTAL	\$ 356,795,044.60	\$ 77,164,343.19	\$ 97,663,984.04	\$ 336,295,403.75

*For information purposes only

Subject to final audit



CITY OF CORONA
Cash Balance By Fund
September 30, 2019

General Fund		\$ 66,658,258.36
Special Revenue Funds		
Gas Tax	7,189,534.17	
Measure A	15,114,024.84	
Trip Reduction	1,413,654.52	
Asset Forfeiture	641,630.29	
Development	29,058,480.24	
Residential Refuse/Recycling	149,977.62	
Landscape and Streetlight Maintenance	19,972,570.31	
Other Grants and Endowments	471,459.26	74,011,331.25
Debt Service Funds		
Public Financing Authority	458.47	458.47
Capital Project Funds		
Housing/Community Development	557,341.06	
Planned Local Drainage	205,894.45	
Other Grants	(888,501.08)	
Public Facility Project	912,271.55	
Housing Authority	9,915,829.44	10,702,835.42
Enterprise Funds		
Water Utility	35,262,332.98	
Water Reclamation Utility	66,179,322.04	
Transit	1,219,394.88	
Electric Utility	22,007,220.40	
Airport	714,382.01	125,382,652.31
Internal Service Funds		
Fleet Operations	7,110,750.00	
Workers' Compensation	24,357,112.57	
Liability Risk	1,615,164.67	
Warehouse Services	418,100.48	
Information Technology	2,667,051.16	36,168,178.88
Fiduciary Funds		
AD & CFD Bond Funds	16,089,184.45	
AB109 PACT	208,157.30	
Successor Agency	7,074,347.31	23,371,689.06
Total All Funds		<u>\$ 336,295,403.75</u>

Subject to final audit



CITY OF CORONA
Cash Status Report
September 30, 2019

ACCOUNTS	ENDING BANK BAL	DEPOSITS IN TRANSIT	OUTSTANDING CHECKS	MISCELLANEOUS RECONCILING ITEMS	RECONCILED BALANCES
LAIF	\$ 28,487,356.15	\$ -	\$ -	\$ -	\$ 28,487,356.15
Investment Account	279,180,293.87				279,180,293.87
Investment Total	307,667,650.02				307,667,650.02
General Account - Bank of America	2,284,867.77	767,790.59	(905,440.98)	5,086.67	2,152,304.05
Worker's Comp Account - Bank of America	248,450.57	81,126.64	(29,577.21)		300,000.00
Fiscal Agent Accounts	26,165,301.68				26,165,301.68
Petty Cash	10,148.00				10,148.00
BALANCE PER BOOKS OF CITY TREASURER & ADMINISTRATIVE SERVICES DIRECTOR	\$ 336,376,418.04	\$ 848,917.23	\$ (935,018.19)	\$ 5,086.67	336,295,403.75
GENERAL LEDGER GRAND TOTAL					<u>\$ 336,295,403.75</u>
Subject to final audit					



CITY OF CORONA
Investment Portfolio Report
September 30, 2019

INVESTMENTS	PAR VALUE	MARKET VALUE	BOOK VALUE	PERCENT OF PORTFOLIO	YIELD TO MATURITY
ABS	\$ 18,849,375.59	\$ 18,981,841.74	\$ 18,867,492.59	6.13%	
Agency	83,720,000.00	84,931,443.21	83,985,303.52	27.30%	3.761
CMO	22,310,000.00	23,110,936.45	22,830,065.55	7.42%	
Commercial Paper	2,500,000.00	2,481,556.25	2,481,556.25	0.81%	0.236
Foreign Corporate	8,780,000.00	9,099,080.41	8,929,995.20	2.90%	
LAIF	28,487,356.15	28,487,356.15	28,487,356.15	9.26%	0.680
Money Market Fund FI	3,635,931.77	3,635,931.77	3,635,931.77	1.18%	0.150
Supranational	13,285,000.00	13,339,564.55	13,173,899.10	4.28%	
US Corporate	67,919,000.00	69,137,785.95	67,592,322.60	21.97%	4.090
US Treasury	57,775,000.00	58,352,888.05	57,683,727.29	18.75%	4.337
TOTAL PORTFOLIO	\$ 307,261,663.51	\$ 311,558,384.53	\$ 307,667,650.02	100.00%	2.225
Average Daily Balance			\$ 309,026,512.00		

Subject to final audit



Agenda Report

File #: 19-0951

**AGENDA REPORT
REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Department of Water and Power

SUBJECT:

City Council and Corona Utility Authority consideration of Amendment No. 6 to the Project and Capacity Agreement for the expansion of the Western Riverside County Regional Wastewater Authority Treatment Plant and Amendment No. 1 to the Agreement Between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project.

RECOMMENDED ACTION:

That the:

1. City Council approve Amendment No. 6 to the Project and Capacity Agreement of the Western Riverside County Regional Wastewater Authority Treatment Plant.
2. City Council authorize the Department of Water and Power General Manager to execute Amendment No. 6 to the Project and Capacity Agreement of the Western Riverside County Regional Wastewater Authority Treatment Plant.
3. City Council approve Amendment No. 1 to the Agreement between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project.
4. City Council authorize the City Manager, or his designee, to execute Amendment No. 1 to the Agreement between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project.

5. City Council authorize the City Manager or General Manager, or their designee, to negotiate and execute any extensions and/or amendments which are either non-substantive or are otherwise in compliance with the City Council's actions hereunder.
6. Corona Utility Authority (CUA), review, ratify and to the extent necessary direct that the City Council take the above actions.

ANALYSIS:

The City of Corona is part of the Western Riverside County Regional Wastewater Authority (WRCRWA). WRCRWA is a public agency created to plan, construct and operate a cost-effective regional water reclamation treatment and collection system. WRCRWA is a joint powers authority (JPA) which also consists of the City of Norco, Jurupa Community Services District, Home Gardens Sanitary District (HGSD) and Western Municipal Water District.

Project and Capacity Agreement

On July 18, 2012, the City Council approved the Project and Capacity Agreement for the expansion of the WRCRWA Treatment Plant from 8 million gallons per day (MGD) to 14 MGD. The purpose of Amendment No. 6 is to:

- Change the methodology for cost sharing obligations from each Party from estimated costs to actual costs;
- Establish guidelines for applying the \$580,794 HGSD Grant to the Authority (received through the Small Community Wastewater Grant fund) as a reduction to the principal outstanding on the State Revolving Fund (SRF) Loan with HGSD as the sole beneficiary;
- Document that total project cost exceeds \$10 per gallon per day of treatment capacity for the 6.0 MGD expansion, thereby providing that all parties will share the cost of infrastructure for odor control, centrifuges, and third digester preparation work;
- Memorialize the 0.25 MGD expansion capacity transfer and associated cost transfer from Home Gardens to Corona (approved by Corona City Council and CUA on April 17, 2019 effective April 1, 2019);
- Affirm debt service reserve requirements, funding and payments; and
- Establish methodology for cost sharing obligations for debt service and debt service reserves using the Schedule.

The WRCRWA Treatment Plan Expansion project is now complete. All costs used to this date were estimated and not final. Now that the project is complete and WRCRWA has actual costs, it is necessary to do some "clean up" work on the language in the Project and Capacity Agreement to align with the final values from the expansion project.

Staff recommends the City Council approve Amendment No. 6 to the Project and Capacity Agreement of the Western Riverside County Regional Wastewater Authority Treatment Plant to correctly allocate repayment costs based on owned capacity.

State Revolving Fund Loan Repayment Agreement

WRCRWA parties entered into an Agreement between Western Riverside County Regional 34

Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan (Repayment Agreement) on September 25, 2013. In the Repayment Agreement, the parties agreed to allocate each agency's repayment obligation based on its expansion treatment capacity.

On February 28, 2019 HGSD's Board of Directors approved the transfer of 0.25MGD treatment capacity to Corona. On April 17, 2019, the City Council and Corona Utility Authority approved the proposed transfer of 0.25 MGD treatment capacity from HGSD with an effective date of April 1, 2019. The capacity transfer changes each agency's repayment obligation. As such, it is necessary to memorialize, via Amendment No. 1, that Corona will now be responsible for the repayment obligation associated with 2.62 MGD of expansion capacity and HGSD will be responsible for the repayment obligation associated with 0.13 MGD of expansion capacity.

Staff recommends the City Council approve Amendment No. 1 to the Agreement Between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project to correctly allocate repayment costs based on owned capacity.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Repayment of the State Revolving Fund Loan for the Treatment Plant Expansion Project is a debt service item and is budgeted in the Water Reclamation Capacity Fund 440 for Fiscal Year 2019-20.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act (CEQA).

PREPARED BY: KATIE HOCKETT, ASSISTANT GENERAL MANAGER

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: DEAN DERLETH, CITY ATTORNEY

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER & EXECUTIVE DIRECTOR

Attachments:

1. Amendment No. 6 to the Project and Capacity Agreement of the Western Riverside County Regional Wastewater Authority Treatment Plant
2. Amendment No. 1 to the Agreement Between Western Riverside County Regional Wastewater Authority and its Member Agencies for the Repayment of the State Revolving Fund Loan for

the Treatment Plant Expansion Project

**AMENDMENT NO. 6 TO THE PROJECT AND
CAPACITY AGREEMENT FOR THE EXPANSION OF THE
WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY'S TREATMENT
PLANT**

THIS AMENDMENT NO. 6 is made and entered into by members of the Western Riverside County Regional Wastewater Authority (Authority), between the Home Gardens Sanitary District, a sanitary district (hereinafter "Home Gardens"), the City of Corona, a municipal corporation (hereinafter "Corona"), the City of Norco, a municipal corporation (hereinafter "Norco"), Jurupa Community Services District, a community services district (hereinafter "Jurupa"), and Western Municipal Water District of Riverside County, a municipal water district (hereinafter "Western") (sometimes hereinafter individually and collectively referred to respectively as "Party" or the "Parties"), and shall be effective upon execution of all of the Parties.

RECITALS

A. WHEREAS, Corona, Home Gardens, Jurupa, Norco, Western, and the Santa Ana Watershed Project Authority (SAWPA) entered into the Project and Capacity Agreement for the Expansion of the Western Riverside County Regional Wastewater Authority Treatment Plant dated March 8, 2012 (hereinafter the "Project Agreement"), initially for a treatment plant expansion project of 4.0 million gallons per day ("MGD") thereby proposing to increase the current upgraded capacity of the Authority's treatment plant from 8 MGD to 12 MGD Total Rated Capacity.

B. WHEREAS, SAWPA formally withdrew from the Authority on June 30, 2012, thereby withdrawing itself as a Party to the Project Agreement.

C. WHEREAS, the Parties entered into Amendment No. 1 to the Project Agreement, effective July 31, 2012, for the purpose of rescheduling Jurupa and Norco advance deposits for the treatment plant expansion design work, and restructuring the installment due dates for Corona's Buy-In of \$4 Million.

D. WHEREAS, the Parties entered into Amendment No. 2 to the Project Agreement, effective November 14, 2012, to provide for Jurupa's 1.25 MGD expansion of treatment capacity for a revised treatment plant expansion project of 5.25 MGD thereby proposing to increase the current plant capacity from 8.0 MGD to 13.25 MGD of Total Rated Capacity and to memorialize the allocation of treatment capacity among the Parties upon completion of the proposed 13.25 MGD Project.

E. WHEREAS, the Parties entered into Amendment No. 3 to the Project Agreement, effective October 20, 2014, providing that Corona's \$4 Million Buy-In (Corona's capital contribution to join the Authority) shall be used in its entirety to help satisfy the State's mandatory Debt Service Reserve requirement, and to accommodate Home Gardens' requested 0.38 MGD and Corona's requested 0.37 MGD of additional treatment plant expansion capacity in the Authority's treatment plant thereby proposing to further increase the current plant capacity from 8 MGD to 14 MGD Total Rated Capacity

and to memorialize the allocation of treatment plant capacity among the Parties upon completion of the 14 MGD Project.

The Capacity Rights requested by Expanders (as defined in that Amendment No. 3) in the 6.0 MGD expansion project are as follows:

EXPANDERS	PROPOSED CAPACITY	PERCENTAGE
Corona	2.37 MGD	39.500%
Home Gardens	0.38	6.333
Jurupa	2.75	45.834
Norco	0.50	8.333
TOTAL EXPANSION	6.00 MGD	100.000%

F. WHEREAS, the Parties entered into Amendment No. 4 to the Project Agreement, effective June 21, 2016, increasing the Administrator's and the Executive Committee's aggregate change order approval authority to three (3%) percent of the estimated total cost of the Project of \$72.62 Million.

G. WHEREAS, the Parties entered into Amendment No. 5 to the Project Agreement, effective July 27, 2017, to further increase the Administrator's and the Executive Committee's aggregate change order approval authority by an additional \$500,000 for a total of three (3%) percent of the total estimated cost of the WRCRWA 14 MGD Expansion Project plus \$500,000.

H. WHEREAS, the Parties previously agreed October 2014, in Amendment 3, Section 20, that Non-Expanders would share a portion of the burden of estimated costs for odor control, pre-expansion centrifuge and third digester preparation costs if the Expander's unit costs were greater than \$10/gallon. Final actual expenditures tracked by the Administrator indicated the unit cost for the 6 MGD expansion exceeded \$10 per gallon.

I. WHEREAS, estimated costs were used in the Project Agreement and its amendments to determine cost obligations of the Parties, but now the Administrator provides the actual costs, eliminating the need to rely on estimated costs. Cost sharing can now be based on actual costs as opposed to the previously contemplated estimated costs. Such actual costs are shown in the "WRCRWA SRF Loan Allocation & Final Billing (Refund) Schedule" which is attached hereto as Exhibit A and made a part of this Amendment No. 6.

J. WHEREAS, the Authority, on behalf of Home Gardens, applied to the State Water Resources Control Board (SWRCB) for financial assistance from the Small Community Wastewater Grant (SCWG) fund and \$580,794 was awarded on April 14, 2015 as a principal forgiveness grant (HGSD Grant) for the benefit of Home Gardens. As such, the outstanding principal balance on the State Revolving Fund (SRF) loan at the project completion was \$74,110,618.40, calculated by subtracting the \$580,794 HGSD Grant from the \$72,620,000 total loan proceeds, and adding \$2,071,412.40 accrued interest during construction converted to loan principal.

K. WHEREAS, the Parties agree the HGSD Grant was for the benefit of Home Gardens; therefore, Home Garden's repayment obligations on total expansion costs funded by the SRF Loan would be reduced by the amount of the HGSD Grant.

L. WHEREAS, Home Gardens and Corona entered into a Capacity Transfer Agreement, effective April 1, 2019, transferring 0.25 of the 0.38 expanded treatment capacity as well as the associated cost or debt service obligation from Home Gardens to Corona, and such transfer had been previously approved by the Authority's Board of Directors. As a result of that capacity transfer the treatment plant capacity ownership is now as follows:

MEMBER	EXPANSION CAPACITY	PERCENTAGE	FINAL CAPACITY	PERCENTAGE
Corona	2.62 MGD	43.667%	2.62 MGD	18.714%
Home Gardens	0.13	2.166	0.75	5.357
Jurupa	2.75	45.834	6.00	42.857
Norco	0.50	8.333	2.70	19.286
Western	0.00	0.000	1.93	13.786
TOTAL	6.00 MGD	100.000%	14.00 MGD	100.000%

M. WHEREAS, the purpose of this Amendment No. 6 is to:

1. Change methodology for cost sharing obligations for each Party from estimated costs to actual costs, using the attached "WRCRWA SRF Loan Allocation & Final Billing (Refund) Schedule (the Schedule);
2. Set forth guidelines for applying the \$580,794 HGSD Grant to the Authority as a reduction to the principal outstanding on the SRF Loan with Home Gardens as the sole beneficiary;
3. Document that total Project cost exceeds \$10 per gallon per day of treatment capacity for the 6.0 MGD expansion, thereby providing that all Parties, Expanders and Non-Expander, shall share the cost of infrastructure for odor control, centrifuges, and the third digester preparation work;
4. Memorialize the 0.25 MGD expansion capacity transfer and associated cost transfer from Home Gardens to Corona, and memorialize all Parties' capacity ownership;
5. Affirm debt service reserve requirements, funding and payments; and
6. Establish methodology for cost sharing obligations for debt service and debt service reserves using the Schedule.

TERMS

1. Definitions:

1.1 Hard Costs, for purposes of this Agreement, are tangible assets needed by the Project to complete construction, including the purchase, installation, and construction of material and equipment together with other work involved in the actual physical construction of project components, including by example: grading, excavation, concrete structures, pipes, pumps, tanks, landscaping, road-building and the material and equipment purchased for the Project. Hard cost totals are itemized in the attached Schedule.

1.2 Soft Costs, for purpose of this Agreement, are defined as expenses that support a particular construction task or project and include by example: preliminary planning, final planning, environmental reports, pre-design engineering, design engineering, administration, construction management, legal, general engineering, inspection, utilities, and various fees and taxes. Total Soft Costs are shown in the attached Schedule.

2.1 Hard Cost Share for each Party shall be based on respective Party's ownership capacity against the total capacity for consideration, and the allocation of those actual Hard Costs to each Party are shown in the attached Schedule.

2.2 Soft Cost Share allocated to each Party shall be based on the Party's proportion of Hard Costs. Soft Cost Share allocation to each Party is in the attached Schedule.

2.3 Total Project Costs exceeded the SRF Loan amount by \$1,674,355.

3. With the concurrence of Home Gardens, the SRF Loan funded Project cost allocated to Home Gardens is reduced by the HGSD Grant amount of \$580,794.

4. Because the Total Project Cost has caused the Project unit cost to exceed \$10 per gallon, all Parties shall share in all costs related to odor control, centrifuge, and third digester preparation work as shown in the attached Schedule. Each Party's total share of odor control, centrifuge, and third digester preparation work shall include its hard cost share and soft cost share.

5. Methodology for sharing the lump sum requirement for debt service reserves shall be based on each Party's share of the SRF Loan principal for the Project. Debt service reserves shall be used only as mandated by the State, shall be funded from Corona's \$4 million buy-in and any advance deposits made by the responsible Parties and shall not be used to pay in full or reduce by any amount of the last debt service payment or payments made to the State unless approved by the Board of Directors in place during the 20th year of the SRF Loan repayment program.

6. The final billing or refund, as the case may be, to each Party is shown in the attached Schedule.

7. Each Party's treatment capacity ownership is shown in Recital L above.

8. To the extent of any conflict in terms and conditions, this Amendment No. 6 takes precedence over any such term and condition in the Project Agreement and its Amendments No. 1 through 5. IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 6 on the month, day and year shown below.

CITY OF CORONA

Dated: _____

By _____
Its General Manager

Dated: _____

By _____
Its City Clerk

CITY OF NORCO

Dated: _____

By _____
Its Mayor

Dated: _____

By _____
Its City Clerk

HOME GARDENS SANITARY DISTRICT

Dated: _____

By _____
Its President

Dated: _____

By _____
Its Secretary

JURUPA COMMUNITY SERVICES DISTRICT

Dated: _____

By _____
Its President

Dated: _____

By _____
Its Secretary

WESTERN MUNICIPAL WATER DISTRICT
OF RIVERSIDE COUNTY

Dated: _____

By _____
Its President

Dated: _____

By _____
Its Secretary-Treasurer

Exhibit A

WRCRWA SRF Loan Allocation & Final Billing (Refund) Schedule Per Actual Project Cost & Reimbursement as of May 31, 2019 Using SRF's Definition of Hard Cost Vendors vs. Soft Cost Vendors	With 0.25 MGD Expansion Capacity Transfer from HGSD to Corona					
	Total	WMWD	JCSD	Norco	HGSD	Corona
Overall Project Cost						
Project Hard Cost						
Hard Cost allocated on 6MGD Basis	56,472,317	-	25,883,145	4,706,026	1,223,567	24,659,578
Hard Cost allocated on 14MGD Basis	3,224,369	444,502	1,381,873	621,843	172,734	603,418
Hard Cost allocated on 8MGD Basis	399,082	96,279	162,127	109,748	30,929	-
Total Project Hard Cost	60,095,768	540,781	27,427,145	5,437,617	1,427,230	25,262,996
Agency proportion per Project Hard Cost above	100.00%	0.90%	45.64%	9.05%	2.37%	42.04%
Total Project Soft Cost allocated per Agency proportion determined above	14,198,586	127,768	6,480,102	1,284,724	337,206	5,968,786
Total Project Cost per SRF's definition excluding Estimated Accrued Interest	74,294,355	668,549	33,907,247	6,722,341	1,764,436	31,231,782
Portion of Project Cost Reimbursed by SRF Loan						
Hard Cost reimbursed by SRF Loan						
Hard Cost allocated on 6MGD Basis	56,375,770	-	25,838,895	4,697,981	1,221,475	24,617,420
Hard Cost allocated on 14MGD Basis	3,074,029	423,777	1,317,441	592,848	164,680	575,283
Hard Cost allocated on 8MGD Basis	399,082	96,279	162,127	109,748	30,929	-
Total Hard Cost reimbursed by SRF Loan	59,848,882	520,055	27,318,463	5,400,577	1,417,084	25,192,702
Total Soft Cost reimbursed by SRF Loan allocated per Agency proportion determined above	12,771,118	114,923	5,828,619	1,155,563	303,305	5,368,709
Total Project Cost reimbursed by SRF Loan	72,620,000	634,978	33,147,082	6,556,140	1,720,389	30,561,411
HGSD Loan Forgiveness Grant (a non-cash grant treated by SWRCB as SRF loan principal reduction)	(580,794)				(580,794)	
Total Project Cost reimbursed by SRF Loan, net of HGSD Loan Forgiveness Grant	72,039,206	634,978	33,147,082	6,556,140	1,139,595	30,561,411
Agency proportion per Total Project Cost reimbursed by SRF Loan, net of HGSD Loan Forgiveness Grant	100.00%	0.88%	46.02%	9.10%	1.58%	42.42%
Accrued Interest converted to Principal at construction completion on 12/31/17 allocated per Agency proportion	2,071,412	18,228	953,264	188,499	32,728	878,693
Total SRF Loan Outstanding at Project Completion w/ Accrued Interest conversion to Principal	74,110,618	653,206	34,100,346	6,744,639	1,172,323	31,440,104
Agency proportion per Total SRF Loan Outstanding at Project Completion w/ Accrued Interest conversion to Pri	100.00%	0.88%	46.02%	9.10%	1.58%	42.42%
Portion of Project Cost in excess of the SRF Loan						
Hard Cost in excess of the SRF Loan						
Hard Cost allocated on 6MGD Basis	96,547	-	44,250	8,046	2,092	42,159
Hard Cost allocated on 14MGD Basis	150,340	20,725	64,432	28,994	8,054	28,135
Hard Cost allocated on 8MGD Basis	-	-	-	-	-	-
Total Hard Cost in excess of the SRF Loan	246,887	20,725	108,682	37,040	10,146	70,294
Total Soft Cost in excess of the SRF Loan allocated per Agency proportion determined above	1,427,468	12,845	651,483	129,161	33,901	600,077
Total Project Cost in excess of the SRF Loan	1,674,355	33,570	760,165	166,201	44,047	670,371
SRF Loan Debt Service Reserve Requirement net of \$4 M Corona Buy-in, allocated per Agency proportion deterr	486,536	4,282	223,904	44,275	7,687	206,389
1st Debt Service Payment made on December 31, 2018	4,486,536	39,482	2,064,704	408,275	70,887	1,903,189
Advance Contributions made by member agencies other than \$4M Corona Buy-In	(3,674,596)	(223,687)	(2,397,832)	(621,590)	(119,231)	(312,256)
Southern California Edison Saving by Design Program Incentive	(500,000)	(4,400)	(230,100)	(45,500)	(7,900)	(212,100)
Advance Contributions made by member agencies for the 1st annual SRF Loan debt service	(2,519,293)	-	(538,780)	(4,642)	(252,592)	(1,723,279)
Final Billing (Refund)	(46,462)	(150,752)	(117,939)	(52,981)	(257,103)	532,314

**AMENDMENT NO. 1 TO AGREEMENT BETWEEN
WESTERN RIVERSIDE COUNTY REGIONAL WASTEWATER AUTHORITY
AND ITS MEMBER AGENCIES FOR THE REPAYMENT
OF THE STATE REVOLVING FUND LOAN FOR
THE TREATMENT PLANT EXPANSION PROJECT**

THIS AMENDMENT NO. 1 is made and entered into between and among the Western Riverside County Regional Wastewater Authority (hereinafter the “Authority”) and all of its Member Agencies comprised of the City of Corona, a municipal corporation (hereinafter “Corona”), Home Garden Sanitary District, a sanitary district (hereinafter “Home Gardens”), Jurupa Community Services District, a community services district (hereinafter “Jurupa”), the City of Norco, a municipal corporation (hereinafter “Norco”), and Western Municipal Water District of Riverside County, a municipal water district (hereinafter “Western”) (sometimes hereinafter individually and collectively referred to respectively as “Party” or the “Parties”), and shall be effective upon execution by all of the Parties.

RECITALS

A. WHEREAS, on September 25, 2013, the Parties entered into an Agreement Between Western Riverside County Regional Wastewater Authority And Its Member Agencies For The Repayment Of The State Revolving Fund Loan (Agreement) for the Authority’s treatment plant expansion project to be funded by a State Revolving Fund loan provided by the State Water Resources Control Board.

B. WHEREAS, the Parties by that Agreement allocated among the Parties the SRF Loan repayment obligations of each Party based on the expansion treatment capacity and the total treatment plant capacity of each Party.

C. WHEREAS, on February 28, 2019, the Authority’s Board of Directors approved the proposed transfer of 0.25 MGD of treatment capacity owned by Home Gardens to Corona.

D. WHEREAS, effective April 1, 2019, Home Gardens and Corona entered into a written Capacity Transfer Agreement by which Home Gardens transferred 0.25 MGD of its treatment capacity and related obligations therefore to Corona.

E. WHEREAS, the purpose of this Amendment No. 1 is update and revise the Agreement to reflect the change in treatment capacities owned by Home Gardens and Corona only based on the abovementioned Capacity Transfer Agreement.

F. WHEREAS, the purpose of this Amendment No. 1 is to revise the allocation methodology referred to in B. (above) so that it is now based on the actual SRF Loan proceeds received and its proportion share that benefits each Party. Such revision is due to the fact that expenditures relating to odor control, centrifuge and third digester preparation work reimbursed by the SRF Loan had a different capacity basis (e.g. 8 MGD or 14 MGD) for allocation rather than just the Expansion expenditures using 6 MGD.

TERMS

NOW, THEREFORE, based on the foregoing Recitals, the Parties agree as follows:

1. Section 2 of the Agreement is hereby revised with respect to Corona and Home Gardens only to the effect that the Total Expansion Capacity allocated to Corona is increased by 0.25 MGD to 2.62 MGD and the Total Expansion Capacity allocated to Home Gardens is decreased by 0.25 MGD to .13 MGD.

2. Section 5 of the Agreement is hereby revised with respect to Corona and Home Gardens only to the effect that the Total Treatment Plant Capacity owned by Corona is increased by 0.25 MGD to 2.62 MGD and the Total Treatment Plant Capacity owned by Home Gardens is decreased by 0.25 MG to 0.75 MGD.

3. The Agreement is hereby revised to allocate the SRF Loan repayment obligation of each Party based on the actual SRF Loan proceeds received and its proportionate share that benefits each Party. Such revised debt obligation allocation are shown in the "Debt Service Allocation Schedule" which is attached hereto as Exhibit A and made a part of this Amendment No. 1.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment No. 1 on the month, day and year shown below.

CITY OF CORONA

Dated: _____

By _____
Its City Manager

Dated: _____

By _____
Its City Clerk

CITY OF NORCO

Dated: _____

By _____
Its Mayor

Dated: _____

By _____
Its City Clerk

HOME GARDENS SANITARY DISTRICT

Dated: _____

By _____
Its President

Dated: _____

By _____
Its Secretary

JURUPA COMMUNITY SERVICES DISTRICT

Dated: _____

By _____
Its President

Dated: _____

By _____
Its Secretary

WESTERN MUNICIPAL WATER DISTRICT
OF RIVERSIDE COUNTY

Dated: _____

By _____
Its President

Dated: _____

By _____
Its Secretary-Treasurer

WESTERN RIVERSIDE COUNTY REGIONAL
WASTEWATER AUTHORITY

Dated: _____

By _____
Its Chair

Dated: _____

By _____
Its Secretary-Treasurer

Exhibit A

Debt Service Allocation Schedule																		
State Revolving Fund (SRF) from State Water Resource Control Board for WRCRWA Expansion Project																		
Loan No:	C-06-7894-110																	
Agreement No:	14810-550-10																	
Loan Amount:	74,110,618.40																	
Interest Rate:	1.900%																	
Term:	20 Years																	
Member Agency Allocation																		
Date	Allocation of Principal					Total	Allocation of Interest					Total	Allocation of Debt Service					Total
	Western	Jurupa	Norco	Home Gardens	Corona	Principal	Western	Jurupa	Norco	Home Gardens	Corona	Interest	Western	Jurupa	Norco	Home Gardens	Corona	Debt Service
	0.88%	46.02%	9.10%	1.58%	42.42%	100.00%	0.88%	46.02%	9.10%	1.58%	42.42%	100.00%	0.88%	46.02%	9.10%	1.58%	42.42%	100.00%
12/31/18	27,416.72	1,433,769.95	283,513.83	49,225.48	1,321,610.63	3,115,536.61	12,064.80	630,934.01	124,760.96	21,661.79	581,578.03	1,370,999.59	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/19	27,611.14	1,443,937.17	285,524.30	49,574.55	1,330,982.50	3,137,629.66	11,870.38	620,766.80	122,750.50	21,312.72	572,206.16	1,348,906.56	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/20	28,135.75	1,471,371.97	290,949.26	50,516.46	1,356,271.17	3,197,244.61	11,345.77	593,331.99	117,325.53	20,370.81	546,917.49	1,289,291.59	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/21	28,670.33	1,499,328.04	296,477.30	51,476.28	1,382,040.32	3,257,992.27	10,811.19	565,375.92	111,797.50	19,410.99	521,148.34	1,228,543.94	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/22	29,215.07	1,527,815.27	302,110.36	52,454.33	1,408,299.09	3,319,894.12	10,266.45	536,888.69	106,164.43	18,432.95	494,889.57	1,166,642.09	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/23	29,770.15	1,556,843.76	307,850.46	53,450.96	1,435,056.77	3,382,972.10	9,711.36	507,860.20	100,424.33	17,436.31	468,131.89	1,103,564.09	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/24	30,335.79	1,586,423.80	313,699.62	54,466.53	1,462,322.85	3,447,248.59	9,145.73	478,280.17	94,575.17	16,420.74	440,865.81	1,039,287.62	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/25	30,912.17	1,616,565.85	319,659.91	55,501.39	1,490,106.98	3,512,746.30	8,569.35	448,138.12	88,614.88	15,385.88	413,081.68	973,789.91	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/26	31,499.50	1,647,280.60	325,733.45	56,555.92	1,518,419.01	3,579,488.48	7,982.02	417,423.36	82,541.34	14,331.35	384,769.65	907,047.72	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/27	32,097.99	1,678,578.93	331,922.39	57,630.48	1,547,268.98	3,647,498.77	7,383.53	386,125.03	76,352.41	13,256.79	355,919.69	839,037.45	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/28	32,707.85	1,710,471.93	338,228.91	58,725.46	1,576,667.09	3,716,801.24	6,773.67	354,232.03	70,045.88	12,161.81	326,521.57	769,734.96	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/29	33,329.30	1,742,970.90	344,655.26	59,841.24	1,606,623.76	3,787,420.46	6,152.22	321,733.07	63,619.53	11,046.03	296,564.90	699,115.75	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/30	33,962.56	1,776,087.34	351,203.71	60,978.23	1,637,149.61	3,859,381.45	5,518.96	288,616.62	57,071.08	9,909.05	266,039.05	627,154.76	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/31	34,607.85	1,809,833.00	357,876.58	62,136.81	1,668,255.45	3,932,709.69	4,873.67	254,870.96	50,398.21	8,750.46	234,933.21	553,826.51	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/32	35,265.39	1,844,219.83	364,676.24	63,317.41	1,699,952.31	4,007,431.18	4,216.12	220,484.13	43,598.56	7,569.86	203,236.35	479,105.02	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/33	35,935.44	1,879,260.01	371,605.09	64,520.44	1,732,251.40	4,083,572.38	3,546.08	185,443.96	36,669.71	6,366.83	170,937.26	402,963.84	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/34	36,618.21	1,914,965.95	378,665.58	65,746.33	1,765,164.18	4,161,160.25	2,863.31	149,738.02	29,609.21	5,140.94	138,024.48	325,375.96	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/35	37,313.96	1,951,350.30	385,860.23	66,995.51	1,798,702.30	4,240,222.30	2,167.56	113,353.66	22,414.57	3,891.76	104,486.36	246,313.91	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/36	38,022.92	1,988,425.96	393,191.57	68,268.43	1,832,877.64	4,320,786.52	1,458.60	76,278.01	15,083.22	2,618.85	70,311.02	165,749.70	39,481.52	2,064,703.96	408,274.80	70,887.27	1,903,188.66	4,486,536.21
12/31/37	38,745.36	2,026,206.03	400,662.21	69,565.53	1,867,702.30	4,402,881.43	736.16	38,497.91	7,612.58	1,321.74	35,486.34	83,654.73	39,481.52	2,064,703.94	408,274.79	70,887.27	1,903,188.64	4,486,536.16
	652,173.46	34,105,707.05	6,744,066.35	1,170,947.79	31,437,724.76	74,110,619.41	137,456.94	7,188,373.12	1,421,429.69	246,797.68	6,626,049.27	15,620,106.70	789,630.41	41,294,079.64	8,165,496.08	1,417,745.42	38,063,773.60	89,730,725.15



Agenda Report

File #: 19-0954

AGENDA REPORT REQUEST FOR CITY COUNCIL AND CORONA UTILITY AUTHORITY ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Department of Water and Power

SUBJECT:

City Council and Corona Utility Authority consideration of a First Amendment to the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.

RECOMMENDED ACTION:

That the:

1. City Council authorize the City Manager, or his designee, to execute the First Amendment to the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.
2. Corona Utility Authority (CUA) review, ratify and to the extent necessary direct that the City Council take the above actions.

ANALYSIS:

On August 15, 2007, the Corona City Council approved the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water (Cooperative Agreement) in the Santa Ana River Basin. This agreement was drafted between the following agencies:

- Santa Ana Regional Water Quality Control Board
- City of Corona
- City of Riverside
- City of San Bernardino
- Eastern Municipal Water District
- Orange County Water District
- San Bernardino Valley Municipal Water District

- San Geronio Pass Water Agency
- Elsinore Valley Municipal Water District

The agreement was passed by all agencies and executed on January 18, 2008. The agreement had an initial term of 10 years and automatically renews for a 10-year period. Currently, the agreement is in its second 10-year term.

The agreement regulates conjunctive uses of imported water for intentional groundwater recharge. This agreement established requirements for testing and reporting to the Santa Ana Regional Water Quality Control Board for agencies that recharge water within the Santa Ana River Basin. The City of Corona Department of Water and Power voluntarily agreed to collect, compile and analyze nitrogen and total dissolved solids if we were to intentionally recharge into the Santa Ana River Basin. This Cooperative Agreement represented a good step toward a regional approach to long-term effective watershed management and helped to ensure water quality throughout the Santa Ana River Basin.

The Cooperative Agreement had the following reporting requirements: Recomputation of the current Ambient Water Quality (AWQ) of the groundwater, management zones every three years, summary reports every three years; and, groundwater quality modeling for total dissolved solids and total inorganic nitrogen every six years.

In an effort to use the best available science for decision-making and to reduce any duplicative efforts and inefficiencies, the parties propose the first amendment to the Cooperative Agreement. The First Amendment would revise the Cooperative Agreement as follows:

- Eliminate the reporting requirements established by the Cooperative Agreement for agencies that are part of the Maximum Benefit Program
- Revise the frequency of reporting requirements for ambient water quality recomputation and summary reports to 5 years (required every 3 years under the current Cooperative Agreement)
- Revise the frequency of reporting requirements for groundwater quality modeling to 10 years (required every 6 years under the current Cooperative Agreement)
- Authorize the use of the Integrated Flow and Quality Model (IFQM) as an acceptable modeling technique. The IFQM is a single model that combines the existing computer groundwater models that are permitted to be used under the Cooperative Agreement, which will be capable of modeling groundwater flows. The agencies that intend to use the IFQM will be required to fund any and all enhancements needed to develop the IFQM

At this time, the Department of Water and Power (DWP) is not recharging any imported water. DWP does not have any current plans to use the IFQM but DWP is interested in long-term planning of our water resources and we support efforts such as this. The First Amendment to the Cooperative Agreement is an opportunity for the parties to recognize accomplishments over the last 12 years while continuing to honor the regional approach to maintaining water quality objectives for our communities.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The City of Corona does not currently recharge any imported water into the groundwater basin. Any minor costs associated with this amendment are included in the Water Utility Fund 570 operating budget.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: KATIE HOCKETT, ASSISTANT GENERAL MANAGER

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: KIM SITTON, FINANCE MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER & EXECUTIVE DIRECTOR

Attachments:

1. First Amendment to the Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.
2. Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin.

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First Amendment

Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin

7 This First Amendment to the Cooperative Agreement to Protect Water Quality and
8 Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin (**First**
9 **Amendment**) is entered into and effective this ____ day of _____, 2019 by and
10 among the California Regional Water Quality Control Board, Santa Ana Region (**Regional**
11 **Board**) and the entities listed in paragraph 11(n) of the Cooperative Agreement to Protect Water
12 Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin,
13 dated January 18, 2008, (**Cooperative Agreement**). The Regional Board and each of the entities
14 listed in paragraph 11(n) of the Cooperative Agreement are individually sometimes referred to
15 here as a **Party** and are collectively referred to as the **Parties**.

Recitals

- 19 A. On January 18, 2008, the Parties entered into the Cooperative Agreement and, since that
20 time, the Parties have collectively implemented the terms of the Cooperative Agreement.
21 Paragraph 3 of the Cooperative Agreement provides that the Cooperative Agreement will
22 automatically renew for periods of ten years unless a Party provides notice of withdrawal
23 at least one year before the termination of the then-current term of the Cooperative
24 Agreement; no Party provided such notice prior to January 18, 2017. Accordingly, the
25 current term of the Cooperative Agreement will end on January 18, 2028.
- 27 B. Paragraph 4 of the Cooperative Agreement requires the re-computation of the current
28 ambient water quality of the groundwater management zones within the Santa Ana River
29 Watershed every three years; the modeling of groundwater quality, specifically Total
30 Dissolved Solids (**TDS**) and Total Inorganic Nitrogen (**TIN**), in the groundwater
31 management zones where the recharge of imported water takes place every six years; and
32 summary reports every three years.
- 34 C. For the management zones that are located upstream of Prado Dam, the water quality
35 modeling and summary reports prepared over the initial ten-year term of the Cooperative
36 Agreement indicate that the water quality of water imported from the State Water Project
37 (**SWP**) is equal to or better than the water quality objectives set forth in the Basin Plan
38 for the Santa Ana Region for those management zones where SWP is the sole imported
39 water recharged.
- 41 D. For the Orange County Management Zone, imported water used for groundwater
42 recharge includes SWP supplies and Colorado River supplies; the water quality modeling
43 and summary reports prepared over the initial ten-year term of the Cooperative
44 Agreement indicate that the water quality resulting from the blending of imported water

and recycled water from the Groundwater Replenishment System is equal to or better than the water quality objectives set forth in the Basin Plan for the Santa Ana Region for that management zone.

- E. The Basin Monitoring Program Task Force (**Task Force**) performs the necessary calculations to estimate ambient TDS and TIN concentrations in each groundwater management zone in the Santa Ana River watershed every three years based on field data. The Task Force does not perform the modeling of future groundwater quality conditions that is required by paragraph 4 of the Cooperative Agreement. The Task Force's work to estimate ambient TDS and nitrate TIN is conducted independently of the provisions of paragraph 4 of the Cooperative Agreement.
- F. The Task Force also is responsible for updating the Santa Ana River Wasteload Allocation Model every ten years to estimate TDS and TIN concentrations in the Santa Ana River and its tributaries upstream of Prado Dam and in Reach 2 of the Santa Ana River in Orange County, which estimates also include a projection of surface water quality in these areas for twenty years into the future.
- G. There is some overlap between the modeling and analysis performed by the Task Force, as described in Recitals E and F above, and the requirements for water quality monitoring and modeling that were established in paragraph 4 of the Cooperative Agreement.
- H. The Parties desire to consolidate modeling and analysis to the greatest extent possible, consistent with engaging in the best scientific and engineering analysis possible and consistent with fully protecting the groundwater basins of the Santa Ana River Watershed in the manner described in the Santa Ana River Basin Plan.
- I. In certain groundwater management zones, the Regional Board has approved "maximum benefit" programs (**Maximum Benefit Programs**) to allow the discharge of recycled water with quality worse than the antidegradation water quality objective, *provided* that such discharges are part of a comprehensive water management program that will not result in long-term harm to the groundwater basin or downstream beneficial uses. Such Maximum Benefit Programs include a series of commitments by the agencies involved, including but not limited to: the construction of a desalter for recycled water or groundwater, upgrading a wastewater treatment plant, annual monitoring and reporting of surface water and groundwater quality, and the periodic modeling projection of groundwater quality.
- J. Many of the Parties are also working together to combine existing computer groundwater models, including but not limited to the models that were identified in paragraph 5(b) of the Cooperative Agreement, into a single model that will be capable of modeling groundwater flows from the Yucaipa area in the upper portion of the Santa Ana River watershed to Prado Dam. This model, termed the **Integrated Groundwater Flow Model**, will be able to model both surface water and groundwater flows. The Integrated

Groundwater Flow Model may, in the future, be enhanced so that it is also capable of modeling TDS and TIN and also could, in the future, be extended up the Temescal Wash. The Integrated Groundwater Flow Model, as augmented by TDS and TIN modeling, whether or not it is extended up Temescal Wash, is known as the Integrated Flow and Quality Model (**IFQM**).

K. As indicated in Recital H above, the Parties wish to avoid any duplicative modeling and also wish to avoid any duplication of the work required pursuant to the Maximum Benefit Programs with work that is required under the Cooperative Agreement. The Parties believe that the development and use of the IFQM would accomplish these modeling goals, at a potentially lower cost, for all areas upstream of Prado Dam.

L. The Parties wish to work with the Task Force to integrate the water quality modeling efforts for the Wasteload Allocation and the Cooperative Agreement described above so as to: (i) use the best available science in making decisions, (ii) reduce any duplicative efforts and inefficiencies, and (iii) be able to make decisions, to the extent feasible, based on a consensus of all Parties.

M. Since the water quality of water imported from the SWP is currently equal to or better than the water quality objectives for TDS and nitrate-nitrogen (Salinity objectives hereafter) set forth in the Basin Plan for the Santa Ana Region for management zones where SWP is the sole imported water recharged, the Parties seek to reduce the frequency of reporting and modeling requirements in the Cooperative Agreement for those management areas.

N. For management zones where imported water is blended with other sources of water (such as recycled water) and such blended water has a water quality equal to or better than the water quality objectives set forth in the Basin Plan for the Santa Ana Region, the Parties seek to reduce the frequency of reporting and modeling requirements in the Cooperative Agreement for those management areas, provided that the water blended with imported water is not a source of water already accounted for in the salt management program for the management zone.

O. The Parties wish to memorialize their mutual agreements in the form of this First Amendment to the Cooperative Agreement.

Agreements

1. *Relationship to Cooperative Agreement*

Save as expressly amended by this First Amendment, all provisions of the Cooperative Agreement shall continue in full force and effect. In the event of any express inconsistency between the terms of this First Amendment and the Cooperative Agreement, the provisions of this First Amendment shall control.

2. *Exclusion of Colorado River Water Deliveries*

The Parties agree that no provision of this First Amendment shall apply to the monitoring, reporting or modeling performed by any Party with regard to deliveries or use of water from the Colorado River, unless there are other sources of recharge water available for blending with Colorado River water such that blend of imported water and other recharge sources results in concentrations that are better than the water quality objectives set forth in the Basin Plan. Deliveries or use of Colorado River water for imported water recharge shall be subject to the monitoring, reporting and modeling requirements of the Cooperative Agreement prior to this First Amendment, unless the blend of imported water and other recharge sources results in concentrations that are better than the water quality objectives set forth in the Basin Plan, in which case the requirements of paragraph 6 would apply. To be an acceptable source of blend water, the water blended with imported water cannot be a source of water already accounted for in the salt management program for the management zone. Water from the Colorado River that is blended with another source may not be used for recharge if it exceeds the Salinity Objectives in the Basin Plan for the Santa Ana Region, unless the Recharging Party implements an offset program approved by the Regional Board. The Parties may, but need not, choose to amend the timing or the frequency of reporting of such deliveries, in the future, to better conform with monitoring and reporting schedules adopted under this First Amendment.

3. *Use of the IFQM*

The Parties agree that the IFQM shall be deemed to be an accepted model pursuant to paragraph 5(b) of the Cooperative Agreement, *provided that* the IFQM is subjected to independent peer review and will be modified to address any issues identified by that peer review, and *provided further that* it can be demonstrated with reasonable certainty that the relative error of the modified IFQM's calibration for the groundwater management zone(s) in question for a reasonable base period is $\pm 10\%$, or less, when compared with existing groundwater data. The Parties that intend to use the IFQM agree that they will fund any and all enhancements that may be needed to develop the IFQM and to use it for modeling purposes. The Task Force shall have no obligation to contribute to such efforts.

169 4. *Use of Modeling and Reporting by a Maximum Benefit Programs*

170
171 Any Party that has entered into an agreement with the Regional Board to implement a
172 Maximum Benefit Program shall be exempt from the reporting requirements of paragraph 4 of
173 the Cooperative Agreement so long as they are subject to the reporting requirements of their
174 Maximum Benefit Program.

175
176 5. *Use of Modeling and Reporting by the Task Force*

177
178 The Parties operating in groundwater basins that do not have a Maximum Benefit
179 Program may contract with the Task Force (or a consultant retained by the Task Force) to satisfy
180 the monitoring, reporting and modeling requirements of paragraph 4 of the Cooperative
181 Agreement by means of the modeling and reporting efforts and schedule of the Task Force
182 described in Recitals E and F above and the use of the IFQM (upon approval by the Parties)
183 provided that: (i) the Party desiring to utilize the Task Force modeling is a member in good
184 standing of the Task Force, and (ii) the modeling prepared by the Task Force meets the
185 requirements of this First Amendment and the Cooperative Agreement.

186
187 6. *Monitoring and Modeling Schedule for Recharge Using SWP Water*

188
189 The monitoring and reporting requirement established by paragraph 4 of the Cooperative
190 Agreement is hereby modified to require the Parties using water imported solely from the SWP
191 for recharge to submit reports every five years, beginning on July 18, 2021. The modeling
192 projection requirement established by paragraph 4.c of the Cooperative Agreement is hereby
193 modified to require the twenty-year projections to be completed every ten years beginning on
194 July 18, 2020. In the unlikely event that the concentrations of SWP increase such that they are
195 greater than the Salinity Objectives set forth in the Basin Plan for the Santa Ana Region, the
196 Parties in the management zones where SWP is the sole water used for recharged shall notify the
197 Regional Board within 48 hours and shall revert back to and adhere to the monitoring, reporting,
198 and modeling requirements in the Cooperative Agreement as contained in the Cooperative
199 Agreement prior to this First Amendment.

200
201 7. *Monitoring and Reporting Requirement for Agency Accounting for Blending of Imported*
202 *Water*

203
204 In the case where a recharging agency desires to account for blending imported water with
205 other sources of recharge water such that the blend of imported water and other recharge sources
206 results in concentrations that are better than the Salinity Objectives set forth in the Basin Plan,
207 the monitoring and reporting requirement established by paragraph 4 of the Cooperative
208 Agreement is hereby modified to require the Parties using such blended water for recharge to
209 submit reports every five years, beginning on July 18, 2021. The modeling projection
210 requirement established by paragraph 4.c of the Cooperative Agreement is hereby modified to
211 require the twenty-year projections to be completed every ten years beginning on July 18, 2020.
212 the recharging agency shall monitor and report the water quality of the imported water and the

other sources of recharge water that are relied upon for blending. The Parties using such blended water for recharge shall notify the Regional Board if the blended water concentrations exceed Salinity Objectives set forth in the Basin Plan for the Santa Ana Region within 48 hours and shall immediately discontinue use of the blended water for recharge, unless the Recharging Party implements an offset program approved by the Regional Board.

CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

CITY OF CORONA

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

CITY OF RIVERSIDE

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

EASTERN MUNICIPAL WATER
DISTRICT

BY: _____
Title: _____

APPROVED AS TO FORM:

By: _____

ELSINORE VALLEY MUNICIPAL
WATER DISTRICT

BY: _____
Title: _____

APPROVED AS TO FORM:

By: _____

ORANGE COUNTY WATER
DISTRICT

BY: _____
Title: _____

APPROVED AS TO FORM:

By: _____

SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

SAN GORGONIO PASS
WATER AGENCY

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

WESTERN MUNICIPAL
WATER DISTRICT

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT

BY: _____
Title:

APPROVED AS TO FORM:

By: _____

COOPERATIVE AGREEMENT
TO PROTECT WATER QUALITY AND ENCOURAGE THE CONJUNCTIVE USES OF IMPORTED
WATER IN THE SANTA ANA RIVER BASIN

This Cooperative Agreement to Protect Water Quality and Encourage the Conjunctive Uses of Imported Water in the Santa Ana River Basin ("**Agreement**") is entered into and effective this 18 day of January, ~~2007~~ ²⁰⁰⁸ by and among the California Regional Water Quality Control Board, Santa Ana Region (the "**Regional Board**") and the entities listed in paragraph 11(n) below. The Regional Board and each of the entities listed in paragraph 11(n) below are individually referred to as a "**Party**" and are collectively referred to as the "**Parties**."

Recitals

A. Water imported to the Santa Ana River Region, as defined in Water Code section 13200(e) (the "**Region**"), from the State Water Project, the Colorado River and other sources, and to groundwater basins within the Region from other groundwater basins within the Region, is vital to meet present and future demands for water within the Region. Such water is directly used; injected or percolated within groundwater basins; stored in a groundwater basin for later use; may be combined with or used in addition to the native groundwater supplies in a basin; may be exported/imported from one basin to another; and after consumptive use may form a portion of the wastewater that is treated, recharged and reused within the Region. Such conjunctive uses of surface water and groundwater within the Region have been contemplated by the State of California at least since the issuance of the original California Water Plan in 1957 and the adoption by the State Water Quality Control Board of Resolution No. 64-1.

B. The Regional Board is charged by statute with adopting such water quality objectives as may be required to protect the beneficial uses of water within the Region. In particular, the long-term conjunctive use of groundwater in the Region requires that the quality of water in groundwater basins in the Region be managed to meet the water quality objectives for nitrogen and total dissolved solids (collectively, the "**Salinity Objectives**") adopted by the Regional Board in the 1995 Water Quality Control Plan for the Santa Ana River Basin, as amended in 2004 by R8 2004-0001 (the "**Basin Plan**").

C. The Salinity Objectives presently included in the Basin Plan are the result of a multi-year, multi-million dollar cooperative effort among many of the Parties. The Salinity Objectives are a product of the best scientific and technical information available.

D. The Legislature has declared that the facilitation of voluntary transfers of water and water rights is the established policy of the State. The Legislature has further declared that voluntary water transfers between water users can result in a more efficient use of water and can allow more intensive use of developed water resources so as to conserve all available water resources. The Legislature has directed the Regional Board to encourage voluntary transfers of water and water rights.

46 E. The Parties disagree whether the Regional Board may regulate the conjunctive
47 uses of imported water in the Region by means of general waste discharge requirements. Some
48 of the Parties believe the Regional Board lacks authority to regulate the conjunctive uses of
49 water in the Region because, they contend, such water does not constitute "waste" as defined in
50 Water Code section 13050(d); the Regional Board and other Parties believe the Regional Board
51 has such authority.

52
53 F. To avoid costly and time-consuming litigation brought to resolve the scope of the
54 Regional Board's authority to regulate imported water and without prejudice to the Parties'
55 competing views on this question, the Parties wish to act cooperatively with the goal of
56 achieving compliance with the Salinity Objectives without the necessity of general waste
57 discharge requirements.

58
59 G. The Parties wish to memorialize the terms of their cooperative effort by means of
60 this Agreement.

61 62 63 Agreements

64 65 1. *Purpose of Agreement*

66 This Agreement is intended to allow the Parties to monitor and improve water quality
67 within the Santa Ana River Region in a manner that is consistent both with adopted water quality
68 objectives and with the needs of the inhabitants of the Region for a reliable supply of water.
69 This Agreement is limited in scope to compliance with and implementation of the Salinity
70 Objectives.

71 2. *Parties*

72 The Regional Board or any public agency or non-profit mutual water company that
73 imports water to the Region, exports/imports water between basins within the Region, recharges
74 such imported water within the Region, delivers such imported water for potable use within the
75 Region, or treats and/or recharges wastewater within the Region that includes imported water
76 may become a Party to this Agreement.

77 78 3. *Term of Agreement*

79 This Agreement will have an initial term of 10 years and shall automatically renew for
80 subsequent 10-year periods, *provided* that any Party may withdraw at any time by providing one
81 year's written notice of withdrawal to all other Parties.

82 4. *Preparation of Triennial Water Quality Report*

83 The Parties that intentionally recharge imported water within the Santa Ana Region (the
84 "**Recharging Parties**") agree voluntarily to collect, compile and analyze the N/TDS water
85 quality data necessary to determine whether the intentional recharge of imported water in the
86 Region may have a significant adverse impact on compliance with the Salinity Objectives within

the Region. To that end, the Recharging Parties will collect, compile and analyze such N/TDS water quality data and prepare, within eighteen months from the effective date of this Agreement and every three years thereafter, a report containing the following information:

- a. A summary of the then-current ambient water quality in each groundwater management zone and a comparison of that ambient water quality with the Salinity Objectives. The Recharging Parties shall calculate ambient water quality for each groundwater management zone in a manner that allows for a technically valid comparison with the Salinity Objectives.
- b. A summary of the amount and quality of imported water recharged in each groundwater management zone during the previous three-year period.
- c. The initial report and each report prepared at six-year intervals thereafter will include a projection of ambient water quality in each groundwater management zone for the subsequent 20 years.
 - (1) The projection of ambient water quality for each groundwater management zone will be based upon professionally accepted modeling techniques, will reasonably account for surface fluxes of salt input, will reflect the effects of all existing and reasonably foreseeable recharge projects for which there is a certified environmental document and will compare baseline ambient water quality with the Salinity Objectives.
 - (2) The projections for different groundwater management zones may be based on different modeling techniques.
 - (3) Each report that includes a 20-year projection of ambient water quality will also present a comparison of then-current water quality in each groundwater management zone with the ambient water quality projection made six years earlier, together with an evaluation of the reason(s) for any differences.

The Recharging Parties will agree among themselves regarding the manner in which they will prepare the report and the manner in which they will share the cost of preparing the report. The Recharging Parties will circulate a draft version of each report to all other Parties for review and written comments for at least a 45-day period. The Recharging Parties shall consider written comments received on the draft report in preparing the final report. Upon completion of the final report, the Recharging Parties shall promptly lodge the final report with the Regional Board.

5. *CEQA Review of Proposed Projects*

Each Recharging Party agrees that, when it serves as a lead agency under the California Environmental Quality Act ("CEQA") for a proposed project involving the recharge of imported water within the Region, it will analyze that project as follows:

- 124 a. The environmental document will include the water quality data compiled in the
125 most recent triennial report to the Regional Board (see paragraph 4 above) in the
126 analysis of the potential impacts of the proposed project.
- 127 b. The environmental document will incorporate professionally acceptable modeling
128 techniques. The Parties agree that the following models meet this standard:
- 129 (1) The Wildermuth models used to establish maximum benefit objectives.
- 130 (2) The Orange County Basin Groundwater Model.
- 131 (3) The USGS/Geoscience/Secor model of the Bunker Hill Groundwater
132 Basin.
- 133 (4) The Chino Basin Watermaster/Inland Empire Utilities Agency model.
- 134 (5) The Beaumont-Cherry Valley model for the Beaumont management zone
- 135 (6) Eastern Municipal Water District's San Jacinto Groundwater Model.
- 136 (7) Elsinore Valley Municipal Water District's Elsinore Basin Groundwater
137 Model.
- 138 (8) The USGS model of the Beaumont Basin (with MT3D package or
139 equivalent added).
- 140 Updates/refinements of these models are presumed to be professionally
141 acceptable.
- 142 c. A Recharging Party may base its environmental analysis on a model other than
143 those described above if that model has been presented to the Regional Board at
144 least 180 days prior to the release of the draft environmental document and there
145 has been a determination by the Regional Board or its staff that the alternative
146 model is acceptable.
- 147 (1) The Regional Board agrees that an alternative model is acceptable for
148 purposes of this Agreement if the proponent of that model can
149 demonstrate with reasonable certainty that the relative error of the model's
150 calibration for the groundwater management zones in question for a
151 reasonable base period is $\pm 10\%$ or less when compared with existing
152 groundwater data.
- 153 (2) The provisions of the immediately preceding paragraph are not to be
154 construed to preclude other means or methodologies for an alternative
155 model's proponent to demonstrate to the Regional Board that an
156 alternative model is acceptable for purposes of this Agreement.

- 157 (3) If an alternative model has not been deemed acceptable by the Regional
158 Board or its staff and a lead agency wishes to include results from that
159 model in the environmental document, the lead agency shall include
160 results from both the alternative model and one of the pre-approved
161 models in the environmental document.
- 162 d. The environmental document will include the following analyses:
- 163 (1) A summary of the condition of the groundwater management zones, as
164 reflected in the most recent triennial report to the Regional Board, that
165 might be affected by the project.
- 166 (2) A 20-year projection of water quality in the groundwater management
167 zone with the proposed project and a comparison of that water quality with
168 conditions expected without the project.
- 169 (3) A comparison of the 20-year water quality projection for conditions with
170 the proposed project with the Salinity Objectives for the groundwater
171 management zone.
- 172 (4) A description and evaluation of any measures proposed to mitigate the
173 potential effects of the proposed project.
- 174 e. The draft environmental document will be circulated to all Parties.
- 175 f. Each Recharging Party agrees to adopt the operative guidelines contained in this
176 paragraph 5 as part of its CEQA implementing procedures pursuant to section
177 15022 of the CEQA Guidelines.
- 178 g. The environmental document shall include, if required under CEQA, an effective
179 mitigation monitoring and reporting plan that enables the lead agency to
180 demonstrate compliance with applicable regulatory standards and any
181 performance standards adopted in the environmental document.

182 6. *Basin Planning Updates*

183 The Regional Board will review and, if appropriate, revise water quality objectives for
184 the purpose of facilitating the recharge of imported water in groundwater management zones
185 within the Region. The Parties agree to cooperate in such efforts and agree to work
186 cooperatively to develop a program that addresses the use and allocation of assimilative capacity
187 as part of overall Basin planning and management.

188 7. *Enforcement*

189 If the Recharging Parties fail timely to prepare the triennial report described in paragraph
190 4 above or if a Recharging Party fails to include the analyses described in paragraph 5 above in
191 an environmental document prepared in connection with a proposed project involving the
192 recharge of imported water, then any other Party may enforce the terms of this Agreement as

193 follows.

194 If the dispute relates to the triennial report on water quality, the Regional Board will hold
195 a hearing asking the Recharging Parties to provide an explanation for the delay or failure to
196 prepare the report. Such a hearing will precede an action for specific performance of the terms
197 of this Agreement by the Regional Board. In the event that the dispute relates to the failure of a
198 Party to provide the appropriate analysis in an environmental document, that dispute will be
199 addressed by the Party(ies) using the remedies available under CEQA.

200 The Parties recognize that nothing in this Agreement can or is intended to divest the
201 Regional Board of its authority under the Porter-Cologne Water Quality Control Act.
202 Furthermore, nothing in this Agreement shall be construed as a waiver by any Party of any
203 remedies it may have against a non-Party for interference with the implementation of this
204 Agreement.

205 8. *Books and Records*

206 Each Party shall have access to and the right to examine any of the other Parties'
207 pertinent books, documents, papers or other records (including, without limitation, records
208 contained on electronic media) relating to the performance of that Party's obligations pursuant to
209 this Agreement. The Parties shall each retain all such books, documents, papers or other records
210 for at least four years after the termination of this Agreement to facilitate such review. Access
211 to each Party's books and records shall be during normal business hours only. Nothing in this
212 paragraph shall be construed to operate as a waiver of any applicable privileges.

213 9. *No Admissions*

214 Nothing in this Agreement shall be construed as an admission by any Party regarding any
215 subject matter of this Agreement, including but not limited to the authority of the Regional Board
216 to regulate the importation of water to the Region. The Parties agree that Evidence Code
217 sections 1152 and 1154 render this Agreement inadmissible as evidence against any of the
218 Parties in any adjudicative proceeding, except a proceeding to enforce or interpret the terms or
219 conditions of this Agreement.

220 10. *Preservation of Rights*

221 The Parties agree that this Agreement is in settlement of a dispute and preserves all rights
222 of the Parties as they may exist as of the effective date of this Agreement.

223 11. *General Provisions*

224 a. *Authority.* Each signatory of this Agreement represents that s/he is authorized to
225 execute this Agreement on behalf of the Party for which s/he signs. Each Party
226 represents that it has legal authority to enter into this Agreement and to perform
227 all obligations under this Agreement.

228 b. *Amendments.* This Agreement may only be amended with the approval of all
229 Parties.

- 230 c. *Jurisdiction and Venue.* This Agreement shall be governed by and construed in
231 accordance with the laws of the State of California, except for its conflicts of law
232 rules. Any suit, action, or proceeding brought under the scope of this Agreement
233 shall be brought and maintained to the extent allowed by law in the County of
234 Riverside, California.
- 235 d. *Representations and Warranties.* Each representation and warranty contained
236 herein or made pursuant hereto shall be deemed to be material and to have been
237 relied upon and shall survive the execution, delivery and termination of this
238 Agreement.
- 239 e. *Entire Agreement.* This Agreement constitutes the entire agreement of the Parties
240 with respect to the subject matter of this Agreement and supersedes any prior oral
241 or written agreement, understanding, or representation relating to the subject
242 matter of this Agreement.
- 243 f. *Successors and Assigns.* This Agreement shall be binding on and inure to the
244 benefit of the successors and assigns of the respective Parties to this Agreement.
245 No Party may assign its interests in or obligations under this Agreement without
246 the written consent of the other Parties, which consent shall not be unreasonably
247 withheld or delayed.
- 248 g. *Advice of Counsel; Drafting by Negotiations.* This Agreement has been arrived at
249 through negotiations and each Party has had a full and fair opportunity to revise
250 the terms of this Agreement. As a result, the normal rule of construction that any
251 ambiguities are to be resolved against the drafting Party shall not apply in the
252 construction or interpretation of this Agreement. Each Party represents that it has
253 sought and obtained any legal advice it deems necessary from its own separate
254 counsel before entering into this Agreement.
- 255 h. *Waiver.* No waiver of any violation or breach of this Agreement shall be
256 considered to be a waiver of any other violation or breach of this Agreement, and
257 forbearance to enforce one or more of the remedies provided in this Agreement
258 shall not be deemed to be a waiver of that remedy.
- 259 i. *Severability.* If, after the date of execution of this Agreement, any provision of
260 this Agreement is held to be illegal, invalid, or unenforceable under present or
261 future laws effective during the term of this Agreement, such provision shall be
262 fully severable. However, in lieu thereof, there shall be added a provision as
263 similar in terms to such illegal, invalid or unenforceable provision as may be
264 possible and be legal, valid and enforceable.
- 265 j. *Compliance with Laws.* In performing their respective obligations under this
266 Agreement, the Parties shall comply with and conform to all applicable laws,
267 rules, regulations and ordinances.

- 268 k. *No Third-Party Beneficiaries.* This Agreement shall not create any right or
269 interest in any non-Party or in any member of the public as a third party
270 beneficiary.
- 271 l. *Necessary Actions.* Each Party agrees to execute and deliver additional
272 documents and instruments and to take any additional actions as may be
273 reasonably required to carry out the purposes of this Agreement.
- 274 m. *Counterparts.* This Agreement may be executed in one or more counterparts,
275 which may be executed and delivered via facsimile transmission, each of which
276 shall be deemed to be an original, but all of which together shall constitute but
277 one and the same instrument.
- 278 n. *Notices.* All notices, requests, demands or other communications required or
279 permitted under this Agreement shall be in writing unless provided otherwise in
280 this Agreement and shall be deemed to have been duly given and received on:
281 (i) the date of service if served personally or served by facsimile transmission on
282 the Party to whom notice is to be given at the address(es) provided below, (ii) on
283 the first day after mailing, if mailed by Federal Express, U.S. Express Mail, or
284 other similar overnight courier service, postage prepaid, and addressed as
285 provided below, or (iii) on the third day after mailing if mailed to the Party to
286 whom notice is to be given by first class mail, registered or certified, postage
287 prepaid, addressed as follows:

288 CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD

289 California Regional Water Quality Control Board
290 Santa Ana Region
291 3737 Main St., Suite 500
292 Riverside, CA 92501
293 (951) 782-4130 ph
294 (951) 781-6288 fax

295 CITY OF CORONA

296 City of Corona
297 400 S. Vicentia Avenue
298 Corona, CA 92882-2187
299 (951) 736-2239 ph
300 (951) 736-2231 fax

301 CITY OF RIVERSIDE

302 City of Riverside
 303 5950 Acorn Street
 304 Riverside, CA 92504-1036
 305 (951) 351-6080 ph
 306 (951) 351-6267 fax

307 EASTERN MUNICIPAL WATER DISTRICT

308 Eastern Municipal Water District
 309 2270 Trumble Road
 310 Perris, CA 92570
 311 P.O. Box 8300
 312 Perris, CA 92572-8300
 313 (951) 928-3777 ph
 314 (951) 928-6177 fax

315 ELSINORE VALLEY MUNICIPAL WATER DISTRICT

316 Elsinore Valley Municipal Water District
 317 31315 Chaney Street
 318 Lake Elsinore, CA 92530
 319 P.O. Box 3000
 320 Lake Elsinore, CA 92531-3000

321 ORANGE COUNTY WATER DISTRICT

322 Orange County Water District
 323 10500 Ellis Avenue
 324 Fountain Valley, CA 92708-6921
 325 P.O. Box 8300
 326 Fountain Valley, CA 92728-8300
 327 (714) 378-3200 ph
 328 (714) 378-3371 fax

329 SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT

330 San Bernardino Valley Municipal Water District
 331 1350 South "E" Street
 332 San Bernardino, CA 92408-2725
 333 P.O. Box 5906
 334 San Bernardino, CA 92412-5906
 335 (909) 387-9200 ph
 336 (909) 387-9247 fax


337 SAN GORGONIO PASS WATER AGENCY

338 San Gorgonio Pass Water Agency
339 1210 Beaumont Avenue
340 Beaumont, CA 92223
341 (951) 845-2577 ph
342 (951) 845-0281 fax

343 WESTERN MUNICIPAL WATER DISTRICT

344 Western Municipal Water District
345 450 E. Alessandro Blvd.
346 Riverside, CA 92508-2449
347 P.O. Box 5286
348 Riverside, CA 92517-5286
349 (951) 789-5000 ph
350 (951) 780-3837 fax


CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD

By: 
Title: Executive Officer

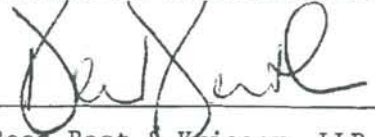
360 APPROVED AS TO FORM ONLY:

362 By: _____

CITY OF CORONA

By: 
Title: CITY MANAGER
Beth Groves

371 APPROVED AS TO FORM ONLY:

372 
373 By: _____
374 Best Best & Krieger, LLP
City of Corona Counsel

337 SAN GORGONIO PASS WATER AGENCY

338 San Gorgonio Pass Water Agency
339 1210 Beaumont Avenue
340 Beaumont, CA 92223
341 (951) 845-2577 ph
342 (951) 845-0281 fax

343 WESTERN MUNICIPAL WATER DISTRICT

344 Western Municipal Water District
345 450 E. Alessandro Blvd.
346 Riverside, CA 92508-2449
347 P.O. Box 5286
348 Riverside, CA 92517-5286
349 (951) 789-5000 ph
350 (951) 780-3837 fax

CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD

By: _____
Title:

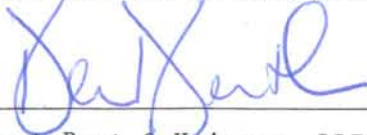
360 APPROVED AS TO FORM ONLY:

362 By: _____

CITY OF CORONA

By: 
Title: CITY MANAGER
Beth Groves

371 APPROVED AS TO FORM ONLY:

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373 By: _____
374 Best Best & Krieger, LLP
City of Corona Counsel

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CITY OF RIVERSIDE

By: 
Title: _____

APPROVED AS TO FORM ONLY:

By: Gussan Wilson
Deputy City Attorney

Attest: 
City Clerk

EASTERN MUNICIPAL WATER DISTRICT

By: _____
Title: _____

APPROVED AS TO FORM ONLY:

By: _____

ELSINORE VALLEY MUNICIPAL WATER DISTRICT

By: _____
Title: _____

APPROVED AS TO FORM ONLY:

By: _____

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APPROVED AS TO FORM ONLY:

By: _____

CITY OF RIVERSIDE

By: _____
Title: _____

EASTERN MUNICIPAL WATER
DISTRICT

By:  _____
Title: *General Manager*

ELSINORE VALLEY MUNICIPAL
WATER DISTRICT

By: _____
Title: _____

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CITY OF RIVERSIDE

By: _____
Title: _____

APPROVED AS TO FORM ONLY:

By: _____

EASTERN MUNICIPAL WATER
DISTRICT

By: _____
Title: _____

APPROVED AS TO FORM ONLY:

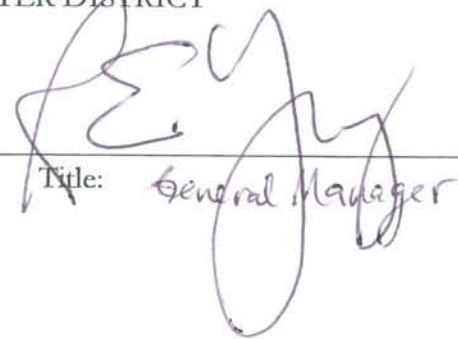
By: _____

ELSINORE VALLEY MUNICIPAL
WATER DISTRICT

By: _____
Title: _____

APPROVED AS TO FORM ONLY:

By: _____


Title: General Manager

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APPROVED AS TO FORM ONLY:

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By: _____

ORANGE COUNTY WATER DISTRICT

By: 

Title: President

By: 

Title: Acting General Manager

SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT

By: _____

Title: _____

SAN GORGONIO PASS WATER
AGENCY

By: _____

Title: _____

ORANGE COUNTY WATER DISTRICT

By: _____
Title:

APPROVED AS TO FORM ONLY:

By: _____

SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT

By: 
Title: President

APPROVED AS TO FORM ONLY:

By: _____

SAN GORGONIO PASS WATER
AGENCY

By: _____
Title:

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APPROVED AS TO FORM ONLY:

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By: _____

ORANGE COUNTY WATER DISTRICT

By: _____
Title: _____

SAN BERNARDINO VALLEY
MUNICIPAL WATER DISTRICT

By: _____
Title: _____

SAN GORGONIO PASS WATER
AGENCY

By: Jeffrey W. Davis
Title: General Manager

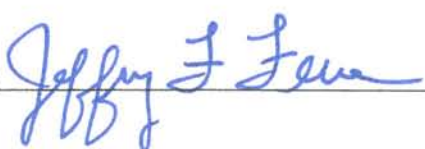
WESTERN MUNICIPAL WATER
DISTRICT

By: _____


Donald D. Galleano
President, Board of Directors

APPROVED AS TO FORM ONLY:

By: _____



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CITY OF SAN BERNARDINO
MUNICIPAL WATER DEPARTMENT

By: Stacy Aldstadt
Title: GENERAL MANAGER

APPROVED AS TO FORM ONLY:

By: _____



Agenda Report

File #: 19-0968

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:
City Council to receive and file Personnel Report.

RECOMMENDED ACTION:

That the City Council receive and file the Personnel Report for employee updates and recruitment transactions.

ANALYSIS:

The Personnel Report includes the employee updates and recruitments noted below. These transaction types are reported to Council for informational purposes each meeting to enhance transparency. The report includes new activity only since the previous meeting. The employee updates in the Personnel Report include full-time appointments, full-time promotions, and retirements. The recruitment activity portion of the report includes both open/competitive recruitments as well as internal/promotional recruitments.

Full-Time Appointments

<i>Employee Name</i>	<i>Department</i>	<i>Position</i>	<i>Pay Range</i>	<i>Effective Date</i>
Amezcuca, Josh	Department of Water and Power	Water Reclamation Operator III Flex	\$6,093- \$7,438	October 14, 2019
Ruiz-Acevedo, Vanessa	Police Department	Public Safety Dispatcher I Flex	\$3,682- \$4,495	October 14, 2019
Thompson, Laura	Police Department	Public Safety Dispatcher I Flex	\$3,682- \$4,495	October 14, 2019

Full-Time Appointments (Continued)

<i>Employee Name</i>	<i>Department</i>	<i>Position</i>	<i>Pay Range</i>	<i>Effective Date</i>
Vazquez, Rafael	Department of Water and Power	Water Reclamation Operator III Flex	\$6,093- \$7,438	October 14, 2019

Retirements - None

Full-Time Promotions

<i>Employee Name</i>	<i>Department</i>	<i>Position</i>	<i>Pay Range</i>	<i>Effective Date</i>
Alfelor, Kristian	Department of Water and Power	Operations Manager	\$9,310 - \$11,365	October 12, 2019
Potts, Jared	Fire Department	Fire Engineer	\$6,123 - \$7,858	October 12, 2019
Villegas, Martin	Library & Recreation Services Department	Library Specialist	\$3,218 - \$3,928	October 12, 2019

Open/Competitive Recruitments

<i>Position</i>	<i>Department</i>	<i>Position Type</i>	<i>Open Date</i>	<i>Closing Date</i>
Assistant Planner	Community Development	Full-Time	October 30, 2019	Continuous
Code Enforcement Officer II	Community Development	Full-Time	November 6, 2019	Continuous
Deputy Fire Chief	Fire Department	Full-Time	October 30, 2019	November 15, 2019
Purchasing Manager	Administrative Services	Full-Time	November 5, 2019	November 27, 2019

Internal/Promotional Recruitments

<i>Position</i>	<i>Department</i>	<i>Position Type</i>	<i>Open Date</i>	<i>Closing Date</i>
Senior Code Enforcement Officer	Community Development	Full-Time	November 6, 2019	November 13, 2019

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Not applicable.

ENVIRONMENTAL ANALYSIS:

Environmental review is not required. The proposed actions are not a project under the California Environmental Quality Act.

PREPARED BY: EDELIA EVELAND, HUMAN RESOURCES MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER



Agenda Report

File #: 19-0973

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Maintenance Services

SUBJECT:

City Council consideration to receive and file an update on Contracted Emergency Repair Work for Fire Station #1 pursuant to Corona Municipal Code 3.08.130 (A).

RECOMMENDED ACTION:

That the City Council receive and file the update on Contracted Emergency Repair Work for Fire Station #1 located at 540 Magnolia Avenue pursuant to Corona Municipal Code (CMC) 3.08.130 (A).

ANALYSIS:

On November 6, 2019 City Council received the notification of contracted emergency work for Fire Station #1 located at 540 Magnolia Avenue and authorized one-time appropriation of \$60,000 from General Fund 110 to Maintenance Services' operating budget for mold remediation and plumbing repairs utilizing the Exception to Competitive Bidding provision for emergency repairs pursuant to Corona Municipal Code (CMC) Sections 3.08.130(A).

On September 24, 2019 the firefighters at Station #1 reported to the Maintenance Services Department (MSD) that a water leak had occurred due to a leaking water pipe connecting the washing machine. The water damage exposed substantial mold throughout the wall in the laundry space and the bathroom which shares the wall. The extensive mold required removal of all the bathroom sinks and two wall urinals. Since this is a facility housing emergency personnel who operate twenty-four-hour shifts, the mold remediation is a top priority.

To properly complete this emergency project, it was necessary to have a portable shower and restroom located on site to allow for the continuous operations of this facility. The temporary shower and toilet trailer is rented from United Site Services. Following table shows list of repairs, services and tasks provided by different contractors and percent complete.

Item	Vendor Name	Description of Services	Percent Complete
1	Roto-Rooter Service and Plumbing	Plumbing Services	90%
2	Builders Choice	Mold Remediation/Testing	100%
3	Minecraft	Cabinetry	50%
4	Ferguson	Bathroom Fixtures/Toilets	100%
5	Moore Flooring	Tile Replacement	50%
6	Tony's Painting	Repainting of Walls	0%
7	United Site Services	Shower and toilet trailer rental	N/A
8	ACM Lighting	Electrical	0%

In accordance with CMC Section 3.08.130 requirements, a report on the emergency and work performed is provided for Council review. Pictures of emergency repair work are included in Exhibit A, attached.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

No additional fiscal impacts beyond the cost of repairs approved by the City Council on November 6, 2019.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: AFTAB HUSSAIN, MAINTENANCE MANAGER

REVIEWED BY: KATIE HOCKETT, ASSISTANT GENERAL MANAGER

REVIEWED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: SCOTT BRIGGS, PURCHASING SPECIALIST V

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachments:

1. Exhibit A - Pictures of Fire Station #1 emergency repair work

Exhibit – A

Pictures of Fire Station #1 emergency repair work

Fire Station 1 Restroom Sharing Wall with Laundry Room:



Cabinets and Sinks Removed:



Black Mold Found in the Wall:



Remove and Replace Corroded Cast Iron Plumbing:





New ABS Plumbing Installed:



Wall Studs Mold Abatement and Coated Prior to Air Testing for Mold:





Agenda Report

File #: 19-0971

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2019-096, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 15).

RECOMMENDED ACTION:

That the City Council adopt Resolution No. 2019-096, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 15).

ANALYSIS:

Dennis Armstrong, Stacie Hobbs, and Betzalel Louk ("Owners") are the owners of two developments comprised of four parcels totaling 5.29 gross acres ("Properties"). The first development is located on the west side of Lester Avenue, north of Golden Harvest Drive, and is being processed under Tentative Parcel Map (TPM) waiver application 37521 with the City. The second development is located west of Lester Avenue and south along Golden Harvest Drive and is being processed under TPM waiver application 37765 with the City. Due to the proximity and similar nature of improvements, these developments are being annexed into the same CFD zone.

The Owners have agreed to annex the Properties into Community Facilities District No. 2016-1 ("CFD No. 2016-1") for the purpose of financing police protection services (including but not limited to criminal justice services), fire protection and suppression services, and paramedic services ("Public Services") within the area of CFD No. 2016-1, which is necessary to serve new developments within the Properties.

CFD No. 2016-1 was formed by the City Council on March 2, 2016 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 ("Act"). As part of the formation process and in accordance with the Act, the City Council also established an area designated as the "Future Annexation Area" for CFD No. 2016-1 and authorized the annexation of parcels within the Future 91

Annexation Area to CFD No. 2016-1 upon the unanimous approval and election of the Owner(s) of any such parcel authorizing the levy of special taxes upon such parcel following the annexation of such parcel to CFD No. 2016-1. The annexation of parcels within the Future Annexation Area can be accomplished without any further public hearings or additional proceedings. The Properties are within the Future Annexation Area and, thus, can be annexed to CFD No. 2016-1 with the unanimous approval and election of the Owners.

Prior to tonight's City Council meeting, the Owners executed the Consent and Waiver to Shortening of Time for Conducting a Special Elections, which are on file in the City Clerk's office and submitted ballots, which authorize the annexation of the Properties to CFD No. 2016-1 and the levy of special taxes on the Properties to pay for the Public Services.

The attached resolution will certify the results of the election on the annexation of the Properties to CFD No. 2016-1 and annex the Properties to CFD No. 2016-1.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Per tax rate set by the Rate and Method of Apportionment (RMA), total maximum assessment rate for CFD No. 2016-1 is \$580.43 per single family and \$402.70 per multi-family residential unit for Fiscal Year 2019-20. The RMA provides for an annual escalation up to the greater of 4% or the Consumer Price Index (CPI) on July 1, subject to the approval of the City Manager.

On March 1 of each year, every residential building for which a building permit has been issued will be subject to the special taxes in the ensuing fiscal year. Approval of the attached resolution is anticipated to result in approximately \$1,160 of additional annual special tax revenue per year when the Properties is fully developed as planned. The additional assessment for CFD No. 2016-1 will provide a portion of the cost of Public Services to be provided to the residents within the Properties. The Owners will pay for the entire annexation cost.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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 adoption of the resolutions may have a significant effect on the environment, the action is not subject to CEQA. This action merely annexes the Properties to CFD No. 2016-1 and there is no possibility that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

File #: 19-0971

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachment:

1. Resolution No. 2019-096 Certifying the Results of an Election and Adding territory to CFD No. 2016-1.

RESOLUTION NO. 2019-096

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, CERTIFYING THE RESULTS OF AN ELECTION AND ADDING TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES) OF THE CITY OF CORONA (ANNEXATION NO. 15)

WHEREAS, the City Council of the City of Corona, California (the “City Council”) has previously formed Community Facilities District No. 2016-1 (Public Services) of the City of Corona (“CFD No. 2016-1”) pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”), as amended, for the purpose of financing certain facilities and services; and

WHEREAS, acting pursuant to the Act, the City Council also authorized, by the adoption of Resolution No. 2016-029 (the “Resolution Authorizing Future Annexation”), the annexation in the future of territory to CFD No. 2016-1, such territory designated as Future Annexation Area, Community Facilities District No. 2016-1 (the “Future Annexation Area”); and

WHEREAS, the City has received the unanimous consent to the annexation of certain territory located within the Future Annexation Area to CFD No. 2016-1 from the property owner of such territory, and such territory has been designated as Annexation No. 15 (the “Territory”); and

WHEREAS, less than twelve (12) registered voters have resided within the Territory for each of the ninety (90) days preceding the election date established for the Territory, therefore, pursuant to the Act the qualified elector of the Territory shall be the “landowner” of such Territory, as such term is defined in Government Code Section 53317(f); and

WHEREAS, the landowner(s) who is the owner of record as of the applicable election date, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of the parcel of land that landowner owns within such Territory; and

WHEREAS, the time limit specified by the Act for conducting an election to submit the levy of the special taxes on the Territory to the qualified elector thereof and the requirements for impartial analysis and ballot arguments have been waived with the unanimous consent of the qualified elector of the Territory; and

WHEREAS, the City Clerk of the City of Corona has caused ballots to be distributed to the qualified elector of the Territory, has received and canvassed such ballots and made a report to the City Council regarding the results of such canvas, a copy of which is attached as Exhibit “A” hereto and incorporated herein by this reference; and

WHEREAS, at this time the measure voted upon did receive the favorable vote of the qualified elector of the Territory, and the City Council desires to declare the results of the election; and

WHEREAS, a map showing the Territory and designated as Annexation Map No. 15 (the "Annexation Map"), a copy of which is attached as Exhibit "B" hereto and incorporated herein by this reference, has been submitted to this legislative body.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Corona, California, acting as the legislative body of Community Facilities District No. 2016-1, as follows:

SECTION 1. Recitals. The above recitals are true and correct.

SECTION 2. Findings. The City Council hereby further determine as follows:

A. The unanimous consent as described in the recitals hereto to the annexation of the Territory to CFD No. 2016-1 has been given by the owner of the Territory and such consent shall be kept on file in the Office of the City Clerk of the City of Corona.

B. Less than twelve (12) registered voters have resided within the Territory for each of the ninety (90) days preceding the election date established for each of the parcels located within the Territory, therefore, pursuant to the Act the qualified elector for the Territory shall be the "landowner" of the Territory as such term is defined in Government Code Section 53317(f).

C. The qualified elector of the Territory has voted in favor of the levy of special taxes on the Territory upon its annexation to CFD No. 2016-1.

SECTION 3. Territory. The boundaries and parcels of property within the Territory and on which special taxes will be levied in order to pay for the costs and expenses of authorized public services and public facilities are shown on the Annexation Map as submitted to and hereby approved by the City Council.

SECTION 4. Declaration of Annexation. The City Council hereby determines and declares that the Territory, and each parcel therein, is now added to and becomes a part of CFD No. 2016-1. The City Council, acting as the legislative body of CFD No. 2016-1, is hereby empowered to levy the authorized special tax within the Territory.

SECTION 5. Notice. Immediately upon adoption of this Resolution, notice shall be given as follows:

A. A copy of the Annexation Map, as approved, shall be filed in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

B. An Amendment to the Notice of Special Tax Lien (Notice of Annexation) shall be recorded in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

SECTION 6. Effective Date. This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 20th day of November 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 20th day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona

EXHIBIT "A"

**CERTIFICATE OF ELECTION OFFICIAL
AND STATEMENT OF VOTES CAST**

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

The undersigned, ELECTION OFFICIAL OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DOES HEREBY CERTIFY that pursuant to the provisions of Section 53326 of the Government Code and Division 12, commencing with Section 17000 of the Elections Code of the State of California, I did canvass the returns of the votes cast at the

CITY OF CORONA
COMMUNITY FACILITIES DISTRICT NO. 2016-1
SPECIAL ELECTION
ANNEXATION NO. 15

held on the election date established for each parcel located within the territory included in Annexation No. 15.

I FURTHER CERTIFY that this Statement of Votes Cast shows the whole number of votes cast in the area proposed to be annexed to Community Facilities District No. 2016-1 of the City of Corona for or against the Measure are full, true and correct.

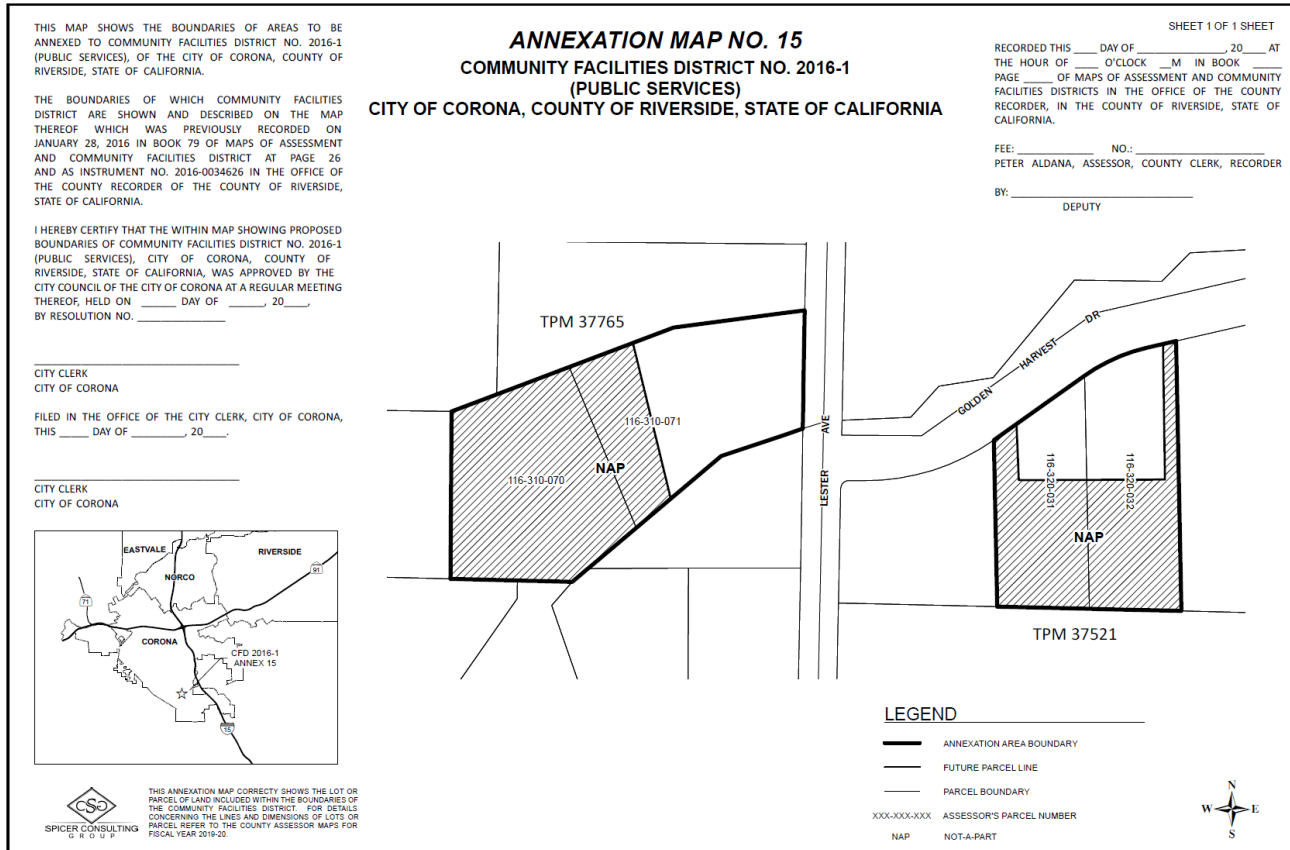
VOTES CAST ON PROPOSITION 1:	YES	<u>7</u>
	NO	<u>0</u>

WITNESS my hand this _____ day of _____, 2019.

CITY CLERK
ELECTION OFFICIAL
CITY OF CORONA
OF THE STATE OF CALIFORNIA

EXHIBIT "B"

ANNEXATION MAP





Agenda Report

File #: 19-0972

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2019-097, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 16).

RECOMMENDED ACTION:

That the City Council adopt Resolution No. 2019-097, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 16).

ANALYSIS:

Northpoint Evangelical Church ("Owner") is the owner of one detached residential parcel totaling 0.61 acres, located north of Othello between Lincoln Ave and Buena Vista Ave in the City of Corona, County of Riverside, State of California. The gross acreage for the entire property in the boundary area is approximately 6.80 acres ("Property"). The Owner proposes to construct a single-family residence and leave the existing Northpoint Evangelical Church on a separate lot on the Property.

The Owner has agreed to annex the Property into Community Facilities District No. 2016-1 ("CFD No. 2016-1") for the purpose of financing police protection services (including but not limited to criminal justice services), fire protection and suppression services, and paramedic services ("Public Services") within the area of CFD No. 2016-1, which is necessary to serve new development within the Property.

CFD No. 2016-1 was formed by the City Council on March 2, 2016 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 ("Act"). As part of the formation process and in accordance with the Act, the City Council also established an area designated as the "Future Annexation Area" for CFD No. 2016-1 and authorized the annexation of parcels within the Future Annexation Area to CFD No. 2016-1 upon the unanimous approval and election of the Owner(s) of any such parcel authorizing the levy of special taxes upon such parcel following the annexation of 100

such parcel to CFD No. 2016-1. The annexation of parcels within the Future Annexation Area can be accomplished without any further public hearings or additional proceedings. The Property is within the Future Annexation Area and, thus, can be annexed to CFD No. 2016-1 with the unanimous approval and election of the Owner.

Prior to tonight's City Council meeting, the Owner executed the Consent and Waiver to Shortening of Time for Conducting a Special Elections, which is on file in the City Clerk's office and submitted ballots, which authorize the annexation of the Property to CFD No. 2016-1 and the levy of special taxes on the Property to pay for the Public Services.

The attached resolution will certify the results of the election on the annexation of the Property to CFD No. 2016-1 and annex the Property to CFD No. 2016-1.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Per tax rate set by the Rate and Method of Apportionment (RMA), total maximum assessment rate for CFD No. 2016-1 is \$580.43 per single family and \$402.70 per multi-family residential unit for Fiscal Year 2019-20. The RMA provides for an annual escalation up to the greater of 4% or the Consumer Price Index (CPI) on July 1, subject to the approval of the City Manager.

On March 1 of each year, every residential building for which a building permit has been issued will be subject to the special taxes in the ensuing fiscal year. Approval of the attached resolution is anticipated to result in approximately \$580 of additional annual special tax revenue per year when the Property is fully developed as planned. The additional assessment for CFD No. 2016-1 will provide a portion of the cost of Public Services to be provided to the residents within the Property. The Owner will pay for the entire annexation cost.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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 adoption of the resolutions may have a significant effect on the environment, the action is not subject to CEQA. This action merely annexes the Property to CFD No. 2016-1 and there is no possibility that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachment:

1. Resolution No. 2019-097 Certifying the Results of an Election and Adding territory to CFD No. 2016-1.

RESOLUTION NO. 2019-097

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, CERTIFYING THE RESULTS OF AN ELECTION AND ADDING TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES) OF THE CITY OF CORONA (ANNEXATION NO. 16)

WHEREAS, the City Council of the City of Corona, California (the “City Council”) has previously formed Community Facilities District No. 2016-1 (Public Services) of the City of Corona (“CFD No. 2016-1”) pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”), as amended, for the purpose of financing certain facilities and services; and

WHEREAS, acting pursuant to the Act, the City Council also authorized, by the adoption of Resolution No. 2016-029 (the “Resolution Authorizing Future Annexation”), the annexation in the future of territory to CFD No. 2016-1, such territory designated as Future Annexation Area, Community Facilities District No. 2016-1 (the “Future Annexation Area”); and

WHEREAS, the City has received the unanimous consent to the annexation of certain territory located within the Future Annexation Area to CFD No. 2016-1 from the property owner of such territory, and such territory has been designated as Annexation No. 16 (the “Territory”); and

WHEREAS, less than twelve (12) registered voters have resided within the Territory for each of the ninety (90) days preceding the election date established for the Territory, therefore, pursuant to the Act the qualified elector of the Territory shall be the “landowner” of such Territory, as such term is defined in Government Code Section 53317(f); and

WHEREAS, the landowner(s) who is the owner of record as of the applicable election date, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of the parcel of land that landowner owns within such Territory; and

WHEREAS, the time limit specified by the Act for conducting an election to submit the levy of the special taxes on the Territory to the qualified elector thereof and the requirements for impartial analysis and ballot arguments have been waived with the unanimous consent of the qualified elector of the Territory; and

WHEREAS, the City Clerk of the City of Corona has caused ballots to be distributed to the qualified elector of the Territory, has received and canvassed such ballots and made a report to the City Council regarding the results of such canvas, a copy of which is attached as Exhibit “A” hereto and incorporated herein by this reference; and

WHEREAS, at this time the measure voted upon did receive the favorable vote of the qualified elector of the Territory, and the City Council desires to declare the results of the election; and

WHEREAS, a map showing the Territory and designated as Annexation Map No. 16 (the "Annexation Map"), a copy of which is attached as Exhibit "B" hereto and incorporated herein by this reference, has been submitted to this legislative body.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Corona, California, acting as the legislative body of Community Facilities District No. 2016-1, as follows:

SECTION 1. Recitals. The above recitals are true and correct.

SECTION 2. Findings. The City Council hereby further determine as follows:

A. The unanimous consent as described in the recitals hereto to the annexation of the Territory to CFD No. 2016-1 has been given by the owner of the Territory and such consent shall be kept on file in the Office of the City Clerk of the City of Corona.

B. Less than twelve (12) registered voters have resided within the Territory for each of the ninety (90) days preceding the election date established for each of the parcels located within the Territory, therefore, pursuant to the Act the qualified elector for the Territory shall be the "landowner" of the Territory as such term is defined in Government Code Section 53317(f).

C. The qualified elector of the Territory has voted in favor of the levy of special taxes on the Territory upon its annexation to CFD No. 2016-1.

SECTION 3. Territory. The boundaries and parcels of property within the Territory and on which special taxes will be levied in order to pay for the costs and expenses of authorized public services and public facilities are shown on the Annexation Map as submitted to and hereby approved by the City Council.

SECTION 4. Declaration of Annexation. The City Council hereby determines and declares that the Territory, and each parcel therein, is now added to and becomes a part of CFD No. 2016-1. The City Council, acting as the legislative body of CFD No. 2016-1, is hereby empowered to levy the authorized special tax within the Territory.

SECTION 5. Notice. Immediately upon adoption of this Resolution, notice shall be given as follows:

A. A copy of the Annexation Map, as approved, shall be filed in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

B. An Amendment to the Notice of Special Tax Lien (Notice of Annexation) shall be recorded in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

SECTION 6. Effective Date. This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 20th day of November 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 20th day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona

EXHIBIT "A"

**CERTIFICATE OF ELECTION OFFICIAL
AND STATEMENT OF VOTES CAST**

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

The undersigned, ELECTION OFFICIAL OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DOES HEREBY CERTIFY that pursuant to the provisions of Section 53326 of the Government Code and Division 12, commencing with Section 17000 of the Elections Code of the State of California, I did canvass the returns of the votes cast at the

CITY OF CORONA
COMMUNITY FACILITIES DISTRICT NO. 2016-1
SPECIAL ELECTION
ANNEXATION NO. 16

held on the election date established for each parcel located within the territory included in Annexation No. 16.

I FURTHER CERTIFY that this Statement of Votes Cast shows the whole number of votes cast in the area proposed to be annexed to Community Facilities District No. 2016-1 of the City of Corona for or against the Measure are full, true and correct.

VOTES CAST ON PROPOSITION 1:	YES	<u>7</u>
	NO	<u>0</u>

WITNESS my hand this _____ day of _____, 2019.

CITY CLERK
ELECTION OFFICIAL
CITY OF CORONA
OF THE STATE OF CALIFORNIA

EXHIBIT "B"

ANNEXATION MAP

THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES), OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON JANUARY 28, 2016 IN BOOK 79 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 26 AND AS INSTRUMENT NO. 2016-0034626 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES), CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CORONA AT A REGULAR MEETING THEREOF, HELD ON ____ DAY OF ____, 20____ BY RESOLUTION NO. ____.

CITY CLERK
CITY OF CORONA

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF CORONA, THIS ____ DAY OF ____, 20____.

CITY CLERK
CITY OF CORONA

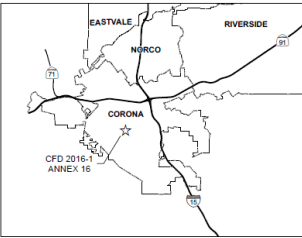
ANNEXATION MAP NO. 16
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(PUBLIC SERVICES)
CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 1 OF 1 SHEET


RECORDED THIS ____ DAY OF ____, 20____ AT THE HOUR OF ____ O'CLOCK ____ M IN BOOK ____ PAGE ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.


FEE: ____ NO.: ____
 PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER

BY: _____
 DEPUTY



THIS ANNEXATION MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCEL REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2019-20.

 SPICER CONSULTING
 G. R. D. JR.



LEGEND


— ANNEXATION AREA BOUNDARY

— FUTURE PARCEL LINE

— PARCEL BOUNDARY

XXX-XXX-XXX ASSESSOR'S PARCEL NUMBER

NAP NOT-A-PART





Agenda Report

File #: 19-0969

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

Public Hearing for City Council consideration of Resolution No. 2019-092, calling special election and Resolution No. 2019-093, declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed (Annexation No. 13).

RECOMMENDED ACTION:

That the City Council:

1. Adopt Resolution No. 2019-092 calling special election and submitting to the qualified electors of territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona the question of levying special taxes within the territory proposed to be annexed (Annexation No. 13).
2. Adopt Resolution No. 2019-093 declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed to said Community Facilities District to pay the costs of certain services to be provided by the Community Facilities District, determining that the territory proposed to be annexed is added to and part of said Community Facilities District with full legal effect (Annexation No. 13).

ANALYSIS:

On October 16, 2019, the City Council adopted Resolution No. 2019-087, a Resolution of Intention to annex territory to the Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona ("CFD No. 2016-3") and commence the annexation proceedings for the territory to be annexed, also shown as Annexation No. 13. A public hearing was set for November 20, 2019 to conduct an election for the landowners and to declare the results of that election.

As required by the Resolution of Intention, an annexation map was recorded on October 31, 2019, at 2:05 p.m. in Book 84 Page 47, Document No. 2019-0443969 and the potential annexation area boundary map was recorded on November 7, 2016, at 4:40 p.m. in Book 80 Page 23, Document No. 2016-0494013 of Maps of Assessment and Community Facilities Districts with the Riverside County Recorder.

The Resolution of Intention was adopted by the City Council in response to petitions filed by Dennis Armstrong, Stacie Hobbs, and Betzalel Louk, property owners of TPM 37521 and TPM 37765 ("Properties") within the City, requesting the City's assistance in annexing territory into CFD No. 2016-3 to cover the costs associated with the maintenance of public improvements. The improvements proposed to be maintained include items such as landscaping of parks, street lighting, street sweeping, pavement management, and drainage.

The area proposed within Annexation No. 13 will encompass two developments comprised of four parcels totaling 5.29 gross acres. The first development west of Lester Ave proposes to construct one new detached single-family residence and leaves the existing single-family residences on separate lots on the Properties. The second development, east of Lester Ave and south along Golden Harvest Dr., proposes one detached single-family residence with the remaining two lots being excluded from the CFD No. 2016-3.

The tracts proposed to be annexed into CFD No. 2016-3 will be included in Tax Zone 14. This tax rate includes a Maximum Special Tax A of \$765 per residential unit per year for maintenance services of public facilities, there are no services being funded by the levy of Special Tax B for contingent services. The Maximum Special Taxes are proposed to escalate each year at the greater of Consumer Price Index (CPI) or 2%.

The property owners have agreed to the annexation into the CFD No. 2016-3 and submitted a "Consent and Waiver" form on file in the City Clerk's Office, to initiate and conduct proceedings pursuant to the Mello-Roos Act of 1982, for the annexation of the Properties to CFD No. 2016-3 and consenting to the shortening of election time requirements, waiving analysis and arguments, and waiving all notice requirements relating to the conduct of the election immediately following the public hearing scheduled for November 20, 2019.

Resolution No. 2019-092 calls for a special election on the proposition of the annual levy of special taxes on the Properties to pay for the services described above. Resolution No. 2019-093 declares the results of the special election and adds the Properties to CFD No. 2016-3.

Should these resolutions be approved, the Properties will be added to and made a part of CFD No. 2016-3 with full legal effect and, upon recordation of a Notice of Special Tax Lien against the Properties, special taxes may be levied against the Properties commencing in Fiscal Year 2019-20.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

On March 1 of each year, every residential building for which a building permit has been issued will be subject to the special taxes in the ensuing Fiscal Year. If the anticipated costs of maintaining the facilities in any given Fiscal Year, prior to buildout of the project, exceeds the special tax revenues available from parcels for which building permits have been issued, then the special tax may also be on property with recorded final subdivision maps, as well as other undeveloped property.

The proposed total maximum assessment rate for Tax Zone 14 for Special Tax A is \$765 per residential unit per year. The assessment rate is proposed to escalate each year at the greater of Consumer Price Index (CPI) or 2%.

The residential development will be assessed in accordance with the Rate and Method of Apportionment Special Tax A. The new residential property will generate a special annual tax of approximately \$1,530. The total annexation cost was borne by the property owner, which includes the City Attorney fees, assessment engineer fees, publication, and City staff time.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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 adoption of the resolutions may have a significant effect on the environment, the action is not subject to CEQA. This action merely annexes the Properties to CFD No. 2016-3 and there is no possibility that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachments:

1. CFD No. 2016-3 Annexation No. 13 Project Map
2. CFD No. 2016-3 Annexation No. 13 Recorded Boundary Map
3. Resolution No. 2019-092 Calling Special Election
4. Resolution No. 2019-093 Declaring the Result of the Special Election

PROJECT MAP
CFD NO. 2016-3 (MAINTENANCE SERVICES)
ANNEXATION NO. 13



THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES), OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

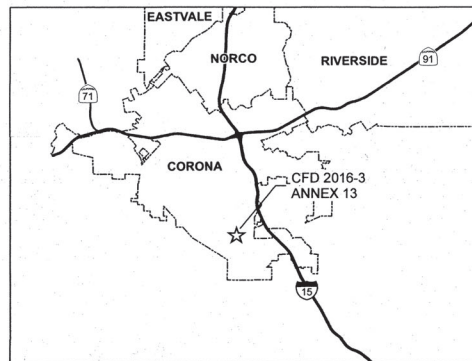
THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON JANUARY 28, 2016 IN BOOK 79 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 26 AND AS INSTRUMENT NO. 2016-0034624 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES), CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CORONA AT A REGULAR MEETING THEREOF, HELD ON 16th DAY OF October, 2019, BY RESOLUTION NO. 2019-087

Sylvia Edwards
CITY CLERK
CITY OF CORONA

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF CORONA, THIS 16th DAY OF October, 2019.

Sylvia Edwards
CITY CLERK
CITY OF CORONA



THIS ANNEXATION MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCEL REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2019-20.

ANNEXATION MAP NO. 13 **COMMUNITY FACILITIES DISTRICT NO. 2016-3** **(MAINTENANCE SERVICES)** **CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



LEGEND

- ANNEXATION AREA BOUNDARY
- FUTURE PARCEL LINE
- PARCEL BOUNDARY
- XXX-XXX-XXX ASSESSOR'S PARCEL NUMBER
- (14) TAX ZONE
- NAP NOT-A-PART

SHEET 1 OF 1 SHEET

RECORDED THIS 31 DAY OF October, 2019, AT THE HOUR OF 2:05 O'CLOCK P.M. IN BOOK 84 PAGE 47 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: \$9.00 NO.: 2019-0443969
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER

BY: Maria V. [Signature]
DEPUTY



RESOLUTION NO. 2019-092

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA CALLING SPECIAL ELECTION AND SUBMITTING TO THE QUALIFIED ELECTORS OF TERRITORY PROPOSED TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES) OF THE CITY OF CORONA THE QUESTION OF LEVYING SPECIAL TAXES WITHIN THE TERRITORY PROPOSED TO BE ANNEXED (ANNEXATION NO. 13)

WHEREAS, the City Council (the “City Council”) of City of Corona (the “City”) has heretofore conducted proceedings for the establishment of and has established Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California (the “Community Facilities District”), and the Community Facilities District has been authorized to annually levy special taxes to pay the costs of the maintenance of public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within the Community Facilities District and in the surrounding area and the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District.

WHEREAS, the City Council has been advised that the owners of approximately 5.29 gross acres of land wish to have their land included within the boundaries of the Community Facilities District and have requested that such land be annexed thereto; and

WHEREAS, the City Council is authorized by Article 3.5 (commencing with Section 53339) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982,” to annex such land to the Community Facilities District; and

WHEREAS, on October 16, 2019 the City Council adopted Resolution No. 2019-087, a resolution of intention to annex the Property to the Community Facilities District pursuant to Section 53339.2 of the California Government Code, determining that the public convenience and necessity require that said Property be annexed to the Community Facilities District and containing all of the matters prescribed by Section 53339.3 of said Code, and fixing 6:30 p.m. on November 20, 2019 in the Council Chambers of the City Council, 400 South Vicentia, Corona, California, as the time and place for a hearing upon said resolution; and

WHEREAS, pursuant to said resolution, the City Clerk has published and mailed notice of the time and place of said hearing as required by Section 53339.4 of said Code; and

WHEREAS, on November 20, 2019, at the time and place of said hearing, the City Council afforded all interested persons for or against the annexation of the Property to the Community Facilities District an opportunity to present testimony and to protest against the proposed annexation of said Property to the Community Facilities District, and no protests, either oral or in writing, were received; and

WHEREAS, pursuant to Section 53339.7 of said Code, the City Council may now submit the question of levying a special tax within the area proposed to be annexed to the Community Facilities District to the qualified electors within said territory.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the City Council of the City of Corona, California, as follows:

SECTION 1. Findings. The City Council finds that: (i) the foregoing recitals are correct; (ii) less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District during the 90 days preceding the close of the public hearing on November 20, 2019, and no persons are registered to vote therein; (iii) pursuant to Section 53326 of the California Government Code, as a result of the findings set forth in clause (ii) above, the vote in the special election called by this resolution shall be by the landowners of the territory proposed to be annexed to the Community Facilities District whose property would be subject to the special taxes if they were levied at the time of the election, and each landowner shall have one vote for each acre, or portion thereof, which he or she owns within said territory which would be subject to the proposed special taxes if they were levied at the time of the election; (iv) Dennis G. Armstrong and Karen E. Armstrong, Garnet H. Hobbs and Stacie L. Hobbs, and Betzalel Louk and Anat Louk, the owners of all of the territory proposed to be annexed to the Community Facilities District, have by written consent (a) waived the time limits set forth in said Section 53326 for holding the election called by this resolution, (b) consented to the holding of said election on November 20, 2019, (c) waived notice and mailed notice of the time and date of said election, and (d) waived an impartial analysis by the City Attorney of the ballot proposition pursuant to Section 9280 of the California Elections Code, mailing of a statement pursuant to Section 9401 of said Code, and arguments and rebuttals pursuant to Sections 9281 to 9287, inclusive, and 9295 of said Code; and (vi) the City Clerk has consented to the holding of said election on November 20, 2019 or any other date that is acceptable to the City Clerk.

SECTION 2. Special Election. A special election is called for and shall be held on Wednesday, November 20, 2019, for the purpose of submitting to the qualified electors of the territory proposed to be annexed to the Community Facilities District the question of whether special taxes shall annually be levied within said territory to pay the costs of the maintenance of public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within the Community Facilities District and in the surrounding area, and the costs associated with the determination of the amount of and levy and

collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District pursuant to the Rates and Method of Apportionment of the Special Taxes, attached as Exhibit “B” to Resolution No. 2019-087.

SECTION 3. Ballot Proposition. The proposition to be submitted on November 20, 2019, to the qualified electors of the territory proposed to be annexed to the Community Facilities District shall be as follows:

Shall special taxes be levied annually on taxable property within the territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California (i) to pay the annual costs of maintaining, servicing, cleaning, repairing and/or replacing landscaped areas (may include reserves for replacement) in public street right-of-way, public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within and in the area of the community facilities district, to pay expenses incidental thereto and (ii) to pay costs associated with the determination of the amount of and the levy and collection of the special taxes, at the special tax rates and pursuant to the method of apportioning such special taxes set forth in Exhibit "B" to Resolution No. 2019-087 adopted by the City Council of the City of Corona on October 16, 2019?

SECTION 4. Conduct of Election. Except as otherwise provided in Section 5 hereof, said election shall be conducted by the City Clerk (the “City Clerk”) pursuant to the provisions of the California Elections Code governing elections of cities, and the provisions of Division 4 (commencing with Section 4000) of said Code, insofar as they may be applicable.

SECTION 5. Election Procedures. The procedures to be followed in conducting said election shall be as follows:

(a) Pursuant to Section 53326 of the California Government Code, ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid.

(b) Pursuant to applicable sections of the aforementioned provisions of the California Elections Code governing the conduct of mail ballot elections, including in particular Division 4 (commencing with Section 4000) of said Code, the City Clerk shall mail to each qualified elector an official ballot in the form attached hereto as Exhibit “A,” and shall also mail to all such qualified electors a ballot pamphlet and instructions to voter, including a sample ballot identical in form to the official ballot but identified as a sample ballot, a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots, and copies of Resolution No. 2019-087.

(c) The official ballot to be mailed by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its land ownership on the proposition set forth in the official ballot as marked thereon in the voting square opposite such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within the Community Facilities District.

(d) The return identification envelope delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the following: the name of the landowner, the address of the landowner, a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, the printed name and signature of the voter, the address of the voter, the date of signing and place of execution of said declaration, and a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.

(e) The information-to-voter form to be mailed by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5 o'clock p.m. on the date of the election.

(f) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council at its next regular meeting as to the results of such canvass and the election on the proposition set forth in the official ballot.

PASSED AND ADOPTED this 20th day of November 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

EXHIBIT “A”

OFFICIAL BALLOT

**SPECIAL ELECTION FOR
COMMUNITY FACILITIES DISTRICT NO. 2016-3
(MAINTENANCE SERVICES)
OF THE CITY OF CORONA
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA
(ANNEXATION NO. 13)**

November 20, 2019

To vote, mark a cross (+) in the voting square after the word “YES” or after the word “NO”. All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Corona and obtain another.

PROPOSITION A: Shall special taxes be levied annually on taxable property within the territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California, (i) to pay the annual costs of maintaining, servicing, cleaning, repairing and/or replacing landscaped areas (may include reserves for replacement) in public street right-of-way, public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within and in the area of the community facilities district, to pay expenses incidental thereto and (ii) to pay costs associated with the determination of the amount of and the levy and collection of the special taxes, at the special tax rates and pursuant to the method of apportioning such

special taxes set forth in Exhibit "B" to Resolution No. 2019-087 adopted by the City Council of the City of Corona on October 16, 2019?

YES	
NO	

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 20th day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona, California

(SEAL)

RESOLUTION NO. 2019-093

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA DECLARING THE RESULTS OF THE SPECIAL ELECTION FOR COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES) OF THE CITY OF CORONA ON THE PROPOSITION OF THE ANNUAL LEVY OF SPECIAL TAXES WITHIN THE TERRITORY PROPOSED TO BE ANNEXED TO SAID COMMUNITY FACILITIES DISTRICT TO PAY THE COSTS OF CERTAIN SERVICES TO BE PROVIDED BY THE COMMUNITY FACILITIES DISTRICT, DETERMINING THAT THE TERRITORY PROPOSED TO BE ANNEXED IS ADDED TO AND PART OF SAID COMMUNITY FACILITIES DISTRICT WITH FULL LEGAL EFFECT (ANNEXATION NO. 13)

WHEREAS, the City Council (the "City Council") of the City of Corona (the "City") has heretofore conducted proceedings for the annexation of approximately 5.29 gross acres of land to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California (the "Community Facilities District"), including conducting a public hearing pursuant to Section 53339.5 of the Government Code; and

WHEREAS, at the conclusion of said public hearing, the City Council adopted a resolution calling a special election for November 20, 2019 and submitting to the qualified electors of the territory to be annexed to the Community Facilities District the question of levying special taxes within that territory to pay the costs of the maintenance of public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within the Community Facilities District and in the surrounding area and the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District (the "Election Resolution"); and

WHEREAS, the City Council has received a statement from the City Clerk (the "City Clerk"), who, pursuant to the Election Resolution, was authorized to conduct such special election and act as the election official therefor, with respect to the canvass of the ballots returned in and the results of said special election, certifying that at least two-thirds of the votes cast upon the proposition submitted to the qualified electors in said special election were in favor of such proposition.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the City Council of the City of Corona, California, as follows:

SECTION 1. Findings. The City Council finds that: (i) there were no registered voters residing within the territory proposed to be annexed to the Community Facilities District (the "Territory") at the time of the close of the public hearing on November 20, 2019, and pursuant to Section 53326 of the Government Code, the vote in said special election was, therefore, to be by the landowners owning land within the Territory, with each landowner having one vote for each acre or portion thereof of land that he or she owns within the Territory; (ii) pursuant to said Section 53326 and the Election Resolution, the City Clerk distributed the official ballot for the special election to Dennis G. Armstrong and Karen E. Armstrong, Garnet H. Hobbs and Stacie L. Hobbs, and Betzalel Louk and Anat Louk, the owners of all of the land within the Territory, with return postage prepaid; (iii) said landowners waived the time limits for holding the special election and the election dates specified in said Section 53326, and consented to the calling and holding of said special election on November 20, 2019; (iv) said special election has been properly conducted in accordance with all statutory requirements and the provisions of the Election Resolution; (v) pursuant to said Section 53326, the owners of all of the land within the Territory, who own 5.29 gross acres, were entitled to seven votes; (vi) said landowners returned their ballots to the City Clerk prior to the time set by the City Clerk for the close of the election on November 20, 2019; (vii) the ballots returned to the City Clerk by said landowner voted all votes of said landowners in favor of the proposition set forth therein; (viii) at least two-thirds of the votes cast in such special election on said proposition were in favor thereof, and pursuant to Sections 53328 and 53329 of the Government Code, said proposition carried; (ix) pursuant to Section 53339.8 of the Government Code, the City Council is authorized to determine that the Territory to be annexed has been added to and become a part of the Community Facilities District with full legal effect; and (x) the City Council is also authorized, pursuant to said Section 53339.8, to annually levy special taxes within the Territory to pay the costs of the services to be provided by the Community Facilities District.

SECTION 2. Declaration of Results. All votes voted in the special election on the proposition of the annual levy of special taxes within the Territory to pay the costs of the services to be provided by the Community Facilities District were voted in favor thereof, and such proposition carried.

SECTION 3. Annexation. The Territory is annexed and added to and is a part of the Community Facilities District with full legal effect, and the City Council shall annually levy special taxes within the Territory, as specified in Resolution No. 2019-087 adopted by the City Council on October 16, 2019, to pay costs of certain services to be provided by the Community Facilities District. The boundaries of the Territory are shown on the map entitled, Annexation Map No. 13, Community Facilities District No. 2016-3 (Maintenance Services), City of Corona, County of Riverside, State of California, which was recorded on October 31, 2019 in the office of the County Recorder of the County of Riverside as Instrument No. 2019-0443969.

SECTION 4. Pursuant to Section 53339.8 of the Government Code and Section 3117.5 of the Streets and Highways Code, the City Clerk shall cause to be filed with the County Recorder of the County of Riverside an amendment of the notice of special tax lien and a map of the amended boundaries of the Community Facilities District including the Territory.

PASSED AND ADOPTED this 20th day of November 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 20th day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona, California

(SEAL)



Agenda Report

File #: 19-0970

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

Public Hearing for City Council consideration of Resolution No. 2019-094, calling special election and Resolution No. 2019-095, declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed (Annexation No. 14).

RECOMMENDED ACTION:

That the City Council:

1. Adopt Resolution No. 2019-094 calling special election and submitting to the qualified electors of territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona the question of levying special taxes within the territory proposed to be annexed (Annexation No. 14).
2. Adopt Resolution No. 2019-095 declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed to said Community Facilities District to pay the costs of certain services to be provided by the Community Facilities District, determining that the territory proposed to be annexed is added to and part of said Community Facilities District with full legal effect (Annexation No. 14).

ANALYSIS:

On October 16, 2019, the City Council adopted Resolution No. 2019-088, a Resolution of Intention to annex territory to the Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona ("CFD No. 2016-3") and commence the annexation proceedings for the territory to be annexed, also shown as Annexation No. 14. A public hearing was set for November 20, 2019 to conduct an election for the landowners and to declare the results of that election.

As required by the Resolution of Intention, an annexation map was recorded on October 23, 2019, at 4:48 p.m. in Book 84 Page 40, Document No. 2019-0428088 and the potential annexation area boundary map was recorded on November 7, 2016, at 4:40 p.m. in Book 80 Page 23, Document No. 2016-0494013 of Maps of Assessment and Community Facilities Districts with the Riverside County Recorder.

The Resolution of Intention was adopted by the City Council in response to petitions filed by Northpoint Evangelical Church, property owner of 6.80 acres included as Assessor's Parcel 113-420-009 ("Property") within the City, requesting the City's assistance in annexing territory into CFD No. 2016-3 to cover the costs associated with the maintenance of public improvements. The improvements proposed to be maintained include items such as landscaping and lighting, street sweeping, and pavement management.

The area proposed within Annexation No. 14 will encompass a detached single-family residence and leave the existing Northpoint Evangelical Church on a separate lot on the Property. The tract proposed to be annexed into CFD No. 2016-3 will be included in Tax Zone 15. This tax rate includes a Maximum Special Tax A of \$1,080 per year for maintenance services of public facilities, there are no services being funded by the levy of Special Tax B for contingent services. The Maximum Special Taxes are proposed to escalate each year at the greater of Consumer Price Index (CPI) or 2%.

Northpoint Evangelical Church has agreed to the annexation into the CFD and submitted an "Consent and Waiver" form on file in the City Clerk's Office, to initiate and conduct proceedings pursuant to the Mello-Roos Act of 1982, requesting the annexation of property to CFD No. 2016-3 (Maintenance Services) and consenting to the shortening of election time requirements, waiving analysis and arguments, and waiving all notice requirements relating to the conduct of the election immediately following the public hearing scheduled for November 20, 2019.

Resolution No. 2019-094 calls for a special election on the proposition of the annual levy of special taxes on the Property to pay for the services described above. Resolution No. 2019-095 declares the results of the special election and adds the Property to CFD No. 2016-3.

Should these resolutions be approved, the Property will be added to and made a part of CFD No. 2016-3 with full legal effect and, upon recordation of a Notice of Special Tax Lien against the Property, special taxes may be levied against the Property commencing in Fiscal Year 2019-20.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

On March 1 of each year, every residential building for which a building permit has been issued will be subject to the special taxes in the ensuing Fiscal Year. If the anticipated costs of maintaining the facilities in any given Fiscal Year, prior to buildout of the project, exceeds the special tax revenues available from parcels for which building permits have been issued, then the special tax may also be on property with recorded final subdivision maps, as well as other undeveloped property.

The proposed development will be assessed in accordance with the Rate and Method of Apportionment Special Tax A set forth in Exhibit "B" to Resolution No. 2019-088. The proposed total maximum assessment rate for Tax Zone 15 for Special Tax A is \$1,080 per year. The assessment rate is proposed to escalate on July 1 of each year at the greater of Consumer Price Index (CPI) or 2%.

The total annexation cost was borne by the property owner, which includes the City Attorney fees, assessment engineer fees, publication, and City staff time.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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 adoption of the resolutions may have a significant effect on the environment, the action is not subject to CEQA. This action merely annexes the Property to CFD No. 2016-3 and there is no possibility that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachments:

1. CFD No. 2016-3 Annexation No. 14 Project Map
2. CFD No. 2016-3 Annexation No. 14 Recorded Boundary Map
3. Resolution No. 2019-094 Calling Special Election
4. Resolution No. 2019-095 Declaring the Results of the Special Election

PROJECT MAP
CFD NO. 2016-3 (MAINTENANCE SERVICES)
ANNEXATION NO. 14



THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES), OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

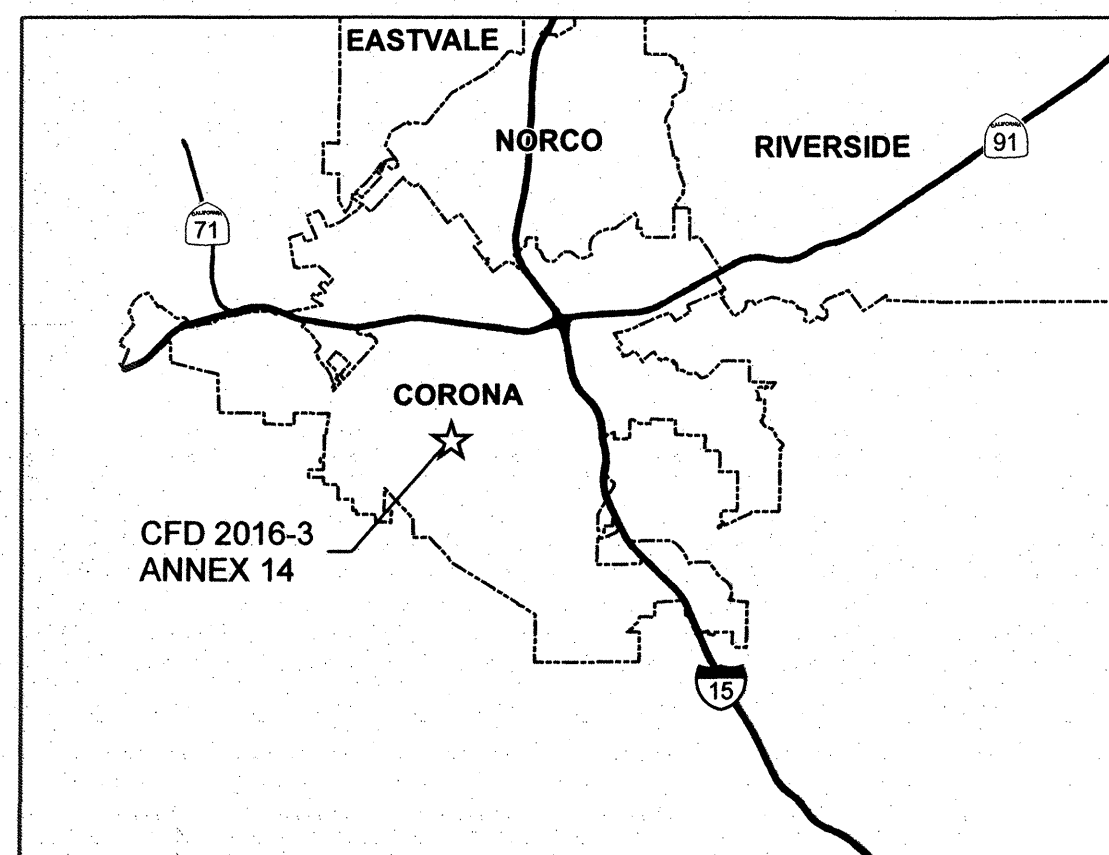
THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON JANUARY 28, 2016 IN BOOK 79 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 26 AND AS INSTRUMENT NO. 2016-0034624 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES), CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CORONA AT A REGULAR MEETING THEREOF, HELD ON 16 DAY OF October, 2019, BY RESOLUTION NO. 2019-088

Sylvia Edwards
CITY CLERK
CITY OF CORONA

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF CORONA, THIS 16 DAY OF October, 2019.

Sylvia Edwards
CITY CLERK
CITY OF CORONA

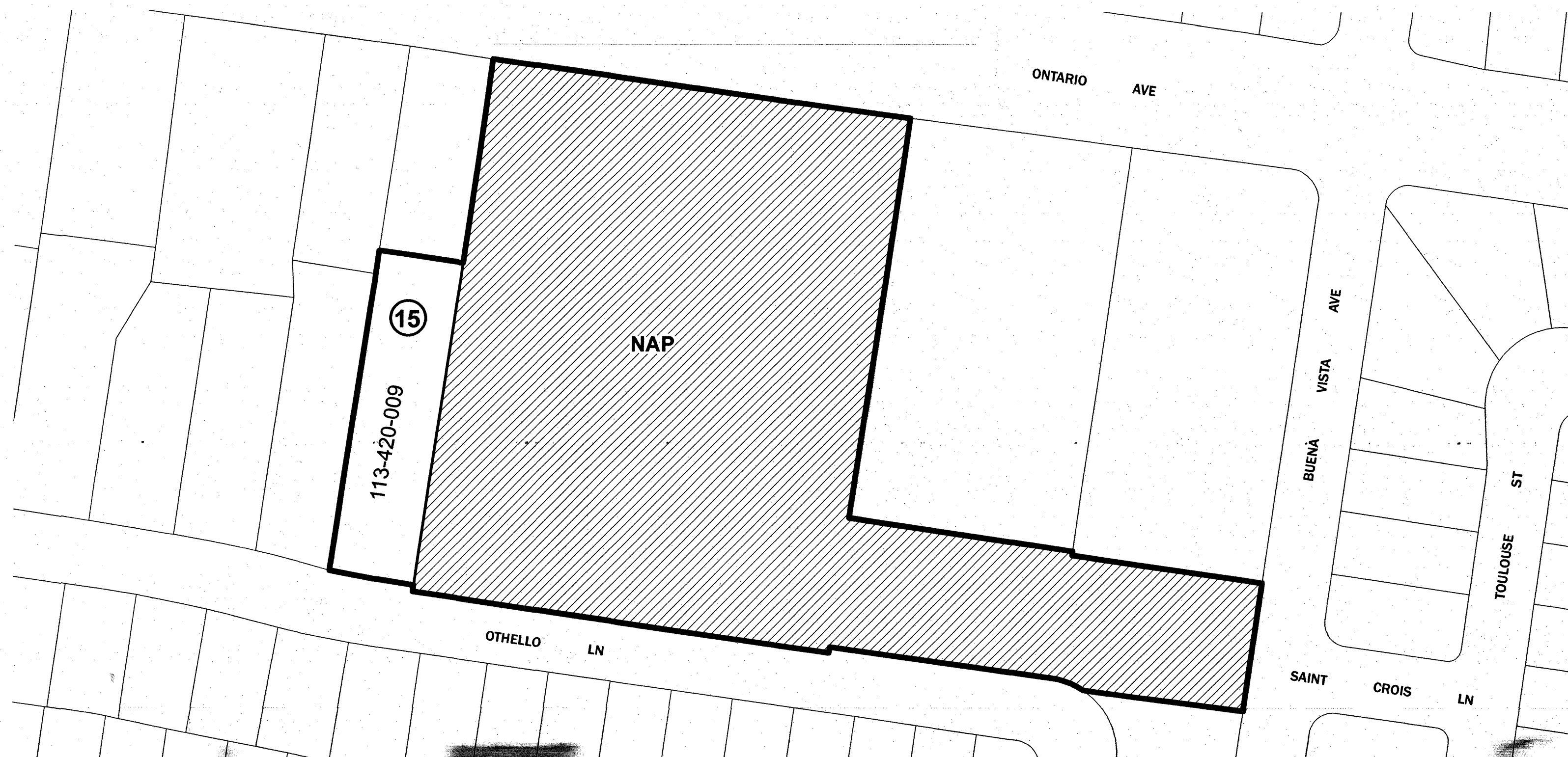


THIS ANNEXATION MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCEL REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2019-20.

ANNEXATION MAP NO. 14

COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES)

CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



LEGEND

- ANNEXATION AREA BOUNDARY
- FUTURE PARCEL LINE
- PARCEL BOUNDARY

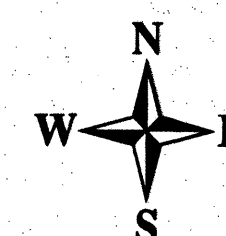
XXX-XXX-XXX ASSESSOR'S PARCEL NUMBER

15 TAX ZONE
NAP NOT-A-PART

SHEET 1 OF 1 SHEET

RECORDED THIS 23 DAY OF October, 2019 AT THE HOUR OF 4:48 O'CLOCK PM IN BOOK 84 PAGE 40 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: 19.00 NO.: 2019-0428088
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER
BY: [Signature]
DEPUTY



RESOLUTION NO. 2019-094

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA CALLING SPECIAL ELECTION AND SUBMITTING TO THE QUALIFIED ELECTORS OF TERRITORY PROPOSED TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES) OF THE CITY OF CORONA THE QUESTION OF LEVYING SPECIAL TAXES WITHIN THE TERRITORY PROPOSED TO BE ANNEXED (ANNEXATION NO. 14)

WHEREAS, the City Council (the “City Council”) of City of Corona (the “City”) has heretofore conducted proceedings for the establishment of and has established Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California (the “Community Facilities District”), and the Community Facilities District has been authorized to annually levy special taxes to pay the costs of the maintenance of public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within the Community Facilities District and in the surrounding area and the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District.

WHEREAS, the City Council has been advised that the owner of approximately 6.80 gross acres of land wish to have their land included within the boundaries of the Community Facilities District and have requested that such land be annexed thereto; and

WHEREAS, the City Council is authorized by Article 3.5 (commencing with Section 53339) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982,” to annex such land to the Community Facilities District; and

WHEREAS, on October 16, 2019 the City Council adopted Resolution No. 2019-088, a resolution of intention to annex the Property to the Community Facilities District pursuant to Section 53339.2 of the California Government Code, determining that the public convenience and necessity require that said Property be annexed to the Community Facilities District and containing all of the matters prescribed by Section 53339.3 of said Code, and fixing 6:30 p.m. on November 20, 2019 in the Council Chambers of the City Council, 400 South Vicentia, Corona, California, as the time and place for a hearing upon said resolution; and

WHEREAS, pursuant to said resolution, the City Clerk has published and mailed notice of the time and place of said hearing as required by Section 53339.4 of said Code; and

WHEREAS, on November 20, 2019, at the time and place of said hearing, the City Council afforded all interested persons for or against the annexation of the Property to the Community Facilities District an opportunity to present testimony and to protest against the proposed annexation of said Property to the Community Facilities District, and no protests, either oral or in writing, were received; and

WHEREAS, pursuant to Section 53339.7 of said Code, the City Council may now submit the question of levying a special tax within the area proposed to be annexed to the Community Facilities District to the qualified electors within said territory.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the City Council of the City of Corona, California, as follows:

SECTION 1. Findings. The City Council finds that: (i) the foregoing recitals are correct; (ii) less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District during the 90 days preceding the close of the public hearing on November 20, 2019, and no persons are registered to vote therein; (iii) pursuant to Section 53326 of the California Government Code, as a result of the findings set forth in clause (ii) above, the vote in the special election called by this resolution shall be by the landowner of the territory proposed to be annexed to the Community Facilities District whose property would be subject to the special taxes if they were levied at the time of the election, and each landowner shall have one vote for each acre, or portion thereof, which he or she owns within said territory which would be subject to the proposed special taxes if they were levied at the time of the election; (iv) Evangelical Free Church of Corona dba Northpoint Evangelical Free Church, the owner of all of the territory proposed to be annexed to the Community Facilities District, have by written consent (a) waived the time limits set forth in said Section 53326 for holding the election called by this resolution, (b) consented to the holding of said election on November 20, 2019, (c) waived notice and mailed notice of the time and date of said election, and (d) waived an impartial analysis by the City Attorney of the ballot proposition pursuant to Section 9280 of the California Elections Code, mailing of a statement pursuant to Section 9401 of said Code, and arguments and rebuttals pursuant to Sections 9281 to 9287, inclusive, and 9295 of said Code; and (vi) the City Clerk has consented to the holding of said election on November 20, 2019 or any other date that is acceptable to the City Clerk.

SECTION 2. Special Election. A special election is called for and shall be held on Wednesday, November 20, 2019, for the purpose of submitting to the qualified electors of the territory proposed to be annexed to the Community Facilities District the question of whether special taxes shall annually be levied within said territory to pay the costs of the maintenance of public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within the Community Facilities District and in the surrounding area, and the costs associated with the determination of the amount of and levy and

collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District pursuant to the Rates and Method of Apportionment of the Special Taxes, attached as Exhibit “B” to Resolution No. 2019-088.

SECTION 3. Ballot Proposition. The proposition to be submitted on November 20, 2019, to the qualified electors of the territory proposed to be annexed to the Community Facilities District shall be as follows:

Shall special taxes be levied annually on taxable property within the territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California (i) to pay the annual costs of maintaining, servicing, cleaning, repairing and/or replacing landscaped areas (may include reserves for replacement) in public street right-of-way, public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within and in the area of the community facilities district, to pay expenses incidental thereto and (ii) to pay costs associated with the determination of the amount of and the levy and collection of the special taxes, at the special tax rates and pursuant to the method of apportioning such special taxes set forth in Exhibit "B" to Resolution No. 2019-088 adopted by the City Council of the City of Corona on October 16, 2019?

SECTION 4. Conduct of Election. Except as otherwise provided in Section 5 hereof, said election shall be conducted by the City Clerk (the “City Clerk”) pursuant to the provisions of the California Elections Code governing elections of cities, and the provisions of Division 4 (commencing with Section 4000) of said Code, insofar as they may be applicable.

SECTION 5. Election Procedures. The procedures to be followed in conducting said election shall be as follows:

(a) Pursuant to Section 53326 of the California Government Code, ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid.

(b) Pursuant to applicable sections of the aforementioned provisions of the California Elections Code governing the conduct of mail ballot elections, including in particular Division 4 (commencing with Section 4000) of said Code, the City Clerk shall mail to each qualified elector an official ballot in the form attached hereto as Exhibit “A,” and shall also mail to all such qualified electors a ballot pamphlet and instructions to voter, including a sample ballot identical in form to the official ballot but identified as a sample ballot, a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots, and copies of Resolution No. 2019-088.

(c) The official ballot to be mailed by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its land ownership on the proposition set forth in the official ballot as marked thereon in the voting square opposite such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within the Community Facilities District.

(d) The return identification envelope delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the following: the name of the landowner, the address of the landowner, a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, the printed name and signature of the voter, the address of the voter, the date of signing and place of execution of said declaration, and a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.

(e) The information-to-voter form to be mailed by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5 o'clock p.m. on the date of the election.

(f) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council at its next regular meeting as to the results of such canvass and the election on the proposition set forth in the official ballot.

PASSED AND ADOPTED this 20th day of November 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

EXHIBIT “A”

OFFICIAL BALLOT

**SPECIAL ELECTION FOR
COMMUNITY FACILITIES DISTRICT NO. 2016-3
(MAINTENANCE SERVICES)
OF THE CITY OF CORONA
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA
(ANNEXATION NO. 14)**

November 20, 2019

To vote, mark a cross (+) in the voting square after the word “YES” or after the word “NO”. All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Corona and obtain another.

PROPOSITION A: Shall special taxes be levied annually on taxable property within the territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California, (i) to pay the annual costs of maintaining, servicing, cleaning, repairing and/or replacing landscaped areas (may include reserves for replacement) in public street right-of-way, public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within and in the area of the community facilities district, to pay expenses incidental thereto and (ii) to pay costs associated with the determination of the amount of and the levy and collection of the special taxes, at the special tax rates and pursuant to the method of apportioning such

special taxes set forth in Exhibit "B" to Resolution No. 2019-088 adopted by the City Council of the City of Corona on October 16, 2019?

YES	
NO	

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 20th day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona, California

(SEAL)

RESOLUTION NO. 2019-095

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA DECLARING THE RESULTS OF THE SPECIAL ELECTION FOR COMMUNITY FACILITIES DISTRICT NO. 2016-3 (MAINTENANCE SERVICES) OF THE CITY OF CORONA ON THE PROPOSITION OF THE ANNUAL LEVY OF SPECIAL TAXES WITHIN THE TERRITORY PROPOSED TO BE ANNEXED TO SAID COMMUNITY FACILITIES DISTRICT TO PAY THE COSTS OF CERTAIN SERVICES TO BE PROVIDED BY THE COMMUNITY FACILITIES DISTRICT, DETERMINING THAT THE TERRITORY PROPOSED TO BE ANNEXED IS ADDED TO AND PART OF SAID COMMUNITY FACILITIES DISTRICT WITH FULL LEGAL EFFECT (ANNEXATION NO. 14)

WHEREAS, the City Council (the "City Council") of the City of Corona (the "City") has heretofore conducted proceedings for the annexation of approximately 6.80 gross acres of land to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, County of Riverside, State of California (the "Community Facilities District"), including conducting a public hearing pursuant to Section 53339.5 of the Government Code; and

WHEREAS, at the conclusion of said public hearing, the City Council adopted a resolution calling a special election for November 20, 2019 and submitting to the qualified electors of the territory to be annexed to the Community Facilities District the question of levying special taxes within that territory to pay the costs of the maintenance of public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drainage systems, and public street sweeping, within the Community Facilities District and in the surrounding area and the costs associated with the determination of the amount of and levy and collection of special taxes which will be levied to provide the services and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District (the "Election Resolution"); and

WHEREAS, the City Council has received a statement from the City Clerk (the "City Clerk"), who, pursuant to the Election Resolution, was authorized to conduct such special election and act as the election official therefor, with respect to the canvass of the ballots returned in and the results of said special election, certifying that at least two-thirds of the votes cast upon the proposition submitted to the qualified electors in said special election were in favor of such proposition.

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED, by the City Council of the City of Corona, California, as follows:

SECTION 1. Findings. The City Council finds that: (i) there were no registered voters residing within the territory proposed to be annexed to the Community Facilities District (the "Territory") at the time of the close of the public hearing on November 20, 2019, and pursuant to Section 53326 of the Government Code, the vote in said special election was, therefore, to be by the landowner owning land within the Territory, with each landowner having one vote for each acre or portion thereof of land that he or she owns within the Territory; (ii) pursuant to said Section 53326 and the Election Resolution, the City Clerk distributed the official ballot for the special election to Evangelical Free Church of Corona dba Northpoint Evangelical Free Church, the owner of all of the land within the Territory, with return postage prepaid; (iii) said landowner waived the time limits for holding the special election and the election dates specified in said Section 53326, and consented to the calling and holding of said special election on November 20, 2019; (iv) said special election has been properly conducted in accordance with all statutory requirements and the provisions of the Election Resolution; (v) pursuant to said Section 53326, the owner of all of the land within the Territory, who own 6.80 gross acres, were entitled to seven votes; (vi) said landowner returned their ballots to the City Clerk prior to the time set by the City Clerk for the close of the election on November 20, 2019; (vii) the ballots returned to the City Clerk by said landowner voted all votes of said landowner in favor of the proposition set forth therein; (viii) at least two-thirds of the votes cast in such special election on said proposition were in favor thereof, and pursuant to Sections 53328 and 53329 of the Government Code, said proposition carried; (ix) pursuant to Section 53339.8 of the Government Code, the City Council is authorized to determine that the Territory to be annexed has been added to and become a part of the Community Facilities District with full legal effect; and (x) the City Council is also authorized, pursuant to said Section 53339.8, to annually levy special taxes within the Territory to pay the costs of the services to be provided by the Community Facilities District.

SECTION 2. Declaration of Results. All votes voted in the special election on the proposition of the annual levy of special taxes within the Territory to pay the costs of the services to be provided by the Community Facilities District were voted in favor thereof, and such proposition carried.

SECTION 3. Annexation. The Territory is annexed and added to and is a part of the Community Facilities District with full legal effect, and the City Council shall annually levy special taxes within the Territory, as specified in Resolution No. 2019-088 adopted by the City Council on October 16, 2019, to pay costs of certain services to be provided by the Community Facilities District. The boundaries of the Territory are shown on the map entitled, Annexation Map No. 14, Community Facilities District No. 2016-3 (Maintenance Services), City of Corona, County of Riverside, State of California, which was recorded on October 23, 2019 in the office of the County Recorder of the County of Riverside as Instrument No. 2019-0428088.

SECTION 4. Pursuant to Section 53339.8 of the Government Code and Section 3117.5 of the Streets and Highways Code, the City Clerk shall cause to be filed with the County Recorder of the County of Riverside an amendment of the notice of special tax lien and a map of the amended boundaries of the Community Facilities District including the Territory.

PASSED AND ADOPTED this 20th day of November 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 20th day of November 2019, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona, California

(SEAL)



Agenda Report

File #: 19-0983

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Community Development Department
Fire Department

SUBJECT:

Public Hearing for City Council adoption of Ordinance No. 3306, second reading of an Ordinance of the City of Corona, California for amending various Chapters within Title 15 of the Corona Municipal Code adopting by reference the 2019 California Building Standards Code (California Code of Regulations, Title 24).

RECOMMENDED ACTION:

That the City Council adopt Ordinance No. 3306, second reading of an Ordinance amending Chapters 15.02, 15.04, 15.05, 15.07, 15.08, 15.09, 15.10, 15.11, 15.12, 15.20, 15.28, and Section 15.06.080 and adding Chapter 15.54 to Title 15 of the Corona Municipal Code, adopting by reference the 2019 Edition of the California Building Standards Code (California Code of Regulations, Title 24); including the 2019 California Building Code; the 2019 California Green Building Standards Code; the 2019 California Residential Code; the 2019 California Mechanical Code; the 2019 California Energy Code; the 2019 California Historical Building Code; the 2019 California Existing Building Code; the 2019 California Fire Code with Errata; the 2019 California Plumbing Code; and the 2019 California Electrical Code; together with certain additions, insertions, deletions and changes thereto.

ANALYSIS:

The City Council at its meeting on November 6, 2019, approved the first reading of Ordinance 3306 to adopt the latest updates to the California Building Standards Code (BSC). The updates go into effect January 1, 2020. Although the first reading of the ordinance did not require a public hearing, the adoption of the ordinance for the updated California BSC does require a public hearing pursuant to state law. There are no changes to the initial ordinance introduced by the City Council from the prior meeting.

The California BSC is published in its entirety every three years by order of the California Legislature. The California Building Standards Commission recently adopted new model codes with amendments. The California BSC, Title 24, is the established minimum regulation for the design and construction of 141

buildings and structures in California. State law mandates that local government enforce these regulations, or local ordinances with qualified reasonably necessary and generally more restrictive building standards than provided for in the California BSC. The City of Corona adopts by reference the BSC within Title 15 of the Corona Municipal Code (CMC) covering the Building Code, Residential Code, Fire Code, Plumbing Code, Mechanical Code, Electrical Code, Historical Building Code, Existing Building Code, Energy Code, and Green Building Standards Code. The ordinance also contains certain local amendments that are considered reasonably necessary because of local climatic, geological or topographical conditions.

One noteworthy change to the 2019 Energy Code is solar photovoltaic systems are now required for all newly constructed single-family dwellings that are plan checked under 2019 building code.

The city is also adding new CMC Chapter 15.54 for Safety Assessment Placards also known as SAP. The ordinance governs the procedures for affixing standard placards to buildings and structures to identify the level of occupancy after a natural or man-made disaster. The SAP program utilizes volunteers and mutual aid resources to provide professional engineers, architects, and certified building inspectors to assist local governments in safety evaluation of their built environment in the aftermath of a disaster. The program is managed by the California Governor's Office of Emergency Services, in cooperation with professional organizations. California Building Officials (CALBO) is a professional organization that assists in managing the SAP program and recommends that each local jurisdiction adopt a placard ordinance in order for a uniform system to be in place throughout the State of California. SAP was formalized in the late 1980's and the city has been participating in the program since that time.

Additions to the city's local ordinance adopting the 2019 Fire Code, CMC Chapter 15.12, now includes provisions for defining hazardous conditions in Section 15.12.110 when it comes to having outdoor fires burning wood or other solid fuel. This activity would be prohibited when sustained winds exceed 8 MPH as determined by verifiable data, when the relative humidity is less than 25 percent, and when a red flag warning has been declared by the fire code official. Provisions have also been added to Section 15.12.120 for the establishment of outdoor fireplaces, fire pits, fire rings and other similar devices for Group R occupancies, which is residential. The provisions cover separation requirements to combustible construction based on the residential occupancy for gas fueled devices and devices using wood or fuels other than natural gas or liquefied petroleum.

The city is also amending the requirements for emergency responder radio coverage in new buildings under Section 15.12.260. New buildings shall have approved radio coverage for emergency responders within the building based upon the existing coverage levels of the public safety communication systems utilized by the city. The emergency responder system shall comply with the Corona Fire Department's Guideline for Emergency Responder Radio Coverage and where the functionality or performance requirements in the California Fire Code are more stringent. New buildings exempt from this requirement include a) single family residences, b) single story, wood construction not exceeding 10,000 square feet, c) multiple family residential buildings that include an exterior walk up, no interior corridors and no subterranean storage or parking, and d) elevators.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The adoption of this ordinance will have no fiscal impact to the general fund.

ENVIRONMENTAL ANALYSIS:

The changes made to the uniform codes are enacted to mitigate the threats posed to public peace, health and safety from earthquakes, high winds and fire. In this regard, the recitals set forth in the Ordinance are incorporated by reference as findings. Therefore, it can be seen with certainty that adoption of this Ordinance will not have a significant adverse effect on the environment and is therefore exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) of the CEQA Guidelines.

PREPARED BY: CHRIS MILOSEVIC, BUILDING OFFICIAL/BUILDING INSPECTION MANAGER

REVIEWED BY: JOANNE COLETTA, COMMUNITY DEVELOPMENT DIRECTOR

REVIEWED BY: BRIAN YOUNG, FIRE CHIEF

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachments:

1. Exhibit 1 - Ordinance No. 3306 - Clean.
2. Exhibit 2 - Ordinance No. 3306 - Redline.

ORDINANCE NO. 3306

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA AMENDING CHAPTERS 15.02, 15.04, 15.05, 15.07, 15.08, 15.09, 15.10, 15.11, 15.12, 15.20, 15.28 AND SECTION 15.06.080 AND ADDING CHAPTER 15.54 TO TITLE 15 OF THE CORONA MUNICIPAL CODE, ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24); INCLUDING THE 2019 CALIFORNIA BUILDING CODE; THE 2019 CALIFORNIA GREEN BUILDING STANDARDS CODE; THE 2019 CALIFORNIA RESIDENTIAL CODE; THE 2019 CALIFORNIA ENERGY CODE; THE 2019 CALIFORNIA HISTORICAL BUILDING CODE; THE 2019 CALIFORNIA EXISTING BUILDING CODE; THE 2019 CALIFORNIA MECHANICAL CODE; THE 2019 CALIFORNIA FIRE CODE WITH ERRATA; THE 2019 CALIFORNIA PLUMBING CODE; AND THE 2019 CALIFORNIA ELECTRICAL CODE; TOGETHER WITH CERTAIN ADDITIONS, INSERTIONS, DELETIONS AND CHANGES THERETO

WHEREAS, Government Code Section 50022, et seq. and California Health & Safety Code Section 17922 empower the City of Corona ("City") to adopt by reference the California Building Standards Code as provided in Title 24 of the California Code of Regulations; and

WHEREAS, in December of 2016 the City Council of the City of Corona adopted the 2016 California Building Standards Code with certain local amendments; and

WHEREAS, the California Building Standards Commission ("Commission") recently adopted new amendments to the California Building Standards Code; and

WHEREAS, California Health & Safety Code, Sections 17958.5 and 18941.5 authorize cities and counties to modify the California Building Standards Code by adopting more restrictive standards and modifications if such standards and modifications are accompanied by express findings that they are reasonably necessary because of local climatic, geological or topographical conditions; and

WHEREAS, the City Council of the City of Corona ("City Council") finds that these local climatic, geological or topographical conditions include, but are not limited to, the following:

1. The City is subject to relatively low amounts of precipitation, very low humidity levels and extremely high temperatures. These climatic conditions are conducive to the spread of drought conditions and fires. For example, during July, August and September, temperatures often exceed 100 degrees Fahrenheit. During the same months, humidity is usually less than 40% and measurements of less than 10% are not uncommon. These recordings have been documented by the Riverside County Flood Control District and the National Climatic Data Center.

2. The City is subject to extremely strong winds, commonly referred to as "Santa Ana Winds," which can reach speeds of up to 95 miles per hour. In addition, the convergence of the marine shore air flow and the desert air flow create steady winds on a daily basis. Finally, the City is bordered on the south by steep, rugged, brush-covered mountains and parts of the City contain hilly terrain and mounds, which either contribute to or create gusty wind conditions by causing a natural funneling effect and increasing wind speeds over the City.

3. The City is also subject to moderately strong shaking and surface ruptures from seismic activity in the area. The geologic and seismic setting of the City is dominated by the Chino and Elsinore earthquake faults along the southwest portion of the City and a diversity of bedrock and alluvial soils that may significantly affect the intensity of earthquake shaking. The Elsinore fault is located a short distance southwest of the City, while the Chino fault, which is subparallel to the Elsinore fault, is located just inside the City's southwestern boundary. Of the two faults, the Chino fault has the greater potential for surface rupture leading to structural damage of structures in the City. Moreover, the thin alluvial soils found in parts of the City contribute to a moderately high potential for liquefaction in certain areas.

WHEREAS, the aforementioned geologic and climatic conditions have also contributed to the loss or damage of thousands of homes and commercial properties in California over the last several decades. The top 20 fires in the State have consumed over 46,000 structures, and there have been hundreds more fires with thousands more structures destroyed. The 30,305-acre Freeway Complex Fire from November 2008 burned 318 structures, including several in Corona; the 2662-acre Canyon Fire from September 2017 threatened 2715 homes in Corona, before being contained; and the 23,136-acre Holy Fire from August 2018 nearly threatened 2638 homes in Corona; and

WHEREAS, these fires, as well as the Whittier Earthquake of 1987 and Northridge Earthquake of 1994, have resulted in the tragic loss of lives along with enormous property losses; and

WHEREAS, based upon the recommendations of the Building Official and Fire Chief, the City Council finds that the proposed amendments to the 2019 California Building Standards Code ("amendments") are more restrictive than the standards adopted by the Commission, would decrease the potential incidence of property damage, injury and death due to fires and earthquakes, and are reasonable and necessary to mitigate the aforementioned local climatic, geologic or topographical conditions; and

1. The amendments to section 101.4 of Chapter 1 Division II of the 2019 California Building Standards Code, as set forth in Section 2 of this ordinance, ensure that structures and related devices and equipment required by other referenced codes are maintained in a manner that would prevent danger to emergency responders or users thereof arising from conditions related to an emergency incident caused by high winds, fires, or seismic activity.

2. The amendments to Sections 105.1 of Chapter 1 Division II of the 2019 California Building Code, as set forth in Section 2 of this Ordinance, ensure that structures such as fences, retaining walls and signs, that may become potentially dangerous structures in an earthquake or high winds, are constructed in accordance with applicable codes, ordinances and standards; and

3. The amendment to Section 105.6 of Chapter 1 Division II of the 2019 California Building Code, as set forth in Section 2 of this Ordinance, preserves public health, safety and welfare by limiting construction noise and mitigating the effects of having portions of the City's residential areas constructed on hilly terrain. Many times it is not possible to construct noise barriers between noise sources and noise receptors in hilly areas. Under such circumstances, the "line of sight" between the noise source and the receiver cannot be adequately impeded by other structures such as fences and walls because such structures cannot be constructed on certain lots due to the grade differential between lots; and

4. The addition of Section 105.8 to Chapter 1 Division II of the 2019 California Building Code, as set forth in Section 2 of this Ordinance, is needed to assure that each permit is applicable to the location and conditions for which it was originally obtained; and

5. The amendments to Section 110.3.3.1 and 110.3.5.1 of the 2019 California Building Code, as set forth in Section 3 of this Ordinance, adding additional required inspections, including a sub-frame inspection, a roof sheathing and shear inspection and a plaster inspection assure that all construction and use of buildings conforms to the requirements of the California Building Standards Code in so that maximum protection from the wind, fire and earthquake conditions is provided; and

6. The amendments to the Section 3109.2, 3109.4.1.8 and the addition of Section 3109.4.1.10 to the 2019 California Building Code, as set forth in Section 3 of this Ordinance, are required to ensure pool safety and decrease the likelihood of injuries and death due to unauthorized use of pools and the greater use of outdoor swimming pools due to climatic conditions; and

7. The addition of Section 1505.1.5 to the 2019 California Building Code as set forth in Section 3 of this Ordinance and the additions of section R902.1 to the 2019 Residential Code as set forth in Section 5 of this Ordinance requires Class "A" roofing which is effective against severe fire exposure, is not readily flammable, affords a fairly high degree of fire protection to roof decks, does not slip from position, and poses no flying-brand hazard, and is therefore more fire resistant than other classes of roofing not possessing these characteristics that are adopted for use by the Commission; and

8. The amendments to the 2019 California Fire Code, as set forth in Section 7 of this Ordinance, including the amendments adding definitions to Section 202; the amendment to Sections 110.4 and 110.4.2 imposing additional costs against persons responsible for violations of the code; the amendments to Sections 304.1.2, 305.6, 307.6, 306.7, 308.1.6.3, 321, 322, 323, 503.2.1, 503.2.4, 503.7, 505.1, 507.5.1, 507.5.5, 507.5.7, 4906.3, 4908 imposing additional requirements for maintenance, clearance and management of vegetation and fuel modification areas, outdoor fires, premises identification, fire access roads, turning radii, clearance around hydrants and other fire apparatus; and amendments to the 2019 California Building Code, as set forth in Section 3 of this Ordinance, are needed to minimize the risk of fire which is increased by the climatic and geological conditions in the City of Corona, described above in this Ordinance, and to mitigate the spread of fire especially during high wind conditions described above in this Ordinance; and

9. The addition of Section 706 to the 2019 California Fire Code, requiring one-hour fire construction for all eaves, as set forth in Section 7 of this Ordinance, is reasonably necessary to mitigate the potential for the spread of fires from flying brands, ashes and sparks during high wind conditions and mitigate potential property damage, injury and death; and

10. The amendment to Section 315.3 of the 2019 California Plumbing Code, as set forth in Section 8 of this Ordinance, prohibiting unattended excavations without appropriate barricades is needed to assure that excavations for sewer or sewage disposal facilities do not create a hazard for persons, especially during periods of wind, rain or surface movements caused by earthquakes; and

WHEREAS, the Fire Marshal and Building Official have also recommended that changes and modifications be made to the California Building Standards Code, which are necessary for administrative clarification and to establish administrative standards for the effective enforcement of the building standards of the City of Corona, or are reasonably necessary to safeguard life and property within the City and do not modify a building standard pursuant to California Health & Safety Code Section 17958, 17958.7, and/or 18941.5, which amendments consist of:

1. Amendments to Chapter 1 Division II, Sections 501.2, 904.3.5, Chapter 35, and Appendix H of the 2019 California Building Code; and

2. Amendments to Sections 103.2, 104.2, 105.6, 110.4, 110.4.2, 202, 324, 507.5.1, 507.5.5, 510.1, 510.4.1.3, 903.3.5.3, 904.3.5, 1201.1.1, 4906.3, 5001.5.2, 5608.2, Chapter 80, and Appendix B and Appendix C of the 2019 California Fire Code; and

WHEREAS, the City Council finds that the local amendments to the 2019 California Building Standards Code, codified in Title 24 of the California Code of Regulations (“Code”) described herein are supported by the local climatic, geologic and/or topographic conditions described herein, and further finds that the remainder of the said changes and modifications are of an administrative or procedural nature, or concern themselves with subjects not covered by the Code, or are reasonably necessary to safeguard life and property within the City of Corona; and

WHEREAS, any and all other legal prerequisites relating to the adoption of this Ordinance have occurred.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby adopts the recitals contained in this ordinance as findings to support the modifications to the 2019 California Building Standards Code made herein.

SECTION 2. Chapter 15.02 of the Corona Municipal Code is hereby amended to read as follows:

**"CHAPTER 15.02
ADMINISTRATIVE PROVISIONS FOR TITLE 15**

Sections:

15.02.010	Title.
15.02.020	Code adoption.
15.02.030	Amendments – Generally.
15.02.040	[Reserved]
15.02.050	Amendment – Section 101.4 – Referenced codes.
15.02.060	Addition – Section 104.11 – Alternative materials.
15.02.070	Addition – Section 105.1. – Permits required.
15.02.080	[Reserved]
15.02.090	Amendment – Section 105.2 – Exempt work.
15.02.100	Amendment – Section 105.3.2 – Plan check expiration, extension and renewal.
15.02.110	Amendment – Section 105.5 – Permit expiration, extension and renewal.
15.02.120	Amendment – Section 105.6 – Suspension / Revocation.
15.02.130	Amendment – Section 105.7 – Placement of permit.
15.02.140	Addition – Section 105.8 – Transferability.
15.02.150	Amendment – Section 109.4 – Investigation fee.
15.02.160	Amendment – Section 109.6 – Refunds.
15.02.170	Addition – Section 110.3.3.1 and 110.3.7.1 - Inspections.
15.02.180	Addition – Section 110.7 – Reinspection.
15.02.190	Amendment – Section 111.2 – Certificate of occupancy.
15.02.195	Amendment – Section 113 – Board of appeals.
15.02.200	Violation – Penalty.

15.02.010 Title.

This chapter shall be cited as the Administrative Provisions to Title 15 of the Corona Municipal Code and shall apply to all of the referenced and adopted codes in Title 15, unless otherwise provided.

15.02.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the 2019 California Building Code, Chapter 1 Division II are hereby adopted.

(B) One certified copy of the 2019 California Building Code Chapter 1 Division II shall be kept on file in the office of the Building Official, and any and all references thereto are adopted as the Administrative Provisions to the codes adopted in Title 15 of the Corona Municipal Code for the City of Corona, unless otherwise provided, and subject to the changes contained in this chapter.

(C) Each and all of the regulations, provisions, penalties, conditions, and terms thereof are referred to, adopted, and made a part of this chapter as though fully set forth at length.

15.02.030 Amendments – Generally.

Designated sections of the 2019 California Building Code, Chapter 1 Division II are amended to read as set forth in Sections 15.02.040 through 15.02.200.

15.02.040 [Reserved].

15.02.050 Amendment – Section 101.4 - Referenced codes.

The first paragraph of Section 101.4 is amended to read as follows:

“101.4 Referenced codes. The other codes listed in section 101.4.1 through 101.4.12 and referenced elsewhere in this code shall be considered part of the requirements of this code to the prescribed extent of each such reference as adopted and amended by Title 15 of the Corona Municipal Code. Structures, appurtenances, systems, devices, equipment, features, and facilities that are existing as of the date this section is adopted shall be maintained in accordance with the applicable codes and standards that were in effect at the time of permit application, or at the time of the initial construction, installation, or use if no permit was required. Alterations and repair work to structures, appurtenances, systems, devices, equipment, features, and facilities that are existing as of the date this section is adopted shall comply with the applicable laws, codes, and standards in effect at the time of such alteration or repair.”

Section 101.4.3 is amended to read as follows:

“101.4.3 Plumbing. The provisions of the California Plumbing Code shall apply to the installation, alteration, repair and replacement of plumbing systems, including equipment, appliances, fixtures, fittings and appurtenances, and where connected to a water or sewage system and all aspects of a medical gas system. The provisions of the California Plumbing Code, Appendix H, shall apply to private sewage disposal systems.”

Section 101.4 is amended by adding subsections 101.4.8, 101.4.9, 101.4.10, 101.4.11, and 101.4.12 to read as follows:

“101.4.8 Residential. The provisions of the California Residential Code shall apply to the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, removal, and demolition of detached one and two family dwellings and townhomes not more than three stories above grade plane in height with a separate means of egress and their accessory structures not more than three stories above grade plane in height.

Exceptions:

1. Live/work units located in townhouses and complying with the requirements of Section 419 of the California Building Code shall be permitted to be constructed in accordance with the California Residential Code. Fire Suppression required by Section 419.5 of the California Building Code where constructed under the California Residential Code shall conform to Section R313.
2. Owner-occupied lodging houses with five or fewer guestrooms shall be permitted to be constructed in accordance with the California Residential Code where equipped with a fire sprinkler system in accordance with Section R313.

101.4.9 Historical. The provisions of the California Historical Building Code shall apply to the preservation, restoration, rehabilitation, relocation or reconstruction of buildings or properties designated as qualified historical buildings or properties.

101.4.10 Green Building. The provisions of the California Green Building Standards Code shall apply to the planning, design, operation, construction, use and occupancy of every newly constructed building.

101.4.11 Housing. The provisions of the California Housing Code shall apply to the use, occupancy, and maintenance of all buildings or portions thereof used, or designated or intended to be used, for human habitation.

101.4.12 Electrical. The provisions of the California Electrical Code shall apply to the installation, alteration, maintenance, and repair of electrical conductors, equipment, and raceways; signaling and communications conductors, equipment, and raceways; and optical fiber cables and raceways for those structures, premises, equipment, and installations as designated in that code.”

15.02.060 Addition – Section 104.11 - Alternative materials.

Section 104.11 is amended by adding the following subsection 104.11.5 thereto to read as follows:

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“104.11.5 Application for request to use alternative materials, design or methods of construction and equipment. Requests for the use of alternative materials, design or methods of construction or equipment must be made on the City of Corona application form and an application fee must be paid at the time of request submittal. Applications shall be specific to a project address and approval for a specific project shall not constitute approval for use at any other locations.”

15.02.070 Addition – Section 105.1 – Permits required.

Section 105.1 is amended by adding the following subsection 105.1.3 thereto to read as follows:

“105.1.3 Permits Required. No person, firm or corporation shall erect, re-erect, construct, enlarge, alter, repair, move, improve, remove, convert or demolish any building or other structure in the city, without obtaining a valid building permit prior to commencement of any work. A Building permit is also required for the following specified items:

1. Retaining walls over two feet in height (measured from the top of the footing) and walls of any height if supporting a surcharge or any superimposed load other than the natural fill of level earth. Retaining walls are required for any unsupported excavation with vertical banks more than two feet high or unsupported excavations of any height if supporting a surcharge or any superimposed load other than the natural fill of level earth.
2. Fence or fences over three feet in height constructed or made of any material including, but not limited to, wood, plastic, metal, chain link, wrought iron, masonry, block, brick or stone)
3. A Building permit is also required for any sign which requires a Planning Division sign permit as specified in Chapter 17.74 of this code, except signs painted directly onto an existing building, or sign structure or sign board or the refacing of a previously approved sign canister with Plexiglas, flexible sign face or similar material provided no structural changes are made to the sign structure or canister.
4. Grading requirements and permits shall be as required by Chapter 15.36 of the Corona Municipal Code.”

15.02.080 [Reserved].

15.02.090 Amendment – Section 105.2 – Exempt work.

Section 105.2 is amended in its entirety to read as follows:

“Work Exempt from Permit. Exemptions from the permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of this code or any other laws or ordinances of this jurisdiction. A building permit shall not be required for the following:

Building:

1. One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet.
2. Fences not over three (3) feet high.
3. Oil derricks.
4. Retaining walls that are not over two (2) feet in height measured from the top of the footing to the top of the wall, unless supporting a surcharge or any superimposed load other than the natural fill of level earth or impounding Class I, II, or IIIA liquids.
5. Water tanks supported directly upon grade if the capacity does not exceed 5,000 gallons and the ratio of height to diameter or width does not exceed 2 to 1.
6. Platforms, walks and driveways not more than 30 inches above adjacent grade, and not over any basement or story below and are not part of an accessible route.
7. Painting, papering, tiling, carpeting, cabinets, countertops and similar finish work.
8. Temporary motion picture, television and theater stage sets and scenery.
9. Prefabricated swimming pool accessory to a Group R-3 Occupancy that are less than 24 inches deep, do not exceed 5,000 gallons and are installed entirely above ground.
10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.
11. Swings and other playground equipment accessory to detached one- and two-family dwellings.
12. In Group R-3 and U occupancies, window awnings that do not project more than 54 inches from the exterior wall, when supported by an exterior wall and do not require additional support.
13. Nonfixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches in height.
14. Wood-framed decks accessory to single family dwellings where the deck is no greater than 200 square feet in area, with a walking surface that is not more than 30 inches above grade at any point, is not attached to a dwelling and does not serve as a required path of egress or accessible path of travel. Decks located in a front yard setback shall comply with the requirements in Corona Municipal Code Chapter 17.64.
15. Historic markers no greater than 4 feet in height measured from the adjacent finish grade to the top of the structure placed pursuant to Chapter 17.63 of the Corona Municipal Code

Electrical:

1. Repairs and maintenance: Minor repair work, including the replacement of lamps or the connection of approved portable electrical equipment to approved permanently installed receptacles.
2. Radio and television transmitting stations: The provisions of this code shall not apply to electrical equipment used for radio and television transmissions, but do apply to equipment and wiring for a power supply and the installations of towers and antennas.
3. Temporary testing systems: A permit shall not be required for the installation of any temporary system required for the testing or servicing of electrical equipment or apparatus.

Gas:

1. Portable heating appliances
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Mechanical:

1. Portable heating appliance.
2. Portable ventilation equipment.
3. Portable cooling unit.
4. Steam, hot or chilled water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any part that does not alter its approval or make it unsafe.
6. Portable evaporative cooler.
7. Self-contained refrigeration system containing 10 pounds or less of refrigerant and actuated by motors of 1 horsepower or less.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe, provided, however, that if any concealed trap, drain pipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with new material, such work shall be considered new work and a permit shall be obtained and inspection made as provided in this code.

2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

3. The installation of water-conserving plumbing fixtures as replacements for existing plumbing fixtures shall not, alone, require a permit or inspection from the Building Division. The replacement plumbing fixtures shall comply with Chapters 15.05 and 15.20 of this code.

Grading:

1. Grading requirements and permits shall be as required by Chapter 15.36 of the Corona Municipal Code.”

15.02.100 Amendment – Section 105.3.2 – Plan check expiration, extension and renewal.

Section 105.3.2 is amended in its entirety to read as follows:

“105.3.2 Plan Check Expiration, Extension and Renewal. An application for a plan check submitted for any proposed work shall be deemed to have been abandoned and the plan check application shall expire 180 days after the date of filing, unless such application has been pursued in good faith or a permit for such work has been issued; except that the building official is authorized to grant one or more extensions of time, for additional periods not exceeding 90 days each. The extension shall be requested in writing and justifiable cause demonstrated. Extensions will only be granted prior to the expiration of the plan check application. Extensions will not be approved until all applicable fees have been paid to the City.

Renewal: When a plan check application has expired, plans cannot be resubmitted prior to submitting a new application or renewing the plan check application. Requests to renew an expired plan check application shall be submitted to the Building Official, in writing, shall demonstrate justifiable cause and shall be subject to the approval of the Building Official. If approved by the Building Official the fee for the renewed plan check application shall be one half the amount required for a new plan check for such work, provided no major changes have been made in the original plans and specifications for such work that might constitute a new plan check and provided further that the plan check renewal application is submitted within one year of the date the plan check application, or extended plan check application, as applicable, expired. To renew a plan check application more than one year after the date the plan check application, or extended plan check application, as applicable, has expired, the applicant shall be required to pay a new full plan check fee.”

15.02.110 Amendment – Section 105.5 – Permit Expiration / Renewal.

Section 105.5 is amended in its entirety to read as follows:

“Section 105.5 – Permit Expiration, Extension and Renewal. Every permit issued shall become invalid and expire if the work on the site authorized by such permit is not commenced within 12 months after issuance of the permit, or if the work authorized on the site by such permit

is suspended or abandoned for a period of 180 days after the time the work is commenced. The building official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and shall demonstrate justifiable cause for the requested extension. Extensions will only be granted prior to the expiration of the permit. Extensions will not be approved until all applicable fees have been paid to the City of Corona.

Renewal: When a permit has expired, work cannot be recommenced prior to renewing the permit or obtaining a new permit. Requests to renew an expired permit shall be submitted to the Building Official, in writing, shall demonstrate justifiable cause and shall be subject to the approval of the Building Official. If approved by the Building Official the fee for the renewed permit shall be one half the amount required for a new permit for such work, provided no changes have been made or will be made in the original plans and specifications for such work and provided further that the request to renew the expired permit is submitted within one year of the date the permit, or extended permit, as applicable, has expired. To renew a permit more than one year after the permit has expired, the applicant shall be required to pay a new full permit fee.”

15.02.120 Amendment – Section 105.6 – Suspension / Revocation.

Section 105.6 is amended by adding the following paragraphs to the end of the section to read as follows:

“The Building Official may, in writing, suspend or revoke a permit issued under the provisions of this code if construction noise is generated between the hours of 8:00 p.m. and 7:00 a.m., Monday through Saturday and 6:00 p.m. to 10:00 a.m. on Sundays and Federal Holidays. Construction noise is defined as noise which is disturbing, excessive, or offensive and constitutes a nuisance involving discomfort or annoyance to persons of normal sensitivity residing in the area, which is generated by the use of any tools, machinery or equipment used in connection with construction operations.

The Building Official may, in writing, suspend or revoke a permit issued under the provisions of this code if dust is generated in excess of local, state or federal standards or conditions of project approval.”

15.02.130 Amendment – Section 105.7 – Placement of permit.

Section 105.7 is amended by adding the following to the end of the section to read as follows:

“The required permits and approved plans shall be maintained in good condition and be posted or otherwise made available such as to allow the building official to conveniently make the required entries regarding the inspection of work.”

15.02.140 Addition – Section 105.8 - Transferability.

Section 105 is amended by adding the following new subsection thereto to read as follows:

“105.8 Transferability. No permit issued pursuant to Title 15 of the Corona Municipal Code shall be transferable to any other person or apply to any location other than that stated in the permit.”

15.02.150 Amendment – Section 109.4 – Investigation fee.

Section 109.4 is amended by adding the following paragraphs to the end of the section to read as follows:

“Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation shall be made before a permit may be issued for such work.

An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The investigation fee shall be determined by the currently adopted fee schedule and shall not be less than the actual costs as determined by the Building Official.”

15.02.160 Amendment – Section 109.6 - Refunds.

Section 109.6 is amended in its entirety to read as follows:

“109.6 Refunds. The Building Official may authorize refunding of any fee paid hereunder which was erroneously paid or collected.

The Building Official may authorize refunding of not more than 80 percent of the permit inspection fee paid when no work has been started under a permit issued in accordance with this code.

The Building Official may authorize refunding of not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee is paid is withdrawn or canceled before any plan reviewing is started.

The Building Official shall not authorize refunding of any fee paid except on a written request for refund submitted by the original applicant or original permittee not later than 180 days after the date of the fee payment.”

15.02.170 Addition – Sections 110.3.3.1 and 110.3.5.1 - Inspections.

Section 110.3 is amended by adding the following new subsections thereto to read as follows:

“110.3.3.1. Roof Sheathing and Shear Inspection. Roof sheathing and shear inspections shall be performed after roof sheathing and all structural shear panels or walls are in place and secured by nailing or other approved methods.

110.3.5.1. Plaster Inspection. Plaster inspections shall be performed after the application of the scratch coat.”

15.02.180 Addition – Section 110.7 - Reinspection.

Section 110 is amended by adding new subsection 110.7 thereto to read as follows:

“110.7 Reinspections. A reinspection fee may be assessed for each inspection or reinspection when such portion of work for which inspection is called is not complete or when corrections previously called for are not made. The amount of the fee shall be the minimum building inspection fee as set forth in the fee schedule adopted by the City Council.

This section is not to be interpreted as requiring reinspection fees the first time a job is rejected for failure to comply with the requirements of this code, but as controlling the practice of calling for inspections before the job is ready for such inspection or reinspection.

Reinspection fees may be assessed when the inspection record permit card is not posted or otherwise available on the work site, the approved plans are not readily available the inspector, for failure to provide access on the date for which the inspection is requested, or for deviating from the plans requiring the approval of the building official.

To obtain a reinspection, the applicant shall pay the reinspection fee as set forth in the fee schedule adopted by the City Council.

In instances where reinspection fees have been assessed, no additional inspection of the work will be performed until the required fees have been paid.

Chapter 1.14 of the Corona Municipal Code shall also apply to Title 15.”

15.02.190 Amendment – Section 111.2 – Certificate of occupancy.

Section 111.2 is amended by adding the following sentence at the beginning of the section to read as follows:

“111.2 Certificate issued. A Certificate of Occupancy shall not be issued until all applicable fees have been paid to the City of Corona.”

15.02.192 Amendment - Section 112.3 - Authority to disconnect service utilities.

Section 112.3 is amended in its entirety to read as follows:

“112.3 Authority to disconnect service utilities. The building official shall have the authority to authorize disconnection of utility service to the building, structure or system regulated by this code and the referenced codes and standards set forth in Section 101.4 as follows:

1. In case of emergency where necessary to eliminate an immediate hazard to life or property;
or
2. Where such utility connection has been made without the approval required by Section 112.1 or 112.2; or
3. When a structure, building or property is in violation of Section 111; or
4. When the continued use of utilities creates or contributes to the existence of a public nuisance as defined in Corona Municipal Code Chapter 15.56; or
5. When the disconnection of utility service is required by a court ordered action to abate a public nuisance; or
6. When the approved duration for the temporary connection to utilities or temporary occupancy per sections 108, 111 or 112 has expired or been terminated, or the conditions of approval imposed in connection with the approval of such temporary connection or temporary occupancy have been violated.

The building official shall notify the serving utility, and wherever possible the owner and occupant of the building, structure or service system of the decision to disconnect prior to taking such action. IF not notified prior to disconnecting, the owner or occupant of the building, structure or service system shall be notified in writing, as soon as practical thereafter.”

15.02.195 Amendment – Section 113 – Board of appeals.

Section 113 is amended in its entirety to read as follows:

“SECTION 113 APPEALS PROCESS

113.1 General. Orders, decisions or determinations made by the building official relative to the application and interpretation of this code may be appealed pursuant to the procedures set forth in Chapter 1.09 of this code.

113.2 Limitations on authority. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equally good or better form of construction is proposed. The hearing officer shall have no authority to waive requirements of this code.”

15.02.200 Violation – Penalty.

(A) No person, firm, partnership, association or corporation shall violate any provisions of this chapter and any provisions of the codes, rules or regulations adopted in this Title 15 of the Corona Municipal Code.

(B) Any person, firm, partnership, association or corporation violating any of the provisions adopted in this title by reference, shall be guilty of an infraction, except where otherwise provided in this Title 15. Any person violating a stop work order issued pursuant to the 2019 California Building Code, Chapter 1 Division II Section 115.3, shall be guilty of a misdemeanor. Any person who continues to occupy or any person who enters a structure which has been posted “unsafe” by the Building Official pursuant to the 2019 California Building Code Section 116 or Corona Municipal Code Chapter 15.56, or any person who enters or occupies a structure which has been posted “Unsafe” or “Restricted Use” pursuant to Corona Municipal Code Chapter 15.54, shall be guilty of a misdemeanor.

(C) Every person, firm, association or corporation violating any of the provisions of this chapter or provisions of the codes, rules or regulations adopted in this chapter by reference is guilty of a separate offense for each day or portion thereof during which the violation continues and shall be punishable thereof as provided in Chapter 15.70 of this code.

(D) It is unlawful for any person, firm, partnership, corporation, association or joint venture, either as owner, architect, contractor, artisan or otherwise, to do or to cause or permit to be done any work, as described in the California Building Standards Code as adopted by reference in this Title 15 in such a manner that such work does not conform to all the provisions of this Title 15 and the provisions of said California Building Standards Code, as so adopted by reference.”

SECTION 3. Chapter 15.04 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

"CHAPTER 15.04 BUILDING CODE

Sections:

15.04.010	Title.
15.04.020	Code adoption.
15.04.030	Administration – Generally.
15.04.040	Amendments – Generally.
15.04.050	Amendment – Chapter I Division II.
15.04.060	Amendment – Section 501.2 – Address identification.
15.04.070	[Reserved]
15.04.080	[Reserved]
15.04.090	[Reserved]
15.04.100	Amendment-Section 904.3.5- Monitoring.
15.04.110	[Reserved]
15.04.120	Addition – Section 1505- Roof coverings.
15.04.130	Amendment – Section 3109.2 - Definitions.
15.04.140	Amendment – Section 3109.4.1.8 - Dwelling wall as barrier.
15.04.150	Addition – Section 3109.4 - Residential swimming pools.
15.04.155	Amendment- Chapter 35 Referenced Standards-NFPA.
15.04.157	Amendment – Appendix H - Signs
15.04.160	Violation – Penalty.

15.04.010 Title.

This chapter shall be cited as the Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Building Code, or other building code, refers and applies to this chapter.

15.04.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Building Code, Volumes 1 and 2, California Code of Regulations Title 24, Part 2, including Appendices H and I, and including any supplements, errata, and revisions made thereto, are hereby adopted as the Building Code of the City of Corona.

(1) Chapter 1 Division II as adopted and amended in Chapter 15.02 of the Corona Municipal Code.

(2) Appendices A, B, C, D, E, F, G, J, K, L, M, N and O are not adopted.

(B) Grading requirements and permits shall be as required by Chapter 15.36 of the Corona Municipal Code.

(C) One certified copy of the 2019 California Building Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, shall be adopted as the Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.04.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.04.040 Amendments – Generally.

Designated sections of the 2019 California Building Code are amended to read as set forth in Sections 15.04.050 through 15.04.157.

15.04.050 Amendment – Chapter I Division II of the 2019 California Building Code is adopted as amended in Corona Municipal Code Chapter 15.02.

15.04.060 Amendment – Section 501.2 – Address identification.

Section 501.2 is amended by adding the following to the end of the section:

“Address numbers shall be illuminated during all hours of darkness. Number, size, location and means of illumination shall comply with the Corona Fire Prevention Standard for premises identification unless an alternative means or method is approved by the fire code official. Address numbers shall be continuously maintained to comply with this section.”

15.04.070 [Reserved].

15.04.080 [Reserved].

15.04.090 [Reserved].

15.04.100 Amendment – Section - 904.3.5 Monitoring.

Section 904.3.5 is amended in its entirety to read as follows:

“904.3.5 Monitoring. Where a building fire alarm or monitoring system is installed, automatic fire-extinguishing systems shall be monitored by the building fire alarm or monitoring system in accordance with NFPA 72.”

15.04.110 [Reserved].

15.04.120 Addition – Section 1505 – Roof coverings.

Section 1505 is amended by adding new subsection 1505.1.5 thereto as follows:

“1505.1.5 Class A roof covering requirement. Notwithstanding any other provision of this Building Code and Appendices to the contrary, Class A roof covering, as defined in Chapter 15 of the 2019 California Building Code, shall be applied:

1. To any building hereinafter constructed.
2. To any re-roofing of existing buildings, when fifty percent (50%) or more of the existing roof is replaced or overlaid within a 1 year period.
3. To any room additions where the aggregate area of the new roof exceeds fifty percent (50%) of the aggregate area of the existing roof.”

15.04.130 Amendment – Section 3109.2 - Definitions.

Section 3109.2 is amended by adding the following definition:

“LAKE. A body of water, including but not limited to a pond that is natural or manmade, which has a sloping grade below the surface of the water originating at the shore line, not exceeding a grade of one vertical to four horizontal.”

15.04.140 Amendment – Section 3109.4.1.8 - Dwelling wall as barrier.

Section 3109.4.1.8 is amended by adding the following subsection 4 to read as follows:

“4. Where a wall of an attached or detached garage, as an accessory use to a residential occupancy, in a Group U occupancy serves as part of the barrier and contains man-door openings between the garage and the outdoor swimming pool that provide direct access to the pool, such door openings shall be self-closing and self-latching.”

15.04.150 Addition – Section 3109.4 - Residential swimming pools.

Section 3109.4 is amended by adding the new subsection 3109.4.1.10 to read as follows:

“**3109.4.1.10 Existing pools.** The legal use of a swimming pool existing before the effective date of this chapter may continue, provided that the swimming pool is provided with an adequate barrier, as reasonably determined by the Building Official consistent with this chapter, and provided that the swimming pool, and/or the use thereof, does not create a safety hazard.”

15.04.155 Amendment- Chapter 35 Referenced Standards.

“**Chapter 35 – Referenced Standards** is adopted in its entirety with the following amendments:

NFPA 13, 2016 Edition, Installation of Sprinkler Systems is hereby amended as follows:

Section 6.7.3 is hereby amended to read as follows:

6.7.3 Fire Department connections (FDC) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of inlets shall be approved by the fire code official. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler design density requires 500 gpm (including hose stream demand) or greater, or a standpipe system is included, two 2 ½” inlets and one 4” swivel female NST inlet shall be provided. FDC inlets shall be equipped with check valves.

Section 8.3.3.1 is hereby amended to read as follows:

8.3.3.1. When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time the fire sprinkler plan is submitted.

Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in Section 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of Section 8.4.5
- (3) Standard spray sprinklers used for modifications or additions to existing light hazard systems equipped with standard spray sprinklers

- (4) Standard spray sprinklers used where individual standard spray sprinklers are replaced in existing light hazard systems

Section 8.17.2.4.6 is hereby amended to read as follows:

8.17.2.4.6 Fire department connections shall be on the street side of buildings and shall be located and arranged so that they are immediately adjacent to the approved fire department access road. Fire department connections shall be located such that hose lines can be readily and conveniently attached to the inlets without interference from nearby objects, including but not limited to, buildings, fences, posts, vegetation or other fire department connections.

Section 11.1.1.2 is hereby added to read as follows:

11.1.1.2 Undetermined Use Design Requirements. When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2(a) curve “G”. Use is considered undetermined if a specific tenant/occupant is not identified at the time the sprinkler plan is submitted. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13D 2016 Edition Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 4.1.3 is hereby added to read as follows:

4.1.3 Stock of Spare Sprinklers

4.1.3.1 A supply of at least two sprinklers of each type shall be maintained on the premises so that any sprinklers that are not functioning or have been damaged in any way can be promptly replaced.

4.1.3.2 The spare sprinklers shall be the same types and temperature ratings as installed in the dwelling.

4.1.3.3 The sprinklers shall be kept in a cabinet located where the temperature to which they are subjected will at no time exceed 100°F.

4.1.3.4 A special sprinkler wrench shall be provided and kept in the spare head cabinet to be used in the removal and installation of sprinklers. One sprinkler wrench shall be provided for each type of sprinkler installed.

Section 7.3 Pressure Gauges is amended to add the following Subsection 7.3.3 to read as follows:

7.3.3 Pressure Gauges. At least one water pressure gauge shall be installed on the riser assembly.

Section 7.6 Alarms is hereby amended in its entirety to read as follows:

7.6 Alarms. Exterior alarm indicating device shall be listed for outside service and audible from the street from which the house is addressed. Exterior audible devices shall be placed on the front or side of the structure and the location subject to approval by the fire code official. Additional interior alarm devices shall be required to provide audibility throughout the structure and shall be powered from an uninterruptible circuit service normally servicing other appliances in the residence.

Exceptions:

1. When an approved water flow monitoring system is installed, interior audible devices may be powered through the fire alarm control panel.
2. When single- or multiple-station smoke alarms specified in CBC 907.2.11 are used to sound an alarm upon waterflow switch activation.”

15.04.157 Amendment - Appendix H - Signs

Section H101.2 of Appendix H is amended in its entirety to read as follows:

“H101.2 Permits required. A building permit is required for any sign which requires a sign permit as specified in Chapter 17.74 of the Corona Municipal Code, except signs painted directly onto an existing building, sign structure, or sign board; or the refacing of a previously approved sign canister with Plexiglas, flexible sign face or similar material provided no structural changes are made to the sign structure or canister.”

15.04.160 Violation- Penalty.

The violation and penalties for Chapter 15.04 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 4. Chapter 15.05 of Title 15 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"Chapter 15.05
GREEN BUILDING CODE**

Sections:

15.05.010	Title.
15.05.020	Code adoption.
15.05.030	Administration-Generally.
15.05.040	Violation – Penalty.

15.05.010 Title.

This chapter shall be cited as the Green Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Green Building Standards Code, Cal Green, or other green building code, refers and applies to this chapter.

15.05.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Green Building Standards Code, California Code of Regulations Title 24, Part 11, Chapters 1 through 8, not including the appendices, and including any supplements, errata, and revisions made thereto, are hereby adopted as the Green Building Code of the City of Corona. (1) Appendices A4, A5, and A6.1 are not adopted as part of this code.

(B) One certified copy of the 2019 California Green Building Standards Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Green Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.05.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.05.040 Violation- Penalty.

The violation and penalties for Chapter 15.05 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 5. Section 15.06.080 (Violation and Penalty) of Chapter 15.06 (Housing Code) of Title 15 (Subdivisions) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“15.06.080 Violation – Penalty.

(A) No person, firm, partnership, association or corporation shall violate any provisions of this chapter or any provisions of the codes, rules or regulations adopted in this chapter.

(B) Any person, firm, partnership, association or corporation violating any of the provisions adopted in this chapter by reference, shall be guilty of an infraction. Any person violating a stop work order issued pursuant to the California Building Code, Section 115, shall be guilty of a misdemeanor. Any person who continues to occupy or any person who enters a structure which has been posted "unsafe" by the Building Official pursuant to the California Building Code Section 116 or Corona Municipal Code Chapter 15.56, or any person who enters or occupies a structure posted "Unsafe" or "Restricted Use" pursuant to Corona Municipal Code Chapter 15.54, shall be guilty of a misdemeanor.

(C) Every person, firm, association or corporation violating any of the provisions of this chapter or provisions of the codes, rules or regulations adopted in this chapter by reference is guilty of a separate offense for each day or portion thereof during which such violation continues and shall be punishable thereof as provided in Chapter 15.70 of this code."

SECTION 6. Chapter 15.07 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"Chapter 15.07
RESIDENTIAL CODE**

Sections:

15.07.010	Title.
15.07.020	Code adoption.
15.07.030	Administration.
15.07.040	Amendments – Generally.
15.07.050	[Reserved]
15.07.060	Amendment - Section R319.1- Address identification.
15.07.070	Addition - Section R902.1.5 - Roof covering materials.
15.07.080	[Reserved]
15.07.090	Amendment-Chapter 44 Referenced Standards.
15.07.100	Violation – Penalty.

15.07.010 Title.

This chapter shall be cited as the Residential Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Residential Code, or other residential code, refers and applies to this chapter.

15.07.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Residential Code, California Code of Regulations Title 24, Part 2.5, including Appendix H, and including any supplements, errata, and revisions made thereto, is hereby adopted as the Residential Code of the City of Corona.

(1) Chapter 1 Division II is not adopted.

(2) Appendices A, B, C, D, E, F, G, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W and X are not adopted as part of this code.

(B) One certified copy of the 2019 California Residential Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Residential Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.07.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.07.040 Amendments – Generally.

Designated sections of the 2019 California Residential Code are amended to read as set forth in Sections 15.07.050 through 15.04.090.

15.07.050 [Reserved].

15.07.060 Amendment - Section R319.1 Address identification.

Section R319.1 is amended by adding the following to the end of the section:

“Address numbers shall be illuminated during all hours of darkness. Number, size, location and means of illumination shall comply with the Corona Fire Prevention Standard for premises identification unless an alternative means or method is approved by the fire code official. Address numbers shall be continuously maintained to comply with this section.”

15.07.070 Addition – Section R902.1.5 – Roof covering materials.

Section R902.1 is amended by adding new subsection R902.1.5 to read as follows:

“**R902.1.5 Class A roof covering requirement.** Notwithstanding any other provision of this Building Code and Appendices to the contrary, Class A roof covering, as defined in Chapter 15 of the 2019 California Building Code, shall be applied:

1. To any building hereinafter constructed.
2. To any re-roofing of existing buildings, when fifty percent (50%) or more of the existing roof is replaced or overlaid within a 1 year period.
3. To any room additions where the aggregate area of the new roof exceeds fifty percent (50%) of the aggregate area of the existing roof.”

15.07.080 [Reserved].

15.07.090 Amendment- Chapter 44 Referenced Standards.

“Chapter 44 – Referenced Standards is adopted in its entirety with the following amendments:

NFPA 13, 2016 Edition, Installation of Sprinkler Systems is hereby amended to read as follows:

Section 6.8.3 is hereby amended to read as follows:

6.8.3 Fire Department connections (*FDC*) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved by the fire code official and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of inlets shall be approved by the fire code official. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler design density requires 500 gpm (including hose stream demand) or greater, or a standpipe system is included, two 2 ½” inlets and one 4” swivel female NST inlet shall be provided. FDC inlets must be equipped with check valves.

Section 8.3.3.1 is hereby amended to read as follows:

8.3.3.1. When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time the fire sprinkler plan is submitted.

Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in Section 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of Section 8.4.5
- (3) Standard spray sprinklers used for modifications or additions to existing light hazard systems equipped with standard spray sprinklers
- (4) Standard spray sprinklers used where individual standard spray sprinklers are replaced in existing light hazard systems

Section 8.17.2.4.6 is hereby amended to read as follows:

8.17.2.4.6 Fire department connections shall be on the street side of buildings and shall be located and arranged so that they are immediately adjacent to the approved fire department access road. Fire department connections shall be located such that hose lines can be

readily and conveniently attached to the inlets without interference from nearby objects, including but not limited to, buildings, fences, posts, vegetation or other fire department connections.

Section 11.1.1.2 is hereby added to read as follows:

11.1.1.2 Undetermined Use Design Requirements. When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2(a) curve “G”. Use is considered undetermined if a specific tenant/occupant is not identified at the time the sprinkler plan is submitted. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13D 2016 Edition Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 4.1.3 is hereby added to read as follows:

4.1.3 Stock of Spare Sprinklers

4.1.3.1 A supply of at least two sprinklers of each type shall be maintained on the premises so that any sprinklers that have operated or been damaged in any way can be promptly replaced.

4.1.3.2 The spare sprinklers shall be the same types and temperature ratings as installed in the dwelling.

4.1.3.3 The sprinklers shall be kept in a cabinet located where the temperature to which they are subjected will at no time exceed 100°F.

4.1.3.4 A special sprinkler wrench shall be provided and kept in the spare head cabinet to be used in the removal and installation of sprinklers. One sprinkler wrench shall be provided for each type of sprinkler installed.

Section 7.3.3 Pressure Gauges is added to read as follows:

7.3.3 Pressure Gauges At least one water pressure gauge shall be installed on the riser assembly.

Section 7.6 Alarms is hereby amended its entirety to read as follows:

7.6 Alarms. Exterior alarm indicating device shall be listed for outside service and audible from the street from which the house is addressed. Exterior audible devices shall be placed on the front or side of the structure and the location subject to approval by the fire code official. Additional interior alarm devices shall be required to provide audibility throughout the structure

and shall be powered from an uninterruptible circuit serving normally operated appliances in the residence.

Exception:

1. When an approved water flow monitoring system is installed, interior audible devices may be powered through the fire alarm control panel.
2. When single or multiple station smoke alarms specified in CBC 907.2.11 are used to sound an alarm upon water flow switch activation.

15.07.100 Violation- Penalty.

The violation and penalties for Chapter 15.07 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 7. Chapter 15.08 of Title 15 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

"Chapter 15.08 MECHANICAL CODE

Sections:

15.08.010	Title.
15.08.020	Code adoption.
15.08.030	Administration.
15.08.040	[Reserved]
15.08.050	Violation – Penalty.

15.08.010 Title.

This chapter shall be cited as the Mechanical Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Mechanical Code, or other mechanical code, refers and applies to this chapter.

15.08.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the 2019 California Mechanical Code, California Code of Regulations Title 24, Part 4, including any supplements, errata, and revisions made thereto, are hereby adopted as the Mechanical Code of the City of Corona.

- (1) Chapter 1 Division II is not adopted as part of this code.

(2) Appendices A, B, C, D, E, F, and G are not adopted as part of this code.

(B) One certified copy of the 2019 California Mechanical Code is on file in the office of the Building Official, and any and all references thereto, are adopted as the Mechanical Code of the City of Corona, and each and all the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.08.030 Administration.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.08.040 [Reserved].

15.08.050 Violation – Penalty.

The violation and penalties for Chapter 15.08 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 8. Chapter 15.09 is hereby added to Title 15 of the Corona Municipal Code to read in its entirety as follows:

**"Chapter 15.09
ENERGY CODE**

Sections:

15.09.010	Title.
15.09.020	Code adoption.
15.09.030	Administration-Generally.
15.09.040	Violation – Penalty.

15.09.010 Title.

This chapter shall be cited as the Energy Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Energy Code, Title 24 Energy Code or other energy code, refers and applies to this chapter.

15.09.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Energy Code, California Code of Regulations Title 24, Part 6, including any supplements, errata, and revisions made thereto, are hereby adopted as the Energy Code of the City of Corona. (B) One certified copy of the 2019 California Energy Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Energy Code of the City of Corona, subject to the changes contained in

this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.09.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.09.040 Violation- Penalty.

The violation and penalties for Chapter 15.09 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 9. Chapter 15.10 is hereby added to Title 15 of the Corona Municipal Code to read in its entirety as follows:

**"Chapter 15.10
HISTORICAL BUILDING CODE**

Sections:

15.10.010	Title.
15.10.020	Code adoption.
15.10.030	Administration-Generally.
15.10.040	Violation – Penalty.

15.10.010 Title.

This chapter shall be cited as the Historical Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Historical Building Code, or other historic building code, refers and applies to this chapter.

15.10.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Historical Building Code, California Code of Regulations Title 24, Part 8, including any supplements, errata, and revisions made thereto, are hereby adopted as the Historical Building Code of the City of Corona. (B) One certified copy of the 2019 California Historical Building Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Historical Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.10.030 Administration – Generally.

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The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.10.040 Violation- Penalty.

The violation and penalties for Chapter 15.10 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 10. Chapter 15.11 is hereby added to Title 15 of the Corona Municipal Code to read in its entirety as follows:

**"Chapter 15.11
EXISTING BUILDING CODE**

Sections:

- | | |
|-----------|---------------------------|
| 15.11.010 | Title. |
| 15.11.020 | Code adoption. |
| 15.11.030 | Administration-Generally. |
| 15.11.040 | Violation – Penalty. |

15.11.010 Title.

This chapter shall be cited as the Existing Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Existing Building Code, or other existing building code, refers and applies to this chapter.

15.11.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Existing Building Code, California Code of Regulations Title 24, Part 10, including any supplements, errata, and revisions made thereto, excluding the chapters referenced below, are hereby adopted as the Existing Building Code of the City of Corona.

- (1) Chapter 1 Division II is not adopted as part of this code.
- (2) Chapters 6 through 13 are not adopted as part of this code.
- (3) Appendix Chapters A4, C1, C2 and Appendix B are not adopted as part of this code.
- (4) Appendix Chapters A1, A2, A3, A5 and C1 are adopted as part of this code.
- (5) Resource Chapter A is not adopted as part of this code.

(B) One certified copy of the 2019 California Existing Building Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are

adopted as the Existing Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.11.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.11.040 Violation- Penalty.

The violation and penalties for Chapter 15.11 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 11. Chapter 15.12 of Title 15 of Corona Municipal Code is hereby amended in its entirety to read as follows:

**"CHAPTER 15.12
FIRE CODE**

Sections:

15.12.010	Title.
15.12.020	Code adoption.
15.12.030	Amendments – Generally.
15.12.040	Amendment – Section 103.2 – Appointment.
15.12.050	Amendment – Section 104.2.1 - Plan review fees.
15.12.060	Amendment – Section 105.6-Required operational permits.
15.12.070	Amendment – Sections 110.4 – Violation penalties.
15.12.080	Addition – Section 110.4.2- Restitution.
15.12.090	Amendment – Section 202-Definitions.
15.12.100	Addition – Section 304.1.2 – Vegetations.
15.12.110	Addition – Section 305.6 – Hazardous Conditions
15.12.120	Addition – Section 307.6 – Outdoor fireplaces, fire pits, fire rings and similar devices used at Group R occupancies.
15.12.130	Addition – Section 307.7 – Outdoor fires.
15.12.140	Amendment – Section 308.1.6.3 – Sky lanterns.
15.12.150	Added – Section 321 – Fuel modification requirements for new construction.
15.12.160	Added – Section 322 – Clearance of brush or vegetation growth from roadways.
15.12.170	Added – Section 323 – Unusual circumstances.
15.12.180	Added – Section 324 – Restricted entry.
15.12.190	Amendment – Section 503.2.1-Dimensions.
15.12.200	Amendment – Section 503.2.4-Turning radius.
15.12.210	Addition – Section 503.7 – Two points of access.
15.12.220	Amendment – Section 505.1- Address identification.
15.12.230	Amendment – Section 507.5.1-Hydrant locations.

- 15.12.240 Amendment – Section 507.5.5-Clear space around exterior-fire protection equipment.
- 15.12.250 Addition – Section 507.5.7- Fire hydrant size and outlets.
- 15.12.260 Amendment – Section 510.1 – Emergency responder radio coverage in new buildings.
- 15.12.270 Amendment – Section 510.4.1.3 – System performance.
- 15.12.280 Addition – Section 706 - Eave protection.
- 15.12.290 Addition – Section 903.3.5.3 - Hydraulically calculated systems.
- 15.12.300 Amendment – Section 904.3.5 - Monitoring.
- 15.12.310 Added – Section 1201.1.1 – Other systems.
- 15.12.320 Amendment – Section 4906.3 – Requirements.
- 15.12.330 Addition – Section 4908 – Fuel modification for new construction.
- 15.12.340 Amendment Section 5001.5.2 - Hazardous materials inventory statement (HMIS).
- 15.12.350 Addition - Section 5608.2 - Firing.
- 15.12.360 Amendment – Chapter 80 - Reference standards.
- 15.12.370 Amendment – Section B105.1 of Appendix B - One- and two-family dwellings.
- 15.12.380 Amendment – Section B105.2 of Appendix B - Buildings other than one and two-family dwellings, Group R-3 and R-4 buildings and townhouses.
- 15.12.390 Amendment – Table B105.1(1), B105.1(2) and B105.2 of Appendix B - Minimum required fire flow and flow duration for buildings.
- 15.12.400 Amendment – Table C102.1 of Appendix C - Number and distribution of fire hydrants.
- 15.12.410 Violation – Penalty.

15.12.010 Title.

This chapter shall be cited as the Fire Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Fire Code, or other fire code, refers and applies to this chapter.

15.12.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the 2019 California Fire Code, and that certain document being marked and designated as the 2018 International Fire Code, with errata, and including the following appendices, are hereby adopted as the Fire Code for the City of Corona:

- (1) Appendix Chapter 4
- (2) Appendices B, C, E, F, G & O

In addition, Chapter 3 and Section 1103.2, which were excluded in the 2019 California Fire Code, are hereby adopted and included in the Fire Code for the City of Corona.

(B) One certified copy of each of the 2019 California Fire Code and 2018 International Fire Code are on file in the office of the Building Official, and any and all references thereto, are adopted as the Fire Code and each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.12.030 Amendments -- Generally.

Designated sections of the California Fire Code are amended to read as set forth in sections 15.12.040 through 15.12.400.

15.12.040 Amendment – Section 103.2 - Appointment.

Section 103.2 is amended in its entirety to read as follows:

“103.2 Appointment. The fire code official shall be appointed by the chief appointing authority of the jurisdiction.”

15.12.050 Addition – Section 104.2.1 – Plan review fees.

Subsection 104.2.1 is added to read as follows:

“104.2.1 Plan Review Fees. When it is determined by the fire code official that plans submitted require a full plan review and such plans are received independent of the architectural plans, a fee shall be collected. The fee shall be based on 100% of the cost of service, based on the fee schedule adopted by the City Council.”

15.12.060 Amendment – Section 105.6 - Required operational permits.

Section 105.6 is amended by deleting subsections 105.6.15 and 105.6.39 in their entirety.

15.12.070 Amendment – Section 110.4 - Violation penalties.

Section 110.4 is amended in its entirety to read as follows:

“110.4 Violation Penalties. Persons who violate a provision of this code or fail to comply with any of the requirements thereof or who erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of either a misdemeanor, infraction or both as prescribed in Section 110.4.2.1 and 110.4.2.2. Each day that a violation continues after due notice has been served shall be deemed a separate offense.”

15.12.080 Addition – Section 110.4.2 – Restitution

Section 110.4.2 is added to read as follows:

“110.4.2 Restitution. In addition to any other penalties or provisions for restitution that may be provided for by the law, the expense of securing any emergency which is a result of a violation of this code or any other code, ordinance or State law, is a charge against the person whose violation caused the emergency. Expenses incurred for securing such emergency shall constitute a debt of such person and is collectible by the code official in the same manner as in the case of an obligation under contract, expressed or implied.”

110.4.2.1 Infraction. Except as provided in Section 110.4.2.2, persons operating or maintaining any occupancy, premises or vehicle subject to this code that shall permit any fire or life safety hazard to exist on premises under their control shall be guilty of an infraction.

110.4.2.2 Misdemeanor. Persons who fail to take immediate action to abate a fire or life safety hazard when ordered or notified to do so by the fire code official or a duly authorized representative, or who violate the following sections of this code, shall be guilty of a misdemeanor:

104.11.2	Obstructing operations
104.11.3	Systems and Devices
108.6	Overcrowding
110.3	Compliance with Orders, Notices and Tags
112.4	Failure to Comply
305.4	Deliberate or negligent burning
308.1.2	Throwing or placing sources of ignition
310.7	Burning Objects
3107.4	Open or exposed flames”

15.12.090 Amendment – Section 202 - Definitions.

Section 202 General Definitions is amended by adding thereto the following definition:

“ALL WEATHER DRIVING SURFACE. An all weather driving surface is a concrete or asphalt covering over base material and a roadbed compacted to ninety-five percent, and of sufficient thickness to support heavy fire apparatus (approximately 75,000 gross vehicle weight) with a grade of no more than ten percent (10%) and a minimum width of twenty-eight (28) feet, unless approval for a lesser amount is obtained from the Fire code official.

SPARK ARRESTER. A listed device constructed of noncombustible material specifically for the purpose of meeting one of the following conditions:

1. Removing and retaining carbon and other flammable particles/debris from the exhaust flow of an internal combustion engine in accordance with California Vehicle Code Section 38366.
2. Preventing the emission of flammable debris from combustion sources, such as internal combustion engines, fireplaces, and wood burning stoves.”

15.12.100 Addition – Section 304.1.2 - Vegetations.

Section 304.1.2 Vegetation is amended in its entirety to read as follows:

“304.1.2 Vegetation. Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirement in urban-wildland interface areas shall be in accordance with Chapter 49 and the City of Corona Vegetation Management Guidelines, which the fire code official is hereby authorized to develop and implement.”

15.12.110 Addition – Section 305.6 – Hazardous Conditions.

Section 305.6 is hereby added to read as follows:

“305.6 Hazardous conditions. Outdoor fires burning wood or other solid fuel otherwise permitted by Sections 307.6 and 307.7 are prohibited when any of the following conditions apply:

1. When sustained winds exceeding 8 MPH are predicted, as determined by the fire code official based upon reasonable and verifiable data.
2. When the relative humidity is less than 25%.
3. When a red flag condition has been declared by the fire code official.
4. When otherwise prohibited by the fire code official after the posting of notice of such prohibition at City Hall in a location that is freely accessible to members of the public, on the City’s website and any other locations or social media sites that the fire code official determines are necessary or appropriate.

Outdoor fires using any fuel type are prohibited when sustained winds exceeding 20 MPH are predicted, as determined by the fire code official based upon reasonable and verifiable data, or when such fires present a hazard as determined by the fire code official.

15.12.120 Addition – Section 307.6 – Outdoor fireplaces, fire pits, fire rings and similar devices used at Group R occupancies.

Section 307.6 is hereby added to read as follows:

“307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or similar devices used at Group R Occupancies. Outdoor fireplaces, fire pits, fire rings, or similar exterior devices used at Group R occupancies shall comply with this section.

Exception: Barbeques, grills, and portable devices intended solely for cooking.

307.6.1 Gas-fueled devices. Outdoor fireplaces, fire pits and similar devices that are fueled by natural gas or liquefied-petroleum gas and designed to only burn a gas flame and not wood or other solid fuel are allowed when approved by the Building Division. At R-3 occupancies, combustible construction material and vegetation shall not be located within three feet of an atmospheric column that extends vertically from the perimeter of the outdoor fireplace, fire pit or similar device. At other R occupancies, the minimum distance shall be ten feet. Where a permanent hood and vent that has been approved by the Building Division is installed, combustible

construction material may encroach upon this column between the bottom of the hood and the vent opening. All chimneys or vents installed in outdoor fireplaces, fire pits and similar devices shall have a spark arrester as defined in Section 202.

307.6.2 Devices using wood or fuels other than natural gas or liquefied-petroleum gas. Permanent outdoor fireplaces designed to burn wood or other solid fuel shall be constructed in accordance with the California Building Code with clearance from combustible construction material and building openings as required therein. Fires in a fireplace shall be contained within a firebox with an attached chimney. The opening in the face of the firebox shall have a spark arrester.

The burning of wood or other solid fuel in a device is prohibited within 25 feet of combustible structures unless contained within an approved permanent fireplace, Conditions which could cause a fire to spread within 25 feet of a structure or to vegetation shall be eliminated prior to ignition. Fires in devices burning wood or solid fuel shall be in accordance with Sections 305, 307, and 308.

Exceptions:

1. Portable fireplaces and fire rings/pits equipped with a spark arrester that are located at least 3 feet from combustible construction at R-3 occupancies,
2. Portable fireplaces, and fire pits/rings equipped with a device to arrest sparks, that are located at least 15 feet from combustible structures at all other R occupancies.

307.6.2.1 Where prohibited. The burning of wood and other solid fuels is prohibited within a fuel modification zone, Wildland-Urban Interface Area (WUI), or in locations where conditions could cause the spread of fire to the WUI.

Exceptions:

1. Permanent fireplaces that are not located in a fuel modification zone
2. Where determined by the fire code official that the location or design of the device does not reasonably present a risk of a wildfire.”

15.12.130 Added – Section 307.7 – Outdoor fires.

Section 307.7 is hereby added to read as follows:

“No person shall kindle, build, light or maintain, or authorize to be kindled, built or maintained, a fire in any place other than facilities specifically designed and built for that purpose. Any fire that is built, lit, kindled or maintained pursuant to this section shall comply with all applicable permits and other regulations of air pollution control authorities and all other laws, rules and regulations. Except as provided in Section 307.6 for Group R occupancies, the use of flammable or combustible liquids (except for approved charcoal lighter fluid) are strictly prohibited. Fires shall be attended by persons over twenty-one (21) years of age at all times until extinguished. A portable fire extinguisher or other approved equipment or method of extinguishing the fire shall be available for immediate use. Fires shall be fully extinguished before vacating the area.”

15.12.140 Amendment – Section 308.1.6.3 – Sky lanterns.

Section 308.1.6.3 is hereby amended in its entirety to read as follows:

“308.1.6.3 Sky lanterns. A person shall not ignite, release, or cause to be released a sky lantern.”

15.12.150 Added – Section 321 – Fuel modification requirements for new construction.

Section 321 is hereby added to read as follows:

“321 Fuel modification requirements for new construction. All new structures and facilities proposed to be constructed adjacent to land containing hazardous combustible vegetation, as determined by the fire code official, shall be reviewed in accordance with and shall be subject to the requirements of the City of Corona Vegetation Management Guidelines, as adopted pursuant to Section 304.1.2.”

15.12.160 Added – Section 322 – Clearance of brush or vegetation growth from roadways.

Section 322 is hereby added to read as follows:

“322 Clearance of brush or vegetation growth from roadways. The fire code official is authorized to cause areas within 10 feet (3048 mm) on each side of portions of highways and private streets which are improved, designed or ordinarily used for vehicular traffic, to be cleared of flammable vegetation and other combustible growth. Measurement of the required clearance area shall be from the flow-line or the end of the improved edge of the roadway surfaces.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, provided that they do not form a means of readily transmitting fire.”

15.12.170 Added – Section 323 – Unusual circumstances.

Section 323 is hereby added to read as follows:

“323 Unusual circumstances. The fire code official may suspend enforcement of the City of Corona Vegetation Management Guidelines, as adopted pursuant to Section 304.1.2, and require reasonable alternative measures designed to advance the purpose of this code if determined that in any specific case that any of the following conditions exist:

1. Difficult terrain.
2. Danger of erosion.
3. Presence of plants included in any state and federal resources agencies, California Native Plant Society and county-approved list of wildlife, plants, rare, endangered and/or threatened species.
4. Stands or groves of trees or heritage trees.
5. Other unusual circumstances that make strict compliance with the clearance of

vegetation provisions undesirable or impractical.”

15.12.180 Added – Section 324 – Restricted Entry

Section 324 is hereby added to read as follows:

“324 Restricted entry. The fire code official shall determine and publicly announce when hazardous fire areas shall be closed to entry and when such areas shall again be opened to entry. Entry or presence on hazardous fire areas that have been closed pursuant to this section is prohibited.

Exceptions:

1. Residents and owners of private property within hazardous fire areas and their invitees and guests going to or being upon their lands.
2. Entry, in the course of duty, by peace or police officers, and other duly authorized public officers, members of a fire department and members of the United States Forest Service.

15.12.190 Amendment – Section 503.2.1 Dimensions

Section 503.2.1 is amended in its entirety to read as follows:

“503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 28 feet (8534mm) exclusive of shoulders, except for approved security gates in accordance with Section 503.6, and an unobstructed vertical clearance of not less than 15 feet (4572mm).

Exception: Vertical clearance may be reduced, provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance approved by the fire code official.”

15.12.200 Amendment – Section 503.2.4 - Turning radius.

Section 503.2.4 is amended in its entirety to read as follows:

“503.2.4 Turning Radius. The required turning radius of a fire apparatus access road shall be 25 feet (7620 mm) inside radius and 50 feet (15,240 mm) outside radius on all turns in the fire apparatus access road, unless otherwise approved by the fire code official.”

15.12.210 Addition – Section 503.7 – Two points of access.

Section 503.7 is hereby added to read as follows:

“503.7 Two points of access. Two points of access shall be required for new development and when existing development density is increased, unless otherwise approved by the fire code official and justified by the fire protection plan.”

15.12.220 Amendment – Section 505.1 - Address identification.

Section 505.1 is amended by adding the following to the end of the section:

“Address numbers shall be illuminated during all hours of darkness. Number, size, location and means of illumination shall comply with the Corona Fire Prevention Standard for premises identification unless an alternative means or method is approved by the fire code official. Address numbers shall be continuously maintained to comply with this section.”

15.12.230 Amendment – Section 507.5.1 - Hydrant locations.

Section 507.5.1 is hereby amended in its entirety to read as follows:

“507.5.1 Where required. Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than allowed in Appendix C – “Fire Hydrant Locations and Distribution” from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site hydrants and mains shall be provided where required by the fire code official.”

Exceptions:

1. Group R-3 and U occupancies, equipped throughout with an approved automatic sprinkler system installed in accordance with CFC 903.3.1.1 or CFC 903.3.1.2 or CFC 903.3.1.3, provided the distance requirements shall not be more than 300 feet (91.5 m), unless otherwise approved by the fire code official.”

15.12.240 Amendment – Section 507.5.5 - Clear space around exterior - fire protection equipment

Section 507.5.5 is hereby amended to read as follows:

“507.5.5 Clear space around fire protection equipment. A 3-foot (914 mm) clear space shall be maintained around the circumference of fire hydrants, fire department connections, exterior fire protection system control valves, or any other exterior fire protection system component that may require immediate access, except as otherwise required or approved.”

15.12.250 Addition – Section 507.5.7 Fire hydrant size and outlets

Section 507.5.7 is hereby added to read as follows:

“507.5.7 Fire Hydrant Size and Outlets. Fire hydrant size and outlets shall be required as determined by the fire code official.

1. Residential Standard – one (1) four (4) inch outlet and one (1) two and one half (2 ½) inch outlet.
2. Super Hydrant Standard – one (1) four (4) inch outlet and two (2) two and one half (2 ½) inch outlets.
3. Super Hydrant Enhanced – two (2) four (4) inch outlet, and one (1) two and one half (2 ½) inch outlet.”

15.12.260 Amendment – Section 510.1 – Emergency responder radio coverage in new buildings.

Section 510.1 is hereby amended in its entirety to read as follows:

“510.1 Emergency responder radio coverage in new buildings. All new buildings shall have approved radio coverage for emergency responders within the building based upon the existing coverage levels of the public safety communication systems utilized by the City, measured at the exterior of the building. This section shall not require improvement of the City’s existing public safety communication systems. The building’s emergency responder radio coverage system shall comply with the Corona Fire Department’s Guideline for Emergency Responder Radio Coverage and, where the functionality or performance requirements in the California Fire Code are more stringent, this code.

Exceptions:

1. Structures that meet all of the following:
 - a. Wood construction
 - b. Single story
 - c. Does not exceed 10,000 square feet
2. Multi-family residential that meet all of the following:
 - a. Exterior walk up
 - b. No interior corridors
 - c. No subterranean storage or parking
3. Elevators
4. Single family residence”

15.12.270 Amendment – Section 510.4.1.3 - System performance.

Section 510.4.1.3 is hereby amended in its entirety to read as follows:

“510.4.1.3 System performance. Signal strength shall be sufficient to meet the requirements of the applications being utilized by public safety for emergency operations through the coverage area as specified by the fire code official in Section 510.4.2.2. A minimum signal strength of -95dBm shall be receivable within the building. A minimum signal strength of -95 dBm shall be received by the agency’s radio system when transmitted from within the building.”

15.12.280 Addition – Section 706 - Eave protection.

Section 706 is hereby added to read as follows:

“Section 706 Eave Protection. Buildings or structures constructed hereafter within two hundred (200) feet of high-hazard, undeveloped forest-covered, brush-covered, or grass-covered land shall have eaves or overhangs thereon protected by one-hour construction, or otherwise protected so as to prevent flying brands, ashes or sparks from entering the building or structure. The fire code official shall determine which lands are considered high-hazard, undeveloped forest-covered, brush-covered, or grass-covered for purposes of this section.”

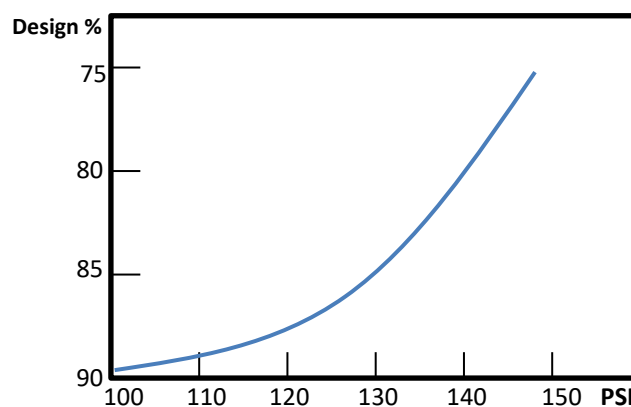
15.12.290 Addition – 903.3.5.3 - Hydraulically calculated systems.

Section 903.3.5.3 is hereby added to read as follows:

“903.3.5.3 Hydraulically calculated systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

Exception: When static pressure exceeds 100 psi and required by the Fire Code Official, the fire sprinkler system shall not exceed water supply capacity specified by Table 903.3.5.3.

**TABLE 903.3.5.3
Hydraulically Calculated Systems**



15.12.300 Amendment – Section 904.3.5 - Monitoring.

Section 904.3.5 is amended in its entirety to read as follows:

“904.3.5 Monitoring. Where a building fire alarm or monitoring system is installed, automatic fire-extinguishing systems shall be monitored by the building fire alarm or monitoring system in accordance with NFPA 72.”

15.12.310 Added – Section 1201.1.1 – Other systems.

Section 1201.1.1 is added to read as follows:

“1201.1.1 Other Systems Where required by the fire code official, other systems and operations, including, but not limited to, battery systems assembly, battery reconditioning and storage, research and development of battery storage systems, electric vehicle manufacturing and testing, and battery charging systems for cars and carts inside of buildings or structures, shall comply with this chapter.

Exception: When approved by the fire code official, charging stations for electric vehicles located in open parking garages of Type I or II construction.”

15.12.320 Amendment – Section 4906.3 – Requirements.

Section 4906.3 is amended in its entirety to read as follows:

“4906.3 Requirements. Hazardous vegetation and fuels around all applicable buildings and structures shall be maintained in accordance with the following laws and regulations:

1. Public Resources Code, Section 4291.
2. California Code of Regulations, Title 14, Division 1.5, Chapter 7, Subchapter 3, Section 1299 (see guidance for implementation “General Guideline to Create Defensible Space”).
3. California Government Code, Section 51182.
4. California Code of Regulations, Title 19, Division 1, Chapter 7, Subchapter 1, Section 3.07.
5. City of Corona Vegetation Management Guidelines.”

15.12.330 Addition – Section 4908 – Fuel modification for new construction.

Section 4908 is added to read as follows:

“4908 Fuel Modification for New Construction. All new buildings to be built or installed in hazardous fire areas shall comply with the following:

1. Preliminary fuel modification plans shall be submitted to and approved by the fire code official concurrent with the submittal for approval of any tentative tract map or parcel map or building permit application, as applicable.
2. Final fuel modification plans shall be submitted to and approved by the fire code official prior to the issuance of a grading permit or building permit, as applicable.
3. The fuel modification plan shall include provisions for the maintenance of the fuel modification area in perpetuity and shall meet the criteria set forth in the the City of Corona Vegetation Management Guidelines.
4. The fuel modification plan may be altered if conditions change with the prior written approval of the fire code official.
5. All elements of the fuel modification plan shall be maintained in accordance with the approved plan and are subject to the enforcement process outlined in this code.

15.12.340 Addition– Section 5001.5.2 - Hazardous materials inventory statement (HMIS).

Section 5001.5.2 is hereby amended in its entirety to read as follows:

“5001.5.2 Hazardous Materials Inventory Statement (HMIS). When required by the fire code official, an application for a permit shall include Corona Fire Department’s Chemical Classification Packet, which shall be completed and approved prior to approval of architectural and/or system plans, and/or the storage, use or handling of chemicals on the premises. The Chemical Classification packet shall meet the format requirements contained in the Corona Fire Department Chemical Classification Guideline.”

15.12.350 Addition – Section 5608.2 - Firing.

Section 5608.2 is added to read as follows:

“Section 5608.2 – Firing. All fireworks displays shall be electronically fired.”

15.12.360 Amendment – Chapter 80 - Reference standards.

The sections of Chapter 80 – Referenced Standards designated below are amended to read as follows:

“NFPA 13, 2016 Edition, Installation of Sprinkler Systems is hereby amended as follows:

Section 6.7.3 is hereby amended to read as follows:

6.7.3 Fire Department connections (FDC) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of inlets shall be approved by the fire code official. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler design density requires more than 500 gpm (including hose stream demand), or a standpipe system is included, two 2 ½” inlets and one 4” swivel female NST inlet shall be provided. FDC inlets shall be equipped with check valves.

Section 8.3.3.1 is hereby amended to read as follows:

8.3.3.1 When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (Group S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time of permit issuance. Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in Section 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of Section 8.4.5
- (3) Quick response CMSA sprinklers
- (4) ESFR sprinklers
- (5) Standard spray sprinklers used for modifications of additions to existing light hazard systems equipped with standard spray sprinklers
- (6) Standard spray sprinklers used where individual standard spray sprinklers are replaced in existing light hazard systems

Section 8.17.2.4.6 is hereby amended to read as follows:

8.17.2.4.6 Fire department connections shall be on the street side of buildings and shall be located and arranged so that they are immediately adjacent to the approved fire department access road. Fire department connections shall be located such that hose lines can be readily and conveniently attached to the inlets without interference from nearby objects, including but not limited to, buildings, fences, posts, vegetation or other fire department connections.

Section 11.1.1.2 is hereby amended by adding the following:

11.1.1.2 When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler design density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2(a) curve "G". Use is considered undetermined if a specific tenant/occupant is not identified at the time of permit issuance. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13D 2016 Edition Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 4.1.3 is hereby added to read as follows:

4.1.3 Stock of Spare Sprinklers

4.1.3.1 A supply of at least two sprinklers of each type shall be maintained on the premises so that any sprinklers that are not functioning or have been damaged in any way can be promptly replaced.

4.1.3.2 The spare sprinklers shall be the same types and temperature ratings as installed in the dwelling.

4.1.3.3 The sprinklers shall be kept in a cabinet located where the temperature to which they are subjected will at no time exceed 100°F.

4.1.3.4 A special sprinkler wrench shall be provided and kept in the spare head cabinet to be used in the removal and installation of sprinklers. One sprinkler wrench shall be provided for each type of sprinkler installed.

Section 7.3.3 Pressure Gauges is amended to add the following Subsection 7.3.3 to read as follows:

7.3.3 At least one water pressure gauge shall be installed on the riser assembly.

Section 7.6 Alarms is hereby amended to read as follows:

7.6 Alarms. Exterior alarm indicating device shall be listed for exterior service and audible from the street from which the house is addressed. Exterior audible devices shall be placed on the front or side of the structure and the location subject to approval by the fire code official. Additional interior alarm devices shall be required to provide audibility throughout the structure and shall be powered from an uninterruptible circuit service normally servicing other appliances in the residence.

Exception:

1. When an approved water flow monitoring system is installed, interior audible devices may be powered through the fire alarm control panel.
2. When single- or multiple-station smoke alarms specified in CBC 907.2.11 are used to sound an alarm upon waterflow switch activation.

NFPA 24, 2016 Edition, Installation of Private Fire Service Mains and Their Appurtenances is hereby amended as follows:

Section 6.2.10 Two points of connection is hereby added to read as follows:

“6.2.10 Two points of connection When the underground fireline exceeds 500 lineal feet, two points of connection to the City water supply are required.

15.12.370 Amendment – Section B105.1 of Appendix B – One- and two-family dwellings.

Section B105.1 of Appendix B is amended in its entirety to read as follows:

“B105.1 One- and two-family dwellings. The minimum fire flow and flow duration for one- and two-family dwellings shall be as specified in Table B 105.1.”

15.12.380 Amendment – Section B105.2 of Appendix B – Buildings other than one- and two-family dwellings, Group R-3 and R-4 buildings and townhouses.

Section B105.2 of Appendix B is amended in its entirety to read as follows:

“B105.2 Buildings other than one- and two-family dwellings, Group R-3 and R-4 buildings and townhouses. The minimum fire flow and flow duration for buildings other than one- and two-family dwellings shall be as specified in Table B 105.1.

Exception: A reduction in fire flow of up to 50 percent, as approved by the fire code official, is allowed when the building is provided with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.2. The resulting fire flow shall not be less than 1,500 gallons per minute (5677.5 L/min) for the prescribed duration.”

15.12.390 Amendment – Tables B105.1(1), B105.1(2) and B105.2 of Appendix B – Minimum required fire flow and flow duration for buildings.

Tables B 105.1(1), B105.1(2) and B105.2 of Appendix B are deleted in their entirety and replaced with the following:

**“TABLE B105.1
MINIMUM REQUIRED FIRE-FLOW AND FLOW DURATION FOR BUILDINGS***

<i>Use</i>	Required Flow (gallons per minute)	Duration
One- and Two-Family Dwelling	1500 gpm	2 hours
Multi-Family Dwelling	2500 gpm	2 hours
Commercial	3000 gpm	3 hours
Industrial	3500 gpm	4 hours

*Or as otherwise required by the Fire code official”

15.12.400 Amendment – Table C102.1 of Appendix C – Number and spacing of fire hydrants.

Table C102.1 of Appendix C is amended in its entirety to read as follows:

**“TABLE C102.1
NUMBER AND SPACING OF FIRE HYDRANTS**

<i>Use</i>	Maximum Distance Between Hydrants (feet)	Maximum Distance From Any Point on Street or Road Frontage or Fire Department Access to a Hydrant (feet)
One- and Two-Family Dwelling	300	150
Multi-Family Dwelling	250	125
Commercial/Industrial	250	125

15.12.410 Violation – Penalty.

When authorized by the fire code official in writing, the Building Official shall enforce provisions of this chapter under the provisions of the Corona Municipal Code, Chapter 15.70.”

SECTION 12. Chapter 15.20 of Title 15 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"Chapter 15.20
PLUMBING CODE**

- 15.20.010 Title.
- 15.20.020 Code adoption.
- 15.20.030 Administration.
- 15.20.040 Amendments – Generally.
- 15.20.050 Addition – Section 314.3-Open trenches.
- 15.20.060 Violation – Penalty.

15.20.010 Title.

This chapter shall be cited as the Plumbing Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Plumbing Code, or other plumbing code, refers and applies to this chapter.

15.20.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the 2019 California Plumbing Code, California Code of Regulations Title 24, Part 5, including any supplements, errata, and revisions made thereto, and including the following specifically identified appendices and portions thereof, are hereby adopted as the Plumbing Code of the City of Corona:

- (1) Chapter 1 Division II is not adopted as part of this code.
- (2) Appendices A, B, D, H and I are adopted as part of this code.
- (3) Appendices C, E, F, G, J, K, L and M are not adopted as part of this code.

(B) One certified copy of the 2019 California Plumbing Code shall be kept on file in the office of the Building Official, and any and all references thereto, are adopted as the Plumbing Code of the City of Corona and each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.20.030 Administration.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.20.040 Amendments – Generally.

Designated sections of the 2019 California Plumbing Code are amended to read as set forth in Sections 15.20.040 and 15.20.050.

15.20.050 Amendment – Section 314.3 - Open trenches.

Section 314.3 is amended by adding the following paragraph to the end of said section to read as follows:

“No permittee hereunder shall leave unattended at any time any excavation for sewer or sewage disposal facilities, unless the permittee shall have first provided a suitable and adequate barricade, which will prevent any person from being in any way injured as a result of said excavation. Said

permittee shall at all times during the existence of said excavation maintain said barricade in a manner suitable to protect any person from being so injured.”

15.20.060 Violation--Penalty.

The violation and penalties for Chapter 15.20 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 13. Chapter 15.28 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"CHAPTER 15.28
ELECTRICAL CODE**

Sections:

15.28.010	Title.
15.28.020	Code adoption.
15.28.030	Administration.
15.28.040	Violation – Penalty.

15.28.010 Title.

This chapter shall be cited as the Electrical Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Electrical Code, or other electrical code, refers and applies to this chapter.

15.28.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as 2019 California Electrical Code, California Code of Regulations Title 24, Part 3, including any supplements, errata, and revisions made thereto, and including the Tables and Annexes thereto, but excluding Annexes E, F, G, H, I, and J, are hereby adopted as the Electrical Code of the City of Corona.

(B) One certified copy of the 2019 California Electrical Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Electrical Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.28.030 Administration.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.28.040 Violation--Penalty.

The violation and penalties for Chapter 15.28 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 14. Chapter 15.54 (Safety Assessment Placards) is hereby added to Title 15 (Buildings and Construction) of the Corona Municipal Code to read as follows:

“CHAPTER 15.54 SAFETY ASSESSMENT PLACARDS

Sections:

15.54.010	Intent.
15.54.020	Application of provisions.
15.54.030	Definitions.
15.54.040	Placards.
15.54.050	Violation – Penalty.

15.54.010 Intent.

This chapter establishes a procedure for affixing standard placards to buildings and structures to indicate whether and to what extent the building or structure may continue to be occupied after any natural or man-made disaster. The chapter further authorizes the Building Official and his or her authorized designee to post the appropriate placard at each entry point to a building or structure upon completion of a safety assessment.

15.54.020 Application of provisions.

The provisions of this chapter are applicable to all buildings and structures of all occupancies regulated by the City of Corona.

15.54.030 Definitions.

For purposes of this chapter, the term “Safety Assessment” refers to a visual, non-destructive examination of a building or structure for the purpose of determining the condition for continued occupancy.

15.54.040 Placards.

(A) The following are descriptions of the occupancy placards to be used to designate the condition for continued occupancy of buildings or structures:

- (1) **INSPECTED - Lawful Occupancy Permitted** (Green placard) is to be posted on any building or structure wherein no apparent hazard has been found. This placard is not intended to mean that there is no damage to the building or structure.
- (2) **RESTRICTED USE** (Yellow placard) is to be posted on each building or structure that has been damaged such that some form of restriction for continued occupancy is warranted. The placard will state in general terms the type of damage encountered and will clearly and concisely indicate the restrictions on continued occupancy.
- (3) **UNSAFE - Do Not Enter or Occupy** (Red placard) is to be posted on each building or structure that has been damaged such that entry or continued occupancy poses a threat to life safety. Buildings or structures posted with this placard shall not be entered under any circumstance except as authorized in writing by the Building Official, or his or her authorized representative. Safety assessment teams shall be authorized to enter these buildings at any time. This placard is not to be used or considered as a demolition order. The placard shall state in general terms the type of damage encountered.

(B) Each placard shall state that it is issued by the City of Corona pursuant to this chapter of the code and shall include the City's address and telephone number.

(C) Once it has been attached to a building or structure, a placard shall not be removed, altered, or covered unless authorized by the Building Official or his/her designee. It shall be unlawful for any person, firm, or corporation to alter, remove, cover, or deface a placard posted pursuant to this chapter.

15.54.050 Violation - Penalty.

A violation of this chapter shall be enforced pursuant to and shall be subject to the penalties set forth in chapters 15.02 and 15.70 of this code."

SECTION 15. Prior Ordinances Repealed. Upon the effective date of this Ordinance, all former ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance or the codes herein adopted by reference and any other ordinance in conflict herewith are hereby repealed and declared to be of no further force and effect.

SECTION 16. CEQA. The City Council finds that the adoption of the California Building Standards Code and the amendments proposed herein are exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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. This Ordinance, which adopts updated building and safety standards, is enacted to mitigate the threats posed to public peace, health and safety from earthquakes, high winds and fire. In this regard, the recitals set forth in this Ordinance are incorporated herein by reference as findings. Therefore, there is no possibility that adopting this Ordinance will have a significant effect on the environment and no

further environmental analysis is required. Staff is directed to file a notice of exemption within five (5) days of the adoption of this Ordinance.

SECTION 17. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses or phrases are declared unconstitutional, invalid or ineffective.

SECTION 18. Certification/Publication. The Mayor shall sign this ordinance and the City Clerk shall attest thereto and shall within fifteen days of its adoption cause it or a summary of it to be published in the Press Enterprise, a newspaper published and circulated in the City of Corona; and thereupon and thereafter this ordinance shall take effect and be in force according to law.

SECTION 19. Effective Date. This Ordinance shall take effect thirty (30) days following its adoption by the City Council or on January 1, 2020, whichever is later.

ADOPTED this 20th day of November, 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona

CERTIFICATION

I, SYLVIA EDWARDS, City Clerk of the City of Corona, California, do hereby certify that the foregoing Ordinance was regularly introduced at a regular meeting of the City Council of the City of Corona, California, duly held the 6th day of November, 2019 and thereafter at a regular adjourned meeting held on the 20th day of November, 2019, it was duly passed and adopted by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona, California

(SEAL)

SUMMARY

On November 20, 2019, the Corona City Council will consider adopting an ordinance to approve an amendment for various Chapters within Title 15 of the Corona Municipal Code adopting by reference the 2019 California Building Standards Code (California Code of Regulations, Title 24); including the 2019 California Building Code; the 2019 California Green Building Standards Code; the 2019 California residential code; the 2019 California Energy Code; the 2019 California Historical Building Code; the 2019 California Existing Building Code; the 2019 California Mechanical Code; the 2019 California Fire Code with Errata; the 2019 California Plumbing Code; and the 2019 California Electrical Code;

A certified copy of the full text of this proposed ordinance is posted in the City Clerk's office.

The City Council meets at 6:30 p.m. in the Council Chambers in the Corona City Hall, located at 400 South Vicentia Avenue. The City Clerk's office is located in City Hall near the Council Chambers.

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CORONA AMENDING CHAPTERS 15.02, 15.04, 15.05, 15.07, 15.08, 15.09, 15.10, 15.11, 15.12, 15.20, 15.28 AND SECTION 15.06.080 AND ADDING CHAPTER 15.54 TO TITLE 15 OF THE CORONA MUNICIPAL CODE, ADOPTING BY REFERENCE THE 2019 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE (CALIFORNIA CODE OF REGULATIONS, TITLE 24); INCLUDING THE 2019 CALIFORNIA BUILDING CODE; THE 2019 CALIFORNIA GREEN BUILDING STANDARDS CODE; THE 2019 CALIFORNIA RESIDENTIAL CODE; THE 2019 CALIFORNIA ENERGY CODE; THE 2019 CALIFORNIA HISTORICAL BUILDING CODE; THE 2019 CALIFORNIA EXISTING BUILDING CODE; THE 2019 CALIFORNIA MECHANICAL CODE; THE 2019 CALIFORNIA FIRE CODE WITH ERRATA; THE 2019 CALIFORNIA PLUMBING CODE; AND THE 2019 CALIFORNIA ELECTRICAL CODE; TOGETHER WITH CERTAIN ADDITIONS, INSERTIONS, DELETIONS AND CHANGES THERETO

WHEREAS, Government Code Section 50022, et seq. and California Health & Safety Code Section 17922 empower the City of Corona ("City") to adopt by reference the California Building Standards Code as provided in Title 24 of the California Code of Regulations; and

WHEREAS, in December of 2016 the City Council of the City of Corona adopted the 2016 California Building Standards Code with certain local amendments; and

WHEREAS, the California Building Standards Commission ("Commission") recently adopted new amendments to the California Building Standards Code; and

WHEREAS, California Health & Safety Code, Sections 17958.5 and 18941.5 authorize cities and counties to modify the California Building Standards Code by adopting more restrictive standards and modifications if such standards and modifications are accompanied by express findings that they are reasonably necessary because of local climatic, geological or topographical conditions; and

WHEREAS, the City Council of the City of Corona ("City Council") finds that these local climatic, geological or topographical conditions include, but are not limited to, the following:

1. The City is subject to relatively low amounts of precipitation, very low humidity levels and extremely high temperatures. These climatic conditions are conducive to the spread of drought conditions and fires. For example, during July, August and September, temperatures often exceed 100 degrees Fahrenheit. During the same months, humidity is usually less than 40% and measurements of less than 10% are not uncommon. These recordings have been documented by the Riverside County Flood Control District and the National Climatic Data Center.

2. The City is subject to extremely strong winds, commonly referred to as "Santa Ana Winds," which can reach speeds of up to 95 miles per hour. In addition, the convergence of the marine shore air flow and the desert air flow create steady winds on a daily basis. Finally, the City is bordered on the south by steep, rugged, brush-covered mountains and parts of the City contain hilly terrain and mounds, which either contribute to or create gusty wind conditions by causing a natural funneling effect and increasing wind speeds over the City.

3. The City is also subject to moderately strong shaking and surface ruptures from seismic activity in the area. The geologic and seismic setting of the City is dominated by the Chino and Elsinore earthquake faults along the southwest portion of the City and a diversity of bedrock and alluvial soils that may significantly affect the intensity of earthquake shaking. The Elsinore fault is located a short distance southwest of the City, while the Chino fault, which is subparallel to the Elsinore fault, is located just inside the City's southwestern boundary. Of the two faults, the Chino fault has the greater potential for surface rupture leading to structural damage of structures in the City. Moreover, the thin alluvial soils found in parts of the City contribute to a moderately high potential for liquefaction in certain areas.

WHEREAS, the aforementioned geologic and climatic conditions have also contributed to the loss or damage of thousands of homes and commercial properties in California over the last several decades. The top 20 fires in the State have consumed over 46,000 structures, and there have been hundreds more fires with thousands more structures destroyed. The 30,305-acre Freeway Complex Fire from November 2008 burned 318 structures, including several in Corona; the 2662-acre Canyon Fire from September 2017 threatened 2715 homes in Corona, before being contained; and the 23,136-acre Holy Fire from August 2018 nearly threatened 2638 homes in Corona; and

WHEREAS, these fires, as well as the Whittier Earthquake of 1987 and Northridge Earthquake of 1994, have resulted in the tragic loss of lives along with enormous property losses; and

WHEREAS, based upon the recommendations of the Building Official and Fire Chief, the City Council finds that the proposed amendments to the 2019 California Building Standards Code ("amendments") are more restrictive than the standards adopted by the Commission, would decrease the potential incidence of property damage, injury and death due to fires and earthquakes, and are reasonable and necessary to mitigate the aforementioned local climatic, geologic or topographical conditions; and

1. The amendments to section 101.4 of Chapter 1 Division II of the 2019 California Building Standards Code, as set forth in Section 2 of this ordinance, ensure that structures and related devices and equipment required by other referenced codes are maintained in a manner that would prevent danger to emergency responders or users thereof arising from conditions related to an emergency incident caused by high winds, fires, or seismic activity.

2. The amendments to Sections 105.1 of Chapter 1 Division II of the 2019 California Building Code, as set forth in Section 2 of this Ordinance, ensure that structures such as fences, retaining walls and signs, that may become potentially dangerous structures in an earthquake or high winds, are constructed in accordance with applicable codes, ordinances and standards; and

3. The amendment to Section 105.6 of Chapter 1 Division II of the 2019 California Building Code, as set forth in Section 2 of this Ordinance, preserves public health, safety and welfare by limiting construction noise and mitigating the effects of having portions of the City's residential areas constructed on hilly terrain. Many times it is not possible to construct noise barriers between noise sources and noise receptors in hilly areas. Under such circumstances, the "line of sight" between the noise source and the receiver cannot be adequately impeded by other structures such as fences and walls because such structures cannot be constructed on certain lots due to the grade differential between lots; and

4. The addition of Section 105.8 to Chapter 1 Division II of the 2019 California Building Code, as set forth in Section 2 of this Ordinance, is needed to assure that each permit is applicable to the location and conditions for which it was originally obtained; and

5. The amendments to Section 110.3.3.1 and 110.3.5.1 of the 2019 California Building Code, as set forth in Section 3 of this Ordinance, adding additional required inspections, including a sub-frame inspection, a roof sheathing and shear inspection and a plaster inspection assure that all construction and use of buildings conforms to the requirements of the California Building Standards Code in so that maximum protection from the wind, fire and earthquake conditions is provided; and

6. The amendments to the Section 3109.2, 3109.4.1.8 and the addition of Section 3109.4.1.10 to the 2019 California Building Code, as set forth in Section 3 of this Ordinance, are required to ensure pool safety and decrease the likelihood of injuries and death due to unauthorized use of pools and the greater use of outdoor swimming pools due to climatic conditions; and

7. The addition of Section 1505.1.5 to the 2019 California Building Code as set forth in Section 3 of this Ordinance and the additions of section R902.1 to the 2019 Residential Code as set forth in Section 5 of this Ordinance requires Class "A" roofing which is effective against severe fire exposure, is not readily flammable, affords a fairly high degree of fire protection to roof decks, does not slip from position, and poses no flying-brand hazard, and is therefore more fire resistant than other classes of roofing not possessing these characteristics that are adopted for use by the Commission; and

8. The amendments to the 2019 California Fire Code, as set forth in Section 7 of this Ordinance, including the amendments adding definitions to Section 202; the amendment to Sections 110.4 and 110.4.2 imposing additional costs against persons responsible for violations of the code; the amendments to Sections 304.1.2, 305.6, 307.6, 306.7, 308.1.6.3, 321, 322, 323, 503.2.1, 503.2.4, 503.7, 505.1, 507.5.1, 507.5.5, 507.5.7, 4906.3, 4908 imposing additional requirements for maintenance, clearance and management of vegetation and fuel modification areas, outdoor fires, premises identification, fire access roads, turning radii, clearance around hydrants and other fire apparatus; and amendments to the 2019 California Building Code, as set forth in Section 3 of this Ordinance, are needed to minimize the risk of fire which is increased by the climatic and geological conditions in the City of Corona, described above in this Ordinance, and to mitigate the spread of fire especially during high wind conditions described above in this Ordinance; and

9. The addition of Section 706 to the 2019 California Fire Code, requiring one-hour fire construction for all eaves, as set forth in Section 7 of this Ordinance, is reasonably necessary to mitigate the potential for the spread of fires from flying brands, ashes and sparks during high wind conditions and mitigate potential property damage, injury and death; and

10. The amendment to Section 315.3 of the 2019 California Plumbing Code, as set forth in Section 8 of this Ordinance, prohibiting unattended excavations without appropriate barricades is needed to assure that excavations for sewer or sewage disposal facilities do not create a hazard for persons, especially during periods of wind, rain or surface movements caused by earthquakes; and

WHEREAS, the Fire Marshal and Building Official have also recommended that changes and modifications be made to the California Building Standards Code, which are necessary for administrative clarification and to establish administrative standards for the effective enforcement of the building standards of the City of Corona, or are reasonably necessary to safeguard life and property within the City and do not modify a building standard pursuant to California Health & Safety Code Section 17958, 17958.7, and/or 18941.5, which amendments consist of:

1. Amendments to Chapter 1 Division II, Sections 501.2, 904.3.5, Chapter 35, and Appendix H of the 2019 California Building Code; and

2. Amendments to Sections 103.2, 104.2, 105.6, 110.4, 110.4.2, 202, 324, 507.5.1, 507.5.5, 510.1, 510.4.1.3, 903.3.5.3, 904.3.5, 1201.1.1, 4906.3, 5001.5.2, 5608.2, Chapter 80, and Appendix B and Appendix C of the 2019 California Fire Code; and

WHEREAS, the City Council finds that the local amendments to the 2019 California Building Standards Code, codified in Title 24 of the California Code of Regulations (“Code”) described herein are supported by the local climatic, geologic and/or topographic conditions described herein, and further finds that the remainder of the said changes and modifications are of an administrative or procedural nature, or concern themselves with subjects not covered by the Code, or are reasonably necessary to safeguard life and property within the City of Corona; and

WHEREAS, any and all other legal prerequisites relating to the adoption of this Ordinance have occurred.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby adopts the recitals contained in this ordinance as findings to support the modifications to the 2019 California Building Standards Code made herein.

SECTION 2. Chapter 15.02 of the Corona Municipal Code is hereby amended to read as follows:

**"CHAPTER 15.02
ADMINISTRATIVE PROVISIONS FOR TITLE 15**

Sections:

15.02.010	Title.
15.02.020	Code adoption.
15.02.030	Amendments – Generally.
15.02.040	[Reserved]
15.02.050	Amendment – Section 101.4 – Referenced codes.
15.02.060	Addition – Section 104.11 – Alternative materials.
15.02.070	Addition – Section 105.1. – Permits required.
15.02.080	[Reserved]
15.02.090	Amendment – Section 105.2 – Exempt work.
15.02.100	Amendment – Section 105.3.2 – Plan check expiration, extension and renewal.
15.02.110	Amendment – Section 105.5 – Permit expiration, extension and renewal.
15.02.120	Amendment – Section 105.6 – Suspension / Revocation.
15.02.130	Amendment – Section 105.7 – Placement of permit.
15.02.140	Addition – Section 105.8 – Transferability.
15.02.150	Amendment – Section 109.4 – Investigation fee.
15.02.160	Amendment – Section 109.6 – Refunds.
15.02.170	Addition – Section 110.3.3.1 and 110.3.7.1 - Inspections.
15.02.180	Addition – Section 110.7 – Reinspection.
15.02.190	Amendment – Section 111.2 – Certificate of occupancy.
15.02.195	Amendment – Section 113 – Board of appeals.
15.02.200	Violation – Penalty.

15.02.010 Title.

This chapter shall be cited as the Administrative Provisions to Title 15 of the Corona Municipal Code and shall apply to all of the referenced and adopted codes in Title 15, unless otherwise provided.

15.02.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the ~~2016~~2019 California Building Code, Chapter 1 Division II are hereby adopted.

(B) One certified copy of the ~~2016~~2019 California Building Code Chapter 1 Division II shall be kept on file in the office of the Building Official, and any and all references thereto are adopted as the Administrative Provisions to the codes adopted in Title 15 of the Corona Municipal Code for the City of Corona, unless otherwise provided, and subject to the changes contained in this chapter.

(C) Each and all of the regulations, provisions, penalties, conditions, and terms thereof are referred to, adopted, and made a part of this chapter as though fully set forth at length.

15.02.030 Amendments – Generally.

Designated sections of the ~~2016~~2019 California Building Code, Chapter 1 Division II are amended to read as set forth in Sections 15.02.040 through 15.02.200.

15.02.040 [Reserved].**15.02.050 Amendment – Section 101.4 - Referenced codes.**

The first paragraph of Section 101.4 is amended to read as follows:

“101.4 Referenced codes. The other codes listed in section 101.4.1 through 101.4.12 and referenced elsewhere in this code shall be considered part of the requirements of this code to the prescribed extent of each such reference as adopted and amended by Title 15 of the Corona Municipal Code. Structures, appurtenances, systems, devices, equipment, features, and facilities that are existing as of the date this section is adopted shall be maintained in accordance with the applicable codes and standards that were in effect at the time of permit application, or at the time of the initial construction, installation, or use if no permit was required. Alterations and repair work to structures, appurtenances, systems, devices, equipment, features, and facilities that are existing as of the date this section is adopted shall comply with the applicable laws, codes, and standards in effect at the time of such alteration or repair.”

Section 101.4.3 is amended to read as follows:

“101.4.3 Plumbing. The provisions of the California Plumbing Code shall apply to the installation, alteration, repair and replacement of plumbing systems, including equipment, appliances, fixtures, fittings and appurtenances, and where connected to a water or sewage system and all aspects of a medical gas system. The provisions of the California Plumbing Code, Appendix H, shall apply to private sewage disposal systems.”

Section 101.4 is amended by adding subsections 101.4.8, 101.4.9, 101.4.10, 101.4.11, and 101.4.12 to read as follows:

“101.4.8 Residential. The provisions of the California Residential Code shall apply to the construction, alteration, movement, enlargement, replacement, repair, equipment, use and occupancy, location, removal, and demolition of detached one and two family dwellings and townhomes not more than three stories above grade plane in height with a separate means of egress and their accessory structures not more than three stories above grade plane in height.

Exceptions:

1. Live/work units located in townhouses and complying with the requirements of Section 419 of the California Building Code shall be permitted to be constructed in accordance with the California Residential Code. Fire Suppression required by Section 419.5 of the California Building Code where constructed under the California Residential Code shall conform to Section R313.
2. Owner-occupied lodging houses with five or fewer guestrooms shall be permitted to be constructed in accordance with the California Residential Code where equipped with a fire sprinkler system in accordance with Section R313.

101.4.9 Historical. The provisions of the California Historical Building Code shall apply to the preservation, restoration, rehabilitation, relocation or reconstruction of buildings or properties designated as qualified historical buildings or properties.

101.4.10 Green Building. The provisions of the California Green Building Standards Code shall apply to the planning, design, operation, construction, use and occupancy of every newly constructed building.

101.4.11 Housing. The provisions of the California Housing Code shall apply to the use, occupancy, and maintenance of all buildings or portions thereof used, or designated or intended to be used, for human habitation.

101.4.12 Electrical. The provisions of the California Electrical Code shall apply to the installation, alteration, maintenance, and repair of electrical conductors, equipment, and raceways; signaling and communications conductors, equipment, and raceways; and optical fiber cables and raceways for those structures, premises, equipment, and installations as designated in that code.”

15.02.060 Addition – Section 104.11 - Alternative materials.

Section 104.11 is amended by adding the following subsection 104.11.5 thereto to read as follows:

“104.11.5 Application for request to use alternative materials, design or methods of construction and equipment. Requests for the use of alternative materials, design or methods of construction or equipment must be made on the City of Corona application form and an application fee must be paid at the time of request submittal. Applications shall be specific to a project address and approval for a specific project shall not constitute approval for use at any other locations.”

15.02.070 Addition – Section 105.1 – Permits required.

Section 105.1 is amended by adding the following subsection 105.1.3 thereto to read as follows:

“105.1.3 Permits Required. No person, firm or corporation shall erect, re-erect, construct, enlarge, alter, repair, move, improve, remove, convert or demolish any building or other structure in the city, without obtaining a valid building permit prior to commencement of any work. A Building permit is also required for the following specified items:

1. Retaining walls over two feet in height (measured from the top of the footing) and walls of any height if supporting a surcharge or any superimposed load other than the natural fill of level earth. Retaining walls are required for any unsupported excavation with vertical banks more than two feet high or unsupported excavations of any height if supporting a surcharge or any superimposed load other than the natural fill of level earth.
2. Fence or fences over three feet in height constructed or made of any material including, but not limited to, wood, plastic, metal, chain link, wrought iron, masonry, block, brick or stone)
3. A Building permit is also required for any sign which requires a Planning Division sign permit as specified in Chapter 17.74 of this code, except signs painted directly onto an existing building, or sign structure or sign board or the refacing of a previously approved sign canister with Plexiglas, flexible sign face or similar material provided no structural changes are made to the sign structure or canister.
4. Grading requirements and permits shall be as required by Chapter 15.36 of the Corona Municipal Code.”

15.02.080 [Reserved].

15.02.090 Amendment – Section 105.2 – Exempt work.

Section 105.2 is amended in its entirety to read as follows:

“Work Exempt from Permit. Exemptions from the permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of this code or any other laws or ordinances of this jurisdiction. A building permit shall not be required for the following:

Building:

1. One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet.
2. Fences not over three (3) feet high.
3. Oil derricks.
4. Retaining walls that are not over two (2) feet in height measured from the top of the footing to the top of the wall, unless supporting a surcharge or any superimposed load other than the natural fill of level earth or impounding Class I, II, or IIIA liquids.
5. Water tanks supported directly upon grade if the capacity does not exceed 5,000 gallons and the ratio of height to diameter or width does not exceed 2 to 1.
6. Platforms, walks and driveways not more than 30 inches above adjacent grade, and not over any basement or story below and are not part of an accessible route.
7. Painting, papering, tiling, carpeting, cabinets, countertops and similar finish work.
8. Temporary motion picture, television and theater stage sets and scenery.
9. Prefabricated swimming pool accessory to a Group R-3 Occupancy that are less than 24 inches deep, do not exceed 5,000 gallons and are installed entirely above ground.
10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.
11. Swings and other playground equipment accessory to detached one- and two-family dwellings.
12. In Group R-3 and U occupancies, window awnings that do not project more than 54 inches from the exterior wall, when supported by an exterior wall and do not require additional support.
13. Nonfixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches in height.

14. Wood-framed Residential decks accessory to single family dwellings where the deck is no greater than 200 square feet in area, with a walking surface that is not more than 30 inches²² above grade at any point, is not attached to a dwelling and does not serve as a required

path of egress or ~~required-accessible~~ path of ~~accessibility~~ travel. Decks located in a front yard setback ~~shall comply with the requirements in Corona Municipal Code Chapter 17.64~~ will require approval from the Planning Division of the City of Corona.

14.15. Historic markers no greater than 4 feet in height measured from the adjacent finish grade to the top of the structure placed pursuant to Chapter 17.63 of the Corona Municipal Code

Electrical:

1. Repairs and maintenance: Minor repair work, including the replacement of lamps or the connection of approved portable electrical equipment to approved permanently installed receptacles.
2. Radio and television transmitting stations: The provisions of this code shall not apply to electrical equipment used for radio and television transmissions, but do apply to equipment and wiring for a power supply and the installations of towers and antennas.
3. Temporary testing systems: A permit shall not be required for the installation of any temporary system required for the testing or servicing of electrical equipment or apparatus.

Gas:

1. Portable heating appliances
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Mechanical:

1. Portable heating appliance.
2. Portable ventilation equipment.
3. Portable cooling unit.
4. Steam, hot or chilled water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any part that does not alter its approval or make it unsafe.
6. Portable evaporative cooler.
7. Self-contained refrigeration system containing 10 pounds or less of refrigerant and actuated by motors of 1 horsepower or less.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe, provided, however, that if any concealed trap, drain pipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with new material, such work shall be considered new work and a permit shall be obtained and inspection made as provided in this code.

2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

3. The installation of water-conserving plumbing fixtures as replacements for existing plumbing fixtures shall not, alone, require a permit or inspection from the Building Division. The replacement plumbing fixtures shall comply with Chapters 15.05 and 15.20 of this code.

Grading:

1. Grading requirements and permits shall be as required by Chapter 15.36 of the Corona Municipal Code.”

15.02.100 Amendment – Section 105.3.2 – Plan check expiration, extension and renewal.

Section 105.3.2 is amended in its entirety to read as follows:

“105.3.2 Plan Check Expiration, Extension and Renewal. An application for a plan check submitted for any proposed work shall be deemed to have been abandoned and the plan check application shall expire 180 days after the date of filing, unless such application has been pursued in good faith or a permit for such work has been issued; except that the building official is authorized to grant one or more extensions of time, for additional periods not exceeding 90 days each. The extension shall be requested in writing and justifiable cause demonstrated. Extensions will only be granted prior to the expiration of the plan check application. Extensions will not be approved until all applicable fees have been paid to the City.

Renewal: When a plan check application has expired, plans cannot be resubmitted prior to submitting a new application or renewing the plan check application. Requests to renew an expired plan check application shall be submitted to the Building Official, in writing, shall demonstrate justifiable cause and shall be subject to the approval of the Building Official. If approved by the Building Official the fee for the renewed plan check application shall be one half the amount required for a new plan check for such work, provided no major changes have been made in the original plans and specifications for such work that might constitute a new plan check and provided further that the plan check renewal application is submitted within one year of the date the plan check application, or extended plan check application, as applicable, expired. To renew a plan check application more than one year after the date the plan check application, or extended plan check application, as applicable, has expired, the applicant shall be required to pay a new full plan check fee.”

15.02.110 Amendment – Section 105.5 – Permit Expiration / Renewal.

Section 105.5 is amended in its entirety to read as follows:

“Section 105.5 – Permit Expiration, Extension and Renewal. Every permit issued shall become invalid and expire if the work on the site authorized by such permit is not commenced within ~~180 days~~12 months after issuance of the permit, or if the work authorized on the site by such permit is suspended or abandoned for a period of 180 days after the time the work is commenced. The building official is authorized to grant, in writing, one or more extensions of time, for periods not more than 180 days each. The extension shall be requested in writing and shall demonstrate justifiable cause for the requested extension. Extensions will only be granted prior to the expiration of the permit. Extensions will not be approved until all applicable fees have been paid to the City of Corona.

Renewal: When a permit has expired, work cannot be recommenced prior to renewing the permit or obtaining a new permit. Requests to renew an expired permit shall be submitted to the Building Official, in writing, shall demonstrate justifiable cause and shall be subject to the approval of the Building Official. If approved by the Building Official the fee for the renewed permit shall be one half the amount required for a new permit for such work, provided no changes have been made or will be made in the original plans and specifications for such work and provided further that the request to renew the expired permit is submitted within one year of the date the permit, or extended permit, as applicable, has expired. To renew a permit more than one year after the permit has expired, the applicant shall be required to pay a new full permit fee.”

15.02.120 Amendment – Section 105.6 – Suspension / Revocation.

Section 105.6 is amended by adding the following paragraphs to the end of the section to read as follows:

“The Building Official may, in writing, suspend or revoke a permit issued under the provisions of this code if construction noise is generated between the hours of 8:00 p.m. and 7:00 a.m., Monday through Saturday and 6:00 p.m. to 10:00 a.m. on Sundays and Federal Holidays. Construction noise is defined as noise which is disturbing, excessive, or offensive and constitutes a nuisance involving discomfort or annoyance to persons of normal sensitivity residing in the area, which is generated by the use of any tools, machinery or equipment used in connection with construction operations.

The Building Official may, in writing, suspend or revoke a permit issued under the provisions of this code if dust is generated in excess of local, state or federal standards or conditions of project approval.”

15.02.130 Amendment – Section 105.7 – Placement of permit.

Section 105.7 is amended by adding the following to the end of the section to read as follows:

“The required permits and approved plans shall be maintained in good condition and be posted or otherwise made available such as to allow the building official to conveniently make the required entries regarding the inspection of work.”

15.02.140 Addition – Section 105.8 - Transferability.

Section 105 is amended by adding the following new subsection thereto to read as follows:

“105.8 Transferability. No permit issued pursuant to Title 15 of the Corona Municipal Code shall be transferable to any other person or apply to any location other than that stated in the permit.”

15.02.150 Amendment – Section 109.4 – Investigation fee.

Section 109.4 is amended by adding the following paragraphs to the end of the section to read as follows:

“Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation shall be made before a permit may be issued for such work.

An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The investigation fee shall be determined by the currently adopted fee schedule and shall not be less than the actual costs as determined by the Building Official.”

15.02.160 Amendment – Section 109.6 - Refunds.

Section 109.6 is amended in its entirety to read as follows:

“109.6 Refunds. The Building Official may authorize refunding of any fee paid hereunder which was erroneously paid or collected.

The Building Official may authorize refunding of not more than 80 percent of the permit inspection fee paid when no work has been started under a permit issued in accordance with this code.

The Building Official may authorize refunding of not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee is paid is withdrawn or canceled before any plan reviewing is started.

The Building Official shall not authorize refunding of any fee paid except on a written request for refund submitted by the original applicant or original permittee not later than 180 days after the date of the fee payment.”

15.02.170 Addition – Sections 110.3.3.1 and 110.3.5.1 - Inspections.

Section 110.3 is amended by adding the following new subsections thereto to read as follows:

“110.3.3.1. Roof Sheathing and Shear Inspection. Roof sheathing and shear inspections shall be performed after roof sheathing and all structural shear panels or walls are in place and secured by nailing or other approved methods.

110.3.5.1. Plaster Inspection. Plaster inspections shall be performed after the application of the scratch coat.”

15.02.180 Addition – Section 110.7 - Reinspection.

Section 110 is amended by adding new subsection 110.7 thereto to read as follows:

“110.7 Reinspections. A reinspection fee may be assessed for each inspection or reinspection when such portion of work for which inspection is called is not complete or when corrections previously called for are not made. The amount of the fee shall be the minimum building inspection fee as set forth in the fee schedule adopted by the City Council.

This section is not to be interpreted as requiring reinspection fees the first time a job is rejected for failure to comply with the requirements of this code, but as controlling the practice of calling for inspections before the job is ready for such inspection or reinspection.

Reinspection fees may be assessed when the inspection record permit card is not posted or otherwise available on the work site, the approved plans are not readily available the inspector, for failure to provide access on the date for which the inspection is requested, or for deviating from the plans requiring the approval of the building official.

To obtain a reinspection, the applicant shall pay the reinspection fee as set forth in the fee schedule adopted by the City Council.

In instances where reinspection fees have been assessed, no additional inspection of the work will be performed until the required fees have been paid.

Chapter 1.14 of the Corona Municipal Code shall also apply to Title 15.”

15.02.190 Amendment – Section 111.2 – Certificate of occupancy.

Section 111.2 is amended by adding the following sentence at the beginning of the section to read as follows:

“111.2 Certificate issued. A Certificate of Occupancy shall not be issued until all applicable fees have been paid to the City of Corona.”

15.02.192 Amendment - Section 112.3 - Authority to disconnect service utilities.

Section 112.3 is amended in its entirety to read as follows:

“112.3 Authority to disconnect service utilities. The building official shall have the authority to authorize disconnection of utility service to the building, structure or system regulated by this code and the referenced codes and standards set forth in Section 101.4 as follows:

1. In case of emergency where necessary to eliminate an immediate hazard to life or property; or
2. Where such utility connection has been made without the approval required by Section 112.1 or 112.2; or
3. When a structure, building or property is in violation of Section 111; or
4. When the continued use of utilities creates or contributes to the existence of a public nuisance as defined in Corona Municipal Code Chapter 15.56; or
5. When the disconnection of utility service is required by a court ordered action to abate a public nuisance; or
6. When the approved duration for the temporary connection to utilities or temporary occupancy per sections 108, 111 or 112 has expired or been terminated, or the conditions of approval imposed in connection with the approval of such temporary connection or temporary occupancy have been violated.

The building official shall notify the serving utility, and wherever possible the owner and occupant of the building, structure or service system of the decision to disconnect prior to taking such action. IF not notified prior to disconnecting, the owner or occupant of the building, structure or service system shall be notified in writing, as soon as practical thereafter.”

15.02.195 Amendment – Section 113 – Board of appeals.

Section 113 is amended in its entirety to read as follows:

“SECTION 113 APPEALS PROCESS

113.1 General. Orders, decisions or determinations made by the building official relative to the application and interpretation of this code may be appealed pursuant to the procedures set forth in Chapter 1.09 of this code.

113.2 Limitations on authority. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equally good or better form of construction is proposed. The hearing officer shall have no authority to waive requirements of this code.”

15.02.200 Violation – Penalty.

(A) No person, firm, partnership, association or corporation shall violate any provisions of this chapter and any provisions of the codes, rules or regulations adopted in this Title 15 of the Corona Municipal Code.

(B) Any person, firm, partnership, association or corporation violating any of the provisions adopted in this title by reference, shall be guilty of an infraction, except where otherwise provided in this Title 15. Any person violating a stop work order issued pursuant to the ~~2016~~2019 California Building Code, Chapter 1 Division II Section 115.3, shall be guilty of a misdemeanor. Any person who continues to occupy or any person who enters a structure which has been posted “unsafe” by the Building Official pursuant to the ~~2016~~2019 California Building Code Section 116 or Corona Municipal Code Chapter 15.56, or any person who enters or occupies a structure which has been posted “Unsafe” or “Restricted Use” pursuant to Corona Municipal Code Chapter 15.54, shall be guilty of a misdemeanor.

(C) Every person, firm, association or corporation violating any of the provisions of this chapter or provisions of the codes, rules or regulations adopted in this chapter by reference is guilty of a separate offense for each day or portion thereof during which the violation continues and shall be punishable thereof as provided in Chapter 15.70 of this code.

(D) It is unlawful for any person, firm, partnership, corporation, association or joint venture, either as owner, architect, contractor, artisan or otherwise, to do or to cause or permit to be done any work, as described in the California Building Standards Code as adopted by reference in this Title 15 in such a manner that such work does not conform to all the provisions of this Title 15 and the provisions of said California Building Standards Code, as so adopted by reference.”

SECTION 3. Chapter 15.04 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

"CHAPTER 15.04 BUILDING CODE

Sections:

15.04.010	Title.
15.04.020	Code adoption.
15.04.030	Administration – Generally.
15.04.040	Amendments – Generally.
15.04.050	Amendment – Chapter I Division II.
15.04.060	Amendment – Section 501.2 – Address identification.
15.04.070	[Reserved]
15.04.080	[Reserved]
15.04.090	[Reserved]
15.04.100	Amendment-Section 904.3.5- Monitoring.
15.04.110	[Reserved]
15.04.120	Addition – Section 1505- Roof coverings.
15.04.130	Amendment – Section 3109.2 - Definitions.
15.04.140	Amendment – Section 3109.4.1.8 - Dwelling wall as barrier.

- 15.04.150 Addition – Section 3109.4 - Residential swimming pools.
- 15.04.155 Amendment- Chapter 35 Referenced Standards-NFPA.
- 15.04.157 Amendment – Appendix H - Signs
- 15.04.160 Violation – Penalty.

15.04.010 Title.

This chapter shall be cited as the Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Building Code, or other building code, refers and applies to this chapter.

15.04.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as ~~2016~~2019 California Building Code, Volumes 1 and 2, California Code of Regulations Title 24, Part2, including Appendixes ~~H~~ H and I, and including any supplements, errata, and revisions made thereto, are hereby adopted as the Building Code of the City of Corona.

(1) Chapter 1 Division II as adopted and amended in Chapter 15.02 of the Corona Municipal Code.

(2) Appendices A, B, C, D, E, F, G, ~~H~~ H, J, K, L, M, N and ~~M-O~~ are not adopted.

(B) Grading requirements and permits shall be as required by Chapter 15.36 of the Corona Municipal Code.

(C) One certified copy of the ~~2016~~2019 California Building Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.04.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.04.040 Amendments – Generally.

Designated sections of the ~~2016~~2019 California Building Code are amended to read as set forth in Sections 15.04.0~~5~~40 through 15.04.15~~7~~5.

15.04.050 Amendment – Chapter I Division II of the ~~2016~~2019 California Building Code is adopted as amended in Corona Municipal Code Chapter 15.02.

15.04.060 Amendment – Section 501.2 – Address identification.

Section 501.2 is amended by adding the following to the end of the section:

“Address numbers shall be illuminated during all hours of darkness. Number, size, location and means of illumination shall comply with the Corona Fire Prevention Standard for premises identification unless an alternative means or method is approved by the fire code official. Address numbers shall be continuously maintained to comply with this section.”

15.04.070 [Reserved].

15.04.080 [Reserved].

15.04.090 [Reserved].

15.04.100 Amendment – Section - 904.3.5 Monitoring.

Section 904.3.5 is amended in its entirety to read as follows:

“904.3.5 Monitoring. Where a building fire alarm or monitoring system is installed, automatic fire-extinguishing systems shall be monitored by the building fire alarm or monitoring system in accordance with NFPA 72.”

15.04.110 [Reserved].

15.04.120 Addition – Section 1505 – Roof coverings.

Section 1505 is amended by adding new subsection 1505.1.5 thereto as follows:

“1505.1.5 Class A roof covering requirement. Notwithstanding any other provision of this Building Code and Appendices to the contrary, Class A roof covering, as defined in Chapter 15 of the ~~2016~~2019 California Building Code, shall be applied:

1. To any building hereinafter constructed.
2. To any re-roofing of existing buildings, when fifty percent (50%) or more of the existing roof is replaced or overlaid within a 1 year period.
3. To any room additions where the aggregate area of the new roof exceeds fifty percent (50%) of the aggregate area of the existing roof.”

15.04.130 Amendment – Section 3109.2 - Definitions.

Section 3109.2 is amended by adding the following definition:

“LAKE. A body of water, including but not limited to a pond that is natural or manmade, which has a sloping grade below the surface of the water originating at the shore line, not exceeding a grade of one vertical to four horizontal.”

15.04.140 Amendment – Section 3109.4.1.8 - Dwelling wall as barrier.

Section 3109.4.1.8 is amended by adding the following subsection 4 to read as follows:

“4. Where a wall of an attached or detached garage, as an accessory use to a residential occupancy, in a Group U occupancy serves as part of the barrier and contains man-door openings between the garage and the outdoor swimming pool that provide direct access to the pool, such door openings shall be self-closing and self-latching.”

15.04.150 Addition – Section 3109.4 - Residential swimming pools.

Section 3109.4 is amended by adding the new subsection 3109.4.1.10 to read as follows:

“3109.4.1.10 Existing pools. The legal use of a swimming pool existing before the effective date of this chapter may continue, provided that the swimming pool is provided with an adequate barrier, as reasonably determined by the Building Official consistent with this chapter, and provided that the swimming pool, and/or the use thereof, does not create a safety hazard.”

15.04.155 Amendment- Chapter 35 Referenced Standards.

“Chapter 35 – Referenced Standards is adopted in its entirety with the following amendments:

NFPA 13, 2016 Edition, Installation of Sprinkler Systems is hereby amended as follows:

Section 6.7.3 is hereby amended to read as follows:

6.7.3 Fire Department connections (FDC) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of inlets shall be approved by the fire code official. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler design density requires 500 gpm (including hose stream demand) or greater, or a standpipe system is included, two 2 ½” inlets and one 4” swivel female NST inlet shall be provided. FDC inlets shall be equipped with check valves.

Section 8.3.3.1 is hereby amended to read as follows:

8.3.3.1. When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time the fire sprinkler plan is submitted.

Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in Section 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of Section 8.4.5
- (3) Standard spray sprinklers used for modifications or additions to existing light hazard systems equipped with standard spray sprinklers
- (4) Standard spray sprinklers used where individual standard spray sprinklers are replaced in existing light hazard systems

Section 8.17.2.4.6 is hereby amended to read as follows:

8.17.2.4.6 Fire department connections shall be on the street side of buildings and shall be located and arranged so that they are immediately adjacent to the approved fire department access road. Fire department connections shall be located such that hose lines can be readily and conveniently attached to the inlets without interference from nearby objects, including but not limited to, buildings, fences, posts, vegetation or other fire department connections.

Section 11.1.1.2 is hereby added to read as follows:

11.1.1.2 Undetermined Use Design Requirements. When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2(a) curve “G”. Use is considered undetermined if a specific tenant/occupant is not identified at the time the sprinkler plan is submitted. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13D 2016 Edition Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 4.1.3 is hereby added to read as follows:

4.1.3 Stock of Spare Sprinklers

4.1.3.1 A supply of at least two sprinklers of each type shall be maintained on the premises so that any sprinklers that are not functioning or have been damaged in any way can be promptly replaced.

4.1.3.2 The spare sprinklers shall be the same types and temperature ratings as installed in the dwelling.

4.1.3.3 The sprinklers shall be kept in a cabinet located where the temperature to which they are subjected will at no time exceed 100°F.

4.1.3.4 A special sprinkler wrench shall be provided and kept in the spare head cabinet to be used in the removal and installation of sprinklers. One sprinkler wrench shall be provided for each type of sprinkler installed.

Section 7.3 Pressure Gauges is amended to add the following Subsection 7.3.3 to read as follows:

7.3 Pressure Gauges. At least one water pressure gauge shall be installed on the riser assembly.

Section 7.6 Alarms is hereby amended in its entirety to read as follows:

7.6 Alarms. Exterior alarm indicating device shall be listed for outside service and audible from the street from which the house is addressed. Exterior audible devices shall be placed on the front or side of the structure and the location subject to approval by the fire code official. Additional interior alarm devices shall be required to provide audibility throughout the structure and shall be powered from an uninterruptible circuit service normally servicing other appliances in the residence.

Exceptions:

1. When an approved water flow monitoring system is installed, interior audible devices may be powered through the fire alarm control panel.
2. When single- or multiple-station smoke alarms specified in CBC 907.2.11 are used to sound an alarm upon waterflow switch activation.”

15.04.157 Amendment - Appendix H - Signs

Section H101.2 of Appendix H is amended in its entirety to read as follows:

“H101.2 Permits required. A building permit is required for any sign which requires a sign permit as specified in Chapter 17.74 of the Corona Municipal Code, except signs painted directly onto an existing building, sign structure, or sign board; or the refacing of a previously approved sign canister with Plexiglas, flexible sign face or similar material provided no structural changes are made to the sign structure or canister.”

15.04.160 Violation- Penalty.

The violation and penalties for Chapter 15.04 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 4. Chapter 15.05 of Title 15 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"Chapter 15.05
GREEN BUILDING CODE**

Sections:

15.05.010	Title.
15.05.020	Code adoption.
15.05.030	Administration-Generally.
15.05.040	Violation – Penalty.

15.05.010 Title.

This chapter shall be cited as the Green Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Green Building Standards Code, Cal Green, or other green building code, refers and applies to this chapter.

15.05.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as ~~2016~~2019 California Green Building Standards Code, California Code of Regulations Title 24, Part 11, Chapters 1 through 8, not including the appendices, and including any supplements, errata, and revisions made thereto, are hereby adopted as the Green Building Code of the City of Corona. (1) Appendices A4, A5, and A6.1 are not adopted as part of this code.

(B) One certified copy of the ~~2016~~2019 California Green Building Standards Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Green Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.05.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.05.040 Violation- Penalty.

The violation and penalties for Chapter 15.05 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 5. Section 15.06.080 (Violation and Penalty) of Chapter 15.06 (Housing Code) of Title 15 (Subdivisions) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“15.06.080 Violation – Penalty.

(A) No person, firm, partnership, association or corporation shall violate any provisions of this chapter or any provisions of the codes, rules or regulations adopted in this chapter.

(B) Any person, firm, partnership, association or corporation violating any of the provisions adopted in this chapter by reference, shall be guilty of an infraction. Any person violating a stop work order issued pursuant to the California Building ~~Standards~~ Code, Section ~~104.2.4115~~, shall be guilty of a misdemeanor. Any person who continues to occupy or any person who enters a structure which has been posted "unsafe" by the Building Official pursuant to the California Building ~~Standards~~ Code Section ~~102116~~ or Corona Municipal Code Chapter 15.56, or any person who enters or occupies a structure posted “Unsafe” or “Restricted Use” pursuant to Corona Municipal Code Chapter 15.54, shall be guilty of a misdemeanor.

(C) Every person, firm, association or corporation violating any of the provisions of this chapter or provisions of the codes, rules or regulations adopted in this chapter by reference is guilty of a separate offense for each day or portion thereof during which such violation continues and shall be punishable thereof as provided in Chapter 15.70 of this code.”

SECTION 6. Chapter 15.07 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

"Chapter 15.07 RESIDENTIAL CODE

Sections:

15.07.010	Title.
15.07.020	Code adoption.
15.07.030	Administration.
15.07.040	Amendments – Generally.
15.07.050	[Reserved]
15.07.060	Amendment - Section R319.1- Address identification.
15.07.070	Addition - Section R902.1.5 - Roof covering materials.
15.07.080	[Reserved]
15.07.090	Amendment-Chapter 44 Referenced Standards.
15.07.100	Violation – Penalty.

15.07.010 Title.

This chapter shall be cited as the Residential Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Residential Code, or other residential code, refers and applies to this chapter.

15.07.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as ~~2016~~2019 California Residential Code, California Code of Regulations Title 24, Part 2.5, including Appendix H, and including any supplements, errata, and revisions made thereto, is hereby adopted as the Residential Code of the City of Corona.

(1) Chapter 1 Division II is not adopted.

(2) Appendices A, B, C, D, E, F, G, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W and ~~W~~
X are not adopted as part of this code.

(B) One certified copy of the ~~2016~~2019 California Residential Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Residential Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.07.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.07.040 Amendments – Generally.

Designated sections of the ~~2016~~2019 California Residential Code are amended to read as set forth in Sections 15.07.04~~5~~0 through 15.04.090.

15.07.050 [Reserved].

15.07.060 Amendment - Section R319.1 Address identification.

Section R319.1 is amended by adding the following to the end of the section:

“Address numbers shall be illuminated during all hours of darkness. Number, size, location and means of illumination shall comply with the Corona Fire Prevention Standard for premises identification unless an alternative means or method is approved by the fire code official. Address numbers shall be continuously maintained to comply with this section.”

15.07.070 Addition – Section R902.1.5 – Roof covering materials.

Section R902.1 is amended by adding new subsection R902.1.5 to read as follows:

“R902.1.5 Class A roof covering requirement. Notwithstanding any other provision of this Building Code and Appendices to the contrary, Class A roof covering, as defined in Chapter 15 of the ~~2016~~2019 California Building Code, shall be applied:

1. To any building hereinafter constructed.
2. To any re-roofing of existing buildings, when fifty percent (50%) or more of the existing roof is replaced or overlaid within a 1 year period.
3. To any room additions where the aggregate area of the new roof exceeds fifty percent (50%) of the aggregate area of the existing roof.”

15.07.080 [Reserved].

15.07.090 Amendment- Chapter 44 Referenced Standards.

“Chapter 44 – Referenced Standards is adopted in its entirety with the following amendments:

NFPA 13, 2016 Edition, Installation of Sprinkler Systems is hereby amended to read as follows:

Section 6.8.3 is hereby amended to read as follows:

6.8.3 Fire Department connections (*FDC*) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved by the fire code official and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of inlets shall be approved by the fire code official. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler design density requires 500 gpm (including hose stream demand) or greater, or a standpipe system is included, two 2 ½” inlets and one 4” swivel female NST inlet shall be provided. FDC inlets must be equipped with check valves.

Section 8.3.3.1 is hereby amended to read as follows:

8.3.3.1. When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time the fire sprinkler plan is submitted.

Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in Section 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of Section 8.4.5
- (3) Standard spray sprinklers used for modifications or additions to existing light hazard systems equipped with standard spray sprinklers
- (4) Standard spray sprinklers used where individual standard spray sprinklers are replaced in existing light hazard systems

Section 8.17.2.4.6 is hereby amended to read as follows:

8.17.2.4.6 Fire department connections shall be on the street side of buildings and shall be located and arranged so that they are immediately adjacent to the approved fire department access road. Fire department connections shall be located such that hose lines can be readily and conveniently attached to the inlets without interference from nearby objects, including but not limited to, buildings, fences, posts, vegetation or other fire department connections.

Section 11.1.1.2 is hereby added to read as follows:

11.1.1.2 Undetermined Use Design Requirements. When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2(a) curve "G". Use is considered undetermined if a specific tenant/occupant is not identified at the time the sprinkler plan is submitted. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13D 2016 Edition Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 4.1.3 is hereby added to read as follows:

4.1.3 Stock of Spare Sprinklers

4.1.3.1 A supply of at least two sprinklers of each type shall be maintained on the premises so that any sprinklers that have operated or been damaged in any way can be promptly replaced.

4.1.3.2 The spare sprinklers shall be the same types and temperature ratings as installed in the dwelling.

4.1.3.3 The sprinklers shall be kept in a cabinet located where the temperature to which they are subjected will at no time exceed 100°F.

4.1.3.4 A special sprinkler wrench shall be provided and kept in the spare head cabinet to be used in the removal and installation of sprinklers. One sprinkler wrench shall be provided for each type of sprinkler installed.

Section 7.3.3 Pressure Gauges is added to read as follows:

7.3.3 Pressure Gauges At least one water pressure gauge shall be installed on the riser assembly.

Section 7.6 Alarms is hereby amended its entirety to read as follows:

7.6 Alarms. Exterior alarm indicating device shall be listed for outside service and audible from the street from which the house is addressed. Exterior audible devices shall be placed on the front or side of the structure and the location subject to approval by the fire code official. Additional interior alarm devices shall be required to provide audibility throughout the structure and shall be powered from an uninterruptible circuit serving normally operated appliances in the residence.

Exception:

1. When an approved water flow monitoring system is installed, interior audible devices may be powered through the fire alarm control panel.
2. When single or multiple station smoke alarms specified in CBC 907.2.11 are used to sound an alarm upon water flow switch activation.

15.07.100 Violation- Penalty.

The violation and penalties for Chapter 15.07 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 7. Chapter 15.08 of Title 15 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"Chapter 15.08
MECHANICAL CODE**

Sections:

15.08.010	Title.
15.08.020	Code adoption.
15.08.030	Administration.
15.08.040	[Reserved]
15.08.050	Violation – Penalty.

15.08.010 Title.

This chapter shall be cited as the Mechanical Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Mechanical Code, or other mechanical code, refers and applies to this chapter.

15.08.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the ~~2016~~2019 California Mechanical Code, California Code of Regulations Title 24, Part 4, including any supplements, errata, and revisions made thereto, are hereby adopted as the Mechanical Code of the City of Corona.

(1) Chapter 1 Division II is not adopted as part of this code.

(2) Appendices A, B, C, D, E, F, and G are not adopted as part of this code.

(B) One certified copy of the ~~2016~~2019 California Mechanical Code is on file in the office of the Building Official, and any and all references thereto, are adopted as the Mechanical Code of the City of Corona, and each and all the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.08.030 Administration.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.08.040 [Reserved].

15.08.050 Violation – Penalty.

The violation and penalties for Chapter 15.08 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 8. Chapter 15.09 is hereby added to Title 15 of the Corona Municipal Code to read in its entirety as follows:

**"Chapter 15.09
ENERGY CODE**

Sections:

- | | |
|-----------|---------------------------|
| 15.09.010 | Title. |
| 15.09.020 | Code adoption. |
| 15.09.030 | Administration-Generally. |
| 15.09.040 | Violation – Penalty. |

15.09.010 Title.

This chapter shall be cited as the Energy Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Energy Code, Title 24 Energy Code or other energy code, refers and applies to this chapter.

15.09.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as ~~2016~~2019 California Energy Code, California Code of Regulations Title 24, Part 6, including any supplements, errata, and revisions made thereto, are hereby adopted as the Energy Code of the City of Corona. (B) One certified copy of the ~~2016~~2019 California Energy Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Energy Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.09.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.09.040 Violation- Penalty.

The violation and penalties for Chapter 15.09 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 9. Chapter 15.10 is hereby added to Title 15 of the Corona Municipal Code to read in its entirety as follows:

**"Chapter 15.10
HISTORICAL BUILDING CODE**

Sections:

- | | |
|-----------|---------------------------|
| 15.10.010 | Title. |
| 15.10.020 | Code adoption. |
| 15.10.030 | Administration-Generally. |
| 15.10.040 | Violation – Penalty. |

15.10.010 Title.

This chapter shall be cited as the Historical Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Historical Building Code, or other historic building code, refers and applies to this chapter.

15.10.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as ~~2016~~2019 California Historical Building Code, California Code of Regulations Title 24, Part 8, including any supplements, errata, and revisions made thereto, are hereby adopted as the Historical Building Code of the City of Corona. (B) One certified copy of the ~~2016~~2019 California Historical Building Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Historical Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.10.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.10.040 Violation- Penalty.

The violation and penalties for Chapter 15.10 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 10. Chapter 15.11 is hereby added to Title 15 of the Corona Municipal Code to read in its entirety as follows:

"Chapter 15.11 EXISTING BUILDING CODE

Sections:

15.11.010	Title.
15.11.020	Code adoption.
15.11.030	Administration-Generally.
15.11.040	Violation – Penalty.

15.11.010 Title.

This chapter shall be cited as the Existing Building Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Existing Building Code, or other existing building code, refers and applies to this chapter.

15.11.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked

and designated as ~~2016~~2019 California Existing Building Code, California Code of Regulations Title 24, Part 10, including any supplements, errata, and revisions made thereto, excluding the chapters referenced below, are hereby adopted as the Existing Building Code of the City of Corona.

- (1) Chapter 1 Division II is not adopted as part of this code.
- (2) Chapters ~~5-6~~ through ~~14-13~~ are not adopted as part of this code.
- (3) Appendix Chapters A4, ~~C1, C2 and Appendix B are-is~~ not adopted as part of this code.
- (4) Appendix Chapters A1, ~~A2~~, A3, ~~A5~~ and ~~A6-C1~~ are adopted as part of this code.
- (5) Resource Chapter A is not adopted as part of this code.

(B) One certified copy of the ~~2016~~2019 California Existing Building Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Existing Building Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.11.030 Administration – Generally.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.11.040 Violation- Penalty.

The violation and penalties for Chapter 15.11 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 11. Chapter 15.12 of Title 15 of Corona Municipal Code is hereby amended in its entirety to read as follows:

"CHAPTER 15.12 FIRE CODE

Sections:

- | | |
|------------------------|---|
| 15.12.010 | Title. |
| 15.12.020 | Code adoption. |
| 15.12.030 | [Reserved] |
| 15.12.04 30 | Amendments – Generally. |
| 15.12.05 40 | Amendment – Section 103.2 – Appointment. |
| 15.12.05 60 | Amendment – Section 104.2.1 - Plan review fees. |
| 15.12.07 60 | Amendment – Section 105.6-Required operational permits. |
| 15.12.08 70 | Amendment – Sections 1 109 .4 – Violation penalties. |
| 15.12.09 80 | Addition – Section 1 109 .4.2- Restitution. |

- ~~15.12.100~~ ~~Addition – Sections 109.4.2.1 – Infraction and 109.4.2.2 – Misdemeanor.~~
- ~~15.12.110~~ ~~Amendment – Section 202-Definitions.~~
- ~~15.12.115~~ ~~[Reserved]~~ ~~Addition – Section 304.1.2 – Vegetations.~~
- ~~15.12.121~~ ~~[Reserved]~~ ~~Addition – Section 305.6 – Hazardous Conditions~~
- ~~15.12.120~~ ~~Addition – Section 307.6 – Outdoor fireplaces, fire pits, fire rings and similar devices used at Group R occupancies.~~
- ~~15.12.130~~ ~~Addition – Section 307.7 – Outdoor fires.~~
- ~~15.12.140~~ ~~Amendment – Section 308.1.6.3 – Sky lanterns.~~
- ~~15.12.150~~ ~~Added – Section 321 – Fuel modification requirements for new construction.~~
- ~~15.12.160~~ ~~Added – Section 322 – Clearance of brush or vegetation growth from roadways.~~
- ~~15.12.170~~ ~~Added – Section 323 – Unusual circumstances.~~
- ~~15.12.180~~ ~~Added – Section 324 – Restricted entry.~~
- ~~15.12.139~~ ~~Amendment – Section 503.2.1-Dimensions.~~
- ~~15.12.142~~ ~~Amendment – Section 503.2.4-Turning radius.~~
- ~~15.12.210~~ ~~Addition – Section 503.7 – Two points of access.~~
- ~~15.12.152~~ ~~Amendment – Section 505.1- Address identification.~~
- ~~15.12.162~~ ~~Amendment – Section 507.5.1-Hydrant locations.~~
- ~~15.12.172~~ ~~Amendment – Section 507.5.5-Clear space around exterior-fire protection equipment.~~
- ~~15.12.175~~ ~~Addition – Section 507.5.7- Fire hydrant size and outlets.~~
- ~~15.12.260~~ ~~Amendment – Section 510.1 – Emergency responder radio coverage in new buildings.~~
- ~~15.12.270~~ ~~Amendment – Section 510.4.1.3 – System performance.~~
- ~~15.12.180~~ ~~[Reserved]~~
- ~~15.12.190~~ ~~[Reserved]~~
- ~~15.12.200~~ ~~[Reserved]~~
- ~~15.12.210~~ ~~[Reserved]~~
- ~~15.12.220~~ ~~[Reserved]~~
- ~~15.12.230~~ ~~[Reserved]~~
- ~~15.12.240~~ ~~[Reserved]~~
- ~~15.12.250~~ ~~[Reserved]~~
- ~~15.12.260~~ ~~[Reserved]~~
- ~~15.12.278~~ ~~0 Addition – Section 706 - Eave protection.~~
- ~~15.12.280~~ ~~[Reserved]~~
- ~~15.12.289~~ ~~05 Addition – Section 903.3.5.3 - Hydraulically calculated systems.~~
- ~~15.12.290~~ ~~[Reserved]~~
- ~~15.12.300~~ ~~Amendment – Section 904.3.5 - Monitoring.~~
- ~~15.12.310~~ ~~Added – Section 1201.1.1 – Other systems.~~
- ~~15.12.320~~ ~~Amendment – Section 4906.3 – Requirements.~~
- ~~15.12.330~~ ~~Addition – Section 4908 – Fuel modification for new construction.~~
- ~~15.12.310~~ ~~[Reserved]~~
- ~~15.12.320~~ ~~[Reserved]~~
- ~~15.12.330~~ ~~[Reserved]~~
- ~~15.12.335~~ ~~[Reserved]~~

- 15.12.340 Amendment Section 5001.5.2 - Hazardous materials inventory statement (HMIS).
- ~~15.12.350~~ ~~[Reserved]~~
- ~~15.12.360~~ ~~[Reserved]~~
- 15.12.3750 Addition - Section 5608.2 - Firing.
- ~~15.12.380~~ ~~[Reserved]~~
- ~~15.12.390~~ ~~[Reserved]~~
- ~~15.12.400~~ ~~[Reserved]~~
- ~~15.12.410~~ ~~[Reserved]~~
- 15.12.42360 Amendment – Chapter 80 - Reference standards.
- 15.12.430370 Amendment – Section B105.1 of Appendix B - One- and two-family dwellings.
- 15.12.440380 Amendment – Section B105.2 of Appendix B - Buildings other than one and two-family dwellings, Group R-3 and R-4 buildings and townhouses.
- 15.12.450390 Amendment – Table B105.1(1), B105.1(2) and B105.2 of Appendix B - Minimum required fire flow and flow duration for buildings.
- 15.12.460400 Amendment – Table C102.1 of Appendix C - Number and distribution of fire hydrants.
- 15.12.4710 Violation – Penalty.

15.12.010 Title.

This chapter shall be cited as the Fire Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Fire Code, or other fire code, refers and applies to this chapter.

15.12.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the ~~2016~~2019 California Fire Code, and that certain document being marked and designated as the 201~~8~~5 International Fire Code, with errata, and including the following appendices, are hereby adopted as the Fire Code for the City of Corona:

- (1) Appendix Chapter 4
- (2) Appendices B, C, E, F, G & ~~G~~O

In addition, Chapter 3 and Section 1103.2, which were excluded in the 2019 California Fire Code, are hereby adopted and included in the Fire Code for the City of Corona.

(B) One certified copy of each of the ~~2016~~2019 California Fire Code and 201~~8~~5 International Fire Code are on file in the office of the Building Official, and any and all references thereto, are adopted as the Fire Code and each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

~~15.12.030~~ ~~[Reserved].~~**15.12.0430 Amendments -- Generally.**

Designated sections of the California Fire Code are amended to read as set forth in sections 15.12.0540 through 15.12.470400.

15.12.0540 Amendment – Section 103.2 - Appointment.

Section 103.2 is amended in its entirety to read as follows:

“103.2 Appointment. The fire code official shall be appointed by the chief appointing authority of the jurisdiction.”

15.12.0650 ~~Amendment~~ Addition – Section 104.2.1 – Plan review fees.

Subsection 104.2.1 is added to read as follows:

“104.2.1 Plan Review Fees. When it is determined by the fire code official that plans submitted require a full plan review and such plans are received independent of the architectural plans, a fee shall be collected. The fee shall be based on 100% of the cost of service, based on the fee schedule adopted by the City Council.”

15.12.0760 Amendment – Section 105.6 - Required operational permits.

Section 105.6 is amended by deleting subsections 105.6.1~~56~~ and 105.6.3~~97~~ in their entirety.

15.12.0870 Amendment – Section ~~1109.4~~ - Violation penalties.

Section ~~1109.4~~ is amended in its entirety to read as follows:

“~~1109.4~~ Violation Penalties. Persons who violate a provision of this code or fail to comply with any of the requirements thereof or who erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under provisions of this code, shall be guilty of either a misdemeanor, infraction or both as prescribed in Section ~~1109.4.2.1~~ and ~~1109.4.2.2~~. Each day that a violation continues after due notice has been served shall be deemed a separate offense.”

15.12.0980 Addition – Section 110.4.2 – Restitution

Section 110.4.2 is added to read as follows:

“110.4.2 Restitution. In addition to any other penalties or provisions for restitution that may be provided for by the law, the expense of securing any emergency which is a result of a violation of this code or any other code, ordinance or State law, is a charge against the person whose violation caused the emergency. Expenses incurred for securing such emergency shall constitute a debt of

such person and is collectible by the code official in the same manner as in the case of an obligation under contract, expressed or implied.”

15.12.100 — ~~Addition~~ — ~~Sections 109.4.2.1 Infraction and 109.4.2.2 Misdemeanor.~~

~~Sections 109.4.2.1 — Infraction and 109.4.2.2 — Misdemeanor are hereby added as follows:~~

1109.4.2.1 Infraction. Except as provided in Section 1 109.4.2.2, persons operating or maintaining any occupancy, premises or vehicle subject to this code that shall permit any fire or life safety hazard to exist on premises under their control shall be guilty of an infraction.

1109.4.2.2 Misdemeanor. Persons who fail to take immediate action to abate a fire or life safety hazard when ordered or notified to do so by the fire code official or a duly authorized representative, or who violate the following sections of this code, shall be guilty of a misdemeanor:

104.11.2	Obstructing operations
104.11.3	Systems and Devices
108.67.5	Overcrowding
1109.3.2	Compliance with Orders, Notices and Tags
1121.4	Failure to Comply
305.4	Deliberate or negligent burning
308.1.2	Throwing or placing sources of ignition
310.7	Burning Objects
31047.47	Open or exposed flames”

15.12.09110 Amendment – Section 202 - Definitions.

Section 202 General Definitions is amended by adding thereto the following definition:

“ALL WEATHER DRIVING SURFACE. An all weather driving surface is a concrete or asphalt covering over base material and a roadbed compacted to ninety-five percent, and of sufficient thickness to support heavy fire apparatus (approximately ~~750~~,000 gross vehicle weight) with a grade of no more than ten percent (10%) and a minimum width of twenty-eight (28) feet, unless approval for a lesser amount is obtained from the Fire code official.

SPARK ARRESTER. A listed device constructed of noncombustible material specifically for the purpose of meeting one of the following conditions:

1. Removing and retaining carbon and other flammable particles/debris from the exhaust flow of an internal combustion engine in accordance with California Vehicle Code Section 38366.
- ~~1.2.~~ Preventing the emission of flammable debris from combustion sources, such as internal combustion engines, fireplaces, and wood burning stoves.”

15.12.10015 Addition – Section 304.1.2 - Vegetations.

Section 304.1.2 Vegetation is amended in its entirety to read as follows:

“**304.1.2 Vegetation.** Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirement in urban-wildland interface areas shall be in accordance with Chapter 49 and the City of Corona Vegetation Management Guidelines, which the fire code official is hereby authorized to develop and implement.”

15.12.1120 Addition – Section 305.6 – Hazardous Conditions.

Section 305.6 is hereby added to read as follows:

“**305.6 Hazardous conditions.** Outdoor fires burning wood or other solid fuel otherwise permitted by Sections 307.6 and 307.7 are prohibited when any of the following conditions apply:

1. When sustained winds exceeding 8 MPH are predicted, as determined by the fire code official based upon reasonable and verifiable data.
2. When the relative humidity is less than 25%.
3. When a red flag condition has been declared by the fire code official.
4. When otherwise prohibited by the fire code official after the posting of notice of such prohibition at City Hall in a location that is freely accessible to members of the public, on the City’s website and any other locations or social media sites that the fire code official determines are necessary or appropriate.

Outdoor fires using any fuel type are prohibited when sustained winds exceeding 20 MPH are predicted, as determined by the fire code official based upon reasonable and verifiable data, or when such fires present a hazard as determined by the fire code official.

15.12.120 Addition – Section 307.6 – Outdoor fireplaces, fire pits, fire rings and similar devices used at Group R occupancies.

Section 307.6 is hereby added to read as follows:

“**307.6 Outdoor Fireplaces, Fire Pits, Fire Rings, or similar devices used at Group R Occupancies.** Outdoor fireplaces, fire pits, fire rings, or similar exterior devices used at Group R occupancies shall comply with this section.

Exception: Barbeques, grills, and portable devices intended solely for cooking.

307.6.1 Gas-fueled devices. Outdoor fireplaces, fire pits and similar devices that are fueled by natural gas or liquefied-petroleum gas and designed to only burn a gas flame and not wood or other solid fuel are allowed when approved by the Building Division. At R-3 occupancies, combustible construction material and vegetation shall not be located within three feet of an

atmospheric column that extends vertically from the perimeter of the outdoor fireplace, fire pit or similar device. At other R occupancies, the minimum distance shall be ten feet. Where a permanent hood and vent that has been approved by the Building Division is installed, combustible construction material may encroach upon this column between the bottom of the hood and the vent opening. All chimneys or vents installed in outdoor fireplaces, fire pits and similar devices shall have a spark arrester as defined in Section 202.

307.6.2 Devices using wood or fuels other than natural gas or liquefied-petroleum gas. Permanent outdoor fireplaces designed to burn wood or other solid fuel shall be constructed in accordance with the California Building Code with clearance from combustible construction material and building openings as required therein. Fires in a fireplace shall be contained within a firebox with an attached chimney. The opening in the face of the firebox shall have a spark arrester.

The burning of wood or other solid fuel in a device is prohibited within 25 feet of combustible structures unless contained within an approved permanent fireplace, Conditions which could cause a fire to spread within 25 feet of a structure or to vegetation shall be eliminated prior to ignition. Fires in devices burning wood or solid fuel shall be in accordance with Sections 305, 307, and 308.

Exceptions:

1. Portable fireplaces and fire rings/pits equipped with a spark arrester that are located at least 3 feet from combustible construction at R-3 occupancies,
2. Portable fireplaces, and fire pits/rings equipped with a device to arrest sparks, that are located at least 15 feet from combustible structures at all other R occupancies.

307.6.2.1 Where prohibited. The burning of wood and other solid fuels is prohibited within a fuel modification zone, Wildland-Urban Interface Area (WUI), or in locations where conditions could cause the spread of fire to the WUI.

Exceptions:

1. Permanent fireplaces that are not located in a fuel modification zone
- +2. Where determined by the fire code official that the location or design of the device does not reasonably present a risk of a wildfire.”

15.12.130 Added – Section 307.7 – Outdoor fires.

Section 307.7 is hereby added to read as follows:

“No person shall kindle, build, light or maintain, or authorize to be kindled, built or maintained, a fire in any place other than facilities specifically designed and built for that purpose. Any fire that is built, lit, kindled or maintained pursuant to this section shall comply with all applicable permits and other regulations of air pollution control authorities and all other laws, rules and regulations. Except as provided in Section 307.6 for Group R occupancies, the use of flammable or combustible liquids (except for approved charcoal lighter fluid) are strictly prohibited. Fires shall be attended by persons over twenty-one (21) years of age at all times until extinguished. A portable fire

extinguisher or other approved equipment or method of extinguishing the fire shall be available for immediate use. Fires shall be fully extinguished before vacating the area.”

15.12.140 Amendment – Section 308.1.6.3 – Sky lanterns.

Section 308.1.6.3 is hereby amended in its entirety to read as follows:

“308.1.6.3 Sky lanterns. A person shall not ignite, release, or cause to be released a sky lantern.”

15.12.150 Added – Section 321 – Fuel modification requirements for new construction.

Section 321 is hereby added to read as follows:

“321 Fuel modification requirements for new construction. All new structures and facilities proposed to be constructed adjacent to land containing hazardous combustible vegetation, as determined by the fire code official, shall be reviewed in accordance with and shall be subject to the requirements of the City of Corona Vegetation Management Guidelines, as adopted pursuant to Section 304.1.2.”

15.12.160 Added – Section 322 – Clearance of brush or vegetation growth from roadways.

Section 322 is hereby added to read as follows:

“322 Clearance of brush or vegetation growth from roadways. The fire code official is authorized to cause areas within 10 feet (3048 mm) on each side of portions of highways and private streets which are improved, designed or ordinarily used for vehicular traffic, to be cleared of flammable vegetation and other combustible growth. Measurement of the required clearance area shall be from the flow-line or the end of the improved edge of the roadway surfaces.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, provided that they do not form a means of readily transmitting fire.”

15.12.170 Added – Section 323 – Unusual circumstances.

Section 323 is hereby added to read as follows:

“323 Unusual circumstances. The fire code official may suspend enforcement of the City of Corona Vegetation Management Guidelines, as adopted pursuant to Section 304.1.2, and require reasonable alternative measures designed to advance the purpose of this code if determined that in any specific case that any of the following conditions exist:

1. Difficult terrain.
2. Danger of erosion.
3. Presence of plants included in any state and federal resources agencies, California

Native Plant Society and county-approved list of wildlife, plants, rare, endangered and/or threatened species.

4. Stands or groves of trees or heritage trees.

5. Other unusual circumstances that make strict compliance with the clearance of vegetation provisions undesirable or impractical.”

15.12.180 Added – Section 324 – Restricted Entry

Section 324 is hereby added to read as follows:

“324 Restricted entry. The fire code official shall determine and publicly announce when hazardous fire areas shall be closed to entry and when such areas shall again be opened to entry. Entry or presence on hazardous fire areas that have been closed pursuant to this section is prohibited.

Exceptions:

1. Residents and owners of private property within hazardous fire areas and their invitees and guests going to or being upon their lands.

2. Entry, in the course of duty, by peace or police officers, and other duly authorized public officers, members of a fire department and members of the United States Forest Service.

15.12.1390 Amendment – Section 503.2.1 Dimensions

Section 503.2.1 is amended in its entirety to read as follows:

“503.2.1 Dimensions. Fire apparatus access roads shall have an unobstructed width of not less than 28 feet (85344mm) exclusive of shoulders, except for approved security gates in accordance with Section 503.6, and an unobstructed vertical clearance of not less than 15 feet (4572mm).

Exception: Vertical clearance may be reduced, provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance approved by the fire code official.”

15.12.14200 Amendment – Section 503.2.4 - Turning radius.

Section 503.2.4 is amended in its entirety to read as follows:

“503.2.4 Turning Radius. The required turning radius of a fire apparatus access road shall be 25 feet (7620 mm) inside radius and 50 feet (15,240 mm) outside radius on all turns in the fire apparatus access road, unless otherwise approved by the fire code official.”

15.12.210 Addition – Section 503.7 – Two points of access.

Section 503.7 is hereby added to read as follows:

“503.7 Two points of access. Two points of access shall be required for new development and when existing development density is increased, unless otherwise approved by the fire code official and justified by the fire protection plan.”

15.12.15220 Amendment – Section 505.1 - Address identification.

Section 505.1 is amended by adding the following to the end of the section:

“Address numbers shall be illuminated during all hours of darkness. Number, size, location and means of illumination shall comply with the Corona Fire Prevention Standard for premises identification unless an alternative means or method is approved by the fire code official. Address numbers shall be continuously maintained to comply with this section.”

15.12.16230 Amendment – Section 507.5.1 - Hydrant locations.

Section 507.5.1 is hereby amended in its entirety to read as follows:

“507.5.1 Where required. Where a portion of the facility or building hereafter constructed or moved into or within the jurisdiction is more than allowed in Appendix C – “Fire Hydrant Locations and Distribution” from a hydrant on a fire apparatus access road, as measured by an approved route around the exterior of the facility or building, on-site hydrants and mains shall be provided where required by the fire code official.”

Exceptions:

1. Group R-3 and U occupancies, equipped throughout with an approved automatic sprinkler system installed in accordance with CFC 903.3.1.1 or CFC 903.3.1.2 or CFC 903.3.1.3, provided the distance requirements shall not be more than 300 feet (91.5 m), unless otherwise approved by the fire code official.”

15.12.17240 Amendment – Section 507.5.5 - Clear space around exterior - fire protection equipment

Section 507.5.5 is hereby amended to read as follows:

“507.5.5 Clear space around fire protection equipment. A 3-foot (914 mm) clear space shall be maintained around the circumference of fire hydrants, fire department connections, exterior fire protection system control valves, or any other exterior fire protection system component that may require immediate access, except as otherwise required or approved.”

15.12.175250 Addition – Section 507.5.7 Fire hydrant size and outlets

Section 507.5.7 is hereby added to read as follows:

“507.5.7 Fire Hydrant Size and Outlets. Fire hydrant size and outlets shall be required as determined by the fire code official.

1. Residential Standard – one (1) four (4) inch outlet and one (1) two and one half (2 ½) inch outlet.
2. Super Hydrant Standard – one (1) four (4) inch outlet and two (2) two and one half (2 ½) inch outlets.
3. Super Hydrant Enhanced – two (2) four (4) inch outlet, and one (1) two and one half (2 ½) inch outlet.”

~~15.12.180 [Reserved].~~

~~15.12.190 [Reserved].~~

~~15.12.200 [Reserved].~~

~~15.12.210 [Reserved].~~

~~15.12.220 [Reserved].~~

~~15.12.230 [Reserved].~~

~~15.12.240 [Reserved].~~

~~15.12.250 [Reserved].~~

~~15.12.260 [Reserved].~~

15.12.260 Amendment – Section 510.1 – Emergency responder radio coverage in new buildings.

Section 510.1 is hereby amended in its entirety to read as follows:

“510.1 Emergency responder radio coverage in new buildings. All new buildings shall have approved radio coverage for emergency responders within the building based upon the existing coverage levels of the public safety communication systems utilized by the City, measured at the exterior of the building. This section shall not require improvement of the City’s existing public safety communication systems. The building’s emergency responder radio coverage system shall comply with the Corona Fire Department’s Guideline for Emergency Responder Radio Coverage and, where the functionality or performance requirements in the California Fire Code are more stringent, this code.

Exceptions:

1. Structures that meet all of the following:
 - a. Wood construction
 - b. Single story
 - c. Does not exceed 10,000 square feet
2. Multi-family residential that meet all of the following:
 - a. Exterior walk up
 - b. No interior corridors

- c. No subterranean storage or parking
- 3. Elevators
- 4. Single family residence”

15.12.270 Amendment – Section 510.4.1.3 - System performance.

Section 510.4.1.3 is hereby amended in its entirety to read as follows:

“510.4.1.3 System performance. Signal strength shall be sufficient to meet the requirements of the applications being utilized by public safety for emergency operations through the coverage area as specified by the fire code official in Section 510.4.2.2. A minimum signal strength of -95dBm shall be receivable within the building. A minimum signal strength of -95 dBm shall be received by the agency’s radio system when transmitted from within the building.”

15.12.2780 Addition – Section 706 - Eave protection.

Section 706 is hereby added to read as follows:

“Section 706 Eave Protection. Buildings or structures constructed hereafter within two-hundred (200) feet of high-hazard, undeveloped forest-covered, brush-covered, or grass-covered land shall have eaves or overhangs thereon protected by one-hour construction, or otherwise protected so as to prevent ~~the lodging underneath of~~ flying brands, ashes or sparks from entering the building or structure. The Fire code official shall determine ~~high-hazard~~ which lands are considered high-hazard, undeveloped forest-covered, brush-covered, or grass-covered hereunder for purposes of this section.”

15.12.280 — [Reserved].

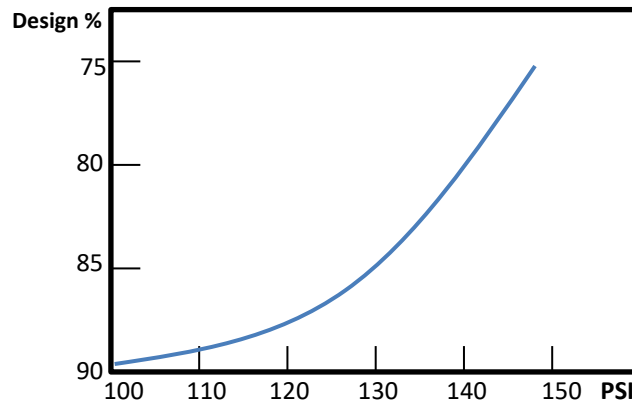
15.12.28905 Addition – 903.3.5.3 - Hydraulically calculated systems.

Section 903.3.5.3 is hereby added to read as follows:

“903.3.5.3 Hydraulically calculated systems. The design of hydraulically calculated fire sprinkler systems shall not exceed 90% of the water supply capacity.

Exception: When static pressure exceeds 100 psi and required by the Fire Code Official, the fire sprinkler system shall not exceed water supply capacity specified by Table 903.3.5.3.

TABLE 903.3.5.3
Hydraulically Calculated Systems



~~15.12.290 [Reserved].~~

15.12.300 Amendment – Section 904.3.5 - Monitoring.

Section 904.3.5 is amended in its entirety to read as follows:

“904.3.5 Monitoring. Where a building fire alarm or monitoring system is installed, automatic fire-extinguishing systems shall be monitored by the building fire alarm or monitoring system in accordance with NFPA 72.”

15.12.310 Added – Section 1201.1.1 – Other systems.

Section 1201.1.1 is added to read as follows:

“1201.1.1 Other Systems Where required by the fire code official, other systems and operations, including, but not limited to, battery systems assembly, battery reconditioning and storage, research and development of battery storage systems, electric vehicle manufacturing and testing, and battery charging systems for cars and carts inside of buildings or structures, shall comply with this chapter.

Exception: When approved by the fire code official, charging stations for electric vehicles located in open parking garages of Type I or II construction.”

~~15.12.310 [Reserved].~~

~~15.12.320 [Reserved].~~

~~15.12.330 [Reserved].~~

~~15.12.335 [Reserved].~~

15.12.320 Amendment – Section 4906.3 – Requirements.

Section 4906.3 is amended in its entirety to read as follows:

“4906.3 Requirements. Hazardous vegetation and fuels around all applicable buildings and structures shall be maintained in accordance with the following laws and regulations:

1. Public Resources Code, Section 4291.
2. California Code of Regulations, Title 14, Division 1.5, Chapter 7, Subchapter 3, Section 1299 (see guidance for implementation “General Guideline to Create Defensible Space”).
3. California Government Code, Section 51182.
4. California Code of Regulations, Title 19, Division 1, Chapter 7, Subchapter 1, Section 3.07.
- 4.5. City of Corona Vegetation Management Guidelines.”

15.12.330 Addition – Section 4908 – Fuel modification for new construction.

Section 4908 is added to read as follows:

“4908 Fuel Modification for New Construction. All new buildings to be built or installed in hazardous fire areas shall comply with the following:

1. Preliminary fuel modification plans shall be submitted to and approved by the fire code official concurrent with the submittal for approval of any tentative tract map or parcel map or building permit application, as applicable.
2. Final fuel modification plans shall be submitted to and approved by the fire code official prior to the issuance of a grading permit or building permit, as applicable.
3. The fuel modification plan shall include provisions for the maintenance of the fuel modification area in perpetuity and shall meet the criteria set forth in the the City of Corona Vegetation Management Guidelines.
4. The fuel modification plan may be altered if conditions change with the prior written approval of the fire code official.
5. All elements of the fuel modification plan shall be maintained in accordance with the approved plan and are subject to the enforcement process outlined in this code.

15.12.340 Addition– Section 5001.5.2 - Hazardous materials inventory statement (HMIS).

Section 5001.5.2 is hereby amended in its entirety to read as follows:

“5001.5.2 Hazardous Materials Inventory Statement (HMIS). When required by the fire code official, an application for a permit shall include Corona Fire Department’s Chemical Classification Packet, which shall be completed and approved prior to approval of architectural and/or system plans, and/or the storage, use or handling of chemicals on the premises. The Chemical Classification packet shall meet the format requirements contained in the Corona Fire Department Chemical Classification Guideline.”

15.12.350 —[Reserved].

~~15.12.360~~ — [Reserved].

~~15.12.3750~~ Addition – Section 5608.2 - Firing.

Section 5608.2 is added to read as follows:

“Section 5608.2 – Firing. All fireworks displays shall be electronically fired.”

~~15.12.380~~ — [Reserved].

~~15.12.390~~ — [Reserved].

~~15.12.400~~ — [Reserved].

~~15.12.410~~ — [Reserved].

~~15.12.42360~~ Amendment – Chapter 80 - Reference standards.

The sections of Chapter 80 – Referenced Standards designated below are amended to read as follows:

“NFPA 13, 2016 Edition, Installation of Sprinkler Systems is hereby amended as follows:

Section 6.7.3 is hereby amended to read as follows:

6.7.3 Fire Department connections (FDC) shall be of an approved type. The FDC shall contain a minimum of two 2 ½” inlets. The location shall be approved and be no more than 150 feet from a public hydrant. The FDC may be located within 150 feet of a private fire hydrant when approved by the fire code official. The size of piping and the number of inlets shall be approved by the fire code official. Fire department inlet connections shall be painted OSHA safety red. When the fire sprinkler design density requires more than 500 gpm (including hose stream demand), or a standpipe system is included, two 2 ½” inlets and one 4” swivel female NST inlet shall be provided. FDC inlets shall be equipped with check valves.

Section 8.3.3.1 is hereby amended to read as follows:

8.3.3.1 When fire sprinkler systems are installed in shell buildings of undetermined use (Spec Buildings) other than warehouses (Group S occupancies), fire sprinklers of the quick-response type shall be used. Use is considered undetermined if a specific tenant/occupant is not identified at the time of permit issuance. Sprinklers in light hazard occupancies shall be one of the following:

- (1) Quick-response type as defined in Section 3.6.4.8
- (2) Residential sprinklers in accordance with the requirements of Section 8.4.5

- (3) Quick response CMSA sprinklers
- (4) ESFR sprinklers
- (5) Standard spray sprinklers used for modifications of additions to existing light hazard systems equipped with standard spray sprinklers
- (6) Standard spray sprinklers used where individual standard spray sprinklers are replaced in existing light hazard systems

Section 8.17.2.4.6 is hereby amended to read as follows:

8.17.2.4.6 Fire department connections shall be on the street side of buildings and shall be located and arranged so that they are immediately adjacent to the approved fire department access road. Fire department connections shall be located such that hose lines can be readily and conveniently attached to the inlets without interference from nearby objects, including but not limited to, buildings, fences, posts, vegetation or other fire department connections.

Section 11.1.1.2 is hereby amended by adding the following:

11.1.1.2 When fire sprinkler systems are required in buildings of undetermined use other than warehouses, they shall be designed and installed to have a fire sprinkler design density of not less than that required for an Ordinary Hazard Group 2 use, with no reduction(s) in density or design area. Warehouse fire sprinkler systems shall be designed to Figure 16.2.1.3.2(a) curve "G". Use is considered undetermined if a specific tenant/occupant is not identified at the time of permit issuance. Where a subsequent occupancy requires a system with greater capability, it shall be the responsibility of the occupant to upgrade the system to the required density for the new occupancy.

NFPA 13D 2016 Edition Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes is hereby amended as follows:

Section 4.1.3 is hereby added to read as follows:

4.1.3 Stock of Spare Sprinklers

4.1.3.1 A supply of at least two sprinklers of each type shall be maintained on the premises so that any sprinklers that are not functioning or have been damaged in any way can be promptly replaced.

4.1.3.2 The spare sprinklers shall be the same types and temperature ratings as installed in the dwelling.

4.1.3.3 The sprinklers shall be kept in a cabinet located where the temperature to which they are subjected will at no time exceed 100°F.

4.1.3.4 A special sprinkler wrench shall be provided and kept in the spare head cabinet to be used in the removal and installation of sprinklers. One sprinkler wrench shall be provided for each type of sprinkler installed.

Section 7.3.3 Pressure Gauges is amended to add the following Subsection 7.3.3 to read as follows:

7.3.3 At least one water pressure gauge shall be installed on the riser assembly.

Section 7.6 Alarms is hereby amended to read as follows:

7.6 Alarms. Exterior alarm indicating device shall be listed for exterior service and audible from the street from which the house is addressed. Exterior audible devices shall be placed on the front or side of the structure and the location subject to approval by the fire code official. Additional interior alarm devices shall be required to provide audibility throughout the structure and shall be powered from an uninterruptible circuit service normally servicing other appliances in the residence.

Exception:

1. When an approved water flow monitoring system is installed, interior audible devices may be powered through the fire alarm control panel.
2. When single- or multiple-station smoke alarms specified in CBC 907.2.11 are used to sound an alarm upon waterflow switch activation.

NFPA 24, 2016 Edition, Installation of Private Fire Service Mains and Their Appurtenances is hereby amended as follows:

Section 6.2.10 Two points of connection is hereby added to read as follows:

“6.2.10 Two points of connection When the underground fireline exceeds 500 lineal feet, two points of connection to the City water supply are required.

15.12.43370 Amendment – Section B105.1 of Appendix B – One- and two-family dwellings.

Section B105.1 of Appendix B is amended in its entirety to read as follows:

“B105.1 One- and two-family dwellings. The minimum fire flow and flow duration for one- and two-family dwellings shall be as specified in Table B 105.1 ~~not be less than 1500 gpm at 20 psi for 2 hours.~~”

15.12.44380 Amendment – Section B105.2 of Appendix B – Buildings other than one- and two-family dwellings, Group R-3 and R-4 buildings and townhouses.

Section B105.2 of Appendix B is amended in its entirety to read as follows:

“B105.2 Buildings other than one- and two-family dwellings, Group R-3 and R-4 buildings and townhouses. The minimum fire flow and flow duration for buildings other than one- and two-family dwellings shall be as specified in Table B 105.1.

Exception: A reduction in fire flow of up to 50 percent, as approved by the fire code official, is allowed when the building is provided with an approved automatic sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.2. The resulting fire flow shall not be less than 1,500 gallons per minute (5677.5 L/min) for the prescribed duration.”

15.12.45390 Amendment – Tables B105.1(1), B105.1(2) and B105.2 of Appendix B – Minimum required fire flow and flow duration for buildings.

Tables B 105.1(1), B105.1(2) and B105.2 of Appendix B are deleted in their entirety and replaced with the following:

**“TABLE B105.1
MINIMUM REQUIRED FIRE-FLOW AND FLOW DURATION FOR BUILDINGS***

<i>Use</i>	Required Flow (gallons per minute)	Duration
One- and Two-Family Dwelling	1500 gpm	2 hours
Multi-Family Dwelling	2500 gpm	2 hours
Commercial	3000 gpm	3 hours
Industrial	3500 gpm	4 hours

*Or as otherwise required by the ~~F~~Fire code official”

15.12.46400 Amendment – Table C102.1 of Appendix C – Number and spacing of fire hydrants.

Table C102.1 of Appendix C is amended in its entirety to read as follows:

**“TABLE C102.1
NUMBER AND SPACING OF FIRE HYDRANTS**

<i>Use</i>	Maximum Distance Between Hydrants (feet)	Maximum Distance From Any Point on Street or Road Frontage or Fire Department Access to a Hydrant (feet)
One- and Two-Family Dwelling	300	150
Multi-Family Dwelling	250	125
Commercial/Industrial	250	125

15.12.4710 Violation – Penalty.

When authorized by the ~~F~~fire code official in writing, the Building Official shall enforce provisions of ~~the Fire Code~~this chapter under the provisions of the Corona Municipal Code, Chapter 15.70.”

SECTION 12. Chapter 15.20 of Title 15 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"Chapter 15.20
PLUMBING CODE**

15.20.010	Title.
15.20.020	Code adoption.
15.20.030	Administration.
15.20.040	Amendments – Generally.
15.20.050	Addition – Section 314.3-Open trenches.
15.20.060	Violation – Penalty.

15.20.010 Title.

This chapter shall be cited as the Plumbing Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Plumbing Code, or other plumbing code, refers and applies to this chapter.

15.20.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as the ~~2016~~2019 California Plumbing Code, California Code of Regulations Title 24, Part 5, including any supplements, errata, and revisions made thereto, and including the following specifically identified appendices and portions thereof, are hereby adopted as the Plumbing Code of the City of Corona:

- (1) Chapter 1 Division II is not adopted as part of this code.
- (2) Appendices A, B, D, H and I are adopted as part of this code.
- (3) Appendices C, E, F, G, J, K, L and ~~L-M~~ are not adopted as part of this code.

(B) One certified copy of the ~~2016~~2019 California Plumbing Code shall be kept on file in the office of the Building Official, and any and all references thereto, are adopted as the Plumbing Code of the City of Corona and each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.20.030 Administration.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.20.040 Amendments – Generally.

Designated sections of the ~~2016~~2019 California Plumbing Code are amended to read as set forth in Sections 15.20.040 and 15.20.050.

15.20.050 Amendment – Section 314.3 - Open trenches.

Section 314.3 is amended by adding the following paragraph to the end of said section to read as follows:

‘No permittee hereunder shall leave unattended at any time any excavation for sewer or sewage disposal facilities, unless the permittee shall have first provided a suitable and adequate barricade, which will prevent any person from being in any way injured as a result of said excavation. Said permittee shall at all times during the existence of said excavation maintain said barricade in a manner suitable to protect any person from being so injured.’

15.20.060 Violation--Penalty.

The violation and penalties for Chapter 15.20 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 13. Chapter 15.28 of the Corona Municipal Code is hereby amended in its entirety to read as follows:

**"CHAPTER 15.28
ELECTRICAL CODE**

Sections:

15.28.010	Title.
15.28.020	Code adoption.
15.28.030	Administration.
15.28.040	Violation – Penalty.

15.28.010 Title.

This chapter shall be cited as the Electrical Code of the City of Corona and any reference in the city's municipal code or any chapter thereof to the California Electrical Code, or other electrical code, refers and applies to this chapter.

15.28.020 Code adoption.

(A) Subject to the particular additions, amendments and deletions set forth in this chapter, all the rules, regulations, provisions and conditions set forth in that certain document being marked and designated as ~~2016~~2019 California Electrical Code, California Code of Regulations Title 24, Part 3, including any supplements, errata, and revisions made thereto, and including the Tables and Annexes thereto, but excluding Annexes E, F, G, H, I, and J, are hereby adopted as the Electrical Code of the City of Corona.

(B) One certified copy of the ~~2016~~2019 California Electrical Code shall be kept on file in the office of the Building Official of the City of Corona, and any and all references thereto, are adopted as the Electrical Code of the City of Corona, subject to the changes contained in this chapter. Each and all of the regulations, provisions, penalties, conditions and terms thereof are referred to, adopted and made a part of this chapter, as though fully set forth at length.

15.28.030 Administration.

The administrative procedures as adopted in Chapter 15.02 of the Corona Municipal Code shall apply to this chapter.

15.28.040 Violation--Penalty.

The violation and penalties for Chapter 15.28 shall be as adopted in Chapter 15.02 and 15.70 of the Corona Municipal Code.”

SECTION 14. Chapter 15.54 (Safety Assessment Placards) is hereby added to Title 15 (Buildings and Construction) of the Corona Municipal Code to read as follows:

“CHAPTER 15.54 SAFETY ASSESSMENT PLACARDS

Sections:

<u>15.54.010</u>	<u>Intent.</u>
<u>15.54.020</u>	<u>Application of provisions.</u>
<u>15.54.030</u>	<u>Definitions.</u>
<u>15.54.040</u>	<u>Placards.</u>
<u>15.54.050</u>	<u>Violation – Penalty.</u>

15.54.010 Intent.

This chapter establishes a procedure for affixing standard placards to buildings and structures to indicate whether and to what extent the building or structure may continue to be occupied after any natural or man-made disaster. The chapter further authorizes the Building Official and his or her authorized designee to post the appropriate placard at each entry point to a building or structure upon completion of a safety assessment.

15.54.020 Application of provisions.

The provisions of this chapter are applicable to all buildings and structures of all occupancies regulated by the City of Corona.

15.54.030 Definitions.

For purposes of this chapter, the term "Safety Assessment" refers to a visual, non-destructive examination of a building or structure for the purpose of determining the condition for continued occupancy.

15.54.040 Placards.

(A) The following are descriptions of the occupancy placards to be used to designate the condition for continued occupancy of buildings or structures:

- (1) **INSPECTED - Lawful Occupancy Permitted** (Green placard) is to be posted on any building or structure wherein no apparent hazard has been found. This placard is not intended to mean that there is no damage to the building or structure.
- (2) **RESTRICTED USE** (Yellow placard) is to be posted on each building or structure that has been damaged such that some form of restriction for continued occupancy is warranted. The placard will state in general terms the type of damage encountered and will clearly and concisely indicate the restrictions on continued occupancy.
- (3) **UNSAFE - Do Not Enter or Occupy** (Red placard) is to be posted on each building or structure that has been damaged such that entry or continued occupancy poses a threat to life safety. Buildings or structures posted with this placard shall not be entered under any circumstance except as authorized in writing by the Building Official, or his or her authorized representative. Safety assessment teams shall be authorized to enter these buildings at any time. This placard is not to be used or considered as a demolition order. The placard shall state in general terms the type of damage encountered.

(B) Each placard shall state that it is issued by the City of Corona pursuant to this chapter of the code and shall include the City's address and telephone number.

(C) Once it has been attached to a building or structure, a placard shall not be removed, altered, or covered unless authorized by the Building Official or his/her designee. It shall be unlawful for any person, firm, or corporation to alter, remove, cover, or deface a placard posted pursuant to this chapter.

15.54.050 Violation - Penalty.

A violation of this chapter shall be enforced pursuant to and shall be subject to the penalties set forth in chapters 15.02 and 15.70 of this code."

SECTION 15. Prior Ordinances Repealed. Upon the effective date of this Ordinance, all former ordinances or parts thereof conflicting or inconsistent with the provisions of this Ordinance or the codes herein adopted by reference and any other ordinance in conflict herewith are hereby repealed and declared to be of no further force and effect.

SECTION 16. CEQA. The City Council finds that the adoption of the California Building Standards Code and the amendments proposed herein are exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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. This Ordinance, which adopts updated building and safety standards, is enacted to mitigate the threats posed to public peace, health and safety from earthquakes, high winds and fire. In this regard, the recitals set forth in this Ordinance are incorporated herein by reference as findings. Therefore, there is no possibility that adopting this Ordinance will have a significant effect on the environment and no further environmental analysis is required.. Staff is directed to file a notice of exemption within five (5) days of the adoption of this Ordinance.

SECTION 17. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses or phrases are declared unconstitutional, invalid or ineffective.

SECTION 18. Certification/Publication. The Mayor shall sign this ordinance and the City Clerk shall attest thereto and shall within fifteen days of its adoption cause it or a summary of it to be published in the Press Enterprise, a newspaper published and circulated in the City of Corona; and thereupon and thereafter this ordinance shall take effect and be in force according to law.

SECTION 19. Effective Date. This Ordinance shall take effect thirty (30) days following its adoption by the City Council or on January 1, 2020, whichever is later.

ADOPTED this 20th day of November, 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona

CERTIFICATION

I, SYLVIA EDWARDS, City Clerk of the City of Corona, California, do hereby certify that the foregoing Ordinance was regularly introduced at a regular meeting of the City Council of the City of Corona, California, duly held the 6th day of November, 2019 and thereafter at a regular adjourned meeting held on the 20th day of November, 2019, it was duly passed and adopted by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 20th day of November 2019.

City Clerk of the City of Corona, California

(SEAL)



Agenda Report

File #: 19-0966

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Police Department

SUBJECT:

City Council consideration of Ordinance No. 3307, first reading of an Ordinance of the City of Corona, California amending Chapter 1.12 of the Corona Municipal Code to clarify the procedures by which the City can retain or dispose of certain unclaimed property.

RECOMMENDED ACTION:

That the City Council introduce by title only and waive full reading of Ordinance 3307, first reading of an Ordinance amending Chapter 1.12 of the Corona Municipal Code to clarify the procedures by which the City can retain or dispose of certain unclaimed property.

ANALYSIS:

The Police Department receives excessive items of unclaimed property, which requires certain retention and disposition procedures as outlined in the Corona Municipal Code ("CMC") Chapter 1.12. Currently, CMC Chapter 1.12 restricts the disposition of such property to an auction procedure, thus limiting the potential for the Police Department to donate items or goods that can be utilized for homeless or other public purposes to a charitable, civic or non-profit organization. In most circumstances the goods sought to be donated are bicycles, as the Police Department has sent an average of 36 bicycles per year to auction from 2014 to 2018. As can be seen in the attached redline version of the proposed ordinance, the proposed amendments to CMC Chapter 1.12 will now authorize the City to retain such property for the purpose of allowing the Police Department to donate unclaimed items to Council approved organizations pursuant to a mutually accepted agreement.

Additionally, the Police Department has experienced uncertainty with regards to the disposition and handling of found money versus money held as evidence or potential evidence for the court's use and retained in the City's official custody. While money held as evidence must be held for several years and disposed of pursuant to Government Code Section 50050 et seq., found money can be held and disposed of pursuant to CMC Chapter 1.12. As can be seen in the attached redline version of the proposed ordinance, the proposed amendments to CMC Chapter 1.12 clarify this distinction and provide that the Chief of Police is authorized to retain found money for the purpose of returning ϵ^{252}

portion of it to the person(s), organizations(s) and/or other entity(ies) responsible for turning it over to the City. Staff has done this on occasion and believes that it is in the public's interest to encourage the public to turn over found money to the Police Department by codifying this practice.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

There is no direct fiscal impact associated with the recommended action.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project under the California Environmental Quality Act.

PREPARED BY: BOB NEWMAN, POLICE LIEUTENANT

REVIEWED BY: JERRY RODRIGUEZ, POLICE CAPTAIN

REVIEWED BY: GEORGE JOHNSTONE, CHIEF OF POLICE

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachments:

1. Ordinance No. 3307 (Redline)
2. Ordinance No. 3307 (Clean)

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF CORONA,
CALIFORNIA, AMENDING SECTIONS 1.12.020 AND
_____ OF THE CORONA MUNICIPAL CODE TO
CLARIFY THE AUTHORIZED METHODS FOR
DISPOSING OF CERTAIN UNCLAIMED PROPERTY
HELD BY THE CITY**

WHEREAS, Chapter 1.12 of the Corona Municipal Code (“CMC”), which is adopted pursuant to the regulatory authority provided for in California Civil Code Section 2080.6, governs the manner in which the City retains and disposes of certain unclaimed property provided to or otherwise held by the City;

WHEREAS, unclaimed money held by the Police Department as evidence or potential evidence for the court’s use is not disposed of pursuant to CMC Chapter 1.12; rather, it is disposed of pursuant to Government Code Section 50050 et seq., as it is deemed to be held in the City’s official custody;

WHEREAS, other unclaimed money which is provided to the City is deemed to be held in the City’s unofficial custody and is thus disposed of pursuant to CMC Chapter 1.12;

WHEREAS, CMC Chapter 1.12 currently authorizes unclaimed property to either be retained by the City for a public use or auctioned off to the public;

WHEREAS, the City believes it is in the public’s interest to allow unclaimed property, such as bicycles and other goods that can be utilized for homeless or other charitable purposes, to sometimes be retained by the City for the purpose of donating them to other public agencies or to charitable, civic or non-profit organizations;

WHEREAS, the City believes it is in the public’s interest to encourage the public to turn over found money to the Police Department; and

WHEREAS, such encouragement can occur by clarifying that money held in the City’s unofficial custody shall be retained by the City for the purpose of returning a portion of it to those responsible for turning the money over to the City, after deducting amounts reasonably necessary to reimburse the City for its investigative and other operational and administrative expenses incurred with respect to the unclaimed money.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA,
CALIFORNIA DOES ORDAIN AS FOLLOWS:**

SECTION 1. Section 1.12.020 (Definitions) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“1.12.020 Definitions.

For the purposes of this chapter, certain words and phrases have the following meanings.

- (A) "City" means the City of Corona, its officers, officials and employees.
- (B) "Shall" is mandatory.
- (C) "May" is permissive.
- (D) "Police Department" means the Corona Police Department, its chief, officers and personnel.
- (E) "Unclaimed property" means, except as provided herein, any and all properties entrusted to or found by the Police Department or other city departments which the legal and rightful owner has left unclaimed. Unclaimed property shall not include money held by the Police Department as evidence or potential evidence for the court's use, which shall be deemed to be held in the City's official custody pursuant to Government Code Section 50050 et seq. and disposed of according to such provisions.
- (F) "Bicycle" shall mean a bicycle, tricycle or similar self-propelled vehicle."

SECTION 2. Section 1.12.040 (Auction) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“1.12.040 ~~Auction~~ Disposition of unclaimed property.

- (A) Options. After unclaimed property has been held for the required period, the unclaimed property may be:
 - (1) ~~Auctioned~~ Publicly auctioned off at a time convenient to the Police Department and the City Manager; or
 - (2) Retained by the city ~~if it is determined by the City Manager that such property is needed for public~~

~~use~~ for the purposes provided for in Section 1.12.040 (C) and (D); or

(3) Retained by the city if it is otherwise determined by the City Manager that such property is needed for public use.

(B) ~~Notice of an auction for~~ Public Auctions. If auctioned, the ~~sale of~~ unclaimed property shall be sold to the highest bidder. Notice of the auction shall be given by the Chief of Police, or designee, at least five days before the time fixed for the auction by publication once in ~~The Daily Independent, a newspaper of general circulation published in Riverside County. Any property remaining unsold after~~ At the auction, all unclaimed property previously advertised shall be sold to the highest bidder.” may be retained by the City, destroyed or otherwise disposed of in any manner determined reasonable by the City Manager or designee.

(C) Donations. The City finds and determines that there is a public use and purpose in the City retaining the unclaimed property so that it may be donated to other public agencies or to charitable, civic or non-profit organizations. Any such donation shall be approved by the City Council pursuant to an agreement or other written document with the receiving entity.

(D) Money. The City finds and determines that there is a public use and purpose in the City retaining money held in the City’s unofficial custody for the purpose of returning a portion of it to the person(s), organization(s) and/or other entity(ies) responsible for turning it over to the City. Those responsible shall be determined by the Chief of Police in his/her sole discretion. The portion returned shall be determined by the Chief of Police, after he/she reasonably deducts an amount necessary to reimburse the City for its investigative and other operational and administrative expenses incurred with respect to the unclaimed money.”

SECTION 3. Section 1.12.050 (Property Held as Evidence) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“1.12.050 Property held as evidence.

As provided for in Section 1.12.020 above, Pproperty held by the Police Department as evidence or potential evidence for the court's use is deemed to be held in the City's official custody, pursuant to Government Code Section 50050 et seq., and shall be exempted and excluded from this chapter ~~as long as the court needs such evidence~~. After the court has completed its use of the property, ~~and~~ if it is not claimed by the legal owner it shall be disposed of pursuant to Government Code Section 50050 et seq ~~at this time, the property shall be processed as unclaimed property pursuant to this chapter.~~"

SECTION 4. The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall within fifteen (15) days of its adoption cause it, or a summary of it, to be published in a general circulation newspaper published and circulated in the City of Corona. This Ordinance shall take effect and be in force on the 30th day after its adoption.

ADOPTED this _____ day of _____, 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, SYLVIA EDWARDS, City Clerk of the City of Corona, California, do hereby certify that the foregoing Ordinance was regularly introduced at a regular meeting of the City Council of the City of Corona, California, duly held the _____ day of _____, 2019, and thereafter at a regular meeting thereof held on the _____ day of _____, 2019, it was duly passed and adopted by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this _____ day of _____, 2019.

City Clerk of the City of Corona, California

SUMMARY

On _____, the Corona City Council will consider adopting an ordinance to amend Section 9.20.010 of the Corona Municipal Code to clarify when a special event permit is required, including when required by Chapter 12.24 or for an event involving the sale, possession or consumption of alcoholic beverages within City property or facilities authorized pursuant to Section 9.22.020 of the Corona Municipal Code. A certified copy of the full text of this proposed Ordinance is posted in the City Clerk's Office.

The City Council meets at 6:30 p.m. in the Council Chambers in the Corona City Hall, located at 400. South Vicentia Ave. The City Clerk's Office is located in City Hall near the Council Chambers.

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF CORONA,
CALIFORNIA, AMENDING SECTIONS 1.12.020 AND
_____ OF THE CORONA MUNICIPAL CODE TO
CLARIFY THE AUTHORIZED METHODS FOR
DISPOSING OF CERTAIN UNCLAIMED PROPERTY
HELD BY THE CITY**

WHEREAS, Chapter 1.12 of the Corona Municipal Code (“CMC”), which is adopted pursuant to the regulatory authority provided for in California Civil Code Section 2080.6, governs the manner in which the City retains and disposes of certain unclaimed property provided to or otherwise held by the City;

WHEREAS, unclaimed money held by the Police Department as evidence or potential evidence for the court’s use is not disposed of pursuant to CMC Chapter 1.12; rather, it is disposed of pursuant to Government Code Section 50050 et seq., as it is deemed to be held in the City’s official custody;

WHEREAS, other unclaimed money which is provided to the City is deemed to be held in the City’s unofficial custody and is thus disposed of pursuant to CMC Chapter 1.12;

WHEREAS, CMC Chapter 1.12 currently authorizes unclaimed property to either be retained by the City for a public use or auctioned off to the public;

WHEREAS, the City believes it is in the public’s interest to allow unclaimed property, such as bicycles and other goods that can be utilized for homeless or other charitable purposes, to sometimes be retained by the City for the purpose of donating them to other public agencies or to charitable, civic or non-profit organizations;

WHEREAS, the City believes it is in the public’s interest to encourage the public to turn over found money to the Police Department; and

WHEREAS, such encouragement can occur by clarifying that money held in the City’s unofficial custody shall be retained by the City for the purpose of returning a portion of it to those responsible for turning the money over to the City, after deducting amounts reasonably necessary to reimburse the City for its investigative and other operational and administrative expenses incurred with respect to the unclaimed money.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CORONA,
CALIFORNIA DOES ORDAIN AS FOLLOWS:**

SECTION 1. Section 1.12.020 (Definitions) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“1.12.020 Definitions.

For the purposes of this chapter, certain words and phrases have the following meanings.

- (A) "City" means the City of Corona, its officers, officials and employees.
- (B) "Shall" is mandatory.
- (C) "May" is permissive.
- (D) "Police Department" means the Corona Police Department, its chief, officers and personnel.
- (E) "Unclaimed property" means, except as provided herein, any and all properties entrusted to or found by the Police Department or other city departments which the legal and rightful owner has left unclaimed. Unclaimed property shall not include money held by the Police Department as evidence or potential evidence for the court's use, which shall be deemed to be held in the City's official custody pursuant to Government Code Section 50050 et seq. and disposed of according to such provisions.
- (F) "Bicycle" shall mean a bicycle, tricycle or similar self-propelled vehicle."

SECTION 2. Section 1.12.040 (Auction) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

“1.12.040 Disposition of unclaimed property.

- (A) Options. After unclaimed property has been held for the required period, the unclaimed property may be:
 - (1) Publicly auctioned off at a time convenient to the Police Department and the City Manager; or
 - (2) Retained by the city for the purposes provided for in Section 1.12.040 (C) and (D); or

- (3) Retained by the city if it is otherwise determined by the City Manager that such property is needed for public use.
- (B) Public Auctions. If auctioned, the unclaimed property shall be sold to the highest bidder. Notice of the auction shall be given by the Chief of Police, or designee, at least five days before the time fixed for the auction by publication once in a newspaper of general circulation published in Riverside County. Any property remaining unsold after the auction may be retained by the City, destroyed or otherwise disposed of in any manner determined reasonable by the City Manager or designee.
- (C) Donations. The City finds and determines that there is a public use and purpose in the City retaining the unclaimed property so that it may be donated to other public agencies or to charitable, civic or non-profit organizations. Any such donation shall be approved by the City Council pursuant to an agreement or other written document with the receiving entity.
- (D) Money. The City finds and determines that there is a public use and purpose in the City retaining money held in the City's unofficial custody for the purpose of returning a portion of it to the person(s), organization(s) and/or other entity(ies) responsible for turning it over to the City. Those responsible shall be determined by the Chief of Police in his/her sole discretion. The portion returned shall be determined by the Chief of Police, after he/she reasonably deducts an amount necessary to reimburse the City for its investigative and other operational and administrative expenses incurred with respect to the unclaimed money."

SECTION 3. Section 1.12.050 (Property Held as Evidence) of the Corona Municipal Code is hereby amended in its entirety to read as follows:

"1.12.050 Property held as evidence.

As provided for in Section 1.12.020 above, property held by the Police Department as evidence or potential evidence for the court's use is deemed to be held in the City's official custody, pursuant to Government Code Section 50050 et seq., and shall be exempted and excluded from this chapter. After the court has completed its use of the property, if it is not claimed by the legal owner it shall

be disposed of pursuant to Government Code Section 50050 et seq.”

SECTION 4. The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall within fifteen (15) days of its adoption cause it, or a summary of it, to be published in a general circulation newspaper published and circulated in the City of Corona. This Ordinance shall take effect and be in force on the 30th day after its adoption.

ADOPTED this _____ day of _____, 2019.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, SYLVIA EDWARDS, City Clerk of the City of Corona, California, do hereby certify that the foregoing Ordinance was regularly introduced at a regular meeting of the City Council of the City of Corona, California, duly held the _____ day of _____, 2019, and thereafter at a regular meeting thereof held on the _____ day of _____, 2019, it was duly passed and adopted by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this _____ day of _____, 2019.

City Clerk of the City of Corona, California

SUMMARY

On _____, the Corona City Council will consider adopting an ordinance to amend Section 9.20.010 of the Corona Municipal Code to clarify when a special event permit is required, including when required by Chapter 12.24 or for an event involving the sale, possession or consumption of alcoholic beverages within City property or facilities authorized pursuant to Section 9.22.020 of the Corona Municipal Code. A certified copy of the full text of this proposed Ordinance is posted in the City Clerk's Office.

The City Council meets at 6:30 p.m. in the Council Chambers in the Corona City Hall, located at 400. South Vicentia Ave. The City Clerk's Office is located in City Hall near the Council Chambers.



Agenda Report

File #: 19-0995

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration to receive and file the auditor's reports related to the Fiscal Year 2018-19 Annual Financial Audits, Auditor's Communication, Comprehensive Annual Financial Report, Development Impact Fees Annual Report, and the Annual Report on Voter Approved Debt for fiscal year ended June 30, 2019

RECOMMENDED ACTION:

That the City Council:

1. Receive and file the Auditor's Report on Agreed-Upon Procedures Applied to Appropriations Limit Worksheets for the fiscal year ended June 30, 2019.
2. Receive and file the Auditor's Report on Agreed-Upon Procedures Applied to the Investment Portfolio Report for the month ended June 30, 2019.
3. Receive and file the Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements dated November 7, 2019.
4. Receive and file the Auditor's Report on Compliance with Applicable Requirement and on Internal Control over Compliance for the Housing Successor dated November 7, 2019.
5. Receive and file the transmittal of the Trip Reduction Fund Audit Report for fiscal year ended June 30, 2019.
6. Receive and file the Auditor's Communication letter to the City Council from the City's audit firm, Lance, Soll & Lunghard, LLP, dated November 7, 2019.

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7. Receive and file the transmittal of the Comprehensive Annual Financial Report of the City of Corona for fiscal year ended June 30, 2019.
8. Receive and file the transmittal of the Development Impact Fees Annual Report for fiscal year ended June 30, 2019.
9. Receive and file the transmittal of the Annual Report on Voter Approved Debt for fiscal year ended June 30, 2019.

ANALYSIS:

The annual audits of the financial statements of the City of Corona ("City") and its component units were completed on November 7, 2019. The Comprehensive Annual Financial Report ("CAFR") was prepared in accordance with all applicable accounting standards and financial reporting requirements outlined by the Governmental Accounting Standards Board. The City contracted an independent audit firm, Lance, Soll & Lughard, LLP ("LSL"), to perform an annual audit. LSL has issued an unmodified opinion of the City's financial statements for the fiscal year ended June 30, 2019. An unmodified opinion concludes that the financial statements of the City are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The independent audit of the financial statements of the City is part of a broader, federally mandated audit of state and local governments ("Single Audit") designed to meet the special needs of federal granting agencies. The standards governing the Single Audit require the auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements.

The CAFR is also a required component of continuing disclosure to the bond holders as covenanted by certain bond issues.

The Auditor's Report on Compliance with Applicable Requirement and on Internal Control over Compliance for the Housing Successor has been prepared and will be submitted in accordance with the requirements of Senate Bill No. 341.

The Annual Report of Developer Impact Fees has been prepared as required by Government Code Section 66006, also known as AB1600.

The Annual Report of Voter Approved Debt provides information on voter approved debt issued on or after January 1, 2001 and has been prepared and submitted in accordance with Government Section Code Section 53411.

COMMITTEE ACTION:

Not applicable

STRATEGIC PLAN:

This item supports the City's Strategic Plan Goal 6: Improve Communications with Our Community; Objective a: Commit to transparency in all City actions. The recommended action will help achieve these goals by communicating the annual audit results to the City Council and the public.

FISCAL IMPACT:

There are no fiscal impacts related to receiving and filing the auditor's reports and various annual financial reports. The fees for the City's annual financial audit services are provided for in the annual operating budgets of the General Fund, the Department of Water and Power funds and various special revenue and debt service funds.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the 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 receipt and filing of the various annual financial reports, communication from the City's auditor, and other compliance reports may have a significant effect on the environment, the action is not subject to CEQA.

PREPARED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES
DIRECTOR

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON
PROCEDURES APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS

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

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet No. 6 (or other alternative computation) of the City of Corona, California, for the year ended June 30, 2019. These procedures, which were agreed to by the City of Corona and the League of California Cities (as presented in the publication entitled Agreed-Upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution), were performed solely to assist the City of Corona in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The City of Corona's management is responsible for the Appropriations Limit Worksheet No. 6 (or other alternative computation).

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed Worksheets No. 1 through No. 7 (or other alternative computations) and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Worksheet No. 6, we multiplied line A, last year's limit, by line D, ratio of change, and agreed the resulting amount to line E, this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the current year information presented in the accompanying Appropriations Limit Worksheet No. 6 to the other worksheets described in No. 1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We compared the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet No. 6 to the prior year appropriations limit adopted by the City Council for the prior year.

Finding: No exceptions were noted as a result of our procedures.



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

We were not engaged to and did not perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit Worksheet No. 6. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by the League publication entitled Article XIII B Appropriations Limitation Uniform Guidelines.

This report is intended solely for the use of the City Council and Management of the City of Corona, California and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Lance, Soll & Lughard, LLP

Brea, California
April 17, 2019

CITY OF CORONA
2018-2019
APPROPRIATIONS LIMIT CALCULATION

A.	2017-2018 APPROPRIATIONS LIMIT:	\$ 505,770,687
B.	2018-2019 CHANGE IN PER CAPITA PERSONAL INCOME:	3.67%
C.	2018-2019 CHANGE IN POPULATION:	1.40%
D.	RATIO OF CHANGE (1.0367 X 1.01400299):	x <u>1.05121690</u>
E.	2018-2019 APPROPRIATIONS LIMIT: (\$505,770,687 X 1.05121690)	<u>\$ 531,674,691</u>

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, which were agreed to by the City Council and the management of the City of Corona, California (the City), solely to assist the City in evaluating the Investment Portfolio Report for the month ended June 30, 2019, for compliance with the provisions of the California Government Code and with the City's investment policy dated August 1, 2018. The management of the City of Corona is responsible for the Investment Portfolio Report for the month ended June 30, 2019. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Scope of the Procedures Performed and Related Findings

The procedures performed and the results obtained from the performance thereof were as follows:

1. We obtained a copy of the Investment Portfolio Report as of June 30, 2019 and agreed individual investments/deposits to supporting documentation obtained from the City and reconciled such to the Investment Portfolio Report. We traced total investments listed on the Investment Portfolio Report to the City's general ledger.

Finding: No exceptions were noted as a result of our procedures.

2. We compared the investments listed in the Investment Portfolio Report as of June 30, 2019, to the types of investments authorized for the City by the City's investment policy and California Government Code §53601.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the market value of the investments listed in the Investment Portfolio Report as of June 30, 2019 to bank statements and other supporting documentation.

Recommendation: We noted one exception as a result of our procedures. The Investment Portfolio Report reported one investment, in the amount of \$144,125.00, not noted on the Trustee's bank statement as of June 30, 2019. Per further investigation, it was noted that it was due to a timing difference since the investment was purchased on June 30. As a result, the transaction did not go through the Trustee until July 1. Due to the timing difference, this transaction is considered a reconciling item at June 30, 2019. We recommend a reconciliation of the two reports be prepared at the end of the fiscal year to ensure the market value of investments is properly recorded.

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

4. We read the Investment Portfolio Report to ascertain if it contained the information/data required by California Government Code §53646 and met the timing requirements of California Government Code §53646, as follows:
 - a. Included type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and monies held by the City.
 - b. Included those funds under management of contracted parties.
 - c. Included market value (and source) as of the date of the report of all securities held by the City or under management of contracted parties.
 - d. Stated compliance of the portfolio to the investment policy of the City.
 - e. Included a statement addressing the ability of the City to meet the pool's expenditure requirements for the next six months.

Finding: No exceptions were noted as a result of our procedures.

5. We compared the investments listed in the Investment Portfolio Report as of June 30, 2019, to the prohibited investments listed in California Government Code §53601.6.

Finding: No exceptions were noted as a result of our procedures.

6. We calculated the totals (cost basis) for the investment types listed in the Investment Portfolio Report as of June 30, 2019 and compared those totals to the limitations imposed by the City's investment policy and California Government Code §53601 for specified investment types.

Finding: No exceptions were noted as a result of our procedures.

7. We agreed individual investment maturity dates listed in the Investment Portfolio Report as of June 30, 2019, to the City's copies of investment statements to determine if they conformed to the maturity requirements of the City's investment policy and California Government Code §53601.

Finding: No exceptions were noted as a result of our procedures.

8. We obtained and read the third-party custodial agreements and broker/dealer agreements in effect at the date of the Investment Portfolio Report to determine if the agreements contained a clause addressing delivery of securities and that the delivery method conformed to California Government Code §53601.

Finding: No exceptions were noted as a result of our procedures.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Investment Portfolio Report dated June 30, 2019. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



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

This report is intended solely for the information and use of the City Council and management of the City of Corona and is not intended to be, and should not be used by anyone other than these specified parties.

Lance, Soll & Lingham, LLP

Brea, California
November 7, 2019

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corona, California, (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 7, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies to be material weaknesses:

Capital Assets Accounting for Internal Service funds

During our audit, we noted the City's financial statements required a restatement of net position of the Fleet Internal Service fund in the amount of \$1,845,752 to capitalize assets, which were expensed in the Fleet fund in previous years. These amounts were capitalized as assets in the Government Wide-statements of the City but not included in the Internal service fund where they were purchased. We recommend the City implement a process for reviewing any purchases of assets within the Internal service funds and ensuring that they are properly capitalized within the funds purchased.



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

Management Response:

The City has capitalized fleet assets in the Government Wide-Statements of the City since the City's implementation of GASB 34 in 1999. We were unaware that the fleet assets should have been capitalized in the Internal Service fund. This is the first time we were made aware of the error. As soon as we were notified, we promptly made the correction. The City currently reviews the purchase of all assets and will ensure that all future Internal Service fund purchases are properly capitalized in the Internal Service Fund.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Findings

The City's response to the findings identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

City Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brea, California
November 7, 2019

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENT AND ON INTERNAL CONTROL OVER COMPLIANCE

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

Report on Compliance for the Housing Successor

We have audited the City of Corona Housing Successor's (Housing Successor) compliance with the type of compliance requirements described in the California Health and Safety Code sections applicable to California Housing Successor Agencies for the year ending June 30, 2019.

Management's Responsibility

Management is responsible for compliance with the California Health and Safety Code sections applicable to California Housing Successor Agencies.

Auditor's Responsibility

Our responsibility is to express an opinion on the Housing Successor's compliance with the California Health and Safety Code sections applicable to California Housing Successor Agencies. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the *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 noncompliance with the types of compliance requirements referred above that could have a direct and material effect on Housing Successor occurred. An audit includes examining, on a test basis, evidence about the Housing Successor's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Housing Successor. However, our audit does not provide a legal determination of the Housing Successor's compliance with those requirements.

Opinion

In our opinion, the Housing Successor complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its Housing Successor for the year ending June 30, 2019.

Report on Internal Control over Compliance

Management of the Housing Successor is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Successor's internal control over compliance with the types of requirements that could have a direct and material effect on the Housing Successor to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance and to test and report on internal controls over compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.



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

Accordingly, we do not express an opinion on the effectiveness of the Housing Successor's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance of California Health and Safety Code sections applicable to California Housing Successor Agencies on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of California Health and Safety Code sections applicable to California Housing Successor Agencies will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Excess/Surplus Calculation

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corona, California, as of and for the year ended June 30, 2019, and have issued our report thereon dated November 7, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying report on excess/surplus calculation is presented for purposes of additional analysis only and is not a required part of the financial statements. Such information is the responsibility of management and was derived from the financial statements. The report on excess/surplus calculation has 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.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of California Health and Safety Code sections applicable to California Housing Successor Agencies. Accordingly, this communication is not suitable for any other purpose.

Brea, California
November 7, 2019

CITY OF CORONA HOUSING SUCCESSOR

COMPUTATION OF HOUSING SUCCESSOR
EXCESS SURPLUS (HSC 34176.1)

	Low and Moderate Housing Funds All Project Area July 1, 2018	Low and Moderate Housing Funds All Project Area July 1, 2019
Opening Fund Balance	\$ 28,202,577	\$ 28,397,567
Less Unavailable Amounts:		
Land held for resale	\$ (1,129,388)	\$ (1,189,388)
Long-term receivables	(12,122,577)	(9,942,191)
Loans receivable	(7,992,099)	(7,708,385)
Encumbrances	(2,000,000)	(2,000,000)
	<u>(23,244,064)</u>	<u>(20,839,964)</u>
Available Housing Successor Funds	4,958,513	7,557,603
Limitation (greater of \$1,000,000 or four years deposits)		
Aggregate amount deposited for last four years:		
2018-2019	\$ -	\$ 378,540
2017-2018	2,209,511	2,209,511
2016-2017	889,286	889,286
2015-2016	890,513	890,513
2014-2015	1,235,535	-
Total	<u>\$ 5,224,845</u>	<u>\$ 4,367,850</u>
Base Limitation	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Greater amount	<u>5,224,845</u>	<u>4,367,850</u>
Computed Excess/Surplus	<u>NONE</u>	<u>\$ 3,189,753 *</u>

* It is noted that you had an excess surplus in the fiscal year beginning July 1, 2019.

Please note: In accordance with HSC34176.1(d) If a housing successor has an excess surplus, the housing successor shall encumber the excess surplus for the purposes described in paragraph (3) of subdivision (a) or transfer the funds pursuant to paragraph (2) of subdivision (c) within three fiscal years. If the housing successor fails to comply with this subdivision, the housing successor, within 90 days of the end of the third fiscal year, shall transfer any excess surplus to the Department of Housing and Community Development for expenditure pursuant to the Multifamily Housing Program or the Joe Serna, Jr. Farmworker Housing Grant Program. For purposes of this subdivision, "excess surplus" shall mean an unencumbered amount in the account that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the account during the housing successor's preceding four fiscal years, whichever is greater.



CITY OF CORONA, CALIFORNIA TRIP REDUCTION FUND JUNE 30, 2019

FINANCIAL STATEMENTS

Focused
on YOU



CITY OF CORONA, CALIFORNIA
TRIP REDUCTION FUND

FINANCIAL STATEMENTS

JUNE 30, 2019

CITY OF CORONA
TRIP REDUCTION FUND
FINANCIAL STATEMENTS
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INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the Trip Reduction Fund of the City of Corona as of and for the year ended June 30, 2019, and the notes to the financial statements, which collectively comprise the Air Quality Improvement Trust Fund of the City of Corona's 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 financial position of the Trip Reduction Fund of the City of Corona at June 30, 2019, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



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

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Trip Reduction Fund and do not purport to, and do not, present fairly the financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information as listed in the table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2019, on our consideration of the Air Quality Improvement Trust Fund'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Brea, California
November 7, 2019

CITY OF CORONA
TRIP REDUCTION FUND

BALANCE SHEET
JUNE 30, 2019

	<u>Governmental Funds</u>
Assets	
Cash and investments	\$ 1,372,721
Accounts receivable	56,685
Interest receivable	<u>6,648</u>
Total Assets	<u>1,436,054</u>
Fund Balance	
Reserved for:	
Restricted for trip reduction	<u>1,436,054</u>
Total Fund Balance	<u>1,436,054</u>
Total Liabilities and Fund Balance	<u>\$ 1,436,054</u>

**CITY OF CORONA
TRIP REDUCTION FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2019**

	Governmental Funds
Revenues	
Intergovernmental	\$ 218,650
Interest income	51,539
Other Revenues	<u>28,350</u>
Total Revenues	<u>298,539</u>
Expenditures	
Clean air program costs	17,309
Administrative	<u>1,148</u>
Total Expenditures	<u>18,457</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	280,082
Fund Balance, Beginning of Year	<u>1,155,972</u>
Fund Balance, End of Year	<u><u>\$ 1,436,054</u></u>

**CITY OF CORONA
TRIP REDUCTION FUND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2019**

Note 1: Description of the Reporting Entity

The City of Corona Trip Reduction Fund was formed in 1993 to account for allocations made by AB 2766 known as the Clean Air Act. The revenue provides means and incentives for programs to reduce traffic and air pollution. The City performs all administrative and accounting functions. The accounting policies of the Trip Reduction Fund are in conformity with generally accepted accounting principles in the United States applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The financial statements present only the Trip Reduction Fund and are not intended to present fairly the financial position and results of operations of the City of Corona in conformity with accounting principles generally accepted in the United States of America. Complete financial statements of the City can be obtained from the City's Finance Department.

Note 2: Summary of Significant Accounting Policies

a. Fund Accounting

In order to ensure the proper identification of individual revenue sources and the expenditures made from those revenues, the Trip Reduction Fund is organized on the basis of an individual fund which is considered a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures, as follows:

Governmental Fund Type:

Special Revenue Fund – The special revenue fund is used to account for the proceeds of specific revenue sources that are restricted by law to expenditures for a specific purpose. As with all governmental funds, the special revenue fund is accounted for on a spending or “current financial resources” measurement focus which means that current assets and current liabilities are generally included on its balance sheet. The reported fund balance is the net current assets, which is considered only to be a measure of “available spendable resources.”

b. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds are recognized when they become measurable and available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts which could not be measured or were not available were not accrued as revenue in the current fiscal year. Expenditures are also generally recognized under the modified accrual basis of accounting which means that expenditures are generally recorded at the time liabilities are incurred.

c. Fund Balances

Governmental fund balance represents the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. Portions of a fund's balance may be restricted for future expenditures.

**CITY OF CORONA
TRIP REDUCTION FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Intergovernmental	\$ 210,000	\$ 218,650	\$ 8,650
Interest income	25,682	51,539	25,857
Other Revenues	9,200	28,350	19,150
Total Revenues	244,882	298,539	53,657
Expenditures:			
Clean air program costs	555,781	17,309	538,472
Administrative	2,088	1,148	940
Total Expenditures	557,869	18,457	539,412
Excess (Deficiency) Revenue Over (Under) Expenditures	(312,987)	280,082	593,069
Fund Balance, Beginning of Year	1,155,972	1,155,972	-
Fund Balance, End of Year	\$ 842,985	\$ 1,436,054	\$ 593,069

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH APPLICABLE REQUIREMENTS AND ON INTERNAL CONTROL OVER COMPLIANCE

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

Report on Compliance of the Air Quality Improvement Trust Fund

We have audited the compliance of the Trip Reduction Fund of the City of Corona, California (the "City") with the types of compliance requirements described in Assembly Bill 2766, Chapter 1705 (44220 through 44247) for the year ended June 30, 2019.

Management's Responsibility for the Financial Statements

Management is responsible for compliance with the requirements of Assembly Bill 2766, Chapter 1705 (44220 through 44247).

Auditor's Responsibility

Our responsibility is to express opinions on compliance with the requirements of Assembly Bill 2766, Chapter 1705 (44220 through 44247). We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and Assembly Bill 2766, Chapter 1705 (44220 through 44247). Those standards and Assembly Bill 2766, Chapter 1705 (44220 through 44247) require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a material effect on the Air Quality Improvement Trust Fund occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Air Quality Improvement Trust Fund

In our opinion, the City complied, in all material respects, with the types of compliance that could have a direct and material effect on requirements referred to above applicable to the Air Quality Improvement Trust Fund for the year ended June 30, 2019.



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

Report on Internal Control Over Compliance of the Air Quality Improvement Trust Fund

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the Air Quality Improvement Trust Fund to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance will not be prevented or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or, significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Assembly Bill 2766, Chapter 1705 (44220 through 44247). Accordingly, this communication is not suitable for any other purpose.

Brea, California
November 7, 2019

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF THE TRIP REDUCTION FUND OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the 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, the Trip Reduction Fund financial statements of the City of Corona, California, (the "City") as of and for the year ended June 30, 2019, and the related notes to the financial statements and have issued our report thereon dated November 7, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brea, California
November 7, 2019

CITY OF CORONA
TRIP REDUCTION FUND

SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR FISCAL YEAR ENDED JUNE 30, 2019

Note 1: Cash and Investments

The Trip Reduction Fund participates in the City's pooled cash and investments (the pool). The June 30, 2019 cash and investment balance of \$1,372,721 represents the Trip Reduction Fund's share of the pool. Information relating to the City's cash and investments can be found in the City's financial statements.

<u>Findings / Recommendations</u>	<u>Questioned Costs</u>
None	\$ -

November 7, 2019

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corona, California (the City) for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 11, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2018-2019.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

Management's estimates of its net pension liability and net other postemployment benefits liability based on actuarial valuation specialist assumptions. We evaluated the key factors and assumptions used to develop the net pension liability and net other postemployment benefits liability in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.



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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, we detected misstatements as a result of audit procedures which were material, and were subsequently corrected by management. The details of these misstatements are described in a separate letter dated November 7, 2019.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 7, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, the budgetary comparison schedules for the general fund, the modified approach for the City's infrastructure assets, the schedules of changes in net pension liability and related ratios, the schedules of plan contributions, the schedule of proportionate share of the net pension liability, the schedule of changes in net OPEB liability and related ratio, and the schedule of contributions - OPEB, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.



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

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has 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 it.

New Accounting Standards

The following new Governmental Accounting Standards Board (GASB) pronouncements were effective for fiscal year 2018-2019 audit:

GASB Statement No. 83, *Certain Assets Retirement Obligations*.

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*.

The following Governmental Accounting Standards Board (GASB) pronouncements are effective in the following fiscal year audit and should be reviewed for proper implementation by management:

Fiscal year 2019-2020

GASB Statement No. 84, *Fiduciary Activities*.

GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statement No. 14 and No. 61*.

Fiscal year 2020-2021

GASB Statement No. 87, *Leases*.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*.

Fiscal year 2021-2022

GASB Statement No. 91, *Conduit Debt Obligations*.



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

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Corona and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Lance, Solt & Loughard, LLP

Brea, California

CITY OF CORONA, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2019



Prepared by the City of Corona Administrative Services Department

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CITY OF CORONA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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Government Finance Officers Association

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Presented to

**City of Corona
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO





November 20, 2019

To the Honorable Mayor, City Council, and Citizens of the City of Corona, California:

It is with great pleasure that we present to you the City of Corona's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The CAFR is published to serve two purposes. First, it outlines accountability for public tax dollars and the services that are funded by these resources. Second, it communicates the results of operations and the City's financial position to its constituents and provides a vital framework for future decisions about programs and services.

In order to ensure the reliability of the information contained herein, the City contracted an independent audit firm, Lance, Soll & Lunghard, LLP, to perform an annual audit. The goal of the audit is to provide reasonable assurance that the City's financial statements are free from material misstatement. Lance, Soll & Lunghard, LLP issued an unmodified opinion for the City's financial statements for the fiscal year ended June 30, 2019. An "unmodified opinion" is defined as follows: The auditor concludes that the financial statements of a given entity are presented fairly, in all material respects, in accordance with generally accepted accounting principles.

Management is responsible for both the accuracy of the financial report and the completeness and fairness of the presentation. To the best of our knowledge, the information presented is accurate in all material aspects and includes all disclosures necessary to enable the reader to gain a reasonable understanding of the City's financial activities. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the CAFR. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance, that the financial statements are free from material misstatement.

The CAFR is prepared using the financial reporting requirements outlined by the Governmental Accounting Standards Board (GASB) statements. Three sections are presented: the *Introductory Section*, the *Financial Section*, and the *Statistical Section*. This transmittal letter is included in the *Introductory Section* and is designed to complement and should be read in conjunction with the Management's Discussion and Analysis (MD&A), which is included in the *Financial Section*. The MD&A provides an overview of the City's operations and how we performed financially. The auditor's opinion letter and a complete set of financial statements are presented in the *Financial Section*. The *Statistical Section* presents historical information about the City's finances and operations, as well as demographic and economic data.

The independent audit of the financial statements of the City of Corona was part of a broader, federally mandated audit of state and local governments ("Single Audit") designed to meet the special needs of federal granting agencies. The standards governing Single Audit require the auditor to report not only on the fair presentation of the financial statements, but also on the City's internal controls and compliance with legal requirements. These reports are available in the City of Corona's separately issued Single Audit Report.

The CAFR is a required component of continuing disclosure to the bond holders as covenanted by certain bond issues.

Community Profile

The City of Corona is located approximately 45 miles southeast of Los Angeles in western Riverside County. The community is ideally situated at the base of the mountainous Cleveland National Forest on an alluvial plain leading down, or north to the Santa Ana River. Based on data provided by the California State Department of Finance, the City's population was 168,101 as of January 2019, ranked 31st largest among all cities in the State of California. The City limits cover approximately 39.4 square miles.

The City of Corona was established in 1886 and incorporated in 1896 under the general laws of the State of California. The City operates under a Council-Manager form of government. Five Corona citizens make up the Corona City Council and each is elected by-district to a four-year term of office. The Mayor is appointed annually by and from the City Council. The City's first District Election which impacted Districts 1, 4 and 5, was held in November 2018. Two remaining at-large City Council seats will transition to districts with the election cycle in 2020.

A Full-Service City

The City provides full services to its citizens, including essential services such as: public safety (police and fire), streets, electric, public library, parks, community center and other public facilities, planning and zoning, public transportation (Dial-A-Ride and Corona Cruiser programs), housing and economic development programs. Water and water reclamation services are provided through the legally separate Corona Utility Authority, which functions as a department of the City of Corona. The Corona Housing Authority and the Corona Public Financing Authority are component units of the primary City government and are financially accountable by the City. Additional information on all of these legally separated entities can be found in the Notes to the Basic Financial Statements, under the Description of Reporting Entity section.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriation approved by the City Council. Each year, a proposed budget is submitted to the City Council and a public meeting is conducted to receive taxpayer and stakeholder feedback. In recent years, the City has conducted additional community outreach to encourage as much budgetary feedback as possible. The budget is subsequently adopted by the City Council through passage of resolutions at a normally agendized meeting of the full City Council. The legal level of budgetary control is at the department level. The City Council may amend the budget to add or delete appropriations or move appropriations between funds.

Demographic and Economic Information

Demographically, the City of Corona benefits from a young median age, higher education levels, higher median incomes, and higher home values compared with Riverside County and the State. As a thriving inland community, Corona is home to young families comprised of 49,434 households averaging 3.58 persons each, with a median age of 34. Annual median family income is \$83,399, and 84.9% of the population possess a high school diploma or higher according to U.S. Census data. Median home price continues to improve with median values pushing past \$510,000.

The City of Corona continues to maintain its position as the premier location for businesses looking to relocate and expand. Centrally located between Riverside and Orange Counties, Corona's geographic position attracts highly educated and sought-after labor force. Corona continues to see improvements in several key economic indicators. Vacancy rates in industrial, commercial, and office properties continue to see positive absorption. Industrial vacancy rates continue to hover around 2.0% while commercial vacancy has dropped to 4.0%. Office vacancy rates are steadily on the decline as well, currently at 4.0%.

New industrial development has helped to expand Corona's job market, which has surpassed the pre-recession peaks. Job growth in Corona reported a 2.0% increase with employment numbers reaching 84,500 in Fiscal Year 2018-19. Major contributors of the growth are the construction and financial industries, in addition to the fast growing professional, management and technology sectors in previous years. In comparison to Orange County, the job market growth rate in Corona is 2.0% higher. This growth will continue to be fueled by the completion of 727,000 square feet of new industrial development, which is estimated to bring an additional 500 jobs in the next 18 months and the development of more than 147,000 square feet of Class A office. The strong local job market keeps the unemployment rate in Corona at 2.5%, which is approximately 1.3% below the Riverside County average.

Fiscal Year 2018-19 continued to see an expanding housing market with increased median home prices and average rents for multi-family communities. With limited development opportunities, Corona has seen a lack in housing stock, a key driver for price and equity increase. Much of Corona's recent residential development has been multi-family housing, with the exception of Sierra Bella, a new family community consisting of 237 single family homes and Bedford by the New Home Company, which will add more than 1,500 single family units to the City. The first phase of Corona's newest urban development, Main Street Metro was completed in 2012 and consisted of over 404 luxury units. The second phase completed in late 2017 added an additional 464 luxury units. The final phase completed in 2019 added 60,000 square feet of retail, changing the North Main corridor into a bustling urban setting within walking distance to Riverside County's busiest Metrolink station.

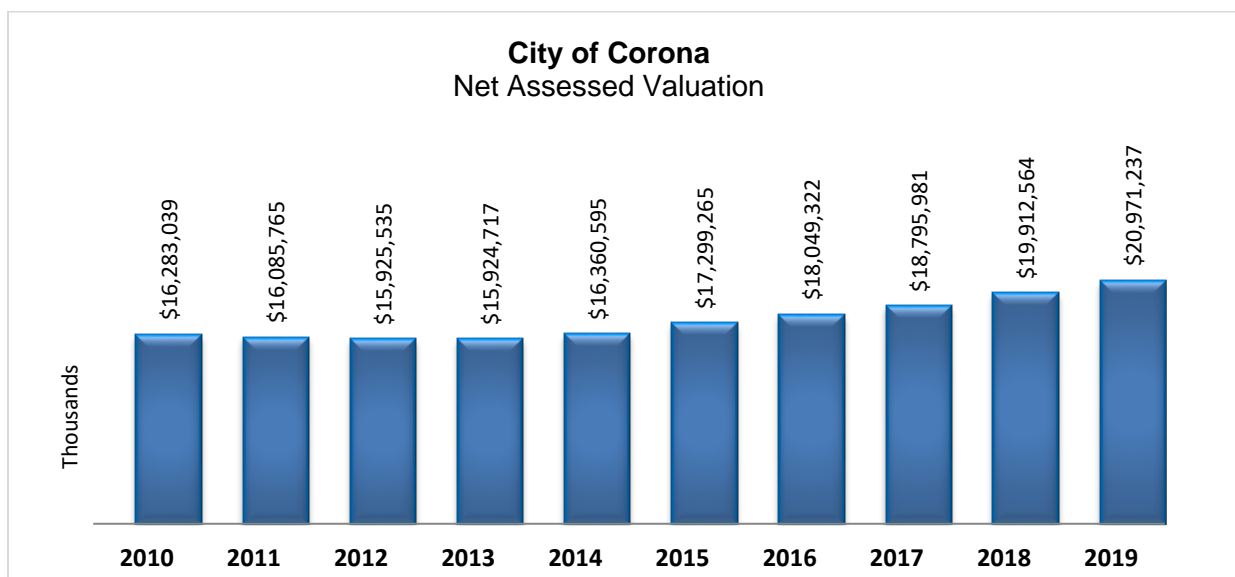
With limited opportunities for large-scale new development, Corona continues looking for opportunities to redevelop and expand currently underutilized properties. Through its ongoing commitment to stimulate the local economy, maintain essential services, and expand its labor force, the City of Corona will continue to be the premier inland Southern California city to live, work and play.

Financial Condition of the City

Nationwide, the economy continued to show strong growth during the year. The main drivers of the expansion, over the past year, are decreasing unemployment rates and the rise in home prices. In October 2018, the national unemployment rate fell to 3.6%. However, improving economic performance does not directly translate to improved financial condition for local governments, nor opportunities to fund more services. As an example, a rise in home prices does not directly correlate to the City collecting more in property taxes. With Proposition 13, property tax is capped at 1.0%, and the property's taxable value cannot increase more than 2.0% per year. At the same time, increase in fixed cost for operating city government has outpaced its revenue growth. In December 2016, CalPERS announced the reduction of the discount rate from the current 7.5% to 7.0% over the next three years, effective Fiscal Year 2018-19. Also, the CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removes the 5-year ramp-up and ramp-down on the unfunded accrued liability (UAL) bases attributable to assumption changes and non-investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019.

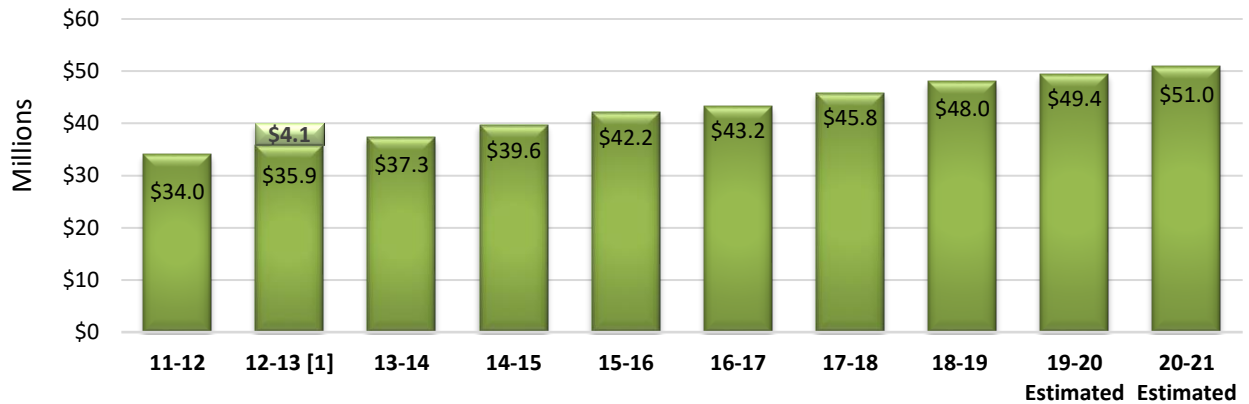
The steep increase in non-discretionary costs places significant pressure on the City's revenue generating capabilities, amid other state policies that continue to shift responsibilities to cities, without the necessary funding, increasing costs to law enforcement and public safety, and making it more difficult to maintain the expected levels of essential services for our residents. Revenue must grow at the same rate, or faster, as expenses in order to create fiscal sustainability and maintain service levels the community demands.

Property tax continues to be the largest General Fund revenue source for the City in Fiscal Year 2018-19. Total taxable assessed valuation in Corona for the year was \$21.0 billion, representing an increase of 5.3% from the previous year.



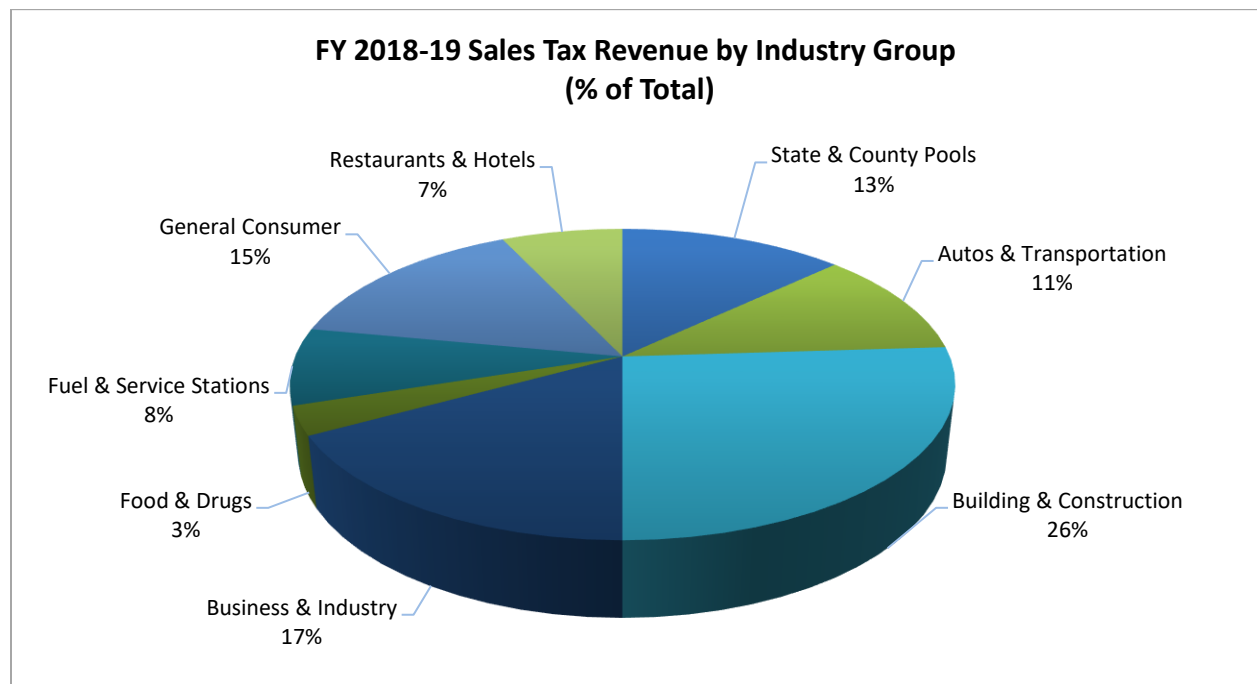
Source: HdL Coren & Cone, Riverside County Assessor Combined tax rolls

City of Corona Historical Property Tax Revenue

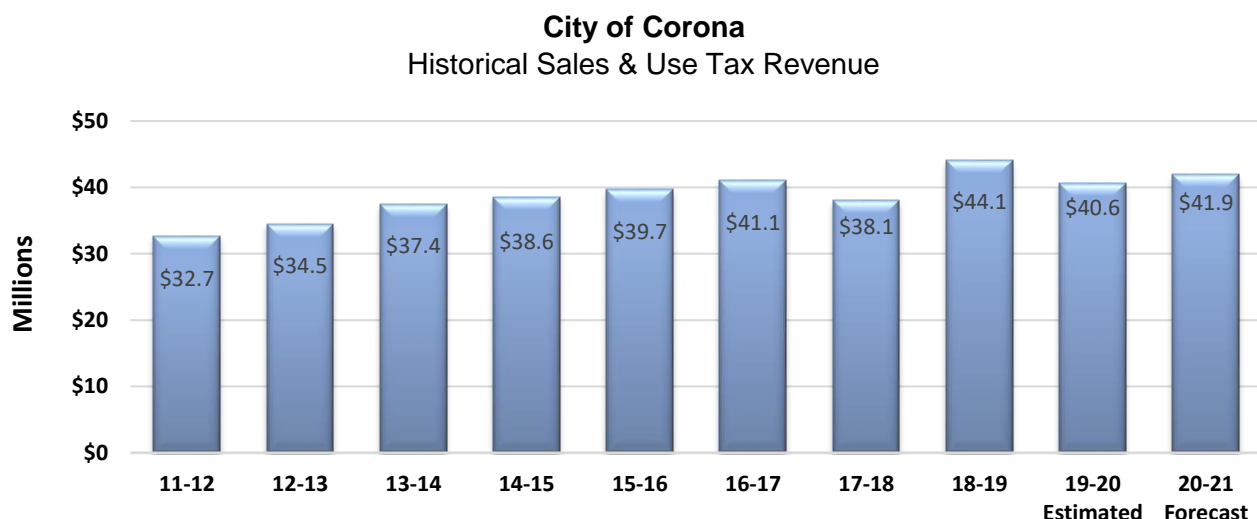


[1] FY 2012-13 includes one-time residual payment of \$4.1 million.

Sales tax is the second largest revenue source for the City. Taxable retail sales totaled \$3.9 billion in Fiscal Year 2018-19, an increase of 4.0% from the previous year. Consumer spending continues to be on the rise, driven by the local and regional labor market growth. Much of this consumer spending is best seen in the general consumer goods, automobile purchases, business and construction related industries. Increased automobile sales and a strong housing market are key indicators of improved consumer confidence. The diversification of the City's sales tax base is enviable, with the building and construction sector slightly higher than other categories.



Source: HdL Coren & Cone



Long Term Financial Planning

Escalating pension costs are presenting a serious threat to the City's financial sustainability. The burden of funding current pension obligations, amid continued state takeaways and the state shifting responsibilities, without the necessary funding is taking priority over spending on essential services and adding significant demands for additional locally-controlled revenue.

In an effort to maintain fiscal stability, and responsible stewardship, the City commissioned KPMG in December 2016 to conduct an analysis of the City's pension, OPEB, and employee healthcare obligations and budget considerations. The analysis presented a 10-year forecast of the pension, OPEB and healthcare cost with various sensitivity assumptions noted for review and future refinement. The result of the analysis revealed significant budget shortfall in the coming years.

The City has been consistently demonstrating strong fiscal stewardship by proactively responding to the impact of the broader state-wide pension situation that is often times described as grim. This proactive stewardship includes contributing additional funds toward the City's unfunded pension liability with CalPERS, as well as a significant level of new technology to improve overall operational efficiency. In addition to cutting costs, the City adopted new revenue streams by establishing City-wide community facilities districts for services. The City also strove to maintain a healthy General Fund reserve level, following best practices established by the Government Finance Officers Association (GFOA).

This commitment to fiscal stewardship did not go unnoticed by the rating agencies. In September 2018, the most recent credit review performed by Standard and Poor's Financial Services (S&P), among the positive factors the City was acknowledged for were "very strong budgetary flexibility," "very strong liquidity," and "strong budgetary performance." S&P viewed the City's management as "strong, with good financial policies and practices" under its Financial Management Assessment methodology. In the current climate of instability at local and regional levels of government, we're exceptionally pleased about this recognition and proud to have attained this strong rating.

Financial Policies and Practices

The City adopted various critical financial policies and practices with the goal of building a fiscally resilient government over the long-term, improving financial sustainability, all while increasing transparency and encouraging public engagement every step of the way.

Fund Balance Policy for the General Fund

The City established its reserves policy for the General Fund in June 2010. In June 2016, the City updated its Fund Balance Policy for the General Fund to increase the emergency contingency reserve balance to three-months of regular General Fund operating expenses. The purpose of the revised policy is to protect our community against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures, as well as the enhanced credit worthiness of the City. As of June 30, 2019, the Emergency Contingency Reserve balance was \$32.6 million.

Zero-Based Budgeting

The City launched zero-based budgeting in Fiscal Year 2016-17, following 22 years of the General Fund Expenditure Control Budget (ECB) model. Zero-based budgeting is an effective process that organizations use to review every dollar in the annual budget, continuously manage financial performance, measure return on investment, and build a culture of cost management among all departments. It is based on developing visibility into actual cost drivers and using that data visualization to set budget targets that use predictive analytics to generate successful outcomes to the bottom line. The annual budgeting process starts from zero and is very detailed, structured, and interactive to facilitate meaningful financial discussion among all departments and establish priorities with all stakeholders within the community as presented by the City Council. Our goal is to achieve significant and sustainable savings, while delivering productivity and service level improvements through actionable data generation at all levels within the budget. Implementation of this budget practice has helped leadership evaluate and balance the competing demands for enhanced services/facilities versus the increased costs of operating, building and maintaining those additional services and/or facilities.

This practice has allowed us to effectively analyze and identify budget variances during the budget process in a way that helps us more effectively program and leverage actual budget dollars. To drill down to an even more precise zero-based budget, we have continued to include an employee position vacancy factor to account for savings caused by the actual time necessary for current hiring processes and onboarding. The factor was based on a five-year look-back period for departments and classifications (safety and non-safety personnel). We will continue to identify, monitor and adjust variance factors in future budgets.

Debt Policy and Procedures

The City of Corona, following the best practice guidelines for debt management published by the GFOA, develops and maintains a formal Debt Policy and Procedures to ensure that debt is issued and managed prudently. The purpose of this policy is to standardize the parameters for debt issuance and management, improve the quality of decisions, provide guidance for the structure of debt issuance to ensure the most prudent, equitable, and cost-effective method of financing is

chosen, and demonstrate a commitment to long-term capital and financial planning. The current policy was approved by the City Council in September 2015 and reviewed on an annual basis.

Investment Policy

The Investment Policy outlines the guidelines and practices to be used in effectively managing the City's available cash and investment portfolio. All available funds are to be invested in compliance with the California Government Code and other governing provisions of law. The policy lists in detail the authorized investments, as well as the percentage of portfolio limitations and the required rating for each investment type. The Investment Policy is reviewed, updated and adopted annually.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Corona for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2018. This was the 29th consecutive year that the City has received this prestigious award. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the award program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the CAFR on a timely basis was made possible by the efficient and dedicated service of the staff in Finance. Staff members have our sincere appreciation for their contributions to this report. We also acknowledge the assistance of Lance, Soll & Lunghard, LLP, in completing the CAFR.

We thank the Mayor, City Council, and the City's executive management team for their strong leadership and support of the financial operations of the City and for maintaining the highest standards of professionalism in managing the City's finances for the best interest of the citizens of Corona.

Respectfully submitted,



Mitch Lansdell
Interim City Manager



Kerry D. Eden
Assistant City Manager/ Administrative
Services Director



CITY OF CORONA

Elected Officials and Executive Management

Elected Officials

JASON SCOTT Mayor
JIM STEINER Vice Mayor
YOLANDA CARRILLO Councilmember
JACQUE CASILLAS Councilmember
WES SPEAKE Councilmember

CHAD WILLARDSON City Treasurer

Executive Management

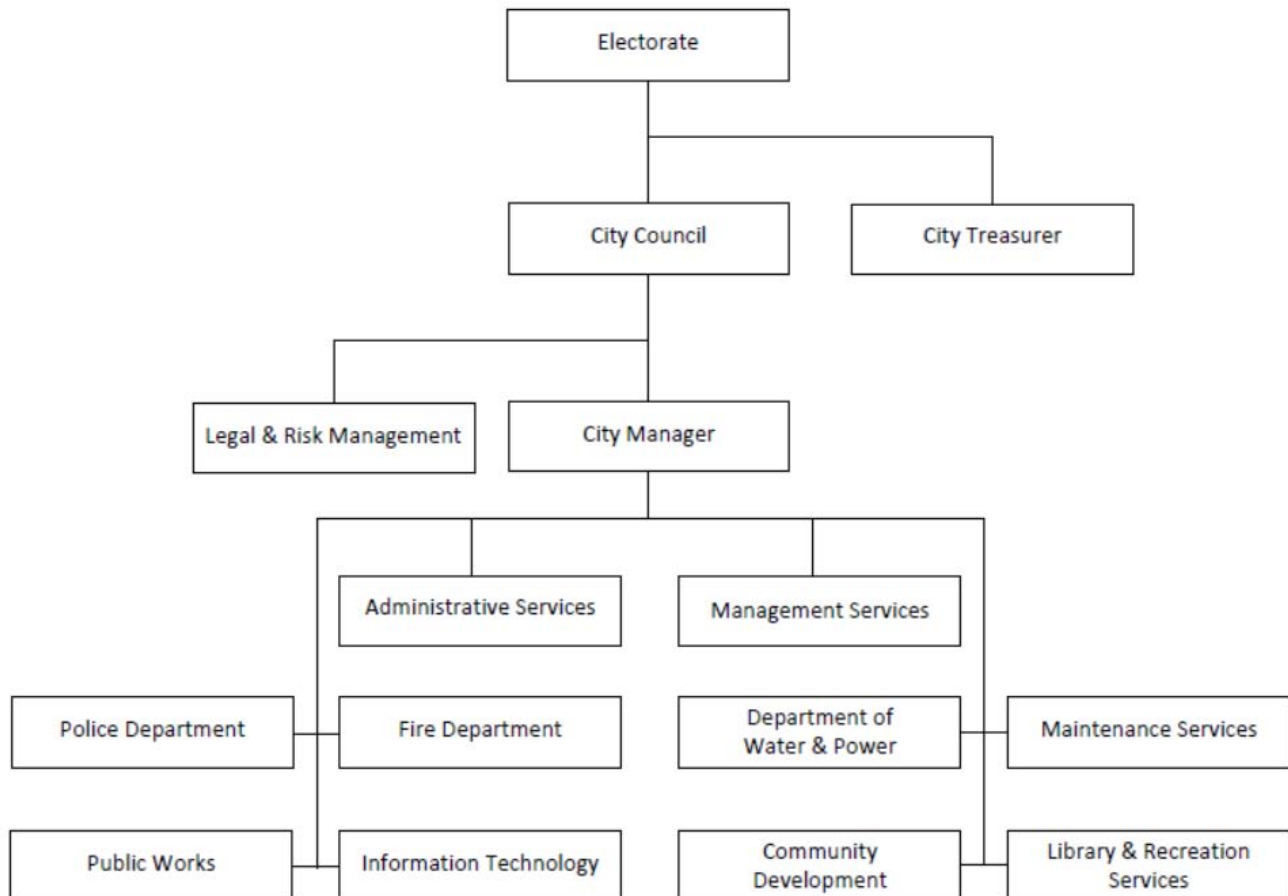
MITCH LANSDELL Acting City Manager
DEAN DERLETH City Attorney and Legal and Risk Management Director
KERRY D. EDEN Assistant City Manager/Admin Services Director

JOANNE COLETTA Community Development Director
GEORGE JOHNSTONE Chief of Police
CHRIS MCMASTERS Chief Information Officer
TOM MOODY General Manager
DAVID MONTGOMERY-SCOTT Library and Recreation Services Director
NELSON NELSON Public Works Director
BRIAN YOUNG Fire Chief



CITY OF CORONA

Organizational Chart



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Corona, 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 Corona, California, (the City) as of and for the year ended June 30, 2019, 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.



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

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 Corona, California, as of June 30, 2019, 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, the modified approach for the City's infrastructure assets, the schedules of changes in net pension liability and related ratios, the schedules of plan contributions, the schedule of proportionate share of the net pension liability, the schedule of changes in net OPEB liability and related ratio, and the schedule of contributions - OPEB, 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, combining and individual nonmajor fund financial statements and budgetary schedules and 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 budgetary 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 Corona, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2019 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 & Lughard, LLP

Brea, California
November 7, 2019





MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2019

The City of Corona's Finance team has prepared this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019, to assist users of this report to gain a better understanding of the City's financial health and history. 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

The City of Corona's financial statements prepared for the fiscal year ended June 30, 2019 comply with all applicable statements issued by the Governmental Accounting Standards Board (GASB). GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements was implemented by the City during the fiscal year ended June 30, 2019. The primary objective of this Statement is to improve the information that is disclosed in the notes to government financial statements related to debt, including direct borrowing and direct placement. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of this Statement will improve financial reporting by providing essential information to understand the effects of debt on a government's future resource flows.

Government-Wide

- The City's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2019 by \$1,080.7 million (*net position*).
- The overall City's net position increased by \$85.9 million from the previous fiscal year, primarily due to revenues exceeding expenditures by \$87.8 million combined with a restatement to the prior year's fund balance of (\$1.9) million. Total assets increased by \$76.5 million, total liabilities decreased by \$19.7 million, combined with a decrease in deferred outflows in the amount of \$11.8 million, and a decrease in deferred inflows in the amount of \$1.5 million primarily due to pension related items, net position of the City saw an increase of 8.6% from the prior year.
- Total expenses for governmental activities were \$166.1 million for Fiscal Year 2018-19. The sources for these expenses came from program revenues of \$102.7 million, taxes in the amount of \$103.8 million, and other general revenue of \$20.9 million. For the current year, revenues from governmental activities exceeded expenses by \$61.3 million, together with a transfer out of \$1.9 million and a beginning balance restatement of (\$1.9) million, net position for governmental activities increased by \$57.5 million from the previous year.
- For business-type activities, total revenues exceeded expenses by \$26.5 million. Among the total program revenue of \$114.3 million, \$105.6 million was from charges for services, \$1.8 million from operating grants and contributions, and the remaining \$6.9 million

CITY OF CORONA

Management's Discussion and Analysis (continued)**June 30, 2019**

represents capital grants and contributions. Combined with investment earnings and other general revenues of \$13.5 million, and a transfer in of \$1.9 million, the net position for business-type activities increased by \$28.3 million from the previous year.

Fund Based

- As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$219.4 million, an increase of \$31.1 million from the previous year. The net increase was due to the combination of current year's revenues exceeded expenditures by \$35.4 million, net transfer of (\$2.4) million, and a restatement to the prior year's fund balance of (\$1.9) million.
- Fund balance for all governmental funds totaled \$219.4 million at the close of the fiscal year. Among the total fund balance, \$123.7 million, or 56.4% are either non-spendable or restricted for specific purposes. An additional amount of \$39.9 million was committed by the City Council, including \$32.6 million as an emergency contingency, \$4.8 million as designated revenues and \$2.5 million for a pension obligation reserve. There was \$55.8 million assigned to specific City programs and projects. Please refer to Note 15 for additional information on the categorization of the governmental funds' fund balances.

OVERVIEW OF THE FINANCIAL STATEMENTS**Government-Wide Financial Statements**

The government-wide financial statements are designed to give users a broad overview of the City's finances, similar to a private-sector business. They present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting.

There are two statements in the government-wide financial statements, the statement of net position, and the statement of activities. The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The net difference between the total of assets and deferred outflows and the total of liabilities and deferred inflows is reported as net position. Increases or decreases in net position over time may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's infrastructure assets. The statement of activities shows how the City's net position changed during the fiscal year.

Both government-wide financial statements distinguish between functions that are primarily supported by taxes and intergovernmental revenues, and functions that are intended to recover all or a significant portion of their costs through user fees and charges. The first function is identified in the statements as governmental activities, while the latter is reported as business-type activities.

Most of the City's basic services are reported in the governmental activities category, including the General Government, Fire, Police, Public Works and Maintenance Services, Library and Recreation Services, Community Development and Economic Development. Property and sales taxes, franchise fees, transient occupancy tax, business tax, investment income, and state and federal grants finance these activities. The City operates its Water and Water Reclamation utilities

CITY OF CORONA

Management's Discussion and Analysis (continued)**June 30, 2019**

through its component unit, the Corona Utility Authority. These activities are reported in the business-type activities category along with Electric, Transit and Airport services.

The government-wide financial statements can be found on the pages immediately following this discussion in the Basic Financial Statements section.

Fund Financial Statements

A fund is a set of related accounts that is used to control resources that have been segregated to carry on specific activities or to attain certain objectives in accordance with special regulations, restrictions, or limitations. The City, like the state and other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All City funds are divided into one of three categories: governmental funds, proprietary funds, or fiduciary funds.

The governmental fund financial statements are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The proprietary and fiduciary activities are prepared using the economic resources measurement focus and the accrual basis of accounting.

The fund financial statements provide detailed information about the most significant funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help manage and report money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

Governmental funds

Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement. The governmental fund financial statements can be found in the Basic Financial Statements section of this report.

Proprietary funds

When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of revenues, expenses and changes in fund net position. The City's enterprise funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as 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 the City's self-insurance,

CITY OF CORONA

Management's Discussion and Analysis (continued)**June 30, 2019**

information technology and and fleet operations funds. The internal service funds are reported with governmental activities in the government-wide financial statements. The proprietary fund financial statements can be found in the Basic Financial Statements section of this report.

Fiduciary funds

The City is the trustee, or fiduciary, for certain funds held to account for activities reported in this category which includes the Successor Agency, the AB109 PACT Fund, and the special taxes and assessments districts. The City's fiduciary activities are reported in separate statements of fiduciary net position, statement of changes in fiduciary net position (trust fund only) and combining statement of net position and combining statement of changes in assets and liabilities (agency funds only).

Notes to Basic Financial Statements

Notes to basic financial statements provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. They are presented immediately following the Basic Financial Statements section of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* on the City's budget process and the General Fund and major special revenue fund budgetary comparison schedules, the modified approach for the City's street infrastructure assets, the City's progress in funding its obligation to provide pension benefits to its employees, and the City's obligation for post-employment benefits.

Combining and individual statements for non-major governmental and proprietary funds, internal service funds and the agency fiduciary fund are presented in the Supplementary Information section of this report.

GOVERNMENT- WIDE FINANCIAL ANALYSIS

The government-wide financial analysis focus on the City's net position and changes in net position of the governmental and business-type activities during the fiscal year.

As noted earlier, the City's net position increased by \$85.9 million from the previous year. The increase in financial position was primarily due to positive operating results where revenues exceeded expenditures by \$87.8 million, combined with a restatement to the prior year's fund balance of (\$1.9) million. The government-wide net position reported \$1,080.7 million as of June 30, 2019.

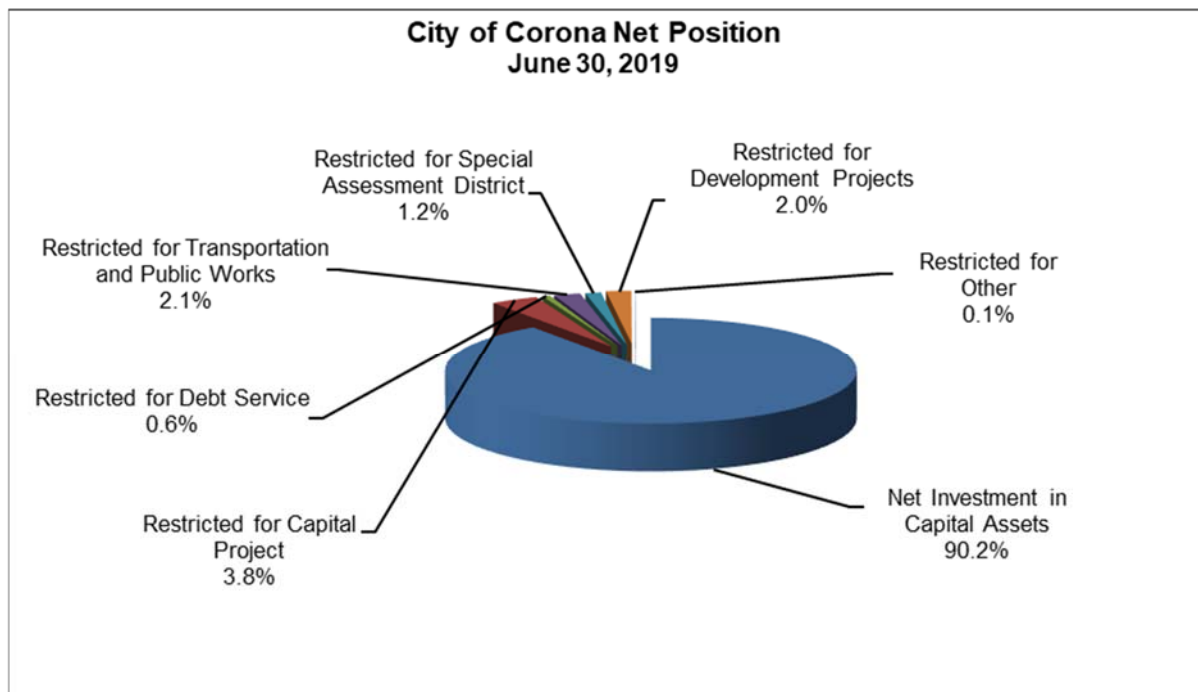
Among the total net position, \$1,036.9 million were invested in capital assets, net of related debt. These capital assets are essential for City operations, which include land, buildings, machinery and equipment, water and water reclamation rights, and infrastructure. Net position invested in capital assets is not available for spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to pay for the liabilities.

CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

The remaining \$43.8 million of total government-wide net position are composed of \$105.1 million restricted funds and (\$61.3) million unrestricted. Net position may be restricted for capital projects, debt payments, and/or special programs such as transportation and special assessment district improvements.

The graph below illustrates the various components of the City's net position at fiscal year ended June 30, 2019.



CITY OF CORONA

Management's Discussion and Analysis (continued)

June 30, 2019

The schedule below is a condensed version of the City's statement of net position for fiscal year ended June 30, 2019 with comparative data from the previous fiscal year:

City of Corona's Net Position (in millions)

	Governmental activities		Business-type activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 283.1	\$ 250.4	\$ 148.1	\$ 136.4	\$ 431.2	\$ 386.8
Internal balances	178.6	179.7	(178.6)	(179.7)	-	-
Capital assets	730.9	704.4	416.8	411.2	1,147.7	1,115.6
Total assets	1,192.6	1,134.5	386.3	367.9	1,578.9	1,502.4
Deferred charges on refunding	0.5	0.5	-	-	0.5	0.5
Deferred pension related items	45.1	60.4	6.1	9.8	51.2	70.2
Deferred OPEB related items	15.2	9.0	2.4	1.4	17.6	10.4
Total deferred outflows	60.8	69.9	8.5	11.2	69.3	81.1
Long-term debt	40.6	43.5	70.6	76.7	111.2	120.2
Net pension liability	215.3	222.4	34.2	37.5	249.5	259.9
Net OPEB liability	106.2	99.6	16.7	15.4	122.9	115.0
Other liabilities	62.2	66.2	14.0	18.2	76.2	84.4
Total liabilities	424.3	431.7	135.5	147.8	559.8	579.5
Deferred pension related items	6.4	7.4	0.6	1.0	7.0	8.4
Deferred OPEB related items	0.6	0.7	0.1	0.1	0.7	0.8
Total deferred inflows	7.0	8.1	0.7	1.1	7.7	9.2
Net investment in capital assets	690.8	661.4	346.1	334.6	1,036.9	996.0
Restricted	97.2	79.4	7.9	7.0	105.1	86.4
Unrestricted	34.1	23.8	(95.4)	(111.4)	(61.3)	(87.6)
Total net position	\$ 822.1	\$ 764.6	\$ 258.6	\$ 230.2	\$ 1,080.7	\$ 994.8

CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

Below are condensed financial data with comparative amounts on revenues and expenses for the current and prior year.

City of Corona's Changes in Net Position
(in millions)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	\$ 39.4	\$ 39.2	\$ 105.6	\$ 105.7	\$ 145.0	\$ 144.9
Operating Contributions and Grants	17.2	15.2	1.8	3.2	19.0	18.4
Capital Contributions and Grants	46.1	32.9	6.9	5.0	53.0	37.9
General Revenues:						
Taxes:						
Property Taxes	48.1	45.7	-	-	48.1	45.7
Sales and Use Taxes	44.1	38.1	-	-	44.1	38.1
Other Taxes	11.6	10.5	-	-	11.6	10.5
Investment Earnings	9.1	0.6	5.0	0.3	14.1	0.9
Other Income	11.8	13.1	8.5	4.9	20.3	18.0
Total Revenues	<u>227.4</u>	<u>195.3</u>	<u>127.8</u>	<u>119.1</u>	<u>355.2</u>	<u>314.4</u>
Expenses:						
General Government	33.6	21.0	-	-	33.6	21.0
Public Safety - Fire	29.0	30.1	-	-	29.0	30.1
Public Safety - Police	51.7	52.2	-	-	51.7	52.2
Public Works & Maintenance Services	41.1	38.8	-	-	41.1	38.8
Library and Recreation Services	4.3	3.8	-	-	4.3	3.8
Community Development	4.7	3.7	-	-	4.7	3.7
Economic Development	0.4	0.3	-	-	0.4	0.3
Interest on Long-term Debt	1.3	1.4	-	-	1.3	1.4
Water	-	-	54.2	66.2	54.2	66.2
Water Reclamation	-	-	28.2	31.5	28.2	31.5
Electric	-	-	15.6	16.9	15.6	16.9
Transit Services	-	-	3.1	3.4	3.1	3.4
Airport	-	-	0.2	0.2	0.2	0.2
Total Expenses	<u>166.1</u>	<u>151.3</u>	<u>101.3</u>	<u>118.2</u>	<u>267.4</u>	<u>269.5</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>61.3</u>	<u>44.0</u>	<u>26.5</u>	<u>0.9</u>	<u>87.8</u>	<u>44.9</u>
Transfers	(1.9)	(2.7)	1.9	2.7	-	-
Special Items	-	3.0	-	-	-	3.0
Change in net position	<u>59.4</u>	<u>44.3</u>	<u>28.4</u>	<u>3.6</u>	<u>87.8</u>	<u>47.9</u>
Net position - beginning of year	764.6	812.2	230.2	245.5	994.8	1,057.7
Restatement	(1.9)	(91.9)	-	(18.9)	(1.9)	(110.8)
Net position - end of year	<u>\$ 822.1</u>	<u>\$ 764.6</u>	<u>\$ 258.6</u>	<u>\$ 230.2</u>	<u>\$ 1,080.7</u>	<u>\$ 994.8</u>

CITY OF CORONA

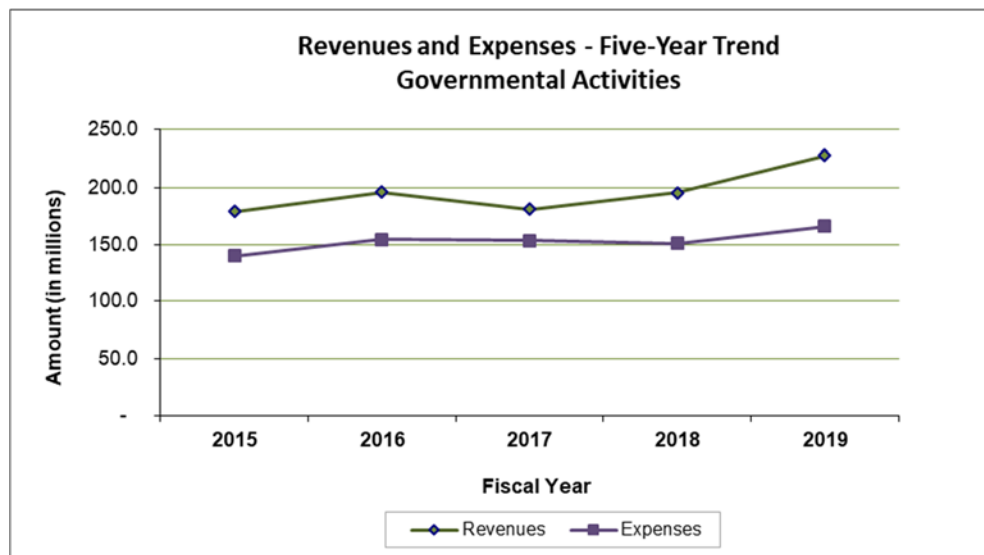
Management's Discussion and Analysis (continued)

June 30, 2019

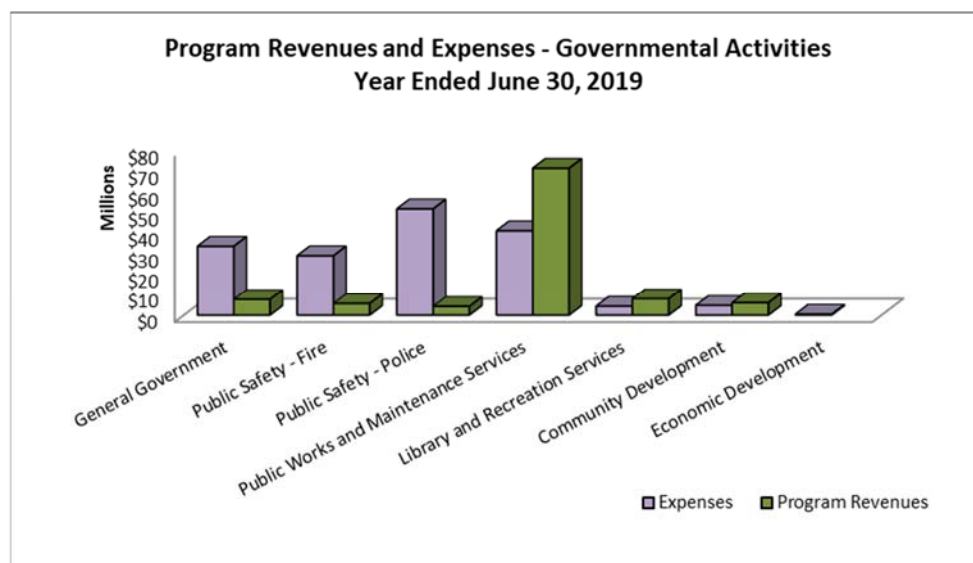
Governmental Activities

Total resources available during the year to finance governmental operations were \$990.1 million. This amount consists of the beginning net position of \$762.7 million, which includes a restatement of (\$1.9) million, program revenues of \$102.7 million and general revenues of \$124.7 million. Total uses in governmental activities during the year totaled \$166.1 million. Transfers from governmental activities were \$1.9 million. Therefore, the net position for governmental activities increased by \$57.5 million and ended at \$822.1 million as of June 30, 2019.

The chart below presents governmental activity revenues and expenses for the past five years:



The following graph shows the expenses of each governmental function compared to the program revenues generated specifically from its operations.



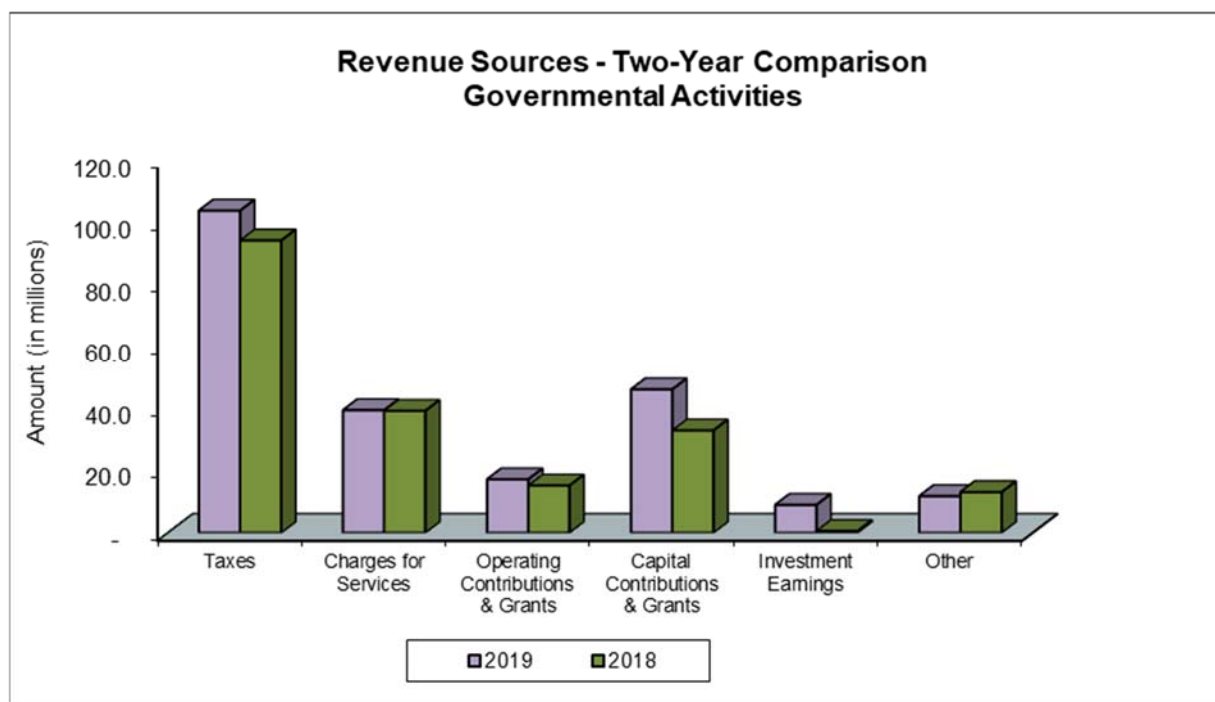
CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

General government support services (administration, legal, human resources and financial) are primarily funded by charges to the direct operating functions they support through a cost allocation program. The public safety function (police and fire) generate program revenues as well, but property taxes, sales tax and other general revenues fund a majority of the cost. The public works and maintenance services program is responsible for maintenance and construction of transportation systems, with funding provided by gas tax, Measure A, various federal, state and local grants, special assessments, as well as other general revenues. The funding source for library and recreation services is primarily general revenues and some program fees. Community Development and Economic Development functions are funded by development related revenues as well as general revenues such as taxes, fees and investment income.

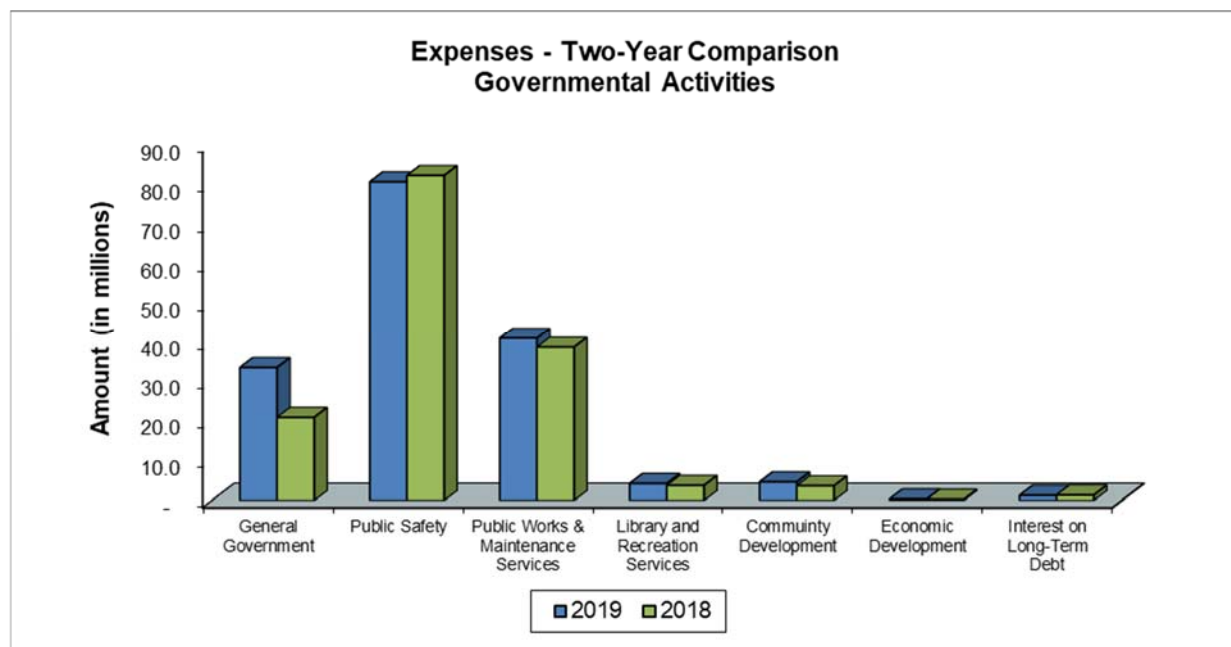
The cost of all governmental activities for fiscal year ended June 30, 2019 was \$166.1 million. As shown in the statement of activities, the amount the taxpayers ultimately funded for these activities was \$63.4 million, the remaining \$102.7 million was paid by various program revenues, including \$39.4 million by those who directly benefited from the programs, \$17.2 million from other governments and organizations that subsidized certain programs with operating grants and contributions, and \$46.1 million from capital contributions and grants.

The following two charts illustrate the total revenue and expense for the governmental activities, excluding transfers for the fiscal years ended June 30, 2019 and June 30, 2018 respectively.



CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019



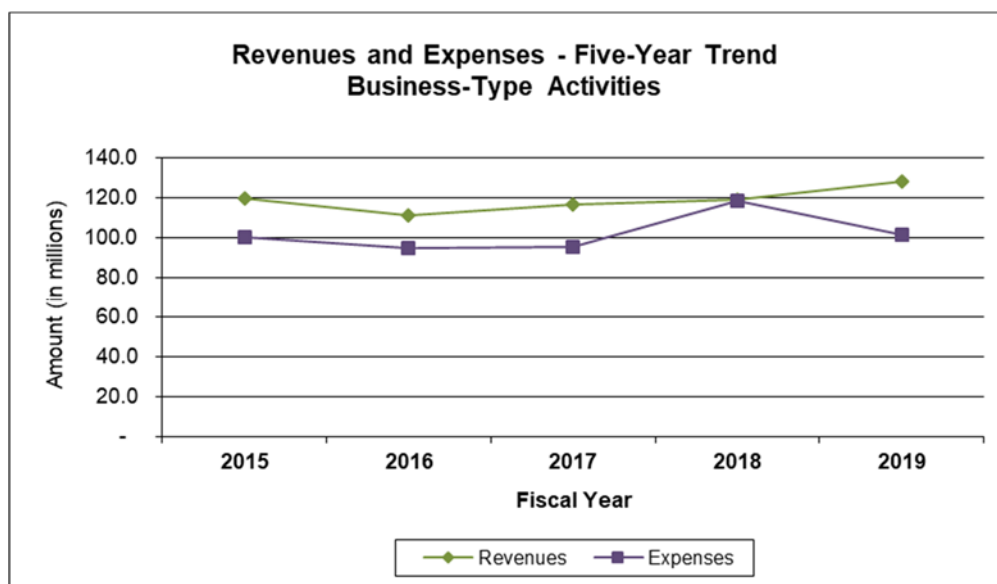
Highlights of the major revenue sources and expenses are listed below:

- Program revenues represent 45.2% of total revenues generated by governmental activities. Total program revenues for governmental activities in the current year were \$102.7 million, an increase of \$15.4 million from the previous year, primarily due to the increased revenue from capital contributions and grants. There are several major capital improvement projects in progress, including the I-15 Cajalco project and Arantine Hills. The City received significant engineering and inspection fees and development agreement reimbursements.
- Taxes comprised 45.7% of the total revenues from governmental activities. Total tax revenues were \$103.9 million for the current year, showing an increase of \$9.6 million from the previous year. Property tax revenue represents 46.3% of total taxes, where sales and use tax revenue ranked second sharing 42.5% of total tax revenue. The remaining 11.2% were comprised of franchise fee, business license tax, transient occupancy tax, and dwelling development fee.
- Property tax revenues increased by \$2.3 million in comparison to the prior year. Sales and use tax revenues increased by \$6.0 million in comparison to the prior year. The California Department of Tax and Fee Administration had complications with their new sales tax return software last fiscal year resulting in delays in processing and distributing sales tax to local agencies. A majority of those delayed payments were received in the current year.
- Overall governmental expenses increased by \$14.8 million from the prior year, primarily due to the net pension liability adjustment that was required last year in the amount of \$14.9 million.

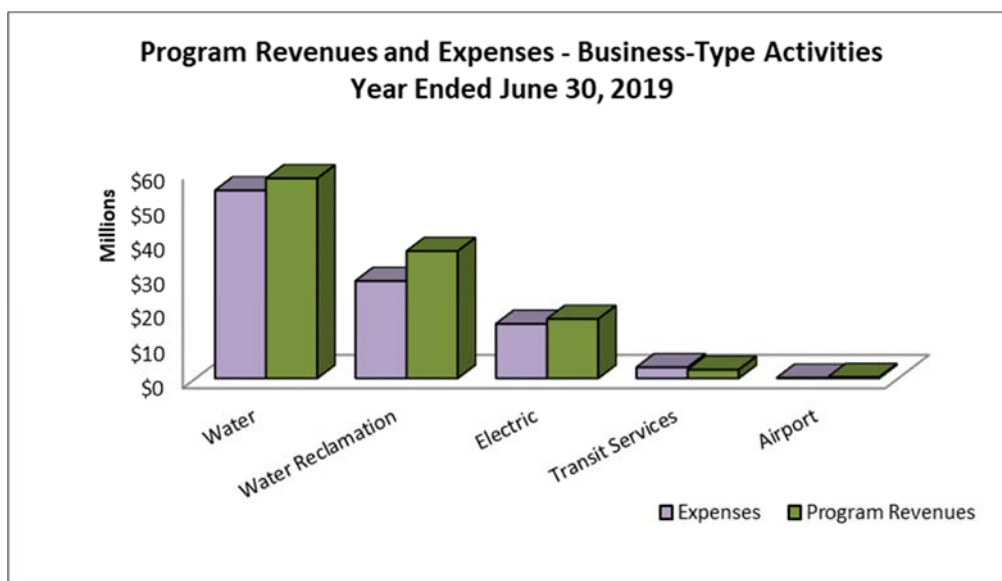
Business-Type Activities

The City's net position in the business-type activities increased by \$28.4 million. The primary contributors to the increase was excess revenues over expenditures in the amount of \$26.5 million, combined with a transfer in of \$1.9 million. The overall net position reported in the business-type activities was \$258.6 million as of June 30, 2019.

The chart below presents revenues and expenses in the business-type activities for the past five years.



The following graph shows the expenses of each business-type function compared to the program revenues generated specifically from its operations.



Total expenses of all business-type activities for the fiscal year ended June 30, 2019 were \$101.3 million, representing a decrease of \$16.9 million, or 16.7% from the previous year. As shown in the statement of activities, the amount paid by users of the systems was \$105.6 million, reported as charge for services. Revenues from operating grants and contributions were

CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

\$1.8 million, and capital grants and contributions were \$6.9 million. Total program revenue reported for the year was \$114.3 million.

Total resources available during the year to finance business type activities were \$360.0 million. This amount consists of the beginning net position of \$230.2 million, combined with total revenues of \$127.8 million and a transfer in of \$1.9 million. After funding total expenses of \$101.3 million, net position for business-type activities increased by \$28.3 million to \$258.6 million at June 30, 2019.

Comparing to the previous year, expenses decreased by \$16.9 million primarily due to the net pension liability adjustment that was required last year and the completion of various water and water reclamation upgrades and replacements in the prior year. Revenues increased by \$8.7 million, due to \$0.4 million increase in program revenues, \$4.7 million increase in investment earnings and \$3.6 million increase in other income.

FUND FINANCIAL ANALYSIS**General Fund**

The General Fund is the primary operating fund of the City. Fund balance increased by \$13.3 million for the fiscal year ended June 30, 2019, with an ending balance of \$121.9 million.

Below is a three-year trend analysis on the fund balance of the General Fund. For additional information, please refer to Note 15 in the accompanying financial statements.

City of Corona's General Fund Fund Balance
Three-Year Trend Information
(in millions)

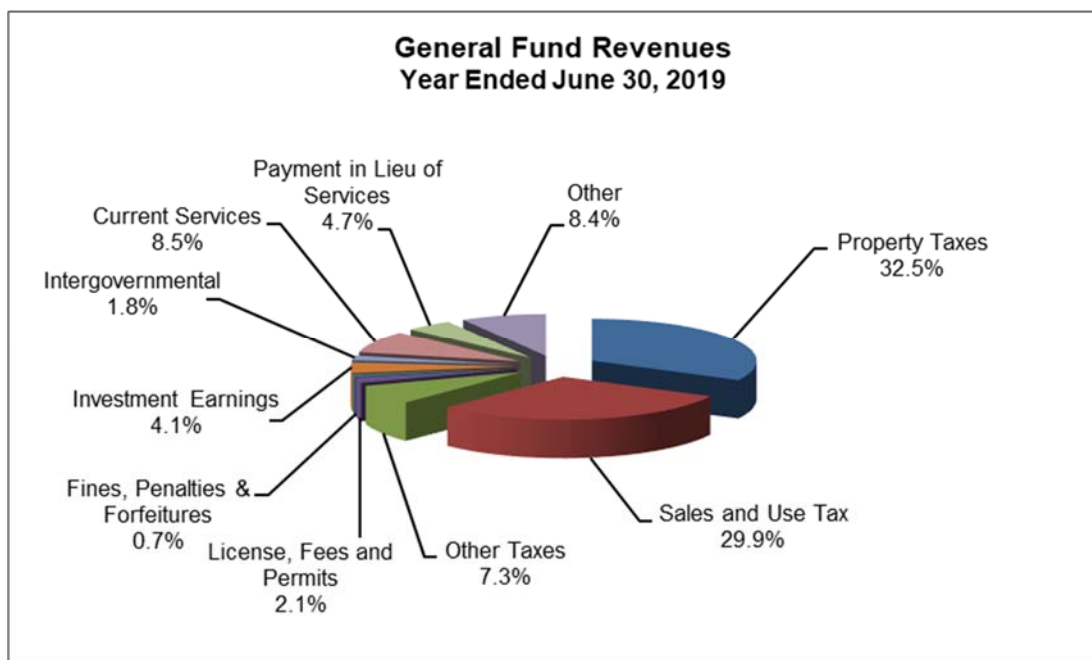
	<u>FY 2018-19</u>	<u>FY 2017-18</u>	<u>FY 2016-17</u>
Fund Balances:			
Nonspendable	\$ 26.5	\$ 31.5	\$ 33.2
Committed	39.9	36.2	33.9
Assigned	55.5	40.9	42.0
Total Fund Balance	<u>\$ 121.9</u>	<u>\$ 108.6</u>	<u>\$ 109.1</u>
Fund Balance - Beginning	\$ 108.6	\$ 109.1	\$ 100.8
Excess Revenues Over Expenditures	15.5	(2.7)	1.6
Transfers	(1.7)	-	6.1
Capital Leases	-	1.4	-
Restatement	(0.5)	0.8	0.6
Fund Balance - Ending	<u>\$ 121.9</u>	<u>\$ 108.6</u>	<u>\$ 109.1</u>

CITY OF CORONA

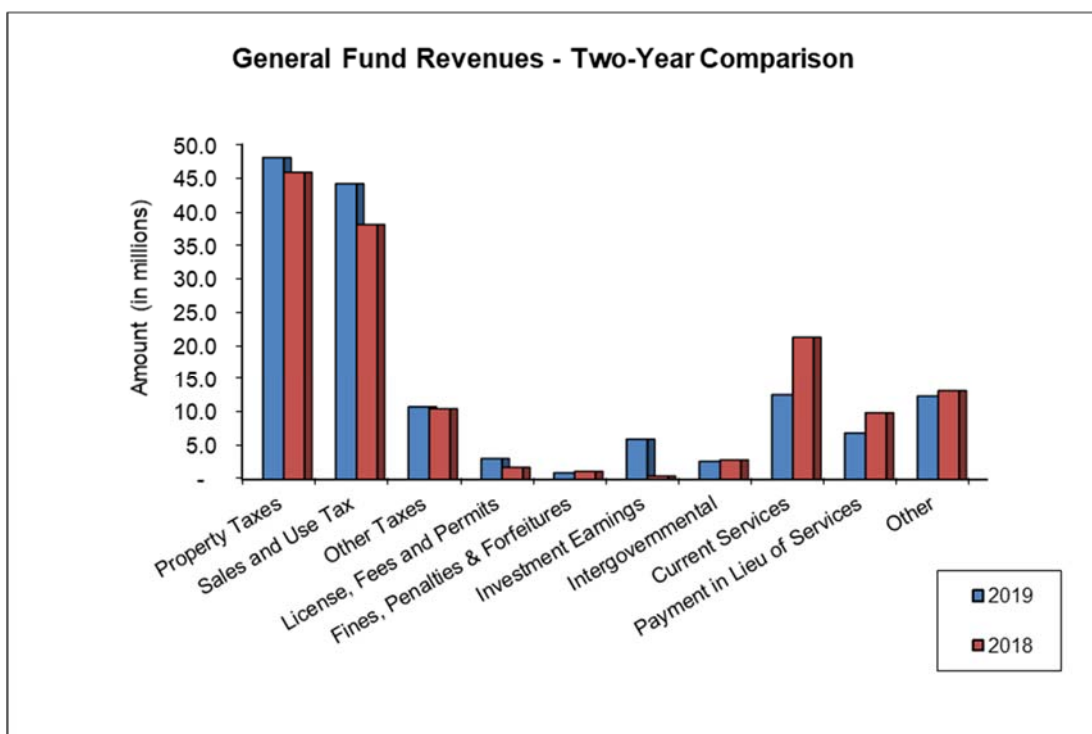
Management's Discussion and Analysis (continued)

June 30, 2019

The graph below illustrates General Fund revenues by major sources:



A two-year comparison of each General Fund revenue source for the fiscal years ended June 30, 2019 and June 30, 2018 is presented below:

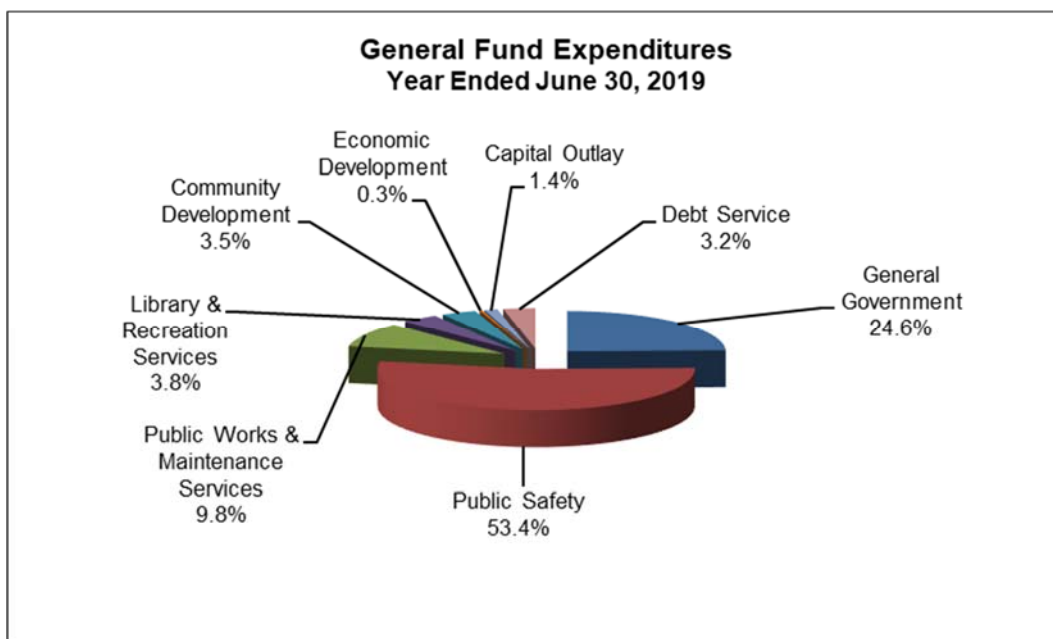


CITY OF CORONA

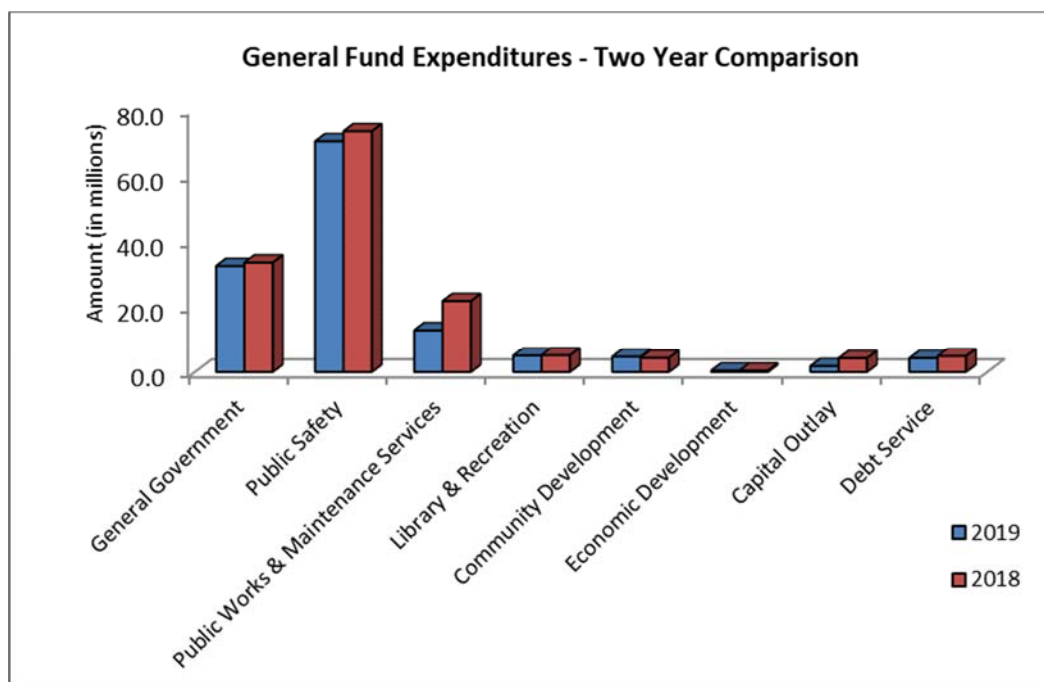
Management's Discussion and Analysis (continued)

June 30, 2019

The graph below illustrates General Fund expenditures by category:



A two-year comparison of each General Fund expenditure category for the fiscal years ended June 30, 2019 and June 30, 2018 is presented below:



CITY OF CORONA

Management's Discussion and Analysis (continued)**June 30, 2019**

Overall General Fund revenues increased by \$2.4 million or 1.65%, compared to the previous year. Property taxes are the largest revenue source of the General Fund and increased by 4.8% in the current year. Sales and use tax is the second largest revenue source of the General Fund and increased by 15.7%. A portion of this increase is due to receiving delayed sales tax distributions from the State, as mentioned previously. As shown in the General Fund Revenues graph, revenues were maintained or increased in a majority of the revenue sources. Exceptions are in Current Services which decreased by 40.8% and Payment in Lieu of Services decreased by 30.3%. A fee study was conducted, and many of the City's fees were reduced, resulting in decreased revenues.

Overall General Fund expenditures decreased by \$15.8 million comparing to the previous year. A majority of the decrease is due to the City contributing additional funds toward the City's unfunded pension liability with CalPERS last fiscal year.

Other Major Governmental Funds

The Development capital project fund reported a fund balance of \$19.9 million, an increase of \$10.8 million from the prior year. Revenues exceeded expenditures in the current year by \$11.2 million. License, fees, and permit revenues were \$10.6 million in the current year, an increase of \$6.6 million compared to the prior year. Expenses increased by \$0.6 million due to an increase in capital outlay of \$0.7 million and a decrease of \$0.1 million in public works and maintenance services. There was also a restatement of the beginning fund balance in the amount of (\$0.5) million due to development fees recorded as revenues in a prior year, that should have been recorded as developer deposits.

The Low/Mod Income Housing Asset capital project fund reported a fund balance of \$28.4 million, an increase of \$0.2 million from the previous year. The fund balance includes \$9.5 million in cash, \$1.2 million in land held for resale, and long-term receivables in the amount of \$17.7 million from various developers. The land inventories were approved by the State Department of Finance as Housing assets on September 7, 2012. The City's Housing Successor has 5 years from that date to either develop these properties into affordable housing units or liquidate them and deposit the funds to the Low and Moderate Income Housing Asset Fund. The land held for resale was increased by \$0.1 million in the current year for affordable housing projects, with an outstanding balance of \$1.2 million as of June 30, 2019.

The Other Grants capital project fund reported an ending fund balance of \$0.5 million. This capital project fund consists of governmental grants and reimbursement agreements. Revenue for the reimbursement of capital outlay was \$32.1 million in the current year, an increase of \$10.1 million over the prior year. Expenditures exceeded revenues in the current year by \$0.1 million. The fund balance includes a restatement of the beginning fund balance in the amount of (\$1.4) million due grant receivables that were not received within the one-year revenue recognition period. The revenue was deferred until it will be received.

CAPITAL ASSETS

The capital assets of the City are those assets which are used in the performance of the City's functions including infrastructure assets. At June 30, 2019, net capital assets totaled \$730.9 million for the governmental activities, and \$416.8 million for the business-type activities respectively. Depreciation on capital assets is recognized in the government-wide financial

CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

statements. Please refer to Note 7 of the accompanying financial statements for additional information.

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) condition assessments and summary of the results using a measurement scale; and (3) estimation of the 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.

The City policy is to achieve an average rating of 71, or "Good" condition for all streets. The average rating for the City's streets at June 30, 2019 was 72, a slight decrease from the previous assessment result of 73. The City is continuously taking action to prevent deterioration through an on-going street rehabilitation program funded in the Capital Improvement Program. The program is formulated based on deficiencies identified as part of the City's Pavement Management System (PMS). It includes short-term maintenance activities such as pothole patching, street sweeping, and crack sealing. The City expended \$36.6 million on street maintenance during the current fiscal year. These expenditures delayed deterioration and maintained the street condition from the previous assessment. The City has estimated that the amount of annual expenditures required maintaining the current average PCI rating of 71 through the year 2020 is a minimum of \$4.8 million. Please refer to the Required Supplementary Information section of the accompanying financial statement for additional information on the City's Pavement Management Program.

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

	City of Corona's Capital Assets					
	Net of Depreciation (in millions)					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 72.9	\$ 72.9	\$ 5.4	\$ 5.4	\$ 78.3	\$ 78.3
Streets	220.1	196.2	-	-	220.1	196.2
Buildings and improvements	115.7	115.6	57.9	53.6	173.6	169.2
Machinery and equipment	13.5	14.1	46.1	38.1	59.6	52.2
Infrastructure	200.2	190.1	271.5	247.3	471.7	437.4
Construction in progress	108.2	115.1	15.2	46.1	123.4	161.2
Intangible assets	0.3	0.4	20.7	20.7	21.0	21.1
Total Capital Assets	<u>\$ 730.9</u>	<u>\$ 704.4</u>	<u>\$ 416.8</u>	<u>\$ 411.2</u>	<u>\$1,147.7</u>	<u>\$1,115.6</u>

CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

DEBT ADMINISTRATION

The City continued its efforts to reduce its long-term debt obligation. S&P Global Ratings reaffirmed the City's "AA-" rating. For additional information, please refer to Note 9 of the accompanying financial statements.

The schedule of outstanding long-term debt with comparative amounts for the previous fiscal year is presented below.

City of Corona's Outstanding Debt (in millions)						
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
	\$	\$	\$	\$	\$	\$
Loans and agreement payable	-	-	31.2	33.7	31.2	33.7
Lease payable	14.9	16.5	-	-	14.9	16.5
Capital leases payable	1.1	1.0	-	-	1.1	1.0
Revenue bonds	22.1	23.3	37.9	41.4	60.0	64.7
Unamortized bond premium	2.5	2.7	1.5	1.6	4.0	4.3
Total Outstanding Debt	\$ 40.6	\$ 43.5	\$ 70.6	\$ 76.7	\$ 111.2	\$ 120.2

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund appropriations were originally adopted at \$137.0 million for Fiscal Year 2018-19, including transfers to other funds of \$2.7 million. Final appropriations were increased by \$17.0 million to \$154.0 million. Among the budgetary increase, \$6.4 million was due to continuing appropriations from the prior year's capital projects and grant funded activities, and \$3.8 million was for prior year committed purchases (encumbrances).

There was \$6.9 million in supplemental funding and transfers approved by the City Council subsequent to the budget adoption due to the following reasons: (1) The non-personnel budget increased by \$5.7 Million, primarily for an appropriation of \$4.0 Million that was approved for the purchase of four new fire apparatus: two engines, one quint tractor drawn aerial and one quint rear mount aerial. The non-personnel budget also increased by \$0.9 Million by various Council Actions that included funds for the Kraft Ranch Storm Drain debris removal project, funding for operational audits of the Police and Fire departments, purchase of CPR equipment, and grant related activity. (2) The personnel budget increased by \$0.9 Million. A total of \$0.7 Million was added through updated MOU agreements with non-sworn staff in June 2019. Additionally, there were changes of \$0.2 Million for grants and other funding agreements, with corresponding revenues that offset the costs. (3) The capital improvement program budget increased by \$223,818 with \$185,334 for the Corona Airport Waterline, \$61,853 for the State Route 91 Betterments Project, and \$38,926 in donations to the Library Materials project. There were budgetary reductions for other projects that were completed or no longer needed.

CITY OF CORONA

Management's Discussion and Analysis (continued)
June 30, 2019

Below is a summary of changes made to the adopted budget:

Original Budget	\$ 136,960,383
Continued Appropriations	6,434,429
Encumbrances	3,782,697
Supplemental Changes	6,855,257
Final Budget	<u>\$ 154,032,766</u>

At June 30, 2019, the City's General Fund concluded the fiscal year with a net favorable variance of \$27.7 million. The net favorable variance is the result of an increase in revenues and transfers in of \$8.5 million and an expenditure budget/transfers out savings of \$19.2 million.

Revenues and transfers in received in Fiscal Year 2018-19 had a favorable variance of \$8.5 million primarily related to increases in property tax revenues, sales tax revenues, investment income (including book entries for gains and losses) and current services revenue, which includes building related activity and recreation revenues.

Included in the \$19.2 million savings in the expenditure budget and transfer out, \$10.9 million was unspent funding for ongoing capital improvement projects. These funds will be carried over to the next fiscal year to complete the projects. In addition, \$0.2 million will be carried forward from the expenditure budget for grant related activity. Encumbered purchase orders totaling \$5.8 million will also be carried forward for activity that crosses fiscal years. After considering the noted items that will carry forward to the new fiscal year, there is a net savings of \$2.3 million. Please refer to the Required Supplementary Information section of the accompanying financial statements for additional information.

Final Budget	\$ 154,032,766
Actual Expenditures	132,101,152
Transfers Out	2,717,350
Favorable Budget Variance	<u>\$ 19,214,264</u>

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need any additional financial information, please contact the City of Corona's Administrative Services Department at 400 South Vicentia Ave., Corona, California, 92882, phone number 951-279-3500 or e-mail finance@coronaca.gov.

Government-Wide Financial Statements

Governmental Activities – Activities include General Government, Fire, Police, Public Works, Maintenance Services, Library and Recreation Services, Community Development, and Housing and Economic Development. Revenues to finance these activities include property and sales taxes, user fees, investment income, franchise fees and state and federal grants.

Business-Type Activities – Activities relate to the City's water system, water reclamation system, electric, transit and airport services. Fees charged to customers for the services provided cover all or most of the cost of the business-type activities.



CITY OF CORONA

STATEMENT OF NET POSITION
JUNE 30, 2019

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
Assets			
Current Assets			
Cash and Investments	\$ 212,148,387	\$ 112,790,514	\$ 324,938,901
Accounts Receivable, Net	7,645,045	12,689,797	20,334,842
Interest Receivable	1,061,448	558,256	1,619,704
Due from Other Governmental Agencies	24,612,197	2,200,205	26,812,402
Inventories and Prepayments	396,351	2,983,433	3,379,784
Deposits	-	95,191	95,191
Land Held for Resale	1,189,388	-	1,189,388
Restricted Cash and Investments	1,045,099	10,936,555	11,981,654
Total Current Assets	248,097,915	142,253,951	390,351,866
Noncurrent Assets			
Internal Balances	178,599,008	(178,599,008)	-
Long-term Receivable, Net	35,033,471	-	35,033,471
Investment in Joint Venture	-	5,865,267	5,865,267
Capital Assets:			
Land and Construction in Progress	401,153,285	40,277,171	441,430,456
Other Capital Assets, Net of Depreciation	329,697,292	376,488,780	706,186,072
Total Capital Assets	730,850,577	416,765,951	1,147,616,528
Total Noncurrent Assets	944,483,056	244,032,210	1,188,515,266
Total Assets	1,192,580,971	386,286,161	1,578,867,132
Deferred Outflows of Resources			
Deferred Charges on Refunding	507,533	-	507,533
Deferred Pension Related Items	45,135,475	6,127,697	51,263,172
Deferred OPEB Related Items	15,212,257	2,398,311	17,610,568
Total Deferred Outflows of Resources	60,855,265	8,526,008	69,381,273
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	16,003,779	8,519,552	24,523,331
Unearned Revenue	5,577,506	1,371,053	6,948,559
Deposits	9,313,406	2,722,732	12,036,138
Interest Payable	312,675	-	312,675
Claims and Judgments Payable	4,080,364	-	4,080,364
Compensated Absences Payable	5,669,522	633,878	6,303,400
Long-term Debt, Net of Unamortized Premium	3,208,420	4,378,796	7,587,216
Liabilities Payable from Restricted Assets	31,239	455,649	486,888
Total Current Liabilities	44,196,911	18,081,660	62,278,571
Noncurrent Liabilities			
Claims and Judgments Payable	18,117,990	-	18,117,990
Compensated Absences Payable	3,071,593	276,561	3,348,154
Long-term Debt, Net of Unamortized Premium	37,372,809	66,275,859	103,648,668
Net Pension Liability	215,340,359	34,179,223	249,519,582
Net OPEB Liability	106,226,553	16,747,317	122,973,870
Total Noncurrent Liabilities	380,129,304	117,478,960	497,608,264
Total Liabilities	424,326,215	135,560,620	559,886,835
Deferred Inflows of Resources			
Deferred Pension Related Items	6,380,399	561,605	6,942,004
Deferred OPEB Related Items	632,518	97,813	730,331
Total Deferred Inflows of Resources	7,012,917	659,418	7,672,335
Net Position			
Net Investment in Capital Assets	690,776,881	346,111,296	1,036,888,177
Restricted for:			
Capital Projects	34,034,394	6,735,454	40,769,848
Debt Service	6,490,959	-	6,490,959
Specific Projects and Programs:			
Transportation and Public Works	22,272,787	369,860	22,642,647
Special Assessment District Projects	12,625,790	-	12,625,790
Development Projects	21,365,909	792,804	22,158,713
Other Purposes	382,770	-	382,770
Unrestricted	34,147,614	(95,417,283)	(61,269,669)
Total Net Position	\$ 822,097,104	\$ 258,592,131	\$ 1,080,689,235

CITY OF CORONA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary Government				
Governmental Activities				
General Government	\$ 33,591,976	\$ 7,377,481	\$ 276,848	\$ -
Public Safety - Fire	29,004,569	4,914,360	374,506	328,415
Public Safety - Police	51,665,087	2,282,448	1,672,065	228,845
Public Works & Maintenance Services	41,082,525	17,033,637	9,724,436	44,533,269
Library and Recreation Services	4,301,828	2,882,270	5,070,376	-
Community Development	4,666,834	4,868,485	59,314	1,039,674
Economic Development	391,110	-	-	-
Interest and Fiscal Charges	1,347,268	-	-	-
Total Governmental Activities	166,051,197	39,358,681	17,177,545	46,130,203
Business-Type Activities				
Water	54,241,684	56,486,220	2,466	1,219,809
Water Reclamation	28,218,102	31,394,607	296,988	5,088,723
Electric	15,597,164	16,971,319	19,103	-
Transit Services	3,153,161	364,025	1,484,647	606,941
Airport	180,033	341,505	10,000	-
Total Business-Type Activities	101,390,144	105,557,676	1,813,204	6,915,473
Total Primary Government	\$ 267,441,341	\$ 144,916,357	\$ 18,990,749	\$ 53,045,676

General Revenues

Taxes:

Property Taxes

Transient Occupancy Tax

Sales and Use Tax

Franchise Tax

Business Tax

Dwelling Development Tax

Investment Earnings

Other Income

Transfers**Total General Revenues and Transfers**

Change in Net Position

Net Position, Beginning of Year

Restatement of Net Position

Net Position, Beginning of Year, as Restated

Net Position at End of Year

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

Governmental Activities	Business-Type Activities	Total
\$ (25,937,647)	\$ -	\$ (25,937,647)
(23,387,288)	-	(23,387,288)
(47,481,729)	-	(47,481,729)
30,208,817	-	30,208,817
3,650,818	-	3,650,818
1,300,639	-	1,300,639
(391,110)	-	(391,110)
(1,347,268)	-	(1,347,268)
(63,384,768)	-	(63,384,768)
-	3,466,811	3,466,811
-	8,562,216	8,562,216
-	1,393,258	1,393,258
-	(697,548)	(697,548)
-	171,472	171,472
-	12,896,209	12,896,209
(63,384,768)	12,896,209	(50,488,559)
48,123,700	-	48,123,700
2,725,406	-	2,725,406
44,125,758	-	44,125,758
5,830,823	-	5,830,823
2,250,488	-	2,250,488
834,240	-	834,240
9,042,370	5,010,211	14,052,581
11,764,807	8,542,261	20,307,068
(1,896,122)	1,896,122	-
122,801,470	15,448,594	138,250,064
59,416,702	28,344,803	87,761,505
764,600,961	230,247,328	994,848,289
(1,920,559)	-	(1,920,559)
762,680,402	230,247,328	992,927,730
\$ 822,097,104	\$ 258,592,131	\$ 1,080,689,235



Governmental Fund Financial Statements

MAJOR FUNDS:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources not required to be accounted for in another fund, and for certain general programs and activities including equipment capital outlay and City facilities.

Capital Project Funds

Low Mod Income Housing Asset Fund – This fund is used to account for transactions related to affordable housing activities as prescribed in the Corona Housing Authority.

Other Grants – This fund accounts for receipts and expenditures of money received from various governmental grants.

Development Fund – This fund is used to account for park dedication fees, dwelling development fees and other development fees received. The fees collected are used to offset the burden resulting from new developments.

NON-MAJOR GOVERNMENTAL FUNDS:

Other Governmental Funds – These funds represent the non-major governmental funds, which include special revenue, debt service and capital project funds.

CITY OF CORONA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

		Capital Projects Funds	
		Low Mod Income Housing	
	General	Asset	Other Grants
Assets			
Cash and Investments	\$ 90,442,084	\$ 9,538,688	\$ -
Accounts Receivable	2,216,539	-	3,898,879
Interest Receivable	667,053	46,194	79
Due from Other Governmental Agencies	12,718,863	-	7,438,229
Due from Other Funds	7,523,156	-	-
Long-term Receivables, Net	8,712,633	9,942,191	-
Interfund Advances Receivable	17,573,098	-	-
Loans Receivable, Net	-	7,708,385	2,300,000
Inventories and Prepayments	206,341	-	-
Land Held for Resale	-	1,189,388	-
Restricted Assets:			
Cash and Investments	-	-	973,474
Total Assets	\$ 140,059,767	\$ 28,424,846	\$ 14,610,661
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 6,750,226	\$ 12,729	\$ 6,604,239
Deposits	8,278,133	14,550	-
Due to Other Funds	-	-	5,083,935
Unearned Revenue	1,982,928	-	2,424,535
Interfund Advances Payable	-	-	-
Liabilities Payable from Restricted Assets	-	-	5,000
Total Liabilities	17,011,287	27,279	14,117,709
Deferred Inflows of Resources			
Unavailable Revenue	1,162,100	-	-
Total Deferred Inflows of Resources	1,162,100	-	-
Fund Balances			
Nonspendable	26,492,072	-	-
Restricted	-	28,397,567	492,952
Committed	39,899,272	-	-
Assigned	55,495,036	-	-
Unassigned	-	-	-
Total Fund Balances	121,886,380	28,397,567	492,952
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 140,059,767	\$ 28,424,846	\$ 14,610,661

CITY OF CORONA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019

	Capital Projects Funds	Other Governmental Funds	Total Governmental Funds
	Development		
Assets			
Cash and Investments	\$ 29,071,899	\$ 45,349,658	\$ 174,402,329
Accounts Receivable	-	1,460,833	7,576,251
Interest Receivable	130,272	217,850	1,061,448
Due from Other Governmental Agencies	-	4,454,057	24,611,149
Due from Other Funds	-	-	7,523,156
Long-term Receivables, Net	1,189,660	1,956,888	21,801,372
Interfund Advances Receivable	-	-	17,573,098
Loans Receivable, Net	371,051	2,852,663	13,232,099
Inventories and Prepayments	-	-	206,341
Land Held for Resale	-	-	1,189,388
Restricted Assets:			
Cash and Investments	57,000	14,625	1,045,099
Total Assets	\$ 30,819,882	\$ 56,306,574	\$ 270,221,730
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts Payable and Accrued Liabilities	\$ 342,269	\$ 1,722,038	\$ 15,431,501
Deposits	1,019,173	1,550	9,313,406
Due to Other Funds	-	2,439,221	7,523,156
Unearned Revenue	-	1,170,043	5,577,506
Interfund Advances Payable	9,553,121	2,222,399	11,775,520
Liabilities Payable from Restricted Assets	15,737	10,502	31,239
Total Liabilities	10,930,300	7,565,753	49,652,328
Deferred Inflows of Resources			
Unavailable Revenue	-	-	1,162,100
Total Deferred Inflows of Resources	-	-	1,162,100
Fund Balances			
Nonspendable	-	-	26,492,072
Restricted	19,889,582	48,392,508	97,172,609
Committed	-	-	39,899,272
Assigned	-	396,813	55,891,849
Unassigned	-	(48,500)	(48,500)
Total Fund Balances	19,889,582	48,740,821	219,407,302
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 30,819,882	\$ 56,306,574	\$ 270,221,730



CITY OF CORONA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019**

Total Fund Balance - Total Governmental Funds \$ 219,407,302

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 726,158,704

Long-term capital lease in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 172,628,344

Governmental funds report all OPEB contributions as expenditures, however, the OPEB liability has a measurement date of June 30, 2018, and contributions made subsequent to the measurement date are reclassified as deferred OPEB contributions. 8,249,053

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. 24,795,492

Deferred outflow of resources reported are:

Pension related items:

Difference between expected and actual experiences \$ 2,343,283

Change in assumptions 14,734,389

Net difference between projected and actual earnings on pension plan investments 468,013

Adjustment due to Differences in Proportions 1,139,742

Difference in actual to proportionate share contribution 157,003

OPEB related items:

Net difference between projected and actual earnings on investments 6,299,651 25,142,083

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.

Unavailable revenue from property taxes 1,162,100

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet. (312,675)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet. These include:

Compensated Absences (8,467,386)

Unamortized Deferred Charges on Refunding 507,533

Long-term Debt (36,990,265)

Unamortized Bond Premium (2,528,380)

Net Pension Liability (206,987,284)

Net OPEB Liability (101,593,012) (356,058,794)

Deferred inflow of resources reported are:

Pension related items:

Difference between expected and actual experiences (1,986,480)

Changes in assumptions (2,428,228)

Net difference between projected and actual earnings on pension plan investments (62,242)

Adjustment due to Differences in Proportions (238,999)

Difference in actual to proportionate share contribution (1,527,199)

OPEB related items:

Net difference between projected and actual earnings on investments (618,642) (6,861,789)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide Statement of Net Position.

7,787,284

Net Position of Governmental Activities

\$ 822,097,104

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CITY OF CORONA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	General	Capital Projects Funds	
		Low Mod Income Housing Asset	Other Grants
Revenues			
Property Taxes	\$ 47,994,974	\$ -	\$ -
Sales Taxes	44,125,758	-	-
Other Taxes	10,806,717	-	-
Licenses, Fees and Permits	3,059,318	-	-
Fines and Penalties	997,484	-	-
Special Assessments	98,931	-	-
Investment Earnings	5,976,173	331,216	1,002
Intergovernmental Revenues	2,718,180	-	6,683,362
Current Services	12,583,103	-	-
Payments in Lieu of Services	6,898,116	-	-
Other Revenues	12,299,534	47,324	25,372,626
Total Revenues	147,558,288	378,540	32,056,990
Expenditures			
Current:			
General Government	32,508,481	-	-
Public Safety - Fire	25,392,593	-	-
Public Safety - Police	45,083,301	-	-
Public Works & Maintenance Services	12,870,865	-	1,146
Library and Recreation Services	5,043,827	-	20,498
Community Development	4,696,978	179,935	-
Economic Development	444,925	-	-
Capital Outlay	1,805,537	15,896	32,084,990
Debt Service:			
Principal Retirement	2,816,576	-	-
Interest and Fiscal Charges	1,438,069	-	-
Total Expenditures	132,101,152	195,831	32,106,634
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,457,136	182,709	(49,644)
Other Financing Sources (Uses)			
Transfers In	1,046,720	12,281	-
Transfers Out	(2,717,350)	-	-
Total Other Financing Sources (Uses)	(1,670,630)	12,281	-
Net Change in Fund Balances	13,786,506	194,990	(49,644)
Fund Balances, Beginning of Year	108,568,234	28,202,577	1,978,059
Restatements	(468,360)	-	(1,435,463)
Fund Balances, Beginning of Year, as Restated	108,099,874	28,202,577	542,596
Fund Balances, End of Year	\$ 121,886,380	\$ 28,397,567	\$ 492,952

CITY OF CORONA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Capital Projects Funds	Other Governmental Funds	Total Governmental Funds
	Development		
Revenues			
Property Taxes	\$ -	\$ -	\$ 47,994,974
Sales Taxes	-	-	44,125,758
Other Taxes	-	-	10,806,717
Licenses, Fees and Permits	10,553,439	722,208	14,334,965
Fines and Penalties	-	262,781	1,260,265
Special Assessments	-	8,500,738	8,599,669
Investment Earnings	1,030,661	1,703,318	9,042,370
Intergovernmental Revenues	-	14,057,731	23,459,273
Current Services	-	9,226,960	21,810,063
Payments in Lieu of Services	834,240	-	7,732,356
Other Revenues	284	367,934	38,087,702
Total Revenues	12,418,624	34,841,670	227,254,112
Expenditures			
Current:			
General Government	-	103,738	32,612,219
Public Safety - Fire	542	-	25,393,135
Public Safety - Police	-	830,959	45,914,260
Public Works & Maintenance Services	78,581	20,925,735	33,876,327
Library and Recreation Services	-	75,835	5,140,160
Community Development	-	372,854	5,249,767
Economic Development	-	-	444,925
Capital Outlay	1,102,522	3,960,477	38,969,422
Debt Service:			
Principal Retirement	-	-	2,816,576
Interest and Fiscal Charges	-	4,737	1,442,806
Total Expenditures	1,181,645	26,274,335	191,859,597
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,236,979	8,567,335	35,394,515
Other Financing Sources (Uses)			
Transfers In	-	323,902	1,382,903
Transfers Out	-	(1,046,720)	(3,764,070)
Total Other Financing Sources (Uses)	-	(722,818)	(2,381,167)
Net Change in Fund Balances	11,236,979	7,844,517	33,013,348
Fund Balances, Beginning of Year	9,137,699	40,427,944	188,314,513
Restatements	(485,096)	468,360	(1,920,559)
Fund Balances, Beginning of Year, as Restated	8,652,603	40,896,304	186,393,954
Fund Balances, End of Year	\$ 19,889,582	\$ 48,740,821	\$ 219,407,302

CITY OF CORONA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2019**

Net Changes in Fund Balances - Total Governmental Funds **\$ 33,013,348**

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

Governmental funds report capital outlay as expenditures. However, in the government-wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses:

Capital Outlay	38,544,698
Deletions of capital assets during the current year	(1,747,877)

Depreciation expense on capital assets is reported in the government-wide Statement of Activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures governmental funds. (12,429,899)

Net change in revenues that was considered unavailable in the governmental funds. These items have been reported as revenue in the government-wide Statement of Activities:

Property taxes	128,726
Operating Grants	1,822

Interest expense on long-term debt is reported in the government-wide Statement of Activities, but does not require the use of current financial resources. Therefore, interest expense is not reported as expenditures in governmental funds. This amount represents the change in accrued interest from the prior year. 23,848

Long-term compensated absences are reported in the government-wide Statement of Activities, but do not require the use of current financial resources. Therefore, long-term compensated absences are not reported as expenditures in the governmental funds. This amount represents the change from the prior year. (206,299)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal Repayments:		
Lease Revenue Bond Payable	\$ 1,220,000	
Lease Payable	1,596,576	
Contribution of lease to internal service fund	807,947	
Bond Premium Amortization	148,728	
Deferred Charges Amortization	<u>(29,855)</u>	3,743,396

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. (6,431,807)

Governmental funds report all contributions in relation to the actuarially determined contribution for OPEB as expenditures, however in the statement of activities only the annual OPEB cost is an expense. 1,463,696

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet operations, to individual funds. The funds' revenues and expenditures are included as governmental activities in the Statement of Activities but not in the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balances. 3,313,050

Change in Net Position of Governmental Activities **\$ 59,416,702**

Proprietary Fund Financial Statements

MAJOR FUNDS:

Water Fund – This fund is used to account for the operation of the City's water utility, a self-supporting activity which renders services on a user charge basis to residents and businesses located in the City.

Water Reclamation Fund – This fund is used to account for the operation of the City's water reclamation utility, a self-supporting activity which renders services on a user charge basis to residents and businesses located in the City.

Electric Fund – This fund is used to account for the operation of the City's electric utility, a self-supporting activity which renders services on a user charge basis to businesses located in the City.

NON-MAJOR PROPRIETARY FUNDS:

Other Funds – These funds represent the non-major proprietary funds, which include Public Financing Authority Fund and Public Improvement Corporation Fund.

GOVERNMENTAL ACTIVITIES – INTERNAL SERVICE FUNDS:

These funds are used to account for goods and services provided to other City departments or agencies on a cost reimbursement basis.

CITY OF CORONA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Business-Type Activities - Enterprise Funds Corona Utility Authority		
	Water	Water Reclamation	Electric
Assets			
Current Assets			
Cash and Investments	\$ 29,884,464	\$ 62,345,288	\$ 19,566,718
Accounts Receivable, Net	6,595,820	4,089,606	2,001,678
Interest Receivable	144,679	302,792	104,477
Due from Other Governmental Agencies	1,430,177	205,260	-
Inventories and Prepayments	2,906,766	-	76,667
Deposits	-	-	95,191
Restricted:			
Cash and Investments	6,244,024	2,314,275	2,008,396
Total Current Assets	47,205,930	69,257,221	23,853,127
Noncurrent Assets			
Interfund Advances Receivable	-	-	2,222,399
Investment in Joint Venture	-	5,865,267	-
Capital Assets:			
Land and Construction in Progress	31,552,425	7,075,437	1,649,309
Other Capital Assets, Net of Depreciation	229,828,335	133,197,588	9,037,199
Total Capital Assets	261,380,760	140,273,025	10,686,508
Total Noncurrent Assets	261,380,760	146,138,292	12,908,907
Total Assets	308,586,690	215,395,513	36,762,034
Deferred Outflows of Resources			
Deferred Pension Related Items	3,284,540	2,017,986	639,652
Deferred OPEB Related Items	1,281,217	827,674	201,183
Total Deferred Outflows of Resources	4,565,757	2,845,660	840,835
Total Assets and Deferred Outflows of Resources	\$ 313,152,447	\$ 218,241,173	\$ 37,602,869
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	\$ 4,534,067	\$ 1,924,220	\$ 1,707,881
Unearned Revenue	810,469	-	-
Deposits	1,266,130	547,317	908,395
Claims and Judgments Payable	-	-	-
Compensated Absences Payable	365,008	240,782	14,783
Long-term Capital Lease Payable	6,860	-	-
Long-term Debt	3,497,245	874,691	-
Liabilities Payable from Restricted Assets	41,808	413,841	-
Total Current Liabilities	10,521,587	4,000,851	2,631,059
Noncurrent Liabilities			
Interfund Advances Payable	-	-	8,019,977
Claims and Judgments Payable	-	-	-
Compensated Absences Payable	113,731	131,769	-
Long-term Capital Lease Payable	17,255	-	-
Corona Utility Authority Lease Payable	106,819,662	65,808,682	-
Long-term Debt, Net of Unamortized Premium	45,776,288	20,482,316	-
Net Pension Liability	18,320,586	11,255,970	3,567,868
Net OPEB Liability	8,946,693	5,779,617	1,404,845
Total Noncurrent Liabilities	179,994,215	103,458,354	12,992,690
Total Liabilities	190,515,802	107,459,205	15,623,749

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STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2019

(CONTINUED)

	Business-Type Activities - Enterprise Funds Corona Utility Authority		
	Water	Water Reclamation	Electric
Deferred Inflows of Resources			
Deferred Pension Related Items	301,030	184,950	58,623
Deferred OPEB Related Items	52,036	34,399	8,421
Total Deferred Inflows of Resources	353,066	219,349	67,044
Net Position			
Net Investment in Capital Assets	212,083,111	118,916,019	10,686,508
Restricted for:			
Capital Projects	6,568,086	167,368	-
Transportation	-	-	-
Restricted for Development Agreements	-	792,804	-
Unrestricted	(96,367,618)	(9,313,572)	11,225,568
Total Net Position	122,283,579	110,562,619	21,912,076
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 313,152,447	\$ 218,241,173	\$ 37,602,869

Reconciliation of Net Position to the Statement of Net Position

Net Position per Statement of Net Position - Proprietary Funds

Prior years' accumulated adjustment to reflect the consolidation of
internal service funds activities related to the enterprise fundsCurrent years' adjustments to reflect the consolidation of internal
service activities related to enterprise funds**Net Position per Statement of Net Position**

CITY OF CORONA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Assets			
Current Assets			
Cash and Investments	\$ 994,044	\$ 112,790,514	\$ 37,746,058
Accounts Receivable, Net	2,693	12,689,797	68,794
Interest Receivable	6,308	558,256	-
Due from Other Governmental Agencies	564,768	2,200,205	1,048
Inventories and Prepayments	-	2,983,433	190,010
Deposits	-	95,191	-
Restricted:			
Cash and Investments	369,860	10,936,555	-
Total Current Assets	1,937,673	142,253,951	38,005,910
Noncurrent Assets			
Interfund Advances Receivable	-	2,222,399	-
Investment in Joint Venture	-	5,865,267	-
Capital Assets:			
Land and Construction in Progress	-	40,277,171	29,639
Other Capital Assets, Net of Depreciation	4,425,658	376,488,780	4,662,234
Total Capital Assets	4,425,658	416,765,951	4,691,873
Total Noncurrent Assets	4,425,658	424,853,617	4,691,873
Total Assets	6,363,331	567,107,568	42,697,783
Deferred Outflows of Resources			
Deferred Pension Related Items	185,519	6,127,697	1,497,553
Deferred OPEB Related Items	88,237	2,398,311	663,551
Total Deferred Outflows of Resources	273,756	8,526,008	2,161,104
Total Assets and Deferred Outflows of Resources	\$ 6,637,087	\$ 575,633,576	\$ 44,858,887
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	\$ 353,384	\$ 8,519,552	\$ 572,278
Unearned Revenue	560,584	1,371,053	-
Deposits	890	2,722,732	-
Claims and Judgments Payable	-	-	4,080,364
Compensated Absences Payable	13,305	633,878	152,491
Long-term Capital Lease Payable	-	6,860	302,911
Long-term Debt	-	4,371,936	-
Liabilities Payable from Restricted Assets	-	455,649	-
Total Current Liabilities	928,163	18,081,660	5,108,044
Noncurrent Liabilities			
Interfund Advances Payable	-	8,019,977	-
Claims and Judgments Payable	-	-	18,117,990
Compensated Absences Payable	31,061	276,561	121,238
Long-term Capital Lease Payable	-	17,255	759,673
Corona Utility Authority Lease Payable	-	172,628,344	-
Long-term Debt, Net of Unamortized Premium	-	66,258,604	-
Net Pension Liability	1,034,799	34,179,223	8,353,075
Net OPEB Liability	616,162	16,747,317	4,633,541
Total Noncurrent Liabilities	1,682,022	298,127,281	31,985,517
Total Liabilities	2,610,185	316,208,941	37,093,561

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CITY OF CORONA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2019

(CONTINUED)

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Deferred Inflows of Resources			
Deferred Pension Related Items	17,002	561,605	137,251
Deferred OPEB Related Items	2,957	97,813	13,877
Total Deferred Inflows of Resources	19,959	659,418	151,128
Net Position			
Net Investment in Capital Assets	4,425,658	346,111,296	3,599,650
Restricted for:			
Capital Projects	-	6,735,454	-
Transportation	369,860	369,860	-
Restricted for Development Agreements	-	792,804	-
Unrestricted	(788,575)	(95,244,197)	4,014,548
Total Net Position	4,006,943	258,765,217	7,614,198
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 6,637,087	\$ 575,633,576	\$ 44,858,887

Reconciliation of Net Position to the Statement of Net Position

Net Position per Statement of Net Position - Proprietary Funds	\$ 258,765,217
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds	(181,483)
Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds	8,397
Net Position per Statement of Net Position	\$ 258,592,131

CITY OF CORONA

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds		
	Corona Utility Authority		
	Water	Water Reclamation	Electric
Operating Revenues			
Service Charges	\$ 49,024,380	\$ 30,692,782	\$ 15,948,217
Fees and Permits	6,831,790	179,624	-
Fines and Penalties	531,903	300,346	50,222
Other Revenues	4,186,087	4,396,758	1,006,845
Total Operating Revenues	60,574,160	35,569,510	17,005,284
Operating Expenses			
Personnel Services	9,325,566	5,787,533	1,936,206
Contractual	3,888,629	1,362,126	458,889
Materials and Supplies	23,732,431	9,831,248	3,725,939
Utilities	4,635,440	3,152,170	8,250,226
Depreciation and Amortization	7,769,263	5,363,829	982,327
Claims Expense	-	-	-
Total Operating Expenses	49,351,329	25,496,906	15,353,587
Operating Income (Loss)	11,222,831	10,072,604	1,651,697
Nonoperating Revenues (Expenses)			
Investment Earnings	1,539,255	2,562,565	855,037
Interest Expense	(4,856,866)	(2,654,759)	(257,669)
Operating Grants and Contributions	2,466	296,988	19,103
Intergovernmental	-	181,498	-
Contributions	-	-	-
Loss on Joint Venture	-	(94,231)	-
Total Nonoperating Revenues (Expenses)	(3,315,145)	292,061	616,471
Income (Loss) Before Contributions and Transfers	7,907,686	10,364,665	2,268,168
Capital Grants and Contributions	1,219,809	5,088,723	-
Transfers In	2,827,104	562,898	220,290
Transfers Out	-	(1,760,084)	-
Changes in Net Position	11,954,599	14,256,202	2,488,458
Net Position, Beginning of Year	110,328,980	96,306,417	19,423,618
Restatements	-	-	-
Net Position, Beginning of Year, as Restated	110,328,980	96,306,417	19,423,618
Net Position, End of Year	\$ 122,283,579	\$ 110,562,619	\$ 21,912,076
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			
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds			
Changes in Net Position of Business-Type Activities per Statement of Activities			

CITY OF CORONA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Operating Revenues			
Service Charges	\$ -	\$ 95,665,379	\$ 16,282,415
Fees and Permits	31,903	7,043,317	-
Fines and Penalties	-	882,471	-
Other Revenues	724,093	10,313,783	865,488
Total Operating Revenues	755,996	113,904,950	17,147,903
Operating Expenses			
Personnel Services	480,099	17,529,404	6,805,550
Contractual	1,804,249	7,513,893	1,533,610
Materials and Supplies	188,464	37,478,082	4,141,747
Utilities	182,118	16,219,954	861,189
Depreciation and Amortization	678,264	14,793,683	386,693
Claims Expense	-	-	1,130,845
Total Operating Expenses	3,333,194	93,535,016	14,859,634
Operating Income (Loss)	(2,577,198)	20,369,934	2,288,269
Nonoperating Revenues (Expenses)			
Investment Earnings	53,354	5,010,211	-
Interest Expense	-	(7,769,294)	(47,181)
Operating Grants and Contributions	1,505,956	1,824,513	-
Intergovernmental	2,180	183,678	-
Contributions	-	-	595,314
Loss on Joint Venture	-	(94,231)	-
Total Nonoperating Revenues (Expenses)	1,561,490	(845,123)	548,133
Income (Loss) Before Contributions and Transfers	(1,015,708)	19,524,811	2,836,402
Capital Grants and Contributions	606,941	6,915,473	-
Transfers In	45,914	3,656,206	485,045
Transfers Out	-	(1,760,084)	-
Changes in Net Position	(362,853)	28,336,406	3,321,447
Net Position, Beginning of Year	4,369,796	230,428,811	7,106,568
Restatements	-	-	(2,813,817)
Net Position, Beginning of Year, as Restated	4,369,796	230,428,811	4,292,751
Net Position, End of Year	\$ 4,006,943	\$ 258,765,217	\$ 7,614,198
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		\$ 28,336,406	
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds		8,397	
Changes in Net Position of Business-Type Activities per Statement of Activities		\$ 28,344,803	

CITY OF CORONA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Business-Type Activities - Enterprise Funds		
	Corona Utility Authority		
	Water	Water Reclamation	Electric
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 55,627,250	\$ 30,935,039	\$ 16,856,740
Cash paid to suppliers for goods and services	(35,626,140)	(15,079,077)	(11,760,803)
Cash paid to employees for services	(9,246,825)	(5,658,793)	(1,767,325)
Cash paid for current claims	-	-	-
Cash paid for long-term claims	-	-	-
Cash received from others	4,686,877	4,216,032	1,305,091
Net Cash Provided (Used) by Operating Activities	15,441,162	14,413,201	4,633,703
Cash Flows from Non-Capital Financing Activities:			
Transfers in	2,827,104	562,898	220,290
Transfers out	-	(1,760,084)	-
Cash borrowed due to other funds	-	-	-
Advance to other funds	-	-	(932,057)
Repayments of advance from other funds	-	-	609,026
Operating grants and contributions	2,466	296,988	19,103
Intergovernmental	-	181,498	-
Net Cash Provided (Used) by Non-Capital Financing Activities	2,829,570	(718,700)	(83,638)
Cash Flows from Capital and Related Financing Activities:			
Proceeds from capital debt	24,115	-	-
Proceeds from long-term capital lease payable	-	-	-
Capital grants and contributions	1,219,809	5,088,723	-
Acquisition and construction of capital assets	(8,020,007)	(13,836,967)	(50,420)
Retirement on long-term debt	(3,631,131)	(2,293,834)	-
Interest payments of long-term debt	(4,945,441)	(2,673,690)	(257,669)
Net Cash Provided (Used) by Capital and Related Financing Activities	(15,352,655)	(13,715,768)	(308,089)
Cash Flows from Investing Activities:			
Interest received	1,509,510	2,522,023	824,280
Net Cash Provided (Used) by Investing Activities	1,509,510	2,522,023	824,280
Net Increase (Decrease) in Cash and Cash Equivalents	4,427,587	2,500,756	5,066,256
Cash and Cash Equivalents at Beginning of Year	31,700,901	62,158,807	16,508,858
Cash and Cash Equivalents at End of Year	\$ 36,128,488	\$ 64,659,563	\$ 21,575,114

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Business-Type Activities - Enterprise Funds		
	Corona Utility Authority		
	Water	Water Reclamation	Electric
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ 11,222,831	\$ 10,072,604	\$ 1,651,697
Adjustments to Reconcile Operating Income (Loss)			
Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	7,769,263	5,363,829	982,327
(Increase) decrease in accounts receivable	198,552	1,033,346	15,215
(Increase) decrease in deposits receivable	-	-	(65,309)
(Increase) decrease in due from other governments	500,790	(180,726)	298,246
(Increase) decrease in inventories and prepayments	(31,824)	-	65,807
(Increase) decrease in deferred outflows of pension related items	1,996,024	1,188,917	322,596
(Increase) decrease in deferred outflows of OPEB items	(537,512)	(336,745)	(81,062)
Increase (decrease) in accounts payable and accrued liabilities	(2,620,352)	(799,035)	611,622
Increase (decrease) in unearned revenue	60,442	-	-
Increase (decrease) in deposits payable	(1,019,817)	(1,271,059)	908,395
Increase (decrease) in claims and judgments	-	-	-
Increase (decrease) in compensated absences	33,150	90,183	5,700
Increase (decrease) in liabilities payable from restricted assets	(695,605)	78,125	-
Increase (decrease) in pension liability	(1,939,405)	(1,047,613)	(121,866)
Increase (decrease) in OPEB liability	740,630	362,693	79,428
Increase (decrease) in deferred inflows of pension related items	(232,550)	(139,086)	(38,551)
Increase (decrease) in deferred inflows of OPEB items	(3,455)	(2,232)	(542)
Total Adjustments	4,218,331	4,340,597	2,982,006
Net Cash Provided (Used) by Operating Activities	\$ 15,441,162	\$ 14,413,201	\$ 4,633,703
Non-Cash Investing, Capital, and Financing Activities:			
Gain/(Loss) on Investment in Joint Venture	\$ -	\$ (94,231)	\$ -
Amortization of bond premium	(88,575)	(18,931)	-

CITY OF CORONA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 33,792	\$ 103,452,821	\$ 16,295,226
Cash paid to suppliers for goods and services	(1,975,613)	(64,441,633)	(6,255,203)
Cash paid to employees for services	(462,265)	(17,135,208)	(4,003,497)
Cash paid for current claims	-	-	(304,159)
Cash paid for long-term claims	-	-	(1,537,808)
Cash received from others	1,690,024	11,898,024	865,488
Net Cash Provided (Used) by Operating Activities	(714,062)	33,774,004	5,060,047
Cash Flows from Non-Capital Financing Activities:			
Transfers in	45,914	3,656,206	485,045
Transfers out	-	(1,760,084)	-
Cash borrowed due to other funds	(694,343)	(694,343)	-
Advance to other funds	(115,000)	(1,047,057)	-
Repayments of advance from other funds	-	609,026	-
Operating grants and contributions	1,505,956	1,824,513	-
Intergovernmental	2,180	183,678	-
Net Cash Provided (Used) by Non-Capital Financing Activities	744,707	2,771,939	485,045
Cash Flows from Capital and Related Financing Activities:			
Proceeds from capital debt	-	24,115	297,067
Proceeds from long-term capital lease payable	-	-	807,947
Capital grants and contributions	606,941	6,915,473	595,314
Acquisition and construction of capital assets	(131,449)	(22,038,843)	(2,430,733)
Retirement on long-term debt	-	(5,924,965)	(281,729)
Interest payments of long-term debt	-	(7,876,800)	(47,181)
Net Cash Provided (Used) by Capital and Related Financing Activities	475,492	(28,901,020)	(1,059,315)
Cash Flows from Investing Activities:			
Interest received	50,842	4,906,655	-
Net Cash Provided (Used) by Investing Activities	50,842	4,906,655	-
Net Increase (Decrease) in Cash and Cash Equivalents	556,979	12,551,578	4,485,777
Cash and Cash Equivalents at Beginning of Year	806,925	111,175,491	33,260,281
Cash and Cash Equivalents at End of Year	\$ 1,363,904	\$ 123,727,069	\$ 37,746,058

CITY OF CORONA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (2,577,198)	\$ 20,369,934	\$ 2,288,269
Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	678,264	14,793,683	386,693
(Increase) decrease in accounts receivable	4,087	1,251,200	12,811
(Increase) decrease in deposits receivable	-	(65,309)	-
(Increase) decrease in due from other governments	772,959	1,391,269	-
(Increase) decrease in inventories and prepayments	-	33,983	172,574
(Increase) decrease in deferred outflows of pension related items	139,933	3,647,470	656,576
(Increase) decrease in deferred outflows of OPEB items	(45,412)	(1,000,731)	(453,601)
Increase (decrease) in accounts payable and accrued liabilities	203,409	(2,604,356)	151,369
Increase (decrease) in unearned revenue	190,774	251,216	-
Increase (decrease) in deposits payable	-	(1,382,481)	-
Increase (decrease) in claims and judgments	-	-	(711,122)
Increase (decrease) in compensated absences	4,599	133,632	233,671
Increase (decrease) in liabilities payable from restricted assets	-	(617,480)	-
Increase (decrease) in pension liability	(213,001)	(3,321,885)	88,074
Increase (decrease) in OPEB liability	143,622	1,326,373	2,316,943
Increase (decrease) in deferred inflows of pension related items	(15,860)	(426,047)	(80,421)
Increase (decrease) in deferred inflows of OPEB items	(238)	(6,467)	(1,789)
Total Adjustments	1,863,136	13,404,070	2,771,778
Net Cash Provided (Used) by Operating Activities	\$ (714,062)	\$ 33,774,004	\$ 5,060,047
Non-Cash Investing, Capital, and Financing Activities:			
Gain/(Loss) on Investment in Joint Venture	\$ -	\$ (94,231)	\$ -
Amortization of bond premium	-	(107,506)	-



Fiduciary Fund Financial Statements

FIDUCIARY FUNDS:

Successor Agency Trust Fund – This fund is a private-purpose trust fund, used to account for activities of the Successor Agency of the former Corona Redevelopment Agency. The Corona Redevelopment Agency dissolved with the passage of Assembly Bill 1X 26 on January 31, 2012. The City serves as a custodian for the assets of the dissolved agency.

Pass-Through Agency Fund – This fund is an agency fund, and is custodial in nature and used to account for receipts of special assessments and taxes that will be used to pay principal and interest on the bonds that have no direct City obligation.

CITY OF CORONA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2019

	Private- Purpose Trust Fund Successor Agency Trust Fund	Agency Funds
Assets		
Cash and Investments	\$ 6,618,051	\$ 1,376,346
Interest Receivable	-	79,938
Due from Other Governmental Agencies	-	204,421
Restricted Assets:		
Cash and Investments	6,940,502	27,130,909
Total Assets	13,558,553	\$ 28,791,614
Deferred Outflows of Resources		
Deferred Pension Related Items	15,937	
Deferred OPEB Related Items	37,059	
Total Deferred Outflows of Resources	52,996	
Liabilities		
Current:		
Accounts Payable and Accrued Liabilities	792,714	\$ 38,677
Long-Term Debt Due within One Year	4,025,000	-
Liabilities Payable from Restricted Assets	3,203	-
Noncurrent:		
Due to Other Governmental Agencies	7,490,083	-
Long-term Debt, Net of Unamortized Premium	47,780,739	-
Net Pension Liability	88,900	-
Net OPEB Liability	258,776	-
Due to Bondholders	-	28,752,937
Total Liabilities	60,439,415	\$ 28,791,614
Deferred Inflows of Resources		
Deferred Pension Related Items	1,461	
Deferred OPEB Related Items	1,459	
Total Deferred Inflows of Resources	2,920	
Net Position		
Held in Trust for Successor Agency Activities	(46,830,786)	
Total Net Position	\$ (46,830,786)	

CITY OF CORONA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2019

	Private-Purpose Trust Fund Successor Agency Trust Fund
Additions	
Property Taxes	\$ 11,105,302
Investment Income	100,120
Total Additions	11,205,422
Deductions	
Administrative Expenses	(24,450)
Developer Payments - OPA Approved by DOF	1,894,084
Debt Service Payments	2,508,279
Total Deductions	4,377,913
Changes in Net Position	6,827,509
Net Position, Beginning of Year	(53,658,295)
Net Position, End of the Year	\$ (46,830,786)



I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

The accounting policies of the City of Corona, California conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to government units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB). The most significant accounting policies are described below.

a. Reporting Entity

The City of Corona was incorporated in 1896 under the general laws of the State of California. The City operates under a Council-Manager form of government. Five Corona citizens make up the Corona City Council and each is elected to a four-year term of office. The Mayor is appointed annually by and from the City Council. The City provides full services to its citizens, including: public safety (police and fire), streets, electric, public library, recreation, parks and other public facilities, planning and zoning, public transportation (Dial-A-Ride and Corona Cruiser programs), housing and economic development programs. Water and water reclamation services are provided through the legally separate Corona Utility Authority, which functions as a department of the City of Corona.

The financial statements include the financial activities of the City of Corona, the primary government, and its component units, which are the Corona Public Financing Authority (CPFA), the Corona Public Improvement Corporation (CPIC), the Corona Utility Authority (Authority), and the Corona Housing Authority (CHA). Financial information for the City and these component units are accounted for in the accompanying financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board. The City Council members, in separate session, serve as the governing board of the CPFA, the Authority, and the CHA, as such, these entities are presented on a blended basis.

Blended Component Units

The Corona Public Financing Authority is a joint powers authority organized under Section 6500 et seq. of the California Government Code on June 21, 1989, between the City and the Agency for the purpose of acting as a vehicle for various financing activities of the City and the Agency. The CPFA's Board of Directors is the Corona City Council. The funds of the CPFA have been included in the governmental activities in the financial statements. Funds related to debt issued for proprietary activities are included in the business-type activities. Separate financial statements are not prepared.

The Corona Utility Authority is a joint powers authority which was established on February 6, 2002 pursuant to a Joint Exercise of Powers Agreement between the City and the Agency in accordance with the Joint Powers Law (Articles 1 through 4 of Chapter 5, Division 7, Title 1 of the California Government Code) for the purpose of assisting the City in the leasing of the water and water reclamation utility systems. The Authority's Officers are the Corona City Council and the City's executive management. The funds of the Authority have been included in the business-type activities in the financial statements. Separate financial statements are not prepared.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

The Corona Housing Authority was established on February 16, 2011, pursuant to the California Housing Authority Law codified under State of California Health and Safety Code, Section 34200 et seq. The City Council became the commissioners of governing board of the CHA. The CHA was formed for purposes of providing sanitary and safe housing for people of very low, low or moderate income within the City's territorial jurisdiction. This is achieved by building, acquiring, managing and maintaining residential rental units and providing financial assistance for rentals or ownership in the private real estate market. City staff provides management assistance to the CHA. Upon the dissolution of the former Corona Redevelopment Agency pursuant to Assembly Bill X1 26, the CHA elected to become the successor agency to the former Corona Redevelopment Agency's housing functions (Housing Successor). Pursuant to Senate Bill 341, the CHA oversees the Low- and Moderate-Income Housing Asset fund. The funds of the CHA have been included in the governmental activities in the financial statements. Separate financial statements are not prepared.

b. Basis of Presentation

The City's basic financial statements consist of government-wide statements, including the statement of net position and the statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activities are eliminated to avoid duplication of revenues and expenses.

The statement of net position presents the financial position of the governmental and business-type activities of the City and its blended component unit at year-end. The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restriction to these program uses. Other revenue sources not included with program revenues are reported as general revenues of the City, they are primarily taxes.

Fund Financial Statements

The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses three categories of funds: governmental, proprietary and fiduciary.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at a more detailed level. Major individual governmental and enterprise funds are reported in separate columns.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between its governmental fund assets and its liabilities and deferred inflows of resources as fund balance.

The following are the City's 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 Low Mod Income Housing Asset (Housing Successor) capital project fund accounts for the transactions related to low- and moderate-income housing activities pursuant to SB 341 and as prescribed in the Housing Element of the City's General Plan.
- The Other Grants capital projects fund accounts for receipts and expenditures of money received from various governmental grants.
- The Development capital projects fund is used to account for Quimby and various development impact fees (DIF) received. The use of DIF funds is governed by Section 66006 of the Government Code.

The City also reports the following non-major governmental funds:

- Special revenue funds – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects) as follows:

Gas Tax	Asset Forfeiture
Trip Reduction	Special Tax Districts
Other Grants & Endowments	Residential Refuse
Measure A	

- Capital project funds – accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including acquisition or construction of capital facilities and other capital assets. The non-major capital project funds include:

Public Facility Project	HUD Grants
Planned Local Drainage	

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

- Debt service funds – accounts for and reports financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than enterprise debt. The City's debt service fund includes:

Public Financing Authority

Proprietary Funds

Proprietary funds are used to account for ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The City's proprietary funds are classified as enterprise funds and internal service funds.

The following are the City's major enterprise funds:

- The Water fund is used to account for the operation and maintenance of the City's water utility, a self-supporting activity which provides services on a user charge basis to residents and businesses located in the City.
- The Water Reclamation fund is used to account for the operation and maintenance of the City's water reclamation utility, a self-supporting activity which provides services on a user charge basis to residents and businesses located in the City.
- The Electric Fund is used to account for the operation of the City's electric utility distribution system, a self-supporting activity which renders services on a user charge basis to businesses as well as residents located in the City.

Both the Water and the Water Reclamation utilities are owned by the Corona Utility Authority, a blended component unit of the City. The Authority operates both the Water and Water Reclamation systems pursuant to separate management agreements with the City.

The City also reports the following non-major enterprise funds:

Transit Services

Airport

Additionally, the City reports the internal service funds that account for the City's fleet operations, information technology, risk management and warehouse services. These funds provide services to other City departments on a cost reimbursement basis.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City on behalf of outside related organizations and are not included in the government-wide financial statements. The fiduciary fund reporting focuses on economic resources and are accounted for under the accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following two types of fiduciary funds:

Private-Purpose Trust Fund

Reported in this fund type is the Successor Agency Trust Fund, which was established in February 2011 to account for the assets and liabilities of the Successor Agency to the former Corona Redevelopment Agency, and its allocated revenue to pay estimated installment payments of the enforceable obligations until the obligations of the Successor Agency are paid in full and assets fully liquidated.

Agency Funds

Two funds are reported under the Agency Fund type, the AD/CFD Fund and the AB109 PACT Fund. The AD/CFD Fund was established to account for receipt of special taxes and assessments used to pay principal and interest on related bonds that are not direct City liabilities, as well as receipt and disbursement of capital project bond proceeds related to bonds that are not direct obligations of the City.

The AB109 PACT Fund was created on December 16, 2015 to account for activities of the Riverside County Post-Release Accountability and Compliance Team (PACT). The City of Corona is one of the seven, member agencies of PACT, and serves as the trustee for PACT. Funding for PACT comes from the State of California in accordance with AB 109, Public Safety Realignment Act of 2011.

Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

c. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflow of resources and liabilities associated with the operation of the City are included on the statement of net position. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. The statement of activities reports revenues and expenses. Internal service fund transactions have been eliminated in the statement of activities except for those between the governmental and business-type activities.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances presents the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increased (revenues) and decreases (expenses) in total net position. The statements of cash flows provide information about how the City finances and meets the cash flow needs of its proprietary activities.

d. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Fiduciary funds use the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenue – Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the availability is defined within 60 days of year-end.

Revenue – Non-Exchange Transactions

Non-exchange transactions in which the City receives value without directly giving equal value in return, includes sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 1.F). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transaction also must be available (generally 60 days after year-end) before it can be recognized in the governmental funds. However, the City has adopted a 12-month recognition period for sales tax and grant revenues. Also, the City accrued AQMD funds received after the 60-day accrual period.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, federal and state grants.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria listed above have been satisfied.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Proprietary Funds Operating and Non-operating Revenues and Expenses

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

e. Cash, Cash Equivalents and Investments

Cash Management

The City pools cash resources of its various funds, including the Successor Agency Trust Fund to facilitate cash management. Cash in excess of current requirements is invested and reported as investments. It is the City's intent to hold investments until maturity. However, the City may, in response to market conditions, sell investments prior to maturity in order to improve the quality, liquidity or yield of the portfolio. Interest earnings are apportioned among funds at each month based on ending cash and investment balances of each fund.

Investments Valuation

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining the amount, the City uses the Market Approach, one of the three acceptable valuation techniques. Market approach uses prices generated for identical or similar assets or liabilities.

The City's investments are presented in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The City's investments were categorized as Level 2 only, and there were no Level 1 or Level 3 investments.

State Investment Pool

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California. LAIF has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as a result of changes in interest rates.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

All investments in LAIF were considered as Level 2 investment under GASB Statement No.72.

For purposes of the statement of cash flows, the City considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the City's pooled cash and investments.

f. Receivables

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 "interfund advances receivable/payable" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Advances between funds, as reported in the fund financial statements, are presented as nonspendable in fund balances to indicate that they are not in a spendable form.

Property taxes are assessed, collected and allocated by Riverside County throughout the fiscal year according to the following property tax calendar.

Lien Date	January 1
Levy Date	July 1 to June 30
Due Dates	November 1, 1st installment, February 1, 2nd installment
Delinquent Dates	December 11, 1st installment, April 11, 2nd installment

Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue. Taxes are considered past due on the above delinquent dates, at which time the applicable property is subject to lien, and penalties and interest are assessed.

The County of Riverside collects an administration fee from the City and the former Redevelopment Agency for its services. The City receives a percentage of the basic 1% ad valorem tax rate allowed on property within the City of Corona. Property tax rates for the City's general obligation debt are set by the City Council based on assessed valuations and debt service requirements. The assessed valuation is at "full cash value".

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

g. Inventories, Prepaid Items and Land Held for Resale

Inventory in the governmental and proprietary funds consists of expendable supplies held for future consumption or capitalization. Inventory is valued at cost using the first in, first out (FIFO) method. The cost is recorded as an expenditure/expense as inventory items are consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as an expenditure/expense when consumed.

Land held for resale is valued at the lower of cost or estimated net realizable value and is recorded in the capital project fund.

h. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Services provided are treated as revenues and expenses. Administrative overhead charges included with centralized expenses charged by the General Fund are included in the direct expenses of enterprise activities. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are eliminated as part of the reconciliation to the government-wide financial statements. Refer to Note 4 for additional information.

i. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting capital assets at \$25,000 for non-infrastructure items and \$100,000 for infrastructure. The City has chosen the "modified approach" for reporting the streets subsystem of infrastructure capital assets. Donated capital assets are reported at acquisition value when received. Depreciation is recorded on a straight-line basis over the useful lives of the assets as shown below:

Buildings -----	20-50 years
Computer Software -----	5 years
Equipment -----	3-20 years
Improvements -----	20 years
Infrastructure -----	25-65 years

The City has elected not to retroactively report its internally generated intangible assets as permitted by GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*.

The City defines infrastructure as the basic physical assets that allow the City to function. These assets include the street system, water purification and distribution system, sewer collection and treatment system, park and recreation lands and improvement system, storm water conveyance system, and buildings combined with the site amenities such as parking and landscaped areas used by the City in the conduct of its business.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the Basic Financial Statements. The appropriate operating department maintains information regarding the subsystems.

The City elected to use the “modified approach” as defined by GASB Statement No. 34 for infrastructure reporting of its streets, concrete and asphalt pavements. The City commissioned the most recent physical assessment of its street pavement condition in October 2017. The Citywide condition assessments are performed every three years, with each year focusing on specific regions of the City. Each homogeneous segment of City owned street was assigned a physical condition based on 17 potential defects. A Pavement Condition Index (PCI) was assigned to each street segment. The index is expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned to segments of street that have the physical characteristics of a new street. The City's policy relative to maintaining the street assets is to achieve an average rating of 71 for all street segments. This acceptable rating allows minor cracking and raveling of the pavement along with minor roughness that could be noticeable to drivers traveling at the posted speeds. Please refer to the Required Supplementary Information section of this report for additional information on the modified approach.

For all other infrastructure systems, the City elected to use the “basic approach” as defined by GASB Statement No. 34 for infrastructure reporting. The City commissioned an appraisal of City owned infrastructure and property as of June 30, 1999 and has completed an internal update for June 30, 2019. This appraisal determined the original cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Original costs were developed in one of three ways: 1) historical records; 2) standard unit costs appropriate for the construction/acquisition date; or 3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

j. Compensated Absences Payable

Under certain circumstances and according to the negotiated labor agreements, employees of the City are allowed to accumulate annual leave. This amount is accrued in the government-wide and proprietary fund statements. Please refer to Note 8 for additional information.

k. 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

In accordance to GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs except for any portion related to prepaid insurance were recognized as expense in the period incurred. Premium or discount not considered as part of the reacquisition price was amortized over the life of the bond.

I. 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, if any) 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 (VD)	June 30, 2017
Measurement Date (MD)	June 30, 2018
Measurement Period (MP)	July 1, 2017 to June 30, 2018

m. Other Postemployment Benefits (OPEB) Liability

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

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, 2017
Measurement Date	June 30, 2018
Measurement Period	July 1, 2017 to June 30, 2018

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so would not be recognized as an outflow of resources (expenses/expenditure) until then. The City has two type of items that qualifies for reporting in this category. The item, deferred charge on refunding, is reported in the government-wide statement of net position. A deferred charge 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 other items are deferred pension related items and deferred OPEB related items, are reported in the government-wide statement of net position.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 1: Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applied to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. The City has two types of items. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from five sources: property taxes, special assessments and developer fees not received within 60 days subsequent to year end, loans and long-term receivables, as well as the capital lease between the City and the Corona Utility Authority. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other items are deferred pension and OPEB related items reported in the government-wide statement of net position.

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 to be 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, 2018, EARLS were:	6.68 years	OPEB plan
	2.4 years	Pension Misc.-Agent Multiple Employer Plan
	4.6 years	Pension Safety – Agent Multiple Employer Plan
	3.8 years	Pension Safety – Cost Sharing Plan

o. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Governmental Fund Balances

Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those resources can be spent.

Fund balances are classified as follows:

Nonspendable

These are amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

Restricted

These are amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed

Committed fund balances contain self-imposed constraints of the government from its highest level of decision-making authority, the City Council. Approval of a resolution after a formal vote of the City Council is required to establish a commitment of fund balance. Similarly, the City Council may only modify or rescind the commitment by formal vote and adoption of a subsequent resolution.

Assigned

Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. The City Council, through City ordinance, has expressly delegated to the City Manager and the Finance Director the authority to assign funds for particular purposes.

Unassigned

Fund balances are reported as unassigned for the residual amount when the balances do not meet any of the above criterions. The General Fund is the only fund that reports a positive fund balance amount.

The City considers 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 an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts. Please refer to Note 16 for additional information.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide and proprietary funds financial statements. Net positions were classified in the following categories: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restricts imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

In order to calculate the amounts reported as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources were considered to be applied. The City's policy is to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 1: Summary of Significant Accounting Policies (Continued)

p. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

q. Effect of New Accounting Standards

During the fiscal year ended June 30, 2019, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 88 – *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. Budget

Budget schedule is not presented for the Public Financing Authority Fund.

b. Deficit Fund Balance or Net Position

At June 30, 2019, the Public Facility Project Fund had a deficit fund balance of \$48,500 and the Liability Risk, Warehouse and Information Technology internal service funds had a deficit net position of \$802, \$113,186 and \$4,893,823, respectively. The deficits will be eliminated with future revenue. The Successor Agency Trust Fund had a deficit net position amount of \$46,830,786.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

The City of Corona maintains a cash and investment pool that is available for all City activities, covering governmental, business-type and fiduciary. Each activity balance in the pool is reflected on the government-wide statement of net position as well as the statement of fiduciary net position as cash and investments. The City apportions interest earnings to all activities based on their monthly cash balances reported in each fund.

a. Cash Deposits

The carrying amounts of the City's cash deposits were \$1,703,446 at June 30, 2019. Bank balances before reconciling items were \$2,335,835 at that date. All City's cash and investments as of June 30, 2019 were collateralized or insured with securities held by pledging financial institutions in the City's name. The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related funds.

b. Investments

The authorized investments under the provisions of the City's investment policy and in accordance with California Government Code are listed below:

- Securities issued by the U.S. Treasury;
- Notes or discount notes issued by agencies of the federal government, not to exceed 75% of the portfolio;
- Banker's acceptances, not to exceed 20% of the portfolio;
- Negotiable certificates of deposit issued by institutions insured by the federal government, not to exceed 20% of the portfolio;
- Repurchase agreements, not to exceed 10% of the portfolio;
- California Local Agency Investment Fund (State Pool);
- Corporate medium-term notes, not to exceed 30% of the portfolio;
- Commercial paper, not to exceed 25% of the portfolio, may not represent more than 10% of issuer's outstanding paper;

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 3: Cash and Investments (Continued)

- Diversified management companies, as defined by Section 53601 (l) of the Government Code, not to exceed 10% of the portfolio;
- Bonds issued by the City, including bonds payable solely out of revenue from a revenue producing property owned, controlled or operated by the City, not to exceed 25% of the portfolio for combined municipal debt;
- Bonds, notes or other evidence of indebtedness of any local agency within the State, or State warrants, or treasury notes or bonds of the State not to exceed 25% of the portfolio for combined municipal debt;
- Bonds, notes or other evidence of indebtedness in any of the other 49 states, in addition to California, not to exceed 25% of the portfolio for combined municipal debt;
- Mortgage-backed pass-through securities, collateralized mortgage obligations and asset backed securities not to exceed 15% of investing agency's surplus, and
- Supranationals, not to exceed 10% per issuer

In accordance with the City's investment policy, all securities are held by a third-party custodian in the name of the City.

Per GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value. Accordingly, fund balances reflected the portfolio's change in value, which are unrealized unless sold.

Investment income in all funds and component units are presented using an aggregated method under GASB Statement No. 31:

	2019	2018
Realized gain/(loss) on matured investments	\$ (124,241)	\$ 143,829
Unrealized gain/(loss) in changes in fair value of investments	7,338,438	(4,263,618)
Interest Income	6,838,384	4,995,540
Total investment income	<u>\$ 14,052,581</u>	<u>\$ 875,751</u>

The calculation of realized gains and losses on investments is independent of the calculation of the change of the fair market value, and realized gains and losses are the accumulation of prior years.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 3: Cash and Investments (Continued)

c. Summary of Cash and Investments

The following is a summary of pooled cash and investments at June 30, 2019:

	Government-Wide Statement of Net Position			Fiduciary Funds Statement of Net Position	
	Governmental Activities	Business-Type Activities	Total		Total
Cash and Investments	\$ 212,148,387	\$ 112,790,514	\$ 324,938,901	\$ 7,994,397	\$ 332,933,298
Restricted Cash and Investments	\$ 1,045,099	\$ 10,936,555	\$ 11,981,654	\$ 34,071,411	46,053,065
Total Cash and Investments					<u>\$ 378,986,363</u>

d. Investments in Local Agency Investment Funds

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 to 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 City's investments with LAIF at June 30, 2019 included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities.

As of June 30, 2019, the City had \$64,562,349 invested in LAIF. Fair value of the City's LAIF investments was \$64,672,866 as of June 30, 2019. This is arrived at by multiplying the City's LAIF account balance by a fair value factor determined by LAIF. The fair value factor was determined by dividing all LAIF participants' total aggregate fair value by total aggregate amortized cost, resulting in a factor of 1.00171179.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 3: Cash and Investments (Continued)**e. Risk Disclosures**

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's Investment Policy limits the City's investment portfolio to maturities not to exceed five years at time of purchase. The investment maturities of the City's portfolio as of June 30, 2019, are presented below:

Investment Type	Investment Maturities (in Months)		
	12 Months or Less	12 Months to 60 Months	More than 60 Months
Cash and Investments:			
FHLB	\$ -	\$ 24,382,412	\$ -
FHLMC	4,974,608	11,876,430	-
FNMA	3,979,588	33,591,661	-
FHLMC - CMO	-	18,889,619	-
US T-Notes	-	65,281,749	-
LAIF	64,672,866	-	-
Federated	456,303	-	-
Commercial Paper	2,481,556	-	-
Toronto Dominion Bank Note	-	3,318,532	-
HSBC Holdings PLC Note	-	1,248,444	-
International Bank Recon & Development Note	-	3,984,796	-
International Finance Corp Note	-	1,693,914	-
International Finance Corp Note	699,244	-	-
Inter-American Dev Bank Note	-	7,626,575	-
Royal Bank of Canada Note	-	2,410,193	-
American Express Credit	-	2,345,195	-
American Honda Finance Note	-	3,348,413	-
Apple	-	2,236,933	-
Bank of America Corp	-	3,369,207	-
Bank of New York Mellon Corp	-	3,393,216	-
Berkshire Hathaway Note	-	2,540,390	-
Boeing Co	-	1,982,862	-
Charles Schwab Corp	-	759,329	-
Chase CHAIT	-	1,149,522	-
Chevron Corp	-	3,113,625	-
Chubb INA Holdings Inc	-	2,546,089	-
Costco Wholesale Corp	1,623,623	-	-
Exxon Mobil Corp Callable Note	-	2,707,482	-
General Dynamics Corp Note	-	3,018,090	-
Home Depot	1,136,042	-	-
Honda Auto Receivables	4,191	4,122,104	-
IBM Credit Corp Note	-	2,947,689	-
John Deere Capital Corp	-	3,398,711	-
John Deere Owner Trust	-	3,520,070	-
JP Morgan Chase & Co	-	3,297,167	-
Microsoft Note	-	2,893,624	-
Nissan ABS	-	681,848	-
Oracle Corp Callable Note	-	3,308,169	-
Paccar Financial Corp	-	2,379,785	-
PNC Bank Callable Note	-	3,081,500	-
Qualcomm Inc Note	2,399,218	-	-
State Street Bank Note	-	2,069,593	-
Toyota ABS	-	1,217,239	-
Toyota Motor Credit Corp Note	-	3,132,435	-
US Bancorp Callable Note	-	1,263,363	-
Wal-Mart Stores	-	2,102,056	-
Wells Fargo Corp Note	2,572,582	-	-
Deposits	1,703,446	-	-
Total Investments	\$ 86,703,267	\$ 246,230,031	\$ -

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 3: Cash and Investments (Continued)

Investment Type	Investment Maturities (in Months)		
	12 Months or Less	12 Months to 60 Months	More than 60 Months
Restricted Cash and Investments:			
Cash and Cash in Escrow	\$ 3,932,340	\$ -	\$ -
Local Agency Investment Funds	3,407,810	-	-
Blackrock Federal	33,893,281	-	-
Morgan Stanley Govt Advisory	1,104,432	-	-
MBIA Financial Guaranty Ins Policy	-	1	-
MBIA Debt Service Reserve Surety Bond	-	1	-
Natixis Funding Corp	-	3,715,200	-
Total Investments	\$ 42,337,863	\$ 3,715,202	\$ -

Credit Risk. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's, Fitch Ratings, and Moody's Investors Service.

The City portfolio value fluctuates in an inverse relationship to any change in interest rates. Accordingly, if interest rates have risen, the portfolio value would have declined. If interest rates have fallen, the portfolio value would have risen.

As of June 30, 2019, the City had the following deposits and investments.

	Credit Rating	Fair Value	Total
City Treasury:			
Deposits	Not Rated	\$ 1,703,446	\$ 1,703,446
Investments:			
Medium Term Notes	AAA	2,893,624	
Medium Term Notes	AA+	4,944,415	
Medium Term Notes	AA	7,756,071	
Medium Term Notes	AA-	6,440,604	
Medium Term Notes	A+	8,284,861	
Medium Term Notes	A-	11,638,174	
Asset Backed Securities	AAA	4,438,544	
Asset Backed Securities	Not Rated	8,601,625	79,661,362
U.S. Government Agency Securities			
FHLB	AA+	24,382,412	
FHLMC	AA+	16,851,038	
FNMA	AA+	37,571,249	
U.S. Treasury	AA+	65,281,749	144,086,448
FHLMC - CMO	AAA	4,132,444	
FHLMC - CMO	AA+	1,253,613	
FHLMC - CMO	Not Rated	13,503,562	18,889,619
Money Market Funds	AAA	456,303	456,303
Commercial Paper			
MUFG Bank Ltd/NY Discount CP	AA	2,481,556	2,481,556
Foreign Corporate			
Toronto Dominion Bank Note	AA-	2,003,811	
Toronto Dominion Bank Note	A	1,314,721	
Royal Bank of Canada Note	AA-	2,410,193	
HSBC Holdings PLC Note	A	1,248,444	6,977,169
Supranationals			
International Bank Recon & Development Note	AAA	3,984,796	
International Finance Corp Note	AAA	2,393,158	
Inter-American Dev Bank Note	NR	7,626,575	14,004,529
Local Agency Investment Funds	Not Rated	64,672,866	64,672,866
Restricted Cash and Investments:			
Cash & Investments with Fiscal Agents	Not Rated	42,120,725	
Development Restricted Cash	Not Rated	57,000	
Water Reclamation Restricted Cash	Not Rated	509,441	
Electric Restricted Cash	Not Rated	2,008,396	
Transit Restricted Cash	Not Rated	369,860	
Special Tax Districts Restricted Cash	Not Rated	14,169	
Transportation Grants Restricted Cash	Not Rated	973,474	46,053,065
Total Investments			\$ 378,986,363

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 3: Cash and Investments (Continued)

The City's credit risk, expressed on a percentage basis as of June 30, 2019, is presented below:

Investment Type	Moody's Rating	S&P Rating	% of Investment
US T-Notes	Aaa	AA+	19.71%
LAIF	NR	NR	19.53%
Federal National Mortgage Association	Aaa	AA+	11.34%
Federal Home Loan Bank	Aaa	AA+	7.36%
Federal Home Loan Mortgage Corp - CMO	Aaa	AA+	5.70%
Federal Home Loan Mortgage Corp	Aaa	AA+	5.09%
Inter-American Dev Bank	Aaa	NR	2.30%
International Bank Recon & Development Note	Aaa	AAA	1.20%
Bank of NY Mellon Corp	A1	A	1.02%
Bank of America Corp	A2	A-	1.02%
Oracle Corp	A1	AA-	1.00%
JP Morgan Chase & Co	A2	A-	1.00%
Toyota Motor Credit Corp	Aa3	AA-	0.95%
Chevron Corp	Aa2	AA	0.94%
PNC Bank	A2	A	0.93%
General Dynamics Corp	A2	A+	0.91%
IBM Credit Corp	A1	A	0.89%
Exxon Mobil Corp	Aaa	AA+	0.82%
Wells Fargo Corp	A2	A-	0.78%
Chubb INA Holdings Inc	A3	A	0.77%
Berkshire Hathaway	Aa2	AA	0.77%
MUFG Bank - Commercial Paper	P-1	A-1	0.75%
Royal Bank of Canada	Aa2	AA-	0.73%
Qualcomm Inc	A2	A-	0.72%
International Finance Corp	Aaa	AAA	0.72%
John Deere Owner Trust	Aaa	NR	0.72%
Paccar Financial Corp	A1	A+	0.72%
American Honda Finance	A2	A	0.72%
American Express Credit	Aaa	NR	0.71%
Apple Inc	Aa1	AA+	0.68%
Wal-Mart Stores	Aa2	AA	0.63%
Honda Auto Receivables	Aaa	AAA	0.63%
State Street Bank	A1	A	0.62%
Honda Auto Receivables Owner	Aaa	NR	0.62%
Toronto Dominion Bank Note	Aa1	AA-	0.60%
Boeing Co	A2	A	0.60%
John Deere Capital Corp	A2	A	0.56%
Microsoft	Aaa	AAA	0.56%
Costco Wholesale Corp	Aa3	A+	0.49%
John Deere Capital Corp	A2	A	0.46%
Toronto Dominion Bank Note	Aa3	A	0.40%
US Bancorp	A1	A+	0.38%
HSBC Holdings PLC	A2	A	0.38%
Chase CHAIT	NR	AAA	0.35%
Home Depot	A2	A	0.34%
Microsoft	Aaa	AAA	0.31%
Toyota Auto Receivables Owner	Aaa	AAA	0.30%
American Honda Finance	A2	A	0.29%
John Deere Owner Trust	Aaa	NR	0.23%
Charles Schwab Corp	A2	A	0.23%
Nissan Auto Receivables	Aaa	NR	0.21%
Federated Govt Obligation Money Market Fund	NR	NR	0.14%
John Deere Owner Trust	Aaa	NR	0.11%
Toyota Auto Receivable	Aaa	AAA	0.07%
Honda Auto Receivables	Aaa	NR	0.001%
Total			100.0%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 3: Cash and Investments (Continued)**f. 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, 2019:

	June 30, 2019	Investments not Measured at Fair Value	Level 2
Investments:			
US Treasury	\$ 65,281,749	\$ -	\$ 65,281,749
Federal Government Agency	78,804,699	-	78,804,699
Collateral Mortgage Obligations	18,889,619	-	18,889,619
Commercial Paper	2,481,556	-	2,481,556
Foreign Corporate	6,977,169	-	6,977,169
Supranationals	14,004,529	-	14,004,529
Medium-Term Corporate Notes	66,621,194	-	66,621,194
Asset-Backed Securities	13,040,168	-	13,040,168
Money Market Funds	456,303	456,303	-
Local Agency Investment Fund	64,672,866	64,672,866	-
Total Cash Investments	<u>331,229,852</u>	<u>65,129,169</u>	<u>266,100,683</u>
Restricted Investments:			
Local Agency Investment Fund	3,407,810	-	3,407,810
Medium-Term Corporate Notes	3,715,202	-	3,715,202
US Treasury	34,997,714	34,997,714	-
Total Restricted Investments	<u>42,120,725</u>	<u>34,997,714</u>	<u>7,123,012</u>
Total Investments	<u>\$ 373,350,577</u>	<u>\$ 100,126,883</u>	<u>\$ 273,223,695</u>

Note 4: Interfund Transactions**a. Current Interfund Receivables/Payables**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The following is a summary of current interfund balances as of June 30, 2019:

Receivable Fund	Amount	Payable Fund	Amount
Major Funds:		Major Funds:	
General Fund	<u>\$ 7,523,156</u>	Other Grants	\$ 5,083,935
		Non-Major Funds:	
		Special Revenue Funds:	
		Other Grants & Endowments	5,768
		Capital Projects Funds:	
		Public Facility Project	1,675,240
		HUD Grants	758,213
Total	<u>\$ 7,523,156</u>	Total	<u>\$ 7,523,156</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 4: Interfund Transactions (Continued)**b. Long-Term Interfund Receivables/Payables**

At June 30, 2019, the funds below have made advances that were not expected to be repaid within one year.

<u>Receivable Fund</u>	<u>Amount</u>	<u>Payable Fund</u>	<u>Amount</u>
Major Funds:		Major Funds:	
General Fund	\$ 17,573,098	<u>Capital Project Funds:</u>	
		Development	\$ 9,553,121
<u>Enterprise Funds:</u>		<u>Enterprise Funds:</u>	
Electric	2,222,399	Electric	8,019,977
		Non-Major Funds:	
		<u>Special Revenue Funds:</u>	
		Special Tax Districts	2,222,399
Total	<u><u>\$ 19,795,497</u></u>	Total	<u><u>\$ 19,795,497</u></u>

The General Fund made cash advances to the Park Development (Quimby) capital project fund over the years to help the Quimby fund to repay its outstanding 2001 Lease Revenue Bonds. These bonds were issued to refund the 1989 and 1993 Lease Revenue Bonds issued by the then Corona Public Improvement Corporation. Bond proceeds were used to acquire park land throughout the City. Repayments to the General Fund will continue to be made from development impact fees collected with future development. As of June 30, 2019, the balance of this Interfund Loan was \$9,275,722. The General Fund also has interfund loans between the Temescal Canyon Law Enforcement Facility Fee and Temescal Canyon Fire Facility Fee funds within the development fund in the amount of \$79,119 and \$198,280, respectively.

A loan was made from the General Fund to the Electric enterprise fund to pay for certain capital improvement projects, and to call the outstanding 2005 Clearwater Cogeneration Projects Certificates of Participation. As of June 30, 2019, the balance payable from Electric to the General Fund was \$8,019,977.

In September 2017, the Electric enterprise fund made a loan to the Special Tax Districts special revenue fund to advance funding for the LED street and safety light retrofit project. Repayment is expected to be made over a 10-year period, from available revenues. As of June 30, 2019 the balance of this Interfund Loan was \$2,222,399.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 4: Interfund Transactions (Continued)

c. Internal Balances – Capital Lease

Related Parties

In 2002, the City established the Corona Utility Authority (Authority) as a joint powers authority pursuant to a Joint Exercise of Powers Agreement between the City and the former Redevelopment Agency of the City of Corona in accordance with the Joint Powers Law (Articles 1 through 4 of Chapter 5, Division 7, title 1 of the California Government Code) for the purpose of assisting the City in the leasing of the Water and Water Reclamation utility systems. The Authority's Officers are the Corona City Council and the City's executive management.

Capital Lease Obligations

In February 2002, the Authority entered into capital leases with the City to lease the City's Water and Water Reclamation facilities (Lease Agreements). The terms of the leases are 55 years. The leases will terminate on February 6, 2056, at which time the Authority could renew the capital leases of the Water and Water Reclamation facilities. The capital assets of the Water and Water Reclamation facilities were recorded at the City's historical cost, net of accumulated depreciation. The related debt has been recorded accordingly resulting in a lease payable for an amount equal to the net capital assets recorded on the City's financial statements.

Per the Lease Agreements, maximum lease payments are calculated with a discount rate of 6.0%. The original lease payments since Fiscal Year 2001-02 through Fiscal Year 2007-08 were established as 5.0% to 8.0% of the corresponding utility sales revenues of that year, equivalent to discounting the lease principal amounts by a range from 1.2% to 3.0%. Starting Fiscal Year 2008-09 and continued to the next fiscal year, the lease payment was calculated with a 3.5% to 4.0% growth factor over the previous fiscal year, equivalent to discounting the lease principal amounts by 3.2% for Water Utilities and 2.8% for Water Reclamation Utilities. In Fiscal Year 2011-12, the annual lease payment for Water Utility was calculated with a discount rate of 6.0% with a catch-up payment for the prior years in the amount of \$311,015, and the Water Reclamation Utility's lease payment was discounted at 5.7% of the lease principal amount. For fiscal years 2013-14 and 2014-15, the lease payment for Water and Water Reclamation utilities were calculated with a discount rate of 5.0% and 4.4%, respectively. For fiscal year ended June 30, 2019, the lease payment for Water and Water Reclamation utilities were calculated with a discount rate of 6.0%.

Per the Lease Agreements, all lease payments are considered interest payments toward the lease obligation. The Authority's obligations under the Lease Agreements shall be forgiven, discharged and excused upon the date the aggregate amount of payments made by the Authority to the City equals the amount of the principal amount of the lease obligation.

The following Internal Balances – Capital Leases were outstanding at June 30, 2019:

<u>Leasee</u>	<u>Balance</u>
Capital Lease - Water Utility	\$ 106,819,662
Capital Lease - Water Reclamation Utility	65,808,682
Total Internal Balances - Capital Leases	<u>\$ 172,628,344</u>

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 4: Interfund Transactions (Continued)**Current Year Transactions

During Fiscal Year 2018-19, the following related party transactions were recorded by the City and the Authority:

<u>Leasee</u>	<u>Amount</u>
Water Utility	\$ 3,041,878
Water Reclamation Utility	2,041,048
Total Payment from the Authority to the City	<u>\$ 5,082,926</u>

Capital Lease Payments

At June 30, 2019, the future minimum lease payments required under the capital leases and the net present value of the future lease payments for the Water utility are presented below:

Corona Utility Authority		
Future Lease Payments - Water Utility		
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ -	\$ 2,877,084
2021	-	2,720,530
2022	-	2,571,803
2023	-	2,430,513
2024	-	2,296,287
2025 - 2029	-	9,691,549
2030 - 2034	-	7,211,837
2035 - 2039	-	5,293,084
2040 - 2044	-	3,808,389
2045 - 2049	-	2,622,328
2050 - 2054	-	1,200,047
2055 - 2056	-	137,085
Total Future Lease Payments	-	<u>\$ 42,860,536</u>
Amount to be Forgiven at End of Lease	106,819,662	
Present Value of Total Lease Payment	<u>\$ 106,819,662</u>	

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 4: Interfund Transactions (Continued)

At June 30, 2019, the future minimum lease payments required under the capital leases and the net present value of the future lease payments for the Water Reclamation utility are presented below:

Corona Utility Authority		
Future Lease Payments - Water Reclamation Utility		
Fiscal Year	Principal	Interest
2020	\$ -	\$ 1,932,246
2021	-	1,828,883
2022	-	1,730,689
2023	-	1,637,405
2024	-	1,548,785
2025 - 2029	-	6,562,179
2030 - 2034	-	4,924,991
2035 - 2039	-	3,658,167
2040 - 2044	-	2,677,922
2045 - 2049	-	1,919,427
2050 - 2054	-	1,543,555
2055 - 2056	-	541,965
Total Future Lease Payments	-	<u>\$ 30,506,214</u>
Amount to be Forgiven at End of Lease	<u>65,808,682</u>	
Present Value of Total Lease Payment	<u>\$ 65,808,682</u>	

d. Transfers Between Funds

With Council approval, resources may be transferred from one fund to another. Significant one-time transfers made during the current fiscal year were:

- \$1,046,720 from the Gas Tax special revenue fund to the General Fund for the payment of street maintenance costs.
- \$1,760,084 from the Water enterprise fund to the Water Reclamation Fund for payment of the operating capital projects loan.
- \$2,579,552 from the General Fund for the PERS additional unfunded liability contribution to the following funds:
 - Gas Tax fund - \$102,210
 - Other Grants and Endowments fund - \$14,193
 - Planned Local Drainage fund - \$69,701
 - Low-Mod Income Housing fund - \$12,281
 - Water fund - \$1,067,020
 - Water Reclamation fund - \$562,898
 - Transit Services fund - \$45,914
 - Electric fund - \$220,290
 - Fleet Operations fund - \$128,805
 - Warehouse Operations fund - \$20,235
 - Information Technology fund - \$336,005

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 4: Interfund Transactions (Continued)**

Total transfers of \$5,524,154 are presented below:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Low-Mod Income Housing Asset Fund	\$ 12,281
	Other Governmental Funds	323,902
	Water Enterprise Fund	1,067,020
	Water Reclamation Enterprise Fund	562,898
	Electric Enterprise Fund	220,290
	Other Enterprise Funds	45,914
	Internal Service Funds	485,045
		<u>2,717,350</u>
Other Governmental Funds	General Fund	1,046,720
Water Reclamation Enterprise Fund	Water Enterprise Fund	<u>1,760,084</u>
		<u>\$ 5,524,154</u>

Note 5: Long-Term Receivables

Long-term receivables on the governmental fund financial statement as of June 30, 2019 are presented by specific description so as not to be aggregated. The major receivable balances in the governmental funds which are not expected to be collected within one year are:

<u>Governmental Funds</u>	<u>Loans Receivable</u>	<u>Long-Term Receivable</u>
Major Funds:		
General Fund	\$ -	\$ 8,712,633
<u>Capital Project Funds:</u>		
Low Mod Income Housing Asset	7,708,385	9,942,191
Other Grants	2,300,000	-
Development	371,051	1,189,660
Non-Major Funds:		
<u>Capital Project Funds:</u>		
HUD Grants	<u>2,852,663</u>	<u>1,956,888</u>
Total	<u>\$ 13,232,099</u>	<u>\$ 21,801,372</u>

The General Fund long-term receivable includes the following items:

- Various City/former Corona Redevelopment Agency loans totaled \$7,490,083 as of June 30, 2019. The loans were approved by the Oversight Board on May 30, 2013. Finding of Completion was issued by the California Department of Finance on April 8, 2013. Repayments of these City loans from the Successor Agency were scheduled to commence after Fiscal Year 2014-15 after the SERAF Loan was paid in full. Please refer to Note 21b for additional information.
- Reimbursement receivables from developers for the Temescal Canyon Communications Tower in the amount of \$273,304.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 5: Long-Term Receivables (Continued)

- Amount to be reimbursed by developers for South Corona area Community Facilities Plan for \$174,246.
- Notes receivables from developers for the sale of land totaling \$775,000.

The Development capital project fund reported long-term loans receivables from developers totaling \$1,189,660 and loans receivable of \$371,051, related to deferred development fees.

The Low Income Housing Asset fund reported long-term receivables from developers totaling \$9,942,191 and loans receivable from various developers with a total of \$7,708,385 at June 30, 2019.

Loans receivable from developers of \$2,300,000 for building affordable housing.

The HUD Grants fund had long-term receivables of \$1,956,888 for amounts to be reimbursed by developers of low-income housing. Loans receivable in the amount of \$2,852,663 reported in the HUD Grants fund represented various outstanding HUD program loans as of June 30, 2019.

Note 6: Land Held for Resale

Land held for resale consists of real property acquired by the City and held for resale to private developers. The amount recorded as land held for resale and the corresponding fund balance classified as restricted as of June 30, 2019 was \$1,189,388 in the Low Mod Income Housing Asset Fund.

Note 7: Capital Assets

The City has reported all capital assets including infrastructure in the government-wide statement of net position.

The City elected to use the “modified approach” as defined by GASB Statement No. 34 for infrastructure reporting for its street pavement system. 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/or amortization and depreciation/ amortization expense have been recorded.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 7: Capital Assets (Continued)

A summary of capital assets of the City as of June 30, 2019, is presented below:

	Beginning Balance June 30, 2018	Construction in Progress Completed	Additions	Deletions	Balance June 30, 2019
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 72,846,805	\$ -	\$ -	\$ -	\$ 72,846,805
Streets	196,155,351	23,714,006	228,608	-	220,097,965
Construction in Progress	115,147,472	(42,558,700)	35,619,743	-	108,208,515
Total Capital Assets not being Depreciated	384,149,628	(18,844,694)	35,848,351	-	401,153,285
Capital assets being depreciated:					
Buildings and Improvements	229,975,881	4,914,662	51,160	-	234,941,703
Machinery and Equipment	40,847,883	779,139	1,120,169	(1,747,877)	40,999,314
Computer Software	934,921	24,861	-	-	959,782
Infrastructure	320,609,687	13,126,032	2,362,640	-	336,098,359
Total Capital Assets being Depreciated	592,368,372	18,844,694	3,533,969	(1,747,877)	612,999,158
Less accumulated depreciation for:					
Buildings and Improvements	(114,342,277)	-	(4,887,289)	-	(119,229,566)
Machinery and Equipment	(26,719,522)	-	(2,413,186)	1,593,667	(27,539,041)
Computer Software	(532,645)	-	(135,258)	-	(667,903)
Infrastructure	(130,484,496)	-	(5,380,860)	-	(135,865,356)
Total Accumulated Depreciation	(272,078,940)	-	(12,816,593)	1,593,667	(283,301,866)
Total Capital Assets Being Depreciated, Net	320,289,432	18,844,694	(9,282,624)	(154,210)	329,697,292
Governmental Activities Capital Assets, Net	\$ 704,439,614	\$ -	\$ 26,565,727	\$ (154,210)	\$ 730,850,577

For the year ended June 30, 2019, accumulated depreciation on governmental activity capital assets and depreciation expense charged to each governmental function are presented as follows:

	Beginning Balance June 30, 2018	Current Year Depreciation	Accumulated Depreciation	Adjustments to Depreciation	Accumulated Depreciation June 30, 2019
General Governments	\$ 43,359,112	\$ 3,040,720	\$ 46,399,832	\$ 42,731	\$ 46,442,563
Public Safety - Fire	7,542,663	458,632	8,001,295	(595,463)	7,405,832
Public Safety - Police	4,986,699	1,087,948	6,074,647	(643,236)	5,431,411
Public Works	9,819,113	700,406	10,519,519	1,203,132	11,722,651
Maintenance Services	203,297,884	7,116,560	210,414,444	(1,575,707)	208,838,737
Library and Recreation	210,276	25,634	235,910	(25,124)	210,786
Internal Service Funds	2,863,193	386,693	3,249,886	-	3,249,886
Total Depreciation Expense	\$ 272,078,940	\$ 12,816,593	\$ 284,895,533	\$ (1,593,667)	\$ 283,301,866

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 7: Capital Assets (Continued)

	Beginning Balance June 30, 2018	Construction in Progress Completed	Additions	Deletions	Balance June 30, 2019
Business-Type Activities:					
Capital assets not being depreciated:					
Land	\$ 5,421,427	\$ -	\$ 16,978	\$ -	\$ 5,438,405
Water Reclamation Rights	19,644,651	-	-	-	19,644,651
Construction in Progress	46,063,905	(48,961,285)	18,091,495	-	15,194,115
Total Capital Assets not being Depreciated	71,129,983	(48,961,285)	18,108,473	-	40,277,171
Capital assets being depreciated:					
Buildings and Improvements	98,792,702	6,400,613	-	-	105,193,315
Machinery and Equipment	100,641,562	13,075,025	1,152,750	(2,234,344)	112,634,993
Computer Software	1,546,192	176,016	-	-	1,722,208
Infrastructure	347,441,419	29,309,631	1,255,096	-	378,006,146
Total Capital Assets being Depreciated	548,421,875	48,961,285	2,407,846	(2,234,344)	597,556,662
Less accumulated depreciation for:					
Buildings and Improvements	(45,150,673)	-	(2,144,556)	-	(47,295,229)
Machinery and Equipment	(62,563,779)	-	(6,056,286)	2,033,589	(66,586,476)
Computer Software	(422,636)	-	(283,638)	-	(706,274)
Infrastructure	(100,170,700)	-	(6,309,203)	-	(106,479,903)
Emission Reduction Credits	-	-	-	-	-
Total Accumulated Depreciation	(208,307,788)	-	(14,793,683)	2,033,589	(221,067,882)
Total Capital Assets Being Depreciated, Net	340,114,087	48,961,285	(12,385,837)	(200,755)	376,488,780
Business-Type Activities Capital Assets, Net	<u>\$ 411,244,070</u>	<u>\$ -</u>	<u>\$ 5,722,636</u>	<u>\$ (200,755)</u>	<u>\$ 416,765,951</u>

Business-type activities depreciation expense for capital assets for the year ended June 30, 2019, is as follows:

Water	\$ 7,769,263
Water Reclamation	5,363,829
Electric	982,327
Transit Services	663,967
Airport	14,297
Total depreciation expense - business-type activities	<u>\$ 14,793,683</u>

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 7: Capital Assets (Continued)**

Below is a summary of infrastructure assets of the City as of June 30, 2019:

Description	Historical Cost	Accumulated Depreciation	Net Cost
Governmental Activities:			
Modified Approach			
Street Pavement System	\$ 220,097,965	\$ -	\$ 220,097,965
Basic Approach			
Curbing	79,459,488	(38,817,520)	40,641,968
Sidewalks	86,912,804	(41,979,134)	44,933,670
Signs and Lights	46,335,143	(15,448,688)	30,886,455
Storm Drains	116,268,572	(37,446,357)	78,822,215
Fiberoptics	5,899,800	(2,173,000)	3,726,800
Electric	1,206,137		
Water Reclamation	16,415	(657)	15,758
Subtotal Basic Approach	336,098,359	(135,865,356)	199,026,866
Total Governmental Activities	\$ 556,196,324	\$ (135,865,356)	\$ 419,124,831
Business-Type Activities:			
Basic Approach			
Fiberoptics	\$ 235,951	\$ (168,756)	\$ 67,195
Curbing	200	(22)	178
Sidewalks	283,179	(122)	283,057
Electric	6,212,266	(1,463,431)	4,748,835
Signs and Lights	361,508	(49,372)	312,136
Storm Drains	180,967	(2,554)	178,413
Water	257,094,605	(75,917,120)	181,177,485
Water Reclamation	113,637,470	(28,878,526)	84,758,944
Total Business-Type Activities	\$ 378,006,146	\$ (106,479,903)	\$ 271,526,243

Construction in Progress and Capital Project Commitments

The City has active construction projects as of June 30, 2019. These projects include street construction in areas of newly developed housing, pavement rehabilitation, and various water and water reclamation upgrades and replacements. At year end, the City's construction in progress totaled \$123,402,630.

The following material construction commitments existed at June 30, 2019:

Project Name	Contract Amount	Expenditures to date as of June 30, 2019	Remaining Commitments
Governmental Activities:			
Cajalco/I15 Interchange Improvement	\$ 46,654,046	\$ 37,347,277	\$ 9,306,769
McKinley Street Separation Grade	9,833,393	3,720,940	6,112,453
Total Construction Commitments	\$ 56,487,439	\$ 41,068,217	\$ 15,419,222

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 8: Compensated Absences Payable**

As described in Note 1, under certain circumstances and accordingly to the negotiated labor agreements, City employees are allowed to accumulate annual leave. The annual leave amount is accrued and accounted for as compensated absences in the government-wide and proprietary fund statements.

As shown in the table below, the long-term portion of this debt amounts to \$3,071,593 for governmental activities and \$276,561 for business-type activities at June 30, 2019. These amounts are expected to be paid in future years from future resources. In prior years, compensated absences have been liquidated primarily by the General Fund and the proprietary funds. The total amount outstanding at June 30, 2019 was \$8,741,115 for governmental activities and \$910,439 for business-type activities.

	Balance July 1, 2018	Incurred	Satisfied	Balance June 30, 2019	Amounts Due Within One Year	Amounts Due in More than One Year
Governmental Activities	\$ 8,301,145	\$ 6,114,052	\$ 5,674,082	\$ 8,741,115	\$ 5,669,522	\$ 3,071,593
Business-Type Activities	\$ 776,807	\$ 826,287	\$ 692,655	\$ 910,439	\$ 633,878	\$ 276,561

Note 9: Long-Term Obligations

The following is a summary of long-term obligation transactions of the City for the year ended June 30, 2019:

	Balance June 30, 2018	Incurred	Satisfied	Balance June 30, 2019	Amounts Due Within One Year	Amounts Due in More than One Year
Governmental Activities:						
Public Offering:						
Lease Revenue Bonds Payable	\$ 23,335,000	\$ -	\$ 1,220,000	\$ 22,115,000	\$ 1,255,000	\$ 20,860,000
Unamortized Bond Premium	2,677,108	-	148,728	2,528,380	-	2,528,380
Total Public Offerings:	26,012,108	-	1,368,728	24,643,380	1,255,000	23,388,380
Direct Borrowing:						
Lease Payable	16,471,841	-	1,596,576	14,875,265	1,650,509	13,224,756
Capital Leases Payable	1,047,246	297,067	281,729	1,062,584	302,911	759,673
Total Direct Borrowing:	17,519,087	297,067	1,878,305	15,937,849	1,953,420	13,984,429
Total Governmental Activities	\$ 43,531,195	\$ 297,067	\$ 3,247,033	\$ 40,581,229	\$ 3,208,420	\$ 37,372,809
Business-Type Activities:						
Public Offering:						
Revenue Bonds	\$ 41,380,000	\$ -	\$ 3,445,000	\$ 37,935,000	\$ 2,075,000	\$ 35,860,000
Unamortized Bond Premium	1,593,652	-	107,506	1,486,146	-	1,486,146
Total Public Offerings:	42,973,652	-	3,552,506	39,421,146	2,075,000	37,346,146
Direct Borrowing:						
Installment Agreement Payable	8,071,849	-	604,782	7,467,067	375,989	7,091,078
Lease Payable	-	34,654	10,539	24,115	6,860	17,255
Contracts Payable	690,390	-	-	690,390	-	690,390
Term Loan Payable	24,927,120	-	1,875,183	23,051,937	1,920,947	21,130,990
Total Direct Borrowing:	33,689,359	34,654	2,490,504	31,233,509	2,303,796	28,929,713
Total Business-Type Activities	\$ 76,663,011	\$ 34,654	\$ 6,043,010	\$ 70,654,655	\$ 4,378,796	\$ 66,273,398

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 9: Long-Term Obligations (Continued)

The City's outstanding bonds from public offerings related to governmental activities of \$24,643,380 are payable from and secured by the revenues received by the City.

The City's outstanding bonds from public offerings related to business-type activities of \$39,421,146, contain a provision that if any event of default should occur, the trustee shall at the written direction of the Bond Owners of not less than a majority in aggregate principal amount outstanding, declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

The City's outstanding debt from direct borrowing related to business-type activities contain a provision that upon termination of the agreement, the City agrees, upon demand, to immediately repay an amount equal to the installment payments due.

a. Lease Revenue Bonds2016 Lease Revenue Refunding Bonds

On July 7, 2016, the CPFA issued the 2016 Lease Revenue Refunding Bonds in the amount of \$24,520,000 to refund the CPFA 2006 Lease Revenue Bonds Series C, which were issued to pay the costs of the Corporate Yard Expansion project. The bonds issued at a premium of \$2,974,564 and bear interest rates from 2.000% to 5.000% per annum. Interest is paid semiannually on May 1 and November 1 of each year, commencing May 1, 2017. Annual installments ranging from \$880,000 to \$1,590,000 are due through November 1, 2036. The bonds are payable from the revenues to be received by the CPFA from the City as lease payments for the right to use certain real property.

The future annual debt service requirements for the 2016 Lease Revenue Refunding Bonds are listed below:

2016 Lease Revenue Refunding Bonds	
Fiscal Year	Lease Payment
2020	\$ 2,112,350
2021	2,106,250
2022	2,108,150
2023	2,112,750
2024	2,114,950
2025-2029	8,245,625
2030-2034	6,696,400
2035-2036	4,004,600
Total Minimum Lease Payments	29,501,075
Less: Amount Representing Interest	(7,386,075)
Present Value of Future Minimum Lease Payments	<u>\$ 22,115,000</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 9: Long-Term Obligations (Continued)**b. Lease Payable**2012 Refunding Lease

On June 1, 2012, the City entered into the 2012 Refunding Lease agreement with Compass Mortgage Corporation, a private lender, in the amount of \$25,265,511 to refund the CPFA Lease Revenue 2002 Series B bonds originally issued in the amount of \$35,000,000 to pay the costs of the design, construction and acquisition of the City Hall facility. The 2002 Series B bonds were refunded in its entirety in September 2012. The 2012 Refunding Lease is payable over a fifteen-year period.

As of June 30, 2019, the net present value of future minimum lease payments required under the capital lease was \$14,875,265. The future minimum lease payments are presented below:

2012 Refunding Lease Payables	
Fiscal Year	Lease Payment
2020	\$ 2,135,122
2021	2,135,122
2022	2,135,122
2023	2,135,122
2024	2,135,122
2025-2026	6,405,367
Total Minimum Lease Payments	17,080,977
Less: Amount Representing Interest	(2,205,712)
Present Value of Future Minimum Lease Payments	<u>\$ 14,875,265</u>

c. Capital Leases Payable

The following outstanding capital lease payables were reported in the governmental activities as of June 30, 2019:

Issuance	Balance
Cisco Networking Equipment	\$ 614,738
Vehicles	447,846
Total Capital Leases Payable	<u>\$ 1,062,584</u>

Computer Network Equipment Lease

On October 20, 2017, the City entered into a lease agreement with Key Government Finance, a private lender, in the amount of \$1,403,261 to finance the purchase of Cisco Networking equipment. The lease is payable over a five-year period.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 9: Long-Term Obligations (Continued)**

As of June 30, 2019, the net present value of future minimum lease payments required under the capital lease was \$614,738. The future minimum lease payments are presented below:

Computer Network Lease	
Fiscal Year	Lease Payment
2020	\$ 217,202
2021	217,202
2022	217,202
Total Minimum Lease Payments	651,606
Less: Amount Representing Interest	(36,868)
Present Value of Future Minimum Lease Payments	<u>\$ 614,738</u>

Internal Service Fund Vehicle Lease

On February 17, 2016, the City entered into a lease agreement with Enterprise FM Trust, a private lender, in the amount of \$255,551 to finance City vehicles. The lease is payable over a five-year period.

As of June 30, 2019, the net present value of future minimum lease payments required under the capital lease was \$447,846. The future minimum lease payments are presented below:

Vehicle Lease	
Fiscal Year	Lease Payment
2020	\$ 125,949
2021	125,949
2022	125,949
2023	104,952
2024	14,336
Total Minimum Lease Payments	497,135
Less: Amount Representing Interest	(49,289)
Present Value of Future Minimum Lease Payments	<u>\$ 447,846</u>

d. Revenue Bonds

The following outstanding revenue bonds were reported in the business-type activities as of June 30, 2019:

Revenue Bonds	Balance
\$35,880,000 Corona Utility Authority 2012 Water Revenue Bonds	\$ 27,875,000
\$20,890,000 Corona Utility Authority 2013 Wastewater Revenue Bonds	10,060,000
Total Revenue Bonds	<u>\$ 37,935,000</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 9: Long-Term Obligations (Continued)2012 Corona Utility Authority Water Revenue Bonds

On August 1, 2012, the Corona Utility Authority issued the 2012 Water Revenue bonds in the amount of \$35,880,000 (plus a net original issue premium of \$5.8 million) with interest rates ranging from 1.0% to 5.0% to refund several outstanding City debts and to fund certain capital improvement projects for the Water Utility. The CUA 2012 Water Revenue bonds possessed an underlying credit rating of "AA" from Standard & Poor's.

The refunded debts were the CPFA 1998 Water Revenue bonds and the recycled water portion of the 2003 Certificates of Participation (Clearwater Cogen/Recycled Water Project). Of the total proceeds, \$12.3 million was to fund for the construction of certain reservoir and blending facilities.

The outstanding bonds bear interest rates from 2.0% to 5.0% and are due in annual installments ranging from \$1,165,000 to \$2,395,000 through 2030 with term bonds in the amount of \$5,155,000 due on September 1, 2032. The bonds are considered a liability of the Water Utility fund.

The future annual debt service requirements for the 2012 CUA Water Revenue bonds are presented below:

2012 CUA Water Revenue Bonds			
Fiscal Year	Principal	Interest	Total
2020	\$ 1,485,000	\$ 1,259,375	\$ 2,744,375
2021	1,530,000	1,206,500	2,736,500
2022	1,595,000	1,144,000	2,739,000
2023	1,655,000	1,070,725	2,725,725
2024	1,740,000	985,850	2,725,850
2025 - 2029	10,030,000	3,582,025	13,612,025
2030 - 2033	9,840,000	1,008,250	10,848,250
Totals	\$ 27,875,000	\$ 10,256,725	\$ 38,131,725

2013 Corona Utility Authority Wastewater Revenue Bonds

On June 26, 2013, the Corona Utility Authority issued the 2013 Wastewater Revenue bonds in the amount of 20,890,000 (plus a net original issue premium of \$2.1 million) with interest rates ranging from 2.0% to 5.0%, to refund several outstanding City debts, and to fund certain capital improvement projects for the Water Reclamation Utility. The CUA 2013 Wastewater Revenue bonds possessed an underlying credit rating of "AA" from Standard & Poor's.

The refunded debts included the Biosolids Project portion of the 2003 Certificates of Participation (Clearwater Cogen/Recycled Water Project), the outstanding CPIC 1997 Certificates of Participation (Sunkist Plant), and the State Water Resources Control Board loan contract # 6-807- 5850-0 (WWTP#1). Of the total proceeds, \$3.9 million was to fund the improvement of certain influent screening, aeration and centrifuge facilities at Water Reclamation Facility No. 1.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 9: Long-Term Obligations (Continued)

The outstanding bonds bear interest rates from 2.0% to 5.0% and are due in annual installments ranging from \$590,000 to \$2,400,000 through 2028 with term bonds in the amount of \$2,860,000 due on September 1, 2031. The bonds are considered a liability of the Water Reclamation Utility fund. The future annual debt service requirements for the 2013 CUA Wastewater Revenue bonds are presented below:

Fiscal Year	2013 CUA Wastewater Revenue Bonds		
	Principal	Interest	Total
2020	\$ 590,000	\$ 429,100	\$ 1,019,100
2021	615,000	405,000	1,020,000
2022	640,000	379,900	1,019,900
2023	665,000	353,800	1,018,800
2024	690,000	323,250	1,013,250
2025 - 2029	4,000,000	1,061,600	5,061,600
2030 - 2032	2,860,000	174,400	3,034,400
Totals	\$ 10,060,000	\$ 3,127,050	\$ 13,187,050

e. Installment Agreement Payables

The following outstanding installment agreement payables were reported in the business-type activities as of June 30, 2019:

Issuance	Balance
Brine Line System Discharge Right Agreement	\$ 7,467,067
Total Installment Agreement Payable	\$ 7,467,067

Brine Line System Discharge Right Agreement

On November 5, 2014, the City Council and the Corona Utility Authority Board authorized an agreement for the assignment of California Rehabilitation Center's wastewater discharge rights by and among the City of Corona, the Western Municipal Water District of Riverside County, the California Department of Corrections and Rehabilitation, and the City of Norco. The City of Corona purchased 750,000 gallons per day wastewater disposal right from the City of Norco through the Santa Ana Regional Interceptor (SARI) or Inland Empire Brine Line for a total amount of \$9,864,651. Initial principal payment of \$1,000,000 was made in June 2015, and the remaining balance was to be amortized at an interest rate of 3.00% over 20 years through 2035. Annual payment is \$600,000. As of June 30, 2019, outstanding balance on the debt was \$7,467,067. The future annual debt service requirements per the agreement are presented below:

Fiscal Year	Brine Line System Discharge Right Agreement		
	Principal	Interest	Total
2020	\$ 375,988	\$ 224,012	\$ 600,000
2021	387,268	212,732	600,000
2022	398,886	201,114	600,000
2023	410,852	189,148	600,000
2024	423,178	176,822	600,000
2025-2029	2,314,110	685,890	3,000,000
2030-2034	2,682,687	317,313	3,000,000
2035	474,098	14,223	488,321
Totals	\$ 7,467,067	\$ 2,021,254	\$ 9,488,321

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 9: Long-Term Obligations (Continued)**f. Capital Lease Payables**Water Fund Vehicle Lease

In Fiscal year 2018-19, the City entered into a lease agreement with Enterprise FM Trust, a private lender, in the amount of \$34,653 to finance City vehicles. The lease is payable over a five-year period.

As of June 30, 2019, the net present value of future minimum lease payments required under the capital lease was \$24,115. The future minimum lease payments are presented below:

Vehicle Lease	
Fiscal Year	Lease Payment
2020	\$ 7,351
2021	7,351
2022	7,351
2023	3,062
Total Minimum Lease Payments	25,115
Less: Amount Representing Interest	(1,000)
Present Value of Future Minimum Lease Payments	<u>\$ 24,115</u>

g. Contracts Payable

Contracts Payable arise from the acquisition of certain water and water reclamation facilities and represent amounts due to Western Municipal Water District payable from future water and water reclamation connection fees associated with the acquired facilities. Future connections are provided as needed in the area and as such cannot be scheduled. When connection fees are received, the amounts attributable to the cost of physical connection are recognized as revenue and any additional amounts are credited to the contributed capital account. The amount outstanding at June 30, 2019 was \$690,390, with 50% of the obligation attributable to the Water Utility and 50% attributable to Water Reclamation Utility.

h. Term Loans Payable

The following outstanding term loan obligations were reported in the business-type activities as of June 30, 2019:

Term Loans	Balance
State Revolving Fund Loan Contract No. C-06-4802-110	\$ 12,349,534
State Revolving Fund Loan Contract No. C-06-7834-110	10,702,403
Total Term Loans Payable	<u>\$ 23,051,937</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 9: Long-Term Obligations (Continued)State Revolving Fund Loan Contract No. C-06-4802-110

On June 10, 2003, the City and the State Water Resources Control Board of the State of California entered into a State Revolving Fund Loan Contract No. C-06-4802-110 for a maximum amount of \$30,228,817, for construction of facilities at the Water Reclamation Facility No. 1. These facilities will provide recycled water to existing and future customers within the City. The loan is payable over a period of 20 years at an interest rate of 2.50% in equal annual installments of \$1,944,995 through 2026. The amount outstanding at June 30, 2019 was \$12,349,534. Annual future debt service requirements for the loan are presented below:

State Revolving Fund Loan C-06-4802-110			
Fiscal Year	Principal	Interest	Total
2020	\$ 1,636,257	\$ 308,738	\$ 1,944,995
2021	1,677,163	267,832	1,944,995
2022	1,719,092	225,903	1,944,995
2023	1,762,070	182,926	1,944,996
2024	1,806,121	138,874	1,944,995
2025-2026	3,748,831	141,160	3,889,991
Totals	\$ 12,349,534	\$ 1,265,433	\$ 13,614,967

State Revolving Fund Loan Contract No. C-06-7834-110

On February 1, 2014, the City and the State Water Resources Control Board of the State of California entered into a State Revolving Fund Loan Contract No. C-06-7834-110 for a maximum amount of \$11,259,585, for the construction of the tertiary filtration project at the Water Reclamation Facility No. 2. The construction of the tertiary filtration process will allow for the production of 3.67 million gallons per day of peak capacity of Title 22 reclaimed water. The loan is payable over a period of 30 years at an interest rate of 2.10% in equal annual installments of \$509,441 through 2046. The amount outstanding at June 30, 2019 was \$10,702,403. Annual future debt service requirements for the loan are presented below:

State Revolving Fund Loan C-06-7834-110			
Fiscal Year	Principal	Interest	Total
2020	\$ 284,691	\$ 224,750	\$ 509,441
2021	290,669	218,772	509,441
2022	296,773	212,668	509,441
2023	303,005	206,436	509,441
2024	309,369	200,073	509,442
2025 - 2029	1,647,066	900,140	2,547,206
2030 - 2034	1,827,425	719,780	2,547,205
2035 - 2039	2,027,535	519,670	2,547,205
2040 - 2044	2,249,558	297,648	2,547,206
2045 - 2047	1,466,312	62,012	1,528,324
Totals	\$ 10,702,403	\$ 3,561,949	\$ 14,264,352

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 10: Pledged Revenues

The City has pledged, as security for its water revenue bonds and term loans, a portion of the utility customer revenues, net of specified operating expenses, to repay \$60,986,937 in outstanding debts as of June 30, 2019. These debts were to provide financing for various capital projects of the City, including the construction of certain water system and wastewater treatment facilities. The bonds and loans are payable solely from the City's utility customer net revenues. Annual principal and interest payments on these bonds are expected to require less than 21.4% of net revenues subject to the pledge. The total remaining debt service including interest to be paid on these obligations are \$79,198,094. Principal and interest paid for the current year was \$7,690,886, and total customer net revenue subject to pledge was \$36,011,257.

Note 11: Non-City Obligations**a. Special Assessment District Bonds (Non-City Obligation)**

The payment of these bonds is secured by valid assessment liens upon certain lands in each district and is not a direct liability of the City. Reserves have been established from the bond proceeds to meet delinquencies should they occur. Neither the faith and credit nor taxing power of the City of Corona is pledged to the payment of the bonds. If delinquencies occur beyond the amounts held in those reserves, the City has no duty to pay those delinquencies out of any other available funds. The City acts solely as an agent for those paying the assessments and the bondholders.

As of June 30, 2019, the special assessment district bonds' balances outstanding were:

Assessment District Bonds (Non-City Debt)	Balance
\$ 855,000 A.D. No. 95-1 Improvement Bonds	\$ 120,000
\$ 1,624,200 A.D. No. 96-1 1996 A Improvement Bonds	235,000
\$ 685,000 A.D. No. 96-1 1997 A Improvement Bonds	150,000
\$ 1,605,000 A.D. No. 96-1 1997 B Improvement Bonds	380,000
\$ 2,657,100 A.D. No. 96-1 1999 A Improvement Bonds	895,000
Total Special Assessment District Bonds	\$ 1,780,000

b. Community Facilities District Bonds (Non-City Obligation)

These bonds are authorized pursuant to the Mello-Roos Community Facilities Act of 1982 as amended and are payable from special taxes levied on property within the Community Facilities Districts according to a methodology approved by the voters within the District and by the City Council. Neither the faith and credit nor taxing power of the City is pledged to the payment of the bonds. Reserves have been established from the bond proceeds to meet delinquencies should they occur. If delinquencies occur beyond the amounts held in those reserves, the City has no duty to pay the delinquency out of any available funds of the City. The City acts solely as an agent for those paying taxes levied and the bondholders.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 11: Non-City Obligations (Continued)

The following CFD bonds are currently active:

Community Facility District Bonds (Non-City Debt)		Balance
\$ 62,845,000	CFD 90-1 Refunding Bonds	\$ 6,600,000
\$ 6,485,000	CFD 2000-1, Series A Special Tax Bonds	3,765,000
\$ 1,610,000	CFD 2000-1, Series B Special Tax Bonds	1,015,000
\$ 3,675,000	CFD 2001-2 Special Tax Bonds	2,375,000
\$ 6,135,000	CFD 2003-2 Special Tax Bonds, 2005 Series	3,190,000
\$ 4,735,000	CFD 2003-2 Special Tax Bonds, 2006 Series	2,605,000
\$ 3,805,000	CFD 2004-1 Special Tax Bonds	2,690,000
\$ 7,195,000	CFD 86-2 Refunding 2014 Series A Bonds	1,510,000
\$ 7,350,000	CFD 89-1 Refunding 2014 Series A Bonds	2,585,000
\$ 5,495,000	CFD 89-1 IA Refunding 2014 Series A Bonds	1,935,000
\$ 9,525,000	CFD 97-2 Refunding 2014 Series A Bonds	5,620,000
\$ 13,455,000	CFD 2002-1 2017 Special Tax Refunding Bonds	12,640,000
\$ 7,125,000	CFD 2002-1 2017 Special Tax Refunding Bonds IA	6,735,000
\$ 7,010,000	CFD 2002-4 2017 Special Tax Refunding Bonds	6,515,000
\$ 5,475,000	CFD 2016-2 2018 Special Tax Bonds	5,475,000
\$ 9,000,000	CFD 2018-1 IA1 2018 Special Tax Series A	9,000,000
\$ 3,650,000	CFD 2017-2 2018 Special Tax Bonds	3,650,000
Total Community Facilities District Bonds		\$ 77,905,000

c. Conduit Debt Obligations

Not included in the accompanying financial statements are various conduit debt obligations issued under the name of the City and/or the Agency. The Bonds are not secured by or payable from revenues or assets of the City or Agency. Neither the faith and credit nor the taxing power of the City, the Agency, the State of California or any political subdivision thereof is pledged to the payment of the principal of and interest on the Bonds nor is the City or the Agency in any manner obligated to make any appropriations for payments on these bonds. At June 30, 2019, the aggregate principal amount of Conduit Debt Obligations outstanding totaled \$175,754.

Note 12: Bond Requirements

The City adopted an Administrative Policy No. 300.22, City Bond Compliance, on July 23, 2012. The purpose of the policy is to ensure all requirements of the federal and state law necessary to preserve the tax advantages of the City bonds are continuously complied with for the requisite periods. The policy covers the investment and expenditure of bond proceeds, the use of bond-financed facilities and other administrative requirements including continuing disclosure, arbitrage calculation and records retention.

At June 30, 2019, management believes the City and its component units are in compliance with all covenants of the various debt indentures.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 13: Pension Plan

a. General Information about the Pension Plans

Plan Description

Miscellaneous and Safety Police Plans - All qualified permanent and probationary employees are eligible to participate in the City of Corona's Miscellaneous and Safety Police Pension Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on CalPERS website.

Safety Fire Plan - All qualified permanent and probationary employees are eligible to participate in the City of Corona's Safety Fire Pension Plan, cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Classic 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.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 13: Pension Plan (Continued)**

The Plans' provisions and benefits in effect at measurement date June 30, 2019, are summarized as follows:

		Miscellaneous	
		Classic*	PEPRA
		Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula		2.7% @ 55	2.0% @ 62
Benefit vesting schedule		5 years of service	5 years of service
Benefit payments		monthly for life	monthly for life
Retirement age		50	52
Monthly benefits, as a % of eligible compensation		2.0% - 2.7%	1.0% - 2.5%
Required employee contribution rates		7.782%	5.750%
Required employer contribution rates		41.853%	41.853%
		Safety Police	
		Classic*	PEPRA
		Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula		3.0% @ 50	2.7% @ 57
Benefit vesting schedule		5 years of service	5 years of service
Benefit payments		monthly for life	monthly for life
Retirement age		50	50
Monthly benefits, as a % of eligible compensation		3.00%	2.0% - 2.7%
Required employee contribution rates		9.065%	11.750%
Required employer contribution rates		45.204%	45.204%
		Safety Fire	
		Classic*	PEPRA
		Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula		3.0% @ 50	2.7% @ 57
Benefit vesting schedule		5 years of service	5 years of service
Benefit payments		monthly for life	monthly for life
Retirement age		50	50
Monthly benefits, as a % of eligible compensation		2.0% - 2.7%	1.0% - 2.5%
Required employee contribution rates		8.988%	12.250%
Required employer contribution rates		39.585%	12.763%

*Closed to new entrants

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 13: Pension Plan (Continued)**Employees Covered - Miscellaneous and Safety Police Plans**

At measurement date June 30, 2019, the following employees were covered by the benefit terms of the Plan:

	Miscellaneous	Safety - Police
Inactive employees or beneficiaries currently receiving benefits	385	111
Inactive employees entitled to but not yet receiving benefits	14	3
Active employees	428	161
Total	<u>827</u>	<u>275</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERSL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both plans are determined annually on an actuarial basis as of June 30 by CalPERS. 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.

For the year ended June 30, 2019, the contributions recognized as a reduction to the net pension liability were \$20,903,317, \$7,784,453, and \$3,772,862 for the Miscellaneous, Police, and Fire Plans, respectively.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities in the June 30, 2017 actuarial valuations were rolled forward to June 30, 2018 and were determined using the following actuarial assumptions:

Valuation Date	June 30, 2017
Measurement Date	June 30, 2018
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Mortality Rate Table**	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increases	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

** The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016.

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 13: Pension Plan (Continued)**Change of Assumptions**

In 2018, the 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 to the discount rate.

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 a 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. Based on the testing of the plans, 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. 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 best-estimate ranges of 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 (Public Employees' Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, 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 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 equivalent 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 Assets	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%
	<u>100.00%</u>		

(1) An expected inflation of 2.00% used for this period.

(2) An expected inflation of 2.92% used for this period.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 13: Pension Plan (Continued)

Changes in the Net Pension Liability

The changes in Net Pension Liability for Miscellaneous and Safety Police Plans follows:

Miscellaneous Plan:	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at: 6/30/2018 (Valuation Date of 6/30/17)	\$ 346,910,456	\$ 212,738,334	\$ 134,172,122
Changes recognized for the Measurement Period:			
Service Cost	4,516,596	-	4,516,596
Interest on TPL	24,208,803	-	24,208,803
Changes in Benefit Terms	-	-	-
Differences between Expected and Actual Experience	(536,160)	-	(536,160)
Changes in Assumptions	(1,534,054)	-	(1,534,054)
Net Plan to Plan Resource Movement	-	(531)	531
Contributions from the Employer	-	22,977,143	(22,977,143)
Contributions from the Employees	-	1,905,754	(1,905,754)
Net Investment Income	-	18,381,353	(18,381,353)
Benefit Payments, including Refunds of Employee	(17,027,780)	(17,027,780)	-
Administrative Expense	-	(334,672)	334,672
Other Miscellaneous Income	-	(635,548)	635,548
Net changes during 2017-2018	9,627,405	25,265,719	(15,638,314)
Balance at: 6/30/19 (Measurement Date of 6/30/18)	\$ 356,537,861	\$ 238,004,053	\$ 118,533,808

Safety Police Plan:	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at: 6/30/2018 (Valuation Date of 6/30/17)	\$ 240,635,219	\$ 158,303,307	\$ 82,331,912
Changes recognized for the Measurement Period:			
Service Cost	5,925,006	-	5,925,006
Interest on TPL	17,126,542	-	17,126,542
Changes in Benefit Terms	-	-	-
Differences between Expected and Actual Experience	1,568,431	-	1,568,431
Changes in Assumptions	(583,544)	-	(583,544)
Net Plan to Plan Resource Movement	-	(390)	390
Contributions from the Employer	-	5,180,881	(5,180,881)
Contributions from the Employees	-	1,706,509	(1,706,509)
Net Investment Income	-	13,353,137	(13,353,137)
Benefit Payments, including Refunds of Employee Contributions	(10,101,119)	(10,101,119)	-
Administrative Expense	-	(242,374)	242,374
Other Miscellaneous Income	-	(460,273)	460,273
Net changes during 2017-18	13,935,316	9,436,371	4,498,945
Balance at: 6/30/19 (Measurement Date of 6/30/18)	\$ 254,570,535	\$ 167,739,678	\$ 86,830,857

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 13: Pension Plan (Continued)

The City reported net pension liabilities for its proportionate share of the Safety Fire Plan in the amount of \$44,243,817.

The Net Pension Liabilities for the City's pension plans have been primarily liquidated by funding from the General, Water and Water Reclamation funds.

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2017 and 2018, was as follows:

	Plan Net Pension Liability/(Asset)
Balance at: 6/30/2017 (Valuation Date)	\$ 43,640,515
Balance at: 6/30/2018 (Measurement Date)	44,243,817
Net Changes during 2017-18	<u>\$ 603,302</u>

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:

	Miscellaneous	Safety Police	Safety Fire	Total
1% Decrease	6.15%	6.15%	6.15%	
Net Pension Liability	\$ 169,056,793	\$ 125,045,972	\$ 68,051,665	<u>\$ 362,154,430</u>
Current Discount Rate	7.15%	7.15%	7.15%	
Net Pension Liability	\$ 118,533,808	\$ 86,830,857	\$ 44,243,817	<u>\$ 249,608,482</u>
1% Increase	8.15%	8.15%	8.15%	
Net Pension Liability	\$ 77,282,821	\$ 55,823,980	\$ 24,737,548	<u>\$ 157,844,349</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 13: Pension Plan (Continued)**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 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/Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the City recognized pension expense totaling \$38,250,925 for the Miscellaneous, \$14,796,845, Safety Police \$15,166,810, and Safety Fire Plans \$8,287,270. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Safety - Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution subsequent to measurement date	\$ 18,301,125	\$ -	\$ 8,767,137	\$ -
Difference between Expected and Actual Experience	-	(1,052,792)	1,356,011	(1,308,484)
Change in Assumptions	2,704,748	(894,865)	8,493,877	(1,246,886)
Net difference between Projected and Actual Earnings on Pension Plan Investments	245,030	-	-	(62,242)
Adjustment due to difference in proportion	-	-	-	-
Difference in proportionate share	-	-	-	-
Total	\$ 21,250,903	\$ (1,947,657)	\$ 18,617,025	\$ (2,617,612)

	Safety - Fire		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution subsequent to measurement date	\$ 4,307,750	\$ -	\$ 31,376,012	\$ -
Difference between Expected and Actual Experience	987,272	(3,745)	2,343,283	(2,365,021)
Change in Assumptions	4,508,322	(608,253)	15,706,947	(2,750,004)
Net difference between Projected and Actual Earnings on Pension Plan Investments	311,091	-	556,121	(62,242)
Adjustment due to difference in proportion	1,139,742	(238,999)	1,139,742	(238,999)
Difference in proportionate share	157,004	(1,527,199)	157,004	(1,527,199)
Total	\$ 11,411,181	\$ (2,378,196)	\$ 51,279,109	\$ (6,943,465)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 13: Pension Plan (Continued)

Amounts of \$18,301,125, \$8,767,137, and \$4,307,750 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	Miscellaneous	Safety - Police	Safety - Fire	Total
Year ended June 30:	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources	Deferred Outflows/(Inflows) of Resources
2019	\$ 3,712,653	\$ 3,867,094	\$ 3,947,190	\$ 11,526,937
2020	158,256	3,100,546	2,310,765	5,569,567
2021	(2,291,404)	591,693	(1,214,460)	(2,914,171)
2022	(577,384)	(327,057)	(318,260)	(1,222,701)
2023	-	-	-	-
Thereafter	-	-	-	-
	<u>\$ 1,002,121</u>	<u>\$ 7,232,276</u>	<u>\$ 4,725,235</u>	<u>\$ 12,959,632</u>

b. Defined Contribution Pension Plan

The City provides pension benefits for all of its Part-time, Seasonal and Temporary (PST) employees through the City's PST Deferred Compensation Plan, which is a defined contribution plan. The plan is administered by Nationwide Retirement Solutions. The purpose of the plan is to provide PST employees with a retirement plan as mandated by and in compliance with the Federal Omnibus Reconciliation Act of 1990. The plan provisions including contribution requirements were established by the City Council according to Department of Treasury regulations under Section 457 of the Internal Revenue Code of 1986, as amended. Plan benefits and contribution requirements may be amended by the City Council.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from the date of employment. The City requires the employee to contribute 6.2% of the 7.5% required by the Federal Government. The City's contribution for each employee and interest allocated to the employee's account are fully vested immediately. During Fiscal Year 2018-19, the City contributed \$23,571 on hourly salaries of \$1,773,864 with the employees contributing \$112,397.

Note 14: Other Post-Employment Benefits Other Than Pensions (OPEB)
Plan Description

In October 2007, the City Council executed the City of Corona Retirement Benefits Plan, a single-employer plan, for funding the Other Post-Employment Benefits (OPEB). In March 2008, the City Council passed a resolution authorizing the City to prefund its OPEB obligation through the California Employers' Retiree Benefit Trust Program (CERBT), an IRC Section 115 trust fund dedicated to prefunding OPEB for all eligible California public agencies. CERBT is administered by the California Public Employees' Retirement System (CalPERS) Board of Administration.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 14: Other Post-Employment Benefits Other Than Pensions (OPEB) (Continued)

The City's OPEB includes retiree medical and life insurance benefits, or, in some cases, an HRA contribution toward medical coverage of the retiree's choosing.

Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52, if a miscellaneous employee new to PERS on or after January 1, 2013) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her retirement warrant within 120 days of terminating employment with the City to be eligible to continue medical coverage through the City and be entitled to the employer subsidy. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement or during any future open enrollment period. Coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage.

Funding Policy

The City's funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. "Prefunding" is the term used when an agency consistently contributes an amount based on an actuarially determined contribution (ADC) each year. GASB 75 allows prefunded plans to use a discount rate that reflects the expected earnings on trust assets.

The City has been and continues to prefund its OPEB liability, contributing 100% or more of the Actuarially Determined Contributions each year. Therefore, with the City's approval, the discount rate used in this valuation is 7.28%, the long-term expected return on trust assets.

Employees Covered

As of the June 30, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Active	618
Inactive employees or beneficiaries currently receiving benefits	544
Total	<u>1,162</u>

Contributions

The plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. For the measurement date ended June 30, 2018, the City's cash contributions were \$10,445,297 in total payments, which were recognized as a reduction to the OPEB liability.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 14: Other Post-Employment Benefits Other Than Pensions (OPEB) (Continued)
Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2018 and to develop the total OPEB liability at the beginning of the measurement period on June 30, 2018, the results of the June 30, 2017 valuation were rolled back, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	6.80%
Inflation	2.75%
Salary Increases	3.25% per year
Investment Rate of Return	6.80%
Mortality Rate (1)	MacLeod Watts Scale 2017 applied generationally
Healthcare Trend Rate	Adjusted in future years ranging from 5.00% - 8.00%

Notes:

(1) Mortality rates used were those published by CalPERS, adjusted to back out 20 years of Scale BB to central year 2008, then projected as described above.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	57.00%	10.00%
Global Debt Securities	27.00%	4.20%
Inflation Assets	5.00%	1.60%
REITs	8.00%	6.20%
Commodities	3.00%	-9.60%
Total	100.00%	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.80 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019**Note 14: Other Post-Employment Benefits Other Than Pensions (OPEB) (Continued)****Changes in the OPEB Liability**

The changes in the net OPEB liability are as follows:

	Increase(Decrease)		
	Total OPEB Liability/(Assets) (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Assets) (c) = (a) - (b)
Balance at June 30, 2018 (Valuation date of 6/30/2017)	\$ 151,083,781	\$ 35,830,088	\$ 115,253,693
Changes recognized over the measurement period:			
Service Cost	1,437,025	-	1,437,025
Interest	10,832,995	-	10,832,995
Changes of assumptions	8,986,849	-	8,986,849
Contributions - employer	-	10,445,297 *	(10,445,297)
Net investment income	-	2,899,746	(2,899,746)
Benefit Payments	(7,431,858)	(7,431,858)	-
Administrative expense	-	(19,731)	19,731
Other Expenses	-	(47,396)	47,396
Net Changes	13,825,011	5,846,058	7,978,953
Balance at June 30, 2019 (Measurement date of 06/30/2018)	\$ 164,908,792	\$ 41,676,146	\$ 123,232,646

*Includes an implied subsidy amount of \$1,141,235.

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

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2018:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Net OPEB Liability	\$ 144,901,967	\$ 123,232,646	\$ 105,405,010

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2018.

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 103,801,903	\$ 123,232,646	\$ 148,382,740

OPEB Plan Fiduciary Net Position

CalPERS issues a separate Comprehensive Annual Financial Report. Copies of the annual financial report may be obtained from the CalPERS Executive Office at 400 P Street, Sacramento, California, 95814.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 14: Other Post-Employment Benefits Other Than Pensions (OPEB) (Continued)
OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the City recognized OPEB expense of \$10,735,164. As of fiscal year ended June 30, 2019, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 10,006,129	\$ -
Changes of assumptions	7,641,498	-
Net difference between projected and actual earnings on OPEB plan investments	-	731,790
Total	\$ 17,647,627	\$ 731,790

The \$10,006,129 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2017 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year ended June 30	Deferred Outflows/(Inflows) of Resources
2020	\$ 1,113,693
2021	1,113,693
2022	1,113,691
2023	1,308,537
2024	1,345,351
Thereafter	914,743
	\$ 6,909,708

Note 15: Classification of Net Position and Fund Balances
a. Government-Wide Financial Statements

In the Government-Wide Financial Statements, net position is classified in the following categories:

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of the City's capital assets reduce the amount in this category.

Restricted

This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Additionally, this category presents restrictions placed on the categories of capital projects, debt service, and specific projects and programs as established by the City Council.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 15: Classification of Net Position and Fund Balances (Continued)

Unrestricted

This category represents the net position of the City, which are not restricted for any project or other purpose.

b. Fund Financial Statements

The City divides fund balances into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable Fund Balance

Amounts that cannot be spent either because they are in nonspendable form or are required to be maintained intact.

Restricted Fund Balance

Amounts that are constrained to specific purposes by state or federal laws, or externally imposed conditions by grantors or creditors.

Committed Fund Balance

Amounts that can only be used for specific purposes pursuant to constraints imposed by City Council, the City's highest level of decision-making authority, through an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified uses through the same type of formal action taken to establish the commitment. The City's committed fund balance includes:

- General Fund Emergency Contingency

The City's General Fund balance committed for emergency contingencies has been set by resolution and is for specific uses listed as the declaration of a state or federal state of emergency or a local emergency as defined in Corona Municipal Code Section 2.52.020. A state of emergency is the existence of conditions of disasters which may result in property damage, death and/or injuries to the community. An emergency may also result from natural events that did not result in a request for state or federal assistance.

- Designated Revenues

Designated Revenues are committed by minute action of the City Council. Upon receipt of the revenues and at the request of the specific department, funds may be appropriated for departmental use with the recommendation of the Administrative Services Director, or with approval of City Council, depending on the amount of request.

Assigned Fund Balance

- Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. The City Council delegates the authority to assign amounts to be used for specific purposes to the Administrative Services Director.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 15: Classification of Net Position and Fund Balances (Continued)

Unassigned Fund Balance

These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other four categories, or negative balances in all other funds.

As noted in Note 1, restricted funds are used first as appropriate. Assigned fund balance is reduced to the extent that expenditure has been appropriated by City Council. Decrease in fund balance first reduce committed fund balance, in the event that committed fund balance becomes zero, then assigned and unassigned fund balances are used in that order.

The fund balances of the City's governmental funds as of June 30, 2019, are presented below:

	General	Low Mod Income Housing Asset	Other Grants	Development	Other Governmental Funds	Total Governmental Funds
Fund Balances:						
Nonspendable						
Long-term Receivables	\$ 8,712,633	\$ -	\$ -	\$ -	\$ -	\$ 8,712,633
Interfund Advances Receivable	17,573,098	-	-	-	-	17,573,098
Inventories and Prepayments	206,341	-	-	-	-	206,341
Restricted						
Street Maintenance	-	-	-	-	21,815,264	21,815,264
Trip Reduction	-	-	-	-	1,436,054	1,436,054
Asset Forfeiture	-	-	-	-	311,412	311,412
Special Tax District	-	-	-	-	19,116,749	19,116,749
Housing & Community Development	-	28,397,567	-	-	5,143,875	33,541,442
Other Grants	-	-	492,952	-	71,358	564,310
Development	-	-	-	19,889,582	-	19,889,582
Residential Refuse	-	-	-	-	497,796	497,796
Committed						
Emergency Contingency	32,600,000	-	-	-	-	32,600,000
Designated Revenues	4,768,780	-	-	-	-	4,768,780
Pension Obligation Reserve	2,530,492	-	-	-	-	2,530,492
Assigned						
Budget Balancing Measures	34,433,788	-	-	-	-	34,433,788
Continuing Appropriations	17,099,457	-	-	-	-	17,099,457
Other Capital Projects	-	-	-	-	396,813	396,813
Other Purposes	3,961,791	-	-	-	-	3,961,791
Unassigned	-	-	-	-	(48,500)	(48,500)
Total Fund Balances	\$ 121,886,380	\$ 28,397,567	\$ 492,952	\$ 19,889,582	\$ 48,740,821	\$ 219,407,302

Note 16: Risk Management

a. Workers' Compensation Insurance

The City's self-insured retention is \$1,000,000 with an excess policy insuring claims over \$4,000,000 up to a limit of \$45,000,000. Departments are charged a percentage of the total estimated insurance, claims expense and premiums based on payroll costs. The actuarial estimated liability for pending and incurred, but not reported claims at June 30, 2019 has been included in the Claims Payable amount for the same reporting period. As of June 30, 2019, the City's workers' compensation self-insurance program was funded at a confidence level of 75% according to the most recent actuarial study dated February 15, 2019.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 16: Risk Management (Continued)

The following table presents claims and judgments payable for the City's workers' compensation self-insurance program for fiscal year ended June 30, 2019, and its four preceding years:

Fiscal Year Ended June 30,	Claims Payable July 1,	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30,
2015	\$ 17,475,000	\$ 3,511,384	\$ (2,646,384)	\$ 18,340,000
2016	18,340,000	2,595,911	(1,060,640)	19,875,271
2017	19,875,271	2,953,371	(1,691,537)	21,137,105
2018	21,137,105	722,158	(1,402,425)	20,456,838
2019	20,456,838	618,559	(1,329,681)	19,745,716

Of the total liabilities, \$3,095,009 is due within one year or less. Claims are paid by the internal service funds.

b. Liability Insurance

The City's self-insured retention is \$500,000 with an excess policy insuring claims over \$500,000 up to a limit of \$10,000,000. A third-party administrator administers claims. The actuarial estimated liability for pending and incurred, but not reported claims at June 30, 2019 has been included in the Claims Payable amount for the same reporting period. These liabilities are recognized on government-wide statements. As of June 30, 2019, the City's General Liability self-insurance program was funded above the confidence level of 90% according to the most recent actuarial study dated February 15, 2019.

The following table presents claims and judgments payable for the general liability self-insurance program, including property losses, for fiscal year ended June 30, 2019, and its four preceding years:

Fiscal Year Ended June 30,	Claims Payable July 1,	Claims and Changes in Estimates	Claims Paid	Claims Payable June 30,
2015	\$ 2,541,000	\$ 251,204	\$ (261,204)	\$ 2,531,000
2016	2,531,000	23,330	(425,436)	2,128,894
2017	2,128,894	294,831	(107,043)	2,316,682
2018	2,316,682	673,040	(537,084)	2,452,638
2019	2,452,638	223,267	(223,267)	2,452,638

Of the total liabilities, \$985,355 is due within one year or less. Claims are paid by the internal service funds.

c. Property Losses (excluding earthquake or flood)

The City's property losses are covered by insurance policies for covered value of \$100,000,000 with deductibles ranging from \$2,500 to \$50,000. The estimated liability for pending and incurred but not reported claims at June 30, 2019 has been incorporated in the financial statements as Claims and Judgments Payable in the Liability Risk internal service fund and are based on history only.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 17: Commitments and Contingencies

The City has entered into several operating lease agreements in the conduct of its day-to-day operations to provide for facilities and/or services. None of these operating leases are considered to be significant commitments.

The City is a defendant in a number of lawsuits that have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have material adverse effect on the financial position of the City.

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations, and if certain proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or refunded to the taxpayers through revised tax rates or revised fee schedules. For the fiscal year ended June 30, 2019, the City's appropriations limit totaled \$531,674,691 and the City's appropriations subject to limitation were \$105,128,509.

On November 5, 1996, California voters passed Proposition 218 which requires, in general, that any new implementation, increase or extension of taxes, fees, and charges be put to a vote of the public. The City has held special elections for property owners in special districts when appropriate asking for a proportional increase in the annual assessment for landscape maintenance on publicly owned medians and easements. Regardless if the elections were passed or defeated, services in those districts continue to be provided at a level equal to the assessments.

On September 28, 1995, the California Supreme Court reversed a Court of Appeals decision which reinstated provisions of Proposition 62 which was a 1986 voter initiative that required all general taxes to be approved by simple majority vote of the electorate. The Supreme Court provided very little detail on a number of issues surrounding their decision but the only possible exposure, if any, to the decision for the City would be its transient occupancy tax which was increased by 2% in 1989. It remains unclear what, if any, liability the City may have.

On July 18, 2012, the City Council and the Corona Utility Authority Board approved addendum No. 6 to the Joint Exercise of Powers Agreement creating the Western Riverside County Regional Wastewater Authority (WRCRWA) admitted the City of Corona as a voting member of the WRCRWA. WRCRWA was formed as a joint powers authority in 1992 to construct and operate a regional wastewater conveyance, treatment and disposal system to serve its member agencies. Other member agencies include Home Gardens Sanitary District, Jurupa Community Services District, City of Norco, and Western Municipal Water District of Riverside County. To become a voting member of WRCRWA, the City was required to pay \$4.0 million as buy-in which represented membership and the WRCRWA's construction loan reserve requirement. The construction loan amount on the State Revolving Fund (SRF) loan for the WRCRWA Treatment Plan Expansion project was \$74,111,000. The current participants and their obligated contribution on this loan through June 30, 2019, were as follows:

	<u>Percent</u>
City of Corona	42.42%
Jurupa Community Services District	46.02%
City of Norco	9.10%
Western Municipal Water District	0.88%
Home Gardens Sanitary District	<u>1.58%</u>
Total	<u><u>100%</u></u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 17: Commitments and Contingencies (Continued)

On February 13, 2016, an incident occurred at the Water Reclamation Facility No. 1 causing 4.1 million gallons of fully treated water with chlorine residual released into a nearby creek. All necessary regulatory notifications were addressed in a timely manner, however, there will likely be a mandatory fine as well as an administrative fine assessed by the State Water Resources Control Board. The amount of the fine could not be reasonably estimated as of the financial statement date and would be solely determined by the State. As of date, the City has not received any notices of violation from the State.

As of June 30, 2019, in the opinion of City Administration, there were no additional outstanding matters that would have a significant effect on the financial position of the City.

Note 18: Joint Venture

In July 2012, the City entered into an agreement with the Western Riverside County Regional Wastewater Authority (WRCRWA) and became a voting member of WRCRWA. WRCRWA was formed in 1992 pursuant to the provisions of Article 1, Chapter 5, Division 7, Title 1 of the Government Code of the State of California relating to the joint exercise of powers common to public agencies, for the purpose of constructing, maintaining, operating, and managing facilities for the collection, transmission, treatment and disposal of wastewater, the reclamation of wastewater, and the use of reclaimed wastewater for any beneficial purpose.

WRCRWA is composed of five-member agencies: City of Corona, Jurupa Community Services District, Western Municipal Water District, Home Gardens Sanitary District, and the City of Norco. The member agencies support the operating costs and capital costs through fixed and variable rates established by WRCRWA's Board of Directors. The governing body of WRCRWA is a Board of Directors, which consists of ten individuals, two appointed by each member.

WRCRWA owns and operates a 14.0 Million Gallons per Day (MGD) tertiary wastewater treatment plant. The plant capacity owned by its member agencies are shown as follows:

Member Agencies	Current MGD
City of Corona	2.62
Jurupa Community Services District	6.00
City of Norco	2.70
Western Municipal Water District	1.93
Home Gardens Sanitary District	0.75
Total	<u>14.00</u>

The City's investment in WRCRWA for the fiscal year ended June 30, 2019, was \$5,865,267.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 18: Joint Venture (Continued)

Unaudited financial information of the Authority for the fiscal year ended June 30, 2019, was summarized as follows:

Western Riverside County Regional Wastewater Authority Net Position:	
Total assets	\$ 118,934,900
Total liabilities	(73,287,038)
Deferred inflow of resources	<u>(350,000)</u>
Total Net Position	<u>\$ 45,297,862</u>
Water Facilities Authority Changes in Net Position:	
Operating revenues	\$ 8,336,108
Operating expenses	<u>(6,636,290)</u>
Operating loss before depreciation and amortization	1,699,818
Depreciation and amortization	<u>(4,304,051)</u>
Operating revenue (loss)	<u>(2,604,233)</u>
Nonoperating revenues (expenses)	<u>2,061,875</u>
Change in Net Position	(542,358)
Beginning Net Position	<u>45,840,220</u>
Ending Net Position	<u>\$ 45,297,862</u>

Financial statements of the Authority can be obtained from the WRCRA office at 450 Alessandro Boulevard, Riverside, California 92517, for audited financial information.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 19: Tax Abatement

In prior years, 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, 2019, the City abated taxes totaling \$5,227,373. Under this program, the City has the following tax abatement agreements:

- A sales tax abatement to a commercial fueling and energy operation facility for expanding operations within the City of Corona, resulting in a significant new local sales tax revenues. Per the agreement, the City shall pay an amount equal to 50% of sales tax revenues received in excess of \$250,000. In Fiscal Year 2018-19 the abatement amounted to \$395,647.
- A sales tax reduction for a material production and construction company for creating employment opportunities and revenues within the City. Per the agreement, if during any fiscal year, sales tax revenues exceeds \$1,000,000 the amount abated shall be a sum equal to 50% of the sales tax revenues in excess of \$250,000. If during any fiscal year, sales tax revenues are no less than \$500,000 and no more than \$1,000,000 the amount abated shall be a sum equal to 25% of the sales tax revenues in excess of \$250,000. If during any fiscal year, sales tax revenues are less than \$500,000 the City shall not pay the business. In Fiscal Year 2018-19 the abatement amounted to \$133,910.
- A sales tax reduction for construction and operation of an automotive dealership within the City. Per the agreement, the City shall make annual payments for 15 years in an amount equal to 50% of the sales tax revenues received in excess of \$200,000 annually, up to a maximum of \$6,000,000. In Fiscal Year 2018-19 the abatement amounted to \$226,454.
- A sales tax reduction for a warehouse wholesaler for building and operating a new store within the City. Per the agreement, sales tax revenues shall be allocated each year to the City from the first \$200,000 of revenues, the next \$200,000 to the developer and the balance allocated 50% to the City and 50% to the developer. In Fiscal Year 2018-19 the abatement amounted to \$1,152,396.
- A sales tax reduction for a commercial business involving the retail sale of construction materials for generating significant new tax revenues and maintaining sales office operations within the City. Per the agreement, the City shall pay quarterly in an amount equal to 50% of the sales tax revenues received. In Fiscal Year 2018-19 the abatement amounted to \$2,790,471.
- A sales tax reduction for a wholesale apparel retailer, for locating a new regional sales office within the City. Per the agreement, the City shall pay quarterly in an amount equal to 50% of the sales tax revenues received. Covenant Payments shall be equal to 60% of taxable sales if sales tax revenue exceeds \$2,500,000, the Owner hires 150 new employees and Owner invests at least \$51,500,000 into the City. In Fiscal Year 2018-19 the abatement amounted to \$528,495.

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 20: Restatements

a. Restatement on Government-Wide Statements

Restatements to net position made on the government-wide statements for Fiscal Year 2018-19 are summarized below:

	Governmental Activities
Beginning Net Position, as reported	\$ 764,600,961
Restatements	(1,920,559)
Beginning Net Position, as restated	<u>\$ 762,680,402</u>

Restatement to Governmental Activities

A total of \$1,920,559 was reduced from the beginning net position in governmental activities due to the following adjustments:

- Grant receivables of \$1,435,463 were not received within the one year revenue recognition period. A restatement was made to reverse the previous revenues and defer the revenue until the revenue will be received.
- The City adjusted \$485,096 to account for development fees received and recorded as revenues, which should have been recorded as developer deposits, according to the development agreement.

b. Restatement on Fund Statements

Governmental Funds

Restatements to fund balance on the governmental fund financial statements for Fiscal Year 2018-19, are summarized as follows:

	Governmental Funds			
	General Fund	Other Grants	Development	Other Governmental Funds
Beginning Fund Balance, as reported	\$ 108,568,234	\$ 1,978,059	\$ 9,137,699	\$ 40,427,944
Restatements	(468,360)	(1,435,463)	(485,096)	468,360
Beginning Fund Balance, as restated	<u>\$ 108,099,874</u>	<u>\$ 542,596</u>	<u>\$ 8,652,603</u>	<u>\$ 40,896,304</u>

General and Residential Refuse Fund

Beginning fund balances were restated by \$(468,360) and \$468,360 in the General and Residential Refuse funds, respectively, to separately present the activity of the Residential Refuse special revenue fund, which was previously presented as part of the General fund.

Other Grants Fund

Grant receivables of \$(1,435,463) were not received within the one year revenue recognition period. A restatement was made to reverse the previous revenues and defer the revenue until the revenue will be received.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 20: Restatements (Continued)Development Fund

The City adjusted \$(485,096) to account for development fees received and recorded as revenues, which should have been recorded as developer deposits, according to the development agreement.

c. Restatement on Proprietary Fund Statements

	<u>Proprietary Funds</u>
	<u>Internal Service Funds</u>
Beginning Net Position, as reported	\$ 7,106,568
Restatements	(2,813,817)
Beginning Net Position, as restated	<u>\$ 4,292,751</u>

- During the current year the City adjusted \$2,276,405 related capital assets which were expensed in the Fleet fund and capitalized in the governmental activities in previous years.
- The City created a new Information Technology internal service fund as of July 1, 2018. \$(5,090,222) was adjusted in the fund to allocate the beginning portion of the Net Pension and Net OPEB liabilities related to the fund.

Note 21: Successor Agency Trust for Former Corona Redevelopment Agency

The Successor Agency Trust for the former Corona Redevelopment Agency (Successor Agency) was established on February 1, 2012 in accordance to the Assembly Bill X1 26 that provides for the dissolution of all redevelopment agencies in the State of California. The establishment of the Successor Agency was approved by the City Council on January 11, 2012 through City Resolution No. 2012-004.

Effective February 1, 2012, successor agencies in California will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated. The activities of the Successor Agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

a. Cash and Investment

The City of Corona maintains a cash and investment pool that is available for all City activities, including the Successor Agency. Cash and investments reported in the statement of fiduciary net position consisted of the following:

	<u>Amount</u>
Cash and Investments Pooled with the City	\$ 6,618,051
Cash and Investments with Fiscal Agent	<u>6,940,502</u>
Total Cash and Investments	<u>\$ 13,558,553</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019
Note 21: Successor Agency Trust for Former Corona Redevelopment Agency (Continued)

The Successor Agency adopted all applicable City's rules, regulations, policies and guidelines by a resolution approved by the City Council on March 21, 2012. These rules, regulations, policies and guidelines were later approved by the Oversight Board. The City manages the Successor Agency's cash and investment in a consistent manner as the rest of its cash and investment pool. Refer to Note 3 for additional information regarding the type of investments and risks.

b. Due to Other Governmental Agencies

As of June 30, 2019, the Successor Agency reported due to other governmental agencies in the amount of \$7,490,083.

Supplemental Educational Revenue Augmentation Fund (SERAF) loan that was made in Fiscal Year 2009-10 to fund for the State's Proposition 98 obligations to schools. With the dissolution of redevelopment agencies on February 1, 2012, the City through Resolution No. 2012-005, elected not to retain the housing assets and functions previously performed by the former Corona Redevelopment Agency, and transferred all rights, assets, liabilities, duties and obligations associated with the housing activities to the Corona Housing Authority (CHA), a component unit of the City of Corona. California State Department of Finance (DOF) allowed the SERAF loan to be transferred to CHA, the Housing Successor, and be placed on the Recognized Obligation Payments Schedule (ROPS) for repayment. The SERAF loan was paid in full in 2018-19.

Various administrative loans were made by the City to the former Corona Redevelopment Agency between 1994 and 2011. These loans were determined by the Oversight Board "for legitimate redevelopment purposes" on June 3, 2013. The DOF approved the loans as enforceable obligations on July 15, 2013. In addition, the DOF issued a Finding of Completion to the Successor Agency on April 8, 2013 reaffirming the enforceability of these obligations from future residual distribution to the Successor Agency. Repayment of these loans is anticipated to commence after the SERAF loan is paid in full.

The following is a summary of loans due to the City as of June 30, 2019:

Amount Due to the City of Corona	Balance
Main Street South Project Area 1994 Loan	\$ 66,991
Main Street South Project Area 2001 Loan	224,020
Temescal Canyon Project Area 2005 Loan	326,650
Temescal Canyon Project Area 2006 Loan	150,360
Main Street South Project Area 2007 Loan	328,112
Merged Project Area 2010 Loan	3,932,167
Temescal Canyon Project Area 2010 Loan	331,507
Corona Revitalization Zone 2011 Loan	2,130,276
Total Amount Due to the City of Corona	\$ 7,490,083

CITY OF CORONA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 21: Successor Agency Trust for Former Corona Redevelopment Agency (Continued)

c. Long-Term Obligations

The following long-term obligations were approved by the State Department of Finance as enforceable obligations and were considered as accounting liabilities in accordance with GAAP.

	Balance June 30, 2018	Incurred or Issued	Satisfied or Matured	Balance June 30, 2019	Amounts Due Within One Year	Amounts Due in More than One Year
Public Offering						
2007 Temescal Canyon Project Area Tax Allocation Bonds	\$ 15,380,000	\$ -	\$ 855,000	\$ 14,525,000	\$ 860,000	\$ 13,665,000
2007 Merged and Amended Project Area "A" Tax Allocation Bonds	23,850,000	-	575,000	23,275,000	605,000	22,670,000
Subordinate Tax Allocation Refunding Bonds, Series 2015A	15,260,000	-	2,460,000	12,800,000	2,560,000	10,240,000
	<u>\$ 54,490,000</u>	<u>\$ -</u>	<u>\$ 3,890,000</u>		<u>\$ 4,025,000</u>	<u>\$ 46,575,000</u>
			Unamortized Bond Premium	1,205,739		
			Total	<u>\$ 51,805,739</u>		

The Successor Agency's outstanding bonds from public offerings of \$50,600,000, contain a provision that if any event of default should occur, the trustee shall at the written direction of the Bond Owners of a majority in aggregate principal amount outstanding, and upon receipt of the prior written consent of the Bond Insurer, declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately.

2007 Temescal Canyon Project Area Tax Allocation Bonds

The \$22,155,000 of Temescal Canyon Project Area 2007 Tax Allocation Bonds were issued to facilitate the transformation of a former mining facility and blighted area into developed backbone infrastructure improvements within the project area. The bonds bore interest from 4.00% to 4.50% and were due in annual installments ranging from \$495,000 to \$735,000, with term bonds of \$1,475,000 due November 1, 2022, \$1,515,000 due November 1, 2024, \$1,650,000 due November 1, 2026, \$2,760,000 due November 1, 2029 and \$3,155,000 due November 1, 2032. The escrow term bonds in the amount of \$3,465,000 bore interest at 4.50% and is due November 1, 2032. The annual debt service requirements for the 2007 Temescal Canyon Tax Allocation Bonds are presented below:

Fiscal Year	2007 Temescal Canyon Tax Allocation Bonds		
	Principal	Interest	Total
2020	\$ 860,000	\$ 626,093	\$ 1,486,093
2021	875,000	588,703	1,463,703
2022	880,000	550,409	1,430,409
2023	890,000	511,506	1,401,506
2024	900,000	472,156	1,372,156
2025 - 2029	5,120,000	1,715,941	6,835,941
2030 - 2032	5,000,000	462,375	5,462,375
Totals	<u>\$ 14,525,000</u>	<u>\$ 4,927,183</u>	<u>\$ 19,452,183</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 21: Successor Agency Trust for Former Corona Redevelopment Agency (Continued)

2007 Project Area "A" Taxable Tax Allocation Bonds

The \$29,550,000 of Project Area "A" 2007 Taxable Tax Allocation Bonds were issued on a parity basis with the 2004 Tax Allocation Bonds to further facilitate the rehabilitation of a retail center and the development of mixed used commercial, hotel, office, and light industrial projects within the Merged Downtown project area. The bonds bore interest from 4.69% to 6.25% and were due in annual installments ranging from \$315,000 to \$1,140,000, with term bonds of \$23,850,000 due September 1, 2027. The annual debt service requirements for the 2007 Project Area "A" Tax Allocation Bonds are presented below:

Fiscal Year	2007 Project Area "A" Tax Allocation Bonds		
	Principal	Interest	Total
2020	\$ 605,000	\$ 1,436,700	\$ 2,041,700
2021	645,000	1,397,613	2,042,613
2022	685,000	1,356,024	2,041,024
2023	730,000	1,311,777	2,041,777
2024	785,000	1,264,402	2,049,402
2025 - 2028	19,825,000	2,774,743	22,599,743
Totals	\$ 23,275,000	\$ 9,541,259	\$ 32,816,259

2015 Tax Allocation Refunding Bonds Series A

The \$16,895,000 of the Subordinate Tax Allocation Refunding Bonds Series A were issued to refund a portion of the 1996 Set-Aside Tax Allocation Bonds and 2004 Project Area "A" Tax Allocation Bonds. The bonds bore interest from 3.00% to 5.00% and were due in annual installments ranging from \$1,635,000 to \$2,800,000, with term bonds of \$2,445,000 due September 1, 2023. The annual debt service requirements for the 2015 Tax Allocation Refunding Bonds Series A are presented below:

Fiscal Year	2015 Tax Allocation Refunding Bonds Series A		
	Principal	Interest	Total
2020	\$ 2,560,000	\$ 563,200	\$ 3,123,200
2021	2,665,000	445,375	3,110,375
2022	2,800,000	308,750	3,108,750
2023	2,330,000	180,500	2,510,500
2024	2,445,000	61,125	2,506,125
Totals	\$ 12,800,000	\$ 1,558,950	\$ 14,358,950

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2019

Note 21: Successor Agency Trust for Former Corona Redevelopment Agency (Continued)

Pledged Revenue for Tax Allocation Bonds

Due to the dissolution of the former Corona Redevelopment Agency, the tax increment funds that were pledged to the bondholders were no longer received in full by the Agency. AB X1 26 restructured the former redevelopment agencies' revenue from tax increment to Redevelopment Property Tax Trust Fund (RPTTF). RPTTF funds are distributed semi-annually to the Successor Agency to pay enforceable obligations approved by the California State Department of Finance on the Recognized Obligations Payment Schedule (ROPS). The total principal and interest remaining on the Successor Agency debt obligations were \$66,627,392 with annual debt service requirements as listed above. For the current year, the total RPTTF funds available to the Successor Agency for the payment of these indebtedness was \$11,105,302 and the debt service obligation on the bonds was \$6,689,871.

d. Commitments and Contingencies

The Successor Agency is covered under the City of Corona's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 16.

At June 30, 2019, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

BUDGETARY INFORMATION

Through the budget process, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The annual budget establishes the foundation of effective financial management by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the City's performance in all of its functional areas. It assures the efficient and effective uses of the City's economic resources, as well as ensuring the highest priorities are accomplished for the fiscal year. It also serves as a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees and other public agencies.

The City's budget cycle is on an annual basis, which serves a fiscal period from July 1 to June 30. The City's budgets are developed consistent with generally accepted principles and procedures. There are no significant non-budgeted financial activities. For governmental funds, revenues are budgeted by entitlements, grants, and estimates of future development and economic growth. Expenditures and transfers are budgeted based upon available financial resources.

The City of Corona's budget is prepared and based on five expense categories; personnel, non-personnel (such as supplies and services), capital outlay, debt service and capital improvement projects. The first two listed are considered operational in nature and are known as recurring costs. Capital outlays refer to minor equipment purchases which are generally infrequent and valued at less than \$50,000. Capital outlays are paid for out of the operating fund. Debt service refers to principal and interest payments on borrowed funds (such as bonds or long-term loans). Capital improvement projects (CIP) are asset acquisitions and/or major facilities, systems, and infrastructure improvements which cost over \$50,000. These reside "outside" of the operational budget and are an example of a one-time cost.

The City collects and records revenue and expenditures within the following categories:

- Governmental activities
- Business-type activities

The governmental funds include the General Fund, special revenue, debt service and capital projects funds. All funding sources are kept separate for both reporting and use of the money. The General Fund funds most of the City services including public safety, recreation, and community development. In Fiscal Year 2018-19, the City was in the third year of a 'zero-based' budget procedure, which is a rigorous, structured approach in evaluating each dollar that is appropriated to fund critical City services and programs. Prior to that change, the City utilized an 'expenditure control budget' (ECB) procedure for 23 years, as outlined in previously adopted budget resolutions. The 'zero-based' budget approach is more responsive to service needs which may expand and contract over time.

The budget process begins as a team effort in January of each year. The Administrative Services Department (ASD) works in cooperation with all City departments to formulate revenue projections for the upcoming fiscal year. From this, the individual departments use the projected revenues to prioritize and recommend the next fiscal year's objectives. The City Manager's Office and the Administrative Services Department jointly review each budget proposal, revenue assumptions, and all current financial obligations, before preparing the proposed document for the City Council. The City Council reviews the budget at multiple budget workshops, with the final adoption scheduled in June.

CITY OF CORONA

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) JUNE 30, 2019

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Before the beginning of the fiscal year the City Manager submits to the City Council a proposed budget for the year commencing July 1.
2. Public meetings are conducted to obtain taxpayer comments.
3. The budget is subsequently adopted through passage of a resolution and is not included herein but is published separately.
4. All appropriations are as originally adopted or as amended by the City Council and all unencumbered budgeted amounts lapse at year-end. However, grants may carry forward (continuing appropriation) to the next fiscal year as determined by the grant funding time period.
5. Continuing appropriations are re-budgeted by the City Council as part of the adoption of subsequent year's budget.
6. Legally adopted budget appropriations are set for the General Fund, special revenue, debt service and capital projects funds.
7. The legal level of budgetary control is at the department level. A Department Director may transfer appropriations within the department. Expenditures may exceed appropriations at this level in the General Fund to the extent provided for in the annual budget resolution adopted by the City Council. The City Council, by the affirmative vote of three members, may amend the budget to add or delete appropriations, transfer between appropriations within a fund or change appropriation transfers between funds. Departments consolidated and presented under the General Government category are managerial and support departments that include City Council, City Treasurer, Management Services, Administrative Services, Legal and Risk Management, and General Government (non-departmental).
8. Budgets for General Fund, special revenue, debt service and capital projects funds are adopted on a basis consistent with generally accepted accounting principles.

Major changes between the original and final budget, and variance between final budget and actuals are presented for the General Fund as shown below:

Fund	Budget		Actual	Variance
	Original	Final		Favorable/ (Unfavorable)
Major Governmental Funds:				
General Fund				
Revenue	\$ 136,104,293	\$ 138,624,530	\$ 147,558,288	\$ 8,933,758
Expenditure	134,252,960	151,325,343	132,101,152	19,224,191
Transfers In	1,458,859	1,458,859	1,046,720	(412,139)
Transfers Out	2,707,423	2,707,423	2,717,350	(9,927)
Net change in Fund Balance	\$ 602,769	\$ (13,949,377)	\$ 13,786,506	\$ 27,735,883

CITY OF CORONA

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED) JUNE 30, 2019

General Fund

General Fund appropriations were originally adopted at \$137.0 Million for Fiscal Year 2018-19, including transfers to other funds of \$2.7 Million. Final appropriations were increased by \$17.0 Million to \$154.0 Million. Among the budgetary increase, \$6.4 Million was due to continuing appropriations from the prior year's capital projects and grant funded activities and \$3.8 Million was for prior year committed purchases (encumbrances). There was \$6.9 Million in supplemental funding and transfers approved by the City Council subsequent to the budget adoption due to the following reasons: (1) The non-personnel budget increased by \$5.7 Million, primarily for an appropriation of \$4.0 Million that was approved for the purchase of four new fire apparatus: two engines, one quint tractor drawn aerial and one quint rear mount aerial. The non-personnel budget also increased by \$0.9 Million by various Council Actions that included funds for the Kraft Ranch Storm Drain debris removal project, funding for operational audits of the Police and Fire departments, purchase of CPR equipment, and grant related activity. (2) The personnel budget increased by \$0.9 Million. A total of \$0.7 Million was added through updated MOU agreements with non-sworn staff in June 2019. Additionally, there were changes of \$0.2 Million for grants and other funding agreements, with corresponding revenues that offset the costs. (3) The capital improvement program budget increased by \$223,818 with \$185,334 for the Corona Airport Waterline, \$61,853 for the State Route 91 Betterments Project, and \$38,926 in donations to the Library Materials project. There were budgetary reductions for other projects that were completed or no longer needed.

Revenues and transfers in received in Fiscal Year 2018-19 had a favorable variance of \$8.5 Million, due to the following reasons: (1) Property tax revenue was higher than anticipated by \$0.5 Million, (2) Sales and use tax revenues were higher than anticipated by \$2.7 Million. (3) Investment earnings were higher than anticipated by \$3.6 Million which includes book entries for investment gains and losses. (4) The current services category was also higher than budgeted by \$1.9 Million. Included in this category is building related activity and library and recreation revenues. In addition, some smaller categories had a favorable variance at the fiscal year end.

Included in the \$19.2 Million savings in the expenditure budget and transfers out, \$10.9 Million was unspent funding for ongoing capital improvement projects. These funds will be carried over to the next fiscal year to complete the projects. In addition, \$0.2 Million will be carried forward from the expenditure budget for grant related activity. Encumbered purchase orders totaling \$5.8 Million will also be carried forward for activity that crosses fiscal years. After considering the noted items that will carry forward to fiscal year 2019-20, there is a net savings of \$2.3 Million. The departments within the General Government section realized cost savings of \$1.8 Million due to vacancies and reduced operating costs for professional/contractual services and insurance premiums. The Police department function achieved cost savings of \$0.8 Million due to personnel vacancies and savings in professional/contractual services and minor equipment purchases. The Public Works and Maintenance Services ended the fiscal year with \$0.9 Million in budget savings due to vacant positions and lower operating costs for items such as professional/contractual services, mowing and landscape contracts, tree maintenance and contracted labor services, and building maintenance supplies. The Library and Recreation Services recognized a savings for \$0.2 Million due to personnel vacancies.

CITY OF CORONA

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
YEAR ENDED JUNE 30, 2019BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR FISCAL YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1, as restated	\$ 108,099,874	\$ 108,099,874	\$ 108,099,874	\$ -
Resources (Inflows):				
Property taxes	47,430,900	47,512,166	47,994,974	482,808
Sales taxes	40,927,811	41,416,827	44,125,758	2,708,931
Other taxes	10,356,000	10,670,000	10,806,717	136,717
Licenses, fees and permits	2,116,810	3,268,428	3,059,318	(209,110)
Intergovernmental	1,577,242	2,107,660	2,718,180	610,520
Special Assessments	103,000	100,000	98,931	(1,069)
Current services	10,943,919	10,649,828	12,583,103	1,933,275
Investment earnings	2,384,875	2,395,917	5,976,173	3,580,256
Fines and penalties	855,500	892,700	997,484	104,784
Payments in lieu of services	7,643,491	6,954,382	6,898,116	(56,266)
Other revenues	11,764,745	12,656,622	12,299,534	(357,088)
Transfers in	1,458,859	1,458,859	1,046,720	(412,139)
Amounts Available for Appropriations	245,663,026	248,183,263	256,704,882	8,521,619
Charges to Appropriation (Outflow):				
General Government				
City Council	171,313	179,179	141,445	37,734
City Attorney	1,741,175	1,821,915	1,752,166	69,749
Management Services	2,114,040	2,219,938	2,059,236	160,702
City Treasurer	15,873	15,981	15,979	2
Human Resources	1,400,566	1,669,531	1,551,017	118,514
Information Technology	-	826,057	716,146	109,911
Finance	4,017,887	4,812,532	4,611,377	201,155
Non-Departmental	23,543,138	22,721,650	21,661,115	1,060,535
Public Safety				
Fire	25,263,904	25,604,213	25,392,593	211,620
Police	44,765,456	45,931,244	45,083,301	847,943
Public Works & Maintenance Services	12,537,900	13,758,411	12,870,865	887,546
Library and Recreation Services	5,212,409	5,249,039	5,043,827	205,212
Community Development	4,170,664	4,844,503	4,696,978	147,525
Economic Development	456,092	464,192	444,925	19,267
Capital outlay	4,585,170	16,949,585	1,805,537	15,144,048
Debt service:				
Principal retirement	4,255,873	4,255,873	2,816,576	1,439,297
Interest and fiscal charges	1,500	1,500	1,438,069	(1,436,569)
Transfers out	2,707,423	2,707,423	2,717,350	(9,927)
Total Charges to Appropriations	136,960,383	154,032,766	134,818,502	19,214,264
Budgetary Fund Balance, June 30	\$ 108,702,643	\$ 94,150,497	\$ 121,886,380	\$ 27,735,883

MODIFIED APPROACH FOR CITY STREETS INFRASTRUCTURE CAPITAL ASSETS

The City accounts for and reports its infrastructure capital assets in accordance with GASB Statement No. 34. Infrastructure assets are defined as the basic physical systems including street, water purification and distribution system, water reclamation collection and treatment facilities, park and recreation lands and improvement; storm water conveyance system, and buildings combined with site amenities such as parking and landscaped areas used by the City in the conduct of City business. Each major infrastructure system can be divided into subsystems. For example, the street system can be divided 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 its core financial system.

The City has elected to use the “modified approach” as defined by GASB Statement No. 34 for infrastructure reporting for its concrete and asphalt pavement system. Under the modified approach, 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) condition assessments and summary of results using a measurement scale; and (3) estimation of annual amount needed to maintain and preserve the assets 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.

The City commissioned a study to update the physical condition assessment of the streets within three regions of the City annually. The prior assessment study was completed in October 2016. The most recent two assessments were performed in September 2017, September 2018 and October 2019 using the StreetSaver software. The results from the most recent three assessments are shown below:

<u>Assessment Date</u>	<u>PCI Rating</u>
October 2016	73
September 2017	71
September 2018	73
October 2019	72

The streets, primarily Portland Cement Concrete (PCC) and Asphalt Concrete (AC) pavement, 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 three classifications: arterial/major, collector, and local. The Citywide condition assessment will be performed every three years, with each year focusing on specific regions of the City. Each street was assigned a physical condition based 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.

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019
MODIFIED APPROACH FOR CITY STREETS INFRASTRUCTURE CAPITAL ASSETS (CONTINUED)

The following conditions were defined with the corresponding rating:

<u>Condition</u>	<u>Rating</u>
Good to Excellent	71-100
Fair	51-70
Poor	26-50
Very Poor	0-25

The City's policy is to maintain an average rating of 71, or "Good" condition, for all streets. This rating level allows minor cracking and raveling of the pavement along with minor roughness that could be noticeable to drivers traveling at the posted speeds. As of October 2019, the City's street system was rated at a PCI index of 72 on the average for the entire network. A breakdown by condition is as follows:

<u>Condition</u>	<u>% of Streets</u>
Good to Excellent	45%
Fair	48%
Poor	6%
Very Poor	1%

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 interest trenching operations; and (4) water damage from natural precipitation and other urban runoff. The City is continuously taking actions to prevent deterioration through an on-going street rehabilitation program funded in the Capital Improvement Program. The program is formulated based on deficiencies identified as a part of the City's Pavement Management System (PMS). It includes short-term maintenance activities such as pothole patching, street sweeping, and crack sealing. The City expended \$36,631,051 on street maintenance for the fiscal year ended June 30, 2019. These expenditures delayed deterioration, and maintained the street condition from the previous assessment. The condition of the streets slightly decreased from the average rating of 73 in the prior year to 72 in the current year. The majority of current year expenditures relate to the I15/Cajalco Arantine Hills project. The City has estimated that the amount of annual expenditures required to maintain the current average PCI rating of 71 through the year 2020 is a minimum of \$4,800,000. A schedule of the 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:

<u>Fiscal Year</u>	<u>Maintenance Requirement</u>	<u>Actual Expenditures</u>	<u>PCI Rating</u>
2013-14	\$ 5,100,000	\$ 4,588,777	73
2014-15	4,800,000	5,094,898	72
2015-16	4,800,000	12,403,677	73
2016-17	4,800,000	5,297,756	71
2017-18	4,800,000	20,576,034	73
2018-19	4,800,000	36,631,051	72

As of June 30, 2019, approximately 55% of the City's streets were rated below the average policy standard of 71. This was consistent with the prior year's assessment. In the most recent physical condition assessment of all City streets, it was estimated that in addition to the minimum annual maintenance requirement of \$4.8 million, the total deferred work to rehabilitate all roads amounted to \$66.7 million as of June 30, 2019.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MISCELLANEOUS PLAN
LAST TEN FISCAL YEARS(1)

	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY					
Service Cost	\$ 4,516,596	\$ 4,540,608	\$ 4,295,676	\$ 4,563,432	\$ 5,035,483
Interest	24,208,803	23,517,716	23,066,815	22,262,610	21,435,216
Difference Between Expected and Actual Experience	(536,160)	(5,673,578)	(1,961,004)	(1,751,061)	-
Changes in Assumptions	(1,534,054)	20,736,400	-	(5,796,569)	-
Benefit Payments, Including Refunds of Employee Contributions	(17,027,780)	(15,593,323)	(14,718,032)	(13,719,331)	(13,231,513)
Net Change in Total Pension Liability	9,627,405	27,527,823	10,683,455	5,559,081	13,239,186
Total Pension Liability - Beginning	346,910,456	319,382,633	308,699,178	303,140,097	289,900,911
Total Pension Liability - Ending (a)	\$ 356,537,861	\$ 346,910,456	\$ 319,382,633	\$ 308,699,178	\$ 303,140,097
PLAN FIDUCIARY NET POSITION					
Contribution - Employer	\$ 22,977,143	\$ 9,175,138	\$ 7,373,950	\$ 8,612,426	\$ 7,913,193
Contribution - Employee	1,905,754	1,875,784	1,975,493	2,099,982	2,168,466
Net Investment Income	18,381,353	22,406,369	1,044,158	4,430,161	29,675,543
Benefit Payments, Including Refunds of Employee Contributions	(17,027,780)	(15,593,323)	(14,718,032)	(13,719,331)	(13,231,513)
Net Plan to Plan Resource Movement	(531)	-	-	-	-
Administrative Expense	(334,672)	(289,120)	(121,423)	(224,286)	-
Other Miscellaneous Income/Expense	(635,548)	-	-	-	-
Net Change in Fiduciary Net Position	25,265,719	17,574,848	(4,445,854)	1,198,952	26,525,689
Plan Fiduciary Net Position - Beginning	212,738,334	195,163,486	199,609,340	198,410,388	171,884,699
Plan Fiduciary Net Position - Ending (b)	238,004,053	212,738,334	195,163,486	199,609,340	198,410,388
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	\$ 118,533,808	\$ 134,172,122	\$ 124,219,147	\$ 109,089,838	\$ 104,729,709
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.75%	61.32%	61.11%	64.66%	65.45%
Covered Payroll	\$ 23,569,508	\$ 23,728,408	\$ 23,919,171	\$ 25,422,638	\$ 27,078,868
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	502.91%	565.45%	519.33%	429.11%	386.76%

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

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF PLAN CONTRIBUTIONS
MISCELLANEOUS PLAN
LAST TEN FISCAL YEARS(1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 18,301,125	\$ 20,903,317	\$ 9,175,138	\$ 7,373,950	\$ 8,612,427
Contribution in Relation to the Actuarially Determined Contribution	(18,301,125)	(20,903,317)	(9,175,138)	(7,373,950)	(8,612,427)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 23,717,698	\$ 23,569,508	\$ 23,728,408	\$ 23,919,171	\$ 25,422,638
Contributions as a Percentage of Covered Payroll	77.16%	88.69%	38.67%	30.83%	33.88%

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

Note to Schedule:

Valuation Date: June 30, 2016

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level Percentage of payroll, closed
Assets valuation method	Market Value
Inflation	2.75%
Salary increases	Varies by category, entry age, and duration of service
Payroll growth	3.00%
Investment rate of return	7.50% net of pension investment and administrative expenses, including inflation.

Retirement age The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.

Mortality The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
SAFETY POLICE PLAN
LAST TEN FISCAL YEARS(1)

	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY					
Service Cost	\$ 5,925,006	\$ 5,711,294	\$ 4,874,596	\$ 4,735,543	\$ 4,618,139
Interest	17,126,542	16,152,688	15,292,872	14,549,722	13,684,244
Difference Between Expected and Actual Experience	1,568,431	(1,030,480)	(1,847,830)	642,707	-
Changes in Assumptions	(583,544)	14,785,639	-	(3,951,003)	-
Benefit Payments, Including Refunds of Employee Contributions	(10,101,119)	(8,569,669)	(8,102,489)	(7,482,701)	(7,151,132)
Net Change in Total Pension Liability	13,935,316	27,049,472	10,217,149	8,494,268	11,151,251
Total Pension Liability - Beginning	240,635,219	213,585,747	203,368,598	194,874,330	183,723,079
Total Pension Liability - Ending (a)	\$ 254,570,535	\$ 240,635,219	\$ 213,585,747	\$ 203,368,598	\$ 194,874,330
PLAN FIDUCIARY NET POSITION					
Contribution - Employer	\$ 5,180,881	\$ 8,867,806	\$ 8,123,334	\$ 6,391,221	\$ 5,650,100
Contribution - Employee	1,706,509	1,841,663	1,599,970	1,517,507	1,462,671
Net Plan to Plan Resource Management	(390)	-	-	-	-
Net Investment Income	13,353,137	16,030,928	707,298	2,973,078	19,983,092
Benefit Payments, Including Refunds of Employee Contributions	(10,101,119)	(8,569,669)	(8,102,489)	(7,482,701)	(7,151,132)
Administrative Expenses	(242,374)	(205,265)	(84,027)	(155,162)	-
Other Miscellaneous Income	(460,273)	-	-	-	-
Net Change in Fiduciary Net Position	9,436,371	17,965,463	2,244,086	3,243,943	19,944,731
Plan Fiduciary Net Position - Beginning	158,303,307	140,337,844	138,093,758	134,849,815	114,905,084
Plan Fiduciary Net Position - Ending (b)	\$ 167,739,678	\$ 158,303,307	\$ 140,337,844	\$ 138,093,758	\$ 134,849,815
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	\$ 86,830,857	\$ 82,331,912	\$ 73,247,903	\$ 65,274,840	\$ 60,024,515
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.89%	65.79%	65.71%	67.90%	69.20%
Covered Payroll	\$ 17,447,330	\$ 18,290,005	\$ 17,486,548	\$ 16,688,133	\$ 15,386,513
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	497.67%	450.15%	418.88%	391.15%	390.11%

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

(2) Net of administrative expenses.

Notes to Schedule:

Benefit Changes: There were no changes in benefits.

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF PLAN CONTRIBUTIONS
SAFETY POLICE PLAN
LAST TEN FISCAL YEARS(1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 8,767,137	\$ 7,784,453	\$ 8,867,806	\$ 8,123,334	\$ 6,391,222
Contribution in Relation to the Actuarially Determined Contribution	<u>(8,767,137)</u>	<u>(7,784,453)</u>	<u>(8,867,806)</u>	<u>(8,123,334)</u>	<u>(6,391,222)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 16,881,033	\$ 17,447,330	\$ 18,290,005	\$ 17,486,548	\$ 16,688,133
Contributions as a Percentage of Covered Payroll	51.93%	44.62%	48.48%	46.45%	38.30%

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

Note to Schedule:

Valuation Date: June 30, 2016

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level Percentage of payroll, closed
Assets valuation method	Market Value
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll growth	3.00%
Investment rate of return	7.50% net of pension investment and administrative expenses, including inflation.

Retirement age The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.

Mortality The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SAFETY FIRE PLAN
LAST TEN FISCAL YEARS(1)

	2019	2018	2017	2016	2015
Proportion of the Net Pension Liability	0.75404%	0.73036%	0.75892%	0.77136%	0.46039%
Proportionate Share of the Net Pension Liability	\$ 44,243,817	\$ 43,640,517	\$ 39,306,263	\$ 31,783,428	\$ 28,647,492
Covered Payroll	\$ 10,100,596	\$ 10,511,383	\$ 9,885,314	\$ 9,624,801	\$ 9,308,854
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	438.03%	415.17%	397.62%	330.22%	298.78%
Plan Fiduciary Net Position	\$ 128,456,519	\$ 121,732,971	\$ 110,508,660	\$ 111,251,864	\$ 106,234,188
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.38%	73.61%	73.76%	77.78%	78.83%

Notes to Schedule:

Benefit Changes: No changes in benefits.

Changes of Assumptions: In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

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

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF PLAN CONTRIBUTIONS
SAFETY FIRE PLAN
LAST TEN FISCAL YEARS(1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 4,307,750	\$ 3,772,862	\$ 3,537,799	\$ 4,648,267	\$ 4,239,757
Contribution in Relation to the Actuarially Determined Contribution	<u>(4,307,750)</u>	<u>(3,772,862)</u>	<u>(3,537,799)</u>	<u>(4,648,267)</u>	<u>(4,239,757)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,911,459	\$ 10,100,596	\$ 10,511,383	\$ 9,885,314	\$ 9,624,801
Contributions as a Percentage of Covered Payroll	43.46%	37.35%	33.66%	47.02%	44.05%

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

Note to Schedule:

Valuation Date: June 30, 2016

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Entry age normal

Amortization Method Level percentage of payroll

Assets valuation Method Market value

Actuarial Assumptions

Discount Rate 7.15%

Projected Salary Increases 3.30% to 14.20% depending on Age, Service, and type of enrollment

Inflation 2.75%

Payroll Growth 3.00%

Individual Salary Growth A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS (1)

	2019	2018
Total OPEB Liability		
Service cost	\$ 1,437,025	\$ 1,391,792
Interest on the total OPEB liability	10,832,995	10,487,715
Actual and expected experience difference	-	-
Changes in assumptions	8,986,849	-
Changes in benefit terms	-	-
Benefit payments	(7,431,858)	(6,931,922)
Net change in total OPEB liability	13,825,011	4,947,585
Total OPEB liability - beginning	151,083,781	146,136,196
Total OPEB liability - ending (a)	\$ 164,908,792	\$ 151,083,781
Plan Fiduciary Net Position		
Contribution - employer	\$ 10,445,297 *	\$ 10,000,838
Net investment income	2,899,746	3,235,963
Benefit payments	(7,431,858)	(6,931,922)
Administrative expense	(19,731)	(16,420)
Other expense	(47,396)	-
Net change in plan fiduciary net position	5,846,058	6,288,459
Plan fiduciary net position - beginning	35,830,088	29,541,629
Plan fiduciary net position - ending (b)	41,676,146	35,830,088
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 123,232,646	\$ 115,253,693
Plan fiduciary net position as a percentage of the total OPEB liability	25.27%	23.72%
Covered-employee payroll	\$ 63,618,121	\$ 65,624,320
Net OPEB liability as a percentage of covered-employee payroll	193.71%	175.63%

*Includes an implied subsidy amount of \$1,072,050.

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

Notes to Schedule: None.

Changes in assumptions: None.

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2019

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST TEN FISCAL YEARS (1)

	2019	2018
Actuarially Determined Contribution	\$ 10,760,239	\$ 10,443,091
Contribution in Relation to the Actuarially Determined Contributions	(10,006,129)	(10,445,297)
Contribution Deficiency (Excess)	<u>\$ 754,110</u>	<u>\$ (2,206)</u>
Covered-employee payroll	\$ 62,361,582	\$ 63,618,121
Contributions as a percentage of covered-employee payroll	17.25%	16.42%

(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:

*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2018 were from the June 30, 2016 actuarial valuation.

Methods and assumptions used to determine contributions:

Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of payroll
Asset Valuation Method	Market value
Inflation	2.75% per year
Payroll Growth	3.25% per year
Investment Rate of Return	7.28%
Healthcare cost-trend rates	8.00% initial decreasing 0.500% per year to trend rate of 5%
Retirement Age	Miscellaneous Tier 1 employees - 2.70% @55 and Tier 2 employees - 2.00% @62 Police/Fire safety Tier 1 employees: 3.0% @50 2.7% @57. The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period of 1997 to 2011

Mortality	Retirement mortality probability based on Bickmore Scale 2017 applied generationally
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Supplementary Information

Supplementary Information consists of the following:

- Combining Balance Sheet – Nonmajor Governmental Funds
- Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Combining Statement of Net Position – Nonmajor Enterprise Funds
- Combining Statement of Revenue, Expenses, and Changes in Net Position – Nonmajor Enterprise Funds
- Combining Statement of Cash Flows – Nonmajor Enterprise Funds
- Combining Statement of Net Position – Internal Service Funds
- Combining Statement of Revenue, Expenses, and Changes in Net Position – Internal Service Funds
- Combining Statement of Cash Flows – Internal Service Funds
- Combining Statement of Changes in Assets and Liabilities – Agency Funds

Combining Financial Statements – Nonmajor Governmental Funds

Special Revenue Funds

Gas Tax Fund – This fund is used to account for receipts and expenditures of money apportioned under Street and Highway Code Section 2105, 2106, 2107 and 2107.5 of the State of California.

Measure A Fund – This fund is used to account for money generated by a half percent sales tax approved by the voters in 1989. This money is used to maintain and construct local streets and roads.

Trip Reduction Fund – This fund is used to account for allocations made by AB2766 known as the Clean Air Act. The money is used to provide means and incentives for ridesharing in order to reduce traffic and air pollution.

Asset Forfeiture Fund – This fund is used to account for asset seizures and forfeitures resulting from police investigations and court decisions.

Special Tax District Fund – This fund is used to account for revenues derived from annual assessments which are used to pay the cost incurred by the City for landscape maintenance, street light maintenance, and the City's Business Improvement District.

Other Grants and Endowments Fund – This fund is used to account for receipts and expenditures of money received from various governmental grants and various library endowments.

Residential Refuse Fund – This fund is used to account for receipts from refuse billings and collections to pay for vendor services and impact to roadways.

Capital Project Funds

Public Facility Project Fund – This fund is used to account for transactions related to proceeds from debt and other resources and their use to acquire and construct certain capital facilities.

HUD Grants Fund – This fund is used to account for grants from the Department of Housing and Urban Development (HUD) and expenditures for the block grant programs as approved by the City Council.

Combining Financial Statements – Nonmajor Governmental Funds

Capital Project Funds (Continued)

Planned Local Drainage Fund – This fund is used to account for storm water drainage fees from developers as a result of City ordinance 1279. The money is used to construct water drainage facilities within a drainage area.

Debt Service Funds

Public Financing Authority Fund – This fund is used to account for debt service transactions including revenue collections and payments of principal and interest on long-term obligations of the component unit.

CITY OF CORONA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019**

	Special Revenue Funds			
	Gas Tax	Measure A	Trip Reduction	Asset Forfeiture
Assets				
Cash and Investments	\$ 6,482,077	\$ 14,238,719	\$ 1,372,721	\$ 715,648
Accounts Receivable	151	5,376	56,685	17,315
Interest Receivable	31,392	68,956	6,648	3,474
Due from Other Governmental Agencies	551,713	762,635	-	-
Long-term Receivables	-	-	-	-
Loans Receivable	-	-	-	-
Restricted Assets:				
Cash and Investments	-	-	-	-
Total Assets	\$ 7,065,333	\$ 15,075,686	\$ 1,436,054	\$ 736,437
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 268,388	\$ 48,720	\$ -	\$ 233
Deposits	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	424,792
Interfund Advances Payable	-	-	-	-
Liabilities Payable from Restricted Assets	-	8,647	-	-
Total Liabilities	268,388	57,367	-	425,025
Fund Balances				
Restricted	6,796,945	15,018,319	1,436,054	311,412
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	6,796,945	15,018,319	1,436,054	311,412
Total Liabilities and Fund Balances	\$ 7,065,333	\$ 15,075,686	\$ 1,436,054	\$ 736,437

CITY OF CORONA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds			Capital Projects Funds
	Other Grants			Public Facility Project
	Special Tax Districts	& Endowments	Residential Refuse	
Assets				
Cash and Investments	\$ 21,315,785	\$ 725,359	\$ -	\$ -
Accounts Receivable	89,038	-	1,291,884	-
Interest Receivable	103,298	3,492	590	-
Due from Other Governmental Agencies	152,507	12,356	69,878	1,691,909
Long-term Receivables	-	-	-	-
Loans Receivable	-	-	-	-
Restricted Assets:				
Cash and Investments	14,169	-	-	-
Total Assets	\$ 21,674,797	\$ 741,207	\$ 1,362,352	\$ 1,691,909
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 332,700	\$ 135,629	\$ 741,437	\$ 65,169
Deposits	1,550	-	-	-
Due to Other Funds	-	5,768	-	1,675,240
Unearned Revenue	-	528,452	123,119	-
Interfund Advances Payable	2,222,399	-	-	-
Liabilities Payable from Restricted Assets	1,855	-	-	-
Total Liabilities	2,558,504	669,849	864,556	1,740,409
Fund Balances				
Restricted	19,116,293	71,358	497,796	-
Assigned	-	-	-	-
Unassigned	-	-	-	(48,500)
Total Fund Balances	19,116,293	71,358	497,796	(48,500)
Total Liabilities and Fund Balances	\$ 21,674,797	\$ 741,207	\$ 1,362,352	\$ 1,691,909

CITY OF CORONA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2019**

	Capital Projects Funds		Debt Service Fund	Total Other Governmental Funds
	HUD Grants	Planned Local Drainage	Public Financing Authority	
Assets				
Cash and Investments	\$ 391,638	\$ 107,711	\$ -	\$ 45,349,658
Accounts Receivable	-	384	-	1,460,833
Interest Receivable	-	-	-	217,850
Due from Other Governmental Agencies	893,071	319,988	-	4,454,057
Long-term Receivables	1,956,888	-	-	1,956,888
Loans Receivable	2,852,663	-	-	2,852,663
Restricted Assets:				
Cash and Investments	-	-	456	14,625
Total Assets	\$ 6,094,260	\$ 428,083	\$ 456	\$ 56,306,574
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 98,492	\$ 31,270	\$ -	\$ 1,722,038
Deposits	-	-	-	1,550
Due to Other Funds	758,213	-	-	2,439,221
Unearned Revenue	93,680	-	-	1,170,043
Interfund Advances Payable	-	-	-	2,222,399
Liabilities Payable from Restricted Assets	-	-	-	10,502
Total Liabilities	950,385	31,270	-	7,565,753
Fund Balances				
Restricted	5,143,875	-	456	48,392,508
Assigned	-	396,813	-	396,813
Unassigned	-	-	-	(48,500)
Total Fund Balances	5,143,875	396,813	456	48,740,821
Total Liabilities and Fund Balances	\$ 6,094,260	\$ 428,083	\$ 456	\$ 56,306,574



CITY OF CORONA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Special Revenue Funds			
	Gas Tax	Measure A	Trip Reduction	Asset Forfeiture
Revenues				
Licenses, Fees and Permits	\$ -	\$ -	\$ -	\$ -
Fines and Penalties	-	-	-	137,190
Special Assessments	-	-	-	-
Investment Earnings	225,260	549,556	51,539	22,775
Intergovernmental Revenues	6,527,657	4,658,115	218,650	-
Current Services	-	-	-	-
Other Revenues	73,986	11,511	28,350	-
Total Revenues	6,826,903	5,219,182	298,539	159,965
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety - Police	-	-	-	128,204
Public Works & Maintenance Services	2,167,659	2,099,729	18,457	-
Library and Recreation Services	-	-	-	-
Community Development	-	-	-	-
Capital Outlay	1,470,206	885,898	-	-
Debt Service:				
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	3,637,865	2,985,627	18,457	128,204
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,189,038	2,233,555	280,082	31,761
Other Financing Sources (Uses)				
Transfers In	102,210	-	-	-
Transfers Out	(1,046,720)	-	-	-
Total Other Financing Uses	(944,510)	-	-	-
Net Change in Fund Balances	2,244,528	2,233,555	280,082	31,761
Fund Balances, Beginning of Year	4,552,417	12,784,764	1,155,972	279,651
Restatements	-	-	-	-
Fund Balances, Beginning of Year, as Restated	4,552,417	12,784,764	1,155,972	279,651
Fund Balances, End of Year	\$ 6,796,945	\$ 15,018,319	\$ 1,436,054	\$ 311,412

CITY OF CORONA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Special Revenue Funds			Capital Projects Funds
	Special Tax Districts	Other Grants & Endowments	Residential Refuse	Public Facility Project
Revenues				
Licenses, Fees and Permits	\$ -	\$ -	\$ -	\$ -
Fines and Penalties	-	-	125,591	-
Special Assessments	8,500,738	-	-	-
Investment Earnings	820,883	27,523	3,700	-
Intergovernmental Revenues	28,725	608,245	156,028	1,140,962
Current Services	47,473	150,430	9,029,057	-
Other Revenues	63,452	-	-	-
Total Revenues	9,461,271	786,198	9,314,376	1,140,962
Expenditures				
Current:				
General Government	103,738	-	-	-
Public Safety - Police	-	702,755	-	-
Public Works & Maintenance Services	6,407,955	-	9,275,221	-
Library and Recreation Services	-	56,189	19,646	-
Community Development	-	-	-	-
Capital Outlay	164,556	-	-	1,140,961
Debt Service:				
Interest and Fiscal Charges	2,259	-	-	-
Total Expenditures	6,678,508	758,944	9,294,867	1,140,961
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,782,763	27,254	19,509	1
Other Financing Sources (Uses)				
Transfers In	120,266	14,193	9,927	-
Transfers Out	-	-	-	-
Total Other Financing Uses	120,266	14,193	9,927	-
Net Change in Fund Balances	2,903,029	41,447	29,436	1
Fund Balances, Beginning of Year	16,213,264	29,911	-	(48,501)
Restatements	-	-	468,360	-
Fund Balances, Beginning of Year, as Restated	16,213,264	29,911	468,360	(48,501)
Fund Balances, End of Year	\$ 19,116,293	\$ 71,358	\$ 497,796	\$ (48,500)

CITY OF CORONA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2019

	Capital Projects Funds		Debt Service Fund	Total Other Governmental Funds
	HUD Grants	Planned Local Drainage	Public Financing Authority	
Revenues				
Licenses, Fees and Permits	\$ -	\$ 722,208	\$ -	\$ 722,208
Fines and Penalties	-	-	-	262,781
Special Assessments	-	-	-	8,500,738
Investment Earnings	-	-	2,082	1,703,318
Intergovernmental Revenues	719,349	-	-	14,057,731
Current Services	-	-	-	9,226,960
Other Revenues	13,873	176,762	-	367,934
Total Revenues	733,222	898,970	2,082	34,841,670
Expenditures				
Current:				
General Government	-	-	-	103,738
Public Safety - Police	-	-	-	830,959
Public Works & Maintenance Services	-	956,714	-	20,925,735
Library and Recreation Services	-	-	-	75,835
Community Development	372,854	-	-	372,854
Capital Outlay	294,356	4,500	-	3,960,477
Debt Service:				
Interest and Fiscal Charges	-	-	2,478	4,737
Total Expenditures	667,210	961,214	2,478	26,274,335
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,012	(62,244)	(396)	8,567,335
Other Financing Sources (Uses)				
Transfers In	7,605	69,701	-	323,902
Transfers Out	-	-	-	(1,046,720)
Total Other Financing Uses	7,605	69,701	-	(722,818)
Net Change in Fund Balances	73,617	7,457	(396)	7,844,517
Fund Balances, Beginning of Year	5,070,258	389,356	852	40,427,944
Restatements	-	-	-	468,360
Fund Balances, Beginning of Year, as Restated	5,070,258	389,356	852	40,896,304
Fund Balances, End of Year	\$ 5,143,875	\$ 396,813	\$ 456	\$ 48,740,821

Budgetary Comparison Schedules – Nonmajor Governmental Funds

The Budgetary Comparison Schedules – Nonmajor Governmental Funds consist of the following fund types:

- Nonmajor Special Revenue Funds
- Debt Service Funds
- Capital Project Funds

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
 GAS TAX
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 4,552,417	\$ 4,552,417	\$ 4,552,417	\$ -
Resources (Inflows):				
Intergovernmental	7,018,138	6,086,127	6,527,657	441,530
Investment Earnings	80,464	116,217	225,260	109,043
Other Revenues	-	681	73,986	73,305
Transfers In	102,210	102,210	102,210	-
Amounts Available for Appropriations	11,753,229	10,857,652	11,481,530	623,878
Charges to Appropriation (Outflow):				
Public Works & Maintenance Services	4,387,657	5,351,494	2,167,659	3,183,835
Capital Outlay	1,602,000	4,855,560	1,470,206	3,385,354
Transfers Out	1,198,315	1,198,315	1,046,720	151,595
Total Charges to Appropriations	7,187,972	11,405,369	4,684,585	6,720,784
Budgetary Fund Balance, June 30	\$ 4,565,257	\$ (547,717)	\$ 6,796,945	\$ 7,344,662

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
 MEASURE A FUND
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 12,784,764	\$ 12,784,764	\$ 12,784,764	\$ -
Resources (Inflows):				
Intergovernmental	4,143,000	4,364,000	4,658,115	294,115
Investment Earnings	247,848	290,776	549,556	258,780
Other Revenues	-	1,686	11,511	9,825
Amounts Available for Appropriations	17,175,612	17,441,226	18,003,946	562,720
Charges to Appropriation (Outflow):				
Public Works & Maintenance Services	179,475	718,700	2,099,729	(1,381,029)
Capital Outlay	6,983,500	13,991,810	885,898	13,105,912
Total Charges to Appropriations	7,162,975	14,710,510	2,985,627	11,724,883
Budgetary Fund Balance, June 30	\$ 10,012,637	\$ 2,730,716	\$ 15,018,319	\$ 12,287,603

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
 TRIP REDUCTION
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,155,972	\$ 1,155,972	\$ 1,155,972	\$ -
Resources (Inflows):				
Intergovernmental	210,000	210,000	218,650	8,650
Investment Earnings	20,512	25,682	51,539	25,857
Other Revenues	-	9,200	28,350	19,150
Amounts Available for Appropriations	1,386,484	1,400,854	1,454,511	53,657
Charges to Appropriation (Outflow):				
Public Works & Maintenance Services	22,100	557,869	18,457	539,412
Total Charges to Appropriations	22,100	557,869	18,457	539,412
Budgetary Fund Balance, June 30	\$ 1,364,384	\$ 842,985	\$ 1,436,054	\$ 593,069

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
ASSET FORFEITURE
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 279,651	\$ 279,651	\$ 279,651	\$ -
Resources (Inflows):				
Investment Earnings	9,760	9,237	22,775	13,538
Fines and Penalties	20,000	112,282	137,190	24,908
Amounts Available for Appropriations	309,411	401,170	439,616	38,446
Charges to Appropriation (Outflow):				
Public Safety - Police	209,300	209,300	128,204	81,096
Total Charges to Appropriations	209,300	209,300	128,204	81,096
Budgetary Fund Balance, June 30	\$ 100,111	\$ 191,870	\$ 311,412	\$ 119,542

CITY OF CORONA

**BUDGETARY COMPARISON SCHEDULE
 SPECIAL TAX DISTRICTS
 YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 16,213,264	\$ 16,213,264	\$ 16,213,264	\$ -
Resources (Inflows):				
Intergovernmental	-	4,200	28,725	24,525
Special Assessments	8,314,938	8,498,402	8,500,738	2,336
Current Services	62,089	55,167	47,473	(7,694)
Investment Earnings	376,721	399,844	820,883	421,039
Other Revenues	141,538	41,649	63,452	21,803
Transfers In	120,266	120,266	120,266	-
Amounts Available for Appropriations	25,228,816	25,332,792	25,794,801	462,009
Charges to Appropriation (Outflow):				
General Government	159,996	161,771	103,738	58,033
Public Works & Maintenance Services	7,206,875	7,429,788	6,407,955	1,021,833
Capital Outlay	457,050	4,720,019	164,556	4,555,463
Debt Service:				
Interest and Fiscal Charges	2,259	2,259	2,259	-
Total Charges to Appropriations	7,879,956	12,367,613	6,678,508	5,689,105
Budgetary Fund Balance, June 30	\$ 17,348,860	\$ 12,965,179	\$ 19,116,293	\$ 6,151,114

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
OTHER GRANTS & ENDOWMENTS
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 29,911	\$ 29,911	\$ 29,911	\$ -
Resources (Inflows):				
Intergovernmental	268,000	798,977	608,245	(190,732)
Current Services	180,000	173,000	150,430	(22,570)
Investment Earnings	12,888	15,467	27,523	12,056
Transfers In	14,193	14,193	14,193	-
Amounts Available for Appropriations	504,992	1,031,548	830,302	(201,246)
Charges to Appropriation (Outflow):				
Public Safety - Police	513,371	543,000	702,755	(159,755)
Library and Recreation Services	-	89,384	56,189	33,195
Total Charges to Appropriations	513,371	807,889	758,944	48,945
Budgetary Fund Balance, June 30	\$ (8,379)	\$ 223,659	\$ 71,358	\$ (152,301)

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
RESIDENTIAL REFUSE
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 468,360	\$ 468,360	\$ 468,360	\$ -
Resources (Inflows):				
Intergovernmental	-	150,259	156,028	5,769
Current Services	10,783,264	8,896,500	9,029,057	132,557
Investment Earnings	-	-	3,700	3,700
Fines and Forfeitures	125,000	127,000	125,591	(1,409)
Amounts Available for Appropriations	11,376,624	9,642,119	9,792,663	150,544
Charges to Appropriation (Outflow):				
Public Works & Maintenance Services	9,223,653	9,267,983	9,275,221	(7,238)
Library and Recreation Services	-	147,219	19,646	127,573
Total Charges to Appropriations	9,223,653	9,415,202	9,294,867	120,335
Budgetary Fund Balance, June 30	\$ 2,152,971	\$ 226,917	\$ 497,796	\$ 270,879

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
LOW MOD INCOME HOUSING ASSET
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 28,202,577	\$ 28,202,577	\$ 28,202,577	\$ -
Resources (Inflows):				
Investment Earnings	186,409	156,984	331,216	174,232
Other Revenues	100,000	168,594	47,324	(121,270)
Transfers In	12,281	12,281	12,281	-
Amounts Available for Appropriations	28,501,267	28,540,436	28,593,398	52,962
Charges to Appropriation (Outflow):				
Community Development	135,203	137,297	179,935	(42,638)
Capital Outlay	20,000	33,947	15,896	18,051
Total Charges to Appropriations	155,203	171,244	195,831	(24,587)
Budgetary Fund Balance, June 30	\$ 28,346,064	\$ 28,369,192	\$ 28,397,567	\$ 28,375

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
 OTHER GRANTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1, as restated	\$ 542,596	\$ 542,596	\$ 542,596	\$ -
Resources (Inflows):				
Intergovernmental	2,403,000	6,646,347	6,683,362	37,015
Investment Earnings	533	833	1,002	169
Other Revenues	-	25,170,129	25,372,626	202,497
Amounts Available for Appropriations	2,946,129	32,359,905	32,599,586	239,681
Charges to Appropriation (Outflow):				
Public Works & Maintenance Services	-	-	1,146	(1,146)
Library and Recreation Services	-	39,241	20,498	18,743
Capital Outlay	-	143,702,643	32,084,990	111,617,653
Total Charges to Appropriations	-	143,741,884	32,106,634	111,635,250
Budgetary Fund Balance, June 30	\$ 2,946,129	\$ (111,381,979)	\$ 492,952	\$ 111,874,931

CITY OF CORONA

**BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT
YEAR ENDED JUNE 30, 2019**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1, as restated	\$ 8,652,603	\$ 8,652,603	\$ 8,652,603	\$ -
Resources (Inflows):				
Licenses and Permits	7,799,778	8,028,997	10,553,439	2,524,442
Use of Money and Property	444,777	549,272	1,030,661	481,389
Payments in Lieu of Services	485,760	657,600	834,240	176,640
Miscellaneous	-	205	284	79
Transfers In	53,776	53,776	-	(53,776)
Amounts Available for Appropriations	17,436,694	17,942,453	21,071,227	3,128,774
Charges to Appropriation (Outflow):				
Public Safety - Fire	875	875	542	333
Public Works	161,234	167,048	78,581	88,467
Capital Outlay	2,900,382	16,533,690	1,102,522	15,431,168
Transfers Out	260,544	260,544	-	260,544
Total Charges to Appropriations	3,323,035	16,962,157	1,181,645	15,780,512
Budgetary Fund Balance, June 30	\$ 14,113,659	\$ 980,296	\$ 19,889,582	\$ 18,909,286

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
PUBLIC FACILITY PROJECT
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ (48,501)	\$ (48,501)	\$ (48,501)	\$ -
Resources (Inflows):				
Intergovernmental	-	1,000,000	1,140,962	140,962
Amounts Available for Appropriations	(48,501)	951,499	1,092,461	140,962
Charges to Appropriation (Outflow):				
Capital Outlay	-	7,056,116	1,140,961	5,915,155
Total Charges to Appropriations	-	7,056,116	1,140,961	5,915,155
Budgetary Fund Balance, June 30	\$ (48,501)	\$ (6,104,617)	\$ (48,500)	\$ 6,056,117

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
 HUD GRANTS
 YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 5,070,258	\$ 5,070,258	\$ 5,070,258	\$ -
Resources (Inflows):				
Intergovernmental	1,459,418	1,459,418	719,349	(740,069)
Other Revenues	-	8,375	13,873	5,498
Transfers In	7,605	7,605	7,605	-
Amounts Available for Appropriations	6,537,281	6,545,656	5,811,085	(734,571)
Charges to Appropriation (Outflow):				
Community Development	80,184	94,943	372,854	(277,911)
Capital Outlay	1,785,459	2,097,494	294,356	1,803,138
Total Charges to Appropriations	1,865,643	2,192,437	667,210	1,525,227
Budgetary Fund Balance, June 30	\$ 4,671,638	\$ 4,353,219	\$ 5,143,875	\$ 790,656

CITY OF CORONA

BUDGETARY COMPARISON SCHEDULE
PLANNED LOCAL DRAINAGE
YEAR ENDED JUNE 30, 2019

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 389,356	\$ 389,356	\$ 389,356	\$ -
Resources (Inflows):				
Licenses, Fees and Permits	778,000	780,580	722,208	(58,372)
Investment Earnings	-	17,505	-	(17,505)
Other Revenues	175,000	176,841	176,762	(79)
Transfers In	69,701	69,701	69,701	-
Amounts Available for Appropriations	1,412,057	1,433,983	1,358,027	(75,956)
Charges to Appropriation (Outflow):				
Public Works & Maintenance Services	1,115,170	1,136,604	956,714	179,890
Capital Outlay	4,590	32,318	4,500	27,818
Total Charges to Appropriations	1,119,760	1,168,922	961,214	207,708
Budgetary Fund Balance, June 30	\$ 292,297	\$ 265,061	\$ 396,813	\$ 131,752

Combining Financial Statements

Nonmajor Enterprise Funds

Transit Services Fund – This fund is used to account for the operations of the City's transportation system for a fixed route and demand response service (Corona Cruiser and Dial-A-Ride) which, along with farebox revenues, receives grants from the Transportation Development Act (TDA).

Airport Fund – This fund is used to account for the operations of the City's municipal airport. The airport provides services to general aviation aircraft for recreation purposes only. It is a self-supporting activity based on rental charges and state grants.

CITY OF CORONA

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2019**

	Business-Type Activities - Enterprise Funds		
	Transit Services	Airport	Totals
Assets			
Current Assets			
Cash and Investments	\$ 358,222	\$ 635,822	\$ 994,044
Accounts Receivable, Net	2,663	30	2,693
Interest Receivable	3,229	3,079	6,308
Due from Other Governmental Agencies	564,768	-	564,768
Restricted:			
Cash and Investments	369,860	-	369,860
Total Current Assets	1,298,742	638,931	1,937,673
Noncurrent Assets			
Capital Assets:			
Capital Assets, Net of Depreciation	4,349,118	76,540	4,425,658
Total Capital Assets	4,349,118	76,540	4,425,658
Total Noncurrent Assets	4,349,118	76,540	4,425,658
Total Assets	5,647,860	715,471	6,363,331
Deferred Outflows of Resources			
Deferred Pension Related Items	185,519	-	185,519
Deferred OPEB Related Items	58,236	30,001	88,237
Total Deferred Outflows of Resources	243,755	30,001	273,756
Total Assets and Deferred Outflows of Resources	\$ 5,891,615	\$ 745,472	\$ 6,637,087
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	\$ 352,028	\$ 1,356	\$ 353,384
Unearned Revenue	560,129	455	560,584
Deposits	-	890	890
Compensated Absences Payable	13,305	-	13,305
Total Current Liabilities	925,462	2,701	928,163
Noncurrent Liabilities			
Compensated Absences Payable	31,061	-	31,061
Net Pension Liability	1,034,799	-	1,034,799
Net OPEB Liability	406,667	209,495	616,162
Total Noncurrent Liabilities	1,472,527	209,495	1,682,022
Total Liabilities	2,397,989	212,196	2,610,185
Deferred Inflows of Resources			
Deferred Pension Related Items	17,002	-	17,002
Deferred OPEB Related Items	1,791	1,166	2,957
Total Deferred Inflows of Resources	18,793	1,166	19,959
Net Position			
Net Investment in Capital Assets	4,349,118	76,540	4,425,658
Restricted for:			
Transportation	369,860	-	369,860
Unrestricted	(1,244,145)	455,570	(788,575)
Total Net Position	3,474,833	532,110	4,006,943
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 5,891,615	\$ 745,472	\$ 6,637,087

CITY OF CORONA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Business-Type Activities - Enterprise Funds		
	Transit Services	Airport	Totals
Operating Revenues			
Fees and Permits	\$ -	\$ 31,903	\$ 31,903
Other Revenues	414,491	309,602	724,093
Total Operating Revenues	414,491	341,505	755,996
Operating Expenses			
Personnel Services	468,380	11,719	480,099
Contractual	1,796,796	7,453	1,804,249
Materials and Supplies	50,499	137,965	188,464
Utilities	173,519	8,599	182,118
Depreciation and Amortization	663,967	14,297	678,264
Total Operating Expenses	3,153,161	180,033	3,333,194
Operating Income (Loss)	(2,738,670)	161,472	(2,577,198)
Nonoperating Revenues (Expenses)			
Investment Earnings	28,150	25,204	53,354
Operating Grants and Contributions	1,495,956	10,000	1,505,956
Intergovernmental	2,180	-	2,180
Total Nonoperating Revenues (Expenses)	1,526,286	35,204	1,561,490
Income (Loss) Before Contributions and Transfers	(1,212,384)	196,676	(1,015,708)
Capital Grants and Contributions	606,941	-	606,941
Transfers In	45,914	-	45,914
Changes in Net Position	(559,529)	196,676	(362,853)
Net Position, Beginning of Year	4,034,362	335,434	4,369,796
Net Position, End of Year	\$ 3,474,833	\$ 532,110	\$ 4,006,943

CITY OF CORONA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2019

	Business-Type Activities - Enterprise Funds		
	Transit Services	Airport	Totals
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ -	\$ 33,792	\$ 33,792
Cash paid to suppliers for goods and services	(1,821,968)	(153,810)	(1,975,778)
Cash paid to employees for services	(462,100)	-	(462,100)
Cash received from others	1,380,767	309,257	1,690,024
Net Cash Provided (Used) by Operating Activities	(903,301)	189,239	(714,062)
Cash Flows from Non-Capital Financing Activities:			
Transfers in	45,914	-	45,914
Cash borrowed due to other funds	(694,343)	-	(694,343)
Advance to other funds	-	(115,000)	(115,000)
Operating grants and contributions	1,495,956	10,000	1,505,956
Intergovernmental	2,180	-	2,180
Net Cash Provided (Used) by Non-Capital Financing Activities	849,707	(105,000)	744,707
Cash Flows from Capital and Related Financing Activities:			
Capital grants and contributions	606,941	-	606,941
Acquisition and construction of capital assets	(131,449)	-	(131,449)
Net Cash Provided (Used) by Capital and Related Financing Activities	475,492	-	475,492
Cash Flows from Investing Activities:			
Interest received	26,389	24,453	50,842
Net Cash Provided (Used) by Investing Activities	26,389	24,453	50,842
Net Increase (Decrease) in Cash and Cash Equivalents	448,287	108,692	556,979
Cash and Cash Equivalents at Beginning of Year	279,795	527,130	806,925
Cash and Cash Equivalents at End of Year	\$ 728,082	\$ 635,822	\$ 1,363,904
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (2,738,670)	\$ 161,472	\$ (2,577,198)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	663,967	14,297	678,264
(Increase) decrease in accounts receivable	2,198	1,889	4,087
(Increase) decrease in due from other governments	772,959	-	772,959
(Increase) decrease in deferred outflows of pension related items	139,933	-	139,933
(Increase) decrease in deferred outflows of OPEB items	(32,123)	(13,289)	(45,412)
Increase (decrease) in accounts payable and accrued liabilities	203,202	207	203,409
Increase (decrease) in unearned revenue	191,119	(345)	190,774
Increase (decrease) in compensated absences	4,599	-	4,599
Increase (decrease) in pension liability	(213,001)	-	(213,001)
Increase (decrease) in OPEB liability	118,533	25,089	143,622
Increase (decrease) in deferred inflows of pension related items	(15,860)	-	(15,860)
Increase (decrease) in deferred inflows of OPEB items	(157)	(81)	(238)
Total Adjustments	1,835,369	27,767	1,863,136
Net Cash Provided (Used) by Operating Activities	\$ (903,301)	\$ 189,239	\$ (714,062)

Non-Cash Investing, Capital, and Financing Activities:

There were no non-cash investing, capital or financing activities during fiscal year 2018-2019.

Combining Financial Statements

Internal Service Funds

Fleet Operations Fund – This fund is used to account for Motor Pool rental as the equipment is used. Surplus rental charges are accumulated in the fund to pay for equipment replacements as needed.

Workers' Compensation Self-Insurance Fund – This fund was established on December 1, 1974 at which time the City became self-insured. Claims and administrative expenses are charged to this fund. Reserves are held by this fund to buffer the impact of unknown but potential losses.

Liability Risk Self-Insurance Fund – This fund is used to account for expenditures in payment of claims, administrator's expense (including legal fees) and to establish reserves against future claims.

Warehouse Fund – This fund is used to account for expenditures regarding distribution of inventory.

Information Technology Fund – This fund is used to account for software subscriptions, licenses, equipment, and administrative costs of the Information Technology department on behalf of the other funds.

CITY OF CORONA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2019

	Governmental Activities - Internal Service Funds		
	Self-Insurance		
	Fleet Operations	Workers' Compensation	Liability Risk
Assets			
Current Assets			
Cash and Investments	\$ 7,951,193	\$ 24,571,530	\$ 2,605,508
Accounts Receivable, Net	2,758	66,036	-
Due from Other Governmental Agencies	1,048	-	-
Inventories and Prepayments	190,010	-	-
Total Current Assets	8,145,009	24,637,566	2,605,508
Noncurrent Assets			
Capital Assets:			
Land and Construction in Progress	29,639	-	-
Other Capital Assets, Net of Depreciation	3,539,625	-	-
Total Capital Assets	3,569,264	-	-
Total Noncurrent Assets	3,569,264	-	-
Total Assets	11,714,273	24,637,566	2,605,508
Deferred Outflows of Resources			
Deferred Pension Related Items	331,089	-	-
Deferred OPEB Related Items	238,243	15,884	19,412
Total Deferred Outflows of Resources	569,332	15,884	19,412
Total Assets and Deferred Outflows of Resources	\$ 12,283,605	\$ 24,653,450	\$ 2,624,920
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	\$ 318,737	\$ 100,353	\$ 36,723
Claims and Judgments Payable	-	3,095,009	985,355
Compensated Absences Payable	41,368	-	-
Long-term Capital Lease Payable	103,965	-	-
Total Current Liabilities	464,070	3,195,362	1,022,078
Noncurrent Liabilities			
Claims and Judgments Payable	-	16,650,707	1,467,283
Compensated Absences Payable	-	-	-
Long-term Capital Lease Payable	343,881	-	-
Net Pension Liability	1,846,756	-	-
Net OPEB Liability	1,663,646	110,911	135,556
Total Noncurrent Liabilities	3,854,283	16,761,618	1,602,839
Total Liabilities	4,318,353	19,956,980	2,624,917
Deferred Inflows of Resources			
Deferred Pension Related Items	30,344	-	-
Deferred OPEB Related Items	8,788	581	805
Total Deferred Inflows of Resources	39,132	581	805
Net Position			
Net Investment in Capital Assets	3,091,779	-	-
Unrestricted	4,834,341	4,695,889	(802)
Total Net Position	7,926,120	4,695,889	(802)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 12,283,605	\$ 24,653,450	\$ 2,624,920

CITY OF CORONA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2019

(CONTINUED)

	Governmental Activities - Internal Service Funds		
	Warehouse	Information Technology	Totals
Assets			
Current Assets			
Cash and Investments	\$ 392,901	\$ 2,224,926	\$ 37,746,058
Accounts Receivable, Net	-	-	68,794
Due from Other Governmental Agencies	-	-	1,048
Inventories and Prepayments	-	-	190,010
Total Current Assets	392,901	2,224,926	38,005,910
Noncurrent Assets			
Capital Assets:			
Land and Construction in Progress	-	-	29,639
Other Capital Assets, Net of Depreciation	-	1,122,609	4,662,234
Total Capital Assets	-	1,122,609	4,691,873
Total Noncurrent Assets	-	1,122,609	4,691,873
Total Assets	392,901	3,347,535	42,697,783
Deferred Outflows of Resources			
Deferred Pension Related Items	49,091	1,117,373	1,497,553
Deferred OPEB Related Items	42,354	347,658	663,551
Total Deferred Outflows of Resources	91,445	1,465,031	2,161,104
Total Assets and Deferred Outflows of Resources	\$ 484,346	\$ 4,812,566	\$ 44,858,887
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities			
Current Liabilities			
Accounts Payable and Accrued Liabilities	\$ 19,676	\$ 96,789	\$ 572,278
Claims and Judgments Payable	-	-	4,080,364
Compensated Absences Payable	3,280	107,843	152,491
Long-term Capital Lease Payable	-	198,946	302,911
Total Current Liabilities	22,956	403,578	5,108,044
Noncurrent Liabilities			
Claims and Judgments Payable	-	-	18,117,990
Compensated Absences Payable	-	121,238	121,238
Long-term Capital Lease Payable	-	415,792	759,673
Net Pension Liability	273,811	6,232,508	8,353,075
Net OPEB Liability	295,755	2,427,673	4,633,541
Total Noncurrent Liabilities	569,566	9,197,211	31,985,517
Total Liabilities	592,522	9,600,789	37,093,561
Deferred Inflows of Resources			
Deferred Pension Related Items	4,500	102,407	137,251
Deferred OPEB Related Items	510	3,193	13,877
Total Deferred Inflows of Resources	5,010	105,600	151,128
Net Position			
Net Investment in Capital Assets	-	507,871	3,599,650
Unrestricted	(113,186)	(5,401,694)	4,014,548
Total Net Position	(113,186)	(4,893,823)	7,614,198
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 484,346	\$ 4,812,566	\$ 44,858,887

CITY OF CORONA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

	Governmental Activities - Internal Service Funds		
	Fleet Operations	Self-Insurance	
		Workers' Compensation	Liability Risk
Operating Revenues			
Service Charges	\$ 3,079,383	\$ 4,174,916	\$ 1,089,811
Other Revenues	840,182	24,209	-
Total Operating Revenues	3,919,565	4,199,125	1,089,811
Operating Expenses			
Personnel Services	1,102,253	-	-
Contractual	58,910	-	-
Materials and Supplies	1,610,361	464,467	699,722
Utilities	860,908	-	-
Depreciation	106,041	-	-
Claims Expense	-	856,100	274,745
Total Operating Expenses	3,738,473	1,320,567	974,467
Operating Income (Loss)	181,092	2,878,558	115,344
Nonoperating Revenues (Expenses)			
Interest Expense	(23,188)	-	-
Contributions	-	-	-
Total Nonoperating Revenues (Expenses)	(23,188)	-	-
Income (Loss) Before Transfers	157,904	2,878,558	115,344
Transfers In	128,805	-	-
Changes in Net Position	286,709	2,878,558	115,344
Net Position, Beginning of Year	5,363,006	1,817,331	(116,146)
Restatements	2,276,405	-	-
Net Position, Beginning of Year, as Restated	7,639,411	1,817,331	(116,146)
Net Position, End of Year	\$ 7,926,120	\$ 4,695,889	\$ (802)

CITY OF CORONA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Governmental Activities - Internal Service Funds		
	Warehouse	Information Technology	Totals
Operating Revenues			
Service Charges	\$ 255,171	\$ 7,683,134	\$ 16,282,415
Other Revenues	154	943	865,488
Total Operating Revenues	255,325	7,684,077	17,147,903
Operating Expenses			
Personnel Services	323,630	5,379,667	6,805,550
Contractual	39,900	1,434,800	1,533,610
Materials and Supplies	67,312	1,299,885	4,141,747
Utilities	281	-	861,189
Depreciation	-	280,652	386,693
Claims Expense	-	-	1,130,845
Total Operating Expenses	431,123	8,395,004	14,859,634
Operating Income (Loss)	(175,798)	(710,927)	2,288,269
Nonoperating Revenues (Expenses)			
Interest Expense	-	(23,993)	(47,181)
Contributions	-	595,314	595,314
Total Nonoperating Revenues (Expenses)	-	571,321	548,133
Income (Loss) Before Transfers	(175,798)	(139,606)	2,836,402
Transfers In	20,235	336,005	485,045
Changes in Net Position	(155,563)	196,399	3,321,447
Net Position, Beginning of Year	42,377	-	7,106,568
Restatements	-	(5,090,222)	(2,813,817)
Net Position, Beginning of Year, as Restated	42,377	(5,090,222)	4,292,751
Net Position, End of Year	\$ (113,186)	\$ (4,893,823)	\$ 7,614,198

CITY OF CORONA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

	Governmental Activities - Internal Service Funds		
	Fleet Operations	Self-Insurance	
		Workers' Compensation	Liability Risk
Cash Flows from Operating Activities			
Cash received from customers and users	\$ 3,082,096	\$ 4,185,014	\$ 1,089,811
Cash paid to suppliers for goods and services	(2,492,819)	(169,749)	(816,967)
Cash paid to employees for services	(960,802)	-	-
Cash paid for current claims	-	(197,247)	(106,912)
Cash paid for long-term claims	-	(1,369,975)	(167,833)
Cash received from others	840,182	24,209	-
Net Cash Provided (Used) by Operating Activities	468,657	2,472,252	(1,901)
Cash Flows from Non-Capital Financing Activities			
Transfers In	128,805	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	128,805	-	-
Cash Flows from Capital and Related Financing Activities			
Proceeds from capital debt	297,067	-	-
Proceeds from long-term capital lease payable	-	-	-
Capital contributions	-	-	-
Acquisition and construction of capital assets	(1,027,472)	-	-
Principal paid on capital debt	(88,520)	-	-
Interest paid on capital debt	(23,188)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(842,113)	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(244,651)	2,472,252	(1,901)
Cash and Cash Equivalents			
Beginning of Year	8,195,844	22,099,278	2,607,409
End of Year	\$ 7,951,193	\$ 24,571,530	\$ 2,605,508
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ 181,092	\$ 2,878,558	\$ 115,344
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	106,041	-	-
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	2,713	10,098	-
(Increase) decrease in inventories and prepayments	(10,825)	183,399	-
(Increase) decrease in deferred outflows of pension related items	203,966	-	-
(Increase) decrease in deferred outflows of OPEB items	(111,855)	(7,528)	(7,922)
Increase (decrease) in accounts payable and accrued liabilities	56,369	100,181	(118,048)
Increase (decrease) in claims and judgments	-	(711,122)	-
Increase (decrease) in compensated absences	2,519	-	-
Increase (decrease) in pension liability	(206,077)	-	-
Increase (decrease) in OPEB liability	269,076	18,709	8,777
Increase (decrease) in deferred inflows of pension related items	(23,720)	-	-
Increase (decrease) in deferred inflows of OPEB items	(642)	(43)	(52)
Total Adjustments	287,565	(406,306)	(117,245)
Net Cash Provided (Used) by Operating Activities	\$ 468,657	\$ 2,472,252	\$ (1,901)

Non-Cash Investing, Capital, and Financing Activities:

There were no non-cash investing, capital or financing activities during fiscal year 2018-2019.

CITY OF CORONA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2019

(CONTINUED)

	Governmental Activities - Internal Service Funds		
	Warehouse	Information Technology	Totals
Cash Flows from Operating Activities			
Cash received from customers and users	\$ 255,171	\$ 7,683,134	\$ 16,295,226
Cash paid to suppliers for goods and services	(96,828)	(2,678,840)	(6,255,203)
Cash paid to employees for services	(143,581)	(2,899,114)	(4,003,497)
Cash paid for current claims	-	-	(304,159)
Cash paid for long-term claims	-	-	(1,537,808)
Cash received from others	154	943	865,488
Net Cash Provided (Used) by Operating Activities	14,916	2,106,123	5,060,047
Cash Flows from Non-Capital Financing Activities			
Transfers In	20,235	336,005	485,045
Net Cash Provided (Used) by Non-Capital Financing Activities	20,235	336,005	485,045
Cash Flows from Capital and Related Financing Activities			
Proceeds from capital debt	-	-	297,067
Proceeds from long-term capital lease payable	-	807,947	807,947
Capital contributions	-	595,314	595,314
Acquisition and construction of capital assets	-	(1,403,261)	(2,430,733)
Principal paid on capital debt	-	(193,209)	(281,729)
Interest paid on capital debt	-	(23,993)	(47,181)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(217,202)	(1,059,315)
Net Increase (Decrease) in Cash and Cash Equivalents	35,151	2,224,926	4,485,777
Cash and Cash Equivalents			
Beginning of Year	357,750	-	33,260,281
End of Year	\$ 392,901	\$ 2,224,926	\$ 37,746,058
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (175,798)	\$ (710,927)	\$ 2,288,269
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	-	280,652	386,693
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	-	-	12,811
(Increase) decrease in inventories and prepayments	-	-	172,574
(Increase) decrease in deferred outflows of pension related items	27,765	424,845	656,576
(Increase) decrease in deferred outflows of OPEB items	(33,998)	(292,298)	(453,601)
Increase (decrease) in accounts payable and accrued liabilities	16,078	96,789	151,369
Increase (decrease) in claims and judgments	-	-	(711,122)
Increase (decrease) in compensated absences	2,071	229,081	233,671
Increase (decrease) in pension liability	(21,366)	315,517	88,074
Increase (decrease) in OPEB liability	203,553	1,816,828	2,316,943
Increase (decrease) in deferred inflows of pension related items	(3,275)	(53,426)	(80,421)
Increase (decrease) in deferred inflows of OPEB items	(114)	(938)	(1,789)
Total Adjustments	190,714	2,817,050	2,771,778
Net Cash Provided (Used) by Operating Activities	\$ 14,916	\$ 2,106,123	\$ 5,060,047

Non-Cash Investing, Capital, and Financing Activities:

There were no non-cash investing, capital or financing activities during fiscal year 2018-2019.



Combining Financial Statements

Agency Funds

Agency Funds are custodial in nature and do not involve measurement of results and operations.

CITY OF CORONA

COMBINING STATEMENT OF NET POSITION
ALL AGENCY FUNDS
JUNE 30, 2019

	AD/CFD Fund	AB109 PACT	Totals
Assets:			
Cash and Investments	\$ 1,133,288	\$ 243,058	\$ 1,376,346
Interest Receivable	78,761	1,177	79,938
Due from Other Governmental Agencies	204,421	-	204,421
Restricted Assets:			
Cash and Investments	27,130,909	-	27,130,909
Total Assets	\$ 28,547,379	\$ 244,235	\$ 28,791,614
Liabilities:			
Accounts Payable and Accrued Liabilities	\$ 6,024	\$ 32,653	\$ 38,677
Due to Bondholders	28,541,355	211,582	28,752,937
Total Liabilities	\$ 28,547,379	\$ 244,235	\$ 28,791,614

CITY OF CORONA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
<u>AD/CFD Fund</u>				
Assets				
Cash and Investments	\$ 1,101,757	\$ 24,726,698	\$ 24,695,167	\$ 1,133,288
Interest Receivable	89,689	235,911	246,839	78,761
Due from Other Governmental Agencies	209,456	204,831	209,866	204,421
Restricted Assets:				
Cash and Investments	30,224,857	39,790,864	42,884,812	27,130,909
Total Assets	\$ 31,625,759	\$ 64,958,304	\$ 68,036,684	\$ 28,547,379
Liabilities				
Accounts Payable and Accrued Liabilities	\$ 5,711	\$ 12,099,030	\$ 12,098,717	\$ 6,024
Due to Bondholders	31,620,048	28,272,784	31,351,477	28,541,355
Total Liabilities	\$ 31,625,759	\$ 40,371,814	\$ 43,450,194	\$ 28,547,379
<u>AB109 PACT</u>				
Assets:				
Cash and Investments	\$ 1,053,511	\$ 29,935	\$ 840,388	\$ 243,058
Interest Receivable	4,653	1,177	4,653	1,177
Total Assets	\$ 1,058,164	\$ 31,112	\$ 845,041	\$ 244,235
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 147,861	\$ 556,676	\$ 671,884	\$ 32,653
Due to Bondholders	910,303	31,112	729,833	211,582
Total Liabilities	\$ 1,058,164	\$ 587,788	\$ 1,401,717	\$ 244,235
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Investments	\$ 2,155,268	\$ 24,756,633	\$ 25,535,555	\$ 1,376,346
Interest Receivable	94,342	237,088	251,492	79,938
Due from Other Governmental Agencies	209,456	204,831	209,866	204,421
Restricted Assets:				
Cash and Investments	30,224,857	39,790,864	42,884,812	27,130,909
Total Assets	\$ 32,683,923	\$ 64,989,416	\$ 68,881,725	\$ 28,791,614
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 153,572	\$ 12,655,706	\$ 12,770,601	\$ 38,677
Due to Bondholders	32,530,351	28,303,896	32,081,310	28,752,937
Total Liabilities	\$ 32,683,923	\$ 40,959,602	\$ 44,851,911	\$ 28,791,614



Statistical Section

This part of the City of Corona'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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Financial Trends

These schedules contain information to help the reader to understand how the City's financial performance and well-being have changed over time.

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These schedules contain information to help readers to assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

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These schedules offer demographic and economic indicators to help readers to understand the environment within which the City's financial activities take place.

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These schedules contain service and infrastructure data to help readers understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

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Sources: Unless otherwise noted, the information in these schedules was derived from the City's Comprehensive Annual Financial Reports (CAFR) for the relevant year.

CITY OF CORONA**Schedule 1****Net Position by Component****Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year			
	2019	2018	2017	2016
Governmental Activities				
Net Investment in Capital Assets	\$ 690,776,881	\$ 661,445,807	\$ 638,468,424	\$ 618,953,633
Restricted for:				
Capital Projects	34,034,394	35,250,894	26,832,918	24,440,919
Debt Service	6,490,959	5,100,103	3,439,357	2,416,841
Transportation and Public Works	22,272,787	18,493,153	16,363,749	15,401,285
Special Assessment District	12,625,790	11,114,013	14,377,296	17,074,793
Development Projects	21,365,909	9,137,699	5,276,971	8,866,182
Other Purposes	382,770	309,562	725,421	514,174
Total Restricted	97,172,609	79,405,424	67,015,712	68,714,194
Unrestricted	34,147,614	23,749,730	106,765,363	96,234,263
Total Governmental Activities Net Position	<u>\$ 822,097,104</u>	<u>\$ 764,600,961</u>	<u>\$ 812,249,499</u>	<u>\$ 783,902,090</u>
Business-Type Activities				
Net Investment in Capital Assets	\$ 346,111,296	\$ 334,581,059	\$ 324,512,188	\$ 312,540,296
Restricted for:				
Capital Projects	6,735,454	6,735,454	6,735,454	7,205,941
Debt Service	-	-	-	-
Transportation and Public Works	369,860	261,195	697,391	611,272
Development Projects	792,804	-	-	-
Total Restricted	7,898,118	6,996,649	7,432,845	7,817,213
Unrestricted	(95,417,283)	(111,330,380)	(86,423,631)	(96,745,399)
Total Business-Type Activities Net Position	<u>\$ 258,592,131</u>	<u>\$ 230,247,328</u>	<u>\$ 245,521,402</u>	<u>\$ 223,612,110</u>
Primary Government				
Net Investment in Capital Assets	\$ 1,036,888,177	\$ 996,026,866	\$ 962,980,612	\$ 931,493,929
Restricted	105,070,727	86,402,073	74,448,557	76,531,407
Unrestricted	(61,269,669)	(87,580,650)	20,341,732	(511,136)
Total Primary Government Net Position	<u>\$ 1,080,689,235</u>	<u>\$ 994,848,289</u>	<u>\$ 1,057,770,901</u>	<u>\$ 1,007,514,200</u>

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Fiscal Year					
2015	2014	2013	2012	2011	2010
\$ 587,861,831	\$ 557,314,076	\$ 542,474,178	\$ 547,427,503	\$ 512,867,317	\$ 457,625,412
23,435,434	31,326,722	87,678,260	95,362,651	26,795,896	80,695,897
2,653,417	2,770,292	2,772,671	3,418,104	10,773,995	7,079,903
19,206,895	19,224,575	16,083,567	14,494,532	-	-
15,602,868	13,862,186	12,404,874	11,655,625	-	-
5,939,085	1,934,349	4,703,812	6,763,589	-	-
560,289	803,053	1,173,375	708,280	50,908,926	60,915,014
67,397,988	69,921,177	124,816,559	132,402,781	88,478,817	148,690,814
90,173,729	270,365,217	265,060,487	251,564,898	248,153,878	243,443,770
<u>\$ 745,433,548</u>	<u>\$ 897,600,470</u>	<u>\$ 932,351,224</u>	<u>\$ 931,395,182</u>	<u>\$ 849,500,012</u>	<u>\$ 849,759,996</u>
\$ 286,045,985	\$ 275,218,430	\$ 281,276,333	\$ 274,761,353	\$ 66,109,520	\$ 219,780,082
6,898,174	10,780,901	-	-	-	-
6,061,277	6,813,257	8,435,288	10,969,563	-	-
830,088	1,317,690	130,390	637,926	18,065,870	10,779,222
-	-	-	-	-	-
13,789,539	18,911,848	8,565,678	11,607,489	18,065,870	10,779,222
(92,820,840)	(91,326,475)	(100,444,897)	(107,169,420)	73,811,520	(82,129,735)
<u>\$ 207,014,684</u>	<u>\$ 202,803,803</u>	<u>\$ 189,397,114</u>	<u>\$ 179,199,422</u>	<u>\$ 157,986,910</u>	<u>\$ 148,429,569</u>
\$ 873,907,816	\$ 832,532,506	\$ 823,750,511	\$ 822,188,856	\$ 578,976,837	\$ 677,405,494
81,187,527	88,833,025	133,382,237	144,010,270	106,544,687	159,470,036
(2,647,111)	179,038,742	164,615,590	144,395,478	321,965,398	161,314,035
<u>\$ 952,448,232</u>	<u>\$ 1,100,404,273</u>	<u>\$ 1,121,748,338</u>	<u>\$ 1,110,594,604</u>	<u>\$ 1,007,486,922</u>	<u>\$ 998,189,565</u>

CITY OF CORONA**Schedule 2****Changes in Net Position****Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year			
	2019	2018	2017	2016
Expenses				
Governmental Activities:				
General Government	\$ 33,591,976	\$ 21,282,982	\$ 28,273,481	\$ 27,435,359
Public Safety - Fire	29,004,569	29,892,569	26,004,329	24,447,062
Public Safety - Police	51,665,087	52,237,558	47,773,812	44,341,895
Public Works & Maintenance Services	41,082,525	38,699,371	35,763,511	39,647,786
Library and Recreation Services	4,301,828	3,815,661	5,281,168	6,463,940
Community Development	4,666,834	3,691,471	4,736,871	5,933,581
Economic Development	391,110	329,276	4,927,998	4,422,141
Interest and Fiscal Charges	1,347,268	1,398,132	1,034,468	1,910,542
Total Governmental Activities Expenses	<u>\$ 166,051,197</u>	<u>\$ 151,347,020</u>	<u>\$ 153,795,638</u>	<u>\$ 154,602,306</u>
Business-Type Activities:				
Water	54,241,684	66,216,277	52,922,440	51,177,312
Water Reclamation	28,218,102	31,543,999	24,258,766	25,004,508
Electric	15,597,164	16,913,151	15,559,948	20,082,535
Transit Services	3,153,161	3,391,384	2,826,701	2,732,394
Airport	180,033	146,287	166,860	197,702
Total Business-Type Activities Expenses	<u>101,390,144</u>	<u>118,211,098</u>	<u>95,734,715</u>	<u>99,194,451</u>
Total Primary Government Expenses	<u>\$ 267,441,341</u>	<u>\$ 269,558,118</u>	<u>\$ 249,530,353</u>	<u>\$ 253,796,757</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government*	7,377,481	10,394,661	18,216,829	18,556,870
Public Safety - Fire	4,914,360	5,076,947	4,087,577	3,679,300
Public Safety - Police	2,282,448	2,172,690	1,090,884	1,082,045
Public Works & Maintenance Services	17,033,637	15,271,111	15,757,571	15,708,292
Library and Recreation Services	2,882,270	2,582,847	1,690,619	1,481,845
Community Development	4,868,485	3,718,706	2,112,169	2,116,832
Economic Development	-	-	-	-
Operating Grants and Contributions	17,177,545	15,235,243	13,607,731	13,468,867
Capital Grants and Contributions	46,130,203	32,940,776	23,356,504	40,508,675
Total Governmental Activities Program Revenues	<u>102,666,429</u>	<u>87,392,981</u>	<u>79,919,884</u>	<u>96,602,726</u>
Business-Type activities:				
Charges for Services:				
Water	56,486,220	56,153,664	51,435,658	48,753,278
Water Reclamation	31,394,607	31,114,187	31,271,134	30,755,583
Electric	16,971,319	17,772,585	16,789,626	17,057,728
Transit Services	364,025	359,652	445,604	427,417
Airport	341,505	265,996	298,868	272,217
Operating Grants and Contributions	1,813,204	3,195,967	2,876,392	5,116,662
Capital Grants and Contributions	6,915,473	4,992,185	13,061,722	6,954,812
Total Business-Type Activities Program Revenues	<u>114,286,353</u>	<u>113,854,236</u>	<u>116,179,004</u>	<u>109,337,697</u>
Total Primary Government Program Revenues	<u>\$ 216,952,782</u>	<u>\$ 201,247,217</u>	<u>\$ 196,098,888</u>	<u>\$ 205,940,423</u>

* For 2016 and prior, General Government's program revenue was restated to reclassify Lease and Rental Income from General Revenues to Program Revenues.

Fiscal Year					
2015	2014	2013	2012	2011	2010
\$ 24,481,334	\$ 23,974,508	\$ 22,853,992	\$ 20,551,027	\$ 21,771,013	\$ 23,778,004
24,052,304	23,062,147	22,702,313	21,506,851	23,066,539	23,849,351
42,939,535	40,779,963	40,357,283	39,791,147	40,465,516	44,573,946
33,544,227	39,591,302	43,533,983	41,086,166	43,036,551	44,328,099
6,559,251	4,417,913	2,825,606	2,640,592	2,745,336	3,108,194
3,806,766	3,453,020	-	-	-	-
3,107,755	5,344,121	6,877,725	12,860,222	15,368,206	18,283,224
2,016,105	2,172,050	2,953,366	3,648,700	14,655,640	13,471,571
<u>\$ 140,507,277</u>	<u>\$ 142,795,024</u>	<u>\$ 142,104,268</u>	<u>\$ 142,084,705</u>	<u>\$ 161,108,801</u>	<u>\$ 171,392,389</u>
55,714,372	58,165,289	57,605,446	55,837,945	46,791,524	48,080,241
26,500,708	29,160,167	29,060,647	30,224,698	25,940,578	27,212,393
15,192,888	13,373,418	14,675,785	14,569,429	17,638,508	21,951,228
2,477,893	2,355,405	2,286,292	2,148,857	2,078,197	2,309,727
282,969	281,771	301,454	307,538	328,658	316,270
100,168,830	103,336,050	103,929,624	103,088,467	92,777,465	99,869,859
<u>\$ 240,676,107</u>	<u>\$ 246,131,074</u>	<u>\$ 246,033,892</u>	<u>\$ 245,173,172</u>	<u>\$ 253,886,266</u>	<u>\$ 271,262,248</u>
20,774,890	16,938,527	19,341,407	19,419,682	19,112,894	14,964,342
3,142,720	4,264,876	4,242,725	3,926,888	3,092,311	3,204,585
1,065,181	2,070,221	3,011,565	3,079,224	3,295,825	3,551,199
20,011,693	20,068,114	20,993,799	20,043,766	20,211,720	19,475,470
1,014,872	319,806	318,831	264,464	280,729	333,015
2,420,301	3,316,624	-	-	-	-
-	666,394	707,126	-	-	-
11,780,932	12,555,412	13,760,057	12,350,047	18,683,384	11,711,125
27,197,609	20,783,935	5,620,168	8,977,103	3,743,333	9,480,514
<u>87,408,198</u>	<u>80,983,909</u>	<u>67,995,678</u>	<u>68,061,174</u>	<u>68,420,196</u>	<u>55,372,317</u>
52,620,052	55,937,613	53,906,208	50,243,765	48,103,987	50,979,766
30,735,952	30,626,667	30,620,212	29,472,121	27,361,203	26,779,144
16,760,206	17,182,310	17,138,240	16,531,675	17,247,983	23,891,958
432,281	406,202	415,615	633,355	364,830	412,928
288,820	316,402	280,915	265,838	297,638	286,546
4,160,035	1,640,359	1,635,598	1,531,791	1,600,444	1,724,206
13,485,750	4,225,256	3,453,420	11,730,500	3,261,322	4,728,651
118,483,096	110,334,809	107,450,208	110,409,045	98,237,407	108,803,199
<u>\$ 205,891,294</u>	<u>\$ 191,318,718</u>	<u>\$ 175,445,886</u>	<u>\$ 178,470,219</u>	<u>\$ 166,657,603</u>	<u>\$ 164,175,516</u>

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CITY OF CORONA**Schedule 2****Changes in Net Position****Last Ten Fiscal Years (accrual basis of accounting)**

	Fiscal Year			
	2019	2018	2017	2016
Net (Expense)/Revenue				
Governmental Activities	\$ (63,384,768)	\$ (63,954,039)	\$ (73,875,754)	\$ (57,999,580)
Business-Type Activities	12,896,209	(4,356,862)	20,444,289	10,143,246
Total Primary Government Net Expense	<u>\$ (50,488,559)</u>	<u>\$ (68,310,901)</u>	<u>\$ (53,431,465)</u>	<u>\$ (47,856,334)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes	\$ 48,123,700	\$ 45,646,490	\$ 43,059,232	\$ 42,156,726
Sales and Use Tax	44,125,758	38,118,548	41,145,616	39,663,795
Other Taxes	11,640,957	10,490,863	9,565,580	9,349,800
Total taxes	<u>103,890,415</u>	<u>94,255,901</u>	<u>93,770,428</u>	<u>91,170,321</u>
Investment Earnings	9,042,370	540,824	623,227	3,172,905
Miscellaneous	11,764,807	13,123,627	6,892,170	4,765,043
Unrestricted Grants and Contributions	-	-	-	-
Gain/(Loss) on Sale of Capital Asset	-	-	-	-
Extraordinary Items	-	-	-	-
Transfers	(1,896,122)	(2,744,512)	44,970	14,540
Special Items	-	3,037,670	-	-
Total Governmental Activities	<u>122,801,470</u>	<u>108,213,510</u>	<u>101,330,795</u>	<u>99,122,809</u>
Business-Type Activities:				
Investment Earnings	5,010,211	334,927	199,758	1,839,114
Other Income	8,542,261	4,887,538	479,465	45,168
Gain/(Loss) on Sale of Capital Asset	-	-	-	-
Transfers	1,896,122	2,744,512	(44,970)	(14,540)
Total Business-Type Activities	<u>15,448,594</u>	<u>7,966,977</u>	<u>634,253</u>	<u>1,869,742</u>
Total Primary Government	<u>\$ 138,250,064</u>	<u>\$ 116,180,487</u>	<u>\$ 101,965,048</u>	<u>\$ 100,992,551</u>
Change in Net Position				
Governmental Activities	\$ 59,416,702	\$ 44,259,470	\$ 27,455,041	\$ 41,123,229
Business-Type Activities	28,344,803	3,610,115	21,078,542	12,012,988
Total Primary Government	<u>\$ 87,761,505</u>	<u>\$ 47,869,585</u>	<u>\$ 48,533,583</u>	<u>\$ 53,136,217</u>

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Fiscal Year					
2015	2014	2013	2012	2011	2010
\$ (53,099,079)	\$ (71,620,834)	\$ (84,625,187)	\$ (86,111,861)	\$ (104,335,419)	\$ (116,020,072)
18,314,266	6,998,759	3,520,584	7,320,578	5,459,942	8,933,340
<u>\$ (34,784,813)</u>	<u>\$ (64,622,075)</u>	<u>\$ (81,104,603)</u>	<u>\$ (78,791,283)</u>	<u>\$ (98,875,477)</u>	<u>\$ (107,086,732)</u>

\$ 38,656,150	\$ 36,462,210	\$ 41,238,344	\$ 45,754,306	\$ 59,090,960	\$ 62,049,578
36,608,600	35,623,651	32,969,847	31,190,815	28,505,050	26,543,193
10,566,662	9,099,819	8,249,945	8,546,497	7,802,237	7,660,365
<u>85,831,412</u>	<u>81,185,680</u>	<u>82,458,136</u>	<u>85,491,618</u>	<u>95,398,247</u>	<u>96,253,136</u>
1,988,557	2,296,081	470,023	4,047,070	3,380,168	7,204,417
3,686,771	2,096,681	2,355,179	3,637,541	658,664	1,311,650
-	407	145,742	76,014	686,338	481,295
-	-	-	-	-	1,776,536
5,054,583	(56,854,230)	(8,033,621)	57,030,346	-	-
-	(916,819)	(547,690)	(163,000)	40,000	57,000
-	-	-	-	-	-
<u>96,561,323</u>	<u>27,807,800</u>	<u>76,847,769</u>	<u>150,119,589</u>	<u>100,163,417</u>	<u>114,431,967</u>

862,948	1,189,440	2,450,042	4,019,878	3,178,516	3,169,884
493	1,996,793	3,890,307	-	-	-
(10,207)	2,497,251	-	-	2,350,130	-
-	916,819	547,690	163,000	(40,000)	(57,000)
<u>853,234</u>	<u>6,600,303</u>	<u>6,888,039</u>	<u>4,182,878</u>	<u>5,488,646</u>	<u>3,112,884</u>
<u>\$ 97,414,557</u>	<u>\$ 34,408,103</u>	<u>\$ 83,735,808</u>	<u>\$ 154,302,467</u>	<u>\$ 105,652,063</u>	<u>\$ 117,544,851</u>

\$ 43,462,244	\$ (43,813,034)	\$ 2,739,179	\$ 76,096,058	\$ 7,474,812	\$ 10,096,548
19,167,500	13,599,062	10,408,623	11,503,456	10,948,588	8,572,826
<u>\$ 62,629,744</u>	<u>\$ (30,213,972)</u>	<u>\$ 13,147,802</u>	<u>\$ 87,599,514</u>	<u>\$ 18,423,400</u>	<u>\$ 18,669,374</u>

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CITY OF CORONA**Schedule 3****Fund Balances, Governmental Funds****Last Ten Fiscal Years (modified accrual basis of accounting)**

	Fiscal Year			
	2019	2018	2017	2016
General Fund				
Nonspendable	\$ 26,492,072	\$ 31,465,340	\$ 33,241,909	\$ 34,124,977
Committed	39,899,272	36,247,833	33,898,271	33,511,464
Assigned	55,495,036	40,855,061	41,979,112	33,141,625
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 121,886,380</u>	<u>\$ 108,568,234</u>	<u>\$ 109,119,292</u>	<u>\$ 100,778,066</u>
 All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	97,172,609	79,405,424	66,631,585	59,493,942
Assigned	396,813	389,356	432,652	9,428,541
Unassigned	(48,500)	(48,501)	(48,525)	(85,423)
Reserved	-	-	-	-
Unreserved, reported in:				
Special Revenue	-	-	-	-
Capital Projects	-	-	-	-
Total all other Governmental Funds	<u>\$ 97,520,922</u>	<u>\$ 79,746,279</u>	<u>\$ 67,015,712</u>	<u>\$ 68,837,060</u>

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Fiscal Year					
2015	2014	2013	2012	2011	2010
\$ 24,378,784	\$ 23,595,803	\$ 22,797,277	\$ 15,070,684	\$ 15,112,080	\$ 19,708,805
23,815,795	23,494,027	22,804,343	18,279,947	18,072,691	17,597,806
50,696,555	44,748,578	41,298,885	43,205,474	50,333,810	40,338,627
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 98,891,134</u>	<u>\$ 91,838,408</u>	<u>\$ 86,900,505</u>	<u>\$ 76,556,105</u>	<u>\$ 83,518,581</u>	<u>\$ 77,645,238</u>

\$ 18,926,818	\$ 3,615,772	\$ 61,512,775	\$ 61,220,936	\$ 61,568,872	\$ 58,835,683
42,982,365	41,755,471	22,103,295	27,425,735	35,292,020	41,491,338
5,825,674	1,299,482	17,604,929	19,215,798	25,061,577	26,635,398
(151,869)					(769,101)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 67,582,988</u>	<u>\$ 46,670,725</u>	<u>\$ 101,220,999</u>	<u>\$ 107,862,469</u>	<u>\$ 121,922,469</u>	<u>\$ 126,193,318</u>

CITY OF CORONA**Schedule 4****Changes in Fund Balances, Governmental Funds****Last Ten Fiscal Years (modified accrual basis of accounting)**

	Fiscal Year			
	2019	2018	2017	2016
Revenues:				
Property Taxes	\$ 47,994,974	\$ 45,775,246	\$ 43,170,396	\$ 42,175,687
Sales Taxes	44,125,758	38,118,548	41,145,616	39,663,796
Other Taxes	10,806,717	10,443,823	9,421,375	9,255,961
Licenses, Fees and Permits	14,334,965	6,530,878	5,682,991	7,947,593
Fines and Penalties	1,260,265	1,243,873	1,467,593	1,338,341
Special Assessments	8,599,669	8,518,569	8,281,089	8,801,035
Investment Earnings	9,042,370	540,761	623,227	3,169,381
Intergovernmental Revenues	23,459,273	19,642,952	26,038,928	41,588,677
Current Services	21,810,063	21,536,206	19,260,514	18,375,839
Payments in Lieu of Services	7,732,356	9,973,782	10,113,191	10,202,448
Other Revenues	38,087,702	35,312,655	14,111,953	13,314,649
Total Revenues	227,254,112	197,637,293	179,316,873	195,833,407
Expenditures:				
General Government	32,612,219	33,897,611	25,520,135	25,200,855
Public Safety - Fire	25,393,135	26,668,495	25,855,247	25,894,695
Public Safety - Police	45,914,260	47,426,516	46,885,033	45,080,687
Public Works & Maintenance Services	33,876,327	32,492,756	27,172,763	33,621,625
Library and Recreation Services	5,140,160	5,153,298	5,197,923	4,669,898
Community Development	5,249,767	4,807,968	4,816,552	5,953,143
Economic Development	444,925	421,117	4,930,642	4,422,141
Capital Outlay	38,969,422	35,320,776	30,579,173	43,444,050
Debt Service				
Principal	2,814,099	3,324,719	2,853,939	2,800,122
Interest and Fiscal Charges	1,445,283	1,533,230	1,408,493	1,953,345
Total Expenditures	191,859,597	191,046,486	175,219,900	193,040,561
Excess of Revenues Over/(Under) Expenditures	35,394,515	6,590,807	4,096,973	2,792,846
Other Financing Sources/(Uses)				
Loss from Sale of Land Held for Resale	-	-	-	-
Issuance of Debt	-	-	24,520,000	-
Principal Retirement	-	-	(27,212,450)	-
Proceeds from Sale of Capital Asset	-	-	-	-
Bond Premium	-	-	2,974,564	-
Capital Leases	-	1,403,261	-	-
Transfers In	1,382,903	5,533,474	6,291,621	2,588,851
Transfers Out	(3,764,070)	(6,296,428)	(5,677,217)	(1,987,900)
Total Other Financing Sources/(Uses)	(2,381,167)	640,307	896,518	600,951
Extraordinary Items	-	-	-	-
Special Items	-	3,037,670	-	-
Net Change in Fund Balances	\$ 33,013,348	\$ 10,268,784	\$ 4,993,491	\$ 3,393,797
Debt Service as a Percentage of Non-capital Expenditures	2.8%	3.1%	2.9%	3.2%

Fiscal Year					
2015	2014	2013	2012	2011	2010
\$ 38,896,950	\$ 36,721,899	\$ 39,447,422	\$ 45,754,306	\$ 59,090,960	\$ 62,049,578
38,565,868	37,430,489	34,529,611	32,725,933	29,923,541	27,915,576
7,598,684	6,835,935	6,370,589	6,238,073	5,976,783	5,943,514
9,599,549	2,777,719	2,462,107	5,817,125	2,187,466	2,244,379
1,041,887	1,068,778	1,717,820	1,841,074	2,168,820	2,625,345
9,438,713	9,439,079	9,477,719	9,296,683	9,645,684	9,230,699
1,988,557	2,296,081	470,023	4,047,070	3,380,168	7,205,344
27,601,255	29,487,199	15,312,882	15,731,101	17,140,177	16,982,358
17,276,984	17,287,466	16,003,725	14,392,726	13,724,789	13,469,450
12,638,674	10,644,539	8,999,739	9,544,525	9,681,893	10,524,934
15,300,761	14,900,407	18,919,899	17,714,051	16,833,436	11,586,690
179,947,882	168,889,591	153,711,536	163,102,667	169,753,717	169,777,867
21,735,399	23,938,276	23,088,936	20,711,464	20,335,688	20,752,739
24,874,714	24,247,894	22,965,971	22,921,163	23,068,351	22,886,210
41,966,882	41,161,796	39,770,719	41,751,356	39,523,177	43,154,254
27,777,052	35,125,462	37,909,062	38,237,264	37,572,220	38,683,385
4,677,992	4,440,588	2,758,037	2,720,741	2,694,192	2,925,121
3,829,120	3,422,846	3,019,174	2,971,829	3,258,772	3,280,136
3,107,755	2,529,859	816,342	9,560,505	10,942,983	18,776,318
34,342,416	23,609,928	7,769,015	4,349,725	11,089,418	21,562,741
3,672,900	3,545,895	3,654,332	7,082,070	7,578,502	8,139,799
2,064,757	2,210,669	2,719,421	7,547,454	14,756,645	14,041,809
168,048,987	164,233,213	144,471,009	157,853,571	170,819,948	194,202,512
11,898,895	4,656,378	9,240,527	5,249,096	(1,066,231)	(24,424,645)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,400,000
-	-	-	-	-	-
-	-	-	-	-	-
2,315,815	3,767,587	3,771,227	4,533,758	79,529,457	17,440,737
(1,739,145)	(1,124,534)	(1,250,885)	(5,582,646)	(76,674,137)	(10,398,334)
576,670	2,643,053	2,520,342	(1,048,888)	2,855,320	9,442,403
-	(56,854,230)	(8,033,621)	(19,852,703)	-	-
-	-	-	-	-	-
\$ 12,475,565	\$ (49,554,799)	\$ 3,727,248	\$ (15,652,495)	\$ 1,789,089	\$ (14,982,242)
4.3%	4.1%	4.6%	9.5%	14.0%	12.8%

CITY OF CORONA
Schedule 5a
Water Sales By User Type ¹
Last Ten Fiscal Years

Fiscal Year Ended June 30	Residential		Commercial		Industrial		Public Agency		Agricultural, Irrigation and Other		Total	
	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet	% of Total	Acre Feet Total	% Total
2010	23,752	64.5	4,404	12.0	1,216	3.3	4,278	11.6	3,165	8.6	36,815	100.0
2011	22,121	65.4	3,812	11.3	1,158	3.4	3,058	9.0	3,700	10.9	33,849	100.0
2012	22,735	65.5	3,662	10.6	1,184	3.4	3,355	9.6	3,768	10.9	34,704	100.0
2013	23,283	64.8	3,480	9.7	1,225	3.4	3,711	10.3	4,243	11.8	35,942	100.0
2014	23,979	66.8	3,188	10.8	1,254	4.7	597	1.9	8,077	15.8	37,095	100.0
2015	21,621	63.0	3,024	8.8	1,090	3.2	510	1.5	8,061	23.5	34,306	100.0
2016	18,876	62.9	2,726	9.1	958	3.2	391	1.3	7,054	23.5	30,005	100.0
2017	19,668	65.0	2,814	9.3	998	3.3	383	1.3	6,412	21.2	30,275	100.0
2018	21,703	63.6	2,884	8.5	1,092	3.2	400	1.2	8,020	23.5	34,099	100.0
2019	19,981	63.6	2,711	8.6	1,031	3.3	353	1.1	7,324	23.3	31,400	100.0

Note: 1) Amounts include reclaimed water sales.

Source: Corona Department of Water and Power.

CITY OF CORONA**Schedule 5b****Assessed Value and Actual Value of Taxable Property****Last Ten Fiscal Years (in thousands of dollars)**

Fiscal Year Ended June 30	Residential Property	Commercial Property	Industrial Property	Other	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2010	\$ 10,338,756	\$ 2,392,421	\$ 2,175,301	\$ 1,628,324	\$ 251,763	\$ 16,283,039	1.00064
2011	10,340,114	2,177,188	2,159,963	1,679,857	271,357	16,085,765	1.0000
2012	10,406,831	2,101,432	2,108,882	1,602,344	293,954	15,925,535	1.0000
2013	10,441,897	2,124,926	2,121,234	1,500,847	264,187	15,924,717	1.0000
2014	10,909,040	2,126,622	2,142,615	1,462,220	279,902	16,360,595	1.0000
2015	11,717,313	2,165,931	2,215,181	1,501,930	301,090	17,299,265	1.0000
2016	12,263,772	2,245,287	2,304,917	1,589,670	354,324	18,049,322	1.0000
2017	12,889,324	2,271,239	2,344,708	1,626,588	335,878	18,795,981	1.0000
2018	13,784,933	2,348,687	2,457,625	1,681,325	360,006	19,912,564	1.0000
2019	14,411,691	2,617,996	2,620,278	1,680,616	359,344	20,971,237	1.0000

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to the actual value. Tax rates are per \$1,000 of assessed value.

Source: HdL Coren & Cone, Riverside County Assessor Combined Tax Rolls.

CITY OF CORONA**Schedule 6a
Potable Water Rates
Last Ten Fiscal Years**

Fiscal Year ¹	Quantity Rate per 100 C.F. ²	Monthly Base Rates								
		Ready-To-Serve Charge								
		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"
2010	1.81 ³	18.04	23.66	33.85	58.99	86.09	147.13	226.02	415.08	610.50
2011	1.85 ⁴	18.04	23.66	33.85	58.99	86.09	147.13	226.02	415.08	610.50
2012	1.92 ⁵	18.44	24.18	34.59	60.29	87.98	150.37	230.99	424.21	623.93
2013	2.04 ⁶	18.88	24.76	35.42	61.73	90.09	153.98	236.53	434.39	638.90
2014	2.10 ⁷	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2015	2.10 ⁷	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2016	2.10 ⁷	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2017	2.10 ⁷	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2018	2.10 ⁷	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04
2019	2.10 ⁷	19.23	25.23	36.09	62.90	91.80	156.91	241.02	442.64	651.04

1) There are instances where the rates were changed during the fiscal year.

2) For Fiscal Year 2009-10 and forward, the stated rate per 100 C.F. is for Residential Tier 1 of the Budget Based Water Rate Structure adopted with Ordinance No. 3025, effective March 19, 2010.

3) For Fiscal Year 2009-10 rate includes a pass-through charge from Western Municipal Water District (WMWD) of \$0.29 per 100 C.F. adopted with Ordinance No. 3005, effective September 4, 2009.

4) For Fiscal Year 2010-11, the quantity rate included a pass-through charge from WMWD of \$0.04 per 100 C.F. for Tier 1 rates.

5) For Fiscal Year 2011-12, the quantity rate includes a pass-through charge from WMWD of \$0.03 per 100 C.F. for Tier 1 rates.

6) For Fiscal Year 2012-13, the quantity rate includes a pass-through charge from WMWD of \$0.08 per 100 C.F. for Tier 1 rates.

7) Starting Fiscal Years 2013-14, the quantity rate included a pass-through charge from WMWD of \$0.03 per 100 C.F. for Tier 1 rates.

Source: City of Corona Department of Water and Power.

CITY OF CORONA**Schedule 6b
Reclaimed Water Rates
Last Ten Fiscal Years**

Fiscal Year ¹	Quantity Rate per 100 C.F. ²	Monthly Base Rates								
		Ready-To-Serve Charge								
		5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"	8"
2010	\$ 1.39	\$ 18.04	\$ 23.66	\$ 33.85	\$ 58.99	\$ 86.09	\$147.13	\$226.02	\$415.08	\$610.50
2011	1.39	18.04	23.66	33.85	58.99	86.09	147.13	226.02	415.08	610.50
2012	1.44	18.04	23.66	33.85	58.99	86.09	147.13	226.02	415.08	610.50
2013	1.48	18.53	24.30	34.76	60.58	88.41	151.10	232.12	426.29	626.98
2014	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52
2015	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52
2016	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52
2017	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52
2018	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52
2019	1.51	18.90	24.79	35.46	61.79	90.18	154.12	236.76	434.82	639.52

1) There are instances where the rates were changed during the fiscal year.

2) For Fiscal Year 2009-10 and forward, the stated rate per 100 C.F. is for Tier 1 of the Budget Based Water Rate Structure adopted with Ordinance No. 3025, effective March 19, 2010.

Source: City of Corona Department of Water and Power.

CITY OF CORONA**Schedule 6c****Direct and Overlapping Property Tax Rates****Last Ten Fiscal Years (rate per \$100 of assessed value)**

Year	City Direct Rates			Overlapping Rates ²			
	Basic Rate ¹	General Obligation Debt Service	Total Direct	Corona/Norco School District	Alvord School District	Metropolitan Water District	Riverside City Community College
2010	1.0000	0.0006	1.0006	0.0403	0.1255	0.0043	0.0124
2011	1.0000	0.0000	1.0000	0.0452	0.1195	0.0037	0.0150
2012	1.0000	0.0000	1.0000	0.0661	0.1185	0.0037	0.0170
2013	1.0000	0.0000	1.0000	0.0654	0.1184	0.0035	0.0170
2014	1.0000	0.0000	1.0000	0.0684	0.1757	0.0035	0.0177
2015	1.0000	0.0000	1.0000	0.0647	0.1723	0.0035	0.0179
2016	1.0000	0.0000	1.0000	0.0854	0.1534	0.0035	0.0173
2017	1.0000	0.0000	1.0000	0.0942	0.1530	0.0035	0.0165
2018	1.0000	0.0000	1.0000	0.0831	0.1500	0.0035	0.0162
2019	1.0000	0.0000	1.0000	0.0903	0.1506	0.0035	0.0148

Notes:

1) The City's basic property tax rate may only be increased by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

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

Source: HdL Coren & Cone, Riverside County Assessor 2009/10-2018/19 Tax Rate Table.

CITY OF CORONA**Schedule 7a****Principal Water Customers****Current Year and Nine Years Ago**

Water Customer	2019			2010		
	Water Charges	Rank	Percent of Total Water Revenues	Water Charges	Rank	Percent of Total Water Revenues
City of Corona	\$ 3,186,098	1	6.52%	\$ 2,586,751	1	5.92%
Corona-Norco USD	737,551	2	1.51%	730,029	2	1.67%
CLI Atlas LLC	353,044	3	0.72%			
Eagle Glen Master HOA	265,110	4	0.54%	178,617	4	0.41%
Aseptic Solutions USA	250,795	5	0.51%			
Fairfield Waterstone, LLC	201,753	6	0.41%			
Triana At Corona Ranch Maintenance Corporation	143,720	7	0.29%			
Breit MF Promenade Terrace LLC	138,729	8	0.28%			
Meadowood Investors LLC	115,364	9	0.24%	112,244	10	0.26%
CalTrans D-8 (CRNA)	107,812	10	0.22%			
Integrated Protein Tech				185,775	3	0.43%
Westdale Asset Management				144,999	5	0.33%
EWR, Inc.				144,305	6	0.33%
ERP Operating Limited Partnership				132,731	7	0.30%
MG Properties				116,619	8	0.27%
Eagle Glen Country Club, LLC				113,698	9	0.26%
	<u>\$ 5,499,976</u>		<u>11.24%</u>	<u>\$ 4,445,768</u>		<u>10.18%</u>

Source: City of Corona, Department of Water and Power.

CITY OF CORONA**Schedule 7b****Principal Property Tax Payers****Current Year and Nine Years Ago**

<u>Taxpayer</u>	2019			2010		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
Kaiser Foundation Health Plan Inc	\$ 213,053,571	1	1.02%	\$ 168,650,814	2	1.04%
Castle and Cooke Corona Inc.	185,496,662	2	0.88%	167,609,130	3	1.03%
SCG Atlas Deerwood LLC	152,751,764	3	0.73%			
Fairfield Waterstone LLC	134,792,327	4	0.64%			
Rexco	113,297,551	5	0.54%	139,334,557	4	0.86%
SCG Atlas Ashton LLC	102,448,721	6	0.49%			
Corona North Main Development	99,249,970	7	0.47%			
Artisan Corona Apartments LLC	97,337,473	8	0.46%			
Costco Wholesale Corporation	92,074,211	9	0.44%			
JSP Palisades LLC	90,780,000	10	0.43%			
Watson Laboratories Inc				178,447,640	1	1.10%
223-1 DL Holdings LLC				125,290,614	5	0.77%
Waterstone Apartments NF				119,133,539	6	0.73%
Dart Container Corporation of Calif				78,350,078	7	0.48%
Price Reit Inc				77,380,170	8	0.48%
Avalon California Value VI				49,380,393	9	0.30%
Corona Summit				49,365,151	10	0.30%
Total	<u>\$ 1,281,282,250</u>		<u>6.10%</u>	<u>\$ 1,152,942,086</u>		<u>7.09%</u>

Source: HdL Coren & Cone, Riverside County Assessor 2018/19 & 2009/10 Combined Tax Rolls and the SBE Non Unitary Tax

CITY OF CORONA
Schedule 8
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections ²	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 22,628,536	\$ 19,921,737	88.04%	\$ 2,092,540	\$ 22,014,277	97.29%
2011	22,451,824	19,619,070	87.38%	1,424,373	21,043,443	93.73%
2012	22,448,815	20,689,087	92.16%	1,155,344	21,844,431	97.31%
2013	22,560,351	21,235,423	94.13%	979,403	22,214,826	98.47%
2014	23,176,657	22,171,735	95.66%	808,121	22,979,856	99.15%
2015	24,628,905	23,778,058	96.55%	695,420	24,473,478	99.37%
2016	25,563,557	24,694,504	96.60%	585,598	25,280,102	98.89%
2017	26,689,890	26,019,467	97.49%	528,723	26,548,190	99.47%
2018	28,136,170	27,463,023	97.61%	514,039	27,977,062	99.43%
2019	29,448,060	28,882,342	98.08%	411,473	29,293,815	99.48%

Notes:

1) Amounts exclude debt service levies and former Redevelopment property tax increment.

2) Amounts excluded interest and penalties.

Source: City of Corona Administrative Services Department, Riverside County Auditor-Controller's Office.

CITY OF CORONA**Schedule 9****Ratios of Outstanding Debt by Type****Last Ten Fiscal Years (dollars in thousands, except per capita)**

Fiscal Year	Governmental Activities							
	General Obligation Bonds	Redevelopment Bonds	Lease Revenue Bonds	Unamortized Bond Premium	Capital Lease Payable	Lease Payable	Long-Term Agreement Payable	Special Assessment Bonds
2010	\$ -	\$ 85,075	\$ 67,905	\$ -	\$ -	\$ -	\$ 4,530	\$ 1,435
2011	-	82,025	65,015	-	-	26	3,301	1,025
2012	-	- ¹	62,020	-	-	25,283	- ¹	660
2013	-	- ¹	33,270	-	-	23,719	- ¹	515
2014	-	- ¹	31,250	-	-	22,353	- ¹	355
2015	-	- ¹	29,145	-	-	20,955	- ¹	185
2016	-	- ¹	27,975	-	-	19,510	- ¹	-
2017	-	- ¹	24,520	2,826	-	18,016	- ¹	-
2018	-	- ¹	23,335	2,677	1,047	16,472	- ¹	-
2019	-	- ¹	22,115	2,528	1,062	14,875	- ¹	-

1) No longer reported under governmental activities as the result of the dissolution of the former Corona Redevelopment Agency as of February 1, 2012.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statement.

Source: City of Corona Administrative Services Department.

Business-Type Activities										
Installment Agreement Payable	Long-Term Installment Payable	Term Loan Payable	Certificates of Participation	Revenue Bonds	Unamortized Bond Premium	Lease Payable	Contracts Payable	Total Primary Government	Percent of Personal Income	Per Capita
\$ 2,036	\$ 28,400	\$ 37,207	\$ 93,035	\$ -	\$ -	\$ -	\$ 690	\$ 320,313	7.9%	\$ 2,130
1,764	27,435	34,724	90,320	-	-	-	690	306,325	7.4%	\$ 1,994
1,485	26,430	32,176	87,495	-	-	-	690	236,239	5.6%	\$ 1,539
1,299	-	21,362	64,380	60,791	-	-	690	206,026	4.9%	\$ 1,314
1,104	-	19,951	24,480	57,630	-	-	690	157,813	3.8%	\$ 992
9,766	-	19,142	23,785	54,067	-	-	690	157,735	3.8%	\$ 991
9,221	-	26,111	-	50,294	-	-	690	133,801	3.1%	\$ 813
8,656	-	26,729	-	44,710	1,701	-	690	127,848	2.9%	\$ 762
8,072	-	24,927	-	41,380	1,594	-	690	120,194	2.6%	\$ 713
7,467	-	23,052	-	37,935	1,486	24	690	111,234	2.3%	\$ 662

CITY OF CORONA

Schedule 10

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years (dollars in thousands, except per capita)

General Bonded Debt Outstanding							
Fiscal Year	General Obligation Bonds	Redevelopment Bonds ³	Special Assessment Bonds	Capital Lease Payable	Lease Payable	Unamortized Bond Premium	Lease Revenue Bonds
2010	\$ -	\$ 85,075	\$ 1,435	\$ -	\$ -	\$ -	\$ 67,905
2011	-	82,025	1,025	-	26	-	65,015
2012	-	-	660	-	25,283	-	62,020
2013	-	-	515	-	23,719	-	33,270
2014	-	-	355	-	22,353	-	31,250
2015	-	-	185	-	20,955	-	29,145
2016	-	-	-	-	19,510	-	27,975
2017	-	-	-	-	18,016	2,826	24,520
2018	-	-	-	1,047	16,472	2,677	23,335
2019	-	-	-	1,062	14,875	2,528	22,115

Note: 1) See Schedule 5b for property value data.
 2) Population data can be found in Schedule 14.
 3) No longer considered general bonded debt as the result of the dissolution of the former Corona Redevelopment Agency as of February 1, 2012

Details regarding the City's outstanding debt can be found in the notes to the financial statement.

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Total General Bonded Debt	Less Net Position Restricted for Debt Repayment	Net General Bonded Debt	Percentage of Actual Value ¹ of Property	Per Capita ²
\$ 154,415	\$ 7,080	\$ 147,335	0.90%	\$ 980
148,091	10,774	137,317	0.85%	894
87,963	3,418	84,545	0.53%	386
57,504	2,773	54,731	0.34%	349
53,958	2,770	51,188	0.31%	322
50,285	2,653	47,632	0.28%	299
47,485	2,417	45,068	0.25%	274
45,362	3,439	41,923	0.22%	250
43,531	5,100	38,431	0.19%	228
40,580	6,491	34,089	0.16%	203

CITY OF CORONA**Schedule 11****Direct and Overlapping Governmental Activities Debt ¹****As of June 30, 2019 (dollars in thousands)**

	Debt Outstanding	Est. Percentage Applicable ²	City's Share of Overlapping Debt
<u>Direct and Overlapping Tax and Assessment Debt:</u>			
Metropolitan Water District	\$ 48,050	0.720%	\$ 346
Riverside City Community College District	251,471	19.864%	49,952
Alvord Unified School District	203,052	13.548%	27,509
Corona-Norco Unified School District	422,938	54.588%	230,873
Alvord Unified School District CFD No. 2006-1	7,070	8.333%	589
Corona-Norco Unified School District CFD No. 97-1	867	100.000%	867
Corona-Norco Unified School District CFD No. 99-1	2,261	100.000%	2,261
Corona-Norco Unified School District CFD No. 99-2, Imp Areas A, B, C	4,924	100.000%	4,924
Corona-Norco Unified School District CFD No. 00-1	1,730	100.000%	1,730
Corona-Norco Unified School District CFD No. 01-1, Imp Areas A & B	6,730	100.000%	6,730
Corona-Norco Unified School District CFD No. 01-2, Imp Areas A, B, C	11,270	100.000%	11,270
Corona-Norco Unified School District CFD No. 03-3, Imp Area A	3,525	100.000%	3,525
Corona-Norco Unified School District CFD No. 03-5	1,800	100.000%	1,800
Corona-Norco Unified School District CFD No. 04-2, Imp Areas 1 & 3	3,690	100.000%	3,690
City of Corona CFD No. 86-2 Refunding 2014 Series A	1,510	100.000%	1,510
City of Corona CFD No. 89-1 Refunding 2014 Series A	2,585	100.000%	2,585
City of Corona CFD No. 89-1 IA Refunding 2014 Series A	1,935	100.000%	1,935
City of Corona CFD No. 90-1	6,600	100.000%	6,600
City of Corona CFD No. 97-2 Refunding 2014 Series A	5,620	100.000%	5,620
City of Corona CFD No. 2000-1	4,780	100.000%	4,780
City of Corona CFD No. 2001-2	2,375	100.000%	2,375
City of Corona CFD No. 2002-1, Refunding 2017	12,640	100.000%	12,640
City of Corona CFD No. 2002-1, Improvement Area, Refunding 2017	6,735	100.000%	6,735
City of Corona CFD No. 2002-4, Refunding 2017	6,515	100.000%	6,515
City of Corona CFD No. 2003-2	5,795	100.000%	5,795
City of Corona CFD No. 2004-1	2,690	100.000%	2,690
City of Corona CFD No. 2016-2	5,475	100.000%	5,475
City of Corona CFD No. 2017-2	3,650	100.000%	3,650
City of Corona CFD No. 2018-1 Improvement Area 1, 2018 Series A	9,000	100.000%	9,000
California Statewide Communities Development Authority CFD No. 2002-1	3,450	100.000%	3,450
City of Corona 1915 Act Bonds	1,780	100.000%	1,780
Total Overlapping Tax and Assessment Debt			429,201
<u>Direct and Overlapping General Fund Debt:</u>			
<u>Overlapping General Fund Obligations</u>			
Riverside County General Fund Obligations	\$ 760,134	7.498%	\$ 56,995
Riverside County Pension Obligations Bonds	243,850	7.498%	18,284
Corona-Norco Unified School District General Fund Obligations	29,470	54.588%	16,087
Western Municipal Water District General Fund Obligations	9,021	23.084%	2,082
Total Overlapping General Fund Obligations			\$ 93,448
<u>Direct General Fund Obligations:</u>			
City of Corona General Fund Obligations	38,052		\$ 38,052
Unamortized Bond Premium	2,528		2,528
Total Direct General Fund Obligations		100.000%	\$ 40,580
Total Direct and Overlapping General Fund Obligations			\$ 134,028
Less: Riverside County Supported Obligations			130
Total Net Direct and Overlapping General Fund Obligations			\$ 133,898
Total Direct Debt			\$ 40,580
Total Gross Overlapping Debt			\$ 522,649
Total Net Overlapping Debt			\$ 522,519
Gross Combined Total Direct and Overlapping Debt ³			\$ 563,229
Net Combined Total Direct and Overlapping Debt			\$ 563,099

CITY OF CORONA

Schedule 11**Direct and Overlapping Governmental Activities Debt ¹****As of June 30, 2019 (dollars in thousands)**

Notes to Schedule 11

- 1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Corona. 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 the repaying the debt, of each overlapping government.*
- 2) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value, except for community facilities district overlapping debt which was estimated by determining the special tax charged on property within the City, divided by the community facilities district's total special tax for the fiscal year.*
- 3) Amount excluded tax and revenue anticipation notes, enterprise revenue bonds, mortgage revenue bonds, Successor Agency's tax allocation bonds and non-bonded capital lease obligations.*

Source: California Municipal Statistics Inc.

CITY OF CORONA

Schedule 12

Legal Debt Margin Information

Last Ten Fiscal Years (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2019

Assessed Value	\$ 20,971,237
Debt Limit (15% of assessed value)	3,145,686
Debt Applicable to limit:	
General obligation debt	40,580
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	40,580
Legal Debt Margin	<u>\$ 3,105,106</u>

	2010	2011	2012	2013	2014
Debt Limit	\$ 2,442,456	\$ 2,412,865	\$ 2,388,830	\$ 2,388,708	\$ 2,454,089
Total net debt applicable to limit	<u>72,435</u>	<u>68,339</u>	<u>60,498</u>	<u>56,989</u>	<u>53,603</u>
Legal debt margin	\$ 2,370,021	\$ 2,344,526	\$ 2,328,332	\$ 2,331,719	\$ 2,400,486
Total debt applicable to the limit as a percentage of debt limit	2.966%	2.832%	2.533%	2.386%	2.184%

*Note: Under State Finance Law, the City's outstanding general obligation debt should not exceed 15 percent of total assessed property value.
By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.*

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2015	2016	2017	2018	2019
\$ 2,594,890	\$ 2,707,398	\$ 2,819,397	\$ 2,986,885	\$ 3,145,686
50,100	47,485	42,536	43,531	40,580
\$ 2,544,790	\$ 2,659,913	\$ 2,776,861	\$ 2,943,354	\$ 3,105,106
1.931%	1.754%	1.509%	1.457%	1.290%

CITY OF CORONA

Schedule 13

Pledged Revenue Coverage

Last Ten Fiscal Years (dollars in thousands)

Fiscal Year	Lease Revenue Bonds					Special Assessment Bonds				
	Lease Payments	Current Account Balance	Debt Service		Coverage	Special Assessment Collections	Current Account Balance	Debt Service		Coverage
			Principal	Interest				Principal	Interest	
2010	\$ 5,686	\$ 125	\$ 2,790	\$ 3,021	1.00	\$ 525	\$ 79	\$ 465	\$ 131	1.01
2011	5,677	126	2,890	2,915	1.00	376	152	410	97	1.04
2012	5,669	166	2,995	2,801	1.01	212	238	365	67	1.04
2013	30,825 ¹	11	28,750	2,075	1.00	212	5	145	47	1.13
2014	3,394	19	2,020	1,365	1.01	208	4	160	34	1.09
2015	3,373	19	2,105	1,281	1.00	192	1	170	22	1.01
2016	2,353	19	1,170	1,216	0.99	192	-	185	7	1.00
2017	30,614 ⁵	9	27,975	1,367	1.04	-	-	-	-	-
2018	2,117	1	1,185	931	1.00	-	-	-	-	-
2019	2,121	-	1,220	901	1.00	-	-	-	-	-

Notes: ¹ Includes the defeasance of 2002 Lease Revenue bonds.

² Includes the defeasance of the 1998 Water Revenue bonds.

³ Includes the defeasance of 1997 COPs and 2003 COPs.

⁴ Includes the advanced redemption of 2005 COPs.

⁵ Includes the defeasance of 2006 Lease Revenue bonds.

⁶ Apply new method - Utility Revenues derived from Pledged Revenue note.

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City of Corona Administrative Services Department.

Revenue Bonds				Certificates of Participation				
Utility Revenues	Debt Service		Coverage	Lease Payments	Current Account Balance	Debt Service		Coverage
	Principal	Interest				Principal	Interest	
\$ 2,281	\$ 925	\$ 1,356	1.00	\$ 6,861	\$ 220	\$ 2,610	\$ 4,476	1.00
2,281	965	1,316	1.00	6,859	224	2,715	4,367	1.00
2,278	1,005	1,273	1.00	7,063	24	2,825	4,261	1.00
29,597 ²	26,430	1,491	1.06	7,391	22	2,935	4,154	1.05
3,187	1,165	2,022	1.00	60,552 ³	2,143	60,080	2,611	1.00
5,689	3,455	2,234	1.00	1,063	756	695	1,123	1.00
5,809	3,655	2,144	1.00	24,341 ⁴	-	23,785	555	1.00
5,809	3,775	2,034	1.00	-	-	-	-	-
28,093	5,166	2,537	3.65 ⁶	-	-	-	-	-
36,011	5,320	2,370	4.68	-	-	-	-	-

CITY OF CORONA**Schedule 14****Demographic and Economic Statistics****Last Ten Calendar Years**

	(1)	(1)	(1)	(1)	(2)	(1)
Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2009	148,770	3,946,874	26,530	30.5	52,138	10.0%
2010	150,416	4,031,149	26,800	31.5	52,914	10.9%
2011	154,520	4,124,911	26,695	31.5	53,153	10.1%
2012	156,823	4,232,339	26,988	32.0	53,437	7.0%
2013	159,132	4,179,125	26,262	32.2	53,782	6.1%
2014	159,109	4,164,996	26,177	32.6	53,739	6.4%
2015	164,659	4,340,504	26,360	33.4	53,354	5.2%
2016	167,759	4,420,877	26,352	33.9	53,157	4.7%
2017	168,574	4,554,614	27,018	34.4	53,294	3.5%
2018	168,101	4,803,427	28,574	34.7	53,002	3.3%

Sources: (1) HdL, Coren & Cone;

(2) California Department of Education -

Corona-Norco Unified School District, School Year 2018/19 Enrollment.

CITY OF CORONA
Schedule 15
Principal Employers
Current Year and Nine Years Ago

Employer	2019*			2010		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Corona-Norco Unified School District	5,478	1	6.55%	4,906	1	6.58%
Corona Regional Medical Center	1,200	2	1.44%	1,171	2	1.57%
Kaiser Permanente	995	3	1.19%	655	5	0.88%
All American Asphalt	840	4	1.00%	650	7	0.87%
City of Corona	785	5	0.94%	894	4	1.20%
TWR Framing Enterprises	750	6	0.90%	400	8	0.54%
Fender USA Corona	675	7	0.81%	650	6	0.87%
Monster Energy	607	8	0.73%			
Thermal Structures	500	9	0.60%			
Veg Fresh Farms	425	10	0.51%			
Watson Laboratories, Inc.				1,045	3	1.40%
Dart Container Corporation				360	9	0.48%
CoreMark International				308	10	0.41%
Total	12,255		14.67%	11,039		14.80%

*Corona top employment data is independently collected from a third party consultant, with permission to disclose from each employer. Due to budgetary reductions in FY 2018-19 the contract for these services was suspended. Staff believes 2018 employment data to be true and accurate with minor variations.

Source: *City of Corona, Economic Development Division;*
California Labor Market.



CITY OF CORONA
**Schedule 16
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years**

Function/Program	Full-time Equivalent Employees									
	2019	2018**	2017	2016*	2015*	2014*	2013*	2012	2011	2010
General Government										
Elected Officials	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Management Services	14.07	9.90	10.35	9.73	9.73	9.85	9.84	8.00	9.00	9.00
Legal & Risk Management ¹	6.19	6.52	7.67	6.67	6.01	5.29	5.01	0.00	0.00	0.00
Administrative Services ²	40.92	38.56	42.23	42.56	34.30	36.31	37.40	0.00	0.00	0.00
Human Resources ²								8.50	10.00	10.00
Information Technology	23.99	17.25	13.89	15.09	12.41	13.98	13.86	13.00	14.00	14.00
Finance ²								27.00	32.00	32.00
Police										
Officers	150.00	162.00	162.00	162.00	159.00	157.00	153.50	152.00	176.00	177.00
Civilians	80.40	88.01	88.39	85.90	79.13	80.62	77.97	60.00	72.00	72.00
Fire										
Firefighters and officers	107.00	113.00	113.00	112.00	112.00	112.00	111.50	112.00	121.00	121.00
Civilians	7.75	8.20	4.88	6.48	7.18	6.06	6.49	5.00	7.00	7.00
Public Works ³	35.75	35.75	29.05	29.75	31.57	33.78	78.07	74.00	77.00	76.00
Maintenance Services ³	42.11	42.76	43.63	45.00	44.53	41.76	26.09	0.00	0.00	0.00
Community Development ⁴	22.14	25.00	26.48	26.00	22.08	18.02	17.00	17.00	21.00	21.00
Economic Development ⁵	2.00	3.00	3.00	2.00	1.00	4.00	4.00	5.50		
Library and Recreation Services ⁶	72.74	69.06	70.67	68.04	63.50	64.69	66.62	15.00	17.00	17.00
Department of Water and Power	110.02	108.91	119.18	119.68	120.79	121.76	112.75	112.00	107.00	112.00
Transit Services	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Parks and Community Services ⁶								22.00	28.00	28.00
Redevelopment ⁷									16.00	17.00
Total	<u>723.08</u>	<u>735.92</u>	<u>742.42</u>	<u>738.90</u>	<u>710.23</u>	<u>712.12</u>	<u>727.10</u>	<u>638.00</u>	<u>714.00</u>	<u>720.00</u>

* Data for Fiscal Year 2016 and prior was restated to Full Time Equivalents (FTE) from full-time positions.

** Data for Fiscal Year 2018 was updated to FTE Authorized information.

Note:

¹ Formerly City Attorney's Office. During Fiscal Year 2014-15, Risk Management Division merged into the City Attorney's Office and formed Legal & Risk Management Department.

² Formerly Finance Department. During Fiscal Year 2014-15, Human Resources Department merged into Finance and formed Administrative Services Department.

³ Public Works Department was reorganized during Fiscal Year 2013-14, various maintenance functions were removed from Public Works, and a new department, Maintenance Services was established to assume these functions.

⁴ During Fiscal Year 2014-15, Housing Division was merged into Community Development Department.

⁵ Formerly Housing and Economic Development, during Fiscal Year 2014-15, the Housing component was merged into Community Development Department.

⁶ Parks and Community Services Department was dissolved during Fiscal Year 2013-14, Recreation Division was merged with Library and formed Library and Recreation Department, other functions was merged with Maintenance Services Department.

⁷ Redevelopment Department was dissolved in Fiscal Year 2011-12.

Source: City of Corona, Administrative Services Department.

CITY OF CORONA
Schedule 17
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year			
	2019	2018	2017	2016*
Police				
Physical Arrests	2,992	2,895	3,403	5,583
Parking Violations	8,851	6,228	4,993	3,974
Traffic Violations	6,133	9,024	11,896	12,132
Fire				
Emergency Responses	13,141	13,041	12,981	12,112
Fires Extinguished	362	435	382	381
Inspections	1,092	2,726	1,934	1,966
Public Works/Maintenance Services				
Street Resurfacing (miles)	37	51	39	41
Street Lights Repaired	418	495	1,045	1,342
Potholes Filled (sq. ft)	22,332	35,700	75,000	15,076
Parks and Community Services				
Sportsfields Participation	269,168	248,617 **	2,190,246	1,760,600
Comm. Centers/Gym/Pool	169,888	249,885	282,797	211,410
Other Activity Participation	135,399	171,679	226,294	244,430
Library and Recreation Services				
Volumes in Collection	165,760	168,148	167,586	164,421
Total Volumes Borrowed*	411,592 ****	783,626	648,522 ***	1,073,736
Water				
New Connections	511	391	166	1,408
Water Main Repairs	72	36	69	78
Average Daily Consumption (millions of gallons)	30.2	33.0	30.4	28.4
Wastewater				
Average Daily Sewage Treatment (millions of gallons)	14.3	13.8	14.3	14.0
Transit Services				
Total Route Miles (round-trip)	47.7	47.5	47.5	47.5
Passengers				
Fixed Route	118,366	129,972	132,469	150,002
Dial-A-Ride	52,580	58,089	65,580	63,162

* Total Volumes Borrowed were restated for years between 2011 and 2016 to exclude the number of visits to Corona Library's website.

** Reporting method changed - report by actual enrollment/attendance numbers.

*** Total Volume Borrowed was overstated by 309,505 in Fiscal Year 16/17. The correction was updated for Fiscal Year 16/17 in Fiscal Year 17/18.

**** Reduction in Total Volumes Borrowed was due to the elimination of 11 databases in Fiscal Year.

Source: Various City departments.

Fiscal Year					
<u>2015*</u>	<u>2014*</u>	<u>2013*</u>	<u>2012*</u>	<u>2011*</u>	<u>2010</u>
5,337	5,422	4,709	4,472	5,701	5,337
4,098	4,119	3,612	4,976	6,541	3,241
11,133	11,147	9,316	8,691	9,456	10,087
11,263	11,131	10,942	9,843	9,606	9,683
346	397	415	326	318	378
1,757	2,217	1,591	1,929	1,478	2,560
72	72	48	8	71	85
846	598	808	1,093	1,811	1,775
15,978	13,185	16,085	13,316	25,557	38,187
1,898,300	1,670,668	1,664,800	2,325,101	1,832,892	1,746,257
189,519	158,431	144,981	216,729	239,464	249,295
232,264	244,593	247,768	232,701	211,533	259,179
167,432	136,128	174,585	170,435	169,188	166,163
927,956	861,842	846,171	1,128,969	1,119,281	1,262,964
173	498	482	80	133	217
84	49	36	37	46	45
32.6	34.9	32.0	31.0	30.2	32.9
13.1	12.6	13.4	13.0	13.7	13.0
39.0	39.0	39.0	39.0	39.0	39.0
168,303	169,745	163,054	153,783	152,568	165,104
66,015	68,852	65,635	61,285	58,153	64,689

CITY OF CORONA
**Schedule 18
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone Offices	2	2	2	2	2	2	2	2	2	2
Patrol Units	68	65	55	59	59	53	53	53	60	65
Fire Stations	7	7	7	7	7	7	7	7	7	7
Streets										
Streets and Alleys (miles)	408	408	406	403	404	403	406	403	398	398
Streetlights ¹	12,380	12,380	12,587	12,059	12,022	11,888	11,271	11,353	11,237	11,733
Traffic Signals	188	184	182	179	173	170	169	169	170	168
Library and Recreation Services										
Total Park Acreage	376	376	376	376	376	376	376	376	376	376
Playgrounds	27	27	27	27	27	27	27	27	27	27
Baseball/softball diamonds	36	36	36	36	36	36	36	36	37	39
Soccer/football fields	18	18	18	18	18	18	18	18	18	17
Community Centers	7	7	7	7	7	7	7	7	7	7
Civic Center Auditorium Seating Cap	380	380	380	380	380	380	380	380	380	380
Fiesta Bandshell Seating Capacity	500	500	500	500	500	500	500	500	500	500
Water										
Water Main (miles)	719	697	687	683	694	681	681	677	676	684
Fire Hydrants	9,548	9,300	9,222	9,197	9,174	9,087	8,918	8,996	8,788	8,692
Storage Capacity ² (millions of gallons)	52	52	51	51	51	51	51	51	51	53
Wastewater										
Sanitary Sewers (miles)	458	440	435	434	452	444	444	444	442	447
Storm Sewers (miles)	171	171	167	167	172	171	166	166	168	168
Treatment Capacity (millions of gallons)	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5	15.5
Transit Services										
Minibuses										
Fixed Route	7	7	7	7	6	6	4	4	5	5
Dial-A-Ride	13	11	11	13	11	10	12	10	10	9

Source: Various City departments.

Note: ¹ Includes only City-owned street lights.

² Potable & reclaimed water storage capacity.



ANNUAL REPORT OF DEVELOPMENT IMPACT FEES

Fiscal Year Ended June 30, 2019

Section 66006 of the Government Code, also known as AB1600, requires that an annual report be made available to the public within 180 days of the close of the fiscal year.

The City of Corona reports each developer fee in a separate fund and has met the requirements of AB1600 in each of its 15 Development Impact Fee (DIF) funds. In all cases, the City has complied with the time limit for expenditure of fees. No fees have been refunded as a result of non-compliance and there are no refunds pending from any DIF fund.

Below is a list of the ordinances which approved the Master Facilities Plans and Development Impact Fee reports and adopted the existing Development Impact fees. A hardcopy of all ordinances is on file in the City Clerk's office.

<u>Facilities</u>	<u>Ordinance #</u>	<u>Adopted</u>
Comm. Meeting/Aquatics/Parkland	2845 & 2846	September 6, 2006
Temescal Canyon Comm. Tower	2642	June 4, 2003
Streets/ Signals/ Bridges	2993	June 17, 2009
Library/ Storm Drain/ Law Enforcement/ Fire	2552 & 2553	October 3, 2001
TC Law Enforcement/ Fire	2993	June 17, 2009
SC Streets/ Landscaping/ Comm. Facilities Plan	2387 & 2388	May 5, 1999
Water/ Sewer	2353 & 2354	June 3, 1998
Fire Wild Land	2077	October 16, 1991

The General Fund has a receivable balance of \$277,399 for the Temescal Canyon Public Safety Facility projects. As funds are collected in the Temescal Canyon fee funds, they will be transferred to the General Fund until all expenditures have been reimbursed. A detailed account of all project expenditures, fee collections and transfers are on file in the Administrative Services Department.

This report was compiled based on the annual financial statements of the City as of June 30, 2019. It provides an opportunity for management and staff to evaluate what is available for the City's development, to plan what can be accomplished with the resources identified, and to inform the public of future projects.

Questions regarding the data in this report should be directed to the City's Administrative Services Department at 400 S. Vicentia Avenue, Corona, California 92882, phone (951) 736-2324 or e-mail adminsrvcs@coronaca.gov.

Submitted to City Council on November 20, 2019.

**Schedule of
Community Facilities Plan (CFP) Reimbursement
11000000 11550**

Fiscal Year	Payment Received	Balance
		\$ 675,000.00
92/93	\$ 24,855.37	\$ 650,144.63
93/94	\$ 17,895.84	\$ 632,248.79
94/95	\$ 36,442.83	\$ 595,805.96
95/96	\$ 41,501.98	\$ 554,303.98
96/97	\$ 54,734.47	\$ 499,569.51
97/98	\$ 70,067.61	\$ 429,501.90
98/99	\$ 36,433.16	\$ 393,068.74
99/00	\$ 50,124.34	\$ 342,944.40
00/01	\$ 31,438.72	\$ 311,505.68
01/02	\$ 26,148.00	\$ 285,357.68
02/03	\$ 31,907.59	\$ 253,450.09
02/03*	\$ (33,502.00)	\$ 286,952.09
03/04	\$ 25,476.88	\$ 261,475.21
04/05	\$ 19,010.90	\$ 242,464.31
05/06	\$ 27,076.80	\$ 215,387.51
06/07	\$ 7,994.68	\$ 207,392.83
07/08	\$ 1,351.87	\$ 206,040.96
08/09	\$ 7,869.83	\$ 198,171.13
09/10	\$ 1,230.92	\$ 196,940.21
10/11	\$ 3,319.32	\$ 193,620.89
11/12	\$ 1,776.60	\$ 191,844.29
12/13	\$ 2,107.42	\$ 189,736.87
13/14	\$ 265.90	\$ 189,470.97
14/15	\$ 2,392.73	\$ 187,078.24
15/16	\$ 929.15	\$ 186,149.09
16/17	\$ 2,889.81	\$ 183,259.28
17/18	\$ 4,053.99	\$ 179,205.29
18/19	\$ 4,959.31	\$ 174,245.98

* Increase for 1995 Fee Ordinance Update

**Schedule of
Temescal Canyon Communications Tower Reimbursement
11000000 11803**

Fiscal Year		Payment Received		Balance
			\$	287,932.00
02/03	\$	-	\$	287,932.00
03/04	\$	-	\$	287,932.00
04/05	\$	-	\$	287,932.00
05/06	\$	-	\$	287,932.00
06/07	\$	-	\$	287,932.00
07/08	\$	-	\$	287,932.00
08/09	\$	-	\$	287,932.00
09/10	\$	-	\$	287,932.00
10/11	\$	-	\$	287,932.00
11/12	\$	-	\$	287,932.00
12/13	\$	-	\$	287,932.00
13/14	\$	15.84	\$	287,916.16
14/15	\$	-	\$	287,916.16
15/16	\$	4,180.00	\$	283,736.16
16/17	\$	5,988.93	\$	277,747.23
17/18	\$	(10,165.00)	\$	287,912.23
18/19	\$	14,608.14	\$	273,304.09



City of Corona
Development Impact Fees
Effective 7/1/18

Infrastructure Category / Area	Time of Collection	Estate - Residential	Single Family	Single Family - Attached	Multi-Family - 3	Senior Restricted Attached - 6	Assisted Care Living - 6	Mobile Home	Commercial Lodging	Commercial			Industrial / Manufacturing
										Retail	Office	Class 'A' and 'B' Office - 4	
Proposed Fee Unit		Per D.U.	Per D.U.	Per D.U.	Per D.U.	Per D.U.	Per D.U.	Per D.U.	Per Room	Per Sq. Ft.	Per Sq. Ft.	Per Sq. Ft.	Per Sq. Ft.
Street and Signal Commercial/Industrial: Per square foot of total building area. Citywide	Building Permit	\$4,047.00	\$4,047.00	\$4,047.00	\$3,238.00 ¹	\$1,847.00	\$1,457.00	\$4,047.00	\$2,428.00	\$1.980	\$0.95	\$0.95	\$0.42
Transportation Uniform Mitigation Fee² Western Riverside County	Building Permit	See Page 2 for Transportation Uniform Mitigation Fees (TUMF) per Western Riverside Council of Governments (WRCOG)											
Drainage Commercial/Industrial: Per square foot of building footprint. Citywide	Subdivision Map	\$2,146.00	\$1,176.00	\$583.00	\$303.00	\$193.00	\$243.00	\$1,176.00	\$136.00	\$0.44	\$0.44	\$0.44	\$0.38
Law Enforcement Commercial/Industrial: Per square foot of total building area. Citywide, excluding Temescal Valley Temescal Valley	Building Permit	\$212.00 \$338.00	\$212.00 \$338.00	\$91.00 \$146.00	\$366.00 \$583.00	\$30.00 \$30.00	\$140.00 \$140.00	\$212.00 \$338.00	\$496.00 \$791.00	\$0.18 \$0.28	\$0.18 \$0.28	\$0.18 \$0.28	\$0.01 \$0.02
Fire Protection Facilities Commercial/Industrial: Per square foot of total building area. Citywide, excluding Temescal Valley Temescal Valley	Building Permit	\$352.00 \$627.00	\$349.00 \$627.00	\$466.00 \$836.00	\$466.00 \$836.00	\$1,401.00 \$1,401.00	\$4,032.00 \$4,032.00	\$349.00 \$627.00	\$314.00 \$563.00	\$0.16 \$0.29	\$0.16 \$0.29	\$0.16 \$0.29	\$0.02 \$0.03
Radio Communications Facilities Temescal Valley	Building Permit	\$60.00	\$60.00	\$45.00	\$95.00	\$57.00	\$57.00	\$60.00	\$109.00	\$0.069	\$0.069	\$0.069	\$0.004
Library Expansion Facilities Citywide	Building Permit	\$479.00	\$479.00	\$369.00	\$346.00	\$174.00	\$176.00	\$479.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Quimby Fees Citywide	Subdivision Map	\$12,708.00	\$12,708.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Public Meeting Facilities Citywide	Building Permit	\$311.00	\$311.00	\$218.00	\$218.00	\$101.00	\$102.00	\$193.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Aquatic Center Facilities Citywide	Building Permit	\$192.00	\$192.00	\$135.00	\$135.00	\$48.00	\$48.00	\$120.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Parkland and Open Space Commercial/Industrial: Per square foot of building footprint. Citywide	Building Permit	\$12,708.00	\$12,708.00	\$8,924.00	\$8,924.00	\$4,130.00	\$0.00	\$7,884.00	\$160.00	\$0.09	\$0.09	\$0.09	\$0.37
Landscape Improvement Fee South Corona (Per EDU)	Subdivision Map	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	\$1,391.00	Not Applicable
Community Facilities Plan and Reimbursement South Corona (Per EDU)	Building Permit	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	\$68.00	Not Applicable
Multi Species Habitat Conservation Plan (MSHCP) Fee ⁵ Citywide	Building Permit	\$2,104.00	\$2,104.00	\$2,104.00	\$1,347.00 (8-14 D.U./acre) \$1,094.00 (Over 14 D.U./acre)	\$1,347.00 (8-14 D.U./acre) \$1,094.00 (Over 14 D.U./acre)	\$1,347.00 (8-14 D.U./acre) \$1,094.00 (Over 14 D.U./acre)	\$2,104.00	\$7,164.00 (Per acre)	\$7,164.00 (Per acre)	\$7,164.00 (Per acre)	\$7,164.00 (Per acre)	\$7,164.00 (Per acre)
Fire Facilities Fee High Fire Risk Area	Building Permit	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)	\$231.00 (per acre)

¹ Multi-Family Residential classification for City's street and signal impact fee is based upon the City's landuse designation.

² TUMF rates effective from November 1, 2017.

³ Residential developments with densities greater than 8 D.U. per acre are considered Multi-Family.

⁴ In February 2005 and April 2006, respectively, the Class "A" Office and Class "B" Office categories were created. See Ordinance No. 2815, effective 5/19/06, for adopted definition. Also available at the WRCOG website, <http://www.wrcog.cog.ca.us/199/Administration-Fees>

⁵ MSCHP Fee increases effective as of July 1, 2018.

⁶ Ordinance 2993, establishing fees for Senior Restricted Attached Units and Assisted Care Living Units



Fire Facilities Fees

Ordinance No. 2077

October 17, 1991

The purpose of this fee is to finance fire facilities to serve new development in the urban/wildland interface area abutting the Cleveland National Forest. The following fee is collected to accomplish this goal.

Per Acre

207/Fire Wildland Facilities Fee

\$ 231.00



Temescal Canyon Public Safety Facility Impact Fees

Adopted on May 20, 2009; Ordinance 2990

The fees will be effective on June 19, 2009, applicable to all development within the attached service area in the Temescal Valley area of the City.

FIRE IMPACT FEE

<i>Single Family Detached Dwellings</i>	<i>\$376.20 per unit</i>
<i>Single Family Attached Dwellings</i>	<i>\$501.60 per unit</i>
<i>Multiple Family Dwellings</i>	<i>\$501.60 per unit</i>
<i>Commercial Lodging</i>	<i>\$337.80 per unit</i>
<i>Commercial Uses</i>	<i>\$0.174/square foot</i>
<i>Industrial Uses</i>	<i>\$0.018/square foot</i>

POLICE IMPACT FEE

<i>Single Family Detached Dwellings</i>	<i>\$202.80 per unit</i>
<i>Single Family Attached Dwellings</i>	<i>\$87.60 per unit</i>
<i>Multiple Family Dwellings</i>	<i>\$349.80 per unit</i>
<i>Commercial Lodging</i>	<i>\$474.60 per unit</i>
<i>Commercial Uses</i>	<i>\$0.168/square foot</i>
<i>Industrial Uses</i>	<i>\$0.012/square foot</i>

Water Meter Application Fees
City Ordinance Nos. 2911, 2947, 3005 and 3108

Water Supply Fee

High Density or Urban Density Residential Domestic Water Service Only
(Effective May 4, 2012)

<u>Meter Size</u>	<u>All Zones</u>
1/2" ¹	\$2,512.00
5/8" ¹	\$3,350.00
3/4"	\$5,024.00

All Other Water Service

<u>Meter Size</u>	<u>All Zones</u>
1/2" ¹	\$5,024.00
5/8" ¹	\$6,699.00
3/4"	\$10,048.00
1"	\$15,072.00
1 1/2"	\$25,121.00
2"	\$50,241.00
3"	\$80,386.00
4"	\$150,724.00
6"	\$251,207.00

¹ ***1/2" and 5/8" meter sizes shall be available only for multi-family residential units per Ordinance No. 2947.***

Sewer Capacity Fee Estimates - \$15.48 / GPD
City Ordinance Nos. 2911, 2947 and 3212

SFD	300 gpd/unit	Gym w/o Shower	0.25 gpd/sf
Secondary Unit	200 gpd/unit	Gym w/Shower	0.50 gpd/sf
Apartment	200 gpd/unit	Recreation Room	0.29 gpd/sf
Apartment w/Washer	240 gpd/unit	Recreation Area (outside)	0.15 gpd/sf
Washing Machine (Apt.)	250 gpd/machine		
Motel w/Kitchen	200 gpd/unit	Medical	0.31 gpd/sf
Motel w/o Kitchen	120 gpd/unit	Care Center	96 gpd/occ
Urban Density Development	160 gpd/unit	- Independent Living	1.3 occ/rm
		- Assisted Living	1.5 occ/rm
Office	0.15 gpd/sf	Church Assembly	0.50 gpd/sf
Warehouse	0.03 gpd/sf	Church Classroom	0.15 gpd/sf
Manufacturing	0.05 gpd/sf	School	15 gpd/occ
Retail (plus water closet)	0.10 gpd/sf + 200 gpd/wc	Day Care	0.43 gpd/sf
Bank	0.13 gpd/sf		
Beauty Shop	50 gpd/styling station	Park	150 gpd/acre
Nail Salon	15 gpd/seat	Fire Station	15 gpd/occ
Theater	5 gpd/seat		
		Market	0.25 gpd/sf
Gas Station	500 gpd/island	Bakery	0.30 gpd/sf
Gas Station Bay	300 gpd/bay	Donut Shop	0.30 gpd/sf
Auto Body Repair	0.08 gpd/sf	Fast Food w/o Seats	0.30 gpd/sf
Car Wash	3,000 gpd	Fast Food w/Seats	20 gpd/seat
Self-Service Car Wash	750 gpd/bay	Deli w/Seats	20 gpd/seat
Laundromat	400 gpd/machine	Restaurant	35 gpd/seat
		Bar/Coffee	15 gpd/occ

Sewer Capacity Fee Examples:

$$\begin{array}{rcl}
 \text{Retail: } 2,100 \text{ sf} \times 0.10 \text{ gpd/sf} & = & 210 \text{ gpd} \\
 \text{Plus Water Closets: } 2 \text{ wc} \times 400 \text{ gpd/wc} & = & \underline{800 \text{ gpd}} \\
 & & 1,010 \text{ gpd} \\
 & & \underline{\times \$15.48} \quad \underline{/ \text{gpd}} \\
 & & \$15,634.80
 \end{array}$$

$$\begin{array}{rcl}
 \text{Deli w/Seats} = 25 \text{ seats} \times 20 \text{ gpd/seat} & = & 500 \text{ gpd} \\
 & & \underline{\times \$15.48} \quad \underline{/ \text{gpd}} \\
 & & \$7,740.00
 \end{array}$$

Sewer Capacity Fee Estimates - \$15.48 / GPD
City Ordinance Nos. 2911, 2947 and 3212

Frontage Fee

No frontage fee collected unless a reimbursement agreement is in effect.

Sewer Capacity Fee for Sewer Connection

Base Rate: \$15.48 per gallon per day

Examples:

Single Family Dwelling:	300 GPD = \$4,644.00 / dwelling
Multi-Family Dwelling:	240 GPD = \$3,715.20 / dwelling
Apartments:	200 GPD = \$3,096.00 / dwelling
Office Building:	\$232.20 / 100 sq. ft.
Warehouse:	\$46.44 / 100 sq. ft.
Manufacturing:	\$77.40 / 100 sq. ft.

All connection fees will be determined at time of building permit.

Revised: March 21, 2012

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Library Facilities and Collection Fee	\$ 80,974.43	\$ 293,947.00	\$ 9,384.63	\$ -	\$ -	\$ 206,691.73	\$ 72,069.51	\$ -	\$ 312,236.55	\$ 134,622.22

Purpose of Fee: A fund created to provide for the expansion of the existing library, equipment, books, and materials.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
20644610	Administrative Services.....	858.00	858.00	-
63900206	Library Materials.....	135,001.73	60,980.43	74,021.30
72590206	Library Automated Materials Handling System (AMHS).....	64,000.00	10,231.08	53,768.92
86900206	Citywide Facilities Inventory.....	4,000.00	-	4,000.00
86910206	Citywide Fee Review.....	2,832.00	-	2,832.00
	Total Expenditures and Appropriations - Fund 206	\$ 206,691.73	\$ 72,069.51	\$ 134,622.22

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
63900206	Library Materials.....	74,021.00	-	-	-	-	74,021.00
72590206	Library Automated Materials Handling System (AMHS).....	53,769.00	-	-	-	-	53,769.00
86900206	Citywide Facilities Inventory.....	4,000.00	-	-	-	-	4,000.00
86910206	Citywide Development Impact Fee Review.....	2,832.00	-	-	-	-	2,832.00
		\$ 134,622.00	\$ -	\$ -	\$ -	\$ -	\$ 134,622.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Fire Wild Land Facilities Fee	\$ 25,220.19	\$ 27,858.94	\$ 1,119.39	\$ -	\$ -	\$ 25,478.63	\$ 23,740.68	\$ -	\$ 30,457.84	\$ 1,737.95

Purpose of Fee: A fund created to provide for firefighting costs related to areas threatened by wild land fires.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
20744610	Administrative Services.....	875.00	542.00	333.00
62900207	Fire Equipment Acquisition.....	24,603.63	23,198.68	1,404.95
	Total Expenditures and Appropriations - Fund 207	\$ 25,478.63	\$ 23,740.68	\$ 1,737.95

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
62900207	Fire Equipment Acquisition.....	1,405.00	-	-	-	-	1,405.00
		\$ 1,405.00	\$ -	\$ -	\$ -	\$ -	\$ 1,405.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Restated Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Temescal Canyon Law Enforcement Facilities Fee	\$ -	\$ 95,713.92	\$ -	\$ -	\$ -	\$ 6,832.00	\$ 3,763.92	\$ -	\$ 91,950.00	\$ 6,832.00

Purpose of Fee: A fund created to provide for police facilities through Residential Developer Fees within the Temescal Canyon area.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
86900208	Citywide Facilities Inventory.....	4,000.00	-	4,000.00
86910208	Citywide Development Impact Fee Review.....	2,832.00	-	2,832.00
Loan Repayment	Loan Repayment for Temescal Canyon Public Safety Facility....	-	3,763.92	-
Total Expenditures and Appropriations - Fund 208		\$ 6,832.00	\$ 3,763.92	\$ 6,832.00

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
86900208	Citywide Facilities Inventory.....	4,000.00	-	-	-	-	4,000.00
86910208	Citywide Development Impact Fee Review.....	2,832.00	-	-	-	-	2,832.00
		\$ 6,832.00	\$ -	\$ -	\$ -	\$ -	\$ 6,832.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Restated Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Temescal Canyon Fire Facilities Fee	\$ -	\$ 136,205.65	\$ -	\$ -	\$ -	\$ 6,832.00	\$ 7,317.65	\$ -	\$ 128,888.00	\$ 6,832.00

Purpose of Fee: A fund created to provide for fire facilities through Residential Developer Fees within the Temescal Canyon area.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
86900209	Citywide Facilities Inventory.....	4,000.00	-	4,000.00
86910209	Citywide Development Impact Fee Review.....	2,832.00	-	2,832.00
Loan Repayment	Loan Repayment for Temescal Canyon Public Safety Facility.....	-	7,317.65	-
Total Expenditures and Appropriations - Fund 209		\$ 6,832.00	\$ 7,317.65	\$ 6,832.00

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
86900209	Citywide Facilities Inventory.....	4,000.00	-	-	-	-	4,000.00
86910209	Citywide Development Impact Fee Review.....	2,832.00	-	-	-	-	2,832.00
		\$ 6,832.00	\$ -	\$ -	\$ -	\$ -	\$ 6,832.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Streets, Bridges and Signals Development Fee	\$ 9,887,704.83	\$ 2,740,645.99	\$ 470,634.90	\$ 284.36	\$ -	\$ 8,634,369.62	\$ 524,415.87	\$ -	\$ 12,574,854.21	\$ 8,109,953.75

Purpose of Fee: A fund created to provide for street and bridge widenings and new signals citywide.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21144610	Administrative Services.....	58,592.00	5,621.00	52,971.00
62410211	Magnolia Avenue Widening.....	506,321.07	-	506,321.07
69500211	Cajalco / I-15 Interchange Improvements.....	232,828.00	-	232,828.00
69510211	Citywide Master Plan Street Improvements.....	1,587,748.38	-	1,587,748.38
70630211	Citywide Traffic Signals.....	2,638,388.59	17,724.89	2,620,663.70
71800211	ATMS Phase III / ATMS Master Plan Update.....	1,500,000.00	12,007.26	1,487,992.74
71840211	Traffic Signal Maintenance Facility.....	230,000.00	-	230,000.00
72100211	Ontario Avenue Widening.....	1,236,217.55	145,592.80	1,090,624.75
72110211	Traffic Signal at Green River Rd/Montana Ranch Rd.....	449,323.88	343,469.92	105,853.96
72140211	Traffic Signal Installation at Ontario Ave/State St.....	75,000.00	-	75,000.00
80020211	So Corona Master Planned Streets.....	100,000.00	-	100,000.00
86040211	Foothill Parkway Westerly Extension.....	43.15	-	43.15
86900211	Citywide Facilities Inventory.....	9,900.00	-	9,900.00
86691211	Citywide Development Impact Fee Review.....	10,007.00	-	10,007.00
Total Expenditures and Appropriations - Fund 211		\$ 8,634,369.62	\$ 524,415.87	\$ 8,109,953.75

Streets, Bridges and Signals Development Fee

COMMITMENTS FOR FUTURE PROJECTS:

Project		Estimated Continuing Appropriations	19/20	20/21	21/22	Future Years	Total
62410211	Magnolia Avenue Widening.....	506,321.00	750,000.00	-	-	1,000,000.00	2,256,321.00
69500211	Cajalco / I-15 Interchange Improvements.....	232,828.00	-	-	-	-	232,828.00
69510211	Citywide Master Plan Street Improvements.....	1,587,748.00	-	-	-	-	1,587,748.00
70630211	Citywide Traffic Signals.....	2,620,664.00	-	-	-	-	2,620,664.00
71800211	ATMS Phase III / ATMS Master Plan Update.....	1,487,993.00	-	500,000.00	-	-	1,987,993.00
71840211	Traffic Signal Maintenance Facility.....	230,000.00	-	-	-	-	230,000.00
72100211	Ontario Avenue Widening.....	1,090,625.00	-	-	-	-	1,090,625.00
72110211	Traffic Signal at Green River Rd/Montana Ranch Rd.....	105,854.00	-	-	-	-	105,854.00
72140211	Traffic Signal Installation at Ontario Ave/State St.....	75,000.00	-	-	-	-	75,000.00
80020211	South Corona Master Planned Streets.....	100,000.00	-	-	-	-	100,000.00
86040211	Foothill Parkway Westerly Extension.....	43.00	-	-	-	-	43.00
86900211	Citywide Facilities Inventory.....	9,900.00	-	-	-	-	9,900.00
86910211	Citywide Development Impact Fee Review.....	10,007.00	-	-	-	-	10,007.00
		\$ 8,056,983.00	\$ 750,000.00	\$ 500,000.00	\$ -	\$ 1,000,000.00	\$ 10,306,983.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Restated Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Storm Drainage Development Fee	\$ 2,256,304.95	\$ 215,686.73	\$ 117,864.22	\$ -	\$ -	\$ 612,368.20	\$ 83,941.91	\$ -	\$ 2,505,913.99	\$ 528,426.29

Purpose of Fee: A fund created to provide for the construction of new flood and storm drain lines and channels citywide.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21244610	Administrative Services.....	25,278.00	903.00	24,375.00
62910212	Corona Storm Drain Line 52.....	81,715.58	67,686.94	14,028.64
62920212	East Grand Blvd Storm Drain.....	139,940.61	(1,431.58)	141,372.19
86050212	Chase Drive Improvements - Phase III.....	90,906.00	-	90,906.00
86900212	Citywide Facilities Inventory.....	47,297.00	-	47,297.00
86910212	Citywide Development Impact Fee Review.....	5,382.00	-	5,382.00
86920212	Reimbursement Agreement Payments - Drainage.....	221,849.01	16,783.55	205,065.46
	Total Expenditures and Appropriations - Fund 212	\$ 612,368.20	\$ 83,941.91	\$ 528,426.29

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
62910212	Corona Storm Drain Line 52.....	14,029.00	-	-	-	-	14,029.00
62920212	East Grand Blvd Storm Drain.....	141,372.00	-	-	-	-	141,372.00
86050212	Chase Drive Improvements - Phase III.....	90,906.00	-	-	-	-	90,906.00
86900212	Citywide Facilities Inventory.....	47,297.00	-	-	-	-	47,297.00
86910212	Citywide Development Impact Fee Review.....	5,382.00	-	-	-	-	5,382.00
86920212	Reimbursement Agreement Payments - Drainage.....	205,065.00	10,000.00	10,000.00	10,000.00	50,000.00	285,065.00
		\$ 504,051.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 50,000.00	\$ 584,051.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Law Enforcement Development Fee	\$ 90,656.03	\$ 218,249.10	\$ 6,834.13	\$ -	\$ -	\$ 53,454.28	\$ 25,936.31	\$ -	\$ 289,802.95	\$ 27,517.97

Purpose of Fee: A fund created to provide for police station expansion and acquisition of additional equipment and vehicles.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21344610	Administrative Services.....	2,317.00	572.00	1,745.00
69120213	City Unified Camera Project.....	1,288.50	-	1,288.50
86450213	Police Equipment Acquisition.....	43,016.78	25,364.31	17,652.47
86900213	Citywide Facilities Inventory.....	4,000.00	-	4,000.00
86910213	Citywide Development Impact Fee Review.....	2,832.00	-	2,832.00
Total Expenditures and Appropriations - Fund 213		\$ 53,454.28	\$ 25,936.31	\$ 27,517.97

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
69120213	City Unified Camera Project.....	1,289.00	-	-	-	-	1,289.00
86450213	Police Equipment Acquisition.....	17,652.00	144,000.00	-	-	-	161,652.00
86900213	Citywide Facilities Inventory.....	4,000.00	-	-	-	-	4,000.00
86910213	Citywide Development Impact Fee Review.....	2,832.00	-	-	-	-	2,832.00
		\$ 25,773.00	\$ 144,000.00	\$ -	\$ -	\$ -	\$ 169,773.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Fire Protection Development Fee	\$ 504,600.13	\$ 286,406.15	\$ 25,718.89	\$ -	\$ -	\$ 485,557.11	\$ 27,763.03	\$ -	\$ 788,962.14	\$ 457,794.08

Purpose of Fee: A fund created to provide for existing station expansions, numerous pumpers and a new fire station.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21444610	Administrative Services.....	13,496.00	776.00	12,720.00
62900214	Fire Equipment Acquisition.....	179,294.48	26,987.03	152,307.45
64110214	Fire Facilities Expansion/Planning.....	48,979.00	-	48,979.00
71660214	Fire Station Alerting Systems.....	237,000.00	-	237,000.00
86900214	Citywide Facilities Inventory.....	3,955.63	-	3,955.63
86910214	Citywide Development Impact Fee Review.....	2,832.00	-	2,832.00
	Total Expenditures and Appropriations - Fund 214	\$ 485,557.11	\$ 27,763.03	\$ 457,794.08

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
62900214	Fire Equipment Acquisition.....	152,307.00	-	-	-	-	152,307.00
64110214	Fire Facilities Expansion/Planning.....	48,979.00	-	-	-	-	48,979.00
71660214	Fire Station Alerting Systems.....	237,000.00	48,000.00	-	-	-	285,000.00
86900214	Citywide Facilities Inventory.....	3,956.00	-	-	-	-	3,956.00
86910214	Citywide Development Impact Fee Review.....	2,832.00	-	-	-	-	2,832.00
		\$ 445,074.00	\$ 48,000.00	\$ -	\$ -	\$ -	\$ 493,074.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Community Meeting Development Fee	\$ 112,176.50	\$ 177,895.00	\$ 8,849.65	\$ -	\$ -	\$ 69,984.17	\$ 5,389.48	\$ -	\$ 293,531.67	\$ 64,594.69

Purpose of Fee: A fund created to provide for the construction of additional community centers for classes, meetings, and general public use.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21544610	Administrative Services.....	843.00	469.00	374.00
71640215	Vicentia Activity Center.....	32,309.17	4,920.48	27,388.69
73840215	Parks Facilities and Amenities Inventory.....	30,000.00	-	30,000.00
86900215	Citywide Facilities Inventory.....	4,000.00	-	4,000.00
86910215	Citywide Development Impact Fee Review.....	2,832.00	-	2,832.00
Total Expenditures and Appropriations - Fund 215		\$ 69,984.17	\$ 5,389.48	\$ 64,594.69

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
61690215	Civic Center Gymnasium.....	-	-	-	-	570,000.00	570,000.00
71640215	Vicentia Activity Center.....	27,389.00	-	-	-	105,000.00	132,389.00
73840215	Parks Facilities and Amenities Inventory.....	30,000.00	-	-	-	-	30,000.00
86900215	Citywide Facilities Inventory.....	4,000.00	-	-	-	-	4,000.00
86910215	Citywide Development Impact Fee Review.....	2,832.00	-	-	-	-	2,832.00
		\$ 64,221.00	\$ -	\$ -	\$ -	\$ 675,000.00	\$ 739,221.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Aquatic Center Development Fee	\$ 173,670.76	\$ 110,088.00	\$ 9,915.40	\$ -	\$ -	\$ 115,914.00	\$ 172.00	\$ -	\$ 293,502.16	\$ 115,742.00

Purpose of Fee: A fund created to provide for additional pool space and changing quarters citywide.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21644610	Administrative Services.....	1,812.00	172.00	1,640.00
69630216	Aquatic Improvements.....	107,375.00	-	107,375.00
86900216	Citywide Facilities Inventory.....	5,645.00	-	5,645.00
86910216	Citywide Development Impact Fee Review.....	1,082.00	-	1,082.00
	Total Expenditures and Appropriations - Fund 216	\$ 115,914.00	\$ 172.00	\$ 115,742.00

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
69630216	Aquatic Improvements.....	107,375.00	-	-	-	-	107,375.00
86900216	Citywide Facilities Inventory.....	5,645.00	-	-	-	-	5,645.00
86910216	Citywide Development Impact Fee Review.....	1,082.00	-	-	-	-	1,082.00
		\$ 114,102.00	\$ -	\$ -	\$ -	\$ -	\$ 114,102.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Parkland Acquisition and Development Fee	\$ 5,117,369.39	\$ 2,395,960.32	\$ 256,013.51	\$ -	\$ -	\$ 4,221,838.27	\$ 55,738.39	\$ -	\$ 7,713,604.83	\$ 4,166,099.88

Purpose of Fee: A fund created to provide for the development of new parks, recreation areas, and open space citywide.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
21744610	Administrative Services.....	38,784.00	8,305.00	30,479.00
21742900	Professional and Contract Services.....	5,375.50	5,025.00	350.50
68690217	Citywide ADA Improvements.....	225,000.00	-	225,000.00
68900217	Parks Hardscape Improvements.....	1,285,189.44	-	1,285,189.44
68960217	Parks Basic Amenities.....	949,488.46	-	949,488.46
68980217	Parks Enhanced Amenities.....	598.36	-	598.36
68990217	Parks Lighting Improvements.....	105,035.82	-	105,035.82
69010217	Parks Facility Improvements.....	612,722.73	-	612,722.73
71610217	City Park Basketball and Volleyball Court Relocation.....	42,408.39	42,408.39	-
71720217	Griffin Park Enhancements.....	296,595.57	-	296,595.57
72600217	Auburndale Amenities Improvements.....	630,640.00	-	630,640.00
73840217	Parks Facilities and Amenities Inventory.....	30,000.00	-	30,000.00
Total Expenditures and Appropriations - Fund 217		\$ 4,221,838.27	\$ 55,738.39	\$ 4,166,099.88

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>	<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
68690217 Citywide ADA Improvements.....	225,000.00	-	-	-	-	225,000.00
68900217 Parks Hardscape Improvements.....	1,285,189.00	-	-	-	-	1,285,189.00
68960217 Parks Basic Amenities.....	949,488.00	-	-	-	-	949,488.00
68980217 Parks Enhanced Amenities.....	598.00	-	-	-	-	598.00
68990217 Parks Lighting Improvements.....	105,036.00	-	-	-	-	105,036.00
69010217 Parks Facility Improvements.....	612,723.00	-	-	-	-	612,723.00
71720217 Griffin Park Enhancements.....	296,596.00	-	-	-	-	296,596.00
72600217 Auburndale Amenities Improvements.....	630,640.00	-	-	-	-	630,640.00
73800217 Mountain Gate Park Playground Equipment	-	80,000.00	-	-	-	80,000.00
73840217 Parks Facilities and Amenties Inventory.....	30,000.00	-	-	-	-	30,000.00
73850217 Lincoln Park ADA Playground Improvements.....	-	200,000.00	-	-	-	200,000.00
	\$ 4,135,270.00	\$ 280,000.00	\$ -	\$ -	\$ -	\$ 4,415,270.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Thoroughfares Facilities Fee	\$ 1,497,568.61	\$ 27,748.60	\$ 34,273.33	\$ -	\$ -	\$ 1,167,761.44	\$ 51,651.00	\$ -	\$ 1,507,939.54	\$ 1,116,110.44

Purpose of Fee: A fund created to provide for master planned street improvements in South Corona.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
26144610	Administrative Services.....	10,775.00	1,355.00	9,420.00
80020261	South Corona Master Planned Streets.....	515,801.53	-	515,801.53
86040261	Foothill Parkway Westerly Extension.....	260,491.91	50,296.00	210,195.91
86050261	Chase Drive Improvements Phase III.....	377,693.00	-	377,693.00
86910261	Citywide Development Impact Fee Review.....	3,000.00	-	3,000.00
	Total Expenditures and Appropriations - Fund 261	\$ 1,167,761.44	\$ 51,651.00	\$ 1,116,110.44

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
80020261	South Corona Master Planned Streets.....	515,802.00	-	-	-	-	515,802.00
86040261	Foothill Parkway Westerly Extension.....	210,196.00	-	-	-	-	210,196.00
86050261	Chase Drive Improvements Phase III.....	377,693.00	-	-	-	-	377,693.00
86910261	Citywide Development Impact Fee Review.....	3,000.00	-	-	-	-	3,000.00
		\$ 1,106,691.00	\$ -	\$ -	\$ -	\$ -	\$ 1,106,691.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Landscaping Facilities Fee	\$ 1,347,917.96	\$ 5,377.84	\$ 53,795.52	\$ -	\$ -	\$ 1,088,531.89	\$ 310,826.88	\$ -	\$ 1,096,264.44	\$ 777,705.01

Purpose of Fee: A fund created to provide for master planned landscape improvements in South Corona.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
27444610	Administrative Services.....	8,917.00	748.00	8,169.00
80080274	South Corona Master Planned Landscape.....	767,166.00	-	767,166.00
86040274	Foothill Parkway Westerly Extension.....	310,078.89	310,078.88	0.01
86900274	Citywide Facilities Inventory.....	2,370.00	-	2,370.00
	Total Expenditures and Appropriations - Fund 274	\$ 1,088,531.89	\$ 310,826.88	\$ 777,705.01

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
80080274	South Corona Master Planned Landscape.....	767,166.00	29,000.00	-	-	-	796,166.00
86900274	Citywide Facilities Inventory.....	2,370.00	-	-	-	-	2,370.00
		\$ 769,536.00	\$ 29,000.00	\$ -	\$ -	\$ -	\$ 798,536.00

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Sewer Development Fee	\$ 5,769,050.01	\$ 5,114,508.88	\$ 135,651.55	\$ -	\$ -	\$ 3,197,821.23	\$ 2,646,554.81	\$ -	\$ 8,372,655.63	\$ 551,266.42

Purpose of Fee: A fund created to provide for sewer connection services as well as a capital reserve for the purpose of constructing needed sewer facilities citywide.

BUDGET AND EXPENDITURES:

<u>Project</u>		<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
44015902	JPA-Western Riverside County Regional Wastewater Authority - SRF Loan.....	1,723,279.00	1,723,279.00	-
44042350	Program Expenditures.....	3,396.00	3,396.00	-
44044100	Debt Service Payment for 2013 Wastewater Revenue Bonds.....	1,463,424.00	913,707.81	549,716.19
44044610	Administrative Services.....	6,172.00	6,172.00	-
71030440	Geographic Information System Master Plan.....	1,550.23	-	1,550.23
Total Expenditures and Appropriations - Fund 440		\$ 3,197,821.23	\$ 2,646,554.81	\$ 551,266.42

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
44015902	JPA-Western Riverside County Regional Wastewater Authority - SRF Loan.....	-	1,903,188.66	1,903,188.66	1,903,188.66	30,451,018.56	36,160,584.54
44044100	Debt Service Payment for 2013 Wastewater Revenue Bonds.....	-	377,067.00	377,400.00	377,363.00	3,747,378.50	4,879,208.50
71030440	Geographic Information System Master Plan.....	1,550.23	-	-	-	-	1,550.23
		1,550.23	2,280,255.66	2,280,588.66	2,280,551.66	34,198,397.06	41,041,343.27

City of Corona
AB1600 Development Impact Fees Annual Report
Capital Improvement Projects Funded by Developer Fees
Fiscal Year Ended June 30, 2019

FEE TYPE AND USE	Restated Beginning Fund Balance	Developer Fee Revenue	Interest Earned	Other Revenues	Transfers In	Current Fiscal Year Budget	Expenditures	Transfers Out	Ending Fund Balance	FYE 2019 Appropriation Balance
Water Development Fee	\$ (4,725,398.94)	\$ 7,134,393.22	\$ (8,674.29)	\$ 1,283,159.03	\$ -	\$ 4,705,399.55	\$ 3,633,504.03	\$ -	\$ 49,974.99	\$ 1,071,895.52

Purpose of Fee: A fund created to provide for existing water facilities improvements and to construct new water facilities citywide.

BUDGET AND EXPENDITURES:

<u>Project</u>	<u>Annual Budget</u>	<u>Expenditures</u>	<u>Current Appropriation</u>
50742350 Program Expenditures.....	10,048.00	10,048.00	-
50744100 Debt Service Payment for 2012 Water Revenue Bonds.....	1,555,865.38	1,379,166.00	176,699.38
50744610 Administrative Services.....	40,482.00	10,048.17	30,433.83
68420507 HG Water District Well Collection Project.....	231,799.39	231,799.39	-
68510507 HG Ion Exchange Resin Treatment Plant.....	152,359.56	152,359.56	-
68519507 HG Ion Exchange Resin Treatment Plant - Ineligible Expenses.....	71,250.88	71,250.88	-
69070507 Coldwater/Mayhew Canyon Recharge Basin.....	481,501.99	3,631.34	477,870.65
69770507 1380 - Zone Water Storage Tank.....	100,000.00	915.14	99,084.86
70330507 Home Gardens Well 33.....	870,327.55	870,327.55	-
70339507 Home Gardens Well 33 - Non GT.....	1,014.01	1,014.01	-
72060507 Home Gardens Well 32.....	204,168.39	204,168.39	-
72069507 Home Gardens Well 32 - Non GT.....	305.15	305.15	-
72320507 Sixth Street Waterline Grand / Rimpau.....	450,000.00	222,799.55	227,200.45
72390507 Bedford Canyon Road Waterline.....	248,394.44	248,394.44	-
72400507 Sierra Bella Booster Station.....	287,882.81	227,276.46	60,606.35
Total Expenditures and Appropriations - Fund 507	\$ 4,705,399.55	\$ 3,633,504.03	\$ 1,071,895.52

Water Development Fee

COMMITMENTS FOR FUTURE PROJECTS:

<u>Project</u>		<u>Estimated Continuing Appropriations</u>	<u>19/20</u>	<u>20/21</u>	<u>21/22</u>	<u>Future Years</u>	<u>Total</u>
50744100	Debt Service Payment for 2012 Water Revenue Bonds.....	-	1,125,193.75	1,121,965.00	1,122,990.00	12,263,858.50	15,634,007.25
69070507	Coldwater/Mayhew Canyon Recharge Basin.....	477,871.00				-	477,871.00
69770507	1380 - Zone Water Storage Tank.....	99,085.00	-	-	-	-	99,085.00
72320507	Sixth Street Waterline Grand / Rimpau.....	227,200.00	-	-	-	-	227,200.00
72400507	Sierra Bella Booster Station.....	60,606.00	-	-	-	-	60,606.00
		\$ 864,762.00	\$ 1,125,193.75	\$ 1,121,965.00	\$ 1,122,990.00	\$ 12,263,858.50	\$16,498,769.25

CITY OF CORONA



FISCAL YEAR ENDING

JUNE 30, 2019

SENATE BILL 165

ANNUAL REPORT ON VOTER APPROVED DEBT SECTION 53411



SPICER CONSULTING
GROUP

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Bond Accountability Act (Senate Bill 165)

Senate Bill 165 (SB 165) shall be cited as the Local Agency Special Tax and Bond Accountability Act (the "Act"). This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act only applies to bonds issued on or after January 1, 2001 in accordance with Sections 50075.1 and 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation (bond issuance) of the Special Tax District and others are handled through annual reports. This section of the report intends to comply with Sections 50075.3 and 53411 of the California Government Code that states:

The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, after the bonds have been issued and at least once a year thereafter. The Annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1 and Section 53410.

Community Facilities District No. 2000-1 (Eagle Glen II)
 Special Tax Bonds 2002 Series A
 Special Tax Bonds 2003 Series B

Location

Community Facilities District No. 2000-1 (the "CFD No. 2000-1") is generally located in the Bedford Canyon area, southeasterly of the downtown area of the City, westerly of the Route 15/Cajalco Road freeway interchange and approximately 5 miles south of the interchange between State Route 91 and the Interstate 15 Freeway.

Authorized Facilities and Bonds

CFD No. 2000-1 was formed to finance major public improvements which include roadway, drainage, park, water and sewer improvements. The District currently has two series of bonds, the Special Tax Bonds 2002 Series A and 2003 Series B Bonds.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$603,845
Less: Delinquency as of 10/22/2019	\$2,863
Total Special Taxes Collected	\$600,982
2019 Expenditures	
2002 Bonds	
Bond Interest – 3/1/2019	\$112,479
Bond Interest – 9/1/2019	\$112,479
Bond Principal – 9/1/2019	\$205,000
2003 Bonds	
Bond Interest – 3/1/2019	\$27,586
Bond Interest – 9/1/2019	\$27,586
Bond Principal – 9/1/2019	\$55,000
Administrative Expenses ⁽¹⁾	\$38,000
Total Expenditures	\$578,130
Ending Special Tax Fund Balance	\$22,852

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by these Bond series are complete. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2000-1	2002	\$4,299,730.15	\$4,299,730.15	\$0.00	Complete
	2003	\$1,232,183.75	\$1,232,183.75	\$0.00	Complete

Community Facilities District No. 2001-2 Improvement Area 1 and 2 (Cresta Verde Hills and Vista Grande) Special Tax Bonds, 2002 Series A

Location

Community Facilities District No. 2001-2 (the "CFD No. 2001-2") is located in the northeasterly and southerly portion of the City. The district consists of two non-contiguous Improvement Areas. Improvement Area No. 1, known as "Cresta Verde Hills", consists of approximately 55 gross acres. It is located approximately 1-mile northeast of the interchange between State Route 91 and the Interstate 15 Freeway. Improvement Area No. 2, known as "Vista Grande", consists of approximately 12.5 gross acres. It is located approximately 3 miles south the interchange between State Route 91 and the Interstate 15 Freeway.

Authorized Facilities and Bonds

CFD No. 2001-2 was formed to finance the costs of certain improvements which include water and sewer system improvements, street improvements and traffic signals, storm drainage improvements, park and recreation improvements, public safety improvements, landscape and appurtenant improvements, library improvements, and the acquisition of parkland and open space.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$294,814
Less: Delinquency as of 10/22/2019	\$1,988
Total Special Taxes Collected	\$292,826
2019 Expenditures	
Bond Interest – 3/1/2019	\$73,651
Bond Interest – 9/1/2019	\$73,651
Bond Principal – 9/1/2019	\$110,000
Administrative Expenses ⁽¹⁾	\$32,000
Total Expenditures	\$289,302
Ending Special Tax Fund Balance	\$3,524

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by this Bond series is complete. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status the amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2001-2	2002	\$1,342,213.12	\$1,342,213.12	\$0.00	Complete

Community Facilities District No. 2002-1 (Dos Lagos) 2017 Special Tax Refunding Bonds

Location

Community Facilities District No. 2002-1 (the “CFD No. 2002-1”) is located in the southeastern portion of the City on both sides of Temescal Canyon Road between Cajalco Road and Weirick Road and east of Interstate 15.

Authorized Facilities and Bonds

CFD No. 2002-1 was formed for the purpose of constructing and acquiring certain public improvements needed to meet increased demand upon the City of Corona as a result of development within the boundaries of the District. The public facilities financed by the District include water, reclaimed water and sewer system master plan improvements, drainage and flood control master plan improvements, Temescal Canyon Road and Weirick Road Improvements, qualified undergrounding of utilities, master plan signals, public improvements within Westside Area (Tract 32538), and I-15 at Weirick Road northbound and southbound ramps.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$1,145,832
Credit to Levy ⁽¹⁾	(\$24,500)
Less: Delinquency as of 10/22/2019	\$9,722
Total Special Taxes Collected	\$1,160,610
2019 Expenditures	
Bond Interest – 3/1/2019	\$286,525
Bond Interest – 9/1/2019	\$286,525
Bond Principal – 9/1/2019	\$560,000
Administrative Expenses ⁽²⁾	\$20,000
Total Expenditures	\$1,153,050
Ending Special Tax Fund Balance	\$7,560

⁽¹⁾ Excess Fund Balance was credited to Levy for FY 18-19.

⁽²⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by the prior Bond series are complete. There were no Improvement/Construction Funds associated with the refunding of the bonds in the District. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2002-1	N/A	N/A	N/A	N/A	Complete

Community Facilities District 2002-1 IA 1 (Dos Lagos) 2017 Special Tax Refunding Bonds

Location

Community Facilities District No. 2002-1 Improvement Area 1 (the “CFD No. 2002-1 IA 1”) is located in the southeastern portion of the City on both sides of Temescal Canyon Road between Cajalco Road and Weirick Road and east of Interstate 15. CFD No. 2002-1 IA 1 consists approximately of 98 gross acres and comprises planning Areas 1, 2, 3 (portion only), 4, 5, and 6.

Authorized Facilities and Bonds

CFD No. 2002-1 IA 1 was formed for the purpose of constructing and acquiring certain public improvements needed to meet increased demand upon the City of Corona as a result of development within the boundaries of the District. The public facilities financed by the District include water, reclaimed water and sewer system master plan improvements, drainage and flood control master plan improvements, Temescal Canyon Road and Weirick Road Improvements, qualified undergrounding of utilities, master plan signals, landscaping and irrigation of street improvements, public improvements within Westside Area (Tract 32538), I-15 at Weirick Road northbound and southbound ramps, and Bedford wash bridge and channel.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$538,070
Less: Delinquency as of 10/22/2019	\$0
Total Special Taxes Collected	\$538,070
2019 Expenditures	
Bond Interest – 3/1/2019	\$127,778
Bond Interest – 9/1/2019	\$127,778
Bond Principal – 9/1/2019	\$260,000
Administrative Expenses ⁽¹⁾	\$18,000
Total Expenditures	\$533,556
Ending Special Tax Fund Balance	\$4,514

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by this Bond series is complete. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status the amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2002-1 IA 1	N/A	N/A	N/A	N/A	Complete

Community Facilities District No. 2002-4 (Corona Crossings) 2017 Special Tax Refunding Bonds

Location

Community Facilities District No. 2002-4 (the "CFD No. 2002-4") is located in the southeastern portion of the City at the northwest corner of Cajalco Road and Temescal Canyon Road, east of Interstate 15.

Authorized Facilities and Bonds

CFD No. 2002-4 was formed for the purpose of constructing and acquiring certain public facilities within or serving the District, road improvements, storm drain improvements, water system capacity improvements, and sewer system capacity improvements. The District currently has one series of bonds: The Special Tax Refunding Bonds, Series 2017, which refunded the 2004 Special Tax Bonds.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$610,190
Less: Delinquency as of 10/22/2019	\$0
Total Special Taxes Collected	\$610,190
2019 Expenditures	
Bond Interest – 3/1/2019	\$139,075
Bond Interest – 9/1/2019	\$139,075
Bond Principal – 9/1/2019	\$310,000
Administrative Expenses ⁽¹⁾	\$16,000
Total Expenditures	\$604,150
Ending Special Tax Fund Balance	\$6,040

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by the prior Bond series is complete. There were no Improvement/Construction Funds associated with the refunding of the bonds in the District. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2002-4	N/A	N/A	N/A	N/A	Complete

Community Facilities District No. 2003-2 (Highlands Collection)
 2005 Special Tax Bonds
 2006 Special Tax Bonds

Location

Community Facilities District No. 2003-2 (the “CFD No. 2003-2”) is comprised of the Highlands Collection and is located in the southern portion of the City. The District consists of five residential neighborhoods: Citrus Highlands is located south of Ontario Avenue, east of Taylor Avenue and west of Main Street; Fieldstone Collection-Magnolia Street is located south of Magnolia Avenue and east of Garretson Avenue; Fieldstone Collection-Main Street is located south of Ontario Avenue and west of Main Street; Fieldstone Collection-Lincoln Avenue is located east of Lincoln Avenue and south of Highgrove Street; and Montara is located at the northwest corner of Lincoln and Ontario Avenue.

Authorized Facilities and Bonds

CFD No. 2003-2 was formed to finance the cost of constructing and acquiring certain public facilities within the District, street and signal improvements, storm drain improvements, water and sewer improvements, landscape improvements, park and open space improvements, and other public facilities. CFD No. 2003-2 has two series of bonds a 2005 and 2006 series.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$569,093
Less: Delinquency as of 10/22/2019	\$3,579
Total Special Taxes Collected	\$565,514
2019 Expenditures	
2005 Bonds	
Bond Interest – 3/1/2019	\$80,660
Bond Interest – 9/1/2019	\$80,660
Bond Principal – 9/1/2019	\$135,000
2006 Bonds	
Bond Interest – 3/1/2019	\$67,369
Bond Interest – 9/1/2019	\$67,369
Bond Principal – 9/1/2019	\$110,000
Administrative Expenses ⁽¹⁾	\$25,000
Total Expenditures	\$566,058
Ending Special Tax Fund Balance	(\$544)

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by these Bond series are complete. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2003-2	2005	\$5,247,569.00	\$5,247,569.00	\$0.00	Complete
CFD No. 2003-2	2006	\$4,034,973.00	\$4,034,973.00	\$0.00	Complete

Community Facilities District No. 2004-1 (Buchanan Street) 2006 Special Tax Bonds

Location

The boundaries of Community Facilities District No. 2004-1 (the "CFD No. 2004-1") comprises of 27 developable acres located in the northeastern portion of the City adjacent to the City of Riverside.

Authorized Facilities and Bonds

CFD No. 2004-1 was formed to finance the costs of constructing and acquiring certain public facilities within the District, street improvements, storm drain improvements, water and sewer improvements, Quimby fee, street and signal fee, sewer, drainage and water fees, and park and recreation fee.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$250,151
Less: Delinquency as of 10/22/2019	\$3,850
Total Special Taxes Collected	\$246,301
2019 Expenditures	
Bond Interest – 3/1/2019	\$68,566
Bond Interest – 9/1/2019	\$68,566
Bond Principal – 9/1/2019	\$95,000
Administrative Expenses ⁽¹⁾	\$16,000
Total Expenditures	\$248,132
Ending Special Tax Fund Balance	(\$1,831)

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement/Construction Funds of the District. All improvements funded by this Bond series is complete. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status the amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance	Project Status
CFD No. 2004-1	2006	\$3,106,564.29	\$3,106,564.29	\$0.00	Complete

Community Facilities District No. 2016-2 (Terrassa) 2018 Special Tax Bonds

Location

The boundaries of Community Facilities District No. 2016-2 (the "CFD No. 2016-2") is located in the southwestern portion of the City, on the north side of Foothill Parkway and is bound by State Street to the west and Marquez Way to the east.

Authorized Facilities and Bonds

CFD No. 2016-2 was formed to finance the costs of constructing and acquiring certain public facilities within the District, street and road facilities, including street lights and traffic signals, law enforcement and fire protection facilities, library and park facilities, public meeting facilities, aquatic center facilities, radio communication facilities and sewer facilities, as well as incidental expenses related to planning, design and completion of such facilities.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$350,431
Less: Delinquency as of 10/22/2019	\$2,805
Total Special Taxes Collected	\$347,626
2019 Expenditures	
Bond Interest – 3/1/2019	\$105,216
Bond Interest – 9/1/2019	\$105,216
Bond Principal – 9/1/2019	\$110,000
Administrative Expenses ⁽¹⁾	\$30,000
Total Expenditures	\$350,432
Ending Special Tax Fund Balance	(\$2,806)

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement Fund of the following District. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance ¹	Project Status
CFD No. 2016-2	2018	\$4,975,894.49	\$4,118,636.10	\$857,258.39	Ongoing

¹ Balance includes added interest.

Community Facilities District No. 2017-2 (Valencia/Seville) 2018 Special Tax Bonds

Location

The boundaries of Community Facilities District No. 2017-2 (the "CFD No. 2017-2") is located in the south-central portion of the City, on the northeast corner of the intersection of Santana Way and Kellogg Avenue, south of State Route 91 and west of Interstate 15. CFD No. 2017-2 is included within Tract Map No. 37057 and is planned for 92 single family detached homes at buildout.

Authorized Facilities and Bonds

CFD No. 2017-2 was formed to finance facilities consisting of certain public facilities and improvements, to be owned, operated and maintained by the City for park improvements, street and traffic signal improvements and other public facilities of the City, Corona-Norco Unified School District for the payment of certain fees to the School District, and all appurtenances and appurtenant work in connection with the foregoing facilities.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$65,775
Less: Delinquency as of 10/22/2019	\$0
Total Special Taxes Collected	\$65,775
2019 Expenditures	
Bond Interest – 3/1/2019	\$37,498
Bond Interest – 9/1/2019	\$78,484
Bond Principal – 9/1/2019	\$0
Administrative Expenses ⁽¹⁾	\$30,000
Total Expenditures	\$145,982
Ending Special Tax Fund Balance	(\$80,207)

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement Fund of the following District. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance ²	Project Status
CFD No. 2017-2	2018	\$3,213,492.82	\$2,453,742.12	\$759,750.70	Ongoing

² Balance includes added interest.

Community Facilities District No. 2018-1 IA 1 (Bedford) 2018 Special Tax Bonds, Series A

Location

The boundaries of Community Facilities District No. 2018-1 Improvement Area 1 (the "CFD No. 2018-1 IA 1") is located west of Interstate 15 freeway and south of Eagle Glen Parkway in the southeastern portion of the City. CFD 2018-1 IA 1 consists of approximately 54 gross acres and consists of the first phase of a new master-planned community known as "Bedford". Five Improvement Areas were designated, and planned at build out.

Authorized Facilities and Bonds

CFD No. 2018-1 IA 1 was formed to finance the types of facilities that consist of the construction, purchase, modification, expansion and/or improvement of certain roadways and roadway improvements, tunnels, regional hiking and biking trails, storm drain facilities, flood control facilities, water and wastewater facilities (including, without limitation, domestic and recycled water facilities, water tank facilities, wells, reservoirs, pipelines, waterlines, storm and sewer drains and related infrastructure and improvements), wet and dry utilities, bridges and pedestrian bridges, parks, street lights, traffic signals, aquatic center facilities and equipment, fire protection facilities and equipment, law enforcement facilities and equipment, library facilities and equipment, public meeting facilities and equipment, radio communication facilities and equipment, sewer facilities and equipment and related infrastructure improvements, both onsite and offsite, and all appurtenances and appurtenant work in connection with the foregoing including utility line relocations and electric, gas and cable utilities.

Funds Collected and Expended

The table below shows the amount of special taxes collected in Fiscal Year 2018-19 for the principal, interest and administrative expenses in the Calendar Year 2019.

Description	Amount
FY 2018-19 Revenues	
Special Taxes Levied	\$544,389
Less: Delinquency as of 10/22/2019	\$0
Total Special Taxes Collected	\$544,389
2019 Expenditures	
Bond Interest – 3/1/2019	\$221,775
Bond Interest – 9/1/2019	\$221,775
Bond Principal – 9/1/2019	\$20,000
Administrative Expenses ⁽¹⁾	\$30,000
Total Expenditures	\$493,550
Ending Special Tax Fund Balance	\$50,839

⁽¹⁾ Amount allocated to Administrative Expenses and may not have been expended in its entirety.

Project Status

The requirements of the Act apply to the Improvement Fund of the following District. The following table shows the initial amount deposited to the Improvement Fund, the amount expended, the June 30, 2019 Improvement Fund balance, and the project status. The amounts levied pay the administrative expenses, debt service (principal and interest), and remaining facilities eligible to be financed for the District.

District	Series	Initial Deposit Amount to Improvement Fund	Expended Amount	June 30, 2019 Balance ¹	Project Status
CFD No. 2018-1 IA 1	2018 Series A	\$8,332,079.33	\$8,326,956.68	\$5,122.65	Ongoing

¹ Balance includes added interest.



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