CITY COUNCIL
MEETING AGENDA

CITY OF MONTEBELLO CITY COUNCIL/SUCCESSOR AGENCY
CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA[1] [1[2]]
WEDNESDAY, JANUARY 22, 2020

5:30 P.M.

MONTEBELLO CITY COUNCIL

SALVADOR MELENDEZ
MAYOR

KIMBERLY A. COBOS-CAWTHORNE
MAYOR PRO TEM

ANGIE M. JIMENEZ
COUNCILMEMBER

DAVID N. TORRES
COUNCILMEMBER

JACK HADJINIAN
COUNCILMEMBER

CITY CLERK
IRMA BARAJAS

CITY TREASURER
RAFAEL GUTIERREZ

CITY STAFF

CITY MANAGER
René Bobadilla

CITY ATTORNEY
Arnold M. Alvarez-Glasman

DEPARTMENT HEADS

Assistant City Manager	**Arlene Salazar**
Fire Chief	**Fernando Pelaez**
Police Chief	**Brad Keller**
Director of Human Resources	**Nicholas Razo**
Interim Director of Planning/Community Development	**Joseph Palombi**
Director of Public Works	**Danilo Batson**
Director of Recreation and Community Services	**David Sosnowski**
Director of Transportation	**Tom Barrio**

OPENING CEREMONIES

1. CALL MEETING TO ORDER: **Mayor Melendez**

2. ROLL CALL: **City Clerk I. Barajas**

[1] *In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Building Official at 323/887-1497. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 ADA Title II1203). If you require translation services, please contact the City Clerk's Office 24 hours before this meeting. Si necesita servicios de traducción, comuníquese con la Oficina del Secretario Municipal 24 horas antes de esta reunión.*

3. STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS:

Members of the public interested in addressing the City Council on Closed Session items must fill out a form provided at the door, and turn it in to the City Clerk prior to the announcement of Closed Session items.

Please be aware that the maximum time allotted for individuals to speak shall not exceed three (3) minutes per speaker. Please be aware that in accordance with State Law, the City Council may not take action or entertain extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

IN CONSIDERATION OF OTHERS, PLEASE TURN OFF, OR MUTE, ALL CELL PHONES AND PAGERS. THANK YOU FOR YOUR COOPERATION.

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

CLOSED SESSION - 5:30 P.M.

The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

4. CONFERENCE WITH LEGAL COUNSEL ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)
One matter

5. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Government Code section 54956.8

Property:	901 Via San Clemente, Montebello, CA
Agency's Negotiator:	René Bobadilla, City Manager
Negotiating Party:	Transports
Under Negotiation:	Price and Terms

REGULAR SESSION – 6:30 P.M.

6. INVOCATION

PLEDGE OF ALLEGIANCE

7. PRESENTATIONS:

a. RECOGNITION OF KATHY SALAZAR FOR SERVICE ON THE CITIZENS PATROL
b. TRANSIT TECHNOLOGY PRESENTATION

8. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

9. CORRECTIONS TO THE AGENDA – CITY MANAGER

10. STATEMENT OF PUBLIC ORAL COMMUNICATIONS: Members of the public interested in addressing the City Council on any agenda item or topic must fill out a form provided at the door, and turn it in to the City Clerk prior to the beginning Oral communications. A form does not need to be submitted for public hearing items.

Speakers wishing to address the City Council on an item that is not on the agenda will be called upon in the order that their speaker card was received. Those persons not accommodated during this thirty (30) minute period will have an opportunity to speak under "Oral Communications – Continued" after all scheduled matters have been considered.

Please be aware that the maximum time allotted for individuals to speak shall not exceed three (3) minutes per speaker. Please be aware that in accordance with State Law, the City Council may not take action or entertain extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

11. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

12. APPROVAL OF AGENDA: Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion with the exception of any item which a member of the public or City Council has requested to speak upon. Such approval will also waive the reading of any ordinance.

CONSENT MATTERS (13-19)

13. COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE YEAR ENDED JUNE 30, 2019

RECOMMENDATION: It is recommended that the City Council:

(1) Review and file the CAFR for FY18-19; and

(2) Authorize the transfer of $2,850,000 from the General Fund to the Self Insurance Fund

14. CONSIDER APPROVAL OF A LETTER OF INTENT WITH ABM BUILDING SOLUTIONS, LLC, TO PROCEED WITH THE INVESTMENT GRADE AUDIT IN CONTEMPLATION OF AN ENERGY SERVICE CONTRACT PURSUANT TO GOVERNMENT CODE, SECTION 4217

RECOMMENDATION: It is recommended that the City Council:

(1) Approve a Letter of Intent ("LOI") with ABM Building Solutions, LLC ("ABM"), to proceed with the Investment Grade Audit ("IGA") allowing the City to determine the feasibility of entering into an energy service contract with ABM in the future per Government Code, Section 4217; and

(2) Approve the attached Resolution authorizing the City Manager to execute the LOI allowing ABM to proceed with the IGA.

15. REQUEST FOR PROPOSALS (RFP) FOR THIRD PARTY ADMINISTRATOR (TPA) FOR THE CITY'S SELF-FUNDED GENERAL LIABILITY PROGRAM

RECOMMENDATION: It is recommended that the City Council:

(1) It is recommended that the City Council authorize City Staff to issue a Request for Proposals (RFP) for General Liability Claims Third Party Administration (TPA).

16. REQUEST FOR PROPOSALS (RFP) FOR THIRD PARTY ADMINISTRATOR (TPA) FOR THE CITY'S SELF-FUNDED WORKERS COMPENSATION PROGRAM

RECOMMENDATION: It is recommended that the City Council:

(1) It is recommended that the City Council authorize city staff to issue a Request For Proposals (RFP) for Workers' Compensation Third Party Administration (TPA).

17. MONTHLY INVESTMENT REPORT: NOVEMBER AND DECEMBER 2019

RECOMMENDED ACTION: It is recommended that the City Council:

(1) Approve said reports as written.

18. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY/SUCCESSOR AGENCY WARRANT REGISTER OF DEMANDS DATED JANUARY 22, 2020

RECOMMENDED ACTION: It is recommended that the City Council:

(1) Adopt the proposed resolution approving the Warrant Register dated January 22, 2020.

19. APPROVAL OF MINUTES: NOVEMBER 13, NOVEMBER 18, DECEMBER 11, 2019

RECOMMENDED ACTION: It is recommended that the City Council:

(1) Approve said minutes as written.

20. PUBLIC ORALS – IF NEEDED

COUNCIL ORALS

21. COUNCILMEMBER TORRES

None.

22. COUNCILMEMBER HADJINIAN

None.

23. MAYOR PRO TEM COBOS-CAWTHORNE

Seaaca update.

24. COUNCILMEMBER JIMENEZ

None.

25. MAYOR MELENDEZ

None.

ADJOURNMENT

NOTES

ITEM # 13

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, City Manager

BY: Robert Mescher, Director of Finance

SUBJECT: **Comprehensive Annual Financial Report (CAFR) for the Year Ended June 30, 2019**

DATE: January 22, 2020

RECOMMENDATION

It is recommended that the City Council:

1) Review and file the CAFR for FY18-19;

2) Authorize the transfer of $2,850,000 from the General Fund to the Self Insurance Fund

BACKGROUND

On June 13, 2018, the City Council adopted the FY18-19 Budget.

Quarterly updates of year-to-date actual expenditures versus the budget were presented to City Council on March 13, 2019, May 15, 2019 and August 28, 2019.

On August 28, 2019, the Finance Department presented unaudited year-end financial report for FY 18-19 comparing actual results with the Amended Budget, indicating that the General Fund ended the fiscal year with a surplus of $3.2 million and that the projected General Fund reserve balance as of June 30, 2019 was $14.5 million.

ANALYSIS

The Finance Department has completed the City's annual financial audit and has published the CAFR for the fiscal year FY 18-19 on January 15, 2020.

According to the audited CAFR, the City's General Fund ended the fiscal year with a surplus of $2.9 million, which was $4.9 million better than the amended budget's $1.9 million deficit. The improvement was primarily due to increased revenues from Cannabis applications, sales tax, and property tax, while lowering labor costs by not filling vacant positions. With the $2.9 million surplus, the audited General Fund reserve balance at the end of FY18-19 was $14.5 million. Staff recommends the $2.9 million be transferred from the General Fund in FY 19-20 to the Self Insurance Fund to offset its FY 18-19 deficit.

General Fund

The General Fund is the primary operating fund of the City. The General Fund total revenues including transfers in for the FY18-19 was $2.9 million higher than budget. This is due to overall increase in sales and property tax revenues and the unbudgeted $1.4 million Commercial Cannabis application revenue.

The General Fund expenditures including transfers out were $0.3 million under budget mainly due to vacant positions.

Overall, the General Fund ended FY18-19 with a surplus of $2.9 million. This is approximately $0.3 million lower from the amount previously reported in August 2019, primarily due to accounting adjustments related to a sale of property.

Retirement Fund

The Retirement Fund is used to account for the property tax revenue and investment income, and the payments to the pension plan. The annual revenues currently exceed the expenditures by $3.0 million. However, the rising annual pension costs are expected to surpass revenues in the near future. The total net pension liability excluding Transit fund was $102.3 million as of the end of FY18-19.

Self-Insurance Fund

The Self-Insurance Fund is an internal services fund used to allocate claims and administrative costs to other funds. The revenues of the Self-Insurance Fund are recorded as an insurance expense in the other funds. To offset a portion of the prior year's deficits, the FY18-19 revenues of the Self-Insurance Fund are $1.5 million greater than expenditures. However, this was not enough to offset the increase in potential costs of claims accrued after the unaudited financial report in August 2019 which resulted in a $2.9 million operating deficit. The Self Insurance fund ended the year with deficit net position of $13.2 million.

Water Fund

The Water Fund accounts for the revenues and expenditures of the City's water utility. For the fiscal year 2018-19, water revenues exceeded expenditures by $0.9 million before a $0.3 million transfer out to repay the General Fund for prior year advances, which City Council had approved on August 28, 2019.

Golf Course and Quiet Cannon

The Municipal Golf Course incurred an operating loss of $0.6 million, which was $0.5 million less than prior year, as reported in the year-end financial report to Council in August 2019. Its operating revenues for the fiscal year 2019 were $2.2 million and operating expenses were $2.7 million. Operating revenues were 1.1% higher than in the prior year, due to new revenues generated from Quiet Cannon related to the new Home2Suites. Total operating expenses which included $0.3 million of depreciation expense, decreased by $0.5 million (50.7%), primarily due to lower labor costs and utility cost-savings due to favorable weather and a newly installed recycled water system. As a result, the subsidy needed from the General Fund was lowered.

Transit

The Transit System incurred an operating loss of $31.6 million compared to $29.9 million in the prior fiscal year, an increase of approximately $1.7 million (5.7%).

Operating revenues include bus fares and special contracts which totaled $4.1 million, which was $0.6 million lower than the prior year total of $4.7 million, primarily due to lower ridership. Operating expenses for Transit amounted to $35.6 million in 2019, an increase of $1.0 million from $34.6 million in 2018. Operating expenses included $4.9 million in depreciation expense reported as required by accounting standards, which was excluded from the year-end financial report presented to Council in August 2019.

The operating loss was offset by approximately $25.5 million in operating subsidies from the Los Angeles County Metropolitan Transportation Authority (LACMTA), a $1.7 million of one-time Federal operating grant and capital contributions of $4.8 million. Total subsidies from various sources was approximately $3.0 million higher than the prior fiscal year, resulting in a net income of $0.5 million, compared to an $0.8 million net loss in the prior year.

Hilton Garden Inn

The Montebello Hilton reflected operating net income before debt service of $1.7 million for fiscal year 2019, a 34.2% decrease compared to last year. Operating revenues decreased by $0.8 million (11%) mainly due to the opening of the newer Home2Suites taking some of the market share, while operating expenses increased by 3%.

Home2Suites

Home2suites began operations on September 20, 2018. In its nine months of operations, the hotel generated approximately $7.6 million in revenues and incurred $5.7 million in operating expenses. As a result, the hotel had a net operating income of $1.9 million dollars in its first year of operations. It has a net loss of approximately $0.2 million after factoring in the interest expense paid on the bonds issued to finance its constructions.

FISCAL IMPACT

There is no fiscal impact associated with this report.

ITEM # 13

SUMMARY

The audited Comprehensive Annual Financial Report indicates the City's total net position increased by $3.4 million dollars for the fiscal year 2018-19.

ATTACHMENTS

A. Comprehensive Annual Financial Report for Fiscal Year 2018-19
B. Resolution Authorizing the Transfer of Funds from the General Fund to the Self-Insurance Fund

CITY OF MONTEBELLO

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2019

CITY OF MONTEBELLO
CALIFORNIA

www.cityofmontebello.com

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

PREPARED BY
FINANCE DEPARTMENT

Comprehensive Annual Financial Report
City of Montebello, California
Year ended June 30, 2019
with Report of Independent Auditors

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INTRODUCTORY SECTION

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CITY OF MONTEBELLO

DATE OPEN

Honorable Mayor, Members of the City Council, City of Montebello

The Comprehensive Annual Financial Report (CAFR) of the City of Montebello for the fiscal year ended June 30, 2019 is submitted as prepared by the City's Finance Department. The report is published to provide the public, the City Council, and the community, detailed information about the financial position and operating results of the City as measured by the financial activity of its various funds.

The CAFR is presented in three (3) sections: the **Introductory Section**, the **Financial Section**, and the **Statistical Section.** The *Introductory Section* contains a table of contents, this letter of transmittal, a list of elected officials, and an organization chart. The *Financial Section* contains our independent auditors', Vasquez & Company LLP, opinion letter, the general purpose financial statements, and the relevant supplemental financial statements and schedules for Fiscal Year 2018-19. The *Statistical Section* presents historical, financial, analytical, economic and demographic information, which may be useful for further analysis and comparisons.

Responsibility for both the accuracy of the financial report and the completeness and fairness of the presentation rests with the City. 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 an understanding of the City's financial activities.

The City prepared the CAFR using the financial reporting requirements outlined in the Governmental Accounting Standards Board (GASB) Statement No. 34. This statement requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors in the financial section of the CAFR.

GENERAL INFORMATION AND ECONOMIC OUTLOOK

The City of Montebello was incorporated on October 16, 1920, and conducts its operations as a general law, Council/Manager City. The City is governed by a Council of five members elected at large and serves for staggered four year terms. The City Clerk and City Treasurer are also elected to four year terms. The City Mayor, Mayor Pro tem, City Manager and City Attorney are appointed by the Council.

Montebello is located nine miles east of the Los Angeles Civic Center and has access to three freeways – the Santa Ana 5 Freeway to the south, the Pomona 60 Freeway to the north, and the San Gabriel River 605 Freeway to the east. The City has a population of approximately 64,247 living in an area of 8.2 square miles. The City is a balanced community with light industry, residential areas, and commercial centers.

The FY 2018-2019 assessed valuation of $6.1 billion represents an increase of 6 percent over last year. Increases during the past five years have averaged 4.0 percent. The Consumer Price Index for the Los Angeles-Riverside-Orange County area increased 3.3 percent over 2017-2018. Sales tax revenue of $14 million for FY 2018-19 reflects an increase of 7 percent when compared to FY 2017-18.

Sales tax is a major revenue source for the General Fund of the City and is broad based with a major shopping mall anchored by major stores such as Macy's, Forever 21 and JC Penney, and other shopping centers, as well as a large petroleum company, major paper products/distributors and two auto dealerships: Chevrolet of Montebello, and Ford of Montebello.

THE FINANCIAL REPORTING ENTITY

This report includes all funds of the City.

The City provides a full range of municipal services including police and fire protection, street maintenance, planning and development, parks and recreation services, and general administration. Montebello also operates several enterprise funds which include a municipal golf course, a transportation system, a detention facility, water services in certain areas of the City, and two hotels. Enterprise funds are financed from fees, user fees and subsidies from other governmental agencies, as applicable.

ACCOUNTING SYSTEM

The modified accrual basis of accounting is followed for governmental fund types and the accrual basis of accounting is followed for proprietary and fiduciary fund types.

In reviewing and developing the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding:

- The safeguarding of assets against losses from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets.

- The concept of reasonable assurance recognizes that the cost control procedures should not exceed the benefits likely to be derived and that the evaluation of costs and benefits require estimates and judgment by management.

- All internal control evaluations occur within the above framework.

BUDGETARY CONTROL

In addition to internal accounting controls, the City also maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the City's budget policy approved by the City Council. Appropriations of the general fund, special revenue funds, debt service funds, and capital project funds are included in the annual approved budget.

Budgetary control is maintained at a functional level by division within the department through the use of object level accounting as actual expenditures are compared to the appropriations. As purchase orders are approved, appropriations are encumbered. Encumbrances and expenditures, which would cause an overrun of appropriations, require an approved budget transfer, which is reviewed and approved by the Director of Finance, pursuant to the City's administrative policy, the Annual Budget Resolution and the Municipal Code of the City. The annual capital projects are included in the City's amended budget as approved by City Council, with each improvement monitored on a project-by project basis.

PENSION PLAN

The City of Montebello is covered under the Public Employees Retirement System (PERS), which is administered by the State. A portion of the City's share of contributions to the pension plans for employees are covered by a voter approved levy; the remainder is supported by the General Fund and enterprise funds.

DEBT ADMINISTRATION

At June 30, 2019, the City had general long-term debt amounting to $281.1 million, an increase of $4.4 million from prior year mainly due to increases in: net Other Postemployment Benefit Obligation (OPEB) liability, increase in claims and new capital leases. This is detailed in the Note 8 to the Financial Statements. The general long-term debt amount includes $85 million of Revenue Bonds, $134.5 million of net pension liability, $30 million of net OPEB liability and $25.6 million for other long-term obligations and the noncurrent portion of accumulated vacation and sick leave. The City has no general obligation debt.

CASH AND INVESTMENT MANAGEMENT

The City has an investment policy and has an Investment Committee with members appointed by the City Council. The City Treasurer and the Director of Finance also participate in the Investment Committee. The Investment Committee oversees the City's Investment objectives in order of safety, liquidity, and yield pursuant to the investment policy, in conjunction with the City Treasurer and Director of Finance.

The City invests its pooled funds and Successor Agency funds, except for bond funds debt service reserves and deferred employee compensation, which are maintained by appointed fiscal agents. The fiscal agents direct its bond fund and debt service fund investments. It is the City's policy to maintain a diversified investment portfolio.

RISK MANAGEMENT

The City of Montebello has a Self-Insurance Fund for the payment of workers' compensation and liability claims. The City annually contracts with an independent actuary to review the self-insurance program on an annual basis.

OTHER INFORMATION

The City requires that its financial statements be audited by a Certified Public Accountant selected by the City Council. This requirement has been satisfied, and the auditor's opinion is included in the financial section of this report.

In addition, the City is required to undergo an annual single audit in conformity with the provisions of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This requirement has also been satisfied.

During the fiscal year ended June 30, 2019, the City implemented the Governmental Accounting Standards Board Statement No.88 (GASB 88), **Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements**. As a result of this implementation, the City has updated the debt disclosures to comply with the requirements of this new Statement. See detail disclosures related to Debt under Note 8 and Note 17 of the Financial Statements.

In December 2018, the California State Auditor's office completed an audit of the City and concluded that Montebello was a high-risk city due significant financial and organizational risks. Those risks include the enterprise funds of the golf course, water utility, and two hotels; best practices on contracting and procurements; and unresolved staffing shortages. The City responded with an action plan which was substantially achieved by the end of the fiscal year ended June 30, 2019, mitigating those risks.

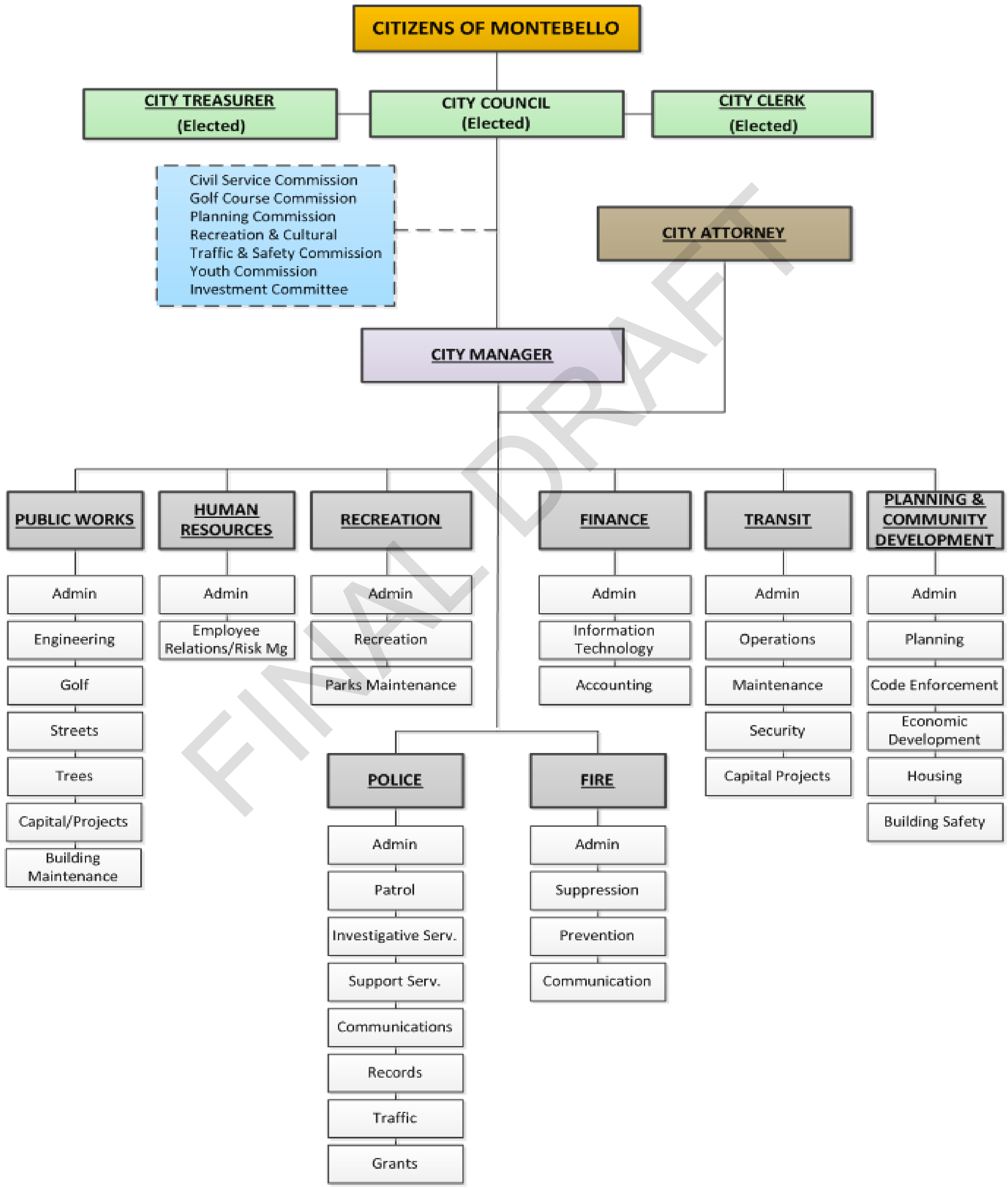
Acknowledgments: The preparation of the City's comprehensive annual financial report could not have been accomplished without the dedicated services of the entire Finance Department staff. We also acknowledge the assistance and contribution of Vazquez & Company LLP, in completing the CAFR.

We thank the City Council, the Executive Management Team and staff for their interest and support of the financial operations of the City, in a responsible and progressive manner, for the best interest of the citizens of Montebello.

Respectfully submitted,

René Bobadilla
City Manager

City of Montebello - Organization Chart



Directory of City Officials

City Council

Jack Hadjinian – Mayor
Salvador Melendez– Mayor Pro Tem
Angie M. Jimenez – Councilmember
David N. Torres - Councilmember
Kimberly A. Cobos-Cawthorne - Councilmember

Elected Officials

City Treasurer	Rafael Gutierrez
City Clerk	Irma Barajas

Principal Administrative Officers

Interim City Manager	Paul Talbot
Assistant City Manager	Danilo Batson
Police Chief	Brad Keller
Fire Chief	Fernando Pelaez
Director of Transportation	Tom Barrio
Director of Finance	Robert Mescher
Director of Human Resources	Bob Franco
Director of Planning & Community Development	Manuel Mancha
Director of Recreation & Community Services	David Sosnowski

FINANCIAL SECTION

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Vasquez & Company LLP
Certified Public Accountants and Business Consultants

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REPORT OF INDEPENDENT AUDITORS

The Honorable Mayor and the Members of the City Council
City of Montebello, 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 the City of Montebello, California (the City), as of and for the year ended June 30, 2019, and the related notes to financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Montebello, California, as of June 30, 2019, and the respective changes in financial position, and 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 on pages 4 through 21 and Required Supplementary Information on pages 82 through 92 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 of Montebello's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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.

Prior Period Adjustments

As discussed in Note 16, the beginning net position of the governmental and business-type activities and the Montebello Hilton enterprise fund were restated to transfer the capital assets of the Montebello Hilton from governmental to business-type activities. The beginning net position of the governmental activities was also adjusted by $2,487,340 to record capitalization of assets acquired in fiscal year 2017-2018. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated DATE OPEN, on our consideration of the City of Montebello'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 of Montebello's internal control over financial reporting and compliance.

Glendale, California
DATE OPEN

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The following section represents Management's Discussion and Analysis (MD&A). It is intended to provide narrative overview and analysis on the City's financial performance for the fiscal year ended June 30, 2019. Readers are encouraged to consider the information presented here in conjunction with the accompanying letter of transmittal, and financial statements.

Overview of the Financial Statements

The City's basic financial statements consist of three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. The Statistical section at the end of this report provides other supplementary information in addition to the basic financial statements. Government-wide Financial Statements are prepared using accrual accounting method to demonstrate the City's operational accountability, while the Fund Financial Statements are based on modified-accrual accounting method to demonstrate its budgetary accountability. Reconciliations of the Fund Financial Statements to the Government-wide Financial Statements are provided to explain to readers the differences created by this integrated approach.

Government-wide Financial Statements

The Government-wide Financial Statements provide a broad overview of the City's finances, in a manner similar to a private-sector business. The statements present information about the functions of the City that is principally supported by taxes and intergovernmental revenues *(governmental activities).* The governmental activities of the City include general government, public safety, public works, parks, recreation and culture, and housing and community development. Business-type activities of the City include water, golf course, transportation, hotel and detention operations. These statements include all assets of the City as well as all liabilities (including long-term debt). Additionally, certain eliminations have occurred as prescribed by the statement in regards to inter-fund activity, payables, and receivables.

The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

The Fund Financial Statements include statements for three categories of activities – Governmental Funds, Proprietary Funds and Fiduciary Funds. The governmental activities are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the Government-wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities.*

The City maintains various individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet, and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, for the General Fund, the Retirement Special Revenue Fund, the Public Financing Authority Debt Service Fund, and the Housing Successor Special Revenue Fund, all of which are considered to be major funds. Data from other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements elsewhere in this report. As a result of Assembly Bills 1X26 and 1484, Redevelopment Agency assets and liabilities are no longer a part of the governmental funds of the City and are now reported in the Fiduciary Fund section of the financial statements.

The City adopts an annual appropriated budget for its major funds. The basic financial statements include a budgetary comparison statement for the General Fund. The budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found immediately following the government-wide financial statements.

Proprietary Funds. Proprietary funds are generally used to account for services for which the City charges external customers, or other units of the City. Proprietary funds provide the same type of information as shown in the government-wide statements, only in more detail. The City maintains the following two types of proprietary funds.

- **Enterprise** funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of water, golf course, transit system, Montebello Hilton, Home2suites Hotel and detention facility.

- **Internal service** funds are used to report activities that provide internal services for the City. The City uses internal service funds to account for workers' compensation, equipment and vehicle maintenance and replacement. Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The basic fiduciary fund financial statements can be found immediately following the basic proprietary fund financial statements and include the assets and liabilities of the Successor Agency Fiduciary Fund.

Notes to financial statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the basic financial statements can be found immediately following the Required Supplementary Information.

Other information

The combining statements referred to earlier in connection with other governmental funds and internal service funds are presented for all other Special Revenue Funds, all other Debt Service Funds, all other Capital Projects Funds, and all Internal Service Funds. These combining fund statements and schedules of revenues, expenditures and changes in fund balance - budget and actual for individual funds can be found immediately following the notes to financial statements.

<u>Note: The numbers shown on the MD&A are either expressed in multiples of one thousand or million dollars while percentages are rounded to the nearest tenth or whole number. Hence, there may be slight differences between numbers on the MD&A and the numbers on the Basic Financial Statements.</u>

Financial Highlights

- At June 30, 2019, the City's total net position was approximately negative $3.3 million dollars, an increase of $882 thousand in the positive direction compared to the negative $4.2 million in 2018. The City's unrestricted net position, although at a negative $164.6 million, increased by $10.7 million dollars over FY 2018.

- Total revenues from all sources were $125.8 million while total expenses were $124.9 million. Of the total revenues, program revenues totaled $80.5 million while general revenues totaled $45.3 million, net of transfers.

- The City's General Fund revenue and other financing sources exceeded expenditures by $2.9 million in the fiscal year 2019. The General Fund unassigned fund balance was $14.5 million at the end of the fiscal year, which was equivalent to approximately 3.5 months of the total General Fund expenditures for FY18-19.

- The General Fund total revenues including transfers in for the FY18-19 was $2.9 million higher than budget. This is due to overall increase in sales and property tax revenues and the unbudgeted $1.4 million Commercial Cannabis application revenue. The General Fund expenditures including transfers out were $0.3 million under budget mainly due to lower than budgeted labor costs.

- The City's Hilton Garden Inn ended the fiscal year with $1.7 million in operating income before debt service.

- The new Home2Suites which opened in September 2018 ended the fiscal year with $1.9 million in operating income before debt service and is outperforming expectations.

These Financial Highlights, as well as other points, are discussed in greater detail in the body of this discussion and analysis, and the Notes to the Financial Statements.

Government-wide Financial Analysis

The government-wide financial statements provide both long-term and short-term information about the City's overall financial position. This analysis addresses the financial statements of the City as a whole. The statement of net position includes all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources. The City's net position is a useful measurement of its financial health. Net position can be tracked over time to assess whether the City's financial health is improving or deteriorating. However, readers will need to consider other nonfinancial factors, such as changes in the City's property tax base, the condition of the City's infrastructure, and the level of public safety services to assess the overall health of the City.

City of Montebello
Statement of Net Position
June 30
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018 (Restated)	2019	2018 (Restated)	2019	2018 (Restated)
Assets:						
Current and other assets	$ 71,257	$ 60,882	$ 31,846	$ 34,085	$ 103,103	$ 94,967
Capital assets	72,779	71,143	111,240	100,972	184,019	172,115
Total assets	144,036	132,025	143,086	135,057	287,122	267,082
Deferred outflows of resources	14,779	21,917	6,095	9,013	20,874	30,930
Liabilities:						
Long-term liabilities	165,631	160,605	115,516	116,116	281,147	276,721
Other liabilities	11,671	9,926	15,099	11,124	26,770	21,050
Total liabilities	177,302	170,531	130,614	127,240	307,917	297,771
Deferred inflows of resources	2,356	2,701	997	1,696	3,353	4,397
Net Position:						
Net investment in capital assets	56,933	54,836	51,863	58,720	108,796	113,556
Restricted	36,228	30,871	16,261	26,656	52,489	57,527
Unrestricted	(114,004)	(104,997)	(50,555)	(70,242)	(164,559)	(175,239)
Total net position	$ (20,843)	$ (19,290)	$ 17,569	$ 15,134	$ (3,274)	$ (4,156)

As mentioned in the financial highlights, the City's total net position was negative $3.3 million as of June 30, 2019, an increase of $882 thousand in the positive direction compared to the negative $4.2 million in FY 17-18. Included in the City's net position is $108.8 million net investment in capital assets (e.g. land, building, machinery and equipment, infrastructure, improvements other than buildings, and construction in progress); less any related debt used to acquire those assets that remain outstanding. Capital assets, net of accumulated depreciation, increased by $14.4 million, primarily due to the completion of the new Home2Suites Hotel.

The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Any remaining amount is restricted to spending agreements originated by law, contract, or other agreements with external parties. Capital assets are discussed in greater details under Capital Assets section of MD&A, and under Note 3 of the Financial Statements.

City of Montebello
Summary of Changes in Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
Program revenues:						
Charges for services	$ 15,044	$ 13,075	$ 23,531	$ 17,191	$ 38,575	$ 30,266
Operating grants and contributions	9,955	9,759	27,205	23,015	37,160	32,774
Capital grants and contributions	-	-	4,803	5,995	4,803	5,995
General revenues:						
Sales taxes	14,032	13,119	-	-	14,032	13,119
Property taxes	18,386	16,961	-	-	18,386	16,961
Other taxes	9,354	8,878	-	-	9,354	8,878
Other revenues	2,271	2,626	-	-	2,271	2,626
Investment earnings	744	666	462	449	1,205	1,115
Total revenues	69,785	65,084	56,001	46,650	125,786	111,734
Expenses						
General government	15,966	10,590	-	-	15,966	10,590
Public safety	37,513	39,720	-	-	37,513	39,720
Public works	8,766	9,825	-	-	8,766	9,825
Parks, culture, and recreation	4,299	3,948	-	-	4,299	3,948
Housing and community development	2,960	2,923	-	-	2,960	2,923
Transit	-	-	35,629	34,587	35,629	34,587
Golf course	-	-	2,700	3,169	2,700	3,169
Montebello Hilton	-	-	4,721	4,591	4,721	4,591
Water utility	-	-	2,294	2,251	2,294	2,251
Detention facility	-	-	-	446	-	446
Hotel2Suite	-	-	5,674	30	5,674	30
Interest on long-term debt	605	357	3,078	3,409	3,683	3,766
Unallocated infrastructure depreciation	701	705		-	701	705
Total expenses	70,809	68,068	54,096	48,484	124,905	116,552
Change in net position before transfers	(1,024)	(2,984)	1,905	(1,834)	882	(4,818)
Transfers	(529)	(1,634)	529	1,634	-	-
Change in net position after transfers	(1,553)	(4,618)	2,435	(200)	882	(4,818)
Net position - beginning of year, as restated	(19,290)	(14,672)	15,134	15,334	(4,156)	662
Net position - end of year	$ (20,843)	$ (19,290)	$ 17,569	$ 15,134	$ (3,274)	$ (4,156)

See Note 16 Prior Period Adjustments affecting the restatement of Net Position.

The key elements impacting the City's net position for the fiscal year ended June 30, 2019 are as follows:

- Governmental Activities total expenses before transfers exceeded total revenues by $1 million, compared to $3 million in the prior year.

  Business-type activities total revenues before transfers exceeded total expenses by $1.9 million while total expenses had exceeded revenues by $1.8 million in the prior year.

- Total Citywide revenues before transfers were $125.8 million, an increase of approximately $14.1 million (12.6%) compared to the preceding fiscal year, while total Citywide expenses before transfers increased by $8.4 million (7.2%) from $116.6 million in 2018 to $124.9 million in 2019.

- Revenues are classified into program and general revenues. Program revenues of approximately $80.5 million, which are used to offset program expenses under each functional activity, made up 64% of total citywide revenues for the current fiscal year. General revenues of approximately $45.3 million, which are used to offset the additional expenses net of program revenues, made up the remaining 36% of total revenues.

  The overall increase of 12.6% in total revenues for the City was mainly due to 9 months of revenues generated from the new Home2Suites during its first year of operation and the Commercial Cannabis application revenues.

- The largest City-wide revenues came from 4 sources: charges for services (e.g. business license fees, building permits, hotel charges and bus fares) at $38.6 million (30.7%), operating grants and contributions (e.g. various grants from the Transportation Development Act (TDA), allocations of funds derived from Local Returns Proposition A, C, Measure R, and Measure M, as well as funds contributed from the Justice Department and US Treasury) at $37.2 million (29.5%), property taxes at $18.4 million (14.6%), and sales taxes at $14 million (11.2%). Property taxes include the property taxes derived from the 1946 voter approved initiative to provide for the retirement benefit costs of City employees.

- Revenue from charges for services increased by $8.3 million (27.5%), Property tax increased by $1.4 million (8.4%) and sales taxes increased by $913 thousand (7%). Operating grants and contributions increased by $4.4 million (13.4%).

- The total citywide expenses increased by $8.4 million, mainly due to rising pension costs and the nine months of operating expenses for the new Home2Suites.

- The cost of serving citizenry for the year includes: $37.5 million for Public Safety, $35.6 million for Transit, $15.9 million for General Government, $8.8 million for Public Works, and $22.6 million for other services such as Recreation and Community Development, the Golf Course, Water Utility Fund, and two hotels.

Governmental Activities

- As reflected in the Summary of Changes in Net Position schedule above, Governmental activities decreased the City's net position by $1.6 million. Key factors of this change in governmental activities include the following based on the government-wide statement of activities.

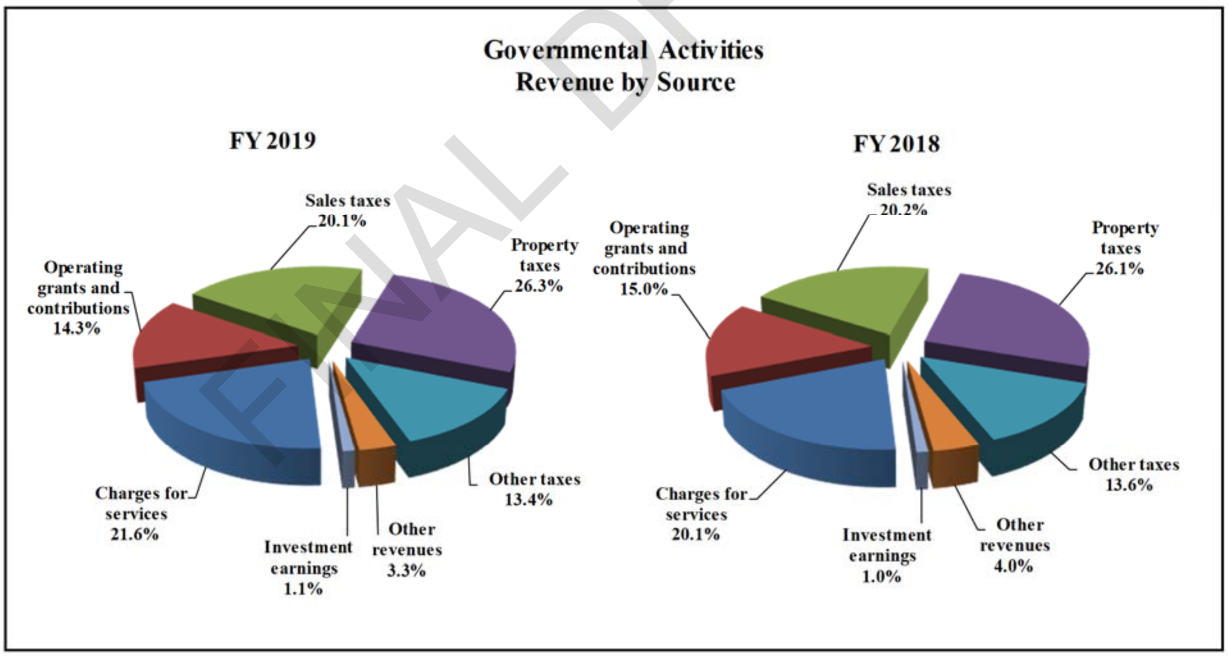
Revenues:

- Total governmental activities revenues increased by $4.7 million (7.2%). This is mainly due to overall increase in sales and property tax revenues and one-time Commercial Cannabis application revenue.

- Property tax revenues were the largest portion of total governmental activities revenues (26.4%). This includes the 1946 voter-approved retirement portion of property tax. Property tax revenues increased by $1.4 million (8.4%) from 2018, primarily due to the increase in annual assessed valuations.

- Charges for services were the second largest revenue source (21.6%) for governmental activities. Charges for services in governmental funds include: licenses and permits, fines and forfeitures, waste collection, etc. Compared to prior fiscal year, this program revenue increased by approximately $2 million (15.1%) primarily a result of the one-time Commercial Cannabis application revenue.

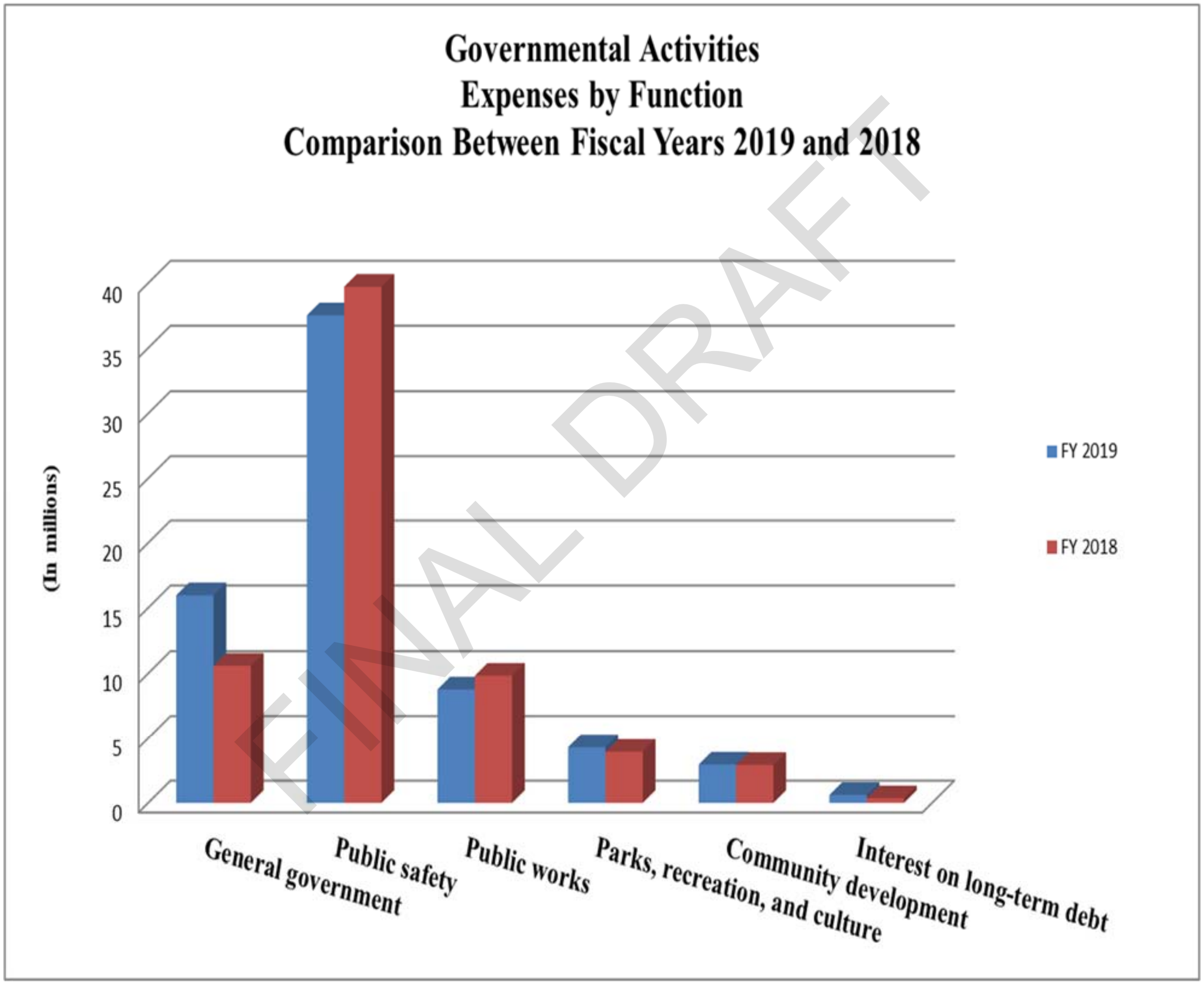
- Sales taxes were the third largest source of revenue for governmental activities (20.1%). Sales taxes increased by $913 thousand (7%) compared to 2018.



Expenses:

The cost of providing all governmental activities in 2019 was $70.8 million before applying program revenues of $25 million, an increase of approximately $2.7 million (4.3%) from 2018. The overall increase in expenses was mainly a result of increase in pension costs and new capital leases.

The remaining $45.8 million of governmental activities expenses is considered "public benefit" portion which was funded by general revenues primarily derived from taxes.

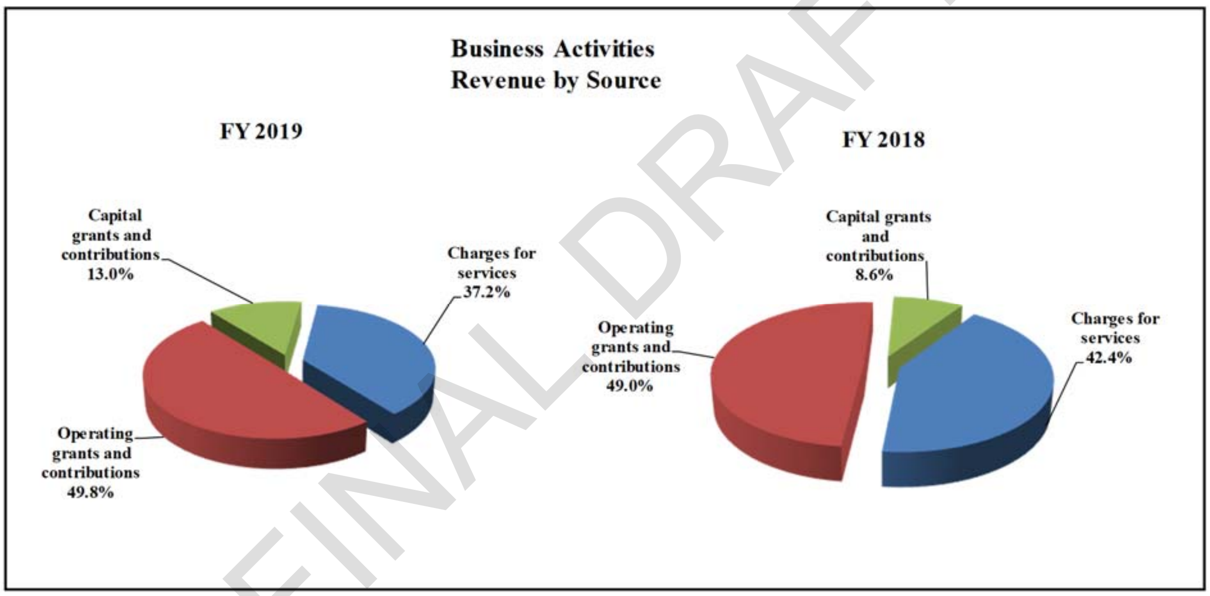


Business-type Activities

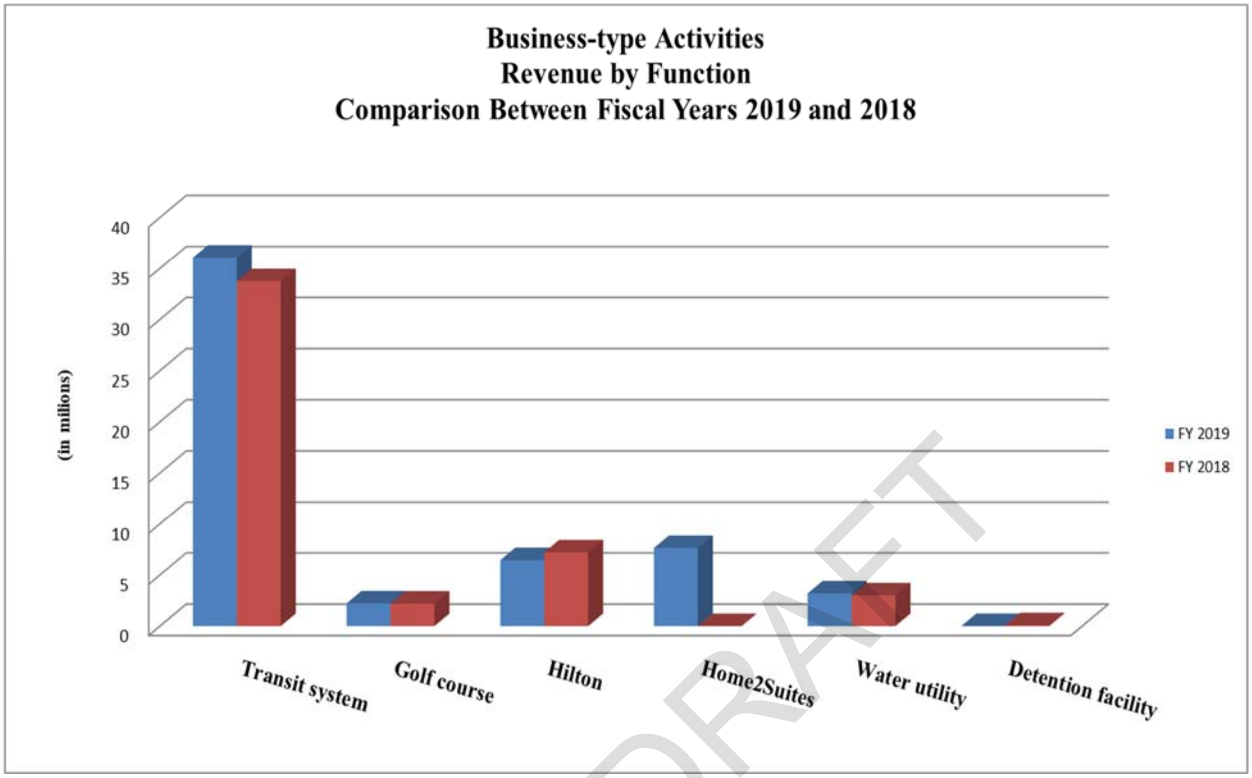
The City operates the following business-type activities: Transit System, Golf Course, Montebello Hilton Hotel, Home2Suites Hotel, and Water Utility. In 2019, Detention fund was transferred from Business-type activities to Governmental activities. The City's Transit System is the largest business-type operation, followed by the Montebello Hilton Hotel, Home2Suites Hotel and the Golf Course.

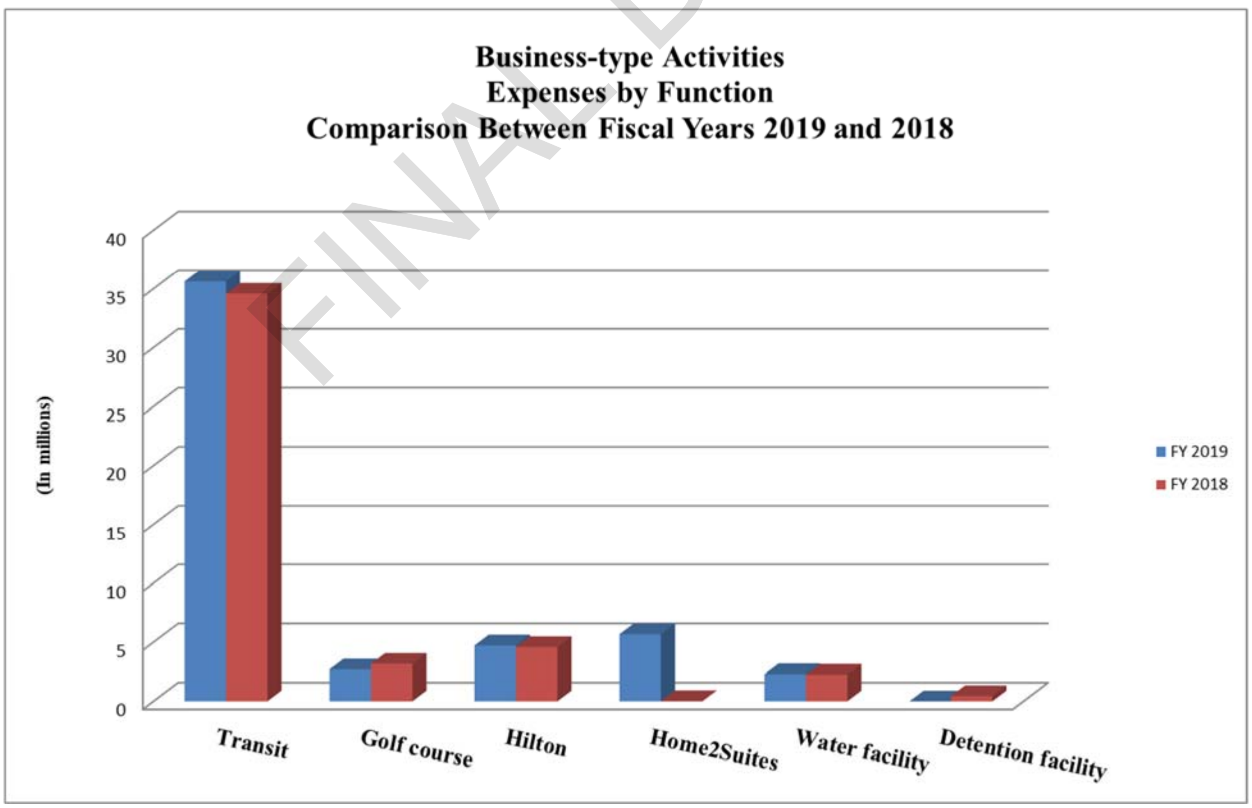
Business-type activities increased the City's net position before transfers by $1.9 million, an increase of $3.7 million as compared to prior year, primarily a result of increase in overall revenues.

Total revenues for business-type activities were $56 million, compared to $46.7 million in the previous fiscal year, constituting a 20% increase. The overall increase is primarily a result of the revenues generated from the Home2Suites since September 2018.



Approximately 42% of revenue came from Charges for Services, which was generated from bus fares, special contracts, revenue from hotel fees and golf course green fees, while the remaining 58% comes from State and Federal subsidies.


Business-type Activities
Revenue by Function
Comparison Between Fiscal Years 2019 and 2018
(in millions)
40
35
30
25
20
15
10
5
0
Transit system
Golf course
Hilton
Home2Suites
Water utility
Detention facility
FY 2019
FY 2018


Business-type Activities
Expenses by Function
Comparison Between Fiscal Years 2019 and 2018
(In millions)
40
35
30
25
20
15
10
5
0
Transit
Golf course
Hilton
Home2Suites
Water facility
Detention facility
FY 2019
FY 2018

- The Transit System reported operating revenues of $4.1 million, $0.6 million (14.2%) lower than in 2018 due to lower ridership. Non-operating revenues and capital grants received in 2019 were $32 million compared to $29 million in 2018. Operating expenses in 2019 were $35.6 million; approximately $1 million higher than in 2018. Net position increased by $0.5 million in 2019 compared to a decrease in net position of $0.8 million in 2018.

- The City's Golf Course generated slightly more in revenues for FY18-19 compared to the prior year while operating expenses decreased by $470 thousand for the year primarily due to lower labor costs and a decrease in utilities by using recycled water. As a result, the Golf fund ended the fiscal year with a net loss before transfers in of $0.6 million, a $0.5 million improvement over the prior year, lowering the subsidy needed from General fund.

- The Montebello Hilton reflected operating net income before debt service of $1.7 million for fiscal year 2019, a 34.2% decrease compared to last year. Operating revenues decreased by $0.8 million (11%) mainly due to the opening of the newer Home2Suites taking some of the market share, while operating expenses increased by 3%.

- The Montebello Home2Suites reflected operating net income before debt service of $1.9 million for its first nine months of operation. It had a net loss of approximately $160 thousand after bond interest expense paid related to its construction.

Governmental Funds Financial Analysis (Reporting the City's most Significant Funds)

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

As of the end of the current fiscal year, the City's governmental funds reported total combined ending fund balances of $51.2 million, an increase of $7.8 million (18%) as compared with the prior fiscal year. All governmental fund balances are either non-spendable, restricted, committed, assigned, or unassigned pursuant to GASB 54. Non-spendable indicates they are fund balances tied to inventories, prepaid expenses and property held for sale. The *restricted* fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. These restrictions of fund balance are to indicate that portions of fund balance are not available for new spending, because they have already been committed to: 1) finance Special Revenue Fund expenditures, 2) pay debt service, or 3) finance ongoing capital projects. Amounts in the committed fund balance are constrained for specific purposes that are internally imposed by the government through formal written action of the City Council. Amounts in the *assigned* fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The City has no committed and assigned fund balances. *Unassigned* fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

City of Montebello
General Fund
As of June 30
(in thousands)

		2019		2018		Change Amount	Change %
Operating revenues	$	45,009	$	41,516	$	3,493	8%
Operating expenditures		49,670		49,096		574	1%
Excess of revenues over (under) expenditures		(4,661)		(7,580)		2,919	-39%
Net operating transfers		5,980		10,875		(4,895)	-45%
Proceeds from capital lease		1,548		-		1,548	100%
Surplus		2,866		3,295		(429)	-13%
Beginning fund balance		17,338		14,043		3,295	23%
Ending fund balance	$	20,204	$	17,338	$	2,866	17%

General Fund is the City's main operating fund. It is used to account for revenues and expenditures necessary to perform basic government functions that are not accounted for through other special revenue and grant funds.

In fiscal year 2019, the General Fund ended the year with a surplus of $2.9 million compared to a surplus of $3.3 million in fiscal year 2018.

City of Montebello
General Fund
As of June 30
(in thousands)

	Budgeted Amounts Original	Budgeted Amounts Final	2019 Actual	Variance with Final Budget Positive (Negative)	2018 Actual	Variance with Prior Year
Revenues						
Sales taxes	$ 12,921	$ 12,921	$ 14,032	$ 1,111	$ 13,119	$ 913
Property taxes	5,125	5,125	5,676	551	5,209	467
Other taxes	615	615	614	(1)	586	28
Franchise taxes	1,550	1,550	2,224	674	2,141	83
Licenses and permits	4,613	4,613	6,220	1,607	4,452	1,768
Fines and forfeitures	2,132	2,132	2,166	34	2,185	(19)
Investment income	31	31	162	131	75	87
Intergovernmental	6,401	6,401	6,527	126	6,157	370
Charges for services	6,855	6,855	6,658	(197)	6,438	220
Other revenue	1,375	1,375	729	(646)	1,153	(424)
Total revenues	$ 41,618	$ 41,618	$ 45,008	$ 3,390	$ 41,515	$ 3,493

The key factors affecting General Fund's fund balance for the fiscal year 2019 is as follows:

- General Fund revenues increased by $3.5 million (8.4%) which is primarily due to the overall increase in sales taxes, property taxes and Commercial Cannabis application revenues (reported under Licenses and permits).

- General Fund expenditures, excluding interfund charges, increased by $0.7 million (1.4%). This is mainly caused by increase in retirement costs and vehicle purchases. Of the total general fund expenses, Public Safety accounted for 61.3%, Public Works was 13.8% and General Government was 12.2%.

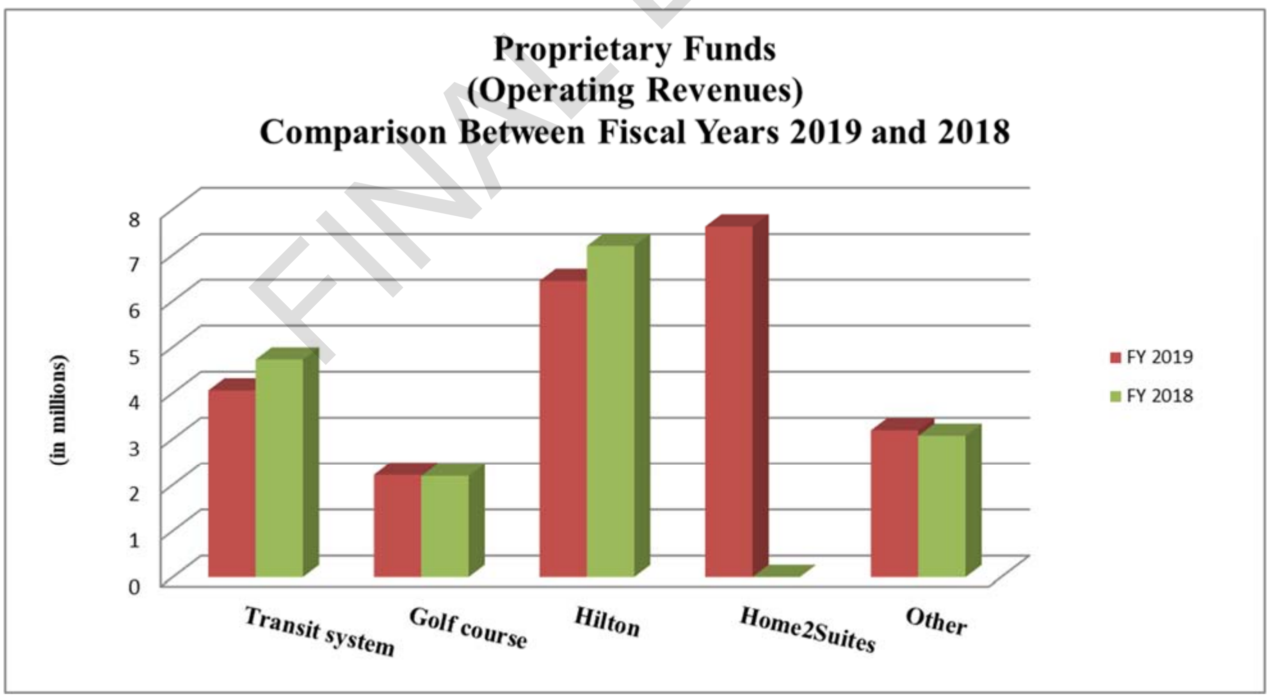
Retirement Fund is reserved for the payment of retirement expenses for the employees of the City. The Retirement Fund is financed by the retirement portion of the property tax revenue pursuant to a 1946 voter approved initiative to provide for the retirement benefit costs of City employees. The City's Retirement Fund increased its net position by $3.0 million in fiscal year 2019 to $11.8 million. However, the rising annual pension costs are expected to surpass revenues in the near future. The total net pension liability excluding Transit fund was $102.3 million as of the end of FY18-19.

Public Financing Authority Debt Service Fund is used to account for the accumulation of resources required for the payment of interest and principal on all revenue bonds issued by the Public Financing Authority. During the year ended June 30, 2019, the net position decreased slightly.

Self Insurance Fund is the City's Internal Service Fund which is used to set aside funding to cover workers' compensation, liability claims, and potential future claims. The Self Insurance fund ended the year with deficit net position of $13.2 million compared to a deficit net position of $8.9 million in the prior fiscal year. The increase in deficit of $4.3 million was primarily a result of increased potential costs of claims.

Proprietary Funds

The City's proprietary funds account for the City's business-type activities.



Transit:

The Transit System incurred an operating loss of $31.6 million compared to $29.9 million in the prior fiscal year, an increase in loss of approximately $1.7 million (5.7%).

Operating revenues include bus fares and special contracts which totaled $4.1 million, which was $0.6 million lower than the prior year total of $4.7 million, primarily due to lower ridership. Operating expenses for Transit amounted to $35.6 million in 2019, an increase of $1.0 million from $34.6 million in 2018. Operating expenses included $4.9 million in depreciation expense reported as required by accounting standards.

The operating loss was offset by approximately $25.5 million in operating subsidies from the Los Angeles County Metropolitan Transportation Authority (LACMTA), a $1.7 million of one-time Federal operating grant and capital contributions of $4.8 million. Total subsidies from various sources was approximately $3.0 million higher than the prior fiscal year, resulting in a net income of $0.5 million, compared to an $0.8 million net loss in the prior year.

Golf:

The Municipal Golf Course incurred an operating loss of $0.5 million, which was $0.5 million less than prior year. Its operating revenues for the fiscal year 2019 were $2.2 million and operating expenses were $2.7 million. Operating revenues were 1.1% higher than in the prior year, due to new revenues generated from Quiet Cannon related to the new Home2Suites. Total operating expenses which included $0.3 million of depreciation expense, decreased by $0.5 million (50.7%), primarily due to lower labor costs and utility cost-savings due to favorable weather and a newly installed recycled water system. As a result, the subsidy needed from the General Fund was lowered.

Hilton:

The Montebello Hilton reflected operating revenues of $6.4 million, $0.8 million (10.6%) lower than the prior fiscal year. This is primarily due to the opening of the new Home2Suites taking some of the market share. Operating expenses increased by 2.8% due to higher administrative expenses.

Home2Suites:

Home2Suites began operations on September 20, 2018. In its nine months of operations, the hotel generated approximately $7.6 million in revenues and incurred $5.7 million in operating expenses. As a result, the hotel had a net operating income of $1.9 million dollars in its first year of operations. It has a net loss of approximately $0.2 million after bond interest expense paid related to its construction.

Capital Asset and Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2019 amounted to $184 million, net of accumulated depreciation. Capital assets include land, buildings, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The City's capital assets net of accumulated depreciation increased by 8.5% over the prior year primarily due to the completion of the new Home2Suites.

City of Montebello
Summary of Capital Assets, Net of Depreciation
As of June 30
(in thousands)

	Governmental Activities 2019	Governmental Activities 2018	Business-type Activities 2019	Business-type Activities 2018	Total 2019	Total 2018
Land	$ 2,054	$ 2,054	$ 6,307	$ 6,307	$ 8,360	$ 8,360
Rights of way	14,392	14,392	-	-	14,392	14,392
Construction in progress	1,928	2,352	6,309	43,940	8,236	46,292
Buildings and improvements	31,336	30,182	77,212	30,055	108,548	60,237
Machinery and equipment	8,999	7,393	21,413	20,670	30,412	28,063
Infrastructure	14,071	14,771	-	-	14,071	14,771
	$ 72,779	$ 71,143	$ 111,240	$ 100,972	$ 184,019	$ 172,115

The capital asset classes include:

- Sewer system, including sewer pipes, pumping stations, manholes, and laterals;
- Storm drain system, including storm drain pipes, flood control channels, and catch basins;
- Streets, including pavement, curb and gutter, sidewalks, medians, greenways, block walls and traffic signals;
- Buildings, including building remodels, building lighting systems, building equipment, and building roofs; and
- Parks, including associated structures and infrastructure assets.

Major capital asset transactions during the current fiscal year included the following:

- Building and Improvements are the biggest capital assets of the City, making up 59% of the total capital assets. Building and Improvements net of accumulated depreciation increased approximately $48.3 million mainly due to the completion of Home2Suites. Other major capital improvement projects completed during the fiscal year included: Maple Avenue Street Improvements (Mines Ave to Washington Blvd.), Ellingbrook Avenue Street Improvements (Firvale to Easterly City Limits), and Bicknell Park Booster Pump Station.

- Machinery, Equipment, and Automotive Equipment additions totaled approximately $4.8 million in 2019 which included: purchases of 5 new CNG Buses, new Citywide Radios and radio related Microwave Upgrades, etc.

Additional information on the City's capital assets can be found in Note 3 to the basic financial statements section of this report.

Long-term Debt

At the end of fiscal year 2019, the City had total debt outstanding of $281.1 million, an increase of $4.4 million compared to prior year primarily due to increase in net Other Postemployment Benefit Obligation (OPEB), potential claims payable and new capital leases.

The outstanding debt includes $85 million of revenue bonds and $134.5 million of net pension liability. The remaining $61.6 million relates to the postemployment benefit obligation, notes payable, capital leases and compensated absences. Pension liability decreased $1.3 million compared to 2018 primarily due to change in demographic assumptions and inflation rate in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. Total long-term claims payable as of June 30, 2019 was $21.1 million, an increase of $4.4 million compared to prior year based on an actuarial report. Outstanding debt is summarized below.

City of Montebello
Summary of Long-term Debt
As of June 30
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue bonds, net	$ 10,177	$ 11,333	$ 74,836	$ 75,919	$ 85,013	$ 87,252
Claims payable	21,064	16,649	-	-	21,064	16,649
Notes payable	3,703	4,043	919	484	4,622	4,527
Capital lease obligation	2,084	902	820	414	2,904	1,317
Compensated absences	1,934	2,021	1,126	1,109	3,060	3,130
Net pension liability	99,964	100,703	34,563	35,132	134,527	135,834
Other postemployment benefit obligation	26,705	24,955	3,252	3,058	29,957	28,012
Sub total	165,631	160,605	115,516	116,116	281,147	276,720
Less current portion	2,314	7,677	3,287	2,043	5,601	9,719
Noncurrent portion	$ 163,317	$ 152,928	$ 112,229	$ 114,073	$ 275,546	$ 267,001

Economic Factors and Next Year's Budgets and Rates

The City’s financial position and its ability to pay for essential services and capital projects rely heavily on the economic conditions, legislative actions on both Federal and State level, and laws governing local finances:

Credit rating: As of the date of this CAFR, the City S&P underlying credit rating is “A”.

Employment trends: The City’s 12-month average unemployment rate continued to fall from 4.4% to 4.1% during the fiscal year 2019, a 0.3% decrease from prior year. This decrease is not likely to continue as noted in the Legislative Analyst’s Office (LAO) Economic assumptions which predict that the overall State unemployment rate will increase slightly in 2020.

Economic growth: According to a near term projection by the Legislative Analyst's Office (LAO) based on consensus of economists about the likely trend of the U.S. economy through 2020, which was published in the recent State 2019-20 California's Fiscal Outlook, personal income in California will decrease to 3.7% in 2020 and then increase to 4.2% in 2021.

Costco closed its Montebello facility in 2018. However, according to a sales tax sharing agreement, the City will continue to receive a portion of the sales tax revenues.

Real Estate Market: Taxable assessed values for properties within the City have increased steadily since 2011-12. The FY 2018-2019 assessed valuation of $6.1 billion represents an increase of 6% over last year. Increases during the past five years have averaged 4%.

According to the preliminary property tax report prepared by HdL Companies for the fiscal year 2019-20, the total assessed valuation for the City is projected to increase by 5.6% from FY 2018-19. These anticipated increases will boost the City's property tax revenues over the next several years.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 1600 W. Beverly Blvd., Montebello, CA 90640.

		Governmental Activities		Business-type Activities		Total
ASSETS						
Cash and investments	$	48,619,532	$	12,112,117	$	60,731,649
Restricted cash and investments		4,837,801		16,260,962		21,098,763
Receivables:						
Interest		212,495		-		212,495
Accounts		3,945,939		4,572,106		8,518,045
Property tax		2,764,029		-		2,764,029
Notes		718,530		-		718,530
Property held for resale		1,679,368		-		1,679,368
Inventory		4,547		1,226,297		1,230,844
Prepaid items and deposits		166,519		47,925		214,444
Advances to Successor Agency Trust Fund		5,934,782		-		5,934,782
Internal balances		2,373,861		(2,373,861)		-
Capital assets, not being depreciated		18,373,067		12,615,196		30,988,263
Capital assets, being depreciated		54,405,623		98,624,825		153,030,448
Total assets		144,036,093		143,085,567		287,121,660
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of resources related to pensions		13,029,534		5,861,771		18,891,305
Deferred outflows of resources related to OPEB		1,535,142		174,631		1,709,773
Unamortized loss on defeasance of debt		214,577		58,518		273,095
		14,779,253		6,094,920		20,874,173
LIABILITIES						
Accounts payable and accrued liabilities		5,509,136		11,061,652		16,570,788
Interest payable		96,545		271,243		367,788
Due to Agency Fund		45,539		-		45,539
Deposits payable		-		75,087		75,087
Unearned revenue		6,020,263		3,690,641		9,710,904
Noncurrent liabilities:						
Due within one year		2,314,013		3,287,477		5,601,490
Due in more than one year		163,316,923		112,228,321		275,545,244
Total liabilities		177,302,419		130,614,421		307,916,840
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources related to pensions		1,189,269		852,413		2,041,682
Deferred inflows of resources related to OPEB		1,166,732		144,568		1,311,300
		2,356,001		996,981		3,352,982
NET POSITION (DEFICIT)						
Net investment in capital assets		56,932,832		51,863,185		108,796,017
Restricted for:						
Community development		30,781,057		-		30,781,057
Public safety		571,832		-		571,832
Capital projects		4,513,116		14,396,707		18,909,823
Debt service		361,922		1,864,255		2,226,177
Unrestricted deficit		(114,003,833)		(50,555,062)		(164,558,895)
Total net deficit	$	(20,843,074)	$	17,569,085	$	(3,273,989)

See notes to financial statements.

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Total
Governmental activities							
General government	$ 15,966,059	$ 5,847,466	$ 2,558,311	$ -	$ (7,560,282)	$ -	$ (7,560,282)
Public safety	37,512,859	3,372,826	-	-	(34,140,033)	-	(34,140,033)
Public works	8,765,502	4,793,062	6,511,978	-	2,539,538	-	2,539,538
Parks, recreation, and culture	4,298,740	533,344	-	-	(3,765,396)	-	(3,765,396)
Housing and community development	2,960,143	497,300	884,986	-	(1,577,857)	-	(1,577,857)
Unallocated infrastructure depreciation	700,608	-	-	-	(700,608)	-	(700,608)
Interest on long-term debt	605,163	-	-	-	(605,163)	-	(605,163)
Total governmental activities	70,809,074	15,043,998	9,955,275	-	(45,809,800)	-	(45,809,800)
Business-type activities							
Transit system	35,629,180	4,056,307	27,205,168	4,802,972	-	435,267	435,267
Golf course	2,699,786	2,219,790	-	-	-	(479,996)	(479,996)
Montebello Hilton	4,720,613	6,436,430	-	-	-	1,715,817	1,715,817
Water utility	2,293,908	3,190,460	-	-	-	896,552	896,552
Hotel2Suite	5,674,308	7,628,131	-	-	-	1,953,823	1,953,823
Interest on long-term debt	3,077,709	-	-	-	-	(3,077,709)	(3,077,709)
Total business-type activities	54,095,504	23,531,118	27,205,168	4,802,972	-	1,443,754	1,443,754
Total primary government	$ 124,904,578	$ 38,575,116	$ 37,160,443	$ 4,802,972	(45,809,800)	1,443,754	(44,366,046)
General revenues							
Taxes							
Property taxes, levied for general purposes					18,385,624	-	18,385,624
Sales tax					14,031,972	-	14,031,972
Franchise taxes					2,224,087	-	2,224,087
Motor vehicle license fees					6,515,566	-	6,515,566
Other taxes					614,485	-	614,485
Other revenues					2,270,785	-	2,270,785
Investment earnings					743,557	461,704	1,205,261
Transfers							
Transfers - net					(529,493)	529,493	-
Total general revenues					44,256,583	991,197	45,247,780
Change in net position					(1,553,217)	2,434,951	881,734
Net position (deficit), beginning of year, as restated					(19,289,857)	15,134,134	(4,155,723)
Net position (deficit), end of year					$ (20,843,074)	$ 17,569,085	$ (3,273,989)

See notes to financial statements.

City of Montebello
Governmental Funds
Balance Sheet
June 30, 2019

	General	Special Revenue Fund Retirement Fund	Debt Service Fund Public Financing Authority	Special Revenue Fund Housing Successor Fund	Other Governmental Funds	Total
ASSETS						
Cash and investments	$ 17,213,492	$ 11,640,413	$ -	$ 1,020,118	$ 10,915,467	$ 40,789,490
Restricted cash and investments	4,837,801	-	-	-	-	4,837,801
Receivables						
Interest	212,495	-	-	-	-	212,495
Accounts	2,551,939	-	-	-	1,392,752	3,944,691
Taxes	2,617,772	146,257	-	-	-	2,764,029
Notes	-	-	-	-	718,530	718,530
Due from other funds	2,000,017	-	376,060	330,700	-	2,706,777
Due from Successor Agency Trust Fund	29,243	-	-	5,906,642	-	5,935,885
Prepaid expenses	141,044	-	-	-	25,475	166,519
Investment in land held for resale	682,538	-	-	996,830	-	1,679,368
Total assets	$ 30,286,341	$ 11,786,670	$ 376,060	$ 8,254,290	$ 13,052,224	$ 63,755,585
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts payable and accrued liabilities	$ 3,931,905	$ -	$ 14,138	$ -	$ 1,530,839	$ 5,476,882
Due to Successor Agency Trust Fund	1,103	-	-	-	-	1,103
Due to Trust and Agency Fund	-	-	-	-	45,539	45,539
Due to other funds	330,700	-	-	2,216	-	332,916
Unearned revenue	5,818,454	-	-	-	201,809	6,020,263
Total liabilities	10,082,162	-	14,138	2,216	1,778,187	11,876,703
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	-	718,529	718,529
FUND BALANCES						
Nonspendable						
Prepaid expenses	141,044	-	-	-	25,475	166,519
Advances to Successor Agency Trust Fund	-	-	-	5,906,642	-	5,906,642
Investment in land held for resale	682,538	-	-	996,830	-	1,679,368
Restricted for						
Debt service	-	-	361,922	-	-	361,922
Special revenue funds	-	11,786,670	-	1,348,602	9,499,459	22,634,731
Capital projects	4,837,801	-	-	-	1,195,998	6,033,799
Unassigned	14,542,796	-	-	-	(165,424)	14,377,372
Total fund balances	20,204,179	11,786,670	361,922	8,252,074	10,555,508	51,160,353
Total liabilities, deferred inflows of resources and fund balances	$ 30,286,341	$ 11,786,670	$ 376,060	$ 8,254,290	$ 13,052,224	$ 63,755,585

See notes to financial statements.

Amounts reported for governmental activities in the statement of net position are different because:		
Total governmental fund balances		$ 51,160,353
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund balance sheet.		72,661,312
Long-term liabilities and related items are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Balances at June 30, 2019 are:		
Revenue bonds	$ (9,356,420)	
Bond issuance premium	(823,553)	
Bond issuance discount	2,907	
Deferred amount on refunding	214,577	
Notes payable	(3,702,914)	
Capital lease obligation	(2,083,911)	
Compensated absences	(1,929,991)	
Net OPEB liability	(26,705,030)	
Net pension liability	(99,932,850)	
Deferred outflows of resources - OPEB-related	1,535,142	
Deferred outflows of resources - pension-related	13,024,174	
Deferred inflows of resources - OPEB-related	(1,166,732)	
Deferred inflows of resources - pension-related	(1,188,487)	(132,113,088)
Certain revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide financial statements.		718,529
Internal service funds are used by management to charge the costs of various City activities to individual governmental and business-type funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, but are not included in the governmental funds balance sheet.		(13,173,635)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(96,545)
Net position of governmental activities		$ (20,843,074)

See notes to financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2019

		Special Revenue Fund	Debt Service Fund	Special Revenue Fund		
	General	Retirement Fund	Public Financing Authority	Housing Successor Fund	Other Governmental Funds	Total
Revenues						
Sales taxes	$ 14,031,972	$ -	$ -	$ -	$ -	$ 14,031,972
Property taxes	5,676,411	12,709,213	-	-	-	18,385,624
Other taxes	614,485	-	-	-	-	614,485
Franchise taxes	2,224,087	-	-	-	-	2,224,087
Licenses and permits	6,220,483	-	-	-	-	6,220,483
Fines and forfeitures	2,165,922	-	-	-	-	2,165,922
Investment income	162,487	221,929	-	-	359,141	743,557
Intergovernmental	6,526,569	-	-	-	9,225,743	15,752,312
Charges for services	6,657,594	-	-	-	-	6,657,594
Other revenue	728,696	-	1,505,329	36,760	-	2,270,785
Total revenues	45,008,706	12,931,142	1,505,329	36,760	9,584,884	69,066,821
Expenditures						
Current:						
General government	5,873,687	6,214,977	4,570	-	81,945	12,175,179
Public safety	29,433,153	-	-	-	1,531,587	30,964,740
Public works	6,639,299	-	-	-	716,933	7,356,232
Parks and recreation	3,827,559	-	-	-	-	3,827,559
Housing and community development	2,209,566	-	-	16,430	530,442	2,756,438
Sub-total	47,983,264	6,214,977	4,570	16,430	2,860,907	57,080,148
Capital outlay	2,052,865	-	-	736,413	2,145,365	4,934,643
Debt service:						
Principal retirement	-	-	1,053,180	-	366,000	1,419,180
Interest and fiscal charges	-	-	452,149	-	188,013	640,162
Sub-total	-	-	1,505,329	-	554,013	2,059,342
Interfund charges	(366,046)	-	-	-	-	(366,046)
Total expenditures	49,670,083	6,214,977	1,509,899	752,843	5,560,285	63,708,087
Excess (deficiency) of revenues over expenditures	(4,661,377)	6,716,165	(4,570)	(716,083)	4,024,599	5,358,734
Other financing sources (uses)						
Transfers in	6,758,437	-	-	-	176,506	6,934,943
Transfers out	(778,644)	(3,734,527)	-	-	(1,552,882)	(6,066,053)
Proceeds from capital lease	1,547,962		-	-	-	1,547,962
Net other financing sources (uses)	7,527,755	(3,734,527)	-	-	(1,376,376)	2,416,852
Change in fund balances	2,866,378	2,981,638	(4,570)	(716,083)	2,648,223	7,775,586
Fund balances, beginning of year	17,337,801	8,805,032	366,492	8,968,157	7,907,285	43,384,767
Fund balances, end of year	$ 20,204,179	$ 11,786,670	$ 361,922	$ 8,252,074	$ 10,555,508	$ 51,160,353

See notes to financial statements.

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

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

Change in fund balance - governmental funds		$ 7,775,586
Governmental funds report capital outlay as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Depreciation expense	$ (3,028,130)	
Capital outlay	4,663,884	1,635,754
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Proceeds from capital lease	(1,547,962)	
Principal payments on bonds, notes and capital lease obligation	1,759,274	211,312
Certain revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide financial statements.		718,529
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Net change in compensated absences	87,404	
Net change in accrued interest	(17,591)	
Net change in deferred amount on refunding	(23,842)	
Net change in bond discount	(484)	
Net change in bond premium	102,944	148,431
Changes in net OPEB and pension liability and other pension related items do not represent revenues or expenditures that consume current financial resources		
Net change in net pension liability	737,965	
Net change in deferred outflows of resources related to pensions	(7,865,556)	
Net change in deferred inflows of resources related to pensions	6,456	
Net change in net OPEB liability	(1,750,482)	
Net change in deferred outflows of resources related to OPEB	754,101	
Net change in deferred inflows of resources related to OPEB	337,758	(7,779,758)
Internal service funds are used by management to charge the costs of self-insurance and capital replacements to individual funds. Net income (loss) of the internal service funds is reported with governmental activities.		(4,263,071)
Change in net position of governmental activities		$ (1,553,217)

See notes to financial statements.

City of Montebello
Statement of Net Position
Proprietary Funds
Year ended June 30, 2019

	Business-type Activities - Enterprise Funds						Governmental Activities
	Transit System Fund	Golf Course	Montebello Hilton	Home2Suites	Others	Total	Internal Service Funds
ASSETS							
Current assets							
Cash and investments	$ 10,922,365	$ 2,882	$ 748,920	$ -	$ 437,950	$ 12,112,117	$ 7,830,042
Cash and investments with fiscal agent	-	-	1,864,255	14,396,707	-	16,260,962	-
Accounts receivable	3,594,331	115,477	263,476	159,446	439,376	4,572,106	1,248
Inventory	1,151,150	72,958	1,484	705	-	1,226,297	4,547
Prepaid expense and other current assets	23,281	95	11,616	11,650	1,283	47,925	-
Total current assets	15,691,127	191,412	2,889,751	14,568,508	878,609	34,219,407	7,835,837
Noncurrent assets							
Capital assets							
Land	3,901,596	2,370,000	-	-	35,000	6,306,596	108,369
Buildings and improvements	29,455,713	10,733,363	17,052,260	49,083,848	951,501	107,276,685	428,794
Machinery and equipment	66,412,359	2,734,547	-	-	2,185,927	71,332,833	643,651
Construction in progress	5,618,955	-	689,643	-	-	6,308,598	-
Accumulated depreciation	(60,741,762)	(9,213,145)	(6,874,395)	(920,323)	(2,235,066)	(79,984,691)	(1,063,436)
Total noncurrent assets	44,646,861	6,624,765	10,867,508	48,163,525	937,362	111,240,021	117,378
Total assets	60,337,988	6,816,177	13,757,259	62,732,033	1,815,971	145,459,428	7,953,215
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows of resources related to pensions	5,442,734	415,683	-	-	3,354	5,861,771	5,360
Deferred outflows of resources related to OPEB	169,831	4,800	-	-	-	174,631	-
Unamortized loss on defeasance of debt	-	58,518	-	-	-	58,518	-
Total deferred outflows of resources	5,612,565	479,001	-	-	3,354	6,094,920	5,360
LIABILITIES							
Current liabilities							
Accounts payable and accrued liabilities	2,799,730	195,212	1,035,072	6,787,485	244,153	11,061,652	32,254
Due to other funds	-	2,366,871	-	6,990	-	2,373,861	-
Deposits payable	-	400	7,022	35,990	31,675	75,087	-
Unearned revenue	3,690,641	-	-	-	-	3,690,641	-
Interest payable	-	5,433	43,245	222,565	-	271,243	-
Current portion of long-term liabilities:							
Claims payable	-	-	-	-	-	-	7,471,188
Compensated absences	860,212	68,954	-	-	1,389	930,555	3,777
Capital lease obligation	300,929	96,217	-	-	-	397,146	-
Notes payable	-	99,416	-	-	-	99,416	-
Bonds payable	-	285,360	570,000	1,005,000	-	1,860,360	-
Total current liabilities	7,651,512	3,117,863	1,655,339	8,058,030	277,217	20,759,961	7,507,219
Noncurrent liabilities							
Claims payable	-	-	-	-	-	-	13,592,882
Compensated absences	175,742	19,553	-	-	-	195,295	-
Net pension liability	32,174,434	2,367,658	-	-	20,439	34,562,531	31,327
Net OPEB liability	3,088,469	163,652	-	-	-	3,252,121	-
Capital lease obligation	269,193	153,862	-	-	-	423,055	-
Notes payable	-	200,894	-	-	618,741	819,635	-
Bonds payable	-	2,561,774	10,905,398	59,508,512	-	72,975,684	-
Total noncurrent liabilities	35,707,838	5,467,393	10,905,398	59,508,512	639,180	112,228,321	13,624,209
Total liabilities	43,359,350	8,585,256	12,560,737	67,566,542	916,397	132,988,282	21,131,428
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows of resources related to pensions	789,443	62,491	-	-	479	852,413	782
Deferred inflows of resources related to OPEB	139,317	5,251	-	-	-	144,568	-
	928,760	67,742	-	-	479	996,981	782
NET POSITION (DEFICIT)							
Net investment in capital assets	44,646,861	3,227,242	-	3,051,720	937,362	51,863,185	117,378
Restricted for							
Capital projects	-	-	-	14,396,707	-	14,396,707	-
Debt service	-	-	1,864,255	-	-	1,864,255	-
Unrestricted	(22,984,418)	(4,585,062)	(667,733)	(22,282,936)	(34,913)	(50,555,062)	(13,291,013)
Total net position (deficit)	$ 21,662,443	$ (1,357,820)	$ 1,196,522	$ (4,834,509)	$ 902,449	$ 17,569,085	$ (13,173,635)

See notes to financial statements.

City of Montebello
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year ended June 30, 2019

	Business-type Activities - Enterprise Funds						Governmental Activities
	Transit System Fund	Golf Course	Montebello Hilton	Home2Suites	Others	Total	Internal Service Funds
Operating revenues							
Charges for services	$ 3,953,288	$ 2,208,696	$ 6,358,976	$ 7,570,979	$ 3,190,460	$ 23,282,399	$ 7,950,833
Other	103,019	11,094	77,454	57,152	-	248,719	17,428
Total operating revenues	4,056,307	2,219,790	6,436,430	7,628,131	3,190,460	23,531,118	7,968,261
Operating expenses							
Labor and fringe benefits	20,671,173	1,173,115	1,645,425	334,313	9,465	23,833,491	14,735
Materials and supplies	1,445,496	80,507	-	-	-	1,526,003	224,763
Food and beverage	-	-	364,956	452,683	-	817,639	-
Repairs and maintenance	-	21,043	-	35	-	21,078	253,708
Utilities	271,643	319,651	161,386	149,779	119,652	1,022,111	-
Insurance claims and premiums	2,206,524	78,445	103,590	95,450	-	2,484,009	9,859,395
Contract services	4,356,242	423,332	745,569	1,849,421	1,969,169	9,343,733	477,141
Franchise fee	-	-	281,293	200,046	-	481,339	-
Depreciation expense	4,851,967	253,700	81,542	920,323	6,222	6,113,754	-
Administrative expense	1,587,048	318,157	1,336,852	1,669,978	189,400	5,101,435	3,207
Other expenses	239,087	31,836	-	2,280	-	273,203	-
Total operating expenses	35,629,180	2,699,786	4,720,613	5,674,308	2,293,908	51,017,795	10,832,949
Operating income (loss)	(31,572,873)	(479,996)	1,715,817	1,953,823	896,552	(27,486,677)	(2,864,688)
Nonoperating revenues (expenses)							
Operating subsidies:							
Proposition "A" discretionary	5,340,219	-	-	-	-	5,340,219	-
Proposition "C" discretionary	3,769,706	-	-	-	-	3,769,706	-
Measure M	3,388,471	-	-	-	-	3,388,471	-
Measure R	3,356,209	-	-	-	-	3,356,209	-
State transit assistance	9,685,063	-	-	-	-	9,685,063	-
Subtotal - operating subsidies	25,539,668	-	-	-	-	25,539,668	-
Interest income	102,927	-	23,106	324,074	11,597	461,704	-
Interest expense		(118,253)	(520,024)	(2,437,745)	(1,687)	(3,077,709)	
Total nonoperating revenues (expenses)	25,642,595	(118,253)	(496,918)	(2,113,671)	9,910	22,923,663	-
Income (loss) before capital grants	(5,930,278)	(598,249)	1,218,899	(159,848)	906,462	(4,563,014)	(2,864,688)
Federal operating grants	1,665,500	-	-	-	-	1,665,500	-
Federal and State capital grants	4,802,972	-	-	-	-	4,802,972	-
Income (loss) before transfers	538,194	(598,249)	1,218,899	(159,848)	906,462	1,905,458	(2,864,688)
Transfers in	-	754,173	-	-	75,320	829,493	1,617
Transfers out	-	-	-	-	(300,000)	(300,000)	(1,400,000)
Net transfers in (out)	-	754,173	-	-	(224,680)	529,493	(1,398,383)
Change in net position	538,194	155,924	1,218,899	(159,848)	681,782	2,434,951	(4,263,071)
Net position (deficit), beginning of year	21,124,249	(1,513,744)	(7,805,603)	(4,674,661)	220,667	7,350,908	(8,910,564)
Prior period adjustment - Transfer of capital assets	-	-	7,783,226	-	-	7,783,226	-
Net position, beginning of year, as restated	21,124,249	(1,513,744)	(22,377)	(4,674,661)	220,667	15,134,134	(8,910,564)
Net position (deficit), end of year	$ 21,662,443	$ (1,357,820)	$ 1,196,522	$ (4,834,509)	$ 902,449	$ 17,569,085	$ (13,173,635)

See notes to financial statements.

City of Montebello
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2019

	Business-type Activities - Enterprise Funds						Governmental Activities
	Transit System Fund	Golf Course	Montebello Hilton	Home2Suites	Others	Total	Internal Service Funds
Cash flows from operating activities							
Receipts from customers	$ 3,953,288	$ 2,190,499	$ 6,306,222	$ 7,729,425	$ 2,917,651	$ 23,097,085	$ 7,968,261
Other receipts	103,019	11,094	77,454	57,152	-	248,719	-
Payments to suppliers	(8,818,022)	(1,271,682)	(2,901,718)	(4,136,261)	(2,447,246)	(19,574,929)	(6,420,940)
Payments to employees	(18,916,750)	(1,072,820)	(1,645,425)	(334,313)	(8,243)	(21,977,551)	(13,168)
Net cash provided by (used in) operating activities	(23,678,465)	(142,909)	1,836,533	3,316,003	462,162	(18,206,676)	1,534,153
Cash flows from non-capital financing activities							
Operating subsidies received from Federal and State	31,232,447	-	-	-	-	31,232,447	-
Cash received from other funds	-	754,173	-	6,990	75,320	836,483	-
Cash paid out to other funds	-	-	-	-	(300,000)	(300,000)	(1,398,383)
Net cash provided by (used in) non-capital financing activities	31,232,447	754,173	-	6,990	(224,680)	31,768,930	(1,398,383)
Cash flows from capital and related financing activities							
Interest received	102,927	-	23,106	324,074	11,597	461,704	-
Interest paid	-	(127,254)	(525,007)	(2,435,363)	(1,687)	(3,089,311)	-
Principal payments	-	(222,841)	(592,359)	(206,836)	-	(1,022,036)	-
Acquisition of capital assets	(3,816,471)	(260,212)	-	(11,862,970)	(518,653)	(16,458,306)	-
Federal and State capital and operating grants	6,468,472	-	-	-	-	6,468,472	-
Net cash provided by (used in) capital and related financing activities	2,754,928	(610,307)	(1,094,260)	(14,181,095)	(508,743)	(13,639,477)	-
Change in cash and cash equivalents	10,308,910	957	742,273	(10,858,102)	(271,261)	(77,223)	135,770
Cash and cash equivalents - beginning	613,455	1,925	1,870,902	25,254,809	709,211	28,450,302	7,694,272
Cash and cash equivalents - ending	$ 10,922,365	$ 2,882	$ 2,613,175	$ 14,396,707	$ 437,950	$ 28,373,079	$ 7,830,042
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	$ (31,572,873)	$ (479,996)	$ 1,715,817	$ 1,953,823	$ 896,552	$ (27,486,677)	$ (2,864,688)
Depreciation and amortization	4,851,967	253,700	81,542	920,323	6,222	6,113,754	-
Changes in assets and liabilities							
(Increase) decrease in acounts receivable	-	(18,197)	(52,754)	158,446	(272,809)	(185,314)	-
(Increase) decrease in inventories	(7,789)	2,085	(137)	(705)	-	(6,546)	-
(Increase) decrease in prepaid expenses and other current assets	(6,359)	285	(3,188)	(11,650)	623	(20,289)	-
(Increase) decrease in deferred outflows of resources	2,720,121	190,274	-	-	1,887	2,912,282	9,128
Increase (decrease) in accounts payable and accrued liabiities	1,302,166	(1,081)	94,286	264,561	(195,845)	1,464,087	-
Increase (decrease) in due to other funds	-	-	-	(4,785)	(505,200)	(509,985)	-
Increase (decrease) in deposits payable	-	-	967	35,990	-	36,957	-
Increase (decrease) in compensated absences	35,486	(18,306)	-	-	110	17,290	(24,656)
Increase (decrease) in claims payable	-	-	-	-	-	-	4,415,465
Increase (decrease) in net pension liability	(531,875)	(36,993)	-	-	(359)	(569,227)	(508)
Increase (decrease) in net OPEB liability	184,308	10,290	-	-	-	194,598	-
Increase (decrease) in notes payable	-	-	-	-	531,397	531,397	-
Increase (decrease) in deferred inflows of resources	(653,617)	(44,970)	-	-	(416)	(699,003)	(588)
Net cash provided by (used in) operating activities	$ (23,678,465)	$ (142,909)	$ 1,836,533	$ 3,316,003	$ 462,162	$ (18,206,676)	$ 1,534,153

See notes to financial statements.

City of Montebello
Statement of Fiduciary Net Position
Fiduciary Funds
Year ended June 30, 2019

	Successor Agency Private-purpose Trust Fund	Agency Fund
ASSETS		
Cash and investments	$ 15,871,373	$ 2,378,704
Cash and investments with fiscal agent	2,746,406	-
Receivables:		
Interest	27,540	-
Accounts	2,733	-
Notes, net	3,835,218	-
Prepaid expenses	84,445	-
Due from City of Montebello	-	45,539
Land held for resale	1,627,486	-
Capital assets, net of accumulated depreciation	11,724,356	-
Total assets	35,919,557	2,424,243
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on defeasance of debt	214,577	-
LIABILITIES		
Accounts payable and accrued liabilities	9,029	4,773
Deposits payable	-	2,419,470
Interest payable	408,529	-
Advances from City of Montebello, net	5,934,782	-
Noncurrent liabilities		
Due within one year	5,189,852	-
Due in more than one year	35,559,910	-
Total liabilities	47,102,102	2,424,243
NET POSITION (DEFICIT)		
Unrestricted fiduciary net position	(10,967,968)	-
Total net position (deficit)	$ (10,967,968)	$ -

See notes to financial statements.

		Successor Agency Private-purpose Trust Fund
Revenues		
Property tax	$	6,800,608
Investment income		170,855
Other revenue		1,545,558
Total revenues		8,517,021
Expenditures		
Current:		
Housing and community development		390,370
Debt service:		
Interest and fiscal charges		1,878,323
Total expenditures		2,268,693
Change in net position		6,248,328
Net position (deficit), beginning of year		(17,216,296)
Net position (deficit), end of year	$	(10,967,968)

See notes to financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity
The City of Montebello (the City) was incorporated on October 16, 1920 and conducts its operations as a general law, Council/Manager City.

The City's accounting policies conform to accounting principles generally accepted in the United States of America, as applicable to governments.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Montebello and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is able to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City) and there is a financial burden or benefit component to the relationship. In certain cases, other organizations are included as component units if the nature and significance of their operational and financial relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

Based upon the above criteria, the component units of the City, as of June 30, 2019, are the Montebello Public Improvement Corporation (MPIC), Montebello Public Financing Authority (Authority), and Water System Improvement Corporation (WSIC). A brief description of each component unit follows:

Montebello Public Improvement Corporation
The Montebello Public Improvement Corporation was formed in June 1990 as a nonprofit corporation. MPIC was formed for the purpose of acquisition and construction of various projects to be leased to the City under a lease agreement. The MPIC is not active.

Montebello Public Financing Authority
The Montebello Public Financing Authority was established pursuant to a Joint Exercise of Powers Agreement, dated September 2, 1997, entered into by the City and the former Redevelopment Agency for the purpose, among others, of issuing bonds to be used to provide financial assistance to its members. The activities of the Authority are reported in the Debt Service and Capital Projects Funds. In August 2014, the Montebello Parking Authority replaced the Successor Agency as one of the principals in the Montebello Public Financing Authority.

Water System Improvement Corporation
The Water System Improvement Corporation was formed in July 1972. The WSIC was formed for the purpose of rendering assistance to the City by leasing to the City any asset acquired or improvement to the City's Water System facilities. The WSIC is not active.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Separate financial statements are not prepared for the Montebello Public Financing Authority, Montebello Public Improvement Corporation, and the Water System Improvement Corporation.

Montebello Redevelopment Agency
Prior to its dissolution on February 1, 2012, the former Montebello Redevelopment Agency's (Agency) financial activity was reported as a component unit of the City. The primary purpose of the Agency was to eliminate blighted areas by encouraging development of residential, commercial, industrial, recreational, and public facilities.

Pursuant to the provisions of AB 1x26, the Montebello Redevelopment Agency was dissolved and the Successor Agency to the Dissolved Montebello Redevelopment Agency (Successor Agency) was created. Accordingly, all of the assets, liabilities and obligations of the former redevelopment agency were transferred to the Successor Agency and the Housing Successor Special Revenue Fund (Housing Fund) of the City on February 1, 2012.

The City of Montebello currently serves as the Successor Agency to the former redevelopment agency that is responsible for revenue collection, maintaining the bond reserves, disposing of excess property and fulfilling the obligations of the dissolved Agency. The City Council serves as the Successor Agency's governing board.

Financial information for the Successor Agency is presented as a Private-purpose Trust fund. See also Note 17.

Government-wide and Fund Financial Statements
The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the reporting government as a whole, except for its fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government (including its blended component units) is reported separately from discretely presented component units for which the primary government is financially accountable. The City has no discretely presented component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's enterprise activities and various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Separate financial statements for the City's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other funds in the aggregate for governmental and enterprise funds. Fiduciary statements, even though excluded from the government-wide financial statements, include financial information that primarily represents assets held by the City in a custodial capacity for other individuals or organizations.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Under the economic resources measurement focus, all assets and deferred outflows of resources and liabilities and deferred inflows of resources (whether current or noncurrent) are included in the statement of net position. Operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all the eligibility requirements have been satisfied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund type revenue represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of other long-term receivables are offset by fund balance nonspendable accounts.

Under the modified accrual basis of accounting, revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except for principal and interest on general long-term liabilities, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period with the exception of interest not expected to be received within 60 days. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance contained in pre-November 1989 FASB and AICPA Pronouncements*, all government-wide and business-type activities of the City follow Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. The City reports the following major governmental funds:

The General Fund is the primary operating fund of the City. It is used to account for all revenues and expenditures that are not required to be accounted for in another fund.

The Retirement Special Revenue Fund is used to account for the accumulation of resources required for the funding of the City employees' retirement fund.

The Public Financing Authority Debt Service Fund is used to account for the accumulation of resources required for payment of interest and principal on all Public Financing Authority revenue bonds.

The Housing Successor Special Revenue Fund is used to account for the housing assets and activities of the former Low and Moderate Income Housing Fund of the dissolved redevelopment agency.

The City reports the following major enterprise funds:

The Transit System Fund is used to account for all revenues and expenses related to the operations of the City's transit service.

The Golf Course Fund is used to account for all revenues and expenses related to the operations of the Montebello Municipal Golf Course.

The Montebello Hilton Fund is used to account for revenues and expenses related to the operations of the Montebello Hilton. Capital assets and related debt are not reported in the fund as any shortfall related to debt service payments are guaranteed from tax revenues of the Successor Agency, subsequently reimbursed either from operations of the Hilton or from the General Fund.

The Hotel2Suites Fund is used to account for costs related to the construction and equipping of the Montebello Home2Suites Project.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City's fund structure also includes the following fund types:

Governmental Funds

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes.

The Capital Projects Funds are used to account for proceeds received and issuance of bonds for capital improvements.

Proprietary Funds

The Enterprise Funds are used to account for operations that provide services to the general public that are financed primarily by user charges or where the periodic measurement of net increase is deemed appropriate. Combined and presented as Other Enterprise Funds are the Water Utility and Detention Facility funds.

The Internal Service Funds are used to account for the financing of special activities that provide services within the City. These activities include vehicle, equipment, and insurance services.

Fiduciary Fund

The Successor Agency Private-purpose Trust Fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to the Dissolved Montebello Redevelopment Agency. Unlike the limited reporting typically utilized for an Agency Fund, Private-purpose Trust Fund reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

The Agency Fund is used to account for the resources (deposits) held by the City in a fiduciary capacity for individuals, governmental entities, and others.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position
In the government-wide financial statements, net positions are categorized as follows:

- Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding debt attributed to the acquisition of these assets.

- Restricted Net Positions consist of assets, net of any related liabilities, which have had restrictions imposed on them by external creditors, grantors, contributors, or laws or regulations of other governments or law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources, as they are needed.

- Unrestricted Net Positions consist of net positions that do not meet the definition of Net Investment in Capital Assets or Restricted Net Positions.

Fund Balances
GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, classifies governmental fund balances as follows:

- Nonspendable - Amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

- Restricted - Amounts that are constrained for specific purposes, which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

- Committed - Amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the City Council and does not lapse at year-end.

- Assigned - Amounts that are intended to be used for specific purposes and that are neither considered restricted or committed. Fund balance may be assigned by City Council or by an official or body to which the City Council delegates the authority.

- Unassigned - All amounts not included in other classifications.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal contracts that prohibit doing this. Additionally, the City would first use committed, then assigned, and lastly, unassigned amounts of unrestricted fund balance when expenditures are made as necessary.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents
For purposes of the Statement of Cash Flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In addition, cash invested in the City's cash management pool is considered to be a cash equivalent.

Investments
Investments are reported at fair value, except for the investment contracts with fiscal agents and the investment in Redevelopment Agency bonds that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

Land Held for Resale
Land held for resale is carried at the lower of cost or estimated realizable value.

Inventory
In governmental funds, inventories are valued at cost on a first-in, first-out basis. The City follows the consumption method for inventory control. Inventory items are reported as expenditures when consumed.

In proprietary funds, inventories are valued at cost on a first-in, first-out basis.

Capital Assets
Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their estimated fair market value at the date of contribution. Generally, capital asset purchases in excess of $5,000 are capitalized if they have an expected useful life of one year or more.

Capital assets include additions to public domain (infrastructure), certain improvements including pavement, curb and gutter, sidewalks, traffic control devices, streetlights, sewers, bridges, and right-of-way corridors within the City. The City has valued and recorded all infrastructure asset data as of June 30, 2019.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet. The lives used for depreciation purposes of each capital asset class are:

Buildings	10 to 50 years
Machinery	5 to 30 years
Equipment	5 to 10 years
Infrastructure	20 to 50 years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources
Pursuant to GASB Statement Nos. 63 and 65, the City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note 12 for the deferred outflows and deferred inflows of resources the City has recognized as of June 30, 2019.

Compensated Absences
It is the City's policy to permit employees to accumulate limited amounts of earned but unused vacation and sick leave benefits, which will be paid to employees upon separation from City service. In governmental fund types, the cost of vacation and sick leave benefits are recognized when payments are made to employees. Proprietary fund types accrue vacation and sick leave benefits in the period they are earned. The total compensated absences liability of $1,933,768 reported in the governmental activities includes $1,929,991 to be paid by governmental funds and $3,777 accrued in the internal service funds. The total compensated absences reported in the business-type activities amounted to $1,125,850.

Property Taxes
The assessment, levy, and collection of property taxes are the responsibility of the County of Los Angeles. The City records property taxes as revenue when received from the County, except at year-end, when property taxes received within 60 days are accrued as revenue.

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien date	January 1
Levy date	July 1
Due date	November 1 - 1st installment
	March 1 - 2nd installment
Collection date	December 10 - 1st installment
	April 10 - 2nd installment

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Specifically, the City has made certain estimates and assumptions relating to the collectability of its receivables (including accounts receivable and notes receivable), the valuation of property held for resale, and the ultimate outcome of claims and judgments. Actual results could differ from those estimates and assumptions.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

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

Postemployment Benefits Other than Pensions (OPEB)

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 Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2019, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

GASB statement No. 83

In November 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 83, *"Certain Asset Retirement Obligations."* This Statement is effective for financial statements for fiscal year beginning after June 15, 2018 and did not impact the City.

GASB statement No. 88

In March 2018, the Governmental Accounting Standards Board (GASB) issued Statement No. 88, *"Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*." The requirements of this Statement are effective for financial statements for the period beginning after June 15, 2018. The Statement's objective 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. Accordingly, the City has updated the debt disclosures to comply with the requirements of this new Statement.

NOTE 2 CASH AND INVESTMENTS

Cash and investments at June 30, 2019 consisted of the following:

	Government-wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Unrestricted assets:			
Cash and investments	$ 60,731,649	$ 18,250,077	$ 78,981,726
Restricted assets:			
Cash and investments from Successor Agency unspent bond proceeds	4,837,801	-	4,837,801
Cash and investments with fiscal agents	16,260,962	2,746,406	19,007,368
Total cash and investments	$ 81,830,412	$ 20,996,483	$ 102,826,895

Cash and investments at June 30, 2019 consisted of the following:

Cash on hand	$ 7,146
Deposits with financial institutions	43,405,222
Investments	59,414,527
Total cash and investments	$ 102,826,895

Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

	Maximum Maturity	Maximum Percentage of Portfolio *
United States Treasury Obligations	5 years	80%
United States Government Sponsored Enterprises Securities	365 days	50%
Banker's Acceptances	180 days	40%
Commercial Paper	270 days	25%
Negotiable Certificates of Deposit	5 years	30%
Repurchase Agreements	1 day	40%
Money Market Mutual Funds	(1)	25%**
Certificates of Deposit	(2)	None
County Pooled Investment Funds	(1)	10%
Local Agency Investment Fund (LAIF)	(1)	lesser of 60% or $20,000,000
State and Local Obligations	N/A	30%

(1) Not applicable / on demand
(2) Subject to agreement entered into with depository
* Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.
** 5% of the City's surplus funds
N/A Not applicable

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentrations of credit risk.

	Maximum Maturity	Maximum Percentage Allowed	Maximum Investment in One Issuer
United States Treasury Obligations	None	None	None
United States Government Sponsored Enterprises Securities	None	None	None
Banker's Acceptances	30 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Contracts	30 years	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal policy to manage interest rate risk. However, one of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Remaining Maturity in months: 12 Months or Less	Totals
Local Agency Investment Fund (LAIF)	$ 33,825,785	$ 33,825,785
Certificates of deposits	1,518,614	1,518,614
Restricted cash and investments:		
Money market mutual funds	24,070,128	24,070,128
Total	$ 59,414,527	$ 59,414,527

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating, as reported by Standard & Poor's, as of year end for each investment type:

Investment Type	Total as of June 30, 2019	Minimum Legal Rating	AAA	Unrated
Local Agency Investment Fund (LAIF)	$ 33,825,785	N/A	$ -	$ 33,825,785
Certificates of Deposits	1,518,614	N/A	-	1,518,614
Restricted cash and investments:				
Money market mutual funds	24,070,128	A	24,070,128	-
Total	$ 59,414,527		$ 24,070,128	$ 35,344,399

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2019, the City deposits (bank balances) were insured by the Federal Depository Insurance Corporation up to $250,000 and the remaining balance of the deposits was collateralized as required by California Law.

Investment in State Investment Pool

The City is a voluntary participant in the LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based on the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. As of June 30, 2019, the City had a contractual withdrawal value of $33,825,785.

Fair Value Measurement

GASB 72, *Fair Value Measurement and Application,* establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. 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 for identical assets or liabilities in active markets that government can access at the measurement date.
- Level 2 inputs are other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The City has the following recurring fair value measurements as of June 30, 2019:

Investments by fair value level		Fair Value		Fair Value Measurement Using Significant Other Observable Inputs (Level 2)
Certificates of time deposits	$	1,518,614	$	1,518,614
Held By Bond Trustee:				
Money market mutual funds		24,070,128		24,070,128
Total		25,588,742	$	25,588,742
Uncategorized:				
Local Agency Investment Fund		33,825,785		
Total investments measured at fair value	$	59,414,527		

NOTE 3 CAPITAL ASSETS

A summary of changes in the governmental activities capital assets for the year ended June 30, 2019 is as follows:

	Balance at June 30, 2018 (Restated)	Additions	Reclassifications / Deletions	Balance at June 30, 2019
Governmental activities				
Capital assets, not being depreciated				
Land	$ 2,053,644	$ -	$ -	$ 2,053,644
Right of way	14,391,776	-	-	14,391,776
Construction in progress	2,351,592	1,095,872	(1,519,817)	1,927,647
Total capital assets, not being depreciated	18,797,012	1,095,872	(1,519,817)	18,373,067
Capital assets, being depreciated				
Buildings and improvements	48,000,001	1,474,606	1,133,522	50,608,129
Machinery and equipment	48,481,696	5,007,985	(25,202)	53,464,479
Infrastructure	48,409,657	-	-	48,409,657
Total capital assets, being depreciated	144,891,354	6,482,591	1,108,320	152,482,265
Less accumulated depreciation for:				
Buildings and improvements	(17,818,491)	(1,453,767)	-	(19,272,258)
Machinery and equipment	(43,575,767)	(873,756)	(15,742)	(44,465,265)
Infrastructure	(33,638,512)	(700,607)	-	(34,339,119)
Total accumulated depreciation	(95,032,770)	(3,028,130)	(15,742)	(98,076,642)
Total capital assets, being depreciated, net	49,858,584	3,454,461	1,092,578	54,405,623
Governmental activities capital assets, net	$ 68,655,596	$ 4,550,333	$ (427,239)	$ 72,778,690

A summary of changes in the business-type activities capital assets for the year ended June 30, 2019 is as follows:

	Balance at June 30, 2018 (Restated)	Additions	Reclassifications/ Deletions	Balance at June 30, 2019
Business-type activities				
Capital assets, not being depreciated				
Land	$ 6,306,596	$ -	$ -	$ 6,306,596
Construction in progress	43,939,701	15,480,742	(53,111,843)	6,308,600
Total capital assets, not being depreciated	50,246,297	15,480,742	(53,111,843)	12,615,196
Capital assets, being depreciated				
Buildings and improvements	57,425,652	49,851,034	-	107,276,686
Machinery and equipment	67,189,080	4,162,642	(18,892)	71,332,830
Total capital assets, being depreciated	124,614,732	54,013,676	(18,892)	178,609,516
Less accumulated depreciation for:				
Buildings and improvements	(27,369,965)	(2,694,795)	-	(30,064,760)
Machinery and equipment	(46,519,867)	(3,418,956)	18,892	(49,919,931)
Total accumulated depreciation	(73,889,832)	(6,113,751)	18,892	(79,984,691)
Total capital assets, being depreciated, net	50,724,900	47,899,925	-	98,624,825
Business-type activities capital assets, net	$ 100,971,197	$ 63,380,667	$ (53,111,843)	$ 111,240,021

NOTE 3 CAPITAL ASSETS (CONTINUED)

Depreciation Expense

Depreciation expense was charged to City functions/programs as follows:

		Amount
General government	$	537,439
Public safety		940,984
Public works		629,653
Parks, recreation, and culture		206,414
Housing and community development		13,032
Unallocated infrastructure depreciation		700,608
Total depreciation expense - governmental activities	$	3,028,130

Depreciation expense was charged to the business-type activities as follows:

		Amount
Transit	$	4,851,966
Golf course		253,700
Montebello Hilton		81,542
Montebello Home2Suites		920,322
Other business units		6,221
Total depreciation expense -business-type activities	$	6,113,751

NOTE 4 NOTES RECEIVABLE

Notes receivable at June 30, 2019 include the following:

		Amount
Low and Moderate Income Housing loans	$	5,905,908
Community Development Block Grant loans		573,530
HOME Program loan		145,000
		6,624,438
Less: Allowance for doubtful accounts		5,905,908
Notes receivable, net of allowance	$	718,530

NOTE 4 NOTES RECEIVABLE (CONTINUED)

Low and Moderate Housing Loans

Montebello Downtown Plaza Project
On December 26, 2001, the Agency entered into an Owner Participation Agreement (Agreement) with the Montebello Downtown Plaza LLC (Participant) for the acquisition, development, and operation of affordable senior citizen rental units and retail commercial buildings. The Agreement, which was amended and restated on October 26, 2005, provides that the now dissolved Redevelopment Agency loan a total amount of $6,250,000 from the Low- and Moderate-Income Housing Fund for the acquisition of property and construction of affordable senior housing units only. The Participant was to provide financing for costs in excess of $6,250,000. The unpaid balance of the loan outstanding at June 30, 2019 was $5,276,308. The loan is to be forgiven over a period of 99 years.

Whittier Project
In March 2000, the now dissolved Redevelopment Agency entered into an Owner Participation Agreement with Garfield Financial Corporation (Owner), whereby the Agency was to loan the Owner money for the construction of an affordable housing project. In accordance with the agreement, the amounts disbursed accrue interest at the rate of 7% compounded annually. In fiscal year 2005, the terms of the note were changed to forgive the loan over a period of 99 years. The balance of the note receivable at June 30, 2019 was $629,600.

Above loans were provided with 100% allowance for doubtful accounts.

Community Development Block Grant Loans
At June 30, 2019, loans made to individual homeowners under the Community Development Block Grant program amounted to $573,530. These loans are payable when the borrowers sell the property.

HOME Program Loan
On July 23, 2014, the City entered into a HOME program loan agreement with the Montebello Housing Development Corporation (Developer), whereby the City provided financial assistance of $145,000 in the form of a forgivable loan in exchange for developing single-family homes for sale to low and moderate income individuals and families. This financial assistance shall be forgiven over a period of 20 years provided the Developer causes all housing units to adhere to affordability requirements.

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2019 is as follows:

Due To/From Other Funds:

Receivable Fund	Payable Fund		Amount
General fund	Golf Course enterprise fund	$	1,990,811
	Hotel2Suites		6,990
	Housing Sucessor Fund		2,216
Debt Service fund	Golf Course enterprise fund		376,060
Housing Sucessor Fund	General fund		330,700
		$	2,706,777

The receivable of the General Fund and Debt Service Fund from the Golf Course Enterprise Fund was mainly to fund operating deficits incurred by the Golf Course Enterprise Fund and debt service payments in prior years.

The receivable of the Housing Successor Fund from the General Fund was the cash proceed of the sold Housing property initially deposited into the general checking account.

The other interfund payable balances represent routine and temporary cash flow assistance until amounts receivable from the other funds are collected to pay the amounts owed.

Interfund Transfers

The compositions of the City's interfund transfer balances are as follows:

	Transfers In					
	General Fund	Other Governmental Funds	Internal Service Fund	Golf Course Enterprise Fund	Other Enterprise Funds	Total
Transfers out						
(A) General fund	$ -	$ 62,624	$ -	$ 641,850	$ 74,170	$ 778,644
(B) Retirement special revenue fund	3,619,437	-	1,617	112,323	1,150	3,734,527
(C) Other governmental funds	1,439,000	113,882	-	-	-	1,552,882
(D) Internal service funds	1,400,000	-	-	-	-	1,400,000
(E) Other Enterprise funds	300,000	-	-	-	-	300,000
Total governmental activities	$ 6,758,437	$ 176,506	$ 1,617	$ 754,173	$ 75,320	$ 7,766,053

(A) Transfers from the General Fund of $641,850 to the Golf Course Enterprise Fund, $62,624 to the Other Governmental Funds and $74,170 to the Other Enterprise Funds were to cover the corresponding fund's cash deficits.

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

(B) Transfers from the Retirement Fund of $3,619,437 to the General Fund and $112,323 to the Golf Course Enterprise Fund were to pay the annual retirement contributions.

(C) Transfer from the Other Governmental Funds of $1,439,000 to the General Fund was to reimburse street maintenance expenses paid by the General Fund.

(D) Transfer from the Internal Service Fund of $1,400,000 to the General Fund was to close the Corporate Shop Fund.

(E) Transfer from the Other Enterprise Funds of $300,000 to the General Fund was to repay the deficits in prior years.

NOTE 6 ADVANCES TO SUCCESSOR AGENCY TRUST FUND

At June 30, 2019, the Successor Agency has a net liability to the City of $5,934,782, which is reported in the Statement of Net Position as Advances to Successor Agency Trust Fund. This amount includes $5,906,642 advanced from the Housing Fund pertaining to advances made by the former Low and Moderate Income Housing Fund to the former redevelopment agency. These advances were used to finance the project expenses of one of the project areas of the former redevelopment agency.

NOTE 7 HOTEL MANAGEMENT AGREEMENTS

Hilton Hotel

Pursuant to a Hotel Management Agreement dated November 29, 2001, the Montebello Hilton Hotel (Hotel) is charged by Hotel Adventures LLC (HALLC) an annual management fee which includes an operational amount and a projected franchise fee assessed by Hilton Hotels. The actual franchise fee amount is paid directly to Hilton Hotels from the City's Montebello Hilton (Enterprise) Fund. The obligation of the City to pay the management fee is subordinated to the payment of operating expenses and debt service on the Bonds issued to finance Hotel construction. Unpaid fees, consisting of the management fee and any franchise fee differential between projected franchise fees and actual franchise fees paid to Hilton Hotels, accrue interest at a prime lending rate established by Citibank, N.A.

On November 29, 2018, the City extended the Hotel Management Agreement with HALLC for additional 15 years until December 17, 2032. Under this new agreement, HALLC shall receive an annual management fee of $597,000, as adjusted upward or downward based upon changes in the Annual CPI Index. The franchise fee assessed by Hilton Hotels is included in the Hotel operating expenses. Unpaid management fees shall accrue interest at simple annual interest rate equal to that earned in the Local Agency Investment Fund (LAIF).

NOTE 7 HOTEL MANAGEMENT AGREEMENTS (CONTINUED)

Hilton Hotel (Continued)

During fiscal year 2019, the Hotel recorded expense for management fees and interest on management fees of $618,135, and $263,965, respectively. Accrued unpaid expenses for management fees and interest were $308,185 as of June 30, 2019.

Home2Suites

Pursuant to a Hotel Management Agreement dated May 26, 2016, the Montebello Home2Suites Hotel (H2S) is charged by Hotel2Suites LLC an annual management fee of $700,000, as adjusted upward or downward based upon changes in the Annual CPI Index. The obligation of the City to pay the management fee is subordinated to the payment of operating expenses and debt service on the Bonds issued to finance H2S construction. The H2S accrued and unpaid management fees were $911,767 as of June 30, 2019.

NOTE 8 LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2019:

Governmental Activities

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Amount Due Within One Year
Bonds payable					
Revenue bonds	$ 10,409,600	$ -	$ (1,053,180)	$ 9,356,420	$ 1,094,640
Add (Less): bond premium	926,497	-	(102,944)	823,553	-
bond discount	(3,391)	484	-	(2,907)	-
Total bonds payable	11,332,706	484	(1,156,124)	10,177,066	1,094,640
Claims payable	16,648,605	8,356,120	(3,940,655)	21,064,070	-
Notes payable	4,042,886	29,581	(369,553)	3,702,914	388,015
Capital lease obligation	902,071	1,547,962	(366,123)	2,083,910	831,358
Compensated absences	2,021,172	210,082	(297,486)	1,933,768	-
Net pension liability	100,702,650	6,815,115	(7,553,587)	99,964,178	-
Net OPEB liability	24,954,548	2,787,029	(1,036,547)	26,705,030	-
Total governmental activities	$ 160,604,638	$ 19,746,373	$ (14,720,075)	$ 165,630,936	$ 2,314,013

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities

	Balances July 1, 2018	Additions	Reductions	Balance June 30, 2019	Amount Due Within One Year
Golf Course Enterprise Fund					
Revenue bonds	$ 3,055,400	$ -	$ (276,820)	$ 2,778,580	$ 285,360
Add (Less): bond premium	76,395	-	(6,945)	69,450	-
bond discount	(1,046)	151	-	(895)	-
Total Golf bonds payable	3,130,749	151	(283,765)	2,847,135	285,360
Montebello Hilton Hotel Fund					
Revenue bonds	11,390,000	-	(550,000)	10,840,000	570,000
Add (Less): bond premium	677,757	-	(42,360)	635,397	
	12,067,757	-	(592,360)	11,475,397	570,000
Hotel2Suites Fund				-	
Revenue bonds	54,860,000	-	-	54,860,000	1,005,000
Add (Less): bond premium	5,860,348	-	(206,836)	5,653,512	-
	60,720,348	-	(206,836)	60,513,512	1,005,000
Subtotal - Bonds	75,918,854	151	(1,082,961)	74,836,044	1,860,360
Notes payable	484,434	544,383	(109,766)	919,051	99,416
Capital lease obligation	414,495	672,112	(266,405)	820,202	397,146
Compensated absences	1,108,560	88,833	(71,543)	1,125,850	930,555
Net pension liability	35,131,758	2,385,964	(2,955,192)	34,562,530	-
Net OPEB liability	3,057,523	309,829	(115,231)	3,252,121	-
Total business-type activities	$ 116,115,624	$ 4,001,272	$ (4,601,098)	$ 115,515,798	$ 3,287,477

Governmental Activities

A. <u>2014B Lease Revenue Refunding Bonds (2014B LRRBs)</u>

On September 10, 2014, the City issued the 2014 Lease Revenue Refunding Bonds (LRRBs), Series B, of $10,040,000 which defeased the $12,595,000 of principal due on the 2000 COPs. The City received a premium on the bond issue in the amount of $1,338,273 and incurred a loss of $294,258 in the bond defeasance. The bond premium and loss on defeasance are amortized over the life of the refunded bonds. The Bonds are payable from lease payments to be made by the City to the Montebello Public Finance Authority (MPFA) as rental for certain public facilities consisting of the City Hall and Police Department pursuant to the Lease Agreement. The City is required under the Lease Agreement to make payments in each fiscal year to pay the annual principal and interest due on the Bonds. Annual installments of $1,018,375 to $1,031,564 are due November 1, 2014 through November 1, 2026. Interest rates on the 2014 Series B LRRBs range from 0.30% to 5.0%. The outstanding balance at June 30, 2019 was $6,755,000.

The annual requirements to amortize the 2014 Series B LRRBs are as follows:

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

A. 2014B Lease Revenue Refunding Bonds (2014B LRRBs) (Continued)

Year Ending June 30,	Principal	Interest	Total
2020	$ 705,000	$ 320,125	$ 1,025,125
2021	745,000	283,875	1,028,875
2022	780,000	245,750	1,025,750
2023	820,000	205,750	1,025,750
2024	860,000	163,750	1,023,750
2025-2027	2,845,000	217,875	3,062,875
Totals	$ 6,755,000	$ 1,437,125	$ 8,192,125

2014C Lease Revenue Refunding Bonds (2014C LRRBs)
On September 10, 2014, the City issued 2014 Lease Revenue Refunding Bonds Series C of $5,395,000 which defeased the principal due on the 2001 COPs. The Bonds are payable from lease payments to be made by the City to the Montebello Public Finance Authority (MPFA) as rental for certain public facilities consisting of the City Hall and Police Department pursuant to the Lease Agreement. The City is required under the Lease Agreement to make payments in each fiscal year to pay the annual principal and interest due on the Bonds. Interest rates on the 2014 Series C LRRBs range from 0.40% to 4.07%. Annual installments of $440,623 to $647,922 are due November 1, 2014 through November 1, 2024.

The City's share (76.4%) from the 2014C LRRBs is $4,121,780 and the Golf Course Enterprise Fund's share (23.6%) is $1,273,220. The outstanding balance at June 30, 2019 was $2,601,420. The annual requirements to amortize the 2014 Series C LRRBs are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	$ 389,640	$ 87,099	$ 476,739
2021	404,920	74,907	479,827
2022	420,200	60,986	481,186
2023	439,300	45,584	484,884
2024	462,220	28,689	490,909
2025	485,140	9,873	495,013
Totals	$ 2,601,420	$ 307,138	$ 2,908,558

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

The 2014B and 2014C Lease Revenue Refunding Bonds are secured and payable solely from Revenues payable by the City pursuant to the Lease Agreement and subsequent Amendments to the Lease Agreement relating to certain real properties and improvement located on the Leased Property, and the other asses pledged thereafter under the Indenture. In accordance with the Indenture, the MPFA will satisfy the applicable Reserve Requirement of each Reserve Account established under the Indenture with a Municipal Bond Debt Service Reserve Insurance Policy.

B. Notes Payable

United States Department of Housing and Urban Development

(1) In November 2005, the City borrowed $6,500,000 from the United States Department of Housing and Urban Development (HUD) to provide for funds to pay for street improvements. Interest and principal are due as follows:

Year Ending June 30,	Principal	Interest	Total
2020	$ 385,000	$ 55,848	$ 440,848
2021	405,000	57,220	462,220
2022	425,000	46,595	471,595
2023	445,000	35,467	480,467
2024	493,000	23,347	516,347
2025-2026	631,000	10,719	641,719
Totals	$ 2,784,000	$ 229,196	$ 3,013,196

(2) During the fiscal year ended June 30, 2011, the City was notified by HUD that the City had not provided sufficient documentation with respect to $2,189,106 in grant expenditures and directed the City to repay the amount. In September 2011, the City paid $1,300,000 to HUD using funds collected from a third-party contractor involved with the grant-funded project. As of June 30, 2019, the remaining principal amount was $889,106. The City executed a voluntary grant reduction for the next two years to repay HUD.

C. Claims Payable

Refer to Note 11 for more information on these liabilities.

D. Compensated Absences

The noncurrent portion of the accumulated compensated absences liabilities, to be liquidated primarily by the General Fund of $1,933,768, has no repayment schedule at June 30, 2019.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

E. Net Pension Liability and Net OPEB Liability

Refer to Notes 9 and 10 for more information on these obligations.

F. Capital Lease Obligation

The City entered into various capital lease agreements to finance the acquisition of certain transportation and public safety equipment. The securities for the lease are the equipment themselves, and will be surrendered to the lessor in case of payment default.

Business-type Activities

A. Hilton Hotel Revenue Bonds

On November 19, 2001, the Montebello Public Financing Authority (established pursuant to a joint exercise of powers agreement between the City of Montebello and the former Community Redevelopment Agency of the City of Montebello) issued $15,830,000 of Revenue Bonds, Series A to: (a) finance the acquisition, construction, and equipping of a hotel facility (Project) located adjacent to the Montebello Country Club, a municipal golf course owned and operated by the City and the Quiet Cannon Restaurant and Conference Facility; (b) fund a reserve fund; (c) fund capitalized interest on the bonds through April 1, 2003; (d) fund an operating reserve; and (e) pay certain costs of issuance of the bonds. Concurrently with the issuance of the bonds, the Authority and City entered into an installment purchase agreement in which the Authority sold the Project to the City in consideration for the installment purchase payments to be made by the City in amounts sufficient to pay the debt service payments on the bonds.

Pursuant to the installment purchase agreement, the City pledged all revenues received related to the ownership and operation of the hotel facility to make the installment purchase payments to the Authority for payment of the debt service. In addition, the City and the Agency have entered into a separate agreement dated November 1, 2000 in connection with the development and operation of the hotel facility. Pursuant to this agreement, the Agency has agreed to pay, solely from tax revenues from the Montebello Hills Redevelopment Project Area, any shortfall on the City's lease payments required to pay the debt service on the bonds. The hotel facility began operations in December 2002.

In September 2004, the City issued $17,060,000 in Variable Rate Lease Revenue Refunding Bonds to advance refund $15,490,000 of outstanding Series 2001A Revenue Bonds as described above. The reacquisition price exceeded the net carrying amount by $604,199 which is now being presented as deferred outflows of resources and amortized over the remaining life of the refunded debt. As a result, the 2001A Revenue Bonds are considered to be defeased, and the liability for those bonds has been removed from the long-term liabilities.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities (Continued)

A. Hilton Hotel Revenue Bonds (Continued)

Similar to the provision of the defeased Series 2001A Revenue Bonds, the 2004 Revenue Refunding Bonds, Series A are limited obligations of the Authority, payable solely from the lease payments to be received from the City pursuant to the Amended and Restated Lease Agreement, dated September 1, 2004. The City has pledged all revenues received related to the ownership and operation of the project to make the lease payments due to the Authority to make debt service payments on the bonds.

On March 26, 2015, the City remarketed and converted the Variable Rate Lease Revenue Refunding Bonds to Fixed Rate Lease Revenue Refunding Bonds. As a result of the remarketing and conversion, the City received a bond premium of $847,197 and reduced the outstanding debt to $12,575,000. These fixed rate bonds have interest rates ranging from 3.625% to 5% payable on June 1 and December 1 of each year until 2033. The outstanding balance at June 30, 2019 was $10,840,000.

On December 19, 2019, the Montebello Public Financing Authority issued $10.2 million Lease Revenue Refunding Bonds, 2019 Series A to refinance the above 2004 Revenue Refunding Bonds, resulting in a net present value savings of approximately $1.4 million. The bonds are secured by the revenues of the hotel and mature in December 2034. The annual requirements to amortize the new bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	$ -	$ 204,000	$ 204,000
2021	-	408,000	408,000
2022	-	408,000	408,000
2023	650,000	395,000	1,045,000
2024	685,000	368,300	1,053,300
2025-2029	3,660,000	1,413,600	5,073,600
2030-2034	4,200,000	630,400	4,830,400
2035	1,005,000	20,100	1,025,100
Totals	$ 10,200,000	$ 3,847,400	$ 14,047,400

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities (Continued)

B. 2014A Lease Revenue Refunding Bonds (2014A LRRBs)

On September 10, 2014, the City issued 2014 Lease Revenue Refunding Bonds Series A of $2,755,000 which defeased the outstanding principal due on the 1999 COPs. The City received a premium on the bond issue in the amount of $104,175 and incurred a loss of $87,777 in the bond defeasance. The bond premium and loss on defeasance are amortized over the life of the refunded bonds. The Bonds are payable from lease payments to be made by the City to the Montebello Public Finance Authority (MPFA) as rental for certain public facilities consisting of the City Hall and Police Department pursuant to the Lease Agreement. The City is required under the Lease Agreement to make payments in each fiscal year to pay the annual principal and interest due on the Bonds. Annual Installments of $227,363 to $234,538 are due from November 1, 2014 through November 1, 2028. Interest rates on the 2014 Series A LRRBs range from 0.30% to 3.5%.

The outstanding balance at June 30, 2019 was $1,975,000. The annual requirements to amortize the 2014 LRRBs are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	$ 165,000	$ 65,838	$ 230,838
2021	175,000	59,038	234,038
2022	180,000	51,938	231,938
2023	190,000	44,538	234,538
2024	195,000	37,813	232,813
2025-2029	1,070,000	92,869	1,162,869
Totals	$ 1,975,000	$ 352,034	$ 2,327,034

C. 2014C Lease Revenue Refunding Bonds (2014C LRRBs)

In September 2014, the City issued 2014 Lease Revenue Refunding Bonds Series C of $5,395,000 which defeased the principal due on the 2001 COPs. The Bonds are payable from lease payments to be made by the City to the Montebello Public Finance Authority (MPFA) as rental for certain public facilities consisting of the City Hall and Police Department pursuant to the Lease Agreement. The City is required under the Lease Agreement to make payments in each fiscal year to pay the annual principal and interest due on the Bonds. Interest rates on the 2014 Series C LRRBs range from 0.40% to 4.07%. Annual installments of $440,623 to $647,922 are due November 1, 2014 through November 1, 2024.

The Golf Course Enterprise Fund's share of this debt is $1,273,220. The outstanding balance at June 30, 2019 was $803,580. The annual requirements to amortize the 2014 LRRBs Series C are as follows:

NOTE 8 **LONG-TERM LIABILITIES (CONTINUED)**

Business-type Activities (Continued)

C. 2014C Lease Revenue Refunding Bonds (2014C LRRBs) (Continued)

Year Ending June 30,	Principal	Interest	Total
2020	$ 120,360	$ 26,905	$ 147,265
2021	125,080	23,139	148,219
2022	129,800	18,839	148,639
2023	135,700	14,081	149,781
2024	142,780	8,862	151,642
2025	149,860	3,050	152,910
Totals	$ 803,580	$ 94,876	$ 898,456

The 2014A and 2014C Lease Revenue Refunding Bonds are secured and payable solely from Revenues payable by the City pursuant to the Lease Agreement and subsequent Amendments to the Lease Agreement relating to certain real properties and improvement located on the Leased Property, and the other asses pledged thereafter under the Indenture. In accordance with the Indenture, the MPFA will satisfy the applicable Reserve Requirement of each Reserve Account established under the Indenture with a Municipal Bond Debt Service Reserve Insurance Policy.

D. 2016A Lease Revenue Bonds (2016A LRBs)

On October 18, 2016, the Authority issued 2016 Series A Lease Revenue Bonds in the amount of $54,860,000. The bonds bear interest rate of 5% and will mature in 2046. The bonds were issued to (1) finance the acquisition, construction and equipping of the Home2Suites by Hilton Hotel Project, (2) fund a reserve fund for the bonds, (3) fund interest accruing on the bonds through November 1, 2019, and (4) pay costs of issuance of the bonds. The bonds are payable from the lease payments to be made by the City to the Authority as rental for the Home2Suites property pursuant to the Lease Agreement. The City is required under the Lease Agreement to make payments in each fiscal year to pay the annual principal and interest due on the bonds. Annual installments of $2,642,200 to $3,652,000 are due June 1, 2018 through June 1, 2046. The outstanding balance at June 30, 2019 was $54,860,000. The annual requirements to amortize the 2016 Series A LRBs are as follows:

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-type Activities (Continued)

D. 2016A Lease Revenue Bonds (2016A LRBs) (Continued)

Year Ending June 30,	Principal	Interest	Total
2020	$ 1,005,000	$ 2,642,200	$ 3,647,200
2021	1,060,000	2,591,950	3,651,950
2022	1,110,000	2,538,950	3,648,950
2023	1,165,000	2,483,450	3,648,450
2024	1,225,000	2,425,200	3,650,200
2025-2029	7,100,000	11,144,250	18,244,250
2030-2034	9,065,000	9,182,750	18,247,750
2035-2039	11,575,000	6,677,250	18,252,250
2040-2044	14,705,000	3,535,400	18,240,400
2045-2046	6,850,000	450,000	7,300,000
Totals	$ 54,860,000	$ 43,671,400	$ 98,531,400

Notes Payable

The City entered into two loan agreements with Quiet Cannon Montebello, Inc. (Quiet Cannon). Quiet Cannon leases a facility on the City's golf course property. The loans were obtained by Quiet Cannon on behalf of the City from a financial institution payable in monthly installments ranging from $5,969 to $6,658 at prime interest rate (currently 3.25%) until year 2021. The installment payments are deducted by Quiet Cannon from its lease payments to the City. The loan proceeds were used to finance the renovation of the facility and signage.

During the year ended June 30, 2014, the City entered into a Maintenance Loan Agreement with Quiet Cannon for $700,000. Under the agreement, Quiet Cannon borrowed the amount from a financial institution payable over a period of 5 years at prime lending rate. The loan repayment shall be offset by Quiet Cannon from its rental obligation to the City.

In July 2013, the City entered into a zero percent On-Bill Financing Agreement with the Southern California Edison Company for the installation of certain energy efficient equipment at the Golf Course premises for a total amount of $327,213 payable over a period of 116 months.

At June 30, 2019, the total outstanding loans payable amounted to $919,051.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Capital Lease Obligation

The City entered into various lease agreements to finance acquisition of certain communication equipment for the City's Transit operation. The securities for the lease are the equipment themselves and to be surrendered to the lessor in case of payment default or termination of the agreements.

Availability of Line of Credit

The City has no line of credit with the financial institution.

NOTE 9 DEFINED BENEFIT PENSION PLAN

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's Safety Plan (police and fire) and Miscellaneous Plan (all others), 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 City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

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

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

The Plans' provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Safety	
	Prior to	On or after
Hire date	1-Jan-13	1-Jan-13
Benefit formula	3.0% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9%	11.25%
Required employer contribution rates	59.910%	59.910%

	Miscellaneous	
	Prior to	On or after
Hire date	1-Jan-13	1-Jan-13
Benefit formula	2.7% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8%	6.25%
Required employer contribution rates	31.038%	31.038%

Employees Covered
At June 30, 2019, the following employees were covered by the benefit terms for each Plan:

	Safety	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	275	412
Inactive employees entitled to but not yet receiving benefits	96	415
Active employees	112	315
Total	483	1,142

Contributions
Section 20814(c) of the California Public Employees' Retirement Law 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.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities were determined using the following actuarial assumptions:

	Safety	Miscellaneous
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Projected Salary Increase	(1)	(1)
Investment Rate of Return	7.50% (2)	7.50% (2)
Mortality	(3)	(3)

(1) Varies by entry age and service
(2) Net of pension plan investment and administrative expenses, including inflation
(3) Derived using CalPERS' Membership Data for all funds

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for each Plan. 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, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent used for the June 30, 2018 measurement date is without reduction of pension plan administrative expenses and will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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

The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10[a]	Real Return Years 11+[b]
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100%		

[a] An expected inflation of 2.00% used for this period.

[b] An expected inflation of 2.92% used for this period.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability

The following table shows the changes in net pension liability over the measurement period:

	Safety	Miscellaneous
Balance, June 30, 2017	$ 84,661,850	$ 51,172,557
Changes recognized for the following:		
Service cost	3,422,176	2,914,031
Interest on the total pension liability	17,067,923	13,109,478
Differences between expected and actual experiences	(273,569)	531,297
Changes of assumptions	(910,340)	(1,078,751)
Net plan to resource movement	390	334
Contributions from the employer	(6,104,047)	(4,404,730)
Contributions from the employee	(1,070,001)	(1,198,860)
Net investment income	(13,313,614)	(11,334,145)
Administrative expense	248,987	211,420
Other miscellaneous income (expense)	472,831	401,491
Net changes during 2017-2018	(459,264)	(848,435)
Balance, June 30, 2018	$ 84,202,586	$ 50,324,122

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

The following presents the net pension liability of the City, calculated using the current discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Safety	Miscellaneous
1% Decrease	6.15%	6.15%
Net Pension Liability	$ 117,938,108	$ 76,004,857
Current Discount Rate	7.15%	7.15%
Net Pension Liability	$ 84,202,586	$ 50,324,122
1% Increase	8.15%	8.15%
Net Pension Liability	$ 56,555,727	$ 29,112,090

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the City recognized pension expenses of $13,208,361 and $7,690,060 for the safety and miscellaneous plans, respectively. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Safety		Miscellaneous		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 6,946,105	$ -	$ 5,050,065	$ -	$ 11,996,170	$ -
Changes of assumptions	2,757,986	(560,209)	2,425,997	(663,847)	5,183,983	(1,224,056)
Differences between expected and actual experiences	-	(265,193)	326,952	(552,433)	326,952	(817,626.00)
Net differences between projected and actual earnings on plan investments	757,034	-	627,166	-	1,384,200	-
Total	$ 10,461,125	$ (825,402)	$ 8,430,180	$ (1,216,280)	$ 18,891,305	$ (2,041,682)

Pension contributions made subsequent to measurement date amounting to $6,946,105 and $5,050,065 for Safety and Miscellaneous plans, respectively, were reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending June 30, 2020.

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

Year Ending June 30	Amount
2019	$ 7,926,437
2020	632,839
2021	(2,927,141)
2022	(778,682)
2023	-
Thereafter	-

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Payable to the Pension Plan

At June 30, 2019, the City did not have outstanding amount of contributions to the pension plan required for the year ended June 30, 2019.

Allocation to Proprietary Funds

The City allocated net pension liability and related costs to the Transit Fund, Golf Course Fund, Water Fund and internal service funds based upon the enterprise and internal service funds' proportionate share of the total pension contribution during the fiscal year ended June 30, 2019.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

The City provides postemployment healthcare benefits to eligible employees at retirement through a single-employer defined benefit other postemployment benefits (OPEB) plan administered by the City. Benefit provisions are established through agreements and memorandums of agreement between the City, its management employees, and unions representing the City's employees.

Benefits Provided

The City provides the minimum required employer contributions under the CalPERS Health Plan for eligible retirees and surviving spouses in receipt of a pension benefit from PERS. An employee is eligible for this employer contribution provided they are vested in their PERS pension benefit and commence payment for their pension benefit when retiring from the City. The surviving spouse of an eligible retiree who elected spouse coverage under CalPERS is eligible for the employer contribution upon the death of the retiree.

Additional Benefits:

Miscellaneous Employees
The current retiree health benefit is a monthly allowance that is payable to the eligible retiree and will be reduced by any amounts paid by the City towards health insurance for the retiree. The monthly allowance is available only to the retired employee and does not continue to a surviving spouse. The retiree is not required to continue medical insurance through the City to receive the monthly allowance. The monthly allowance is currently $25 for each year of service with the City up to 25 years ($625 maximum). The monthly allowance is payable up to Medicare eligibility age (currently age 65).

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Eligibility from the monthly allowance requires retirement from the City on or after age 50 with at least 15 years of active City service at retirement. Disability retirement requires 10 years of active City service and has no age requirement. Montebello Mid-Management Association (MMMA) and Montebello Supervisors Association (MSA) employees are not eligible for this allowance unless they made a one-time election for this benefit in lieu of a City contribution to a 401 (a) plan.

Safety (Fire and Police) Employees
The current retiree health benefit is a monthly allowance that is payable to the eligible retiree and will be reduced by any amounts paid by the City towards health insurance for the retiree. The monthly allowance is available only to the retired employee and does not continue to a surviving spouse. The retiree is not required to continue medical insurance through the City to receive the monthly allowance. The monthly allowance is currently $25 for each year of service with the City up to 25 years ($625 maximum). The monthly allowance is payable during the retiree's lifetime for members of Montebello Police Officers Association (MPOA), Montebello Police Management Association (MPMA) and Montebello Fire Fighters Association (MFFA) and to Medicare eligibility age for all unrepresented Safety employees.

Eligibility from the monthly allowance requires retirement from the City on or after age 50 with at least 15 years of active City service at retirement. Disability retirement requires only 10 years of active City service and has no age requirement. Prior to August 2008, MFFA employees received a contribution to a 401 (a) (h) plan in lieu of retiree health benefits.

The City also pays 1% of payroll into a Health Reimbursement Account for MPOA, MPMA and, commencing in 2008 for MFFA employees.

Employees Covered by Benefit Terms

Category	Count
Active employees	360
Inactive employees or beneficiaries currently receiving benefit	192
Inactive employees entitled to but not yet receiving benefit payment	-

Contributions

The plan is not funded. The City finances these benefits on a pay-as-you-go basis.

b. Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2018, and the OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The total OPEB liability for the June 30, 2018 valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	Aggregate salary increases of 3%. Individual salary increases based on
Investment rate of return	3.50%
Healthcare cost trend rates	6% in the first year, trending down to 5% over 5 years

Mortality rates were based on CalPERS tables

Discount Rate

The discount rate used to measure the total OPEB liability was 3.5% per annum. The discount rate is the average, rounded to 5 basis points, of the range of 3-20 year municipal bond rate indices: S & P Municipal Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO Index, Fidelity GO AA 20 Year Bond Index.

Change in the Net OPEB Liability

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2017	$ 28,012,070	$ $ -	$ 28,012,070
Changes for the year:			
Service cost	1,115,729	-	1,115,729
Interest on the total OPEB liability	970,766	-	970,766
Difference between actual and expected experience	(59,573)	-	(59,573)
Changes in assumptions	1,069,938	-	1,069,938
Benefit payments	(1,151,779)	-	(1,151,779)
Net Changes	1,945,081	-	1,945,081
Balance at June 30, 2018	$ 29,957,151	$ -	$ 29,957,151

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Net OPEB liability to changes in the discount rate

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage lower (2.4%) or one percentage point higher (4.4%) follows:

	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
Net OPEB liability	$ 34,005,492	$ 29,957,151	$ 26,629,327

Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that is one percentage lower or one percentage point higher follows:

	1% Decrease 5.00% HMO/5.50% PPO decreasing to 4.00% HMO/4.00% PPO	Current Healthcare Cost Trend Rate 6.00% HMO/6.50% PPO decreasing to 5.00% HMO/5.00% PPO	1% Increase 7.00% HMO/7.50% PPO decreasing to 6.00% HMO/6.00% PPO
Net OPEB liability	$ 27,993,700	$ 29,957,151	$ 32,489,311

c. OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the year ended June 30, 2019, the City recognized OPEB expense of $1,916,879 At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	$ 907,320	$ -
Change of assumptions	-	(44,680)
Net differences between projected and actual earnings		-
on OPEB plan investments	802,453	(1,266,620)
	$ 1,709,773	$ (1,311,300)

$907,320 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

Year Ending June 30		
2020	$	(169,614)
2021		(169,614)
2022		(169,619)
2023		-

NOTE 11 SELF INSURANCE

The City is partially self-insured for general liability and workers' compensation claims. The City pays up to $1 million per occurrence for general liability claims, and has excess insurance up to $10 million per occurrence. For workers' compensation, the City provides self-insurance up to a $1,000,000 retention level and has acquired excess insurance coverage of $5 million for each claim. The City also purchases commercial insurance for other risks of loss, including property loss and vehicle physical damage. There have been no significant changes in insurance coverage as compared to last year. At June 30, 2019, the present value of the estimated liability for claims payable, discounted at a 2% rate, is $21,064,070, based on an actuarial study. The liability includes an estimate for incurred, but not reported, losses and is based on past experience, modified for current trends and information.

		Amount
Insurance claims payable:		
Claims payable at July 1, 2018	$	16,648,605
Claims incurred during the fiscal year		8,356,120
Payments on claims during the fiscal year		(3,940,655)
Claims payable at June 30, 2019	$	21,064,070

NOTE 12 DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, *"Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position"* and GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities,"* the City recognized deferred outflows and inflows of resources in the City's financial statements aside from the pension and OPEB-related deferred outflows and inflows of resources stated in Notes 9 and 10, respectively. The deferred outflow of resources, amounting to $273,095 at June 30, 2019, pertains to the unamortized loss on defeasance of debt. Previous financial reporting standards required this amount to be presented as part of the City's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

NOTE 13 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Expenditures in Excess of Appropriations

Expenditures for the year ended June 30, 2019, exceeded appropriations in the following funds:

Fund Name	Appropriations	Expenditures	Excess Over Appropriations
Major governmental funds			
General Fund			
City attorney	$ 450,000	$ 837,046	$ (387,046)
Fire suppression	10,028,763	10,311,203	(282,440)
Housing Fund			
Housing and community development	-	16,430	(16,430)
Capital outlay	-	736,413	(736,413)
Retirement Fund			
General government	6,108,880	6,214,977	(106,097)
Nonmajor governmental funds			
Special Revenue Funds			
Supplemental Law Enforcement			
Public safety	411,119	411,389	(270)
Capital outlay	8,881	26,669	(17,788)
Drug Enforcement			
Capital outlay	136,470	170,288	(33,818)
Community Development Block Grant			
Housing and community development	137,762	188,478	(50,716)

NOTE 13 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Deficit Fund Balance

The following funds have deficit fund balances or net position at June 30, 2019. Management expects to eliminate the deficits with subsequent revenue in the funds or transfers from the General Fund.

	Accumulated Deficit
Nonmajor governmental funds:	
Special Revenue Funds	
HOME	$ (165,424)
Internal service funds:	
Self-Insurance	(13,704,683)
Equipment	(6,443)
Proprietary funds:	
Golf course	(1,357,820)
Home2Suites	(4,834,509)

NOTE 14 ENCUMBRANCES

At June 30, 2019, there were outstanding encumbrances, which represent commitments on open purchase orders or contracts, of $509,591 in the governmental funds. There were commitments on open purchase orders amounting to $2,314,781 in the enterprise funds.

NOTE 15 CONTINGENCIES

The City is involved in several pending lawsuits of a nature common to many similar jurisdictions. City management estimates that potential claims against the City, not covered by insurance, will not have a material adverse effect on the financial statements of the City.

NOTE 16 PRIOR PERIOD ADJUSTMENTS

The beginning net position of the governmental and business-type activities and the Montebello Hilton enterprise fund were restated to transfer the capital assets of the Montebello Hilton from governmental to business-type activities.

	Governmental Activities	Montebello Hilton
Beginning Net Position, as previoulsy reported	$ (13,993,971)	$ (7,805,603)
Adjustment to transfer the capital assets of Hilton Hotel to Montebello Hilton Fund	(7,783,226)	7,783,226
Adjustment to record capitalization of assets acquired in Fiscal Year 2017-18	2,487,340	-
Beginning Net Position, as restated	$ (19,289,857)	$ (22,377)

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City's former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency's boundaries and as such, are not available for the use of the City.

Disclosures related to the certain assets and long-term liabilities of the Successor Agency are as follows:

Disclosure of Successor Agency Receivables

Notes Receivable

Notes receivable at June 30, 2019 include the following:

	Amount
Quiet Cannon Montebello, Inc.	$ 2,182,178
Casa La Merced	666,308
Business assistance program	549,338
Home improvement loans	437,394
Total	$ 3,835,218

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY (CONTINUED)

Quiet Cannon Montebello, Inc.
The Agency leases a facility to Quiet Cannon Montebello, Inc. (Quiet Cannon). The Agency agreed to provide financing for the renovation and improvement of the leased facility and in return Quiet Cannon agreed to make additional rental payments. As of June 30, 2019, $2,182,178 remains outstanding on the note receivable.

Casa La Merced
Casa La Merced entered into an agreement on September 24, 1985 with the Agency. The agreement with Casa La Merced was for the development of a parcel of land. Casa La Merced agreed to a note payable to the Agency for $666,308 that matures February 1, 2027. The note has a simple interest rate of 9.25% and the Agency has accrued interest receivable of $666,308 on the note receivable as at June 30, 2019. The interest receivable is covered by a 100% provision for bad debts.

Business Assistance Program
Business improvement loans were made in the prior years between the Agency and local merchants. The loans are secured by the real estate property and personal guaranty of the borrowers. As of June 30, 2019, $549,338 remained outstanding on the business improvement loans.

Home Improvement Loans
During the prior fiscal years, the Agency made home improvement loans to low- and moderate-income households. These loans accrue interest of 4% and are payable in ten years or when the borrower sells their property, whichever comes first. The total outstanding balance as of June 30, 2019 was $437,394.

Disclosure of Successor Agency Debts

Details of the Successor Agency's long-term debt as of June 30, 2019 follow:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Amount Due Within One Year
Bonds payable					
Tax allocation bonds	$ 39,506,226	$ 681,455	$ (4,245,000)	$ 35,942,681	$ 4,980,000
Add (Less): bond premium	2,393,329	-	(239,333)	2,153,996	-
bond discount	(1,526)	-	763	(763)	-
Total bonds payable	41,898,029	681,455	(4,483,570)	38,095,914	4,980,000
Notes payable	2,853,487	-	(199,639)	2,653,848	209,852
Total	$ 44,751,516	$ 681,455	$ (4,683,209)	$ 40,749,762	$ 5,189,852

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY (CONTINUED)

A. Tax Allocation Bonds

Nonhousing Tax Allocation Bonds:

		Amount
$2,918,888 Montebello Hills Tax Allocation Parity Bonds, Series B comprised of Capital Appreciation Serial Bonds accreting semiannually through March 1, 2024; interest at 4.80% to 5.60%	$	9,784,566
$3,660,000 2007 Montebello Hills Tax Allocation Parity Refunding Bonds, Series B (Taxable) due in annual installments of $80,000 to $360,000 through March 1, 2024; interest at 5.85%		1,595,000
$6,065,000 2007 South Montebello Tax Allocation Parity Bonds, Series A (Taxable) due in annual installments of $160,000 to $675,000 through September 1, 2022; interest at 5.80%		2,475,000
$23,775,000 2015 Subordinated Tax Allocation Refunding Bonds, Series A (Tax-exempt) due in annual installments of $1,220,60,000 to $3,045,000 through September 1, 2027; interest rate ranging from 2% to 5%		19,040,000
$1,405,000 2015 Subordinated Tax Allocation Refunding Bonds, Series B (Taxable) due in annual installments of $335,000 to $375,000 through September 1, 2019; interest rate ranging from 1.25% to 2.50%		375,000
Total Nonhousing Tax Allocation Bonds	$	33,269,566

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY (CONTINUED)

1999 Montebello Hills Tax Allocation Parity Bonds, Series B:

The Bonds are secured by incremental property taxes allocated to and received by the Agency. Interest on the Bonds is payable semiannually. The Bonds are subject to redemption at the Agency's option on any interest payment date beginning March 1, 2008 with no redemption premium after March 1, 2010.

2007 Montebello Hills Tax Allocation Parity Refunding Bonds, Series B (Taxable):

The Bonds are secured by incremental property taxes allocated to and received by the Agency. Interest on the Bonds is payable semiannually. The Bonds are subject to redemption at the Agency's option on any interest payment date beginning March 1, 2008. The Series B Bonds maturing on March 1, 2024 are Term Bonds subject to redemption by owner on March 1 of each year in ranges of $70,000 (March 1, 2008) to $360,000 (March 1, 2024) from sinking account payments made by the Agency at a redemption price equal to the principal amount plus accrued interest to the redemption date without premium.

2007 South Montebello Tax Allocation Parity Refunding Bonds, Series A (Taxable):

The Bonds are secured by incremental property taxes allocated to and received by the Agency. Interest on the Bonds is payable semiannually. The Bonds are subject to redemption at the Agency's option on any interest payment date beginning September 1, 2009.

The Series A Bonds maturing on September 1, 2022 are Term Bonds and shall be subject to redemption, in part pro rata by owner, on September 1 in each year in ranges of $145,000 (September 1, 2009) to $675,000 (September 1, 2022), from sinking account payments made by the Agency without a redemption premium.

2015 Subordinated Tax Allocation Refunding Bonds, Series A (Tax-exempt) and Series B (Taxable):

In August 2015, the Successor Agency issued Subordinate Tax Allocation Refunding Bonds, Series 2015 A (Tax Exempt) & Series B (Taxable), totaling $25,180,000 to refund the following old bonds: 1997 Montebello Hills, 1998A Montebello Hills, 1999A Montebello Hills, 2009A Montebello Hills, 1999A South Montebello, 1999B South Montebello, 1998B Montebello Hills, and 2002 Housing (non-accretion bonds only) with total outstanding principal as of June 30, 2015 of $28,355,000. The Series A bonds, with interest rate ranging from 2% to 5%, are due in annual installments of $1,220,000 to $3,045,000 through September 1, 2027. The Series B bonds, with interest rates ranging from 1.25% to 2.50%, are due in annual installments of $335,000 to $375,000 through September 1, 2019.

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY (CONTINUED)

Housing Tax Allocation Bonds:

		Amount
$5,550,000 1997 Montebello Housing Taxable Tax Allocation Bonds, Series B due in annual installments of $270,000 to $405,000 through September 1, 2019; interest at 5.90% to 7.16%	$	370,000
$8,860,000 2007 Montebello Housing Tax Allocation Parity Refunding Bonds, Series A due in annual installments of $650,000 to $685,000 through September 1, 2019; interest at 3.38% to 4.00%		685,000
$5,557,642 2002 Montebello Housing Tax Allocation Parity Bonds due in annual installments of $630,000 to $1,265,907 through September 1, 2024; interest at 5.25% to 5.75%.		1,618,115
Total Housing Tax Allocation Bonds	$	2,673,115

1997 Taxable Housing Tax Allocation Bonds, Series B:

The Bonds are secured by incremental property taxes allocated to and received by the Agency. Interest on the Bonds is payable semiannually. The Bonds are subject to mandatory redemption, without premium, on any interest payment date beginning September 1, 2007.

2007 Housing Tax Allocation Parity Refunding Bonds, Series A:

The Bonds are secured by incremental property taxes allocated to and received by the Agency. Interest on the Bonds is payable semiannually. The Bonds are subject to redemption at the Agency's option on or after September 1, 2018 at a redemption price equal to the principal amount.

2002 Montebello Housing Tax Allocation Bonds

The Bonds are secured by incremental property taxes allocated to and received by the Agency. This is the capital accretion bonds portion of the 2002 Tax Allocation Bonds maturing on September 1, 2024 with interest of 5.65%.

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY (CONTINUED)

The annual requirements to amortize the existing tax allocation bonds outstanding as of June 30, 2019 are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	$ 4,980,000	$ 1,109,933	$ 6,089,933
2021	3,380,000	898,474	4,278,474
2022	3,865,000	710,323	4,575,323
2023	4,055,000	504,700	4,559,700
2024	2,555,000	334,499	2,889,499
2025-2028	17,107,681	437,425	17,545,106
	$ 35,942,681	$ 3,995,355	$ 39,938,036

Notes Payable

Redevelopment Agency Note

The former redevelopment agency entered into an agreement dated February 11, 2009 to purchase the property owned by Ostrom Chevrolet for $12,000,000. The Agency paid $5,000,000 in cash; $2,734,834 was from proceeds of a note owed by Ostrom Chevrolet to the Agency; and $4,265,166 was financed by a note payable to the seller. The note payable has an interest rate of 5%. For the first 10 years, interest only payments are due each calendar quarter. Following the 10th anniversary of the note date, the Agency is to make four quarterly payments in an amount sufficient to amortize and repay all accrued interest and principal by the date the last payment is due on the first day of the full calendar quarter following the 20th anniversary date of the note. The Agency made early principal payments in the current year as well as the prior fiscal years with total annual payment of $337,780 inclusive of interest. At June 30, 2019, the principal amount outstanding is $2,653,848.

Annual debt service payments on this note are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	$ 209,852	$ 127,927	$ 337,779
2021	220,588	117,191	337,779
2022	231,874	105,905	337,779
2023	243,737	94,042	337,779
2024	256,207	81,571	337,778
2025-2029	1,491,590	197,299	1,688,889
	$ 2,653,848	$ 723,935	$ 3,377,783

NOTE 17 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED MONTEBELLO REDEVELOPMENT AGENCY (CONTINUED)

Advances from City of Montebello

At June 30, 2019, the Successor Agency has a net liability to the City of $5,934,782, which is reported in the Statement of Fiduciary Net Position as Advances from the City of Montebello. This amount was due to the Housing Fund pertaining to advances made by the former Low-and-Moderate Income Housing Fund to the former redevelopment agency. These advances were for payment of the Supplemental Educational Revenue Augmentation Fund (SERAF) and to finance the project expenses of one of the project areas of the former redevelopment agency.

Commitment

Pursuant to the agreement dated November 1, 2000 with the City in connection with the development and operation of the hotel facility, the former redevelopment agency agreed to pay, solely from tax revenues from the Project Areas, any shortfall of amounts in the Lease Payment Account of the Debt Service Fund to pay the City's lease payments which are the source of repayment of the 2004 Revenue Refunding Bonds, Series A (see Note 8). This commitment was previously recognized by the California Department of Finance as an enforceable obligation of the Successor Agency.

NOTE 18 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2019 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through DATE OPEN, the date the financial statements were available to be issued. Based upon this evaluation, other than the following, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

On December 19, 2019, the Montebello Public Financing Authority issued $10.2 million Lease Revenue Refunding Bonds, 2019 Series A to refinance the existing debt for the construction of the Montebello Hilton Garden Inn, resulting in a net present value savings of approximately $1.4 million. The bonds are secured by the revenues of the hotel and mature in December 2034.

Also, on December 19, 2019, the Montebello Public Financing Authority issued $24.9 million Sales Tax Revenue Bonds, 2019 Series A, B, and C, for Paving the Way three-year road construction project. The bonds are secured by pledged Measure M, Measure R, and Prop C sales tax revenue and mature by 2040.

NOTE 19 GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS ISSUED, NOT YET EFFECTIVE

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2019, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the City.

GASB Statement No. 84 – ***Fiduciary Activities.*** The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhance the value provided by the information reported in financial statements for assessing government accountability and stewardship. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2018.

GASB Statement No. 87 – ***Leases.*** This Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2019.

GASB Statement No. 89 – ***Accounting for Interest Cost Incurred before the End of a Construction Period***. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90 –***Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61.*** The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

City of Montebello
California Public Retirement System
Schedule of Changes in the Net Pension Liability and Related Ratios
Miscellaneous Plan
June 30, 2019
Last Ten Years*

	Measurement Period				
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total Pension Liability					
Service Cost	$ 2,802,157	$ 2,918,611	$ 2,703,362	$ 2,932,068	$ 2,914,031
Interest on total pension liability	11,639,094	12,022,505	12,395,700	12,673,319	13,109,478
Differences between expected and actual experience	-	(2,072,412)	(2,550,443)	(2,393,873)	531,297
Changes in assumptions	-	(2,949,227)	-	10,512,651	(1,078,751)
Benefit payments, including refunds of employee contributions	(7,364,542)	(7,653,087)	(7,156,315)	(9,080,226)	(8,817,355)
Net change in total pension liability	7,076,709	2,266,390	5,392,304	14,643,939	6,658,700
Total pension liability - beginning	157,469,110	164,545,819	166,812,209	172,204,513	186,848,452
Total pension liability - ending (a)	$ 164,545,819	$ 166,812,209	$ 172,204,513	$ 186,848,452	$ 193,507,152
Plan Fiduciary Net Position					
Contributions - employer	$ 3,168,029	$ 3,123,518	$ 3,474,912	$ 3,893,457	$ 4,404,730
Contributions - employee	1,468,002	1,260,428	1,208,725	1,186,191	1,198,860
Net investment income	19,352,467	2,844,663	665,613	13,752,535	11,334,145
Benefit payments	(7,364,542)	(7,653,087)	(7,156,315)	(9,080,226)	(8,817,355)
Net plan to plan resource movement	-	-	-	(1,197)	(334)
Administrative expense	-	(144,043)	(78,007)	(186,195)	(211,420)
Other miscellaneous income (expense)	-	-	-	-	(401,491)
Net change in plan fiduciary net position	16,623,956	(568,521)	(1,885,072)	9,564,565	7,507,135
Plan fiduciary net position - beginning	111,940,967	128,564,923	127,996,402	126,111,330	135,675,895
Plan fiduciary net position - ending (b)	$ 128,564,923	$ 127,996,402	$ 126,111,330	$ 135,675,895	$ 143,183,030
Net pension liability - ending (a)-(b)	$ 35,980,896	$ 38,815,807	$ 46,093,183	$ 51,172,557	$ 50,324,122
Plan fiduciary net position as a percentage of the total pension liability	78.13%	76.73%	73.23%	72.61%	73.99%
Covered - employee payroll	$ 15,828,716	$ 16,304,182	$ 16,324,646	$ 16,116,462	$ 15,903,678
Net pension liability as percentage of covered-employee payroll	227.31%	238.07%	282.35%	317.52%	316.43%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of assumptions: In 2018, demographic assumptions and inflation rates were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 % to 7.15 %. In 2016,there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

* Fiscal year 2015 was the first year of implementation, therefore only five years are shown.

City of Montebello
California Public Retirement System
Schedule of Pension Plan Contributions
Miscellaneous Plan
June 30, 2019
Last Ten Years*

	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Actuarially determined contributions	$ 5,050,065	$ 4,404,730	$ 4,395,719	$ 3,893,457	$ 3,474,912	$ 3,123,518
Contributions in relation to the actuarially determined contributions	(5,050,065)	(4,404,730)	(4,395,719)	(3,893,457)	(3,474,912)	(3,123,518)
Contribution deficiency / (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Covered-Employee Payroll	$ 15,694,758	$ 15,903,678	$ 16,116,462	$ 16,116,462	$ 16,324,646	$ 16,304,182
Contributions as a percentage of Covered-Employee Payroll	32.18%	27.70%	27.27%	24.16%	21.29%	19.16%

Notes to Schedule:

Valuation date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2018-19. were from the June 30, 2017 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	15 year Smoothed Market
Inflation	2.75%
Salary increases	Varies by Entry age and Service
Payroll Growth	3.00%
Investment rate of return	7.50%, net of pension plan investment expense 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.

* Fiscal year 2014 was the first year of implementation, therefore only six years are shown.

City of Montebello
California Public Retirement System
Schedule of Changes in the Net Pension Liability and Related Ratios
Safety Plan
June 30, 2019
Last Ten Years*

	Measurement Period				
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total Pension Liability					
Service Cost	$ 3,199,355	$ 3,228,635	$ 3,178,292	$ 3,513,114	$ 3,422,176
Interest on total pension liability	15,059,257	15,555,154	16,109,903	16,587,154	17,067,923
Differences between expected and actual experience	-	(1,653,000)	(831,534)	(484,213)	(273,569)
Changes in assumptions	-	(3,773,844)	-	13,789,932	(910,340)
Benefit payments, including refunds of employee contributions	(10,199,284)	(10,403,035)	(10,947,880)	(11,772,390)	(12,521,308)
Net change in total pension liability	8,059,328	2,953,910	7,508,781	21,633,597	6,784,882
Total pension liability - beginning	204,290,062	212,349,390	215,303,300	222,812,081	244,445,678
Total pension liability - ending (a)	$ 212,349,390	$ 215,303,300	$ 222,812,081	$ 244,445,678	$ 251,230,560
Plan Fiduciary Net Position					
Contributions - employer	$ 6,437,996	$ 4,710,747	$ 5,153,218	$ 5,358,752	$ 6,104,047
Contributions - employee	1,627,017	1,207,244	1,193,160	949,049	1,070,001
Net investment income	22,955,341	3,345,009	737,269	16,289,173	13,313,614
Benefit payments	(10,199,284)	(10,403,035)	(10,947,880)	(11,772,390)	(12,521,308)
Net plan to plan resource movement	-	-	-	-	(390)
Administrative expense	-	(172,263)	(93,329)	(220,253)	(248,987)
Other miscellaneous income (expense)	-	-	-	-	(472,831)
Net change in plan fiduciary net position	20,821,070	(1,312,298)	(3,957,562)	10,604,331	7,244,146
Plan fiduciary net position - beginning	133,628,287	154,449,357	153,137,059	149,179,497	159,783,828
Plan fiduciary net position - ending (b)	$ 154,449,357	$ 153,137,059	$ 149,179,497	$ 159,783,828	$ 167,027,974
Net pension liability - ending (a)-(b)	$ 57,900,033	$ 62,166,241	$ 73,632,584	$ 84,661,850	$ 84,202,586
Plan fiduciary net position as a percentage of the total pension liability	72.73%	71.13%	66.95%	65.37%	66.48%
Covered - employee payroll	$ 11,224,230	$ 11,922,582	$ 11,768,402	$ 11,568,474	$ 11,280,908
Net pension liability as percentage of covered-employee payroll	515.85%	521.42%	625.68%	731.83%	746.42%

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of assumptions: In 2018, demographic assumptions and inflation rates were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 % to 7.15 %. In 2016,there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5% discount rate.

* Fiscal year 2015 was the first year of implementation, therefore only five years are shown.

City of Montebello
California Public Retirement System
Schedule of Pension Plan Contributions
Safety Plan
June 30, 2019
Last Ten Years*

		2018-2019		2017-2018		2016-2017		2015-2016		2014-2015		2013-2014
Actuarially determined contributions	$	6,946,105	$	6,104,047	$	6,096,263	$	5,358,752	$	5,153,218	$	4,710,747
Contributions in relation to the actuarially determined contributions		(6,946,105)		(6,104,047)		(6,096,263)		(5,358,752)		(5,153,218)		(4,710,747)
Contribution deficiency / (excess)	$	-	$	-	$	-	$	-	$	-	$	-
Covered-Employee Payroll	$	10,872,186	$	11,280,908	$	11,568,474	$	11,568,474	$	11,768,402	$	11,922,582
Contributions as a percentage of Covered-Employee Payroll		63.89%		54.11%		52.70%		46.32%		43.79%		39.51%

Notes to Schedule:

	2018-2019	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Valuation date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2018-19 were from the June 30, 2017 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	15 year Smoothed Market
Inflation	2.75%
Salary increases	Varies by Entry age and Service
Payroll Growth	3.00%
Investment rate of return	7.50%, net of pension plan investment expense 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.

* Fiscal year 2014 was the first year of implementation, therefore only six years are shown.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017 *
Total Pension Liability		
Service cost	$ 1,115,728	$ 1,079,041
Interest on total OPEB liability	970,767	849,121
Differences between expected and actual experience	(59,573)	-
Changes in assumptions	1,069,938	(2,111,032)
Benefit payments, including refunds of employee contributions	(1,151,779)	(1,039,463)
Net change in total OPEB liability	1,945,081	(1,222,333)
Total OPEB liability - beginning of year	28,012,070	29,234,403
Total OPEB liability - end of year (a)	$ 29,957,151	$ 28,012,070
Plan Fiduciary Net Position**		
Net investment income	$ -	$ -
Contributions - employer	1,151,779	1,039,463
Benefit payments, including refunds of employee contributions	(1,151,779)	(1,039,463)
Administrative expenses	-	-
Net change in plan fiduciary net position	-	-
Plan fiduciary net position - beginning of year	-	-
Plan fiduciary net position - end of year (b)	$ -	$ -
Net OPEB liability - end of year (a)-(b)	$ 29,957,151	$ 28,012,070
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%
Covered - employee payroll	$ N/A	$ 19,234,000
Net OPEB liability as percentage of covered-employee payroll	N/A	145.64%

* Fiscal year 2018 was the first year of implementation, therefore only two years are shown.

**The Plan is not funded and on a pay-as-you-go basis.

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Sales taxes	$ 12,921,000	$ 12,921,000	$ 14,031,972	$ 1,110,972
Property taxes	5,125,004	5,125,004	5,676,411	551,407
Other taxes	615,413	615,413	614,485	(928)
Franchise taxes	1,550,379	1,550,379	2,224,087	673,708
Licenses and permits	4,613,087	4,613,087	6,220,483	1,607,396
Fines and forfeitures	2,131,890	2,131,890	2,165,922	34,032
Investment income	30,720	30,720	162,487	131,767
Intergovernmental	6,401,329	6,401,329	6,526,569	125,240
Charges for services	6,855,127	6,855,127	6,657,594	(197,533)
Other revenue	1,375,000	1,375,000	728,696	(646,304)
Total revenues	41,618,949	41,618,949	45,008,706	3,389,757
Expenditures				
Current:				
General government				
City Council	179,507	184,649	166,124	18,525
City Clerk	196,585	391,020	310,849	80,171
City Treasurer	25,635	23,415	20,066	3,349
City Attorney	450,000	450,000	837,046	(387,046)
City Administration	948,021	1,319,122	1,250,531	68,591
Employee relations	466,615	420,564	355,885	64,679
Community promotions	46,250	46,250	24,748	21,502
Finance	2,758,437	2,810,560	2,439,006	371,554
General services	154,410	310	-	310
Governmental building maintenance	660,751	567,922	469,432	98,490
Total general government	5,886,211	6,213,812	5,873,687	340,125
Public safety				
Police administration	828,599	809,312	782,706	26,606
Field services - police	11,736,547	10,214,054	10,136,793	77,261
Support services - police	3,533,190	3,080,081	2,788,093	291,988
Detention - police	467,997	497,997	496,035	1,962
Investigative services	4,025,176	2,959,089	2,780,525	178,564
Fire administration	1,356,022	1,418,849	1,404,881	13,968
Fire suppression	11,788,541	10,028,763	10,311,203	(282,440)
Fire prevention	314,841	313,091	282,324	30,767
Fire communications	106,025	469,079	450,593	18,486
Total public safety	34,156,938	29,790,315	29,433,153	357,162

City of Montebello
Budgetary Comparison Schedule
General Fund (Continued)
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Final Budget Positive (Negative)
Public works				
Administration	$ 653,671	$ 622,408	$ 536,795	$ 85,613
Streets	6,361,437	6,331,034	6,102,504	228,530
Total public works	7,015,108	6,953,442	6,639,299	314,143
Parks and recreation				
Parks and recreation administration	546,136	586,956	513,570	$ 73,386
Recreation services	1,596,697	1,528,355	1,499,793	28,562
Parks maintenance	1,299,412	1,272,026	1,218,549	53,477
Trees	589,884	570,531	535,604	34,927
AB939	97,000	97,000	60,043	36,957
Total parks and recreation	4,129,129	4,054,868	3,827,559	227,309
Housing and community development				
Community development	561,403	749,658	687,941	61,717
Planning	399,840	369,123	222,623	146,500
Engineering	737,197	740,288	648,615	91,673
Building and maintenance	549,847	452,527	426,439	26,088
Code enforcement	413,460	378,634	223,948	154,686
Total housing and community development	2,661,747	2,690,230	2,209,566	480,664
Capital outlay	137,700	849,039	2,052,865 *	(1,203,826)
Interfund charges	(2,106,117)	(2,106,117)	(366,046)	(1,740,071)
Total expenditures	51,880,716	48,445,589	49,670,083	(1,224,494)
Deficiency of revenues over expenditures	(10,261,767)	(6,826,640)	(4,661,377)	2,165,263
Other financing sources (uses)				
Proceeds from capital lease	-	-	1,547,962	1,547,962
Transfers in	13,166,061	7,265,140	6,758,437	(506,703)
Transfers out	(2,315,330)	(2,315,330)	(778,644)	1,536,686
Net, other financing sources (uses)	10,850,731	4,949,810	7,527,755	2,577,945
Change in fund balance	588,964	(1,876,830)	2,866,378	4,743,208
Fund balance - beginning of year	17,337,801	17,337,801	17,337,801	-
Fund balance - end of year	$ 17,926,765	$ 15,460,971	$ 20,204,179	$ 4,743,208

**** This includes purchase of vehicles of $1,547,962 through capital lease arrangements. This purchase should be offset by the proceeds from capital lease of the same amount presented under Other Financing Sources. The City budgeted only the annual lease payments.***

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ 35,886	$ 35,886	$ 221,929	$ 186,043
Property taxes	11,551,734	11,551,734	12,709,213	1,157,479
Total revenues	11,587,620	11,587,620	12,931,142	1,343,522
Expenditures				
Current				
General government	-	6,108,880	6,214,977	(106,097)
Total expenditures	-	6,108,880	6,214,977	(106,097)
Excess of revenues over expenditures	11,587,620	5,478,740	6,716,165	1,237,425
Other financing uses				
Transfers out	(10,449,861)	(4,340,981)	(3,734,527)	606,454
Total other financing uses	(10,449,861)	(4,340,981)	(3,734,527)	606,454
Change in fund balance	1,137,759	1,137,759	2,981,638	1,843,879
Fund balance - beginning of year	8,805,032	8,805,032	8,805,032	-
Fund balance - end of year	$ 9,942,791	$ 9,942,791	$ 11,786,670	$ 1,843,879

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Other revenues	$ -	$ -	$ 1,505,329	$ 1,505,329
Total revenues	-	-	1,505,329	1,505,329
Expenditures				
Current				
General government	10,000	10,000	4,570	5,430
Sub-total	10,000	10,000	4,570	5,430
Debt Service				
Principal retirement	1,603,180	1,603,180	1,053,180	550,000
Interest and fiscal charges	3,627,042	3,627,042	452,149	3,174,893
Sub-total	5,230,222	5,230,222	1,505,329	3,724,893
Total expenditures	5,240,222	5,240,222	1,509,899	3,730,323
Excess (deficiency) of revenues over expenditures	(5,240,222)	(5,240,222)	(4,570)	5,235,652
Other financing sources				
Transfers in	1,515,330	1,515,330	-	(1,515,330)
Transfers out	-	-	-	-
Total other financing sources	1,515,330	1,515,330	-	(1,515,330)
Change in fund balance	(3,724,892)	(3,724,892)	(4,570)	3,720,322
Fund balance - beginning of year	366,492	366,492	366,492	-
Fund balance - end of year	$ (3,358,400)	$ (3,358,400)	$ 361,922	$ 3,720,322

City of Montebello
Budgetary Comparison Schedule
Housing Successor Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Other revenue	$ -	$ -	$ 36,760	$ 36,760
Total revenues	-	-	36,760	36,760
Expenditures				
Current				
Housing and community development	-	-	16,430	(16,430)
Capital outlay	-	-	736,413	(736,413)
Total expenditures	-	-	752,843	(752,843)
Change in fund balance	-	-	(716,083)	(716,083)
Fund balance - beginning of year	8,968,157	8,968,157	8,968,157	-
Fund balance - end of year	$ 8,968,157	$ 8,968,157	$ 8,252,074	$ (716,083)

NOTE 1 BUDGETARY DATA

The City adheres to the following general procedures in establishing the budgetary data reflected in the combined financial statements:

1) The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and estimated revenues for all governmental fund types.

2) The City Manager is authorized to transfer certain appropriations between activities within any department in accordance with the budget resolution.

3) The budget is formally integrated into the accounting system.

4) Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The modified accrual basis of accounting is employed in the preparation of the budget.

5) At fiscal year-end, operating budget appropriations lapse. Incomplete capital improvements are rolled over to the new fiscal year. Projects that are not started during the budget year are re-evaluated in the following year.

SUPPLEMENTARY SCHEDULES

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action for a specified purpose.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term liabilities, interest, and related fiscal agent costs.

Capital Projects Fund is used to account for financial resources segregated for the acquisition of capital facilities financed by the Public Financing Authority debt.

	Special Revenue Funds	Capital Projects Funds: Capital Improvements	Total Other Governmental Funds
ASSETS			
Cash and investments	$ 10,790,152	$ 125,315	$ 10,915,467
Receivables:			
Accounts receivable	1,392,752	-	1,392,752
Notes	718,530	-	718,530
Prepaid expenses	25,475	-	25,475
Total assets	$ 12,926,909	$ 125,315	$ 13,052,224
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	$ 1,530,839	$ -	$ 1,530,839
Due to Agency Fund	45,539	-	45,539
Unearned revenue	201,809	-	201,809
Total liabilities	1,778,187	-	1,778,187
Deferred inflows of resources			
Unavailable revenue	718,529	-	718,529
Fund balances			
Nonspendable			
Prepaid expenses	25,475	-	25,475
Restricted for			
Retirement benefits	-	-	-
Special revenue funds projects	9,499,459	-	9,499,459
Capital projects	1,070,683	125,315	1,195,998
Unassigned	(165,424)	-	(165,424)
Total fund balances	10,430,193	125,315	10,555,508
Total liabilities, deferred inflows of resources and fund balances	$ 12,926,909	$ 125,315	$ 13,052,224

City of Montebello
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Other Governmental Funds
Year ended June 30, 2019

	Special Revenue Funds	Capital Projects Funds: Capital Improvements	Total Other Governmental Funds
Revenues			
Investment income	$ 356,032	$ 3,109	$ 359,141
Intergovernmental	9,225,743	-	9,225,743
Total revenues	9,581,775	3,109	9,584,884
Expenditures			
Current			
General government	81,945	-	81,945
Public safety	1,531,587	-	1,531,587
Public works	716,933		716,933
Housing and community development	530,442	-	530,442
Capital outlay	2,145,365	-	2,145,365
Debt service			
Principal payments	366,000	-	366,000
Interest and fiscal charges	188,013	-	188,013
Total expenditures	5,560,285	-	5,560,285
Excess of revenues over (under) expenditures	4,021,490	3,109	4,024,599
Other financing sources (uses)			
Transfers in	176,506	-	176,506
Transfers out	(1,552,882)	-	(1,552,882)
Net other financing sources (uses)	(1,376,376)	-	(1,376,376)
Change in fund balance	2,645,114	3,109	2,648,223
Fund balance - beginning of year	7,785,079	122,206	7,907,285
Fund balance - end of year	$ 10,430,193	$ 125,315	$ 10,555,508

Gas Tax Fund - To account for the City's share of state and county gas tax allocations. The tax allocations are expended on street maintenance and street construction.

Supplemental Law Enforcement Fund – To account for certain grant funds received. These funds are used for the enhancement of law enforcement programs.

Park Development Fund - To account for new construction license fees received. These fees are used for the maintenance and improvement of the City's parks.

Prop A Fund - To account for the receipt of the half-cent sales tax allocated by Los Angeles County Metropolitan Transportation Authority (LACMTA). These funds are used for public transit related expenditures.

Drug Enforcement Fund - To account for the revenues resulting from the seizure of assets in conjunction with criminal cases (primarily drug related). These funds are used for the enhancement of law enforcement programs.

Prop C Fund - To account for the receipt of the half-cent sales tax allocated by LACMTA. These funds are used to reduce traffic congestion, improve air quality, improve conditions of streets/freeways utilized by public transit, and reduce foreign fuel dependence.

Measure R Fund - This fund is used to account for revenues and expenditures related to a half-cent sales tax under Measure R approved by Los Angeles County voters in November 2008. A portion of Measure R funds is allocated to cities, and these funds must be used for streets and roads, traffic control measures, bikeways and pedestrian improvements, public transit services and capital improvements, transportation marketing, and congestion management program.

Air Quality Fund - To account for monies received through the South Coast Air Quality Management District used for the purpose of improving air quality within the community.

Justice Assistance Grants – To account for revenues received from the Justice Assistance Grant Program to fund the City’s law enforcement programs.

Grants Fund - To account for other various grants for neighborhood and commercial improvement purposes.

CDBG Fund – To account for funds received from the Community Development Block Grant for housing and community development purposes.

HOME Fund – To account for grant funds received for housing activities of the City.

Road Maintenance and Rehabilitation Fund - To account for revenue and eligible expenditures related to the California SB1 Road Repair and Accountability Act of 2018, which created the Road Maintenance and Rehabilitation Program to address deferred maintenance on the State and local roads. Funding is apportioned by formula pursuant to Streets and Highways Code section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

State of Good Repairs Fund – To account for revenue and eligible expenditures related to the to the California SB1 Road Repair and Accountability Act of 2018, which created the State of Good Repairs (SGR) Program to provide funding to eligible transit maintenance, rehabilitation, and capital projects to improve public transportation infrastructure and services. Funding is apportioned by formula from the State Transit Assistant Program.

Measure M Local Fund – To account for revenue and eligible expenditures related to Los Angeles County's Ballot Measure M which was passed by voters to improve traffic flow and safety by funding needed repairs and maintenance with a 1/2 cent local sales tax effective January 2018.

TDA Article 3 Fund – To account for funds received from the State of California to maintain and improve the safety and practicality of bicycling and walking for everyday travel.

Major Fund

Retirement Fund – To account for financial resources received to pay for the contribution to the employees' retirement fund.

Housing Successor Fund – To account for funds received to increase or improve housing for low and moderate income households.

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	Gas Tax	Supplemental Law Enforcement	Park Development	Prop A
ASSETS				
Cash and investments	$ 43,054	$ 149,395	$ 20,393	$ 1,995,592
Receivables				
Accounts receivable	-	-	-	-
Notes	-	-	-	-
Prepaid expenses	-	417	-	-
Total assets	$ 43,054	$ 149,812	$ 20,393	$ 1,995,592
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	$ -	$ 19,319	$ -	$ -
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	-	19,319	-	-
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
Fund balances (deficits)				
Nonspendable:				
Prepaid expenses	-	417	-	-
Restricted for:				
Retirement benefits	-	-	-	-
Capital improvements	-	-	-	-
Special revenue funds projects	43,054	130,076	20,393	1,995,592
Unassigned	-	-	-	-
Total fund balances (deficits)	43,054	130,493	20,393	1,995,592
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 43,054	$ 149,812	$ 20,393	$ 1,995,592

Drug Enforcement		Prop C		Measure R		Air Quality
225,532	$	3,771,607	$	1,444,061	$	438,612
251,465		-		-		21,798
-		-		-		-
11,000		-		-		-
487,997	$	3,771,607	$	1,444,061	$	460,410
56,204	$	315,164	$	2,622	$	1,763
45,539		-		-		-
-		-		-		-
101,743		315,164		2,622		1,763
-		-		-		-
11,000		-		-		-
-		-		-		-
-		-		-		-
375,254		3,456,443		1,441,439		458,647
-		-		-		-
386,254		3,456,443		1,441,439		458,647
487,997	$	3,771,607	$	1,444,061	$	460,410

	Justice Assistance Grants	Grants	CDBG	HOME
ASSETS				
Cash and investments	$ 55,085	$ 640,501	$ 132,751	$ -
Receivables				
Accounts receivable	-	533,738	161,022	-
Notes	-	-	573,530	145,000
Prepaid expenses	-	-	-	-
Total assets	$ 55,085	$ 1,174,239	$ 867,303	$ 145,000
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	$ -	$ 524,176	$ 63,142	$ 165,424
Due to other funds	-	-	-	-
Unearned revenue	-	201,809		
Total liabilities	-	725,985	63,142	165,424
Deferred inflows of resources				
Unavailable revenue	-	-	573,529	145,000
Fund balances (deficits)				
Nonspendable:				
Prepaid expenses	-	-	-	-
Restricted for:				
Retirement benefits	-	-	-	-
Capital improvements	-	-	-	-
Special revenue funds projects	55,085	448,254	230,632	-
Unassigned	-	-	-	(165,424)
Total fund balances (deficits)	55,085	448,254	230,632	(165,424)
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 55,085	$ 1,174,239	$ 867,303	$ 145,000

Road Maintenance & Rehabilitation	State of Good Repairs	Measure M Local	TDA Article 3	Total Other Special Revenue Funds
$ 991,493	$ -	$ 882,076	$ -	$ 10,790,152
110,591	225,479	-	88,659	1,392,752
-	-	-	-	718,530
-	14,058	-	-	25,475
$ 1,102,084	$ 239,537	$ 882,076	$ 88,659	$ 12,926,909
$ 31,401	$ 225,479	$ 37,486	$ 88,659	$ 1,530,839
-	-	-	-	45,539
-	-	-	-	201,809
31,401	225,479	37,486	88,659	1,778,187
-	-	-	-	718,529
-	14,058	-	-	25,475
-	-	-	-	-
1,070,683	-	-	-	1,070,683
-	-	844,590	-	9,499,459
-	-	-	-	(165,424)
1,070,683	14,058	844,590	-	10,430,193
$ 1,102,084	$ 239,537	$ 882,076	$ 88,659	$ 12,926,909

	Gas Tax	Supplemental Law Enforcement	Park Development	Prop A
Revenues				
Investment income	$ 4,040	$ 7,342	$ 680	$ 35,642
Intergovernmental	1,307,012	148,747	-	1,283,204
Total revenues	1,311,052	156,089	680	1,318,846
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	411,389	-	-
Public works	39,146	-	-	-
Housing and community development	-	-	-	-
Capital outlay	-	26,669	14,500	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	39,146	438,058	14,500	-
Excess (deficiency) of revenues over expenditures	1,271,906	(281,969)	(13,820)	1,318,846
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,439,000)	-	-	-
Net other financing sources (uses)	(1,439,000)	-	-	-
Change in fund balances	(167,094)	(281,969)	(13,820)	1,318,846
Fund balances (deficits) - beginning of year	210,148	412,462	34,213	676,746
Fund balances (deficits) - end of year	$ 43,054	$ 130,493	$ 20,393	$ 1,995,592

Drug Enforcement	Prop C	Measure R	Air Quality
$ 15,143	$ 81,085	$ 32,835	$ 14,534
893,633	1,066,472	798,516	83,436
908,776	1,147,557	831,351	97,970
-	40,178	41,767	-
1,020,772	-	-	-
	165,723	168,203	-
-	-	-	33,715
170,288	351,462	300,200	207,650
-	-	-	-
-	-	-	-
1,191,060	557,363	510,170	241,365
(282,284)	590,194	321,181	(143,395)
-	113,882	-	-
-	-	-	-
-	113,882	-	-
(282,284)	704,076	321,181	(143,395)
668,538	2,752,367	1,120,258	602,042
$ 386,254	$ 3,456,443	$ 1,441,439	$ 458,647

	Justice Assistance Grants	Grants	CDBG	HOME
Revenues				
Investment income	$ 1,366	$ 16,621	$ 118,484	$ -
Intergovernmental	-	814,134	679,412	3,654
Total revenues	1,366	830,755	797,896	3,654
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	99,426	-	-
Public works	-	-	-	-
Housing and community development	-	294,523	188,478	11,925
Capital Outlay	-	508,411	-	-
Debt service:				
Principal	-	-	366,000	-
Interest	-	-	188,013	-
Total expenditures	-	902,360	742,491	11,925
Excess (deficiency) of revenues over expenditures	1,366	(71,605)	55,405	(8,271)
Other financing sources (uses)				
Transfers in	-	-	62,624	-
Transfers out	-	(113,882)	-	-
Net other financing sources (uses)	-	(113,882)	62,624	-
Change in fund balances	1,366	(185,487)	118,029	(8,271)
Fund balances (deficits) - beginning of year	53,719	633,741	112,603	(157,153)
Fund balances (deficits) - end of year	$ 55,085	$ 448,254	$ 230,632	$ (165,424)

Road Maintenance & Rehabilitation	State of Good Repairs	Measure M Local	TDA Article 3	Total Other Special Revenue Funds
$ 10,035	$ -	$ 18,225	$ -	$ 356,032
1,159,592	-	899,272	88,659	9,225,743
1,169,627	-	917,497	88,659	9,581,775
-	-	-	-	81,945
-	-	-	-	1,531,587
115,693	2,754	225,414	-	716,933
-	-	1,231	570	530,442
-	-	478,096	88,089	2,145,365
-	-	-	-	366,000
-	-	-	-	188,013
115,693	2,754	704,741	88,659	5,560,285
1,053,934	(2,754)	212,756	-	4,021,490
-	-	-	-	176,506
-	-	-	-	(1,552,882)
-	-	-	-	(1,376,376)
1,053,934	(2,754)	212,756	-	2,645,114
16,749	16,812	631,834	-	7,785,079
$ 1,070,683	$ 14,058	$ 844,590	$ -	$ 10,430,193

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 8,500	$ 8,500	$ 4,040	$ (4,460)
Intergovernmental	1,612,829	1,612,829	1,307,012	(305,817)
Total revenues	1,621,329	1,621,329	1,311,052	(310,277)
Expenditures				
Current				
Public works	31,220	42,596	39,146	3,450
Capital outlay	124,878	124,878	-	124,878
Total expenditures	156,098	167,474	39,146	128,328
Excess of revenues over expenditures	1,465,231	1,453,855	1,271,906	(181,949)
Other financing uses				
Transfers out	(1,600,000)	(1,600,000)	(1,439,000)	161,000
Total other financing uses	(1,600,000)	(1,600,000)	(1,439,000)	161,000
Change in fund balance	(134,769)	(146,145)	(167,094)	(20,949)
Fund balance - beginning of year	210,148	210,148	210,148	-
Fund balance - end of year	$ 75,379	$ 64,003	$ 43,054	$ (20,949)

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Supplemental Law Enforcement Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 2,000	$ 2,000	$ 7,342	$ 5,342
Intergovernmental	139,416	139,416	148,747	9,331
Total revenues	141,416	141,416	156,089	14,673
Expenditures				
Current				
Public safety	350,000	411,119	411,389	(270)
Capital outlay	70,000	8,881	26,669	(17,788)
Total expenditures	420,000	420,000	438,058	(18,058)
Change in fund balance	(278,584)	(278,584)	(281,969)	(3,385)
Fund balance - beginning of year	412,462	412,462	412,462	-
Fund balance - end of year	$ 133,878	$ 133,878	$ 130,493	$ (3,385)

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Park Development Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ -	$ -	$ 680	$ 680
Total revenues	-	-	680	680
Expenditures				
Capital outlay	14,500	14,500	14,500	-
Total expenditures	14,500	14,500	14,500	-
Change in fund balance	(14,500)	(14,500)	(13,820)	680
Fund balance - beginning of year	34,213	34,213	34,213	-
Fund balance - end of year	$ 19,713	$ 19,713	$ 20,393	$ 680

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 5,000	$ 5,000	$ 35,642	$ 30,642
Intergovernmental	1,251,032	1,251,032	1,283,204	32,172
Total revenues	1,256,032	1,256,032	1,318,846	62,814
Expenditures				
Current				
General government	1,700,000	1,700,000	-	1,700,000
Total expenditures	1,700,000	1,700,000	-	1,700,000
Excess of revenues over expenditures	(443,968)	(443,968)	1,318,846	1,762,814
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing uses	-	-	-	-
Change in fund balance	(443,968)	(443,968)	1,318,846	1,762,814
Fund balance - beginning of year	676,746	676,746	676,746	-
Fund balance - end of year	$ 232,778	$ 232,778	$ 1,995,592	$ 1,762,814

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Drug Enforcement Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 5,000	$ 5,000	$ 15,143	$ 10,143
Intergovernmental	50,000	50,000	893,633	843,633
Total revenues	55,000	55,000	908,776	853,776
Expenditures				
Current				
Public safety	753,505	1,079,818	1,020,772	59,046
Capital outlay	-	136,470	170,288	(33,818)
Total expenditures	753,505	1,216,288	1,191,060	25,228
Excess (deficiency) of revenues over expenditures	(698,505)	(1,161,288)	(282,284)	879,004
Change in fund balance	(698,505)	(1,161,288)	(282,284)	879,004
Fund balance - beginning of year	668,538	668,538	668,538	-
Fund balance - end of year	$ (29,967)	$ (492,750)	$ 386,254	$ 879,004

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 4,000	$ 4,000	$ 81,085	$ 77,085
Intergovernmental	1,037,698	1,037,698	1,066,472	28,774
Total revenues	1,041,698	1,041,698	1,147,557	105,859
Expenditures				
Current				
General government	80,260	123,788	40,178	83,610
Public works	269,943	1,425,438	165,723	1,259,715
Capital outlay	979,774	2,085,589	351,462	1,734,127
Total expenditures	1,329,977	3,634,815	557,363	3,077,452
Excess (deficiency) of revenues over expenditures	(288,279)	(2,593,117)	590,194	3,183,311
Other financing sources				
Transfers in	-	-	113,882	113,882
Total other financing sources	-	-	113,882	113,882
Change in fund balance	(288,279)	(2,593,117)	704,076	3,297,193
Fund balance - beginning of year	2,752,367	2,752,367	2,752,367	-
Fund balance - end of year	$ 2,464,088	$ 159,250	$ 3,456,443	$ 3,297,193

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Measure R Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ 2,000	$ 2,000	$ 32,835	$ 30,835
Intergovernmental	778,290	778,290	798,516	20,226
Total revenues	780,290	780,290	831,351	51,061
Expenditures				
Current				
General government	25,000	79,731	41,767	37,964
Public works	38,712	578,301	168,203	410,098
Capital outlay	154,847	949,178	300,200	648,978
Total expenditures	218,559	1,607,210	510,170	1,097,040
Excess (deficiency) of revenues over expenditures	561,731	(826,920)	321,181	1,148,101
Change in fund balance	561,731	(826,920)	321,181	1,148,101
Fund balance - beginning of year	1,120,258	1,120,258	1,120,258	-
Fund balance - end of year	$ 1,681,989	$ 293,338	$ 1,441,439	$ 1,148,101

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 4,000	$ 4,000	$ 14,534	$ 10,534
Intergovernmental	81,750	81,750	83,436	1,686
Total revenues	85,750	85,750	97,970	12,220
Expenditures				
Current				
Housing and community development	37,200	37,200	33,715	3,485
Capital Outlay	-	500,000	207,650	292,350
Total expenditures	37,200	537,200	241,365	295,835
Change in fund balance	48,550	(451,450)	(143,395)	308,055
Fund balance - beginning of year	602,042	602,042	602,042	-
Fund balance - end of year	$ 650,592	$ 150,592	$ 458,647	$ 308,055

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ -	$ -	$ 1,366	$ 1,366
Total revenues	-	-	1,366	1,366
Expenditures				
Current				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Change in fund balance	-	-	1,366	1,366
Fund balance - beginning of year	53,719	53,719	53,719	-
Fund balance - end of year	$ 53,719	$ 53,719	$ 55,085	$ 1,366

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Grants Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ -	$ -	$ 16,621	$ 16,621
Intergovernmental	2,814,710	7,296,040	814,134	(6,481,906)
Total revenues	2,814,710	7,296,040	830,755	(6,465,285)
Expenditures				
Current				
Public safety	33,000	153,226	99,426	53,800
Housing and community development	852,038	866,459	294,523	571,936
Capital outlay	2,021,352	6,302,565	508,411	5,794,154
Total expenditures	2,906,390	7,322,250	902,360	6,419,890
Excess (deficiency) of revenues over expenditures	(91,680)	(26,210)	(71,605)	(45,395)
Other financing sources				
Transfers out	-	-	(113,882)	(113,882)
Total other financing sources	-	-	(113,882)	(113,882)
Change in fund balance	(91,680)	(26,210)	(185,487)	(159,277)
Fund balance - beginning of year	633,741	633,741	633,741	-
Fund balance - end of year	$ 542,061	$ 607,531	$ 448,254	$ (159,277)

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Community Development Block Grant Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ -	$ -	$ 118,484	$ 118,484
Intergovernmental	699,491	699,491	679,412	(20,079)
Total revenues	699,491	699,491	797,896	98,405
Expenditures				
Current				
Housing and community development	137,762	137,762	188,478	(50,716)
Debt service				
Principal	366,000	366,000	366,000	-
Interest	165,729	210,297	188,013	22,284
Total expenditures	669,491	714,059	742,491	(28,432)
Excess (deficiency) of revenues over expenditures	30,000	(14,568)	55,405	69,973
Other financing sources (uses)				
Transfers in	-	-	62,624	62,624
Total other financing sources	-	-	62,624	62,624
Change in fund balance	30,000	(14,568)	118,029	132,597
Fund balance (deficit) - beginning of year	112,603	112,603	112,603	-
Fund balance (deficit) - end of year	$ 142,603	$ 98,035	$ 230,632	$ 132,597

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
HOME Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 299,865	$ 299,865	$ 3,654	$ (296,211)
Total revenues	299,865	299,865	3,654	(296,211)
Expenditures				
Current				
Housing and community development	756,012	756,012	11,925	744,087
Total expenditures	756,012	756,012	11,925	744,087
Change in fund balance	(456,147)	(456,147)	(8,271)	447,876
Fund balance (deficit) - beginning of year	(157,153)	(157,153)	(157,153)	-
Fund balance (deficit) - end of year	$ (613,300)	$ (613,300)	$ (165,424)	$ 447,876

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Road Maintenance and Rehabilitation
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 1,000	$ 1,000	$ 10,035	$ 9,035
Intergovernmental	1,061,409	1,061,409	1,159,592	98,183
Total revenues	1,062,409	1,062,409	1,169,627	107,218
Expenditures				
Current				
Public works	203,632	447,319	115,693	331,626
Capital Outlay	-	704,632		704,632
Total expenditures	203,632	1,151,951	115,693	1,036,258
Change in fund balance	858,777	(89,542)	1,053,934	1,143,476
Fund balance (deficit) - beginning of year	16,749	16,749	16,749	-
Fund balance (deficit) - end of year	$ 875,526	$ (72,793)	$ 1,070,683	$ 1,143,476

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
State of Good Repairs Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ 500	$ 500	$ -	$ (500)
Intergovernmental	1,159,722	1,159,722	-	(1,159,722)
Total revenues	1,160,222	1,160,222	-	(1,160,222)
Expenditures				
Current				
Public works	-	368,581	2,754	365,827
Capital outlay	1,159,722	791,141	-	791,141
Total expenditures	1,159,722	1,159,722	2,754	1,156,968
Change in fund balance	500	500	(2,754)	(3,254)
Fund balance (deficit) - beginning of year	16,812	16,812	16,812	-
Fund balance (deficit) - end of year	$ 17,312	$ 17,312	$ 14,058	$ (3,254)

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ 1,000	$ 1,000	$ 18,225	$ 17,225
Intergovernmental	882,043	882,043	899,272	17,229
Total revenues	883,043	883,043	917,497	34,454
Expenditures				
Current				
Public works	500,000	1,134,459	225,414	909,045
Housing and community development	-	2,231	1,231	1,000
Capital outlay	-	681,580	478,096	203,484
Total expenditures	500,000	1,818,270	704,741	1,113,529
Change in fund balance	383,043	(935,227)	212,756	1,147,983
Fund balance (deficit) - beginning of year	631,834	631,834	631,834	-
Fund balance (deficit) - end of year	$ 1,014,877	$ (303,393)	$ 844,590	$ 1,147,983

City of Montebello
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
TDA Article 3 Special Revenue Fund
Year ended June 30, 2019

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Investment income	$ -	$ -	$ -	$ -
Intergovernmental	127,444	127,444	88,659	(38,785)
Total revenues	127,444	127,444	88,659	(38,785)
Expenditures				
Current				
Public works	-	570	570	-
Capital Outlay	127,444	126,874	88,089	38,785
Total expenditures	127,444	127,444	88,659	38,785
Change in fund balance	-	-	-	-
Fund balance (deficit) - beginning of year	-	-	-	-
Fund balance (deficit) - end of year	$ -	$ -	$ -	$ -

Capital Improvements Fund - To account for financial resources segregated for the acquisition of major general City capital outlay other than those financed by special assessment and proprietary funds.

City of Montebello
Schedule of Revenues, Expenses and Changes in Fund Balances - Budget and Actual
Capital Improvements Capital Projects Fund
Year ended June 30, 2019

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment income	$ -	$ -	$ 3,109	$ 3,109
Total revenues	-	-	3,109	3,109
Expenditures				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Change in fund balance	-	-	3,109	3,109
Fund balance - beginning of year	122,206	122,206	122,206	-
Fund balance - end of year	$ 122,206	$ 122,206	$ 125,315	$ 3,109

Water Utility Fund - To account for the revenues and expenses of the Water Fund. All activities necessary to provide such service are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing, and billing and collection.

Detention Facility Fund - To account for revenues and expenses related to the operations of the Montebello Police Department jail.

	Water Utility	Detention Facility	Total Other Enterprise Funds
ASSETS			
Current assets			
Cash and investments	$ 437,950	$ -	$ 437,950
Accounts receivable	439,376	-	439,376
Prepaid expenses and other current assets	1,283	-	1,283
Total current assets	878,609	-	878,609
Noncurrent assets			
Capital assets			
Land	35,000	-	35,000
Buildings and improvements	951,501	-	951,501
Machinery and equipment	2,185,927	-	2,185,927
Accumulated depreciation	(2,235,066)	-	(2,235,066)
Total noncurrent assets	937,362	-	937,362
Total assets	1,815,971	-	1,815,971
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	3,354	-	3,354
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	244,153	-	244,153
Deposits payable	31,675	-	31,675
Compensated absences	1,389	-	1,389
Total current liabilities	277,217	-	277,217
Noncurrent liabilities			
Notes payable	618,741	-	618,741
Net pension liability	20,439	-	20,439
Total non-current liabilities	639,180	-	639,180
Total liabilities	916,397	-	916,397
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	479	-	479
NET POSITION (DEFICIT)			
Net investment in capital assets	937,362	-	937,362
Unrestricted	(34,913)	-	(34,913)
Total net position (deficit)	$ 902,449	$ -	$ 902,449

City of Montebello
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Other Enterprise Funds
Year ended June 30, 2019

	Water Utility	Detention Facility	Total Other Enterprise Funds
Operating revenues			
Charges for services	$ 3,190,460	$ -	$ 3,190,460
Operating expenses			
Labor and fringe benefits	9,465	-	9,465
Utilities	119,652	-	119,652
Contract services	1,969,169	-	1,969,169
Depreciation expense	6,222	-	6,222
Administration expense	189,400	-	189,400
Total operating expenses	2,293,908	-	2,293,908
Operating income (loss)	896,552	-	896,552
Nonoperating revenues			
Interest income	11,597	-	11,597
Interest expense	(1,687)	-	(1,687)
Income (loss) before transfers	906,462	-	906,462
Other financing sources			
Transfers in	1,150	74,170	75,320
Transfers out	(300,000)		(300,000)
Change in net position	607,612	74,170	681,782
Net position (deficit), beginning of year	294,837	(74,170)	220,667
Net position (deficit), end of year	$ 902,449	$ -	$ 902,449

	Water Utility	Detention Facility	Total Other Enterprise Funds
Cash flows from operating activities			
Receipts from customers	$ 2,917,651	$ -	$ 2,917,651
Payments to suppliers	(2,373,076)	(74,170)	(2,447,246)
Payments to employees	(8,243)	-	(8,243)
Net cash provided by (used) in operating activities	536,332	(74,170)	462,162
Cash flows from non-capital financing activities			
Cash received from other funds	1,150	74,170	75,320
Cash remitted to other funds	(300,000)	-	(300,000)
Net cash provided by non-capital financing activities	(298,850)	74,170	(224,680)
Cash flows from capital and related financing activities			
Interest received	11,597		11,597
Interest paid	(1,687)	-	(1,687)
Acquisition of capital assets	(518,653)	-	(518,653)
Net cash used in capital and related financing activities	(508,743)	-	(508,743)
Change in cash and investments	(271,261)	-	(271,261)
Cash and investments - beginning of year	709,211	-	709,211
Cash and investments - end of year	$ 437,950	$ -	$ 437,950
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	$ 896,552	$ -	$ 896,552
Adjustments to reconcile operating loss to net cash used by operating activities			
Depreciation and amortization	6,222	-	6,222
(Increase) decrease in accounts receivable	(272,809)	-	(272,809)
(Increase) decrease in prepaid expense and other current assets	623	-	623
(Increase) decrease in deferred outflows of resources	1,887	-	1,887
Increase (decrease) in accounts payable and accrued liabilities including compensated absences	(121,565)	(74,170)	(195,735)
Increase (decrease) in due to other funds	(505,200)	-	(505,200)
Increase (decrease) in notes payable	531,397	-	531,397
Increase (decrease) in net pension liability	(359)	-	(359)
Increase (decrease) in deferred inflows of resources	(416)	-	(416)
Net cash provided by (used in) operating activities	$ 536,332	$ (74,170)	$ 462,162

Corporate Shop Fund - To account for the resources and costs of automotive equipment used by City departments.

Self-Insurance Fund - To account for the resources for and payment of the City's self-insurance claims.

Equipment Fund – To account for the repair and replacement of the City's machinery and equipment.

	Corporate Shop	Self-Insurance	Equipment	Total
ASSETS				
Current assets				
Cash and investments	$ 456,693	$ 7,373,349	$ -	$ 7,830,042
Accounts receivable	-	1,248	-	1,248
Inventory	4,547	-	-	4,547
Prepaid expenses and other current assets	-	-	-	-
Total current assets	461,240	7,374,597	-	7,835,837
Noncurrent assets				
Capital assets				
Land	108,369	-	-	108,369
Buildings and improvements	428,794	-	-	428,794
Machinery and equipment	643,651	-	-	643,651
Accumulated depreciation	(1,063,436)	-	-	(1,063,436)
Total noncurrent assets	117,378	-	-	117,378
Total assets	578,618	7,374,597	-	7,953,215
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	5,360	-	-	5,360
LIABILITIES				
Liabilities				
Current liabilities				
Accounts payable and accrued liabilities	14,378	11,433	6,443	32,254
Claims payable - current portion	-	7,471,188	-	7,471,188
Compensated absences	-	3,777	-	3,777
Total current liabilities	14,378	7,486,398	6,443	7,507,219
Noncurrent liabilities				
Claims payable	-	13,592,882	-	13,592,882
Net pension liability	31,327	-	-	31,327
Total noncurrent liabilities	31,327	13,592,882	-	13,624,209
Total liabilities	45,705	21,079,280	6,443	21,131,428
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	782	-	-	782
NET POSITION (DEFICIT)				
Net investment in capital assets	117,378	-	-	117,378
Unrestricted	420,113	(13,704,683)	(6,443)	(13,291,013)
Total net position (deficit)	$ 537,491	$ (13,704,683)	$ (6,443)	$ (13,173,635)

	Corporate Shop	Self-Insurance	Equipment	Total
Operating revenues				
Charges for services	$ 570,882	$ 7,379,951	$ -	$ 7,950,833
Other	-	17,428	-	17,428
Total operating revenues	570,882	7,397,379	-	7,968,261
Operating expenses				
Labor and fringe benefits	14,735	-	-	14,735
Materials and supplies	224,763	-	-	224,763
Repairs and maintenance	253,708	-	-	253,708
Insurance claims and premiums	-	9,859,395	-	9,859,395
Contractual services	7,023	470,118	-	477,141
Administrative expense	1,568	1,639	-	3,207
Total operating expenses	501,797	10,331,152	-	10,832,949
Operating income (loss) before transfers	69,085	(2,933,773)	-	(2,864,688)
Other financing sources				
Transfers in	1,617	-	-	1,617
Transfers out	(1,400,000)	-	-	(1,400,000)
Net other financing sources	(1,398,383)	-	-	(1,398,383)
Change in net position	(1,329,298)	(2,933,773)	-	(4,263,071)
Net position (deficit), beginning of year	1,866,789	(10,770,910)	(6,443)	(8,910,564)
Net position (deficit), end of year	$ 537,491	$ (13,704,683)	$ (6,443)	$ (13,173,635)

	Corporate Shop	Self-Insurance	Equipment	Total
Cash flows from operating activities				
Receipts from customers	$ 570,882	$ 7,397,379	$ -	$ 7,968,261
Payments to suppliers	(483,115)	(5,937,825)	-	(6,420,940)
Payments to employees	(13,168)	-	-	(13,168)
Net cash provided by (used in) operating activities	74,599	1,459,554	-	1,534,153
Cash flows from non-capital financing activities				
Cash transfers in	(1,398,383)	-	-	(1,398,383)
Net cash provided by non-capital financing activities	(1,398,383)	-	-	(1,398,383)
Change in cash and investments	(1,323,784)	1,459,554	-	135,770
Cash and investments - beginning	1,780,477	5,913,795	-	7,694,272
Cash and investments - ending	$ 456,693	$ 7,373,349	$ -	$ 7,830,042
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 69,085	$ (2,933,773)	$ -	$ (2,864,688)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Changes in operating assets and liabilities:				
(Increase) decrease in accounts receivable	-	-	-	-
(Increase) decrease in deferred outflows of resources	2,663	6,465	-	9,128
Increase (decrease) in accounts payable and accrued liabilities including compensated absences	3,947	(28,603)	-	(24,656)
Increase (decrease) in claims payable	-	4,415,465	-	4,415,465
Increase (decrease) in net pension liability	(508)	-	-	(508)
Increase (decrease) in deferred inflows of resources	(588)	-	-	(588)
Net cash provided by (used in) operating activities	$ 74,599	$ 1,459,554	$ -	$ 1,534,153

STATISTICAL SECTION
(UNAUDITED)

This part of the City of Montebello'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 say about the City's overall financial health.

Contents:

City of Montebello
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Government Activities										
Invested in capital assets, net of related debt	$ 51,377,564	$ 50,154,445	$ 53,911,210	$ 54,636,719	$ 55,212,827	$ 56,943,195	$ 58,082,755	$ 58,372,453	$ 60,131,857	$ 56,932,832
Restricted	24,305,187	28,522,292	27,662,376	20,219,054	29,141,471	22,556,230	27,459,377	37,978,261	30,870,850	36,227,927
Unrestricted	(46,153,068)	(42,582,327)	(15,674,582)	(4,370,518)	(13,656,834)	(93,615,680)	(96,385,527)	(152,645,842)	(104,996,678)	(114,003,833)
Total governmental activities net assets	29,529,683	36,094,410	65,899,004	70,485,255	70,697,464	(14,116,255)	(10,843,395)	(56,295,128)	(13,993,971)	(20,843,074)
Business-Type Activities										
Invested in capital assets, net of related debt	50,781,549	50,305,058	55,556,802	55,753,529	53,562,215	51,644,871	49,943,300	62,240,064	50,936,245	51,863,185
Restricted	-	-	302,086	302,120	1,017,411	496,628	153,929	37,063,750	26,656,264	16,260,962
Unrestricted	(3,518,995)	(5,887,082)	(11,263,176)	(8,619,600)	(8,758,663)	(29,367,364)	(29,377,639)	(26,856,332)	(70,241,601)	(50,555,062)
	47,262,554	44,417,976	44,595,712	47,436,049	45,820,963	22,774,135	20,719,590	72,447,482	7,350,908	17,569,085
Primary Government										
Invested in capital assets, net of related debt	102,159,113	100,459,503	109,468,012	110,390,248	108,775,042	108,588,066	108,026,055	120,612,517	111,068,102	108,796,017
Restricted	24,305,187	28,522,292	27,964,462	20,521,174	30,158,882	23,052,858	27,613,306	75,042,011	57,527,114	52,488,889
Unrestricted	(49,672,063)	(48,469,409)	(26,937,758)	(12,990,118)	(22,415,497)	(122,983,044)	(125,763,166)	(179,502,174)	(175,238,279)	(164,558,895)
	$ 76,792,237	$ 80,512,386	$ 110,494,716	$ 117,921,304	$ 116,518,427	$ 8,657,880	$ 9,876,195	$ 16,152,354	$ (6,643,063)	$ (3,273,989)

Source: City Financial Statements

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Expenses:										
Governmental Activities:										
General government	$ 5,181,691	$ 6,003,579	$ 6,625,106	$ 3,397,386	$ 3,868,688	$ 8,214,000	$ 9,376,874	$ 5,800,255	$ 10,590,425	$ 15,966,059
Public safety	34,440,947	30,196,363	29,927,417	31,736,790	33,376,844	33,233,838	34,991,222	38,180,200	39,719,749	37,512,859
Public works	5,383,610	5,916,177	5,871,891	6,222,809	7,063,899	7,145,909	7,314,357	6,892,489	9,824,917	8,765,502
Parks, recreation, and culture	6,194,042	4,955,587	5,092,219	5,183,532	4,943,297	4,433,420	4,244,463	3,589,256	3,948,193	4,298,740
Housing and community development	12,479,919	11,811,986	4,587,403	2,042,906	4,045,684	3,662,170	4,149,321	4,625,548	2,923,175	2,960,143
Unallocated infrastructure depreciation	698,249	704,807	704,807	704,807	704,807	704,807	464,900	704,807	704,807	700,608
Interest on long-term debt	5,072,065	5,143,129	3,329,205	1,954,908	1,254,337	1,908,319	1,238,015	3,882,293	356,579	605,163
Total governmental activities and expenses	69,450,523	64,731,628	56,138,048	51,243,138	55,257,556	59,302,463	61,779,152	63,674,848	68,067,845	70,809,074
Business-Type Activities:										
Transit system	24,752,340	23,653,069	27,864,749	28,190,745	30,850,208	29,557,024	28,530,818	28,540,085	34,587,386	35,629,180
Golf course	3,064,788	3,028,680	2,595,321	3,015,645	2,965,428	3,095,101	2,914,099	2,745,203	3,169,377	2,699,786
Montebello Hilton	3,509,164	3,483,481	3,443,794	3,558,013	4,302,388	4,600,977	4,742,125	4,866,766	4,590,912	4,720,613
Other programs	2,125,401	2,133,751	2,143,480	2,515,604	2,806,018	2,945,512	3,138,928	2,731,099	2,697,085	2,293,908
Hotel2Suite	-	-	-	-	-	-	-	-	30,205	5,674,308
Interest on long-term debt	-	-	-	-	-	-	-	-	3,409,286	3,077,709
Total business-type activities and expenses	33,451,693	32,298,981	36,047,344	37,280,007	40,924,042	40,198,614	39,325,970	38,883,153	48,484,251	54,095,504
Total primary government expenses	$ 102,902,216	$ 97,030,609	$ 92,185,392	$ 88,523,145	$ 96,181,598	$ 99,501,077	$ 101,105,122	$ 102,558,001	$ 116,552,096	$ 124,904,578
Program revenues:										
Governmental Activities:										
Charges for services:										
General government	$ 3,854,697	$ 4,171,044	$ 2,787,309	$ 3,071,973	$ 4,074,735	$ 3,720,526	$ 3,548,576	$ 3,709,505	$ 3,921,684	$ 5,847,466
Public safety	2,741,147	2,570,877	1,863,933	2,103,502	2,767,256	2,644,432	3,167,766	3,311,979	3,227,705	3,372,826
Public works	5,059,588	4,911,495	4,812,850	5,377,463	5,427,918	5,391,630	5,565,885	5,515,371	4,421,025	4,793,062
Parks, recreation, and culture	501,801	602,711	631,832	665,468	533,575	527,346	414,018	471,348	486,274	533,344
Housing and community development	-	-	-	-	-	-	-	-	1,018,644	497,300
Operating grants and contributions	9,829,694	8,283,188	7,155,005	8,519,753	8,292,687	9,522,821	10,109,717	7,382,419	9,759,068	9,955,275
Total governmental activities program revenues	21,986,927	20,539,315	17,250,929	19,738,159	21,096,171	21,806,755	22,805,962	20,390,622	22,834,400	24,999,273
Business-Type Activities:										
Charges for services:										
Transit system	6,156,991	6,340,026	6,277,092	6,078,505	5,985,798	5,838,678	5,680,227	5,086,810	4,728,570	4,056,307
Golf course	2,537,564	2,633,844	2,321,582	2,389,101	2,385,213	2,312,095	2,294,518	2,091,410	2,194,976	2,219,790
Montebello Hilton	3,846,393	4,027,805	4,124,516	4,316,746	5,522,384	6,270,196	6,579,766	6,834,772	7,197,488	6,436,430
Other programs	1,585,638	1,515,315	1,444,863	1,325,834	2,121,732	2,505,234	2,295,158	2,409,339	3,070,381	3,190,460
Hotel2Suite	-	-	-	-	-	-	-	-	-	7,628,131
Operating grants and contributions	15,487,526	16,398,554	16,868,344	18,834,317	19,726,264	20,914,063	19,314,666	20,593,875	23,014,664	27,205,168
Capital grants and contributions	16,253,784	3,226,572	5,024,417	7,777,911	2,764,857	1,780,967	1,726,259	5,540,308	5,994,885	4,802,972
Total business-type activities program revenues	45,867,896	34,142,116	36,060,814	40,722,414	38,506,248	39,621,233	37,890,594	42,556,514	46,200,964	55,539,258
Primary government program revenues	$ 67,854,823	$ 54,681,431	$ 53,311,743	$ 60,460,573	$ 59,602,419	$ 61,427,988	$ 60,696,556	$ 62,947,136	$ 69,035,364	$ 80,538,531
Net (Expense) Revenue:										
Governmental activities:	$ (47,463,596)	$ (44,192,313)	$ (38,887,119)	$ (31,504,979)	$ (34,161,385)	$ (37,495,708)	$ (38,973,190)	$ (43,284,226)	$ (45,233,444)	$ (45,809,800)
Business-type activities:	$ 12,416,203	$ 1,843,135	$ 13,470	$ 3,442,407	$ (2,417,794)	$ (577,381)	$ (1,435,376)	$ 3,673,361	$ (2,283,287)	$ 1,443,754
Total primary government net (expense) revenue	(35,047,393)	$ (42,349,178)	$ (38,873,649)	$ (28,062,572)	$ (36,579,179)	(38,073,089)	(40,408,566)	(39,610,865)	(47,516,731)	(44,366,046)

Source: City Financial Statements

City of Montebello
Change in Net Position – General Revenues
Last Ten Fiscal Years

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
General Revenues and Other Changes in Net Assets:										
Governmental Activities:										
Property taxes, levied for general purposes	$26,991,825	$26,319,201	$20,245,594	$15,449,858	$14,683,907	$13,759,217	$15,988,925	$ 16,507,389	$ 16,961,038	$ 18,385,624
Franchise taxes	1,254,753	1,311,388	1,221,311	1,158,219	1,303,603	1,410,918	1,405,229	1,493,956	2,141,450	2,224,087
Sales tax	8,048,518	10,446,061	10,847,400	11,363,067	11,725,818	12,563,805	13,992,347	13,267,373	13,118,981	14,031,972
Transient occupancy tax	243,276	255,705	297,679	364,425	355,404	357,896	365,290	401,852	414,198	614,485
Unrestricted intergovernmental revenue	5,252,095	5,291,513	5,156,500	5,205,958	5,394,777	5,613,991	5,235,832	5,948,161	6,322,299	6,515,566
Other revenues	1,873,556	2,078,045	2,415,809	2,239,898	2,154,383	3,029,784	4,538,998	7,214,593	2,626,065	2,270,785
Investment earnings	341,815	260,297	72,750	54,393	49,705	54,391	86,920	172,515	665,702	743,557
Transfers	1,377,666	5,143,761	(164,266)	602,070	(792,325)	(4,948,058)	632,509	(47,976,779)	(1,634,476)	(529,493)
Total governmental activities	45,383,504	51,105,971	40,092,777	36,437,888	34,875,272	31,841,944	42,246,050	(2,970,940)	40,615,257	44,256,583
Business-Type Activities:										
Investment earnings	-	10,990	-	-	10,383	6,433	13,340	135,411	448,876	461,704
Transfers	(1,377,666)	(4,020,809)	164,266	(602,070)	792,325	4,948,058	(632,509)	47,976,779	1,634,476	529,493
Total business-type activities	(1,377,666)	(4,009,819)	164,266	(602,070)	802,708	4,954,491	(619,169)	48,112,190	2,083,352	991,197
Total primary government	$44,005,838	$47,096,152	$40,257,043	$35,835,818	$35,677,980	$36,796,435	$41,626,881	$ 45,141,250	$ 42,698,609	$ 45,247,780
Change in Net Position:										
Governmental Activities:	$ (2,080,092)	$ 6,913,658	$ 1,205,658	$ 4,932,909	$ 212,209	$ (5,653,764)	$ 3,272,860	$ (46,255,166)	$ (4,618,187)	$ (1,553,217)
Business-Type Activities:	11,038,537	(2,166,684)	177,736	2,840,337	(1,615,086)	4,377,110	(2,054,545)	51,785,551	(199,935)	2,434,951
Total primary government	$ 8,958,445	$ 4,746,974	$ 1,383,394	$ 7,773,246	$ (1,402,877)	$ (1,276,654)	$ 1,218,315	$ 5,530,385	$ (4,818,122)	$ 881,734

Source: City Financial Statements

City of Montebello
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
General Fund										
Reserved										
Unreserved										
Total general fund										
All Other Governmental Funds:										
Reserved										
Unreserved, designated reported in:										
Special revenue funds										
Capital projects funds										
Unreserved, undesignated reported in:										
Special revenue funds										
Capital projects funds										
Total all other governmental funds										
General Fund										
Nonspendable	$ 107,756	$ 83,346	$ 107,756	$ 187,730	$ 142,394	$ 64,038	$ 122,474	$ 1,380,282	$ 1,383,212	$ 823,582
Restricted	-	-	-	-	-	-	-	4,666,731	4,666,731	4,837,801
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	497,558	-		-	-	-	-	-	-
Unassigned	7,047,301	4,394,672	7,047,301	7,879,020	8,387,981	8,934,094	9,325,124	7,995,872	11,287,858	14,542,796
Total general fund	$ 7,155,057	$ 4,975,576	$ 7,155,057	$ 8,066,750	$ 8,530,375	$ 8,998,132	$ 9,447,598	$14,042,885	$ 17,337,801	$ 20,204,179
All Other Governmental Funds:										
Nonspendable	$ 2,313,452	$15,170,693	$ 2,313,452	$ 2,288,508	$ 2,057,207	$10,719,195	$10,258,543	$ 8,533,222	$ 8,157,472	$ 6,928,947
Restricted										
Debt service	5,918,851	19,520,813	5,918,851	6,116,124	7,960,932	3,070,688	3,865,331	13,162,936	366,492	361,922
Special revenue funds	20,478,029	7,219,900	20,478,029	22,034,631	18,000,779	7,814,447	12,882,023	15,951,357	17,557,949	22,634,731
Capital projects funds	1,464,215	24,991,784	1,464,215	1,445,551	1,090,991	1,093,640	453,480	330,746	122,206	1,195,998
Committed	-	-	-	-	-	-	-	-		
Assigned	-	-	-	-	-	-	-	-		
Unassigned	(159,133)	(14,421,751)	(159,133)	(80,230)	-	(111,631)	(682,268)	(318,397)	(157,153)	(165,424)
Total all other governmental funds	$30,015,414	$52,481,439	$30,015,414	$31,804,584	$29,109,909	$22,586,339	$26,777,109	$37,659,864	$ 26,046,966	$ 30,956,174

Source: City Financial Statements

Fiscal Year	Property Tax	Sales and Use Tax	Transient Occupancy Tax	Franchise Tax	Other Taxes	Total Taxes
2009-10	$ 26,991,825	$ 8,417,053	$ 243,276	$ 1,254,753	$ 961,373	$ 37,868,280
2010-11	27,106,442	10,413,127	255,705	1,311,388	1,087,329	40,173,991
2011-12	23,636,827	10,847,400	297,679	1,221,311	1,765,267	37,768,484
2012-13	20,655,816	11,363,067	271,153	1,158,219	93,272.00	33,541,527
2013-14	20,078,684	11,725,818	355,404	1,303,603	118,241	33,581,750
2014-15	19,373,208	12,563,805	357,896	1,410,918	132,100	33,837,927
2015-16	21,224,757	13,992,347	365,290	1,405,229	137,883	37,125,506
2016-17	16,507,389	13,267,373	401,852	1,493,956	151,611	31,822,180
2017-18	16,961,038	13,118,981	414,198	2,141,450	171,762	32,807,430
2018-19	18,385,624	14,031,972	421,412	2,224,087	193,073	35,256,168

Source: City Financial Statements

City of Montebello
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(rates are per $1,000 of assessed value)

	City				Redevelopment Agency			
Fiscal Year	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value
2009-10	3,075,831	94,754	97,719	3,072,866	1,531,767	131,990	34,413	1,629,344
2010-11	3,009,280	93,206	100,372	3,002,114	1,565,508	139,738	39,759	1,659,537
2011-12	3,081,874	95,765	99,789	3,077,850	1,578,855	139,820	41,746	1,676,929
2012-13	3,166,417	87,265	104,467	3,149,215	1,591,142	135,785	42,457	1,684,470
2013-14	4,938,771	220,911	146,649	5,013,033	1,671,422	133,318	40,811	1,763,929
2014-15	3,420,628	99,344	110,362	3,409,610	1,701,294	129,735	41,886	1,789,143
2015-16	3,317,644	82,016	113,073	3,286,587	1,168,508	129,094	44,039	1,253,564
2016-17	3,693,850	82,228	99,747	3,676,331	1,734,850	141,080	26,411	1,849,518
2017-18	3,845,241	76,621	103,168	3,818,695	1,789,082	144,402	42,088	1,891,396
2018-19	4,033,298	83,389	63,264	4,053,424	1,878,833	155,004	33,832	2,000,005

Source: Los Angeles County Assessor and Auditor

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
City Direct Rate:										
City basic rate	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Retirement	0.19788	0.19788	0.19788	0.19788	0.19788	0.19788	0.19788	0.19788	0.19788	0.19788
Total City Direct Rate	1.19788	1.19788	1.19788	1.19788	1.19788	1.19788	1.19788	1.19788	1.19788	1.19788
Overlapping Rates:										
L.A. County General	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Montebello USD	0.09673	0.09792	0.10001	0.09630	0.09457	0.08750	0.08715	0.14705	0.13514	0.13921
L.A. County Flood Control	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.00430	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Community College	0.02311	0.04031	0.03530	0.03756	0.04454	0.04017	0.03575	0.03596	0.04599	0.04621
Totals	1.32202	1.33981	1.33689	1.33524	1.34049	1.32905	1.32428	1.38439	1.38251	1.38680

Source: Los Angeles County Assessor Data, Avenu Insights & Analytics
Source: 2010-2018 prior CAFR
TRA 6-323 IS REPRESENTED FOR THIS REPORT

	2018-19		2009-10	
Taxpayer	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Montebell Town Center	$ 211,611,729	3.52%	$ 171,395,452	3.71%
Brixmor Montebello Plaza LP	75,538,525	1.26%		
Sentinel Peak Resources CA LLC	57,065,369	0.95%		
Bimbo Bakeries USA INC	53,014,129	0.88%	89,311,080	1.93%
KK 3A CORP	48,612,843	0.81%		
Somerset Apts LLC	46,255,619	0.77%		
Comref So CA Industrial	44,444,386	0.74%		
Rreef America Reit Li Corp KKK	39,232,234	0.65%	34,664,358	0.75%
Kir Montebello Lp	35,108,679	0.58%	31,021,010	0.67%
Beverly Community Hospital Ass	32,872,048	0.55%		
TOTAL TOP 10 TAXPAYERS	643,755,561	10.71%	909,015,844	7.06%
TOTAL CITY TAXABLE VALUE	$ 6,009,507,543	100.00%	4,621,051,772	100.00%

Source: County Assesor Data, Avenu Insights & Analytics
Total Taxable Value Includes Unitary Value $20,402,706.

Fiscal Year	Total Tax Levy	Collected Within the Fiscal Year of the Levy: Amount	Collected Within the Fiscal Year of the Levy: % of Levy	Collections in Subsequent Years	Total Collections to Date: Amount	Total Collections to Date: % of Levy
2009-10	$ 10,416,000	$ 8,995,261	86.36%	$ 474,808	$ 9,470,069	90.92%
2010-11	10,095,367	8,683,277	86.01%	613,510	9,296,787	92.09%
2011-12	7,869,020	10,379,033	131.90%	-	10,379,033	131.90%
2012-13	6,975,325	11,293,837	161.91%	-	11,293,837	161.91%
2013-14	7,279,631	7,275,179	99.94%	338,473	7,613,652	104.59%
2014-15	7,504,080	7,092,120	94.51%	330,553	7,422,673	98.92%
2015-16	7,616,230	10,352,514	135.93%	385,447	10,737,961	140.99%
2016-17	7,923,442	10,685,828	134.86%	579,837	11,265,665	142.18%
2017-18	8,159,530	11,032,559	135.21%	659,322	11,691,881	143.29%
2018-19	8,638,639	11,032,570	127.71%	439,208	11,471,778	132.80%

Note (1) Negative number not included

Source: Los Angeles County Auditor - AF91 Report and City Remittance Advice Summary
http://auditor.lacounty.gov/property-tax-report-central/

Fiscal Year	Governmental Activities: Certificates of Participation	Governmental Activities: Tax Allocation Bonds	Governmental Activities: Revenue	Governmental Activities: Other	Total Primary Government	Total Debt Per Capita
2009-10	$ 25,450,000	$ 71,779,239	$ 15,895,000	$ 15,273,662	$ 123,415,981	$ 1,886
2010-11	19,213,600	64,603,222	15,575,000	17,190,970	116,582,792	1,772
2011-12	18,351,480	-	15,210,000	-	33,561,480	510
2012-13	17,447,900	-	14,800,000	-	32,247,900	513
2013-14	16,502,860	-	14,370,000	-	30,872,860	486
2014-15	-	-	25,728,200	-	25,728,200	405
2015-16	-	-	24,738,440	-	24,738,440	387
2016-17	-	-	78,171,940	-	78,171,940	1,223
2017-18	-	-	10,409,600	-	10,409,600	162
2018-19			9,356,420		9,356,420	149

Source: City Financial Statements

City of Montebello
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands except for Per Capita)

Fiscal Year	Outstanding General Bonded Debt: Certificates of Participation	Tax Allocation Bonds	Revenue	Total	Percent of Assessed Value(1)	Per Capita
2009-10	$ 25,450	$ 71,779	$ 15,895	$ 113,124	2.30%	$ 1,653
2010-11	19,213	64,603	15,575	99,391	2.15%	1,511
2011-12	18,351	-	15,210	33,561	0.74%	510
2012-13	17,448	-	14,800	32,248	0.65%	513
2013-14	16,503	-	14,370	30,873	0.62%	486
2014-15	-	-	25,728	25,728	0.50%	405
2015-16	-	-	24,738	24,738	0.47%	387
2016-17	-	-	78,172	78,172	1.41%	1,223
2017-18	-	-	10,410	10,410	0.00%	162
2018-19			9,356	9,356	0.00%	149

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

Source: City Finance Department

2018-19 Assessed Valuation: $6,053,428,413

OVERLAPPING TAX AND ASSESSMENT DEBT:	Total Outstanding Debt 6/30/19	Percentage Applicable (1)	City's Share of Overlapping Debt 6/30/19
Los Angeles County Flood Control District	$ 48,050,000	0.208%	$ 99,944
Los Angeles Community College District	3,930,390,000	0.712%	27,984,377
El Rancho Unified School District	63,052,813	0.003%	1,892
Los Angeles Unified School District	10,106,450,000	0.001%	101,065
Montebello Unified School District	182,120,908	36.10%	65,745,648
Los Angeles County Regional Park and Open Space Assessment District	13,620,000	0.399%	54,344
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			$ 93,987,268
Less: Los Angeles Unified School District General Obligation Bonds,Election of 2005 Series J (2010) Qualified School Construction Bonds: Amount accumulated in Interest and Sinking Fund and Set Aside for Repayment			$ 273
TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT			$ 93,986,997
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Los Angeles County General Fund Obligation	$ 2,153,701,630	0.399%	$ 8,593,270
Los Angeles County Superintendent of Schools Certificates of Participation	5,827,868	0.399%	23,253
Los Angeles County Sanitation District No. 2 Authority	8,643,620	8.969%	775,246
Los Angeles County Sanitation District No. 15 Authority	8,847,800	0.737%	65,208
Los Angeles Unified School District Certificates of Participation	180,545,000	0.001%	1,805
Montebello Unified School District Certificates of Participation	7,220,000	36.100%	2,606,420
City of Montebello General Fund Obligation	**77,835,000**	**100.000%**	**77,835,000**
City of Montebello Equipment Lease Obligations	**251,939**	**100.000%**	**251,939**
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT:			90,152,142
Less: Los Angleles Unified School Disctrict Qualified Zone Academic Bonds support by building fund			74
City of Montebello Obligations supported from golf and hotel revenues			**11,643,580**
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT:			$ 78,508,488
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	$ 28,106,530	100%	$ 28,106,530
TOTAL GROSS DIRECT DEBT			**$ 78,086,939**
TOTAL NET DIRECT DEBT			**$ 66,443,359**
TOTAL GROSS OVERLAPPING DEBT			$ 134,159,002
TOTAL NET OVERLAPPING DEBT			$ 134,158,655
GROSS COMBINED TOTAL DEBT			$ 212,245,941
NET COMBINED TOTAL DEBT			$ 200,602,014

1) The percentage of overlappng 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.
2) Excludes accreted value
3) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage and non-bonded capital lease obligation.

Ratios to 2018-19 Assessed Valuation:	
Total Gross Overlapping Tax and Assessed Debt	1.55%
Total Net Overlapping Tax and Assessed Debt	1.55%
Total Gross Direct Debt (80,011,934,000)	**1.29%**
Total Net Direct Debt (67,701,534)	**1.10%**
Gross Combined Total Debt	3.51%
Net Combined Total Debt	3.31%

Ratios to Redevelopment Incremental Valuation ($1,865,740,007) :	
Total Overlapping Tax Increment Debt	1.51%

Source: California Municipal Statistics

	Fiscal Year				
	2009-10	2010-11	2011-12	2012-13	2013-14
Assessed valuation	$ 18,808,841,532	$ 19,358,675,984	$ 19,019,112,168	$ 19,404,069,772	$ 19,864,600,740
Conversion Percentage	25.00%	25.00%	25.00%	25.00%	25.00%
Adjusted assessed valuation	4,702,210,383	4,839,668,996	4,754,778,042	4,851,017,443	4,966,150,185
Debt limit percentage	15.00%	15.00%	15.00%	15.00%	15.00%
Total net debt applicable to limit	705,331,557	725,950,349	713,216,706	727,652,616	744,922,528
Legal debt margin	$ 705,331,557	$ 725,950,349	$ 713,216,706	$ 727,652,616	$ 744,922,528

	Fiscal Year				
	2014-15	2015-16	2016-17	2017-18	2018-19
Assessed valuation	$ 20,609,967,972	$ 21,223,501,036	$ 22,103,394,800	$ 22,840,364,556	$ 24,213,713,652
Conversion Percentage	25.00%	25.00%	25.00%	25.00%	25.00%
Adjusted assessed valuation	5,152,491,993	5,305,875,259	5,525,848,700	5,710,091,139	6,053,428,413
Debt limit percentage	15.00%	15.00%	15.00%	15.00%	15.00%
Total net debt applicable to limit	772,873,799	795,881,289	828,877,305	856,513,671	908,014,262
Legal debt margin	$ 772,873,799	$ 795,881,289	$ 828,877,305	$ 856,513,671	$ 908,014,262

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed. However, this provision was enacted when assessed valuation was based upon 25% of market value.

Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel).The computations shown above reflect a conversion of assessed valuation data for each fiscal year that was in effect at the time that the legal debt margin was enacted by the State of California for local governmenets located with in the state.

Source: Los Angeles County Assessor and Auditor Combined

Fiscal Year	Golf Revenue Bonds Gross Revenue	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Interest	Total	Coverage
2009-10	$ 2,538,595	$ (2,842,743)	$ (304,148)	$ 171,980	$ 218,711	$ 390,691	-77.85%
2010-11	2,633,844	(2,826,967)	(193,123)	180,520	201,173	381,693	-50.60%
2011-12	2,321,581	(2,567,019)	(245,438)	192,880	193,653	386,533	-63.50%
2012-13	2,389,101	(2,826,082)	(436,981)	201,420	200,594	402,014	-108.70%
2013-14	2,385,213	(2,748,196)	(362,983)	209,960	175,667	385,627	-94.13%
2014-15	2,312,095	(2,992,640)	(680,545)	256,420	67,650	324,070	-210.00%
2015-16	2,294,518	(2,753,607)	(459,089)	225,240	134,526	359,766	-127.61%
2016-17	2,091,410	(2,535,564)	(444,154)	233,500	116,281	349,781	-126.98%
2017-18	2,194,976	(3,103,858)	(908,882)	257,660	110,341	368,001	-246.98%
2018-19	2,219,791	(2,711,992)	(492,201)	276,820	102,463	379,283	-129.77%

Source: City Finance Department

Calendar Year	Population	Personal Income (in millions)	Capita Personal Income	Unemployment Rate
2009-10	65,424	$ 1,185	$ 18,110	12.90%
2010-11	65,781	1,262	19,187	14.10%
2011-12	62,857	1,272	20,230	13.70%
2012-13	63,184	1,328	21,013	12.20%
2013-14	63,527	1,288	20,269	11.00%
2014-15	63,555	1,321	20,783	6.71%
2015-16	63,921	1,329	20,784	4.87%
2016-17	63,917	1,428	22,344	4.50%
2017-18	64,327	1,529	23,766	4.40%
2018-19	64,247	1,611	25,068	4.10%

Source: Muniservices, LLC

	2018-19			2009-10
Employer	Employees	Percent of Total Employment *	Employer	Employees
Montebello Unified School Dist*	1,730	6.01%	Montebello Unified Schl Dist*	3,500
Beverly Hospital	872	3.03%	Kaiser	3,120
City of Montebello	480	1.67%	Montebello Town Center	1,897
Costco	380	1.32%	Beverly Hospital	900
Macy's	376	1.31%	Bimbo Bakery	730
Bimbo Bakery	317	1.10%	Mission Corporation	629
Wilbur Curtis CO	291	1.01%	City of Montebello	590
Rio Hondo Convalescent Hosp	221	0.77%	Costco	281
Jc Penney	205	0.71%	Litho Monarch	250
Old Dominion Freight Line	150	0.52%	Royal Paper Box Company	163
Total 10 Top Employers	5,022	17.44%		12,060
Total City Employment (1)	28,800			

Source: Avenu Insights & Analytics
Results based on dirext correspondence with city's local businesses.
(1) Total City labor force provided by EDD Labor Force Data
*Includes ONLY schools within Montebello city limits
(-) Data unavailable

City of Montebello
Full-Time and Part-Time City Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year 2009-10	2010-11	2011-12	2012-13	2013-14
General Government	42	43	47	37	33
Public Safety	182	182	167	203	177
Public Works	12	12	14	17	38
Parks and Recreation	123	123	115	133	99
Economic Development	7	7	-	18	15
Transit	217	217	212	200	253
Totals	583	584	555	608	615

Function	Fiscal Year 2014-15	2015-16	2016-17	2017-18	2018-19
General Government	34	54	53	53	35
Public Safety	180	181	176	176	176
Public Works	39	30	17	22	22
Parks and Recreation	96	84	71	73	96
Economic Development	13	16	12	12	12
Transit	254	249	238	241	251
Totals	616	614	567	577	592

Source: City Finance Department

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Calendar Year									
Police:	As of June									
Arrests	2,702	2,621	2,093	2,093	1,896	1,642	2,005	2,037	1,648	1,466
Traffic violations	6,862	2,467	2,968	2,773	2,682	2,505	1,418	2,191	2,096	2,446
Parking violations	19,413	22,661	20,448	20,448	18,950	16,446	16,767	17,507	17,346	15,037
Fire:										
Number of calls answered	5,037	4,891	4,977	4,800	5,100	5,686	6,051	6,494	6,661	6,509
Inspections conducted	1,320	1,160	728	625	988	1,248	1,094	809	1,271	1,237
Public Works:										
Street resurfacing (miles)	14.16	15.15	1.60	0.51	2.28	1.42	5.96	0.47	3.20	0.76
Sidewalk repairs (sq ft)	31,930	32,281	25,997	11,100	35,435	29,632	7,942	3,600	15,042	12,580
Potholes repaired	N/A	5,352	3,010	3,325	3,876	3,774	4,009	7,163	7,317	7,315
Storm drains cleaned	N/A	1,702	0	0	N/A	N/A	N/A	N/A	N/A	N/A
Parks and Recreation:										
Number of recreation classes	68	190	210	137	153	160	192	214	268	284
Number of facility rentals	2,660	854	689	708	2,156	3,180	3,438	3,428	3,589	3,589

Source: City Finance Department

	Fiscal Year									
Function	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Police:										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works:										
Street (miles)	125	125	125	125	125	125	125	125	5	1
Street Lights	3,682	3,682	3,682	3,682	3,682	3,682	3,682	3,683	4,718	4,725
Traffic Signals	81	81	81	81	81	81	79	79	79	80
Parks and Recreation:										
Parks	7	7	7	7	7	7	7	7	7	7
Community Centers	-	-	-	-	4	4	3	3	3	3

Source: City Finance Department

RESOLUTION NO. ________

A RESOLUTION OF THE CITY OF COUNCIL OF THE CITY OF MONTEBELLO AUTHORIZING THE TRANSFER OF FUNDS FROM GENERAL FUND TO SELF-INSURANCE FUND TO REDUCE SELF-INSURANCE FUND DEFICIT FUND BALANCE

THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES RESOLVE AS FOLLOWS:

SECTION 1. That the Director of Finance is hereby authorized to make the following appropriation:

FROM		TO	
Account Number	Amount	Account Number	Amount
100-99-7000.70	$2,850,000	700-99-4999.30	$2,850,000
Transfer out		Transfer in	

SECTION 2. That the Director of Finance is hereby authorized and directed to pursue reimbursement of the advance authorized by this Resolution from project revenues, and to take actions necessary and appropriate to effectuate the same.

SECTION 3. That the City Clerk shall certify to the adoption of the Resolution, which shall become effective immediately upon approval.

APPROVED AND ADOPTED THIS 22th DAY OF JANUARY 2020.

____
Salvador Melendez, Mayor

ATTEST:

____
Irma Barajas, City Clerk

APPROVED AS TO FORM:

____
Arnold M. Alvarez-Glasman, City Attorney

CITY OF MONTEBELLO

CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, City Manager

BY: David Sosnowski, Director of Recreation & Community Services

SUBJECT: **Consider Approval of a Letter of Intent with ABM Building Solutions, LLC, to Proceed with the Investment Grade Audit in Contemplation of an Energy Service Contract Pursuant to Government Code, Section 4217.**

DATE: January 22, 2020

RECOMMENDATION

It is recommended that the City Council:

1) Approve a Letter of Intent ("LOI") with ABM Building Solutions, LLC ("ABM"), to proceed with the Investment Grade Audit ("IGA") allowing the City to determine the feasibility of entering into an energy service contract with ABM in the future per Government Code, Section 4217; and

2) Approve the attached Resolution authorizing the City Manager to execute the LOI allowing ABM to proceed with the IGA; and

BACKGROUND

In September 2019, the City authorized ABM Building Solutions (ABM) to perform an initial free audit of city owned buildings and facilities, to conduct a survey of energy consumption and infrastructure improvement with a focus on several specific priorities and needs of the facilities. Additionally, ABM worked with staff to collect cost data to analyze and compare to other cities to identify opportunities for even greater savings. ABM's preliminary assessment estimated that the City spends approximately $708,588.93 on electricity per year. The same report estimates that upgrades to the City's lighting, HVAC and roof replacement at various City owned and/operated facilities has the potential of saving the City approximately $157,528 annually in electricity costs and $113,879 in annual maintenance and operation costs.

The purpose of the IGA is to further identify, evaluate and present a recommended package of measures with associated efficiency savings and projected costs. More importantly, the IGA allows the City to determine the feasibility of entering into a negotiated Energy Services Performance Contract (ESPC) per California Government Code, Section 4217 and to create a financial vehicle for the City to undertake the energy facility upgrades by utilizing private and/or public funds to finance the retrofits as needed.

The LOI outlines the obligations and responsibilities of both the City and ABM (the "Parties") as they relate to the IGA. In particular, the LOI lists project parameters ("Project Parameters") ABM must meet before the City decides to enter into a ESPC Agreement. In the event ABM cannot meet the Project Parameters, there will be no charge to the City for engineering, pre-construction activities, project development or estimating costs incurred by ABM for the development of the IGA.

In the event ABM meets the Project Parameters and the Parties execute the ESPC Agreement, then the costs associated with engineering, pre-construction activities, project development, estimating cost of the IGA shall be incorporated into a final lump sum fixed price of the ESPC Agreement.

In the event ABM meets the Project Parameters and the City does not enter into the ESPC Agreement with ABM within sixty (60) days of submittal of the IGA, then the City would be obligated to pay ABM for IGA costs incurred in the amount of: **Twenty Two Thousand Dollars and Zero Cents** ($22,000.00).

FISCAL IMPACT

Should ABM develop a project within the Project Parameters in the LOI, and the City chose not to proceed with a ESPC Agreement with ABM, then the City would be obligated to pay **Twenty Two Thousand Dollars and Zero Cents** ($22,000.00) to reimburse ABM for their time and efforts.

SUMMARY

Based on the potential energy cost savings projected here, City staff recommends that the City Council approve the LOI and adopt the resolution authorizing the City Manager to execute the LOI for ABM to move forward with the IGA.

ATTACHMENTS

Resolution
Letter of Intent – ABM Building Solutions, LLC
ABM Preliminary Energy Assessment

CITY OF MONTEBELLO
RESOLUTION NO. _____

A RESOLUTION OF THE MONTEBELLO CITY COUNCIL AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE A LETTER OF INTENT WITH ABM BUILDING SOLUTIONS, LLC, TO PROCEED WITH THE INVESTMENT GRADE AUDIT IN CONTEMPLATION OF AN ENERGY SERVICES CONTRACT PURSUANT TO GOVERNMENT CODE SECTION 4217

WHEREAS, in recognition of recent and projected increases in the cost of energy and water from traditional sources, it has become statewide policy to use available resources at public facilities which can substitute for traditional energy and water supplies or production of electricity or water when such use or production can reduce long-term energy or water expenditure; and

WHEREAS, in furtherance of such policy, the California Legislature approved, and the Governor of the State of California has signed into law Government Code (Gov. Code) Section 4217 that allows a public agency to select a qualified Energy Service Company (ESCO) from a pool of qualified ESCOs also referenced in Public Utility Code (PUC) Code Section 388; and

WHEREAS, through Gov. Code Section 4217.10, the California Legislature allowed public agencies to select an ESCO through a streamline procurement process, establishing necessary procedures; and

WHEREAS, the City exercised the streamlined procurement process and is now interested in pursuing energy and cost-saving strategies with the assistance of ABM Building Solutions, LLC (ABM), a qualified ESCO, to prepare an Investment Grade Audit (IGA); and

WHEREAS, the purpose of the IGA is to determine the feasibility of entering into a negotiated Energy Service Performance Contract (ESPC) per Gov. Code Section 4217, for development of the City's Energy and Water Conservation Program at various City-owned and operated facilities to help reduce operating costs and upgrade aging infrastructure; and

WHEREAS, ABM is requesting the City to execute a Letter of Intent (LOI) to proceed with the IGA.

NOW THEREFORE, BE IT HEREBY RESOLVED by the Montebello City Council as follows:

Section 1. The City Manager is hereby authorized and directed to sign a LOI allowing ABM to proceed with an IGA allowing the City to later enter into an ESPC with ABM with the following conditions:

A. In the event ABM cannot meet the project parameters listed in the LOI, there will be no charge to the City for engineering, preconstruction activities, project development or estimating costs incurred by ABM for the development of the IGA.
B. In the event ABM meets the project parameters listed in the LOI, and the parties execute an ESPC Agreement, then the costs associated with the development of the IGA shall be incorporated into the final lump sum fixed price of the ESPC Agreement.
C. In the event ABM meets the project parameters listed in the LOI and the City does not enter into an ESPC Agreement with ABM within sixty (60) days of submittal of the IGA, the City shall pay ABM for IGA costs incurred in the amount of **Twenty Two Thousand Dollars and Zero Cents** ($22,000.00).

Section 2. The City Clerk shall attest to the adoption of this Resolution.

PASSED AND ADOPTED by the Montebello City Council at a regular meeting on January 22, 2020, by the following vote:

____
Salvador Melendez, Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

____
Irma Barajas, City Clerk

ABM Building Solutions, LLC
14201 Franklin Ave
Tustin, CA 92780

Attn: Dominic Cardenas
Re: Letter of Intent (LOI) for Investment Grade Audit for the City of Montebello

Dear Mr. Cardenas,

The City of Montebello ("the City" or "Montebello") requests that ABM proceed with the Investment Grade Audit (IGA) for the final development of the City's Energy and Water Conservation Program, which will reduce operating costs and upgrade aging infrastructure.

The purpose of the IGA is to determine the feasibility of entering into a negotiated Energy Services Performance Contract (ESPC) per the California Government Code, Section 4217, for energy conservation (Agreement) to be provided at various facilities and infrastructure that is owned and/or operated by the City.

The City intends to enter into an Agreement with ABM if the following project parameters ("Project Parameters") are met:

Budget Impact:	Project must be budget neutral unless the City would like to make capital contribution on an annual basis to pay for longer payback items (i.e. roof replacement/windows, etc.).
Annual Savings:	Must meet annual project costs at minimum.
Energy Savings:	100% of utility (energy/natural gas/water/ etc.) and any other operating cost savings goes directly to the City. Savings is not shared with ABM or any other party.
Financing:	The City shall qualify for 3rd party financing or Equivalent.
Financing Term:	Shall not exceed 20 years or the useful life of the proposed upgrades, whichever is shorter.
Rebate/Grant Application:	Program shall include management of all grants & rebates.
Procurement Method:	Procurement shall meet provisions of California Government Code 4217

In the event ABM cannot meet these Project Parameters, there will be no charge to the City for engineering, pre-construction activities, project development or estimating costs incurred by ABM for the development of the IGA.

In the event ABM meets the Project Parameters as stated on the prior page, and the parties execute the Agreement, then the costs associated with engineering, pre-construction activities, project development, estimating cost of the IGA shall be incorporated into the final Lump Sum Fixed Price of the Agreement.

In the event ABM meets the Project Parameters on the prior page and the City does not enter into the Agreement with ABM within **sixty (60) days** of submittal of the IGA, then the City shall pay ABM for IGA costs incurred in the amount of: Twenty-Two Thousand Dollars and Zero Cents ($22,000.00).

Sincerely,

_____________________________ __________
Rene Bobadilla Date
City Manager
City of Montebello

Accepted and Agreed:
ABM Building Solutions, LLC

_____________________________	__________	_________________________	__________
Dominic Cardenas Account Executive	Date	Kecia Davison Vice President	Date

ABM

Building Value

City of Montebello
Preliminary Energy Assessment (PEA)

Presented to:

Rene Bobadilla – City Manager
City of Montebello

Presented by:

Dominic Cardenas
ABM Building Solutions, LLC

December 16, 2019

Dominic Cardenas
14201 Franklin Ave
Tustin, CA 92780
949.473.4932
Dominic.cardenas@abm.com

December 16, 2019

Mr. Rene Bobadilla
City Manager
City of Montebello
1600 W. Beverly Blvd
Montebello, CA 90640

RE: ABM Bundled Energy Solutions Program for City of Montebello

Dear Mr. Bobadilla,

In September 2019, the City of Montebello authorized ABM Building Solutions, LLC (ABM) to conduct a survey of energy consumption and infrastructure improvement with a focus on several specific priorities.

ABM's Bundled Energy Solutions (BES) program will allow your city an opportunity to upgrade your facilities and reduce utility and operating costs *without* impacting the existing budget. I am happy to report that after completing the Preliminary Energy Assessment (PEA), the BES program can address your top priorities, and it is our strong desire to partner with the City to do so.

On the pages that follow, we have provided our detailed findings. The information in this report will provide a baseline of current energy usage, as well as a general outline of estimated cost savings and total construction cost to implement the recommended upgrades. The purpose of this report is to give City decision makers a clear and detailed understanding of the recommended upgrades to City facilities and how the upgrades will fund themselves over time through the Bundled Energy Solutions Program. Depending on the final project scope determined by City of Montebello decision makers, the project can self-fund over $5,000,000 in energy efficient upgrades and capital improvements.

After the Preliminary Assessment, the next step in the BES Program is the Investment Grade Audit (IGA), which will give the City of Montebello more precise details for the same scope of work outlined in this report. The product of the IGA is a detailed calculation of cost savings and firm-fixed construction price so that the City will have all information necessary to move forward with the program, with a guaranteed outcome free of cost increases. ABM's goal is to collaborate with City staff to finalize the project scope for an early-mid **2020** installation schedule.

By upgrading City facilities through the BES Program, the City of Montebello will demonstrate good use of the current budget and available funding sources in completing these projects without requesting additional funding from the community. This demonstration of good fiscal stewardship and innovative use of public funds can be leveraged for public support of a potential tax increase initiative in 2020.

If you have any questions, please feel free to contact me by phone at 949.473.4932 or via e-mail at dominic.cardenas@abm.com. We are ready and happy to serve the City of Montebello.

Sincerely,

S.D. Cardenas

Dominic Cardenas
Sales Executive
ABM Building Solutions, LLC

Table of Contents

Section 1: Program Overview

This Preliminary Energy Assessment (PEA) is part of a multi-step process entered into in September 2019 between the City of Montebello and ABM Building Solutions, LLC (ABM) as part of an action plan to improve city-owned buildings while reducing energy costs at a select list of facilities as an initial phase 1. All other city-owned buildings may be assessed at the City's discretion through a potential phase 2. This report outlines the City's current energy consumption at Phase 1 buildings, along with strategies to address the City's deferred maintenance using cost savings.

ABM's Bundled Energy Solutions (BES) team consists of energy and water conservation specialists and engineers. Our team was aided by operational information provided by Mr. David Sosnowski and his team. This preliminary analysis has been completed and ABM has determined that the City of Montebello would qualify and benefit from an Energy Savings Performance Contract (ESPC) to be implemented through our BES program. Through this initial process, ABM was able to evaluate energy consumption and equipment conditions to create a baseline for evaluating facility upgrades, referred to throughout this document as Energy Conservation Measures or "ECMs". We have determined there are several ECMs worthy of more in-depth evaluation. This is demonstrated by the table below and support information in this report.

The table below summarizes the results of the recently completed Preliminary Energy Assessment:

Current Energy Costs	$708,588
Potential Cost Savings resulting from Energy Conservation Measures	$157,528
Post Program Energy Costs	$551,060
Overall Savings Percentage	**22%**

ABM's recommendations follow the California Energy Commission's (CEC) "loading order," which was established in 2003 by the State's principal energy agencies. The intent of the loading order is to develop and operate California's electricity system with long-term interest of consumers, ratepayers, and taxpayers in mind in order to prioritize ECMs. The CEC loading order prioritizes energy efficiency projects first, followed by demand response measures, renewable resources (such as solar PV), and finally, distributed generation.

Section 2: Baseline Energy Consumption

The first step in every project is to understand how much energy is being consumed at each site being assessed, as well as the costs associated with that consumption. After reviewing the 2019 electric utility data, we have summarized the City of Montebello's energy consumption and costs. Please see the table below for more detailed information.

Table 2.1

Baseline Energy Consumption - Per Site (FY 2019)

	Electricity		Natural Gas*		
Site Name	Energy Use kWh	Cost $	Energy Use Therms	Cost $	Total Cost $
City Hall	514,433	$75,985.71	-	-	$75,985.71
PD	1,380,330	$174,786.05	-	-	$174,786.05
Fire Station 55	102,177	$18,206.83	-	-	$18,206.83
Fire Station 56	117,139	$19,507.75	-	-	$19,507.75
Transit Department	1,034,583	$148,001.84	-	-	$148,001.84
Fire Station 57	41,762	$5,793.25	-	-	$5,793.25
Senior Center	158,645	$31,717.84	-	-	$31,717.84
Youth Center	33,044	$9,288.54	-	-	$9,288.54
Golf Course	1,166,835	$162,913.38	-	-	$162,913.38
City Park / Rec	327,567	$40,404.02	-	-	$40,404.02
Adobe House	6,467	$1,685.29	-	-	$1,685.29
Hollifield	93,594	$20,298.43	-	-	$20,298.43
Total	**4,976,576**	**$708,588.93**	**-**	**-**	**$708,588.93**

To determine how each different site in the district are compared to one another, we have used the site square footage to determine a cost per square footage for each site. The table below contains this information.

* Due to insignificant anticipated natural gas savings resulting from Phase 1, natural gas analysis has been omitted from this preliminary assessment. Should the City move forward with the Investment Grade Audit, the BES team will complete all detailed engineering and analysis in calculating natural gas use and savings.

Table 2.2

Baseline Annual Energy Summary - Per Site (2019)

		Total	Usage Intensities	Cost $/sqft			
Site Name	**Area** *sqft*	**Energy** *Kbtu*	**Energy** *Khtu*	**Cost** *$*	**EUI** *kBtu/sqft*	**WUI** *Gal/sfqt*	
City Hall	34,000	1,754,217	-	$75,985.71	51.59	-	2.23
Police Department	32,000	4,706,925	-	$174,786.05	147.09	-	5.46
Fire Station 55	9,120	348,424	-	$18,206.83	38.20	-	2.00
Fire Station 56	10,000	399,444	-	$19,507.75	39.94	-	1.95
Transit Department	34,000	3,527,928	-	$148,001.84	103.76	-	4.35
Fire Station 57	3,500	142,408	-	$5,793.25	40.69	-	1.66
Senior Center	15,077	540,979	-	$31,717.84	35.88	-	2.10
Youth Center	15,000	112,680	-	$9,288.54	7.51	-	0.62
Golf Course	67,947	3,978,907	-	$162,913.38	58.56	-	2.40
City Park / Rec	23,279	1,117,003	-	$40,404.02	47.98	-	1.74
Adobe House	8,684	22,052	-	$1,685.29	2.54	-	0.19
Hollifield	3,855	319,156	-	$20,298.43	82.79	-	5.27
Total	**256,462**	**16,970,123**	**-**	**$708,588.93**	**66.17**	**-**	**2.76**

Section 3: Energy Conservation Measures

Based on conversations with City Manager Rene Bobadilla, and along with David Sosnowski and his team, this report is focused on selected needs and priorities that are summarized below.

Table 3.1

Sites	HVAC	Lighting	Roofing
City Hall	✓	✓	
Police Station	✓	✓	✓
Fire Station 55	✓	✓	✓
Fire Station 56		✓	
Transit Department		✓	
Fire Station 57		✓	
Senior Center		✓	
Youth Center		✓	
Golf Course		✓	
City Park/Rec		✓	
Adobe House		✓	
Hollifield Community Center	✓	✓	✓

ECM 4.1: HVAC Upgrades

Scope of Work and Existing Conditions:

Police Station

The Montebello Police Station is currently served by a Trane screw chiller that is original to the building. The chiller loop operates with constant volume hydronic flow. There are two large rooftop air handlers that distribute chilled air to the entirety of the building. The control system is an outdated tracer summit system that needs to be replaced.

ABM recommends a chiller replacement with a high efficiency compressor and improved turndown. The pumps will be retrofitted to be variable flow, which will reduce the pump's energy consumption and allow the chiller to more closely match the cooling load profile of the building. Pressure independent control valves will be added to the air handlers to eliminate the modulating flow associated with pressure variations in the hydronic loop, which will allow the chiller to operate at its design setpoints, making the entire system operate more efficiently. The entire building will be converted to DDC controls and up to 10 VAV boxes will be repaired.

City Hall

City Hall is served by 22 rooftop units that provide conditioned air to the entire building except the lobby area. Montebello staff has expressed a desire to condition the lobby area so that it can be used for city operations. The building is controlled with an outdated Trane tracker controls system.

ABM recommends retrofitting the larger rooftop units with economizers to draw in outside air when ambient conditions are appropriate, rather than using mechanical cooling. The building will be upgraded to a DDC controls system and the roof top exhaust vents will be upgraded to solar powered mechanical fans. Per staff request, two new rooftop package units will be added and ducted in to provide cooling for the lobby.

Fire Station 55

The fire station is currently conditioned by rooftop package units that are mostly past end of useful life. They are controlled by thermostats on the wall. Some are mercury bulb thermostats, which are significantly past end of life.

The oldest HVAC units will be replaced at the fire station and the thermostats will be upgraded to wifi enabled thermostats which allow building control from a computer or smartphone. The skylights at fire station 55 will also be replaced.

Hollifield Community Center

There are three rooftop package units that condition Hollifield Community Center that are all past end of useful life, and the wooden structural supports are rotting, which presents a safety concern. Thermostats control the units and natural ventilators help turn the air over.

ABM recommends replacing the three rooftop units reinforcing the structural support. Thermostats will be upgraded to wifi thermostats, allowing unit control from a computer or smartphone, and the natural ventilators will be upgraded to spinning exhaust fans.

ECM 5.1: LED Lighting Upgrades

Scope of Work and Existing Conditions:

Montebello Civic Center, Police Station and Transit Facility

Existing Office, Common and Multipurpose rooms have a mix of lighting fixture types with several different fluorescent technologies. The fluorescent lighting technology throughout the facility provides a great opportunity for LED upgrades that will reduce energy costs, reduce maintenance costs, improve light levels and enhance safety. In addition to interior lighting, we have also included some exterior items noted during our audit.

Primary exterior lighting at the facilities is a variety of wall packs and area fixtures with High Intensity Discharge Metal Halide Lamps. Metal Halide lamps are very inefficient with low quality light and an average lifespan of 12,000 – 24,000 hours. There are also CFL and incandescent flood lights, wall packs and downlights. The Incandescent Lamps are inefficient with low lifespans averaging 1,500 – 5,000 Hours. The CFLs are moderately efficient with an average lifespan of approximately 12,000 hours. The exterior area lighting and decorative wall lighting can also be upgraded to LED for similar results.

Golf Club and Senior Center

Please note that many of the existing fixtures at these locations have already been retrofitted to LED. Existing LED fixtures have been excluded from this scope of work. Existing Office, Common and Multipurpose rooms have a mix of lighting fixture types with several different fluorescent technologies. The fluorescent lighting technology throughout the facility provides a great opportunity for LED upgrades that will reduce energy costs, reduce maintenance costs, improve light levels and enhance safety. In addition to interior lighting, we have also included exterior items noted during our audit.

Primary exterior lighting at the facilities is a variety of wall packs and area fixtures with High Intensity Discharge Metal Halide Lamps. Metal Halide lamps are very inefficient with low quality light and an average lifespan of 12,000 – 24,000 hours. There are also CFL and incandescent flood lights, wall packs and downlights. The Incandescent Lamps are inefficient with low lifespans averaging 1,500 – 5,000 Hours. The CFLs are moderately efficient with an average lifespan of approximately 12,000 hours. The exterior area lighting and decorative wall lighting can also be upgraded to LED for similar results.

Fires Station 55, 56 & 57

Please note that many of the existing fixtures at these Fire Station Locations have already been retrofitted to LED. Existing LED fixtures have been excluded from this scope of work.

Existing Office, Common and Multipurpose rooms have a mix of lighting fixture types with several different fluorescent technologies. The fluorescent lighting technology throughout the facility provides a great opportunity for LED upgrades that will reduce energy costs, reduce maintenance costs, improve light levels and enhance safety. In addition to interior lighting, we have also included exterior items noted during our audit.

Primary exterior lighting at the facilities is a variety of wall packs and area fixtures with High Intensity Discharge Metal Halide Lamps. Metal Halide lamps are very inefficient with low quality light and an average lifespan of 12,000 – 24,000 hours. There are also CFL and incandescent flood lights, wall packs and downlights. The Incandescent Lamps are inefficient with low lifespans averaging 1,500 – 5,000 Hours. The CFLs are moderately efficient with an average lifespan of approximately 12,000 hours. The exterior area lighting and decorative wall lighting can also be upgraded to LED for similar results.

City Park, Holyfield Park Adobe House & Youth Center

Please note that many of the existing fixtures at these locations have already been retrofitted to LED. Existing LED fixtures have been excluded from this scope of work. In addition, all high mast lighting has been excluded. Existing Office, Common and Multipurpose rooms have a mix of lighting fixture types with several different fluorescent technologies. The fluorescent lighting technology throughout the facility provides a great opportunity for LED upgrades that will reduce energy costs, reduce maintenance costs, improve light levels and enhance safety. In addition to interior lighting, we have also included exterior items noted during our audit.

Primary exterior lighting at the facilities is a variety of wall packs and area fixtures with High Intensity Discharge Metal Halide Lamps. Metal Halide lamps are very inefficient with low quality light and an average lifespan of 12,000 – 24,000 hours. There are also CFL and incandescent flood lights, wall packs and downlights. The Incandescent Lamps are inefficient with low lifespans averaging 1,500 – 5,000 Hours. The CFLs are moderately efficient with an average lifespan of approximately 12,000 hours. The exterior area lighting and decorative wall lighting can also be upgraded to LED for similar results.

Proposed equipment

The predominant interior lighting systems at the City of Montebello facilities include linear fluorescent fixtures with T8 and electronic ballasts. These fixtures are moderately efficient and have an average lifespan of approximately 20,000 hours. LED lamp and driver retrofits offer Linear Fluorescent fixtures an efficient and cost saving ECM. The lamp and driver kit offer 60% energy savings and three times the expected life of a traditional fluorescent technology.

The City of Montebello facilities also contain varied compact fluorescent and HID downlighting fixtures that should be converted to an LED downlight fixtures. Advantages of a lensed LED downlight fixture include improved light distribution over older tradition reflective lens fluorescent fixtures and a new standardized look with a modern aesthetic. Lensed kits eliminate older fixture components such as sockets and wiring that will age and fail over time. Lensed LED downlights with a 50,000-hr. rated life offer ten times the expected life of tradition fluorescent fixture and two times greater life expectancy over a plug and play LED lamp.

City facilities also contain varied surface mount linear fluorescent utility fixtures that will be retrofitted to LED lamp and driver technology. LED lamp and driver retrofits offer utility style prismatic wrap fixtures located in closets and restrooms an efficient and cost saving ECM in areas where a new fixture is not required. The lamp and driver kit offer 70% energy savings and five times the expected life of a traditional fluorescent technology.

The city facilities also include a large number of light fixtures with keyless socket bases. We noted that approximately 50% of these fixtures had been re-lamped with LED Lamps while the others still contained incandescent and halogen lamps. Compact fluorescent lamps tend to be moderately efficient with an average lifespan of approximately 12,000 hours. The Halogen and Incandescent Lamps are inefficient with low lifespans averaging 1,500 – 5,000 Hours. These screw in based lamps will be replaced with the appropriate LED screw in equivalent for 70% energy saving and three time the existing lamp life.

Wall pack, downlight and shoebox fixtures containing HID & CFL Lamps will be removed and replaced with new LED Fixtures. The latest LED fixtures are extremely efficient, have excellent color, and life expectancy of 50,000-100,000 hours. Higher output LED area fixtures allow for the addition of on-boar occupancy sensor and daylighting controls giving them the ability to dim depending on existing conditions. The beam spread of LED fixtures allow light to be focused more efficiently, lowering the wattage required to provide adequate lighting and reducing the amount of glare / light pollution. Maintenance costs will be reduced due to the longer life expectancy of the LED technology. This retrofit was selected because the latest LED fixtures and retrofit kits are remarkably efficient, have excellent color, and provide an excellent return on investment. New LED fixtures also included added benefits of improved security, increased light output and quality, as well as fixture uniformity throughout the school district.

Exterior HID lighting includes a mix of High-Pressure Sodium wallpacks , recessed and Parking lot pole lighting that will be replaced with LED retrofit lamps and new parking lot pole fixtures . LED retrofit lamps eliminate costly maintenance on ballasts and retain the decorative fixture aesthetics of existing high-end fixtures while delivering 70% energy savings and Improved life span. Led pole lighting fixtures offer 70% energy savings , ten times the life span and improved visual acuity for safety and security of exterior parking areas.

ECM 6.1: Roof Replacement

Existing Conditions

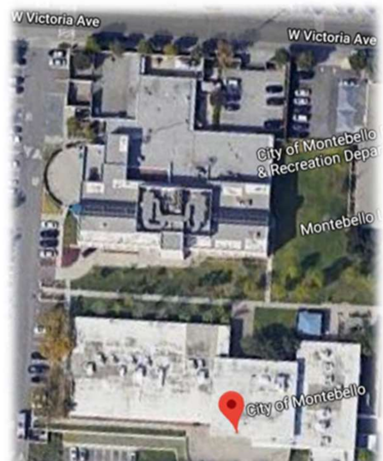
Staff at the City of Montebello has expressed an interest in replacing the roofs at the Police Department, Fire Station 55 and Hollifield Community Center. All roofs will be inspected and graded for remaining life expectancy during the IGA phase of work.

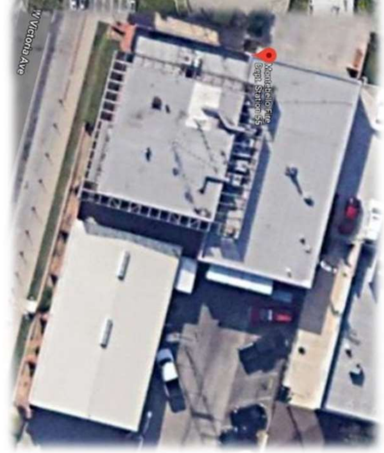
Proposed ECM

ABM recommends a like-for-like roof replacement f**or any roofs graded C or lower (actual grading is part of the IGA phase) and will work collaboratively in conjunction with District staff to develop an appropriate roof replacement plan.**

Benefits

Any roofs replaced will elongate the useful life of the building and prevent further leakage. It will also provide minimal additional energy savings with the use of better insulation and higher r value installations of newer materials. The City of Montebello will have the ability to weigh roof replacement cost versus energy savings and decide whether to incorporate roof replacement into the project.





Section 4: Savings Potential

Energy Savings

Table 4.1 details where the energy cost savings will be achieved across Phase 1 City of Montebello buildings.

Table 4.1

Energy Cost Savings by Facility

Site Name	Electricity		Total Annual Cost Savings
	Energy Savings *kWh*	Demand *kW*	*$*
City Hall	129,346		19,106
Police Department	342,396		43,357
Fire Station 55	11,226		1,181
Fire Station 56	18,744		3,123
Transit Department	336,456		48,132
Fire Station 57	8,429		1,169
Senior Center	41,971		8,391
Youth Center	5,948		1,672
Golf Course	146,081		20,396
City Park / Rec	35,816		4,418
Adobe House	1,164		303
Hollifield	25,190		5,464
Total Savings	**1,102,767**		**$157,528**

Table 4.2 details where the energy cost savings will be achieved across the three ECM categories.

Table 4.2

Energy Cost Savings by Energy Conservation Measure Type

ECM Type	Annual Energy Cost Savings
Roofing	$0
HVAC	$12,881
Lighting	$144,646
Total Savings	**$157,528**

Table 4.3 demonstrates how the energy savings within the context of the current energy consumption at City of Montebello facilities.

Table 4.3
Project Summary

Project Phase	Electricity Energy Savings *kWh*	Electricity Demand *kW*	Total Annual Cost *$*
Baseline (Current Use)	4,976,576		708,589
Savings Resulting from Energy Conservation Measures	**-1,102,767**		**-157,528**
Post Project Consumption	3,873,809		551,061
Projected Savings %	**22%**		**22%**

Operating & Maintenance Savings

Operating and Maintenance (O&M) costs are one of the most overlooked considerations in evaluating capital projects, yet they often play a key role in determining the financial viability of a project. By identifying and quantifying O&M cost savings, the City of Montebello will have a better idea of the true lifecycle cost savings identified in this assessment.

The BES team uses the National Association of Energy Service Companies (NAESCO) standard of 3% of project cost in determining preliminary O&M cost savings, which are presented here for evaluation. During the Investment Grade Audit, the BES team will further explore O&M savings for greater accuracy. We will discuss recurring monthly equipment and vendor costs with City staff, along with reviewing the City's budget in order to determine specific costs associated with operations and maintenance. O&M cost savings will be reviewed with City decision makers for written approval prior to finalizing the Investment Grade Audit.

Table 4.3
Operating & Maintenance Savings by Facility

Site Name	Annual Operating & Maintenance Cost Savings
City Hall	$18,466
Police Department	$41,284
Fire Station 55	$5,344
Fire Station 56	$491
Transit Department	$11,237
Fire Station 57	$454
Senior Center	$1,449
Youth Center	$475
Golf Course	$5,828
City Park / Rec	$1,799
Adobe House	$394
Hollifield	$10,625
Total Savings	**$97,845**

Table 4.3
O&M Savings by Energy Conservation Measure Type

ECM Type	Annual Operating & Maintenance Cost Savings
Roofing	$20,828
HVAC	$42,017
Lighting	$35,001
Total Savings	**$97,845**

Estimated Implementation Cost and Financial Overview

The primary goal of ABM's BES Program is to develop a budget-neutral overall program solution, meaning that the upgrades will pay for themselves over time through escalating cost savings. At this time, the program that we have developed for the City of Montebello would pay for itself through cost savings in roughly a 20-year period. A detailed model of the project savings stream will be developed as part of the Investment Grade Audit for the city's review.

For all upgrades identified to City of Montebello-owned facilities in this assessment, the Total Estimated Program Price would be $5,200,000. This price is inclusive of all aspects of the program including engineering, design, equipment purchasing, labor, taxes, permits, and all other tasks associated with constructing the upgrades included in this assessment.

PLEASE NOTE: This total price is a **Rough Order of Magnitude price** and is subject to change during the Investment Grade Audit. Any changes to the identified scope of work will lead to a commensurate price change. ABM will provide a fixed-firm price (guaranteed max price with no additive cost change orders) at the completion of the Investment Grade Audit prior to final contract execution.

Financing

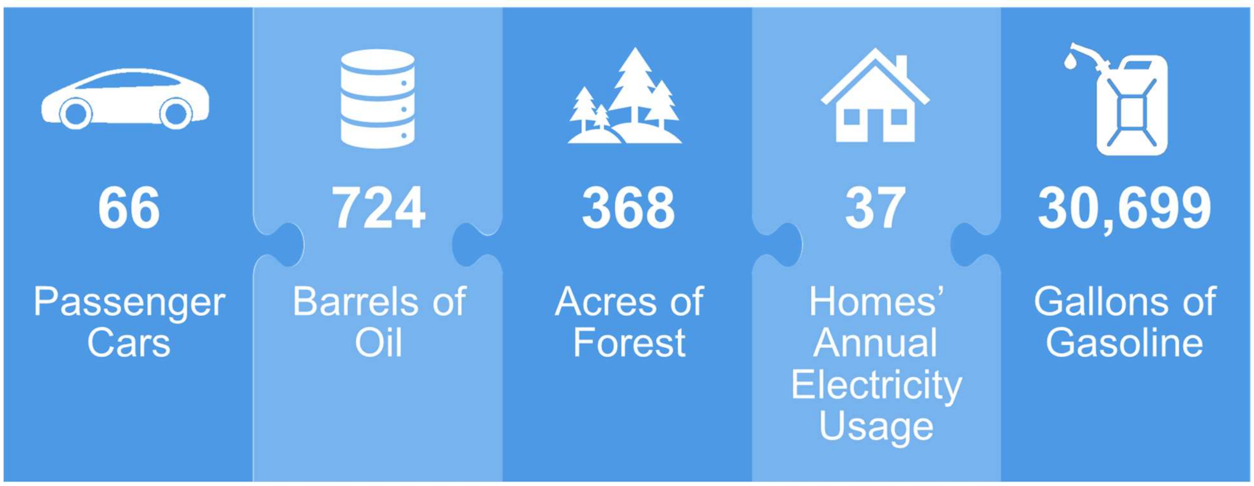
Should the City decide to move forward with the Bundled Energy Solutions program and wishes to utilize financing, ABM can facilitate specialized low-interest financing through public or private third-party lenders, at the City of Montebello's direction. Financing is not a profit center for ABM and all facilitation work is done at no additional cost.

Section 5: Environmental Benefits

Environmental Benefits

	Fuel	Electric	Total
Baseline Emission (Tons CO2e)	TBD	3,519	3,519
Post Emission (Tons CO2e)	TBD	2,739	2,739
Total Savings (Tons CO2e)	**0**	**780**	**780**

CO^2 Emissions Equivalencies



Section 6: BES Team Personnel

BES Program Team Resume

City of Montebello's ABM Team Members	Role, Responsibilities and Experience
Dominic Cardenas Sales Executive - Bundled Energy Solutions 11 Years' Experience $85M+ in Performance Contracting Projects	**Role:** Customer liaison who oversees all phases of Bundled Energy Solutions project implementation. Responsible for business development, ECM development, financial development, implementation, and functions as team leader to assure the success of Energy Solutions project **Experience:** Claremont USD, Burbank USD, State of California DGS, Hughes Elizabeth UESD, River Springs Charter Schools, Education For Change Charter Schools, El Rancho Charter School, Ivy Academia Charter School, Multicultural Learning Center, Ontario-Montclair SD, Palos Verdes Peninsula USD, Perris SD
Kecia Davison Vice President - Bundled Energy Solutions 25+ Years' Experience $300M in Performance Contracting Projects	**Role:** ABM's sales team leader in CA to fund client's critical infrastructure needs and developing alternative funding solutions for our clients. Responsible for leading account executives, engineers, and project managers to develop, price and sell each project. Contra Costa County, Claremont USD, Burbank USD, State of California DGS, State of California CDCR, City of Oroville, City of Rio Vista, State of Hawaii DOT, State of Louisiana, State of Georgia, Claremont SD, and Newcastle USD.
Todd Havelaar, **CEM** Director of Engineering 30+ Years' Experience $250M in Performance Contracting Projects	**Role:** Assess energy savings opportunities at customer facilities and identify risk factors associated with energy performance guarantees. Responsible for developing energy conservation measures for projects and define scope of work with project engineering staff. Calculate energy savings from recommended solutions to determine financial payback. **Experience:** Burbank USD, Claremont USD, Newcastle ESD, Salida USD, and Ysleta ISD.
Kevin Brown, PE, CEM Vice President - Engineering 20+ Years' Experience $500M in Performance Contracting Projects	**Role:** to evaluate new technologies for possible inclusion as energy conservation measures including rainwater harvesting, solar energy utilization, and other renewable energy systems. Responsible for recommending solutions that maximize energy savings while minimizing the impact to building operations. **Experience:** GSA Region 9 – Los Angeles, Connellsville Area School District, Lake Tahoe USD, Virginia Beach City Public Schools, Colquitt County Schools, Hitchcock ISD, Ysleta Independent School District, and Salida USD
Eugenio Burnier, CEM Senior Vice President, West Region 17+ Years' Experience $100M in Performance Contracting Projects	**Role:** Responsible for P&L for all ABM branch locations in the West, including California, Nevada, Arizona, and Texas. Focused on growth of existing Projects and Service locations and expansion of services across West Region in non-branch locations. **Experience:** GSA Region 9 – Los Angeles, GSA Region 9 – San Francisco, Goose Creek Consolidated Independent School District, El Pas Independent School District

Tustin Office Capabilities

14201 Franklin Ave

Tustin, CA 92780

Office: (949) 330 - 1588

Total ABM Tustin-based Employees: 1,879

Tustin Areas of Expertise:

Performance Contracting	ZNE Buildings / Microgrids	Shaded Solar PV Structures
Mechanical & Lighting Design Build	Mission Critical and 24/7 Facility Service	Electrical Service Upgrade
Indoor/Outdoor LED Lighting Retrofits	Lighting Occupancy Controls	Tennis Courts Lighting
Dual Pane Window Replacement	Low Flow Toilets / Sinks	Bathroom Hand Dryers
Lighting Pole Replacement	Stadium Lighting	Airport Runway Lighting
Professional Engineering	HVAC Maintenance	Power Balancing
Energy Management System	Air & Water Test & Balance	NFPA70E Compliance
Remote Alarm Monitoring	TABB Certified	Thermal Imaging
Solar PV	Process Piping	Transformers
Solar Hot Water Systems	Plumbing & Piping	Building Energy Audits
Energy Storage Systems	Water Analysis/Treatment	Energy Star Benchmarking
Energy DR Management	Water Conservation	Energy Rebate Administration
Electric Vehicle Charging Stations	Oil Analysis	Large Tonnage Chiller & HVAC Installation
Start-up Commissioning	Eddy Current Testing	CFC & HCFC Refrigerant Compliance Change-overs
Tenant / Space Build-out	Boilers	Duct Leak Test & Seal
Retro-Commissioning	Motors & Drives & VFDs	Sheet Metal Fabrication

Safety Record

Safety is intrinsic to ABM and our culture. Our people are our most important resource and we are committed to ensuring they are provided with a safe and healthy working environment. We provide routine and site-specific safety training, safe tools and equipment, and a dedicated staff of safety representatives.

ABM Building Solutions is one of the safest companies in the industry, and our safety record is consistently better than the national average.

YEAR	EMR	TRCR	DART	LTR
2017	0.86	1.54	0.68	0.34
2016	0.85	3.20	1.24	0.36
2015	0.83	2.00	0.83	0.83
2014	0.82	3.57	2.17	1.86
2013	0.82	5.54	2.18	1.60

EMR – Experience Modifier Rate
Experience modifier or experience modification is a term used in the American insurance business and more specifically in workers' compensation insurance. It is the adjustment of annual premium based on previous loss experience. Usually three years of loss experience are used to determine the experience modifier for a workers' compensation policy

TRCR – Total Recordable Case Rate
A mathematical calculation that describes the number of recordable incidents per 100 full-time employees in any given time frame.

DART – Days Away Restriction Transfer Rate

A mathematical calculation that describes the number of recordable incidents per 100 full time employees that resulted in lost or restricted days or job transfer due to work related injuries or illnesses.

LTR - Lost Time Rate
A mathematical calculation that describes the number of lost time cases per 100 full-

Tustin Office Licenses and Certifications

Licensing Information

ABM Building Solutions, LLC, CSLB license number #976012 for our Tustin location.

*Picture from http://www.cslb.ca.gov/

State of California
Department of Industrial Relations

Labor Law | Cal/OSHA - Safety & Health | Workers' Comp | Self Insurance | Apprenticeship | Director's Office | Boards

Public Works | Public Works Contractor (PWC) Registration Search

Public Works Contractor (PWC) Registration Search

Details	Legal Name	Registration Number	County	City	License Type/Number(s)	Current Status	Registration Date	Expiration Date
View	ABM PAINTING & WALLCOVERING CORP	1000036838	RIVERSIDE	CORONA	OTHR:992554	Active	06/04/2018	06/30/2019
View	ABM INDUSTRY GROUPS LLC	1000028795	LOS ANGELES	COMMERCE	OTHR:1022002	Active	06/29/2018	06/30/2019
View	ABM INDUSTRY GROUPS LLC	1000049829	OUT OF STATE	TAMPA	CSLB:1022002	Active	06/29/2018	06/30/2019
View	ABM FACILITY SUPPORT SERVICES LLC	1000052604	OUT OF STATE	BELTSVILLE	NONE:NONE	Active	06/22/2018	06/30/2019
View	ABM ELECTRICAL POWER SERVICES, LLC	1000017137	SAN BERNARDINO	ONTARIO	CSLB:989000	Active	06/13/2018	06/30/2019
View	ABM ELECTRICAL & LIGHTING SOLUTIONS, INC.	1000003477	ORANGE	TUSTIN	CSLB:967676	Active	06/13/2018	06/30/2019
View	ABM BUILDING SOLUTIONS, LLC	1000027218	SACRAMENTO	SACRAMENTO	CSLB:976012	Active	06/08/2018	06/30/2019
View	ABM BUILDING SERVICES, LLC	1000012535	SAN DIEGO	SAN DIEGO	CSLB:991748	Active	06/08/2018	06/30/2019

Classifications

- C20 - WARM-AIR HEATING, VENTILATING AND AIR-CONDITIONING
- B - GENERAL BUILDING CONTRACTOR
- C-4 - BOILER, HOT WATER HEATING AND STEAM FITTING
- C-61 / D62 - AIR AND WATER BALANCING
- C36 - PLUMBING
- C38 - REFRIGERATION
- C-7 - LOW VOLTAGE SYSTEMS
- C10 - ELECTRICAL
- C43 - SHEET METAL
- C-61 / D65 - WEATHERIZATION AND ENERGY CONSERVATION

Section 7: Appendix

ABM Industries Incorporated: A Trusted Facilities Provider

Electrical & lighting, energy solutions, facilities engineering, HVAC & mechanical, janitorial, landscape & turf, mission critical solutions, and parking – ABM Industries (NYSE: ABM) provides these comprehensive, custom facility solutions in urban, suburban, and rural areas to properties of all sizes through stand-alone or integrated solutions. With revenues of approximately $5.45 billion, we have become a leading provider of facility solutions since our founding in San Francisco, CA in 1909. Now headquartered in New York City, ABM operates through our subsidiaries, confident in the expertise of over 140,000 employees in 350+ offices across the United States and various international locations.

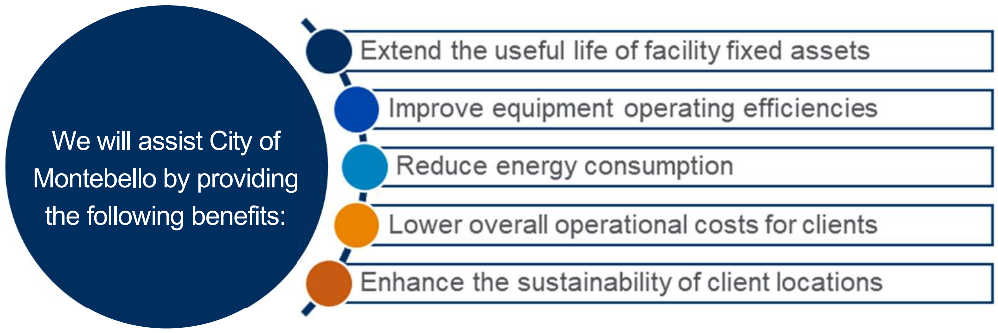
Over ABM's 100+ year history, we have developed an outstanding reputation in the marketplace. Our brand continues to stand for excellence as we strive to find new ways of Building Value for our clients. Over the past year, ABM launched our 2020 Vision -- a bold initiative that transformed our business from a company organized by service lines to a company organized by industry, aligning us more closely with our clients and allowing us to continue to be a highly valued partner.

ABM was recently restructured into eight different Industry Groups. In addition to our ABM UK unit, these include:

We have established a consistent and reliable operational platform with three goals in mind – increase service quality, improve onsite management and service effectiveness, and impact how we respond to specific requirements in our clients' facilities. This allows us to better understand our clients and deliver facility solutions unique to industry challenges, goals, and opportunities.

ABM Technical Solutions

ABM Technical Solutions, a division of ABM Industries Inc., provides custom energy and other maintenance and repair services for clients in the public and private sectors. Our Technical Solutions Group is divided into HVAC & Mechanical, Electrical & Lighting, Electrical Power & Mission Critical, and Bundled Energy Solutions.



ABM provides Comprehensive Facility Services to over 20,000 building systems nationally. Our Facility Services program is performance-based and custom-designed to fit the building owner's long-term (life-cycle) cost of operations. This life cycle cost evaluation includes initial installation, functional requirements, maintenance, and energy needs to operate your facility.

We base our planned service programs on many years of industry knowledge, exceptional technical skills, and professional application of the latest technologies and methods. This allows us to consistently deliver quality services in a responsive manner at a fair value.

ABM Technical Solutions Capabilities

HVAC & Mechanical

- Professional Engineering Support Services
- Programs Management
- Upgrades for Energy Consumption
- Direct Digital Controls
- Sheet Metal Service In-House
- Plumbing & Piping Services
- Process Piping
- Testing & Balancing – Air & Water
- Commissioning – System Startups
- Tenant Space Build Out
- Mechanical Systems Fabrication & Installation
- Energy Management
- Mechanical Design-Build Construction
- Building Automation
- Performance Contracting
- Remote Alarm Monitoring
- C.F.C. Refrigerant Changeovers
- Indoor Air Quality Programs
- Building Operation & Maintenance
- Mechanical Systems Maintenance
- Building Operation & Maintenance
- Facilities Management
- Chiller Services

Electrical & Lighting

- Electrical Troubleshooting & Repair
- Thermal Imaging
- Traditional & Digital (LED) Sign Repair
- Fixture (LED) & Pole Upgrade/Replacement
- Energy/Rebate Program Administration
- Electrical & Lighting Design/Engineering
- Turnkey Electric Vehicle Charging Stations
- Ultrasonic Pole Inspection
- Emergency/Exit Lighting
- Interior Lighting Maintenance
- Exterior Lighting Maintenance
- Electrical Service Upgrades
- Landscape Lighting
- Group Relamping

Electrical Power

- NFPA 70E Compliance Programs
- Acceptance Testing & Commissioning
- Maintenance & solutions of electrical distribution systems from 480 volts to high voltage
- Startup & Commissioning
- Arc Flash Protection Programs
- Power Quality Solutions
- Life Extension, Modernization & Overhaul Services & Solutions
- Customized Training Programs
- Engineering Services
- Reliability & Acceptance Testing & Maintenance
- Electrical Maintenance Programs
- EV Charger Installation & Services
- Mission Critical & 24/7 Facility Service
- Energy Storage Systems
- Solar PV Installation

Our Bundled Energy Solutions offering is a high-efficiency conservation, facility modernization, and technical service program that addresses both the facility upgrades and funding needs of cities, counties, K-12 schools, and government buildings. This program assists our clients by providing a cost-effective way to make necessary energy and infrastructure improvements.

Bundled Energy Services are designed for each customer's specific requirements, resulting in:

- ✓ Capital generation for asset replacement
- ✓ Guaranteed operating cost & emergency savings
- ✓ Reduced downtime & equipment costs
- ✓ Improved occupant comfort & safety
- ✓ Increased staff productivity
- ✓ Reduced environmental impact

Our strong financial backing has allowed us to make strategic partnerships with many premier financial institutions that focus on lending to the guaranteed energy savings performance contracting market. We have secured millions of dollars' worth of energy projects and have financed projects from a multitude of different markets. These relationships have strengthened over the years due to ABM's continued success, driven by meeting project schedule requirements, little to no cost overruns, and meeting or exceeding guaranteed savings.

We have financed projects through:

- ✓ Municipal tax-exempt leases with non-appropriation clauses
- ✓ Operating leases (taxable and tax-exempt)
- ✓ Certificates of participation (COPs)
- ✓ Special purpose entities
- ✓ Standard capital leases

We are exploring the cost-effective options for Build America Bonds and Energy Conservation Bonds which are backed by the U.S. Treasury. **Additionally, our current bonding limits are $70 Million on a single project and $500 Million aggregate.**

Solutions Include:

Initial feasibility; measurement & verification

Identification & processing of utility rebates & EPA tax incentives

Structuring financing terms to generate positive cash flow

Engineering calculations & design; planning & construction of project

Commissioning & onsite training

Energy & operational audits

Ongoing maintenance services

Firm Associations and Participation

- ✓ **Member of the National Association of Energy Savings Corporations - NAESCO**
- ✓ **State of California Preapproved ESCO**
  - Department of General Services
  - California Department of Corrections
  - Government Services Administration
- ✓ **California Energy Commission & California Department of Education Prop. 39 Experience**
- ✓ **Utility Rebate & Administration Alliance**
  - Pacific Gas & Electric (PGE)
  - Sacramento Municipal Utility District (PG&E)
  - Southern California Edison (SCE)
  - San Diego Gas & Electric (SDG&E)
  - Southern California Gas (SCG)
- ✓ **First Zero Net Energy (ZNE) School District – Newcastle Elementary School District**
  - Zero Net Energy is a designation applied to buildings or communities when annual energy use is roughly equal to the renewable energy created on or near that location. With rapidly falling renewable generation and energy storage prices, ZNE facilities are able to economically outperform non-ZNE facilities, with competitive (100% financeable) ROI.
- ✓ **Financing Made Easy**
  - ABM works with several lenders to bring a custom financing solution. We will offer several viable types of financing. Further into the project development, when, scope, costs and savings are finalized the goal of the financing program will be to capitalize the program offering and repay the entire financial obligation out of realized savings. We provide a financial solution that, at a minimum, meets the following requirements:
    - Compliance with all applicable state statutes and procurement requirements,
    - No initial capital costs to be paid by Novato Fire Protection District
    - Achievement of significant long-term guaranteed savings and
    - A budget-neutral or positive net cash flow realized by the project.

Section 8: Glossary of Terms

Mechanical, Electrical, and Financial Terms

AC – Air Conditioner — An appliance, system, or mechanism designed to dehumidify and extract heat from an area. Usually this term is reserved for smaller self-contained units such as a residential system.

AFUE – Annual Fuel Utilization Efficiency - The AFUE is the most widely used measure of a boiler or furnace's heating efficiency. It measures the amount of heat delivered to the building space compared to the amount of fuel supplied to the furnace. Thus, a furnace that has an 80% AFUE rating converts 80% of the fuel to heat -- the other 20% is lost through the flue. Energy efficient boilers and furnaces typically will have an AFUE of 90% to 97%.

AHU – Air Handling Unit – A central unit consisting of a blower, heating and/or cooling elements, filter racks or filter chamber, air volume dampers, humidifier, and other central equipment in direct contact with the airflow. This does not include the ductwork through the building. Abbreviated AH or AHU.

Air Changes Per Hour – The hourly ventilation rate divided by the volume of a space. For perfectly mixed air or laminar flow spaces, this is equal to the number of times per hour that the volume the space is exchanged by mechanical and natural ventilation. Also called air change rate or air exchange rate. Abbreviated ACH or ac/hr.

Btu – British Thermal Unit: A measurement of energy consumption. More specifically, the quantity of heat required to raise the temperature of one pound of water one-degree Fahrenheit. MBtu = 1,000 Btu; MMBtu = 1,000,000 Btu. Btuh = Btu's per hour.

CEE – CEE is a consortium of efficiency program administrators from across the U.S. and Canada who work together on common approaches to advancing efficiency.

Centrifugal Fan – A centrifugal fan is a mechanical device for moving air or other gases.

Chiller – A device that removes heat from a liquid via a vapor-compression or absorption refrigeration cycle. This cooled liquid flows through pipes in a building and passes through coils in air handlers or fan coil units, cooling and dehumidifying the air in a building. Chillers are of two types; air-cooled or water-cooled. Air-cooled chillers are usually outside and consist of condenser coils cooled by fan-driven air. Water-cooled chillers are usually inside a building, and heat from these chillers is carried by recirculating water to a heat sink such as an outdoor cooling tower.

Coil – Equipment that performs heat transfer to air when mounted inside an air handling unit or ductwork. It is heated or cooled by electrical means or by circulating liquid or steam within it.

Compressor – The compressor is the "heart" of an HVAC system. A compressor is a mechanical device that increases the pressure of a gas by reducing its volume. Compressors are similar to pumps: both increase the pressure on a fluid, and both can transport the fluid through a pipe. Compressor motors consume the most electricity of all air conditioning components and are one of the most expensive parts to replace.

Condenser – A component in the basic refrigeration cycle that ejects or removes heat from the system. The condenser is the hot side of an air conditioner or heat pump. Condensers are heat exchangers that can transfer heat to air or to an intermediate fluid (such as water or an aqueous solution of ethylene glycol) to carry heat to a distant sink, such as ground (earth sink), a body of water, or air (as with cooling towers).

COP – Coefficient of Performance – for HVAC heat pumps COP is the ratio of heat output to the amount of energy input. The higher the COP, the better the performance for a heat pump.

Constant Air Volume – A system designed to provide a constant air flow. This term is applied to HVAC systems that have variable supply-air temperature but constant air flow rates. Most residential forced-air systems are small CAV systems with on/off control. Abbreviated CAV.

Controller – A device that controls the operation of part or all of an HVAC system.

Damper – A plate or gate placed in a duct to control air flow by increasing friction in the duct.

Dehumidifier – A dehumidifier is the equipment that extracts and removes humidity from the air. It works by cooling air to the point where water turns to liquid from vapor form and then the liquid is removed.

Delta T – ΔT – Delta T is a reference to a temperature difference. It is used to describe the difference in temperature of a heating or cooling medium as it enters and as it leaves a system.

Diffuser – A diffuser is placed over ductwork, and it separates air with vanes going in differing directions. It evenly distributes air flow in the desired directions. (aka – air vent).

Duct – A specialized housing for the flow of air. Ducts are connected to the airside of the HVAC system to deliver conditioned air into the building space.

Dry Bulb Temperature – Dry bulb temperature is the temperature of air measured by a thermometer which is freely exposed to the air while it is shielded from radiation and moisture. It is usually thought of as air temperature, and it is the true thermodynamic temperature. It is a measurement of heat intensity independently of humidity and a dry bulb thermometer is used to measure it.

Dry Bulb Thermometer – A dry bulb thermometer is a device that measures air temperature independently of humidity. It is freely exposed to the air it is measuring and is protected from the radiation and moisture.

EER – Energy Efficiency Ratio – An air conditioner's efficiency is rated according to its energy efficiency ratio. The EER is the ratio of the cooling capacity (in British thermal units [Btu] per hour) to the power input (in watts). The higher the EER rating, the more efficient the air conditioner.

ECM – Energy or Water Conservation Measure: any measure that will save energy or water including but not limited to: electrical appliances such as lights, HVAC repair, recommissioning or replacement, pump and motor repair or replacement, VFD's; gas appliances such as furnaces, boilers, water heaters; water appliances such as low flow faucets, toilets, urinals, irrigation; or automation controls for building HVAC, lighting or irrigation control.

Economizer – An HVAC component that when temperature conditions are right allows "fresh" outside air to be drawn into a building, uses outside air, under suitable climate conditions, hence reducing required mechanical cooling. When the outside air's enthalpy is less than the required supply air during a call for cooling, an economizer allows a building's mechanical ventilation system to use up to the maximum amount of outside air.

EMS – Energy Management System: the controls that are used to operate the HVAC and/or lighting equipment. May be referred to as Building Automation System (BAS).

Emissions – The Greenhouse Gas Protocol divides emission standards into 3 categories:

Scope 1 – Direct – emissions from the combustion of fuel in stationary equipment such as boilers, furnaces, and power generators. Also included are emissions from refrigerant used in mechanical cooling.

- ✓ Scope 2 – Indirect – emissions from the use of procured energy that is generated off-site such as electricity, district chilled water, and district steam.
- ✓ Scope 3 – Other Indirect – emissions from the consumption of energy in non-stationary equipment such as air travel, campus vehicles, commuters, or farm animals.

ENERGY STAR® – EPA brand that creates a minimum performance standard for many appliances including light bulbs and fixtures.

Enthalpy – For a given sample of air, a measure of the total heat content (the sum of the heat energy of the dry air and heat energy of the water vapor within it). It is typically used to determine the amount of fresh outside air that can be added to recirculated air for the lowest cooling cost.

ESCO – Energy Services Company: Companies that contract with private and public sector energy users to provide cost-effective energy efficiency retrofits across a wide spectrum of client facilities, from college campuses to water treatment plants.

Evaporator – A component in the basic refrigeration cycle that absorbs or adds heat to the system. Evaporators can be used to absorb heat from air or from a liquid. The evaporator is the cold side of an air conditioner or heat pump.

Fan Coil Unit – A small terminal unit that is often composed of only a blower and a heating and/or cooling coil, as is often used in hotels, condominiums, or apartments. Abbreviated FCU.

Flow – A transfer of fluid volume per unit time.

Fresh Air Intake – An opening through which outside air is drawn into the building. This may be to replace air in the building that has been exhausted by the ventilation system, or to provide fresh air for combustion of fuel. Abbreviated FAI.

Furnace – A component of an HVAC system that adds heat to air or intermediate fluid by burning fuel (natural gas, oil, propane, butane or other flammable substances) in a heat exchanger.

GHG Tons – Greenhouse Gas tons: These are the equivalent carbon tons of carbon dioxide, methane, and nitrous oxide emissions from burning fuels on site or using electricity.

- ✓ 1 ton of carbon dioxide = 1 carbon ton;
- ✓ 1 ton of methane = 23 carbon tons;
- ✓ 1 ton of nitrous oxide = 1 carbon ton.

Emissions based on electricity generation are dependent upon the utility provider's fuel source for generating electricity, which varies by region.

Gas Furnace Heat Exchanger – A gas furnace heat exchanger is responsible for the transfer of heat from inside the furnace into the air outside the furnace. The duct system then transfers this exchanged air to different rooms in the building or space.

Grille – A facing across a duct opening, often rectangular in shape, containing multiple parallel slots through which air may be delivered or withdrawn from a ventilated space. The grille directs the air flow in a direction and prevents the passage of large items.

Heating Coil – A heating coil is the part of the system that conducts heat. It allows electricity to act as fire.

Heat Exchanger – A heat exchanger is the part of the system that transfers heat from the hot parts of the machine or a system to the cold parts of the machine or system.

Heat Loss – Term for the amount of cooling (heat gain) or heating (heat loss) needed to maintain desired temperatures and humidities in controlled air. Regardless of how well-insulated and sealed a building is, buildings gain heat from sunlight, conduction through the walls, and internal heat sources such as people and electrical equipment. Buildings lose heat through conduction during cold weather. Engineers use heat load calculations to determine the HVAC needs of the space being cooled or heated.

Heat Pump – A heat pump is a compressor that cycles hot or cold air. It is a device that is designed to move thermal energy in the opposite direction of heat flow by absorbing heat from a cold space which is released to a warmer space.

Heat Transfer – Heat transfer happens when heat moves from one area to another. It is an important and vital step in the process of cooling a space.

HSPF – Heating Seasonal Performance Factor is the measurement of heat efficiency over the period of a heating season.

HVAC – Heating/Ventilation/Air Conditioning: also referred to as mechanical equipment.

kW – Kilowatt: Unit of measurement for electrical consumption. One kilowatt = 1,000-Watts (also 1.34 horsepower)

kWh – A kilowatt hour (symbol kWh, kW·h, or kW h) is a unit of energy equal to 1,000 watt-hours, or 3.6 megajoules. kWh is equivalent to the energy consumed by ten 100-watt light bulbs burning for one hour.

Louver (1) – Components made of multiple smaller blades, sometimes adjustable, placed in ducts or duct entries to control the volume of air flow. When used inside of ducts, their function is similar to that of a damper, but they can be manufactured to fit larger openings than a single-piece damper.

Louver (2) – Blades in a rectangular frame placed in doors or walls to permit the movement of air.

Makeup Air Unit – An air handler that conditions 100% outside air. Typically used in industrial or commercial settings, or in "once-through" (blower sections that only blow air one-way into the building), "low flow" (air handling systems that blow air at a low flow rate), or "primary-secondary" (air handling systems that have an air handler or rooftop unit connected to an add-on makeup unit or hood) commercial HVAC systems. Abbr. MAU.

Outside Air Temperature – A measure of the air temperature outside a building. The temperature and humidity of air inside and outside the building are used in enthalpy calculations to determine when outside air can be used for free heating or cooling. Abbreviated OAT.

Power Factor – A measure of the effectiveness with which an electrical device converts volt-amperes to watts; devices with power factors (> 0.90) are "high power factor" devices.

PTAC – Packaged Terminal Air Conditioner - An air conditioner and heater combined into a single, electrically powered unit, typically installed through a wall and often found in hotels. Abbreviated PTAC.

Package Unit – A single unit that consists of the evaporator, condensing coils, heaters, compressor, fan and blower motor all in one unit. (aka rooftop unit).

PG&E – Pacific Gas and Electric Company: The Pacific Gas and Electric Company PG&E is an investor-owned electric utility (IOU) with publicly traded stock that is headquartered in the Pacific Gas & Electric Building in San Francisco. PG&E provides natural gas and electricity to most of the northern two-thirds of California, from Bakersfield almost to the Oregon border which represents 5.2 million households. [4]:27[5] PG&E is overseen by the California Public Utilities Commission (PUC).

Plenum / Plenum Space – An enclosed space inside a building or other structure, used for airflow. Often refers to the space between a dropped ceiling and the structural ceiling, or a raised floor and the hard floor. Distinct from ductwork as a plenum is part of the structure itself. Cable and piping within a plenum must be properly rated for its fire and smoke indices.

PPA – Power Purchase Agreement

Psychrometrics – The study of the behavior of air-water vapor mixtures. Water vapor plays an important role in energy transfer and human comfort in HVAC design.

PV – Photovoltaic

Radiant Floor – A type of radiant heating system where the building floor contains channels or tubes through which hot fluids such as air or water are circulated. The whole floor is evenly heated. Thus, the room is heated from the bottom up. Radiant floor heating eliminates the draft and dust problems associated with forced air heating systems.

Radiation – The transfer of heat directly from one surface to another (without heating the intermediate air acting as a transfer mechanism).

REC – Renewable Energy Credit – The environmental value of the energy produced by a solar PV system or other recognized renewable technology. RECs are gaining popularity. In many places these credits have financial value.

Retrofit – Install new equipment or technology into older existing machines or equipment; modify something by adding newer and more advanced equipment.

ROM – Rough order of magnitude typically +/-30%

SEER – Seasonal Energy Efficiency Ratio – The SEER rating of a unit is the cooling output during a typical cooling-season divided by the total electric energy input during the same period. The higher the unit's SEER rating the more energy efficient it is. In the U.S., the SEER is the ratio of cooling in British thermal units (BTU) to the energy consumed in watt-hours.

SMUD – Sacramento Municipal Utility District: As the nation's sixth-largest community-owned electric service provider, SMUD has been providing low-cost, reliable electricity for more than 65 years to Sacramento County.

Split System – A split system is the combination of an outdoor unit and an indoor unit. This is the most common type of system.

Subcooling – The condition where liquid refrigerant is colder than the minimum temperature required to keep it from boiling which would change it from a liquid to a gas phase. Subcooling is the difference between its saturation temperature and the actual liquid refrigerant temperature.

Superheat – The number of degrees a vapor is above its boiling point at a specific pressure.

Terminal Unit – A small component that contains a heating coil, cooling coil, automatic damper, or some combination of the three. Used to control the temperature of a single room. Abbreviated TU.

Therm(s) – A unit of heat equal to 100,000 British thermal units.

Thermal Zone – An individual space or group of neighboring indoor spaces that the HVAC designer expects will have similar thermal loads. Building codes may require zoning to save energy in commercial buildings. Zones are defined in the building to reduce the number of HVAC subsystems, and thus initial cost. For example, for perimeter offices, rather than one zone for each office, all offices facing west can be combined into one zone.

Thermostat – A thermostat is a system that monitors and regulates a heating or cooling system. It can be used to set the desired temperature at which it keeps the environment either heated or cooled.

THD – Total Harmonic Distortion. A measure of the distortion of an electrical wave form. Excessive THD (defined by ANSI as greater than 32%) may cause adverse effects to the electrical system.

Ton (T) – One ton is equivalent to 12,000 Btu/hr. A ton of refrigeration produces the same amount of cooling energy as one ton of ice melting in a 24-hour period.

TXV – Thermostatic Expansion Valve - A thermostatic expansion valve is a piece of equipment that meters the flow of liquid refrigerant into the evaporator while measuring the vapor refrigerant leaving the evaporator. It thereby controls the superheating at the outlet of the evaporator.

UL – Underwriters Laboratory (safety certifying body.)

VAV – An HVAC system that has a stable supply-air temperature and varies the air flow rate to meet the temperature requirements. Compared to constant air volume systems, these systems conserve energy through lower fan speeds during times of lower temperature control demand. Most new commercial buildings have VAV systems. VAVs may be bypass type or pressure dependent. Pressure dependent type VAVs save energy while both types help in maintaining temperature of the zone that it feeds. Abbreviated VAV.

VOLTS – The SI unit of electromotive force, the difference of potential that would carry one ampere of current against one-ohm resistance. For lighting applications - 120V= residential and light commercial; 277V= commercial and light industrial; 480V= heavy industrial.

VRF – Variable Refrigerant Flow - also known as Variable Refrigerant Volume (VRV), is an HVAC technology invented by Daikin Industries, Ltd. in 1982.[1] Like ductless mini-splits, VRFs use refrigerant as the cooling and heating medium. This refrigerant is conditioned by a single outdoor condensing unit and is circulated within the building to multiple indoor units. VRFs are typically installed with an air conditioner inverter which adds a DC inverter to the compressor in order to support variable motor speed and thus variable refrigerant flow rather than simply perform on/off operation. By operating at varying speeds, VRF units work only at the needed rate allowing for substantial energy savings at load conditions. Heat recovery VRF technology allows individual indoor units to heat or cool as required, while the compressor load benefits from the internal heat recovery. Energy savings of up to 55% are predicted over comparable unitary equipment.[1] [3] This also results in greater control of the building's interior temperature by the building's occupants.

VRT – Variable Refrigerant Temperature - Variable Refrigerant Temperature automatically adjusts the air conditioning system to meet individual building and climate requirements, while significantly cutting energy costs and improving comfort. To achieve the highest levels of seasonal efficiency, the system's capacity is controlled via the inverter compressor and by varying the evaporating (Te) and condensing (Tc) temperature of the refrigerant.

VRV – Variable Refrigerant Volume. (See VRF above)

WATTS – An International System unit of power equal to one joule per second. One thousand Watts equals one-kilowatt. Utility companies typically bill in kilowatt-hour units.

Lighting Terms

BALLAST – A device which provides the necessary starting voltage and appropriate current to a fluorescent or high intensity discharge (HID) luminaire.

BALLAST FACTOR – One of the most important ballast parameters for the lighting designer/engineer is the ballast factor. The ballast factor is needed to determine the light output for a lamp-ballast system. Ballast factor is a measure of the actual lumen output for a specific lamp-ballast system relative to the rated lumen output measured with a reference ballast under ANSI test conditions (open air at 25 degrees C [77 degrees F]). Ballast factor is not a measure of energy efficiency. Although a lower ballast factor reduces lamp lumen output, it also consumes proportionally less input power. As such, careful selection of a lamp-ballast system with a specific ballast factor allows designers to better minimize energy use by "tuning" the lighting levels in the space.

CANDELA – The candela (abbreviation, cd) is the standard unit of luminous intensity in the International System of Units (SI). It is formally defined as the magnitude of an electromagnetic field, in a specified direction, that has a power level of 1/683 watt (1.46 x 10 -3 W) per steradian at a frequency of 540 terahertz (540 THz or 5.40 x 10 14 Hz).

CRI – Color Rendering Index. The ability of a light source to accurately render an object's color in comparison with a natural light source. Measured on a scale of 1 -100 with 100 being the ideal.

CSD – The Certified Lighting Subcomponent Database – The Certified Subcomponent Database (CSD) supports qualification of ENERGY STAR® Luminaires by providing certified performance data for lighting subcomponents.

DAYLIGHT SENSOR – A device which senses the amount of daylight in a room and controls the luminaire accordingly.

DLC – Design Lights Consortium – Association of utility companies used to create and maintain a minimum performance standard for LED luminaires

DRIVER (LED) – An LED driver is a self-contained power supply that has outputs matched to the electrical characteristics of your LED or array of LEDs. Understanding the electrical characteristics of your LED or array is critical in selecting or designing a driver circuit. Drivers should be current-regulated (deliver a consistent current over a range of load voltages). Drivers may also offer dimming by means of pulse width modulation (PWM) circuits. Drivers may have more than one channel for separate control of different LEDs or arrays.

FOOT CANDLE – A foot-candle (abbreviated fc, lm/ft2, or sometimes ft-c) is a non-SI (International Standard of Units) unit of illuminance or light intensity. One foot-candle represents "the illuminance cast on a surface by a one-candela source one foot away."

HI-BAY – Lighting used in industrial applications where the ceiling height is greater than 15 to 20 feet. Common in gymnasiums, big box retail, industrial, warehouse and manufacturing spaces.

HID – High Intensity Discharge lamps. Includes HPS, PSMH, MH and MV lamps.

HPS – High Pressure Sodium HID Lighting.

IC (Insulation Contact) Rated – describes an electrical fixture that does not require a clearance between the fixture and insulation material.

ILLUMINANCE – Light arriving at a surface, expressed in lumens per unit area; 1 lumen per square foot equals 1 foot-candle, while 1 lumen per square meter equals 1lux.

KELVIN (K) – The kelvin is a unit of measure for temperature based upon an absolute scale. This scale is commonly used in lighting to determine the temperature of the light being emitted. Using the Kelvin scale, LED bulbs around 3000 K are warm in color, 3500 K is neutral, and 5000 K is cool in color. LED lights that most closely reflect typical incandescent bulbs are one that rank between 2700 and 2800 on the Kelvin scale.

LLD – Lamp Lumen Depreciation Factor. The multiplier to be used in illumination calculations to relate the initial rated output of light sources to the anticipated minimum rated output based on the relamping program to be used.

LUMEN – The lumen (symbol: lm) is the SI derived unit of luminous flux, a measure of the total quantity of visible light emitted by a source. The lumen can be thought of casually as a measure of the total "amount" of visible light in some defined beam or angle or emitted from some source.

LUMEN DEPRECIATION – The decrease in lumen output of a light source over time; every lamp type has a unique lumen depreciation curve (sometimes called a lumen maintenance curve) depicting the pattern of decreasing light output.

LUMEN MAINTENANCE – The deterioration in the amount of light that is emitted from a lamp over time. A lamp with a good lumen maintenance will emit a consistent amount of light over its lifetime, emitting as much as 90% of its original capability at the end of its lifespan. A lamp with poor lumen maintenance will lose as much as 50% of its ability to emit light over time.

LUMINAIRE – A complete lighting unit which contains a lamp, housing, ballast, sockets and any other necessary components.

LUX – A unit of illuminance equal to 1 lumen per square meter.

MH – Metal Halide HID lighting.

OCCUPANCY SENSOR – A device which activates a fixture upon sensing the presence of a person.

RE-STRIKE – Refers to the restarting of a previously operating lamp shortly after turnoff. Metal halide lamps typically require a minimum of 4-15 minutes to restart after turn-off.

RLO – Relative Light Output. The ratio of light output between a fixture's potential light output at optimum ambient temperatures and actual light output at actual ambient temperatures. For example, if a fixture at its optimal temperature of 75°F produces 10,000 Lumens and 8,000 Lumens 50°F, that fixture's RLO at 50°F is 8,000 Lumens ÷ 10,000 Lumens, or 80%.

PSMH – Pulse Start Metal Halide HID Lighting.

SELF BALLASTED – A self-ballasted bulb is one that has an integral ballast and bulb as a single component. Example- most CFL bulbs are self-ballasted and most linear lamps are not self-ballasted.

T5 – 5/8″ diameter fluorescent lamp tubes. "T" stands for tubular, while the number "5" stands for the 5 in 5/8″. Therefore, a T8 lamp would be a Tubular 8/8″, or 1″ diameter lamp.

T8 – 1″ diameter fluorescent lamp tubes.

T12 – 1 1/2″ diameter fluorescent lamp tubes.

TROFFER – A recessed luminaire shaped like an inverted trough used to enclose and reflect fluorescent lamps.

ITEM #15

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, City Manager

BY: Eva Sahagun, Risk Manager

SUBJECT: Request for Proposals (RFP) for Third Party Administrator (TPA) for the City's Self-Funded General Liability Program

DATE: January 22, 2020

RECOMMENDATION:

It is recommended that the City Council authorize City Staff to issue a Request for Proposals (RFP) for General Liability Claims Third Party Administration (TPA).

BACKGROUND:

The City's current TPA agreement with Sedgwick (formerly York Risk Services Group) was effective September 15, 2017, for one year through September 15, 2018, with option to extend for up to two (2) additional one (1) year terms. The 1st year term amendment ended September 15, 2019, a 2nd amendment was not initiated. To date, the City has been operating on a month-to-month contractual basis since September 15, 2019 in order to continue providing third party administration services for the City's self-insured general liability claims administration program.

Due to the contract's current status and the Human Resources Department's most recent addition of a Risk Manager dedicated to oversee this program, this is an opportunity for the City to re-evaluate the partnership and work towards establishing a program that will deliver objective and measurable results that will reduce the cost and duration of general liability claims, provide claims processing in a timely and professional manner, and actively pursue subrogation.

FISCAL IMPACT:

Expenses related to the general liabilities third party administrator are budgeted on an annual basis. The solicitation of an RFP for these services poses no additional fiscal impact on the City.

SUMMARY:

Staff recognizes that this is an opportune time to re-evaluate the City's general liability claims administration program. With this RFP, staff aims to assess the current marketplace for general liability third party claims administration services and improve the City's current program in regards to its overall quality, cost, and responsiveness.

The proposed timeline for completing this RFP and commencing a new agreement for these services is July 1, 2020.

ATTACHMENT:

Request for Proposals No. 19-60

City of Montebello

Request for Proposals (RFP) No. 19-60

Third Party General Liability Claims Administration

DUE: FEBRUARY 20, 2020

City of Montebello

1600 W. Beverly Blvd.

Montebello, CA 90640

Phone: (323) 887-1200

GENERAL LIABILITY CLAIMS ADMINISTRATION
REQUEST FOR PROPOSAL (RFP)

1. INTRODUCTION AND PROJECT

The City of Montebello ("City") is requesting proposals from qualified Third Party General Liability Claim Administrators ("Proposer(s)"). As a self-insured public entity, the City contracts with a third party general liability claims administrator that has personnel with specialized skills and knowledge of the laws and practices relating to professional property and causality insurance brokering services, loss control, claims servicing, and administration in a municipal government setting.

The City will select and enter into a contract with a successful Proposer ("Administrator"), based on demonstrated competence and a cost effective approach to review, conduct, and assist in the administration of the City's general liability claims. The contract shall be for one year term, with two (2) optional extensions of one (1) year each.

2. BACKGROUND

Montebello (Italian for beautiful mountain) is a city in Los Angeles County, California, United States, located in the southwestern area of the San Gabriel Valley encompassing 8.4 miles and east of downtown Los Angeles.

Council/Manager Government: The City Council consists of five members elected from the City at-large, who serve four-year staggered terms. The City Council annually appoints a Mayor and a Mayor Pro Tem from its own membership to serve one-year terms. The City Council selects and appoints a City Manager who serves as the Chief Executive Officer.

Labor Force: Montebello has approximately 500 employees, and provides full service functions through the following City offices and departments:

City Administration
Finance
Fire
Human Resources
Planning & Community Development
Recreation & Community Services
Police
Public Works
Transit Operations

3. DESIRED SERVICES

The City seeks to contract with one provider for claims administration services that can deliver outstanding customer service and provide a high quality, comprehensive program including the investigation, adjustment, processing, supervision and resolution of claims asserted by third parties against the City, its officers, agents and employees. The third party administrator shall have personnel with specialized skills and certifications required to effectively and efficiently handle general liability claims caseloads. The City is looking for a TPA partnership to provide liability claims administration services in support of improving claims handling and management, increasing program efficiencies, reducing litigation, improving internal controls, increasing fiscal transparency, reducing program liabilities and costs, and establishing sound fiduciary responsibilities and controls.

4. SCOPE OF SERVICES REQUIRED

The third-party administrator awarded these services through this RFP shall be required to provide the following tort claim management services:

- Claims Administration (from claim inception to disposition)
- Liability and claims investigations
- Negotiation of claim settlements
- Assumption of the handling of existing open claims
- Review of all relevant law firm invoices
- Reporting to the City's excess General Liability carrier

A. Program Administration: Program administration services shall, at a minimum, include the following:

1. Provide professional and technical staff to perform the services as agreed upon under separate contract with the City and this Request for Proposal.
2. Represent the City in all matters related to the set-up, investigation, adjustment, processing, negotiation and resolution of liability claims against the City.
3. Inform the City of changes or proposed changes in statutes, rules and regulations and case law affecting the general liability program.
4. Assist in the development of policies and procedures relating to the general liability claims program.
5. Provide information and guidance regarding the general liability program and specified claims.
6. Inform the City of problem areas or trends, both potential and perceived, and provide recommendations and/or solutions to address problem areas or trends.
7. Provide copies of file correspondence and documentation as requested.
8. Attend appointments, including but not limited to meetings, conferences,

court appearances, and scene investigations at the request of the City.

9. Provide 24-hour on-call service. This can be accomplished by providing the City with a 24-hour phone number, pager, beeper or telephone number for key personnel. The 24-hour on-call service may include, but not be limited to, responding to an incident scene, attending meetings, and conducting investigations.
10. Conduct risk management related seminars for department heads and/or the City staff at request of the City up to four times a year.
11. The TPA shall conduct quarterly program analyses and status meetings, or more frequently if requested, with the City to discuss case status, issues, and trends based on the TPA's analysis of the program. TPA shall also recommend loss controls and solutions to the City based on its quarterly program analyses.
12. The TPA shall provide the City with regular loss reports, as requested by the City, and provide special reports at no, or reasonable, additional expense, when requested.

B. Claims Administration: Claims administration services shall, at a minimum, include the following:

1. Create and enter new claim files into the computer within 48 hours of receipt of loss notice from the City.
2. Review all new claims for liability and provide an assessment of liability to the City no later than 15 days from receipt of loss notice from the City.
3. Tender claims to other potentially responsible parties.
4. Process all claims in accordance with the City's instructions and policies.
5. At the direction of the City, contact claimant, or their attorney, within five (5) days of receipt of claim and maintain appropriate contact until the claim is closed.
6. Review status of claims and adequacy of reserves on all active cases at least every 90 days.
7. Provide narrative reports to the City when recommending disposition of a claim, when a claim goes to trial, or any other significant events that have or will occur. Reports must be clear and concise and be provided in a format as approved by the City.
8. Negotiate settlements within authority limits.
9. Obtain a signed release upon settlement of claims.
10. Review vendors for appropriateness of work and cost-effectiveness.
11. Diary all files at appropriate intervals to allow for timely completion of required activity.
12. Files will clearly and concisely document action taken on the claim.
13. Identify potential sources of subrogation recovery.
14. Telephone calls from the City staff, claimants or claimant's attorneys shall be returned within 24 hours. If the Administrator's appropriate staff member called is not available to return the call within this time frame, another designated staff member shall return the call.

C. **Investigations:** Investigative services shall, at a minimum, include the following:

1. Take statement of facts from all claimants when not represented by an attorney or with the attorney's permission. Statements will be preserved by recording or by taking hand written signed statements.
2. As warranted, conduct further investigation of a claim and advise the City when further investigation is deemed warranted. Further investigation may include, but not be limited to, on-site investigation, photographs, interviewing witnesses, verification of damage or loss, taking measurements, obtaining maps/diagrams from the City or other sources, obtaining medical releases, police reports, paramedics reports, marine department or other reports as may be necessary, obtaining building permits or other records as required.
3. If claimant is represented by an attorney, direct all communication to the claimant's attorney regarding the investigation, negotiation, and evaluation of any claims leading to a settlement as may be appropriate.
4. Report all Bodily Injury claims to the Index Bureau. Conduct Index Bureau searches for repeat claimants. Conduct additional Index Bureau searches at request of the City.
5. Obtain approval from the City before engaging the services of an outside vendor for an investigative assignment.
6. At the request of the City, investigate inverse condemnation claims.
7. Arrange, with prior the City approval, for expert services including but not limited to professional photography, independent medical examinations, professional engineering services, and laboratory services.

D. **Litigation Management:** Litigation management services shall, at a minimum, include the following:

1. As requested by the City, the Administrator shall contact the City Attorney assigned to handle the case and provide any and all information concerning the claim and investigation.
2. Maintain liaison with the City Attorney's Office and any outside defense counsel and provide such investigation as required during the entire litigation process, including but not limited to additional investigations for pre-trial and trial that may be requested by either the City Attorney's Office or defense counsel.
3. Assist the City Attorney and defense counsel in preparing and/or answering discovery as requested.
4. Assist the City personnel in Small Claims Court actions filed by and against the City, including but not limited to, obtaining witness information, evidence, assistance in preparing the case for trial and appearance at the trial if deemed necessary by the City.

E. **Statistical Reports:** Administrator shall, at a minimum, include the following:

1. Specified standard reports must be received within 10 days after the end of the month/quarter, as mutually agreed upon by the parties.
2. Submit monthly reports during the term of the agreement. The monthly reports shall indicate the status and detail of every open claim assigned to the Administrator, including but not limited to the reserves assigned for each claim, summary of each loss by type, department, year, litigation status, and coded as to cause.
3. The Administrator will enter into its computer any and all files handled in-house by the City. The City will provide the Administrator with all information necessary for such input.
4. Special reports to be provided as requested by the City.

F. **Excess Insurance Reporting:** Administrator shall, at a minimum, provide the following services regarding excess insurance reporting:

1. Report to any excess insurance carrier(s) in accordance with policy provisions. The City will provide the names and addresses of excess insurance carriers. Provide the City with written notification that the required notice has been made to the excess carrier within ten (10) days of the notice of claim.
2. Seek reimbursement from the excess insurance carrier for any losses in excess of the City's self-insured retention.

5. INQUIRIES

Montebello City Code prohibits any unauthorized contact by the bidder during the bid or proposal process with an official or city employee, other than the Finance Director, City Manager or Human Resources Director. Contact with any official or employee other than the foregoing shall cause the bidder to be immediately disqualified from consideration of award.

6. QUALIFICATIONS & CRITERIA

A. **Qualifications:** The City of Montebello will select one firm for all of the outlined Scope of Services on the basis of qualifications, experience, and cost. The following are the minimum qualifications to be used to evaluate responses to this Request for Proposal:

1. The proposer has advanced knowledge of the administrative requirements, laws and practices relating to General Liability Claims Administration within a municipal government setting.

2. The proposer has a demonstrated track record of success in handling all aspects of General Liability Claims Administration and at least five (5) years providing these services to public entities in the State of California.

3. Each proposer shall provide at least three (3) references, preferably from governmental entities, for relevant work performed in the past five (5) years. When possible, include references from cities of a similar character to Montebello (i.e., full-service cities). If the proposer does not have three (3) governmental entity references, references from private sector entities may be provided.

4. The proposer must demonstrate understanding of the assignment and knowledge of the skills necessary to serve in the role of General Liability Claims Administrator.

5. Demonstrated experience in assisting other municipalities with the development and/or administration of self-insured general liability claims strategies.

B. Selection Criteria: The City will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. All proposals received from vendors will be reviewed and evaluated by a committee of qualified City personnel. The name, information, or experience of the individual committee members will not be made available to any vendor. The Evaluation Committee will first review and screen all proposals submitted according to the minimum qualifications set forth above. The following criteria will be used in reviewing, comparing and scoring the proposals:

1. Overall responsiveness and fit to the requirements of the RFP.

2. Cost and quality of proposed services, including:
   a. Responsiveness to the scope of services; and
   b. Proposed service methodologies;
   c. Proposed fees and costs of services.

3. Proven experience and expertise with:
   a. California municipalities and/or counties;
   b. Conducting work of similar scope, complexity, and magnitude for other public agencies of similar size;
   d. Assessing, planning, developing, and implementing loss controls and solutions programs for municipalities similar in scope and size to the City of Montebello.

4. Staffing:
    a. Staff qualifications;
    b. Staff expertise and experience;
    c. File/case volume;
    d. Turnover.

5. Financial and Statistical reports that include:
    a. Summary and detail reports;
    b. Weekly, monthly, and annual financial reports, including:
        i. Payment registers;
        ii. Outstanding claims and incurred loss reports;
        iii. Multi-year, comprehensive reports.
    c. Statistical reports, including:
        i. Utilization reports;
        ii. Frequency reports;
        iii. Probability reports;
    d. Customized program reports on request.

6. Location of office:
    a. Proximity to the City of Montebello;
    b. Accessibility of firm's staff.

7. Web-based applications, with employer and employee access portals, for:
    a. Claims management;
    b. Registration, claim filing, and document uploads and downloads;
    c. User guides, references, and FAQ sheets.

8. Business References

9. Industry Credentials

10. Reputation

11. Financial Stability

12. Timeline: The City anticipates the following 2020 timeline:

    Council Meeting to Approve RFP……………………..January 22
    RFP Official Release Date…………………………...January 23
    Questions and Clarification Period………………….February 3 - 7

City Posts Responses to Q's & C's…………………February 13
RFP Closing………..……………………………….February 20 @ 5pm
RFP Evaluation Period……………………………….February 24 - 27
Interviews (if necessary)……………………………..March 2 - 3
Negotiate and Execute Final Contract……………...March 4 - 12
Council Meeting to Award RFP……………………...March 25
Program Transition and Prep Period……………….April 10 - June 30
Contract Start Date…………………………………….July 1

The CITY reserves the right to cancel, change and/or modify the above dates at any time.

7. FORMAT AND DELIVERY OF RESPONSE

Proposals will be received through 5:00 p.m. on February 20, 2020. Only one (1) electronic copy is required to be submitted via PlanetBids:

A. **Proposal Submittals:** All proposals must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.cityofmontebello.com/rfp-bids/bid-opportunities.html. All Prospective Proposers must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

There is no fee to register and bid on this Request for Proposals.

Questions during the solicitation period shall be submitted through Planet Bids or by email, and may be addressed to:

City of Montebello
Human Resources
Eva Sahagun, Risk Manager
esahagun@cityofmontebello.com

The RFP shall include the following:

B. **Cover Letter:** All proposals shall include a cover letter which states that the proposal shall remain valid for a period of not less than ninety (90) days from the date of submittal. If the proposal contemplates the use of sub-contractors, the sub-contractors shall be identified in the cover letter. If the proposal is submitted by a business entity, the cover letter shall be signed by an officer authorized to contractually bind the business entity. With respect to the business entity, the cover letter shall also include: the identification of the business entity, including the name, address and telephone number of the business entity; and the name, title, address and telephone number of a contact person during the proposal evaluation period.

C. **Introduction:** Present an introduction of the proposal and your understanding of the assignment and significant steps, methods and procedures to be employed by the proposer to ensure quality deliverables that can be delivered within the required time frames and your identified budget.

D. **General Scope of Work:** Briefly summarize the scope of work as the proposer perceives or envisions it for each Service Area proposed.

E. **Work Plan:** Present concepts for conducting the work plan and interrelationship of all products. Define the scope of each task including the depth and scope of analysis or research proposed including claims procedures, staffing, data management, and financial/banking options available.

F. **Fees and costs:** Although an important aspect of consideration, the financial cost estimate will not be the sole justification for consideration. Negotiations may or may not be conducted with the proposer; therefore, the proposal submitted should contain the proposer's most favorable terms and conditions, since selection and award may be made without discussion with any firm. All prices should reflect "not to exceed" amounts per item.

G. **Ability of the Proposer to Perform:** Provide a detailed description of the proposer and his/her/its qualifications, including names, titles, detailed professional resumes and experience in similar work efforts/products of key personnel who will be working on the assignment. Provide a list of specific related work projects that have been completed by the proposer which are directly related to the assignment described in this RFP. Note the specific individuals who completed such project(s). Identify role and responsibility of each member of the project team. Include the amount of time key personnel will be involved in the respective portions of the assignment. Respondents are encouraged to supply relevant examples of their professional product. Provide a list of references.

   The selected firm shall not subcontract any work under the RFP nor assign any work without the prior written consent of the City.

H. **Affidavit of Non-Collusion:** Proposer must submit a completed and signed, "Affidavit of Non-Collusion." (Copy Attached as Exhibit A).

8. <u>ADDENDA, CHANGES, AND AMENDMENTS TO THIS SOLICITATION</u>

At any time prior to the due date for responses, the City may make changes, amendments, and addenda to this solicitation, including changing the date due to allow respondents time to address such changes. Addenda, changes, and amendments, if made, will be posted on the City's website (www.cityofmontebello.com), which is deemed adequate notice. A proposer may make a request to the City's project coordinator to be placed on a list of persons to receive notice of any such addenda, changes, or amendments. The preferred manner of communications is via e-mail due to its timeliness.

9. CONDITIONS FOR RESPONSES TO RFP

The following conditions apply to this RFP process:

A. Nothing contained in this RFP shall create any contractual relationship between the respondent and the City.
B. This RFP does not obligate the City to establish a list of service providers qualified as prime contractors or award a contract to any respondent. The City reserves the right to amend or cancel this RFP without prior notice, at any time, at its sole discretion.
C. The City shall not be liable for any expenses incurred by any individual or organization in connection with this RFP.
D. No conversations or agreements with any officer, agent, or employee of the City shall affect or modify any terms of this RFP. Oral communications or any written/e-mail materials provided by any person other than designated contact staff of City shall not be considered binding.
E. The City reserves the right, in its sole discretion, to accept or reject any or all Proposals without prior notice and to waive any minor irregularities or defects in a Proposal. The City reserves the right to seek clarification on a Proposal with any source.
F. The dates, times, and sequence of events related to this RFP shall ultimately be determined by the City. The schedule shown above is subject to change, at the sole discretion of the City, although the City will attempt to follow it and, if it must be altered, will attempt to provide reasonable notice of the changes.
G. Respondents shall not issue any news release pertaining to this RFP, or the City without prior written approval of the City.
H. All submitted proposals and information included therein or attached thereto shall become public record upon completion of the RFP process.

10. RIGHT BY THE CITY TO WITHDRAW THIS REQUEST

The City may, at its sole discretion and for any reason whatsoever, withdraw this solicitation at any time.

11. STANDARD TERMS AND CONDITIONS

Prior to the award of any work hereunder, City and proposer shall enter into the written contract attached hereto, for services, substantially in the form and containing the terms and conditions set forth in Exhibit B. Proposers responding to this RFP are strongly advised to review all the terms and conditions of the Contract. The anticipated contract period shall be for a three (3) year service contract with two (2) one-year renewal options.

[END OF REQUEST FOR PROPOSALS]

EXHIBIT A

AFFIDAVIT OF NON-COLLUSION

AFFIDAVIT OF NON-COLLUSION BY CONTRACTOR

STATE OF CALIFORNIA)

) ss

COUNTY OF LOS ANGELES)

____, being first duly sworn deposes and says that he/she is ____ (Insert "Sole Owner", "Partner", "President, "Secretary", or other proper title)

of____

(Insert name of bidder)

Who submits herewith to the City of Montebello a proposal;

That all statements of fact in such proposal are true;

That such proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation;

That such proposal is genuine and not collusive or sham;

That said bidder has not, directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the City of Montebello, or of any other bidder or anyone else interested in the proposed contract; and further

That prior to the public opening and reading of proposals, said bidder:

a. Did not directly or indirectly, induce or solicit anyone else to submit a false or sham proposal;

b. Did not directly or indirectly, collude, conspire, connive or agree with anyone else that said bidder or anyone else would submit a false or sham proposal, or that anyone should refrain from bidding or withdraw his proposal;

c. Did not, in any manner, directly or indirectly seek by agreement, communication or conference with anyone to raise or fix the proposal price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of his proposal price, or of that of anyone else;

d. Did not, directly or indirectly, submit his proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, or to any individual or group of individuals, except the City of Montebello, or to any person or persons who have a partnership or other financial interest with said bidder in his business.

I certify under penalty of perjury under the laws of the State of California that the above information is correct

By:__________________Title:________________Date:____________________

EXHIBIT B

PROFESSIONAL SERVICES AGREEMENT

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO.

BY AND BETWEEN

CITY OF MONTEBELLO

AND

[CONSULTANT NAME]

CONSULTANTS

THIS AGREEMENT ("Agreement") is made and entered into on _______, 20__, by the CITY OF MONTEBELLO, a municipal corporation (hereinafter referred to as "CITY") and [NAME OF CONSULTANT] (hereinafter referred to as "CONSULTANT"). CITY and CONSULTANT are sometimes referred to herein individual as a "Party," and jointly as the "Parties."

RECITALS

WHEREAS, CITY desires to retain a qualified professional consultant to assist CITY in evaluating alternative approaches to the management of its water system; and

WHEREAS, CONSULTANT represents the degree of specialized expertise contemplated within California Government Code, Section 37103, and is qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, no official or employee of CITY has a financial interest, within the provisions of Sections 1090 – 1092 of the California Government Code, in the subject matter of this Agreement; and

DELETE THE FOLLOWING "**WHEREAS**" PARAGRAPH IF PSA AWARDED WITHOUT RFP PROCESS

WHEREAS, CONSULTANT responded to CITY's Request for Proposals dated [DATE] (RFP No. [X]), as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Consultant Proposal").

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. <u>SERVICES / COMPENSATION.</u>

A. CONSULTANT shall provide to CITY those services that are set forth fully in the Scope of Services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

B. CONSULTANT shall complete the Scope of Services within the time set forth in the Schedule of Performance, as such is set forth in **Exhibit "B"** hereto and incorporated fully herein by this reference.

B. CONSULTANT shall be compensated a sum not-to-exceed (the "Maximum Compensation") for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "C"** and incorporated fully herein by this reference ("Compensation"). CONSULTANT shall provide an itemized billing statement to CITY each month for Professional Services performed. CONSULTANT shall not incur fees or costs which exceed the Maximum Compensation without the prior written consent of CITY.

C. CITY will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.

D. Work performed shall be deemed approved and accepted by CITY as and when invoiced unless CITY objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CITY believes such work is incomplete or defective, and the invoice amount(s) in dispute. CITY shall pay undisputed amounts as provided for in the preceding paragraph.

E. Failure of CITY to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.

SECTION 2. <u>TERM.</u>

This Agreement shall commence upon the date the last of the Parties executes this Agreement hereinbelow ("Effective Date"), and shall terminate upon completion of the Scope of Services set forth herein, unless terminated sooner as provided in Section 7 herein.

[OPTIONAL LANGUAGE IF EXTENSIONS PERMITTED]: Thereafter, this Agreement may be extended for a maximum of [SPELL OUT NUMBER] (#) successive one (1) year periods. Such extensions, if any, will be evidenced by a written amendment to this Agreement].

The Parties agree that Sections 4(B), 9, 10, 11, 13, 16, 17, 18, and 19 shall survive for three (3) years following the expiration or termination of this Agreement.

SECTION 3. <u>PERFORMANCE.</u>

A. CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

B. CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

C. CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

D. CONSULTANT shall have the right to retain, subject to CITY's written approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of CONSULTANT.

E. CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three (3) years, unless otherwise provided for in **Exhibit "A."** Upon CITY providing twenty-four (24) hours advanced prior notice, CONSULTANT shall make all records, invoices, time cards, cost control sheets and other records maintained by CONSULTANT in connection with this Agreement available during CONSULTANT's regular working hours to CITY for review and audit by CITY.

F. All reports, documents or other written material developed by CONSULTANT in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. Such material shall not be the subject of a copyright application by CONSULTANT. Any alteration or reuse by CITY of any such materials on any project other than the Project shall be at CITY's sole risk, unless CITY compensates CONSULTANT for such reuse.

SECTION 4. WORK PRODUCT.

A. CONSULTANT hereby agrees that all work produced pursuant to this Agreement, and provided to CITY during and upon completion of this Agreement, shall be the property of CITY, and ownership of said work product shall be retained by CITY. CONSULTANT may take and retain copies of such written products as desired.

B. All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

C. Documents are provided in CONSULTANT's standard software formats. CITY recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CITY's software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CITY agrees to defend indemnify and hold CONSULTANT, its sub-contractors, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.

SECTION 5. EXTRA SERVICES.

No extra services over and above the Compensation shall be rendered by CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by CITY's City Administrator ("City Administrator").

SECTION 6. CITY SUPERVISION.

The City Administrator shall have the right of general supervision of all work performed by CONSULTANT and shall be CITY's agent with respect to obtaining CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Administrator.

SECTION 7. TERMINATION.

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by CONSULTANT, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of CONSULTANT. CONSULTANT and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, CONSULTANT shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

B. Termination for Convenience. CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving written notice to CONSULTANT at least five (5) business days before the termination is to be effective. Upon the termination of this Agreement as provided herein, CITY shall provide to CONSULTANT the part of Compensation which would otherwise be payable to CONSULTANT for services CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that CONSULTANT shall be reimbursed for any “non-refundable” costs that CONSULTANT has incurred for its services under this Agreement, provided that: (1) such “non- refundable” costs were incurred by CONSULTANT prior to the date of termination; (2) that CONSULTANT provides CITY with adequate proof that CONSULTANT incurred the costs, and is unable to be seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such “non-refundable” costs may include, but are not limited to, travel reservations incurred by CONSULTANT for its performance of services under this Agreement. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 8. <u>EMPLOYMENT OF CITY EMPLOYEES.</u>

No regular employee of CITY shall be employed by CONSULTANT during the Term of this Agreement.

SECTION 9. <u>NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.</u>

No official or employee of CITY shall be personally liable to CONSULTANT in the event of any default or breach by CITY, or for any amount which may become due to CONSULTANT.

SECTION 10. <u>INDEPENDENT CONTRACTOR.</u>

A. CONSULTANT is and shall, at all times, remain as to CITY a wholly independent contractor. Neither CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of CONSULTANT except as expressly set forth in this Agreement. CONSULTANT shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of CITY. No employee benefits shall be available to CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONSULTANT for performance hereunder for CITY. CITY shall not be liable for compensation to CONSULTANT, CONSULTANT's employees or CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

B. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

C. CITY shall not deduct from the Compensation paid to CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONSULTANT. CITY shall have no responsibility to provide CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 11. <u>PERS ELIGIBILITY INDEMNITY.</u>

A. In the event that CONSULTANT or any employee, agent, or subcontractor of CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of CITY, CONSULTANT shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 12. <u>LEGAL RESPONSIBILITIES.</u>

CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of CONSULTANT to comply with this section.

SECTION 13. <u>INDEMNIFICATION.</u>

CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONSULTANT'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of CITY.

SECTION 14. <u>INSURANCE COVERAGE.</u>

During the Term of this Agreement, CONSULTANT shall carry, maintain, and keep in full force and effect all of the following minimum scope of insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL)**: Broad-form, Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury, with limits no less than **Two Million Dollars and Zero Cents** ($2,000,000), combined single limits, per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Business Automobile Liability Insurance:** For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **One Million Dollars and Zero Cents** ($1,000,000.00) per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **One Million Dollars and Zero Cents** ($1,000,000.00) per accident for bodily injury or disease. CONSULTANT agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by CONSULTANT for CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

By executing this Agreement, CONSULTANT further certifies as follows:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work contemplated herein.

- **Professional Errors and Omissions (E&O) Liability** insurance appropriate to the CONSULTANT's profession, with limit no less than **Two Million Dollars and Zero Cents** ($2,000,000.00) per occurrence or claim, **Two Million Dollars and Zero Cents** ($2,000,000.00) aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retroactivity date shall be prior to the start of work set forth herein, CONSULTANT shall obtain and maintain said E&O liability insurance during the Term of this Agreement and for five (5) years after completion of work hereunder. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, CONSULTANT shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.

If CONSULTANT maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A:VII in the latest edition of Best's Insurance Guide, and approved by CITY.

Each insurance policy required herein shall state that coverage shall not be canceled, except after providing CITY thirty (30) days' (or ten [10] calendar days' for non-payment) prior written notice. CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at CONSULTANT'S expense, the premium thereon.

At all times during the Term of this Agreement, CONSULTANT shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming CITY, its officers, agents, employees and volunteers as an additional insured. CONSULTANT shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

CONSULTANT shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

Except for professional liability and workers' compensation policies, the policies herein are primary and non-contributing with any insurance that may be carried by CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT, and CONSULTANT's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CITY has received a waiver if subrogation endorsement from the insurer.

Coverage not affected. Any failure to comply with the reporting provisions of the policies contemplated herein, shall not affect coverage provided to CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers.

Coverage applies separately. CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by CONSULTANT shall not be construed as a limitation of CONSULTANT's liability or as fall performance of CONSULTANT's duties to indemnify, hold harmless and defend under Section 9 of this Agreement.

CITY, its officers and employees shall not be responsible for any claims in law or in equity occasioned by failure of CONSULTANT to comply with this section.

CITY reserves the right to modify these requirements, including limits, based on the nature of risk, prior experience, insurer, coverage, or other special circumstances.

SECTION 15. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONSULTANT and shall not bind or purport to bind CITY and shall not release CONSULTANT from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONSULTANT under the Agreement.

SECTION 16. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 17. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 18. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 19. <u>WARRANTIES.</u>

Each of the parties represents and warrants to one another as follows:

A. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;

B. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and

C. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 20. <u>MISCELLANEOUS.</u>

A. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

B. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

C. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

D. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

E. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

F. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

G. To the extent of a conflict between the terms of this Agreement and those set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

SECTION 21. NOTICE.

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY ADMINISTRATOR	CONSULTANT
City of Montebello	______________________
1600 West Beverly Boulevard	______________________
Montebello, California 90640	______________________

SECTION 22. NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.

In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONSULTANT will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. CONFLICT OF INTEREST.

CONSULTANT and its officers, employees, associates and subconsultants, if any, shall comply with all California conflict of interest statutes applicable to Consultant's Services under this Agreement, including, but not limited to, the Political Reform Act (Gov. Code, § 81000 et seq.) and Government Code Section 1090. CONSULTANT further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY as a result of the performance of this Agreement, or the services that may be procured by CITY as a result of the recommendations made by CONSULTANT. CONSULTANT's covenant under this section shall survive the termination of this Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between CITY and CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

CITY OF MONTEBELLO	**CONSULTANT**
______________________	______________________
René Bobadilla City Manager	Name and Title
Dated: _____________	Dated: _____________

ATTEST:

____
Irma Barajas
City Clerk

APPROVED AS TO FORM

____
Arnold M. Alvarez-Glasman
City Attorney

Exhibit “A”

Scope of Services

Exhibit "B"

Schedule of Performance

Exhibit "C"

Schedule of Compensation

EXHIBIT D TO CONTRACT

EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS

A. Contractor certifies and represents that, during the performance of this Agreement, the contractor and each subcontractor shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, religious creed, color, national origin, ancestry, handicap, sex, or age. Contractor further certifies that it will not maintain any segregated facilities.

B. Contractor agrees that it shall, in all solicitations or advertisements for applicants for employment placed by or on behalf of Contractor, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, religious creed, color, national origin, ancestry, handicap, sex or age.

C. Contractor agrees that it shall, if requested to do so by the City, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their membership in a protected class.

D. Contractor agrees to provide the City with access to, and, if requested to do so by City, through its awarding authority, provide copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.

E. Nothing contained in this Agreement shall be construed in any manner as to require or permit any act which is prohibited by law.

4828-0306-9988, v. 1

ITEM #16

CITY OF MONTEBELLO
CITY COUNCIL AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, City Manager

BY: Eva Sahagun, Risk Manager

SUBJECT: Request for Proposals (RFP) for Third Party Administrator (TPA) for the City's Self-Funded Workers Compensation Program

DATE: January 22, 2020

RECOMMENDATION:

It is recommended that the City Council authorize City Staff to issue a Request for Proposals (RFP) for Workers' Compensation Third Party Administration (TPA).

BACKGROUND:

The City's current TPA agreement with Sedgwick (formerly York Risk Services Group) was effective January 1, 2017, for one year through January 1, 2018 with option to extend for up to two (2) additional one (1) year terms. The 2nd one-year term ended on January 1, 2020, at which time the City will be on a month-to-month contractual basis to continue providing third party administration services for the City's self-insured workers' compensation program.

Due to the timing of the current contract extension ending and the Human Resources Department's most recent addition of a Risk Manager dedicated to oversee this program, this is an opportunity for the City to re-evaluate the partnership and work towards establishing a program that will deliver objective and measurable results that will reduce the cost and duration of workers' compensation claims, provide claims processing in a timely and professional manner, actively pursue subrogation, assist in returning injured employees back to work and maintain strong communications with the injured worker and the City.

FISCAL IMPACT:

Expenses related to the worker's compensation third party administrator are budgeted on an annual basis. The solicitation of an RFP for these services poses no additional fiscal impact to the City.

SUMMARY:

Staff recognizes that this is an opportune time to re-evaluate the City's workers' compensation program. With this RFP, staff aims to assess the current marketplace for workers' compensation third party administration services and improve the City's current workers' compensation program in regards to its overall quality, cost, and responsiveness.

The proposed timeline for completing this RFP and commencing a new agreement for these services is July 1, 2020.

ATTACHMENT:

Request for Proposals No. 19-61

City of Montebello

Request for Proposals (RFP) No.19-61

WORKERS' COMPENSATION THIRD PARTY ADMINISTRATION SERVICES

DUE FEBRUARY 20, 2020

City of Montebello

1600 W. Beverly Blvd.

Montebello, CA 90640

Phone: (323) 887-1200

CITY OF MONTEBELLO REQUEST FOR PROPOSALS

WORKERS' COMPENSATION THIRD PARTY ADMINISTRATION SERVICES

1. INTRODUCTION AND PROJECT

The City of Montebello is seeking proposals from qualified firms to provide third party administration (TPA) services for the City's Self-Insured Workers' Compensation Program. The City seeks a firm that can provide a high quality, comprehensive program to include Program Administration, Claims Administration, Claim Management Reporting, Data Conversion, and Financial Management. The City's self-insured workers' compensation program provides a comprehensive array of services through its third party administer. The third party administrator shall have personnel with specialized skills and certifications required to effectively and efficiently handle workers' compensation claims caseloads. Specifically, they work with injured employees, medical providers and attorneys in investigating, negotiating and settling claims made by injured employees. The third party administrator acts as the primary claims handler and serves in an advisory role to the City by making recommendations on the appropriate disposition (settlement or denial) of claims.

The City will select one firm, based on demonstrated competence and a cost effective approach to review, conduct, and assist in the administration of the City's workers' compensation claims.

2. CITY BACKGROUND

Montebello (Italian for beautiful mountain) is a city in Los Angeles County, California, United States, located in the southwestern area of the San Gabriel Valley encompassing 8.4 miles and east of downtown Los Angeles.

Council/Manager Government: The City Council consists of five members elected from the City at-large, who serve four-year staggered terms. The City Council annually appoints a Mayor and a Mayor Pro Tem from its own membership to serve one-year terms. The City Council selects and appoints a City Manager who serves as the Chief Executive Officer.

Labor Force: Montebello has approximately 500 employees, and provides full service functions through the following City offices and departments:

- City Administration
- Finance
- Fire
- Human Resources
- Planning & Community Development
- Recreation & Community Services
- Police
- Public Works
- Transit Operations

3. DESIRED SERVICES

The City seeks to contract with one provider for claims administration services. The City desires prompt, accurate claims handling and reporting. Administrative legal support required in the daily administration of claims is expected to be included within the scope of services provided by the selected Claims Administrator. The Claims Administrator will be expected to provide initial training for all designated City staff on the claim's submission process and forms, as well as ongoing training as required. The Claims Administrator will be expected to provide the City with loss control data and other cost control methods and services. Transfer of claims from the City's current Claims Administrator will be required.

4. SCOPE OF SERVICES REQUIRED

The City is seeking the services of a highly qualified firm that is well versed in regulations governing a self-insured workers compensation program, to assist in claims administration and maintenance. The City is particularly interested in a firm that can offer creative and innovative approaches, with a proven track record, that allows the City to maintain a quality worker's compensation program and contain or reduce costs.

The Third Party Administrator shall provide the following services for the City's self-insured workers' compensation program:

1. Claims Administration
    - Claims Administration (from claim inception to disposition)
    - Medical Provider Network (MPN)
    - Managed Care Services, which shall include:
        - Medical Billing Reviews
        - Utilization Reviews
        - Field Nurse Case Management
        - Telephonic Nurse Case Management
        - Pharmacy Card Services

2. Claims Personnel

- Dedicated Senior Claims Adjuster and Claims Supervisor shall be assigned to the City's account and appropriate support staff. The City retains the right and opportunity to interview, approve, and/or reject all proposed individuals to be assigned to the City's account.

3. Claim Handling, Case Review

- TPA will investigate questionable claims with coordination, assistance and approval from the City.
- The TPA shall maintain, in accordance with California law, a claim file on each reported claim. Said claim file shall also be available to the City during normal business hours and include actual costs and estimated costs of all anticipated benefits and expenses related to the claim file.
- The TPA shall closely monitor all active claims and make timely reports to the City of case status, pending issues, suspected malfeasance, and any other pertinent program information.
- The TPA shall provide the City with regular loss reports, as requested by the City, and provide special reports for an additional expense, when requested.
- The TPA shall examine, on behalf of the City, all reports of industrial injury to or disease of employees reported to it by the City and properly process each claim from its inception to resolution. Such procedures shall include, but not be limited to, determining the compensability of claimed injuries and illnesses under the State Workers' Compensation Law, eligibility for payments of medical benefits and medical examinations, coordinating rehabilitation efforts, recommending payment of temporary and permanent disability compensation, and utilizing, as necessary or desirable, the advisory rating of the Permanent Disability Rating Bureau.

4. Communication

- The TPA shall maintain regular communications with the City and injured worker, from the inception to disposition of each claim.
- The TPA shall emphasize outstanding customer services and treat all parties to each workers' compensation claim in an equitable and fair

manner. This requirement shall include the on-going assistance of employees throughout the entire workers' compensation process and the facilitation of outstanding customer relations.

- TPA shall make initial contact with claimant and establish claim file within 24 hours of receipt of the Employers' First Report of Injury from the City.
- TPA shall maintain regular contact with injured workers and their physicians with the goal of returning employees to modified or regular work as soon as possible.
- TPA to contact the physician's office within one to three days of notice of all new claims and shall provide follow up and intervention with medical service providers on behalf of the City and the injured employee.
- TPA shall be the point of contact for injured workers for assistance with all aspects of the workers' compensation process including explanation of permanent disability ratings and other benefit notices.
- As required, the TPA will assist injured employees in resolving problems that arise from injury or illness claims.

5. Payments & Workers' Compensation Account

- The TPA shall only make payments of permanent disability compensation and death benefits in accordance with the Permanent Disability Ratings Bureau, orders of the Workers' Compensation Appeals Board (WCAB), or by approval of the City.
- The TPA shall, with the approval of the City and at the City's expense, engage the services of persons or firms outside its organization for work not generally performed by claims examiners in connection with the investigation and adjustment of claims.
- The TPA shall decide, on behalf of the City, what benefits, if any, should be paid or rendered under the applicable State Workers' Compensation laws for each reported claim.
- The TPA shall make timely payments and/or reimbursements of all duly payable program benefits, wages, medical expenses, and eligible costs covered under State Workers' Compensation law from the claim payment fund established and maintained by the City.
- The TPA shall report any discrepancies or accounting errors it finds in connection with the claim payment fund.

6. Settlement

   - Settlement proposals directed to the City shall be forwarded by the TPA or defense counsel in writing, along with a reasoned settlement recommendation with supporting documentation required by the City.

   - Settlement proposals shall be presented to the City with enough time to process the proposal and obtain settlement authority from either the City or City Council, as required.

7. Compliance & Reporting

   - The TPA shall keep the City informed of all program compliance matters and ensure the City meets all program reporting requirements and deadlines. This requirement shall include:

   - Providing the City with all forms necessary for the efficient and effective operation of the self-insurance program;

   - Preparing and submitting at least 15 days prior to the deadline, all legally required program forms and reports to their authorized agencies on behalf of the City;

   - Preparing and submitting to the City no later than 30 days prior to the due date, the Public Entities Self-Insures' Annual Report, as required by the State of California Department of Industrial Relations, Workers' Compensation Division.

   - Providing the City with all tax forms necessary for the City's annual tax filings with the State Franchise Tax Board and Internal Revenue Service.

8. File and Program Review Meetings

   - The TPA shall conduct quarterly program analyses and status meetings, or more frequently if requested, with the City to discuss case statuses, issues, and trends based on the TPA's analysis of the program. TPA shall also recommend loss controls and solutions to the City based on its quarterly program analyses.

   - The TPA shall attend City Council meetings, as necessary and requested, to respond to City Council inquiries and to keep the City Council and public informed of various program matters.

- The TPA shall provide the City with recommendations for year-to-date and projected reserve fund encumbrances.

- The TPA shall provide the City, on an annual basis, a program improvement plan based on program utilization rates and cost-to-benefit analyses.

9. Authority

- The TPA shall acquire the approval of the City to assign and refer cases to outside providers, such as medical examiners, physicians, specialists, investigators, and vocational rehabilitation services.

10. Litigation and Investigation

- The TPA shall adhere to a City approved panel of legal counsel and acquire the approval of the City to assign all litigated matters and/or cases to legal defense counsel. The City's approval shall also be required for the selection and employment of attorneys and paralegals to appear before the Workers' Compensation Appeals Board (WCAB) on behalf of the City for claims made by an employee of the City. The legal panel shall be incorporated into the final contract as an attachment thereto.

- The TPA shall make all efforts to mitigate the escalation and litigation of workers' compensation claims.

- The TPA shall make professional recommendations to the City concerning the escalation of cases, potential litigation, suspected and/or substantiated malfeasance, course of administrative action, treatment of claims, and program direction.

- The TPA shall coordinate all litigated claims with the City and maintain on-going communications and correspondence with City staff, defense counsel, and claimant counsel in order to facilitate the resolution of issues and avoid unnecessary appearances and expenses of litigated claims.

11. Reporting to Excess Carrier

- The TPA shall report claims to the City's excess insurance carriers in accordance with the claims reporting criteria of said carriers and pursue the collection of covered losses on behalf of the City.

12. Employee Training

- The TPA shall provide training to City personnel involved in the administration of the City's workers' compensation program.

- The TPA personnel shall be made available to the City on an "as needed" basis to provide City-wide supervisory and employee training on topics of interest to be determined by the City pertaining to the City's workers' compensation program.

5. INQUIRIES:

Montebello City Code prohibits any unauthorized contact by the bidder during the bid or proposal process with an official or city employee, other than the Finance Director, City Manager or Human Resources Director. Contact with any official or employee other than the foregoing shall cause the bidder to be immediately disqualified from consideration of award.

6. QUALIFICATIONS & CRITERIA

A. **Qualifications:** The City of Montebello will select one firm for all of the outlined Scope of Services on the basis of qualifications, experience, and cost. The following are the minimum qualifications to be used to evaluate responses to this Request for Proposal:

1. The proposer has advanced knowledge of the administrative requirements, laws and practices relating to Workers' Compensation Claims Administration within a municipal government setting.

2. The proposer has a demonstrated track record of success in handling all aspects of Workers' Compensation Claims Administration and at least five (5) years providing these services to public entities in the State of California.

3. Each proposer shall provide at least three (3) references, preferably from governmental entities, for relevant work performed in the past five (5) years. When possible, include references from cities of a similar character to Montebello (i.e., full-service cities). If the proposer does not have three (3) governmental entity references, references from private sector entities may be provided.

4. The proposer must demonstrate understanding of the assignment and knowledge of the skills necessary to serve in the role of Workers' Compensation Claims Administrator.

5. Demonstrated experience in assisting other municipalities with the development and/or administration of self-insured worker's compensation strategies.

B. **Selection Criteria:** The City will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. All proposals received from vendors will be reviewed and evaluated by a committee of qualified City personnel. The name, information, or experience of the individual committee members will not be made available to any vendor. The Evaluation Committee will first review and screen all proposals submitted according to the minimum qualifications set forth above. The following criteria will be used in reviewing, comparing and scoring the proposals:

1. Overall responsiveness and fit to the requirements of the RFP.

2. Cost and quality of proposed services, including:
   a. Responsiveness to the scope of services; and
   b. Proposed service methodologies;
   c. Proposed fees and costs of services.

3. Proven experience and expertise with:
   a. California municipalities and/or counties;
   b. California workers' compensation laws and regulations for public sector employers;
   c. California workers' compensation laws and regulations for public safety employers;
   d. Assessing, planning, developing, and implementing workers' compensation programs for municipalities similar in scope and size to the City of Montebello.

4. Staffing:
   a. Staff qualifications;
   b. Staff expertise and experience;
   c. File/case volume;
   d. Turnover.

5. Financial and Statistical reports that include:
    a. Summary and detail reports;
    b. Weekly, monthly, and annual financial reports, including:
        i. Payment registers;
        ii. Outstanding claims and incurred loss reports;
        iii. Multi-year, comprehensive reports.
    c. Statistical reports, including:
        i. Utilization reports;
        ii. Frequency reports;
        iii. Probability reports;
    d. Customized program reports on request.

6. Location of office:
    a. Proximity to the City of Montebello;
    b. Accessibility of firm's staff.

7. Web-based applications, with employer and employee access portals, for:
    a. Claims management;
    b. Registration, claim filing, and document uploads and downloads;
    c. Workers' Compensation user guides, references, and FAQ sheets.

8. Business References

9. Industry Credentials

10. Reputation

11. Financial Stability

12. The CITY anticipates the following 2020 timetable:

Council Meeting to Approve RFP…...……………………..	January 22
RFP Official Release Date………………………………	January 23
Questions and Clarification Period…………………….	February 3 - 7
City Posts Responses to Q's & C's…………………….	February 13
RFP Closing…….………………………………………..	February 20 @ 5pm
RFP Evaluation Period………………………………….	February 24 - 27
Interviews (if necessary)………………………………..	March 2 - 3
Negotiate and Execute Final Contract…………………	March 4 - 12
Council Meeting to Award RFP………………………...	March 25
Program Transition and Prep Period…………………..	April 10 - June 30
Contract Start Date………………………………………	July 1

The CITY reserves the right to cancel, change and/or modify the above dates at any time.

7. FORMAT AND DELIVERY OF RESPONSE

Proposals will be received through 5:00 p.m. on February 20, 2020. Only one (1) electronic copy is required to be submitted via Planet Bids:

A. **Proposal Submittals:** All proposals must be electronically submitted through PlanetBids' Bidder Portal, accessed through the City of Montebello's official website at http://www.cityofmontebello.com/rfp-bids/bid-opportunities.html. All Prospective Proposers must register to bid through the PlanetBids Vendor Portal found on the City of Montebello's website at the link provided above.

There is no fee to register and bid on this Request for Proposals.

Questions during the solicitation period shall be submitted through Planet Bids or by email, and may be addressed to:

City of Montebello
Human Resources
Eva Sahagun, Risk Manager
esahagun@cityofmontebello.com

The RFP shall include the following:

B. **Cover Letter:** All proposals shall include a cover letter which states that the proposal shall remain valid for a period of not less than ninety (90) days from the date of submittal. If the proposal contemplates the use of sub-contractors, the sub-contractors shall be identified in the cover letter. If the proposal is submitted by a business entity, the cover letter shall be signed by an officer authorized to contractually bind the business entity. With respect to the business entity, the cover letter shall also include: the identification of the business entity, including the name, address and telephone number of the business entity; and the name, title, address and telephone number of a contact person during the proposal evaluation period.

C. **Introduction:** Present an introduction of the proposal and your understanding of the assignment and significant steps, methods and procedures to be employed by the proposer to ensure quality deliverables that can be delivered within the required time frames and your identified budget.

D. **General Scope of Work:** Briefly summarize the scope of work as the proposer perceives or envisions it for each Service Area proposed.

E. **Work Plan:** Present concepts for conducting the work plan and interrelationship of all products. Define the scope of each task including the depth and scope of analysis or research proposed including claims procedures, staffing, data management, and financial/banking options available.

F. **Fees and costs:** Although an important aspect of consideration, the financial cost estimate will not be the sole justification for consideration. Negotiations may or may not be conducted with the proposer; therefore, the proposal submitted should contain the proposer's most favorable terms and conditions, since selection and award may be made without discussion with any firm. All prices should reflect "not to exceed" amounts per item. Provide pricing using the following table/format.

PROPOSAL COST SHEET							
	Year 1		Year 2		Year 3		
	Rate/Unit	Not to exceed Annual Cost	Rate/Unit	Not to exceed Annual Cost	Rate/Unit	Not to exceed Annual Cost	TOTAL 3-Yrs
Program Administration	$	$	$	$	$	$	$
Medical Provider Network	$	$	$	$	$	$	$
Medical Billing Reviews	$	$	$	$	$	$	$
Utilization Reviews	$	$	$	$	$	$	$
Nurse Case Management	$	$	$	$	$	$	$
Pharmaceutical Services	$	$	$	$	$	$	$
Subrogation Services	$	$	$	$	$	$	$
Other Proposed Services	$	$	$	$	$	$	$
TOTAL ANNUAL AMOUNT		$		$		$	$

G. **Ability of the Proposer to Perform:** Provide a detailed description of the proposer and his/her/its qualifications, including names, titles, detailed professional resumes and experience in similar work efforts/products of key personnel who will be working on the assignment. Provide a list of specific related work projects that have been completed by the proposer which are directly related to the assignment described in this RFP. Note the specific individuals who completed such project(s). Identify role and responsibility of each member of the project team. Include the amount of time key personnel will be involved in the respective portions of the assignment. Respondents are encouraged to supply relevant examples of their professional product. Provide a list of references.

The selected firm shall not subcontract any work under the RFP nor assign any work without the prior written consent of the City.

H. **Affidavit of Non-Collusion:** Proposer must submit a completed and signed, "Affidavit of Non-Collusion." (Copy Attached as Exhibit A).

8. <u>ADDENDA, CHANGES, AND AMENDMENTS TO THIS SOLICITATION</u>

At any time prior to the due date for responses, the City may make changes, amendments, and addenda to this solicitation, including changing the date due to allow respondents time to address such changes. Addenda, changes, and amendments, if made, will be posted on the City's website (www.cityofmontebello.com), which is deemed adequate notice. A proposer may make a request to the City's project coordinator to be placed on a list of persons to receive notice of any such addenda, changes, or amendments. The preferred manner of communications is via e-mail due to its timeliness.

9. <u>CONDITIONS FOR RESPONSES TO RFP</u>

The following conditions apply to this RFP process:

A. Nothing contained in this RFP shall create any contractual relationship between the respondent and the City.

B. This RFP does not obligate the City to establish a list of service providers qualified as prime contractors or award a contract to any respondent. The City reserves the right to amend or cancel this RFP without prior notice, at any time, at its sole discretion.

C. The City shall not be liable for any expenses incurred by any individual or organization in connection with this RFP.

D. No conversations or agreements with any officer, agent, or employee of the City shall affect or modify any terms of this RFP. Oral communications or any written/e-mail materials provided by any person other than designated contact staff of City shall not be considered binding.

E. The City reserves the right, in its sole discretion, to accept or reject any or all Proposals without prior notice and to waive any minor irregularities or defects in a Proposal. The City reserves the right to seek clarification on a Proposal with any source.

F. The dates, times, and sequence of events related to this RFP shall ultimately be determined by the City. The schedule shown above is subject to change, at the sole discretion of the City, although the City will attempt to follow it and, if it must be altered, will attempt to provide reasonable notice of the changes.

G. Respondents shall not issue any news release pertaining to this RFP, or the City without prior written approval of the City.

H. All submitted proposals and information included therein or attached thereto shall become public record upon completion of the RFP process.

10. RIGHT BY THE CITY TO WITHDRAW THIS REQUEST

The City may, at its sole discretion and for any reason whatsoever, withdraw this solicitation at any time.

11. STANDARD TERMS AND CONDITIONS

Prior to the award of any work hereunder, City and proposer shall enter into the written contract attached hereto, for services, substantially in the form and containing the terms and conditions set forth in Exhibit B. Proposers responding to this RFP are strongly advised to review all the terms and conditions of the Contract. The anticipated contract period shall be for a three (3) year service contract with two (2) one-year renewal options.

[*END OF REQUEST FOR PROPOSALS*]

EXHIBIT A
AFFIDAVIT OF NON-COLLUSION

AFFIDAVIT OF NON-COLLUSION BY CONTRACTOR

STATE OF CALIFORNIA)

)

ss COUNTY OF LOS ANGELES)

-

____

, being first duly sworn deposes and says that he/she is

____

(Insert "Sole Owner", "Partner", "President, "Secretary", or other proper title)

of____

(Insert name of bidder)

who submits herewith to the City of Montebello a proposal;

That all statements of fact in such proposal are true;

That such proposal was not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation;

That such proposal is genuine and not collusive or sham;

That said bidder has not, directly or indirectly by agreement, communication or conference with anyone attempted to induce action prejudicial to the interest of the City of Montebello, or of any other bidder or anyone else interested in the proposed contract; and further

That prior to the public opening and reading of proposals, said bidder:

a. Did not directly or indirectly, induce or solicit anyone else to submit a false or sham proposal;

b. Did not directly or indirectly, collude, conspire, connive or agree with anyone else that said bidder or anyone else would submit a false or sham proposal, or that anyone should refrain from bidding or withdraw his proposal;

c. Did not, in any manner, directly or indirectly seek by agreement, communication or conference with anyone to raise or fix the proposal price of said bidder or of anyone else, or to raise or fix any overhead, profit or cost element of his proposal price, or of that of anyone else;

d. Did not, directly or indirectly, submit his proposal price or any breakdown thereof, or the contents thereof, or divulge information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, or to any individual or group of individuals, except the City of Montebello, or to any person or persons who have a partnership or other financial interest with said bidder in his business.

I certify under penalty of perjury under the laws of the State of California that the above information is correct

By:____________________________________Title:_____________________

Date:____________

EXHIBIT B

PROFESSIONAL SERVICES AGREEMENT

CITY OF MONTEBELLO

PROFESSIONAL SERVICES AGREEMENT NO.

BY AND BETWEEN

CITY OF MONTEBELLO

AND

[CONSULTANT NAME]

CONSULTANTS

THIS AGREEMENT ("Agreement") is made and entered into on **_______**, 20__, by the CITY OF MONTEBELLO, a municipal corporation (hereinafter referred to as "CITY") and [NAME OF CONSULTANT] (hereinafter referred to as "CONSULTANT"). CITY and CONSULTANT are sometimes referred to herein individual as a "Party," and jointly as the "Parties."

RECITALS

WHEREAS, CITY desires to retain a qualified professional consultant to assist CITY in evaluating alternative approaches to the management of its water system; and

WHEREAS, CONSULTANT represents the degree of specialized expertise contemplated within California Government Code, Section 37103, and is qualified to perform such services by virtue of its experience and the training, education and expertise of its principals and employees; and

WHEREAS, no official or employee of CITY has a financial interest, within the provisions of Sections 1090 – 1092 of the California Government Code, in the subject matter of this Agreement; and

DELETE THE FOLLOWING "**WHEREAS**" PARAGRAPH IF PSA AWARDED WITHOUT RFP PROCESS

WHEREAS, CONSULTANT responded to CITY's Request for Proposals dated [DATE] (RFP No. [X]), as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Consultant Proposal").

NOW THEREFORE, in consideration of performance by the Parties of the covenants and conditions herein contained, the Parties hereto agree as follows:

SECTION 1. <u>SERVICES / COMPENSATION.</u>

A. CONSULTANT shall provide to CITY those services that are set forth fully in the Scope of Services, as such is set forth fully in **Exhibit "A"** hereto and incorporated fully herein by this reference (hereinafter "Professional Services").

B. CONSULTANT shall complete the Scope of Services within the time set forth in the Schedule of Performance, as such is set forth in **Exhibit "B"** hereto and incorporated fully herein by this reference.

B. CONSULTANT shall be compensated a sum not-to-exceed (the "Maximum Compensation") for performance of the Professional Services as set forth in the Schedule of Compensation attached hereto as **Exhibit "C"** and incorporated fully herein by this reference ("Compensation"). CONSULTANT shall provide an itemized billing statement to CITY each month for Professional Services performed. CONSULTANT shall not incur fees or costs which exceed the Maximum Compensation without the prior written consent of CITY.

C. CITY will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.

D. Work performed shall be deemed approved and accepted by CITY as and when invoiced unless CITY objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CITY believes such work is incomplete or defective, and the invoice amount(s) in dispute. CITY shall pay undisputed amounts as provided for in the preceding paragraph.

E. Failure of CITY to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.

SECTION 2. <u>TERM.</u>

This Agreement shall commence upon the date the last of the Parties executes this Agreement hereinbelow ("Effective Date"), and shall terminate upon completion of the Scope of Services set forth herein, unless terminated sooner as provided in Section 7 herein.

[OPTIONAL LANGUAGE IF EXTENSIONS PERMITTED]: Thereafter, this Agreement may be extended for a maximum of [SPELL OUT NUMBER] (#) successive one (1) year periods. Such extensions, if any, will be evidenced by a written amendment to this Agreement].

The Parties agree that Sections 4(B), 9, 10, 11, 13, 16, 17, 18, and 19 shall survive for three (3) years following the expiration or termination of this Agreement.

SECTION 3. <u>PERFORMANCE.</u>

A. CONSULTANT shall at all times, faithfully, competently, and to the best of its ability, experience and talent, perform all tasks described herein.

B. CONSULTANT shall employ, at a minimum, generally accepted standards and practices utilized by companies engaged in providing similar services, as are required of CONSULTANT hereunder, in meeting its obligations under this Agreement.

C. CONSULTANT shall be knowledgeable of and subject to all CITY ordinances, rules and regulations, standard operating procedures, and the supervisory chain of command.

D. CONSULTANT shall have the right to retain, subject to CITY's written approval, additional individuals, consultants or subcontractors to assist in the completion of services as herein defined. Compensation for additional individuals, consultants or subcontractors shall be the sole and exclusive responsibility of CONSULTANT.

E. CONSULTANT shall maintain full and accurate records with respect to all matters covered under this Agreement for a period of three (3) years, unless otherwise provided for in **Exhibit "A."** Upon CITY providing twenty-four (24) hours advanced prior notice, CONSULTANT shall make all records, invoices, time cards, cost control sheets and other records maintained by CONSULTANT in connection with this Agreement available during CONSULTANT's regular working hours to CITY for review and audit by CITY.

F. All reports, documents or other written material developed by CONSULTANT in the performance of this Agreement shall be and remain the property of CITY without restriction or limitation upon its use or dissemination by CITY. Such material shall not be the subject of a copyright application by CONSULTANT. Any alteration or reuse by CITY of any such materials on any project other than the Project shall be at CITY's sole risk, unless CITY compensates CONSULTANT for such reuse.

SECTION 4. <u>WORK PRODUCT.</u>

A. CONSULTANT hereby agrees that all work produced pursuant to this Agreement, and provided to CITY during and upon completion of this Agreement, shall be the property of CITY, and ownership of said work product shall be retained by CITY. CONSULTANT may take and retain copies of such written products as desired.

B. All data, documents, discussion, or other information developed or received by CONSULTANT or provided for performance of this Agreement are deemed confidential and shall not be disclosed by CONSULTANT without prior written consent by CITY. CITY shall grant such consent if disclosure is legally required. All such written products shall be returned to CITY upon the termination or expiration of this Agreement. CONSULTANT agrees that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

C. Documents are provided in CONSULTANT's standard software formats. CITY recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CITY's software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CITY agrees to defend indemnify and hold CONSULTANT, its sub-contractors, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.

SECTION 5. <u>EXTRA SERVICES.</u>

No extra services over and above the Compensation shall be rendered by CONSULTANT under this Agreement unless such extra services first shall have been duly authorized in writing by CITY's City Administrator ("City Administrator").

SECTION 6. <u>CITY SUPERVISION.</u>

The City Administrator shall have the right of general supervision of all work performed by CONSULTANT and shall be CITY's agent with respect to obtaining CONSULTANT's compliance hereunder. No payment for services rendered under this Agreement shall be made without the prior approval of the City Administrator.

SECTION 7. <u>TERMINATION.</u>

In the event that either Party hereto fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, the non-defaulting party shall give the defaulting party written notice of the default, the nature of the default, and of the steps necessary to cure the default.

A. Termination for Cause. In the event that any of the provisions of the Agreement are violated by either party, the non-defaulting Party may terminate the Agreement by serving written notice upon the other Party, listing the violation(s) and its intent to terminate such Agreement unless within ten (10) days after the serving of such notice, such violation shall cease or be rectified, the contract shall upon the expiration of an additional thirty (30) days cease and terminate. Violations by CONSULTANT which cannot be corrected within ten (10) days, said contract shall at the option of CITY cease and terminate upon the giving of like notice. In the event of any such termination for default by CONSULTANT, CITY may take over the work and prosecute the same to completion by contract or otherwise for the account and at the expense of CONSULTANT. CONSULTANT and his sureties shall be liable to CITY for any excess cost occasioned in the event of any such termination. This change shall not be construed to prevent the termination, for other causes authorized by law or other provisions of this contract. In the event of a termination for cause, CONSULTANT shall only be entitled to the Compensation for those Professional Services satisfactory performed on or before the effective date of termination.

B. Termination for Convenience. CITY shall have the option, at its sole discretion and without cause, to terminate this Agreement in whole, or in part, after giving written notice to CONSULTANT at least five (5) business days before the termination is to be effective. Upon the termination of this Agreement as provided herein, CITY shall provide to CONSULTANT the part of Compensation which would otherwise be payable to CONSULTANT for services CONSULTANT had completed as of the date of termination, less the amount of all previous payment with respect to the Compensation. Further, upon such a termination for convenience by CITY, the Parties agree that CONSULTANT shall be reimbursed for any “non-refundable” costs that CONSULTANT has incurred for its services under this Agreement, provided that: (1) such “non- refundable” costs were incurred by CONSULTANT prior to the date of termination; (2) that CONSULTANT provides CITY with adequate proof that CONSULTANT incurred the costs, and is unable to be seek a refund for such costs; and (3) such costs were within the scope of work or services to be performed under this Agreement. Such “non-refundable” costs may include, but are not limited to, travel reservations incurred by CONSULTANT for its performance of services under this Agreement. CONSULTANT agrees to cease all work under this Agreement on or before the effective date of any notice of termination.

SECTION 8. EMPLOYMENT OF CITY EMPLOYEES.

No regular employee of CITY shall be employed by CONSULTANT during the Term of this Agreement.

SECTION 9. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES.

No official or employee of CITY shall be personally liable to CONSULTANT in the event of any default or breach by CITY, or for any amount which may become due to CONSULTANT.

SECTION 10. INDEPENDENT CONTRACTOR.

A. CONSULTANT is and shall, at all times, remain as to CITY a wholly independent contractor. Neither CITY nor any of its elected officials, officers, employees or agents shall have control over the conduct of CONSULTANT except as expressly set forth in this Agreement. CONSULTANT shall not at any time or in any manner represent that he is in any manner an elected official, officer, employee or agent of CITY. No employee benefits shall be available to CONSULTANT in connection with the performance of this Agreement. Except as provided in this Agreement, CITY shall not pay salary, wages, or other compensation to CONSULTANT for performance hereunder for CITY. CITY shall not be liable for compensation to CONSULTANT, CONSULTANT's employees or CONSULTANT's subcontractors for injury or sickness arising out of performing services hereunder.

B. The parties further acknowledge and agree that nothing in this Agreement shall create or be construed to create a partnership, joint venture, employment relationship or any other relationship except as set forth in this Agreement.

C. CITY shall not deduct from the Compensation paid to CONSULTANT any sums required for Social Security, withholding taxes, FICA, state disability insurance or any other federal, state or local tax or charge which may or may not be in effect or hereinafter enacted or required as a charge or withholding on the compensation paid to CONSULTANT. CITY shall have no responsibility to provide CONSULTANT, its employees or subcontractors with workers' compensation insurance or any other insurance.

SECTION 11. PERS ELIGIBILITY INDEMNITY.

A. In the event that CONSULTANT or any employee, agent, or subcontractor of CONSULTANT providing services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of CITY, CONSULTANT shall indemnify, defend, and hold harmless CITY for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of CITY.

B. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, CONSULTANT and any of its employees, agents, and subcontractors providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by CITY, including but not limited to eligibility to enroll in PERS as an employee of CITY and entitlement to any contribution to be paid by CITY for employer contribution and/or employee contributions for PERS benefits.

SECTION 12. LEGAL RESPONSIBILITIES.

CONSULTANT shall at all times observe and comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments including, but not limited to the Montebello Municipal Code. CITY, and its appointed or elected officers, employees, or agents, shall not be liable at law or in equity occasioned by failure of CONSULTANT to comply with this section.

SECTION 13. INDEMNIFICATION.

CONSULTANT agrees to, and shall defend, indemnify, protect and hold harmless, CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers from and against any and all claims, demands, lawsuits, defense costs, civil, penalties, expenses, causes of action, and judgments at law or in equity, or liability of any kind or nature which CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers may sustain or incur or which may be imposed upon them for injuries or deaths of persons, or damage to property arising out of CONSULTANT'S negligent or wrongful act, or omission under the terms of this Agreement, except only liability arising out of the sole negligence of CITY.

SECTION 14. INSURANCE COVERAGE.

During the Term of this Agreement, CONSULTANT shall carry, maintain, and keep in full force and effect all of the following minimum scope of insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with CONSULTANT's performance of this Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- **Commercial General Liability (CGL)**: Broad-form, Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis for bodily injury and property damage, including premise-operations, products-completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury, and advertising injury, with limits no less than **Two Million Dollars and Zero Cents** ($2,000,000), combined single limits, per occurrence. If a general aggregate limit applies, the limit shall be twice the required occurrence limit.

- **Business Automobile Liability Insurance:** For owned vehicles, hired, and non-owned vehicles, Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if CONSULTANT has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **One Million Dollars and Zero Cents** ($1,000,000.00) per accident for bodily injury and property damage.

- **Worker's Compensation** insurance as required by the laws of the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **One Million Dollars and Zero Cents** ($1,000,000.00) per accident for bodily injury or disease. CONSULTANT agrees to waive, and to obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers for losses arising from work performed by CONSULTANT for CITY and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

By executing this Agreement, CONSULTANT further certifies as follows:

I am aware of, and will comply with, Section 3700 of the Labor Code, requiring every employer to be insured against liability of Workers' Compensation or to undertake self-insurance before commencing any of the work contemplated herein.

- **Professional Errors and Omissions (E&O) Liability** insurance appropriate to the CONSULTANT's profession, with limit no less than **Two Million Dollars and Zero Cents** ($2,000,000.00) per occurrence or claim, **Two Million Dollars and Zero Cents** ($2,000,000.00) aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retroactivity date shall be prior to the start of work set forth herein, CONSULTANT shall obtain and maintain said E&O liability insurance during the Term of this Agreement and for five (5) years after completion of work hereunder. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the effective date of this Agreement, CONSULTANT shall purchase "extended reporting" coverage for a minimum of five (5) years after completion of the work.

If CONSULTANT maintains higher limits than the minimums shown above, CITY requires and shall be entitled to coverage for the higher limits maintained by CONSULTANT. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to CITY.

CONTACTOR shall require each of its subcontractors, if any, to maintain insurance coverage that meets all of the requirements of this Agreement.

The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California, with a current rating of at least A:VII in the latest edition of Best's Insurance Guide, and approved by CITY.

Each insurance policy required herein shall state that coverage shall not be canceled, except after providing CITY thirty (30) days' (or ten [10] calendar days' for non-payment) prior written notice. CONSULTANT agrees that if it does not keep the aforesaid insurance in full force and effect CITY may either: (i) immediately terminate this Agreement for Cause; or (ii) take out the necessary insurance and pay, at CONSULTANT'S expense, the premium thereon.

At all times during the Term of this Agreement, CONSULTANT shall maintain on file with CITY's Risk Manager a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming CITY, its officers, agents, employees and volunteers as an additional insured. CONSULTANT shall, prior to commencement of work under this Agreement, file with CITY's Risk Manager such certificate(s).

CONSULTANT shall provide proof that policies of insurance required herein expiring during the Term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two (2) weeks prior to the expiration of the coverages.

The general liability and automobile policies of insurance required by this Agreement shall contain an endorsement naming CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers as additional insureds. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days' prior written notice to CITY. CONSULTANT agrees to require its insurer to modify the certificates of insurance to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions.

Except for professional liability and workers' compensation policies, the policies herein are primary and non-contributing with any insurance that may be carried by CITY. Any insurance or self-insurance maintained by CITY, its officers, employees, agents or volunteers, shall be in excess of CONSULTANT's insurance and shall not contribute with it.

All insurance coverage provided pursuant to this Agreement shall not prohibit CONSULTANT, and CONSULTANT's employees, agents or subcontractors, from waiving the right of subrogation prior to a loss. CONSULTANT hereby waives all rights of subrogation against CITY. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not CITY has received a waiver if subrogation endorsement from the insurer.

Coverage not affected. Any failure to comply with the reporting provisions of the policies contemplated herein, shall not affect coverage provided to CITY, its elected and appointed boards, officers, officials, employees, agents and volunteers.

Coverage applies separately. CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

Any deductibles or self-insured retentions must be declared to and approved by CITY. At the option of CITY, CONSULTANT shall either reduce or eliminate the deductibles or self-insured retentions with respect to CITY, or CONSULTANT shall procure a bond guaranteeing payment of losses and expenses.

Procurement of insurance by CONSULTANT shall not be construed as a limitation of CONSULTANT's liability or as fall performance of CONSULTANT's duties to indemnify, hold harmless and defend under Section 9 of this Agreement.

CITY, its officers and employees shall not be responsible for any claims in law or in equity occasioned by failure of CONSULTANT to comply with this section.

CITY reserves the right to modify these requirements, including limits, based on the nature of risk, prior experience, insurer, coverage, or other special circumstances.

SECTION 15. SUBCONTRACT, ASSIGNMENT OR DELEGATION.

CONSULTANT shall not subcontract, delegate or assign its duties or rights hereunder, either in whole or in part, without the prior written consent of CITY. Any proposed subcontract, delegation, or assignment shall provide a description of the services to be covered, identification of the proposed sub-contractor, delegee, or assignee, and an explanation of why and how the same was selected, including the degree of competition involved.

Any subcontract, delegation or assignment shall be made in the name of CONSULTANT and shall not bind or purport to bind CITY and shall not release CONSULTANT from any obligations under this Agreement including, but not limited to, the duty to properly supervise and coordinate the work of employees, assignees, delegees or sub-contractors. No such subcontract, delegation or assignment shall result in any increase in the amount of total compensation payable to CONSULTANT under the Agreement.

SECTION 16. NO WAIVER.

Waiver by any party hereto of any term, condition or covenant of this Agreement shall not constitute the waiver of any other term, condition or covenant hereof.

SECTION 17. DISPUTE RESOLUTION; GOVERNING LAW.

Disputes regarding the interpretation or application of any provision(s) of this Agreement shall, to the extent reasonably feasible, be resolved through good faith negotiations between the Parties. If any action at law or in equity is brought to enforce this Agreement or because of alleged dispute, breach, default or misrepresentation in connection with the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorney's fees, expert fees, costs and necessary disbursements incurred in that action or proceeding, in addition to such other relief as may be sought and awarded. The venue for any litigation shall be County of Los Angeles, California. The Parties agree that the covenants contained in this Article shall survive the expiration or termination of this Agreement.

SECTION 18. ATTORNEY'S FEES AND COSTS.

If litigation is reasonably required to enforce or interpret the provisions of this Agreement, the prevailing party in such litigation shall be entitled to an award of reasonable attorney's fees and costs in addition to any other relief to which it may be entitled.

SECTION 19. WARRANTIES.

Each of the parties represents and warrants to one another as follows:

A. It has received independent legal advice from its attorneys with respect to the advisability of entering into and executing this Agreement;

B. In executing this Agreement, it has carefully read this Agreement, knows the contents thereof, and has relied solely on the statements expressly set forth herein and has placed no reliance whatsoever on any statement, representation, or promise of any other party, or any other person or entity, not expressly set forth herein, nor upon the failure of any other party or any other person or entity to make any statement, representation or disclosure of *any* matter whatsoever; and

C. It is agreed that each party has the full right and authority to enter into this Agreement, and that the person executing this Agreement on behalf of either party has the full right and authority to fully commit and bind such party to the provisions of this Agreement.

SECTION 20. <u>MISCELLANEOUS.</u>

A. The descriptive paragraph headings of this Agreement are included for purposes of convenience only and shall not control or affect the construction of interpretation of any of its provisions.

B. Whenever the context hereof shall so require, the singular shall include the plural, the male gender shall include the female gender, and the neuter and vice versa.

C. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

D. The representations and warranties made by the parties to this Agreement shall survive the consummation of the transaction herein described.

E. This Agreement may be signed in any one or more counterparts all of which taken together shall be but one and the same Agreement. Any signed copy of this Agreement or of any other document or agreement referred to herein, or copy or counterpart thereof, delivered by facsimile transmission, shall for all purposes be treated as if it were delivered containing an original manual signature of the party whose signature appears in the facsimile and shall be binding upon such party in the same manner as though an originally signed copy had been delivered.

F. Each of the parties acknowledges that it has been represented by independent counsel of its own choosing, or if it has not been so represented, it has been admonished to obtain independent counsel and has freely and voluntarily waived and relinquished the right to counsel. Each party who has not obtained independent counsel acknowledges that the failure to have independent legal counsel will not excuse such party's failure to perform under this Agreement or any agreement referred to in this Agreement.

G. To the extent of a conflict between the terms of this Agreement and those set forth in any exhibits or attachments hereto, the terms of this Agreement shall govern.

SECTION 21. <u>NOTICE.</u>

All notices, demands, requests or approvals to be given under this Agreement shall be given in writing and conclusively shall be deemed served when delivered personally or on the second business day after the deposit thereof in the United States mail, postage prepaid, registered or certified, addressed as hereinafter provided. All notices, demands, requests, or approvals hereunder shall be given to the following addresses or such other addresses as the Parties may designate by written notice:

CITY ADMINISTRATOR	CONSULTANT
City of Montebello	________________
1600 West Beverly Boulevard	________________
Montebello, California 90640	________________

SECTION 22. <u>NON-DISCRIMINATION AND EQUAL OPPORTUNITY EMPLOYER.</u>

In the performance of this Agreement, CONSULTANT shall not discriminate against any employee, sub-contractor, or applicant for employment because of race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, mental condition or sexual orientation. CONSULTANT will take affirmative action to ensure that sub-contractor and applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, religion, sex, marital status, national origin, ancestry, age, physical or mental handicap, medical condition or sexual orientation.

SECTION 23. <u>CONFLICT OF INTEREST.</u>

CONSULTANT and its officers, employees, associates and subconsultants, if any, shall comply with all California conflict of interest statutes applicable to Consultant’s Services under this Agreement, including, but not limited to, the Political Reform Act (Gov. Code, § 81000 et seq.) and Government Code Section 1090. CONSULTANT further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which may be affected by the services to be performed by CONSULTANT under this Agreement, or which would conflict in any manner with the performance of its services hereunder. CONSULTANT further covenants that, in performance of this Agreement, no person having any such interest shall be employed by it. Furthermore, CONSULTANT shall avoid the appearance of having any interest that would conflict in any manner with the performance of its services pursuant to this Agreement.

CONSULTANT covenants not to give or receive any compensation, monetary or otherwise, to or from the ultimate vendor(s) of services to CITY as a result of the performance of this Agreement, or the services that may be procured by CITY as a result of the recommendations made by CONSULTANT. CONSULTANT's covenant under this section shall survive the termination of this

Agreement.

SECTION 24. ENTIRE AGREEMENT.

This Agreement contains the entire understanding between CITY and CONSULTANT. Any prior agreements, promises, negotiations or representations not expressly set forth herein are of no force or effect. Subsequent modifications to this Agreement shall be effective only if in writing and signed by each party. If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding.

CITY OF MONTEBELLO	**CONSULTANT**
________________________	________________________
René Bobadilla City Manager	Name and Title
Dated: _____________	Dated: _____________

ATTEST:

____
Irma Barajas
City Clerk

APPROVED AS TO FORM

____
Arnold M. Alvarez-Glasman
City Attorney

Exhibit "A"

Scope of Services

Exhibit “B”

Schedule of Performance

Exhibit "C"

Schedule of Compensation

EXHIBIT D TO CONTRACT

EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS

A. Contractor certifies and represents that, during the performance of this Agreement, the contractor and each subcontractor shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, religious creed, color, national origin, ancestry, handicap, sex, or age. Contractor further certifies that it will not maintain any segregated facilities.

B. Contractor agrees that it shall, in all solicitations or advertisements for applicants for employment placed by or on behalf of Contractor, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, religious creed, color, national origin, ancestry, handicap, sex or age.

C. Contractor agrees that it shall, if requested to do so by the City, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their membership in a protected class.

D. Contractor agrees to provide the City with access to, and, if requested to do so by City, through its awarding authority, provide copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.

E. Nothing contained in this Agreement shall be construed in any manner as to require or permit any act which is prohibited by law.

4845-3796-3299, v. 1

ITEM #17

CITY OF MONTEBELLO

January 22, 2020

TO:	Honorable Mayor and City Council
FROM:	Robert Mescher, Director of Finance
SUBJECT:	Monthly Investment Reports-November 2019

Attached are the Monthly Investment Reports listing investments for the City and the Successor Agency as of November 30, 2019. This report is in compliance with the City's Investment policy. Government Code Section 53646b(3) requires that the City Treasurer or Chief Fiscal Officer of the City report to its legislative body the City's ability to meet its expenditure requirements for the next six months. We estimate that the City will have sufficient liquidity and revenue to meet its expenditure requirements during the next six months.

In October, the City invested in longer-term negotiable certificates of deposit to diversify its portfolio holdings.

CITY OF MONTEBELLO
MONTHLY CASH REPORT (ALL ACCOUNTS)
BALANCE AS OF NOVEMBER 30, 2019

BANK OF THE WEST

	Account Number	Account Name	11/30/19	Type	Purpose
1	XXXX-XX770	Housing Successor Agency of the City of Montebello	$2,004,362.63	H	Checking ($566,112.73 Due to Successor Agency)
2	XXXX-XX093	Successor Agency of the City of Montebello	$551,421.95	S	Checking ($566,112.73 Due From Housing Successor Agency)
3	XXXX-71041	City of Montebello	$6,726.79	G	Checking Account (Recreation On-line payments)
4	XXXX-00184	City of Montebello - FSA	$14,969.01	T	Checking Account (Flexible Spending Account)
5	XXXX-XX079	Liability Account	$39,425.54	G	Disbursement of Liability Checks
6	XXXX-XX331	General	$9,589,350.60	G	Disbursement of City issued checks (AP/Payroll)
7	XXXX-XX554	Workers' Compensation	$96,395.38	G	Disbursement of Workers Compensation Checks
8	XXXX-XX287	Trust & Agency	$1,311,011.95	T	Holding Account
9	XXXX-XX803	Police Retiree Health Account	$786,663.07	T	Interest Checking;T&A Holding Acct 1% per MOU
10	XXXX-XX267	Payroll	$0.00	G	Checking Account;Process checks for Payroll
11	XXXX-XX362	Fire Retiree Health Account	$325,596.67	T	Interest Checking;T&A Holding Acct 1% per MOU
			$14,725,923.59		

STATE OF CALIFORNIA

	Account Number	Account Name	11/30/19	Type	Purpose
1	XX-XX-551	General	$22,487,548.20	G	Invest Idle Cash
2	XX-XX-068	Successor Agency City of Mtb for Mtb RDA	$9,400,610.29	S	Invest Idle Cash
			$31,888,158.49		

EAST WEST BANK

	Account Number	Account Name	11/30/19	Type	Purpose
1	CD	Certificate of Deposit (5/17/19 - 5/16/20)	$250,000.00	G	Investment

F&A FEDERAL CREDIT UNION

	Account Number	Account Name	11/30/19	Type	Purpose
1	XXXX30	Savings Account	$5.38	G	Interest Savings Account
2	CD	Certificate of Deposit (4/27/19 - 4/26/20)	$269,567.23	G	Investment
			$269,572.61		

FOREST AREA FEDERAL CREDIT UNION

	Account Number	Account Name	11/30/19	Type	Purpose
1	CD	Certificate of Deposit (6/20/19-6/19/20)	$250,000.00	G	Investment

JEEP COUNTRY FEDERAL CREDIT UNION

	Account Number	Account Name	11/30/19	Type	Purpose
1	CD	Certificate of Deposit (5/23/19-5/22/20)	$249,000.00	G	Investment

ST. VINCENT'S MEDICAL FEDERAL CREDIT UNION

	Account Number	Account Name	11/30/19	Type	Purpose
1	CD	Certificate of Deposit (4/2/19 - 4/2/20)	$249,000.00	G	Investment

UNITED FEDERAL CREDIT UNION

	Account Number	Account Name	11/30/19	Type	Purpose
1	CD	Certificate of Deposit (7/25/19 - 7/24/20)	$250,000.00	G	Investment

PACIFIC PREMIER BANK/PLAZA BANK

	Account Number	Account Name	11/30/19	Type	Purpose
1	XXXXXX181	Money Market Fund	$4,666,731.48	G	Investment

FIRST MERCANTILE TRUST

Account Number	Account Name	11/30/19	Type	Purpose
XXX-XX-X746	CORPORATE ACCOUNT	$13.29	M	401 a(h) employee benefit
XXX-XX-X999	TRUST ACCOUNT	$13,521.64	M	401 a(h) employee benefit
		$13,534.93		

Pershing LLC - CDs

Account Number	Account Name	11/30/19	Type	Purpose
CD	Enerbank USA (10/9/19-9/13/23)	$249,319.27	G	Investment
CD	Ally Bank (10/9/19-10/3/22)	$247,077.15	G	Investment
CD	Sallie Mae Bank (10/9/19-9/18/24)	$247,270.01	G	Investment
CD	Morgan Stanley Private Bank (10/9/19-9/5/24)	$247,437.16	G	Investment
CD	Capital One Bank USA (10/10/19-9/6/22)	$247,426.33	G	Investment
CD	Medallion Bank (10/10/19-10/12/21)	$249,000.00	G	Investment
CD	Infinity FCU (10/10/19-4/10/21)	$249,000.00	G	Investment
CD	Capital One NA (10/10/19-9/6/22)	$247,426.33	G	Investment
CD	Goldman Sachs Bank USA (10/10/19-9/26/22)	$247,197.94	G	Investment
CD	RIA Federal Credit Union (10/11/19-10/11/23)	$249,000.00	G	Investment
CD	First United B&TC (10/11/19-10/11/24)	$249,000.00	G	Investment
CD	TIAA FSB (10/11/19-10/9/20)	$245,000.00	G	Investment
CD	BMW Bank North America (10/11/19-10/11/23)	$247,000.00	G	Investment
CD	Silvergate Bank (10/16/19-10/16/24)	$249,000.00	G	Investment
CD	JP Morgan Chase Bank (10/16/19-10/16/24)	$247,000.00	G	Investment
CD	Wells Fargo Bank (10/17/19-10/17/22)	$249,000.00	G	Investment
CD	Merrick Bank (10/18/19-10/18/24)	$249,000.00	G	Investment
CD	Encore Bank (10/23/19-4/25/22)	$249,000.00	G	Investment
CD	Kern Schools Federal Credit Union (10/30/19-10/30/24)	$249,000.00	G	Investment
CD	Morgan Stanley Bank (10/30/19-10/30/24)	$249,000.00	G	Investment
		$4,962,154.19		

Total General Cash/Investments	$43,365,904.79	G	General
Total SA Cash/Investments	$9,952,032.24	S	Successor Agency
Total HSA Cash/Investments	$2,004,362.63	H	Housing Successor Agency
Total T&A Cash/Investments	$2,438,240.70	T	Trust & Agency
Total Trustee Cash	$13,534.93	M	401 a(h) Trust Accounts
Total Cash/Investments	$57,774,075.29		

CITY OF MONTEBELLO
Portfolio Management
Portfolio Summary
November 30, 2019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit - Bank	250,000.00	250,000.00	250,000.00	0.74	365	167	2.318	2.350
Certificates of Deposit - CU	1,267,567.23	1,267,567.23	1,267,567.23	3.77	365	176	2.325	2.357
Local Agency Investment Funds	22,487,548.20	22,487,548.20	22,487,548.20	66.86	1	1	2.042	2.070
Savings Accounts	4,666,736.86	4,666,736.86	4,666,736.86	13.88	1	1	2.276	2.308
Negotiable CDs	4,960,000.00	4,960,000.00	4,960,000.00	14.75	1,344	1,296	1.850	1.875
Investments	**33,631,852.29**	**33,631,852.29**	**33,631,852.29**	**100.00%**	**216**	**200**	**2.059**	**2.087**
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	9,731,898.31	9,731,898.31	9,731,898.31		1	1	0.000	0.000
Accrued Interest at Purchase		2,154.19	2,154.19					
Subtotal		9,734,052.50	9,734,052.50					
Total Cash and Investments	**43,363,750.60**	**43,365,904.79**	**43,365,904.79**		**216**	**200**	**2.059**	**2.087**

Total Earnings	November 30 Month Ending	Fiscal Year To Date
Current Year	59,107.24	346,372.14
Average Daily Balance	**40,683,836.16**	**39,992,501.18**
Effective Rate of Return	**1.77%**	**2.07%**

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Investments
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
26	26	EAST WEST BANK		05/17/2019	250,000.00	250,000.00	250,000.00	2.350		2.350	167	05/16/2020
		Subtotal and Average	**250,000.00**		**250,000.00**	**250,000.00**	**250,000.00**			**2.350**	**167**	
Certificates of Deposit - CU												
25	25	F&A FEDERAL CREDIT UNION		04/27/2019	269,567.23	269,567.23	269,567.23	2.200		2.200	147	04/26/2020
28	28	FOREST AREA CREDIT UNION		06/20/2019	250,000.00	250,000.00	250,000.00	2.350		2.350	201	06/19/2020
27	27	JEEP COUNTRY FCU		05/23/2019	249,000.00	249,000.00	249,000.00	2.400		2.400	173	05/22/2020
29	29	UNITED FEDERAL CREDIT UNION		07/25/2019	250,000.00	250,000.00	250,000.00	2.300		2.300	236	07/24/2020
24	24	ST. VINCENT'S MEDICAL FCU		04/02/2019	249,000.00	249,000.00	249,000.00	2.550		2.550	123	04/02/2020
		Subtotal and Average	**1,267,567.23**		**1,267,567.23**	**1,267,567.23**	**1,267,567.23**			**2.357**	**176**	
Local Agency Investment Funds												
SYS200	200	STATE OF CALIFORNIA			22,487,548.20	22,487,548.20	22,487,548.20	2.070		2.070	1	
		Subtotal and Average	**22,487,548.20**		**22,487,548.20**	**22,487,548.20**	**22,487,548.20**			**2.070**	**1**	
Savings Accounts												
697530	500	F&A FEDERAL CREDIT UNION			5.38	5.38	5.38	0.500		0.500	1	
950516181	600	PACIFIC PREMIER/PLAZA BANK			4,666,731.48	4,666,731.48	4,666,731.48	2.308		2.308	1	
		Subtotal and Average	**4,666,736.86**		**4,666,736.86**	**4,666,736.86**	**4,666,736.86**			**2.308**	**1**	
Negotiable CDs												
02007GMC4.	32	ALLY BANK		10/09/2019	247,000.00	247,000.00	247,000.00	1.900		1.902	1,037	10/03/2022
05580ASV7	40	BMW BANK NORTH AMERICA		10/11/2019	247,000.00	247,000.00	247,000.00	1.850		1.851	1,410	10/11/2023
14042RNV9	37	CAPITAL ONE NA		10/10/2019	247,000.00	247,000.00	247,000.00	1.800		1.544	1,010	09/06/2022
14042TCM7	35	CAPITAL ONE BANK USA NA		10/10/2019	247,000.00	247,000.00	247,000.00	1.800		1.544	1,010	09/06/2022
29260MAP0	48	ENCORE BANK		10/23/2019	249,000.00	249,000.00	249,000.00	1.700		1.703	876	04/25/2022
29278TLF5	34	ENERBANK USA		10/09/2019	249,000.00	249,000.00	249,000.00	1.800		1.801	1,382	09/13/2023
33742CAR8	42	FIRST UNITED B&TC		10/11/2019	249,000.00	249,000.00	249,000.00	2.050		2.052	1,776	10/11/2024
38149MGL1	39	GOLDMAN SACHS BANK USA		10/10/2019	247,000.00	247,000.00	247,000.00	1.950		1.678	1,030	09/26/2022
45673KAX4	38	INFINITY FEDERAL CREDIT UNION		10/10/2019	249,000.00	249,000.00	249,000.00	1.900		1.902	496	04/10/2021
48128LEJ4	44	JP MORGAN CHASE BANK NA		10/16/2019	247,000.00	247,000.00	247,000.00	2.100		2.102	1,781	10/16/2024
49228XAE0	49	KERN SCHOOLS FCU		10/30/2019	249,000.00	249,000.00	249,000.00	2.100		2.102	1,795	10/30/2024
58404DFM8	36	MEDALLION BANK		10/10/2019	249,000.00	249,000.00	249,000.00	1.700		1.705	681	10/12/2021
59013KDM5	47	MERRICK BANK		10/18/2019	249,000.00	249,000.00	249,000.00	1.900		1.902	1,783	10/18/2024
61760AX53	31	MORGAN STANLEY PRIVATE BANK		10/09/2019	247,000.00	247,000.00	247,000.00	1.900		1.902	1,740	09/05/2024

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Investments
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Negotiable CDs												
61765QTY5	50	MORGAN STANLEY BANK		10/30/2019	249,000.00	249,000.00	249,000.00	2.200		2.203	1,795	10/30/2024
749622AP1	43	RIA FEDERAL CREDIT UNION		10/11/2019	249,000.00	249,000.00	249,000.00	1.800		1.801	1,410	10/11/2023
7954504D4	33	SALLIE MAE BANK		10/09/2019	247,000.00	247,000.00	247,000.00	1.900		1.902	1,753	09/18/2024
828373HH6	45	SILVERGATE BANK		10/16/2019	249,000.00	249,000.00	249,000.00	2.100		2.102	1,781	10/16/2024
87270LCZ4	41	TIAA FSB		10/11/2019	245,000.00	245,000.00	245,000.00	1.800		1.800	313	10/09/2020
949763L46	46	WELLS FARGO BANK		10/17/2019	249,000.00	249,000.00	249,000.00	2.000		2.002	1,051	10/17/2022
		Subtotal and Average	**4,960,000.00**		**4,960,000.00**	**4,960,000.00**	**4,960,000.00**			**1.875**	**1,296**	
		Total and Average	**40,683,836.16**		**33,631,852.29**	**33,631,852.29**	**33,631,852.29**			**2.087**	**200**	

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Cash
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Checking Accounts											
100	100	BANK OF THE WEST		08/31/2019	9,731,898.31	9,731,898.31	9,731,898.31			0.000	1
		Average Balance	**0.00**	Accrued Interest at Purchase		2,154.19	2,154.19				**1**
				Subtotal		9,734,052.50	9,734,052.50				
		Total Cash and Investments	**40,683,836.16**		**43,363,750.60**	**43,365,904.79**	**43,365,904.79**			**2.087**	**200**

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Investments
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Certificates of Deposit - Bank													
26	26	EW		05/17/2019	250,000.00	250,000.00	250,000.00	2.350	167	2.350	-60.58	0.00	05/16/2020
		Subtotal and Average	**250,000.00**		**250,000.00**	**250,000.00**	**250,000.00**	2.350	167	2.350	-60.58	0.00	
Certificates of Deposit - CU													
25	25	F&A		04/27/2019	269,567.23	269,567.23	269,567.23	2.200	147	2.200	-6.86	0.00	04/26/2020
28	28	FOREST		06/20/2019	250,000.00	250,000.00	250,000.00	2.350	201	2.350	177.06	0.00	06/19/2020
27	27	JEEP		05/23/2019	249,000.00	249,000.00	249,000.00	2.400	173	2.400	474.81	0.00	05/22/2020
29	29	UNITED		07/25/2019	250,000.00	250,000.00	250,000.00	2.300	236	2.300	456.84	0.00	07/24/2020
24	24	VIN		04/02/2019	249,000.00	249,000.00	249,000.00	2.550	123	2.550	521.88	0.00	04/02/2020
		Subtotal and Average	**1,267,567.23**		**1,267,567.23**	**1,267,567.23**	**1,267,567.23**	2.357	176	2.357	1,623.73	0.00	
Local Agency Investment Funds													
SYS200	200	LAIF			22,487,548.20	22,487,548.20	22,487,548.20	2.070	1	2.070	88,049.18	0.00	
		Subtotal and Average	**22,487,548.20**		**22,487,548.20**	**22,487,548.20**	**22,487,548.20**	2.070	1	2.070	88,049.18	0.00	
Savings Accounts													
697530	500	F&A			5.38	5.38	5.38	0.500	1	0.500	0.36	0.00	
950516181	600	PLAZA			4,666,731.48	4,666,731.48	4,666,731.48	2.308	1	2.308	8,860.85	0.00	
		Subtotal and Average	**4,666,736.86**		**4,666,736.86**	**4,666,736.86**	**4,666,736.86**	2.308	1	2.308	8,861.21	0.00	
Negotiable CDs													
02007GMC4.	32	ALLY		10/09/2019	247,000.00	247,000.00	247,000.00	1.900	1037	1.901	681.44	0.00	10/03/2022
05580ASV7	40	BMW		10/11/2019	247,000.00	247,000.00	247,000.00	1.850	1410	1.851	638.48	0.00	10/11/2023
14042RNV9	37	CAPITA		10/10/2019	247,000.00	247,000.00	247,000.00	1.800	1010	1.544	633.40	0.00	09/06/2022
14042TCM7	35	CAPONE		10/10/2019	247,000.00	247,000.00	247,000.00	1.800	1010	1.544	633.40	0.00	09/06/2022
29260MAP0	48	ENCORE		10/23/2019	249,000.00	249,000.00	249,000.00	1.700	876	1.702	452.29	0.00	04/25/2022
29278TLF5	34	ENERBA		10/09/2019	249,000.00	249,000.00	249,000.00	1.800	1382	1.800	282.43	0.00	09/13/2023
33742CAR8	42	FUB		10/11/2019	249,000.00	249,000.00	249,000.00	2.050	1776	2.052	713.23	0.00	10/11/2024
38149MGL1	39	GOLDMA		10/10/2019	247,000.00	247,000.00	247,000.00	1.950	1030	1.678	686.18	0.00	09/26/2022
45673KAX4	38	INFI		10/10/2019	249,000.00	249,000.00	249,000.00	1.900	496	1.901	388.85	0.00	04/10/2021
48128LEJ4	44	JP		10/16/2019	247,000.00	247,000.00	247,000.00	2.100	1781	2.102	653.70	0.00	10/16/2024
49228XAE0	49	KERN		10/30/2019	249,000.00	249,000.00	249,000.00	2.100	1795	2.102	458.43	0.00	10/30/2024
58404DFM8	36	MEDA		10/10/2019	249,000.00	249,000.00	249,000.00	1.700	681	1.704	603.06	0.00	10/12/2021
59013KDM5	47	MERR		10/18/2019	249,000.00	249,000.00	249,000.00	1.900	1783	1.902	570.31	0.00	10/18/2024
61760AX53	31	MORGAN		10/09/2019	247,000.00	247,000.00	247,000.00	1.900	1740	1.902	681.45	0.00	09/05/2024
61765QTY5	50	MORSTA		10/30/2019	249,000.00	249,000.00	249,000.00	2.200	1795	2.202	480.26	0.00	10/30/2024

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Investments
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Negotiable CDs													
749622AP1	43	RIA		10/11/2019	249,000.00	249,000.00	249,000.00	1.800	1410	1.801	626.25	0.00	10/11/2023
7954504D4	33	SALLIE		10/09/2019	247,000.00	247,000.00	247,000.00	1.900	1753	1.902	681.45	0.00	09/18/2024
828373HH6	45	SILVER		10/16/2019	249,000.00	249,000.00	249,000.00	2.100	1781	2.102	659.00	0.00	10/16/2024
87270LCZ4	41	TIAA		10/11/2019	245,000.00	245,000.00	245,000.00	1.800	313	1.800	616.19	0.00	10/09/2020
949763L46	46	WELLS		10/17/2019	249,000.00	249,000.00	249,000.00	2.000	1051	2.001	613.97	0.00	10/17/2022
		Subtotal and Average	**4,960,000.00**		**4,960,000.00**	**4,960,000.00**	**4,960,000.00**	1.913	1296	1.875	11,753.77	0.00	
	Total and Average		**40,683,836.16**		**33,631,852.29**	**33,631,852.29**	**33,631,852.29**	2.093	200	2.087	110,227.31	0.00	

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Cash
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
Checking Accounts												
100	100	BOFW		08/31/2019	9,731,898.31	9,731,898.31	9,731,898.31	0.000	1	0.000	0.00	0.00
	Average Balance		**0.00**	Accrued Interest at Purchase		2,154.19	2,154.19					
				Subtotal		9,734,052.50	9,734,052.50					
	Total Cash and Investments		**40,683,836.16**		**43,363,750.60**	**43,365,904.79**	**43,365,904.79**	1.623	155	1.619	110,227.31	0.00

CITY OF MONTEBELLO
Portfolio Management
Activity By Type
November 1, 2019 through November 30, 2019

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Certificates of Deposit - Bank								
		Subtotal	**250,000.00**					**250,000.00**
Certificates of Deposit - CU								
		Subtotal	**1,267,567.23**					**1,267,567.23**
Local Agency Investment Funds (Monthly Summary)								
		Subtotal	**22,487,548.20**					**22,487,548.20**
Savings Accounts (Monthly Summary)								
950516181	600	PACIFIC PREMIER/PLAZA BANK		2.308		9,550.03	9,550.03	
		Subtotal	**4,666,736.86**			**9,550.03**	**9,550.03**	**4,666,736.86**
Checking Accounts (Monthly Summary)								
100	100	BANK OF THE WEST				2,772,325.28	0.00	
		Subtotal	**6,959,573.03**			**2,772,325.28**	**0.00**	**9,731,898.31**
Negotiable CDs								
		Subtotal	**4,960,000.00**					**4,960,000.00**
		Total	**40,591,425.32**			**2,781,875.31**	**9,550.03**	**43,363,750.60**

CITY OF MONTEBELLO
Portfolio Management
Activity Summary
November 2018 through November 2019

Month End	Year	Number of Securities	Total Invested	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
November	2018	7	18,932,634.39	2.213	2.243	2.260	0	0	20	10
December	2018	7	27,932,634.39	2.277	2.308	2.320	0	0	14	6
January	2019	7	35,021,771.57	2.347	2.379	2.390	0	0	12	4
February	2019	7	35,021,771.57	2.357	2.389	2.390	0	0	12	3
March	2019	7	35,021,771.57	2.404	2.437	2.440	0	0	12	2
April	2019	9	35,201,261.41	2.421	2.455	2.450	2	2	12	7
May	2019	9	35,450,261.41	2.423	2.457	2.450	2	1	14	11
June	2019	9	35,700,261.41	2.393	2.426	2.410	1	0	16	12
July	2019	10	35,888,880.86	2.357	2.390	2.370	1	1	16	13
August	2019	9	35,888,880.86	2.313	2.345	2.320	0	0	16	12
September	2019	10	35,888,880.86	2.249	2.280	2.250	0	0	16	11
October	2019	30	33,631,852.29	2.118	2.148	2.140	20	0	216	206
November	2019	30	33,631,852.29	2.059	2.087	2.070	0	0	216	200
	Average	**12**	**33,324,054.99**	**2.302%**	**2.334%**	**2.328**	**2**	**0**	**46**	**38**

CITY OF MONTEBELLO
Portfolio Management
Distribution of Investments By Type
November 2018 through November 2019

Security Type	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	Average by Period
Certificates of Deposit - Bank	1.3	0.9	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.8%
Certificates of Deposit - CU	4.0	2.7	2.2	2.2	2.2	2.2	2.9	3.6	3.5	3.5	3.5	3.8	3.8	3.1%
Local Agency Investment Funds	70.0	79.7	83.8	83.8	83.8	83.9	83.3	82.7	82.8	82.8	82.8	66.9	66.9	79.5%
Money Market Funds														
Commercial Paper Disc. -At Cost														
Federal Agency Issues Disc.-At Cost														
Treasury Discounts -At Cost														
Miscellaneous Discounts -At Cost														
Savings Accounts	24.7	16.7	13.3	13.3	13.3	13.3	13.2	13.1	13.0	13.0	13.0	13.9	13.9	14.4%
Checking Accounts														
Negotiable CDs												14.8	14.8	2.3%

CITY OF MONTEBELLO
Portfolio Management
Interest Earnings Summary
November 30, 2019

	November 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	3,670.68	15,931.95
Plus Accrued Interest at End of Period	13,316.92	13,316.87
Less Accrued Interest at Beginning of Period	(6,251.53)	(1,828.72)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	10,736.07	27,420.10
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	10,736.07	27,420.10
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	9,550.03	420,190.61
Plus Accrued Interest at End of Period	96,910.39	96,910.39
Less Accrued Interest at Beginning of Period	(58,089.25)	(198,148.96)
Interest Earned during Period	48,371.17	318,952.04
Total Interest Earned during Period	**59,107.24**	**346,372.14**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**59,107.24**	**346,372.14**

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Summary
November 30, 2019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	9,400,610.29	9,400,610.29	9,400,610.29	100.00	1	1	2.042	2.070
Investments	**9,400,610.29**	**9,400,610.29**	**9,400,610.29**	**100.00%**	**1**	**1**	**2.042**	**2.070**
Cash								
Passbook/Checking (not included in yield calculations)	551,421.95	551,421.95	551,421.95		1	1	0.000	0.000
Total Cash and Investments	**9,952,032.24**	**9,952,032.24**	**9,952,032.24**		**1**	**1**	**2.042**	**2.070**

Total Earnings	November 30 Month Ending	Fiscal Year To Date
Current Year	16,516.74	97,639.77
Average Daily Balance	**9,982,664.63**	**10,275,631.49**
Effective Rate of Return	**2.01%**	**2.27%**

Reporting period 11/01/2019-11/30/2019

Run Date: 01/07/2020 - 16:50

Portfolio SA
CP
PM (PRF_PM1) 7.3.0
Report Ver. 7.3.6.1

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details - Investments
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS100	100	STATE OF CALIFORNIA			9,400,610.29	9,400,610.29	9,400,610.29	2.070		2.070	1	
		Subtotal and Average	**9,400,610.29**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**			**2.070**	**1**	
		Total and Average	**9,982,664.63**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**			**2.070**	**1**	

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details - Cash
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Checking Accounts											
200	200	BANK OF THE WEST		08/31/2019	551,421.95	551,421.95	551,421.95			0.000	1
		Average Balance	**0.00**								**1**
	Total Cash and Investments		**9,982,664.63**		**9,952,032.24**	**9,952,032.24**	**9,952,032.24**			**2.070**	**1**

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details with Earnings - Investments
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Local Agency Investment Funds													
SYS100	100	LAIF			9,400,610.29	9,400,610.29	9,400,610.29	2.070	1	2.070	34,444.42	0.00	
		Subtotal and Average	**9,400,610.29**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**	2.070	1	2.070	34,444.42	0.00	
	Total and Average		**9,982,664.63**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**	2.070	1	2.070	34,444.42	0.00	

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details with Earnings - Cash
November 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
Checking Accounts												
200	200	BOFW		08/31/2019	551,421.95	551,421.95	551,421.95	0.000	1	0.000	0.00	0.00
	Average Balance		**0.00**									
	Total Cash and Investments		**9,982,664.63**		**9,952,032.24**	**9,952,032.24**	**9,952,032.24**	1.955	1	1.955	34,444.42	0.00

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity By Type
November 1, 2019 through November 30, 2019

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Local Agency Investment Funds (Monthly Summary)								
		Subtotal	**9,400,610.29**					**9,400,610.29**
Checking Accounts (Monthly Summary)								
200	200	BANK OF THE WEST				0.00	31,688.68	
		Subtotal	**583,110.63**			**0.00**	**31,688.68**	**551,421.95**
		Total	**9,983,720.92**			**0.00**	**31,688.68**	**9,952,032.24**

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity Summary
November 2018 through November 2019

Month End	Year	Number of Securities	Total Invested	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
November	**2018**	1	4,257,246.18	2.229	2.260	2.260	0	0	1	1
December	**2018**	1	4,257,246.18	2.288	2.320	2.320	0	0	1	1
January	**2019**	1	4,282,962.08	2.357	2.390	2.390	0	0	1	1
February	**2019**	1	4,282,962.08	2.357	2.390	2.390	0	0	1	1
March	**2019**	1	4,282,962.08	2.407	2.440	2.440	0	0	1	1
April	**2019**	1	4,309,828.36	2.416	2.450	2.450	0	0	1	1
May	**2019**	1	4,309,828.36	2.416	2.450	2.450	0	0	1	1
June	**2019**	1	4,309,828.36	2.377	2.410	2.410	0	0	1	1
July	**2019**	1	14,337,368.53	2.338	2.370	2.370	0	0	1	1
August	**2019**	1	9,337,368.53	2.288	2.320	2.320	0	0	1	1
September	**2019**	2	9,337,368.53	2.219	2.250	2.250	0	0	1	1
October	**2019**	2	9,400,610.29	2.111	2.140	2.140	0	0	1	1
November	**2019**	2	9,400,610.29	2.042	2.070	2.070	0	0	1	1
	Average	**1**	**6,623,553.07**	**2.296%**	**2.328%**	**2.328**	**0**	**0**	**1**	**1**

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity Summary
November 2018 through November 2019

Month End	Year	Number of Securities	Total Invested	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
November	2018	1	4,257,246.18	2.229	2.260	2.260	0	0	1	1
December	2018	1	4,257,246.18	2.288	2.320	2.320	0	0	1	1
January	2019	1	4,282,962.08	2.357	2.390	2.390	0	0	1	1
February	2019	1	4,282,962.08	2.357	2.390	2.390	0	0	1	1
March	2019	1	4,282,962.08	2.407	2.440	2.440	0	0	1	1
April	2019	1	4,309,828.36	2.416	2.450	2.450	0	0	1	1
May	2019	1	4,309,828.36	2.416	2.450	2.450	0	0	1	1
June	2019	1	4,309,828.36	2.377	2.410	2.410	0	0	1	1
July	2019	1	14,337,368.53	2.338	2.370	2.370	0	0	1	1
August	2019	1	9,337,368.53	2.288	2.320	2.320	0	0	1	1
September	2019	2	9,337,368.53	2.219	2.250	2.250	0	0	1	1
October	2019	2	9,400,610.29	2.111	2.140	2.140	0	0	1	1
November	2019	2	9,400,610.29	2.042	2.070	2.070	0	0	1	1
	Average	**1**	**6,623,553.07**	**2.296%**	**2.328%**	**2.328**	**0**	**0**	**1**	**1**

SUCCESSOR AGENCIES MTB
Portfolio Management
Interest Earnings Summary
November 30, 2019

	November 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	90,781.93
Plus Accrued Interest at End of Period	34,444.42	34,444.42
Less Accrued Interest at Beginning of Period	(17,927.68)	(27,586.58)
Interest Earned during Period	16,516.74	97,639.77
Total Interest Earned during Period	**16,516.74**	**97,639.77**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**16,516.74**	**97,639.77**

CITY OF MONTEBELLO
MONTHLY CASH REPORT (ALL ACCOUNTS)
BALANCE AS OF DECEMBER 31, 2019

BANK OF THE WEST

	Account Number	Account Name	12/31/19	Type	Purpose
1	XXXX-XX770	Housing Successor Agency of the City of Montebello	$1,515,904.90	H	Checking ($566,112.73 Due to Successor Agency)
2	XXXX-XX093	Successor Agency of the City of Montebello	$1,028,279.68	S	Checking ($566,112.73 Due From Housing Successor Agency)
3	XXXX-71041	City of Montebello	$13,438.52	G	Checking Account (Recreation On-line payments)
4	XXXX-00184	City of Montebello - FSA	$15,635.65	T	Checking Account (Flexible Spending Account)
5	XXXX-XX079	Liability Account	$39,425.54	G	Disbursement of Liability Checks
6	XXXX-XX331	General	$6,414,763.33	G	Disbursement of City issued checks (AP/Payroll)
7	XXXX-XX554	Workers' Compensation	$96,395.38	G	Disbursement of Workers Compensation Checks
8	XXXX-XX287	Trust & Agency	$1,317,378.19	T	Holding Account
9	XXXX-XX803	Police Retiree Health Account	$787,393.62	T	Interest Checking;T&A Holding Acct 1% per MOU
10	XXXX-XX267	Payroll	$0.00	G	Checking Account;Process checks for Payroll
11	XXXX-XX362	Fire Retiree Health Account	$327,066.47	T	Interest Checking;T&A Holding Acct 1% per MOU
			$11,555,681.28		

STATE OF CALIFORNIA

	Account Number	Account Name	12/31/19	Type	Purpose
1	XX-XX-551	General	$31,487,548.20	G	Invest Idle Cash
2	XX-XX-068	Successor Agency City of Mtb for Mtb RDA	$9,400,610.29	S	Invest Idle Cash
			$40,888,158.49		

EAST WEST BANK

	Account Number	Account Name	12/31/19	Type	Purpose
1	CD	Certificate of Deposit (5/17/19 - 5/16/20)	$250,000.00	G	Investment

F&A FEDERAL CREDIT UNION

	Account Number	Account Name	12/31/19	Type	Purpose
1	XXXX30	Savings Account	$5.38	G	Interest Savings Account
2	CD	Certificate of Deposit (4/27/19 - 4/26/20)	$269,567.23	G	Investment
			$269,572.61		

FOREST AREA FEDERAL CREDIT UNION

	Account Number	Account Name	12/31/19	Type	Purpose
1	CD	Certificate of Deposit (6/20/19-6/19/20)	$250,000.00	G	Investment

JEEP COUNTRY FEDERAL CREDIT UNION

	Account Number	Account Name	12/31/19	Type	Purpose
1	CD	Certificate of Deposit (5/23/19-5/22/20)	$249,000.00	G	Investment

ST. VINCENT'S MEDICAL FEDERAL CREDIT UNION

	Account Number	Account Name	12/31/19	Type	Purpose
1	CD	Certificate of Deposit (4/2/19 - 4/2/20)	$249,000.00	G	Investment

UNITED FEDERAL CREDIT UNION

	Account Number	Account Name	12/31/19	Type	Purpose
1	CD	Certificate of Deposit (7/25/19 - 7/24/20)	$250,000.00	G	Investment

PACIFIC PREMIER BANK/PLAZA BANK

	Account Number	Account Name	12/31/19	Type	Purpose
1	XXXXXX181	Money Market Fund	$4,666,731.48	G	Investment

FIRST MERCANTILE TRUST

Account Number	Account Name	12/31/19	Type	Purpose
XXX-XX-X746	CORPORATE ACCOUNT	$13.29	M	401 a(h) employee benefit
XXX-XX-X999	TRUST ACCOUNT	$13,533.98	M	401 a(h) employee benefit
		$13,547.27		

CITY OF MONTEBELLO

January 22, 2020

TO: Honorable Mayor and City Council

FROM: Robert Mescher, Director of Finance

SUBJECT: Monthly Investment Reports-December 2019

Attached are the Monthly Investment Reports listing investments for the City and the Successor Agency as of December 31, 2019. This report is in compliance with the City's Investment policy. Government Code Section 53646b(3) requires that the City Treasurer or Chief Fiscal Officer of the City report to its legislative body the City's ability to meet its expenditure requirements for the next six months. We estimate that the City will have sufficient liquidity and revenue to meet its expenditure requirements during the next six months.

Pershing LLC - CDs

Account Number	Account Name	12/31/19	Type	Purpose
CD	Enerbank USA (10/9/19-9/13/23)	$249,319.27	G	Investment
CD	Ally Bank (10/9/19-10/3/22)	$247,077.15	G	Investment
CD	Sallie Mae Bank (10/9/19-9/18/24)	$247,270.01	G	Investment
CD	Morgan Stanley Private Bank (10/9/19-9/5/24)	$247,437.16	G	Investment
CD	Capital One Bank USA (10/10/19-9/6/22)	$247,426.33	G	Investment
CD	Medallion Bank (10/10/19-10/12/21)	$249,000.00	G	Investment
CD	Infinity FCU (10/10/19-4/10/21)	$249,000.00	G	Investment
CD	Capital One NA (10/10/19-9/6/22)	$247,426.33	G	Investment
CD	Goldman Sachs Bank USA (10/10/19-9/26/22)	$247,197.94	G	Investment
CD	RIA Federal Credit Union (10/11/19-10/11/23)	$249,000.00	G	Investment
CD	First United B&TC (10/11/19-10/11/24)	$249,000.00	G	Investment
CD	TIAA FSB (10/11/19-10/9/20)	$245,000.00	G	Investment
CD	BMW Bank North America (10/11/19-10/11/23)	$247,000.00	G	Investment
CD	Silvergate Bank (10/16/19-10/16/24)	$249,000.00	G	Investment
CD	JP Morgan Chase Bank (10/16/19-10/16/24)	$247,000.00	G	Investment
CD	Wells Fargo Bank (10/17/19-10/17/22)	$249,000.00	G	Investment
CD	Merrick Bank (10/18/19-10/18/24)	$249,000.00	G	Investment
CD	Encore Bank (10/23/19-4/25/22)	$249,000.00	G	Investment
CD	Kern Schools Fèderal Credit Union (10/30/19-10/30/24)	$249,000.00	G	Investment
CD	Morgan Stanley Bank (10/30/19-10/30/24)	$249,000.00	G	Investment
		$4,962,154.19		

Total General Cash/Investments	$49,198,029.25	G	General
Total SA Cash/Investments	$10,428,889.97	S	Successor Agency
Total HSA Cash/Investments	$1,515,904.90	H	Housing Successor Agency
Total T&A Cash/Investments	$2,447,473.93	T	Trust & Agency
Total Trustee Cash	$13,547.27	M	401 a(h) Trust Accounts
Total Cash/Investments	$63,603,845.32		

CITY OF MONTEBELLO
Portfolio Management
Portfolio Summary
December 31, 2019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit - Bank	250,000.00	250,000.00	250,000.00	0.59	365	136	2.318	2.350
Certificates of Deposit - CU	1,267,567.23	1,267,567.23	1,267,567.23	2.97	365	145	2.325	2.357
Local Agency Investment Funds	31,487,548.20	31,487,548.20	31,487,548.20	73.86	1	1	2.002	2.030
Savings Accounts	4,666,736.86	4,666,736.86	4,666,736.86	10.95	1	1	2.178	2.209
Negotiable CDs	4,960,000.00	4,960,000.00	4,960,000.00	11.63	1,344	1,265	1.850	1.875
Investments	**42,631,852.29**	**42,631,852.29**	**42,631,852.29**	**100.00%**	**170**	**153**	**2.015**	**2.043**
Cash and Accrued Interest								
Passbook/Checking (not included in yield calculations)	6,564,022.77	6,564,022.77	6,564,022.77		1	1	0.000	0.000
Accrued Interest at Purchase		2,154.19	2,154.19					
Subtotal		6,566,176.96	6,566,176.96					
Total Cash and Investments	**49,195,875.06**	**49,198,029.25**	**49,198,029.25**		**170**	**153**	**2.015**	**2.043**

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	63,916.39	410,288.53
Average Daily Balance	**45,874,464.29**	**40,983,484.09**
Effective Rate of Return	**1.64%**	**1.99%**

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Investments
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Certificates of Deposit - Bank												
26	26	EAST WEST BANK		05/17/2019	250,000.00	250,000.00	250,000.00	2.350		2.350	136	05/16/2020
		Subtotal and Average	**250,000.00**		**250,000.00**	**250,000.00**	**250,000.00**			**2.350**	**136**	
Certificates of Deposit - CU												
25	25	F&A FEDERAL CREDIT UNION		04/27/2019	269,567.23	269,567.23	269,567.23	2.200		2.200	116	04/26/2020
28	28	FOREST AREA CREDIT UNION		06/20/2019	250,000.00	250,000.00	250,000.00	2.350		2.350	170	06/19/2020
27	27	JEEP COUNTRY FCU		05/23/2019	249,000.00	249,000.00	249,000.00	2.400		2.400	142	05/22/2020
29	29	UNITED FEDERAL CREDIT UNION		07/25/2019	250,000.00	250,000.00	250,000.00	2.300		2.300	205	07/24/2020
24	24	ST. VINCENT'S MEDICAL FCU		04/02/2019	249,000.00	249,000.00	249,000.00	2.550		2.550	92	04/02/2020
		Subtotal and Average	**1,267,567.23**		**1,267,567.23**	**1,267,567.23**	**1,267,567.23**			**2.357**	**145**	
Local Agency Investment Funds												
SYS200	200	STATE OF CALIFORNIA			31,487,548.20	31,487,548.20	31,487,548.20	2.030		2.030	1	
		Subtotal and Average	**25,100,451.43**		**31,487,548.20**	**31,487,548.20**	**31,487,548.20**			**2.030**	**1**	
Savings Accounts												
697530	500	F&A FEDERAL CREDIT UNION			5.38	5.38	5.38	0.500		0.500	1	
950516181	600	PACIFIC PREMIER/PLAZA BANK			4,666,731.48	4,666,731.48	4,666,731.48	2.209		2.209	1	
		Subtotal and Average	**4,666,736.86**		**4,666,736.86**	**4,666,736.86**	**4,666,736.86**			**2.209**	**1**	
Negotiable CDs												
02007GMC4.	32	ALLY BANK		10/09/2019	247,000.00	247,000.00	247,000.00	1.900		1.902	1,006	10/03/2022
05580ASV7	40	BMW BANK NORTH AMERICA		10/11/2019	247,000.00	247,000.00	247,000.00	1.850		1.851	1,379	10/11/2023
14042RNV9	37	CAPITAL ONE NA		10/10/2019	247,000.00	247,000.00	247,000.00	1.800		1.544	979	09/06/2022
14042TCM7	35	CAPITAL ONE BANK USA NA		10/10/2019	247,000.00	247,000.00	247,000.00	1.800		1.544	979	09/06/2022
29260MAP0	48	ENCORE BANK		10/23/2019	249,000.00	249,000.00	249,000.00	1.700		1.703	845	04/25/2022
29278TLF5	34	ENERBANK USA		10/09/2019	249,000.00	249,000.00	249,000.00	1.800		1.801	1,351	09/13/2023
33742CAR8	42	FIRST UNITED B&TC		10/11/2019	249,000.00	249,000.00	249,000.00	2.050		2.052	1,745	10/11/2024
38149MGL1	39	GOLDMAN SACHS BANK USA		10/10/2019	247,000.00	247,000.00	247,000.00	1.950		1.678	999	09/26/2022
45673KAX4	38	INFINITY FEDERAL CREDIT UNION		10/10/2019	249,000.00	249,000.00	249,000.00	1.900		1.902	465	04/10/2021
48128LEJ4	44	JP MORGAN CHASE BANK NA		10/16/2019	247,000.00	247,000.00	247,000.00	2.100		2.102	1,750	10/16/2024
49228XAE0	49	KERN SCHOOLS FCU		10/30/2019	249,000.00	249,000.00	249,000.00	2.100		2.102	1,764	10/30/2024
58404DFM8	36	MEDALLION BANK		10/10/2019	249,000.00	249,000.00	249,000.00	1.700		1.705	650	10/12/2021
59013KDM5	47	MERRICK BANK		10/18/2019	249,000.00	249,000.00	249,000.00	1.900		1.902	1,752	10/18/2024
61760AX53	31	MORGAN STANLEY PRIVATE BANK		10/09/2019	247,000.00	247,000.00	247,000.00	1.900		1.902	1,709	09/05/2024

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Investments
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Negotiable CDs												
61765QTY5	50	MORGAN STANLEY BANK		10/30/2019	249,000.00	249,000.00	249,000.00	2.200		2.203	1,764	10/30/2024
749622AP1	43	RIA FEDERAL CREDIT UNION		10/11/2019	249,000.00	249,000.00	249,000.00	1.800		1.801	1,379	10/11/2023
7954504D4	33	SALLIE MAE BANK		10/09/2019	247,000.00	247,000.00	247,000.00	1.900		1.902	1,722	09/18/2024
828373HH6	45	SILVERGATE BANK		10/16/2019	249,000.00	249,000.00	249,000.00	2.100		2.102	1,750	10/16/2024
87270LCZ4	41	TIAA FSB		10/11/2019	245,000.00	245,000.00	245,000.00	1.800		1.800	282	10/09/2020
949763L46	46	WELLS FARGO BANK		10/17/2019	249,000.00	249,000.00	249,000.00	2.000		2.002	1,020	10/17/2022
		Subtotal and Average	**4,960,000.00**		**4,960,000.00**	**4,960,000.00**	**4,960,000.00**			**1.875**	**1,265**	
		Total and Average	**45,874,464.29**		**42,631,852.29**	**42,631,852.29**	**42,631,852.29**			**2.043**	**153**	

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details - Cash
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Checking Accounts											
100	100	BANK OF THE WEST		08/31/2019	6,564,022.77	6,564,022.77	6,564,022.77			0.000	1
		Average Balance	**0.00**	Accrued Interest at Purchase		2,154.19	2,154.19				**1**
				Subtotal		6,566,176.96	6,566,176.96				
		Total Cash and Investments	**45,874,464.29**		**49,195,875.06**	**49,198,029.25**	**49,198,029.25**			**2.043**	**153**

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Investments
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Certificates of Deposit - Bank													
26	26	EW		05/17/2019	250,000.00	250,000.00	250,000.00	2.350	136	2.350	438.39	0.00	05/16/2020
		Subtotal and Average	**250,000.00**		**250,000.00**	**250,000.00**	**250,000.00**	2.350	136	2.350	438.39	0.00	
Certificates of Deposit - CU													
25	25	F&A		04/27/2019	269,567.23	269,567.23	269,567.23	2.200	116	2.200	-13.96	0.00	04/26/2020
28	28	FOREST		06/20/2019	250,000.00	250,000.00	250,000.00	2.350	170	2.350	676.03	0.00	06/19/2020
27	27	JEEP		05/23/2019	249,000.00	249,000.00	249,000.00	2.400	142	2.400	474.81	0.00	05/22/2020
29	29	UNITED		07/25/2019	250,000.00	250,000.00	250,000.00	2.300	205	2.300	472.60	0.00	07/24/2020
24	24	VIN		04/02/2019	249,000.00	249,000.00	249,000.00	2.550	92	2.550	539.27	0.00	04/02/2020
		Subtotal and Average	**1,267,567.23**		**1,267,567.23**	**1,267,567.23**	**1,267,567.23**	2.357	145	2.357	2,148.75	0.00	
Local Agency Investment Funds													
SYS200	200	LAIF			31,487,548.20	31,487,548.20	31,487,548.20	2.030	1	2.030	132,108.82	0.00	
		Subtotal and Average	**25,100,451.43**		**31,487,548.20**	**31,487,548.20**	**31,487,548.20**	2.030	1	2.030	132,108.82	0.00	
Savings Accounts													
697530	500	F&A			5.38	5.38	5.38	0.500	1	0.500	0.36	0.00	
950516181	600	PLAZA			4,666,731.48	4,666,731.48	4,666,731.48	2.208	1	2.208	8,762.78	0.00	
		Subtotal and Average	**4,666,736.86**		**4,666,736.86**	**4,666,736.86**	**4,666,736.86**	2.209	1	2.209	8,763.14	0.00	
Negotiable CDs													
02007GMC4	32	ALLY		10/09/2019	247,000.00	247,000.00	247,000.00	1.900	1006	1.901	1,080.03	0.00	10/03/2022
05580ASV7	40	BMW		10/11/2019	247,000.00	247,000.00	247,000.00	1.850	1379	1.851	1,026.57	0.00	10/11/2023
14042RNV9	37	CAPITA		10/10/2019	247,000.00	247,000.00	247,000.00	1.800	979	1.544	1,011.01	0.00	09/06/2022
14042TCM7	35	CAPONE		10/10/2019	247,000.00	247,000.00	247,000.00	1.800	979	1.544	1,011.01	0.00	09/06/2022
29260MAP0	48	ENCORE		10/23/2019	249,000.00	249,000.00	249,000.00	1.700	845	1.702	452.30	0.00	04/25/2022
29278TLF5	34	ENERBA		10/09/2019	249,000.00	249,000.00	249,000.00	1.800	1351	1.800	282.43	0.00	09/13/2023
33742CAR8	42	FUB		10/11/2019	249,000.00	249,000.00	249,000.00	2.050	1745	2.052	713.23	0.00	10/11/2024
38149MGL1	39	GOLDMA		10/10/2019	247,000.00	247,000.00	247,000.00	1.950	999	1.678	1,095.26	0.00	09/26/2022
45673KAX4	38	INFI		10/10/2019	249,000.00	249,000.00	249,000.00	1.900	465	1.901	401.81	0.00	04/10/2021
48128LEJ4	44	JP		10/16/2019	247,000.00	247,000.00	247,000.00	2.100	1750	2.102	1,094.24	0.00	10/16/2024
49228XAE0	49	KERN		10/30/2019	249,000.00	249,000.00	249,000.00	2.100	1764	2.102	458.43	0.00	10/30/2024
58404DFM8	36	MEDA		10/10/2019	249,000.00	249,000.00	249,000.00	1.700	650	1.704	603.06	0.00	10/12/2021
59013KDM5	47	MERR		10/18/2019	249,000.00	249,000.00	249,000.00	1.900	1752	1.902	570.31	0.00	10/18/2024
61760AX53	31	MORGAN		10/09/2019	247,000.00	247,000.00	247,000.00	1.900	1709	1.902	1,080.03	0.00	09/05/2024
61765QTY5	50	MORSTA		10/30/2019	249,000.00	249,000.00	249,000.00	2.200	1764	2.202	945.52	0.00	10/30/2024

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Investments
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Negotiable CDs													
749622AP1	43	RIA		10/11/2019	249,000.00	249,000.00	249,000.00	1.800	1379	1.801	626.26	0.00	10/11/2023
7954504D4	33	SALLIE		10/09/2019	247,000.00	247,000.00	247,000.00	1.900	1722	1.902	1,080.03	0.00	09/18/2024
828373HH6	45	SILVER		10/16/2019	249,000.00	249,000.00	249,000.00	2.100	1750	2.102	658.99	0.00	10/16/2024
87270LCZ4	41	TIAA		10/11/2019	245,000.00	245,000.00	245,000.00	1.800	282	1.800	990.74	0.00	10/09/2020
949763L46	46	WELLS		10/17/2019	249,000.00	249,000.00	249,000.00	2.000	1020	2.001	613.97	0.00	10/17/2022
		Subtotal and Average	**4,960,000.00**		**4,960,000.00**	**4,960,000.00**	**4,960,000.00**	1.913	1265	1.875	15,795.23	0.00	
	Total and Average		**45,874,464.29**		**42,631,852.29**	**42,631,852.29**	**42,631,852.29**	2.048	153	2.043	159,254.33	0.00	

CITY OF MONTEBELLO
Portfolio Management
Portfolio Details with Earnings - Cash
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
Checking Accounts												
100	100	BOFW		08/31/2019	6,564,022.77	6,564,022.77	6,564,022.77	0.000	1	0.000	0.00	0.00
	Average Balance		**0.00**	Accrued Interest at Purchase		2,154.19	2,154.19					
				Subtotal		6,566,176.96	6,566,176.96					
	Total Cash and Investments		**45,874,464.29**		**49,195,875.06**	**49,198,029.25**	**49,198,029.25**	1.774	133	1.771	159,254.33	0.00

CITY OF MONTEBELLO
Portfolio Management
Activity By Type
December 1, 2019 through December 31, 2019

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Certificates of Deposit - Bank								
		Subtotal	**250,000.00**					**250,000.00**
Certificates of Deposit - CU								
		Subtotal	**1,267,567.23**					**1,267,567.23**
Local Agency Investment Funds (Monthly Summary)								
SYS200	200	STATE OF CALIFORNIA		2.030		9,000,000.00	0.00	
		Subtotal	**22,487,548.20**			**9,000,000.00**	**0.00**	**31,487,548.20**
Savings Accounts (Monthly Summary)								
950516181	600	PACIFIC PREMIER/PLAZA BANK		2.209		8,860.85	8,860.85	
		Subtotal	**4,666,736.86**			**8,860.85**	**8,860.85**	**4,666,736.86**
Checking Accounts (Monthly Summary)								
100	100	BANK OF THE WEST				0.00	3,167,875.54	
		Subtotal	**9,731,898.31**			**0.00**	**3,167,875.54**	**6,564,022.77**
Negotiable CDs								
		Subtotal	**4,960,000.00**					**4,960,000.00**
		Total	**43,363,750.60**			**9,008,860.85**	**3,176,736.39**	**49,195,875.06**

CITY OF MONTEBELLO
Portfolio Management
Activity Summary
December 2018 through December 2019

Month End	Year	Number of Securities	Total Invested	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
December	2018	7	27,932,634.39	2.277	2.308	2.320	0	0	14	6
January	2019	7	35,021,771.57	2.347	2.379	2.390	0	0	12	4
February	2019	7	35,021,771.57	2.357	2.389	2.390	0	0	12	3
March	2019	7	35,021,771.57	2.404	2.437	2.440	0	0	12	2
April	2019	9	35,201,261.41	2.421	2.455	2.450	2	2	12	7
May	2019	9	35,450,261.41	2.423	2.457	2.450	2	1	14	11
June	2019	9	35,700,261.41	2.393	2.426	2.410	1	0	16	12
July	2019	10	35,888,880.86	2.357	2.390	2.370	1	1	16	13
August	2019	9	35,888,880.86	2.313	2.345	2.320	0	0	16	12
September	2019	10	35,888,880.86	2.249	2.280	2.250	0	0	16	11
October	2019	30	33,631,852.29	2.118	2.148	2.140	20	0	216	206
November	2019	30	33,631,852.29	2.059	2.087	2.070	0	0	216	200
December	2019	30	42,631,852.29	2.015	2.043	2.030	0	0	170	153
	Average	**13**	**35,147,071.75**	**2.287%**	**2.319%**	**2.310**	**2**	**0**	**57**	**49**

CITY OF MONTEBELLO
Portfolio Management
Distribution of Investments By Type
December 2018 through December 2019

Security Type	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	Average by Period
Certificates of Deposit - Bank	0.9	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.6	0.7%
Certificates of Deposit - CU	2.7	2.2	2.2	2.2	2.2	2.9	3.6	3.5	3.5	3.5	3.8	3.8	3.0	3.0%
Local Agency Investment Funds	79.7	83.8	83.8	83.8	83.9	83.3	82.7	82.8	82.8	82.8	66.9	66.9	73.9	79.8%
Money Market Funds														
Commercial Paper Disc. -At Cost														
Federal Agency Issues Disc.-At Cost														
Treasury Discounts -At Cost														
Miscellaneous Discounts -At Cost														
Savings Accounts	16.7	13.3	13.3	13.3	13.3	13.2	13.1	13.0	13.0	13.0	13.9	13.9	11.0	13.4%
Checking Accounts														
Negotiable CDs											14.8	14.8	11.6	3.2%

CITY OF MONTEBELLO
Portfolio Management
Interest Earnings Summary
December 31, 2019

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	6,028.52	21,960.47
Plus Accrued Interest at End of Period	18,382.37	18,382.32
Less Accrued Interest at Beginning of Period	(13,316.92)	(1,828.72)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	11,093.97	38,514.07
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	11,093.97	38,514.07
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	8,860.85	429,051.46
Plus Accrued Interest at End of Period	140,871.96	140,871.96
Less Accrued Interest at Beginning of Period	(96,910.39)	(198,148.96)
Interest Earned during Period	52,822.42	371,774.46
Total Interest Earned during Period	**63,916.39**	**410,288.53**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**63,916.39**	**410,288.53**

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Summary
December 31, 2019

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	9,400,610.29	9,400,610.29	9,400,610.29	100.00	1	1	2.002	2.030
Investments	**9,400,610.29**	**9,400,610.29**	**9,400,610.29**	**100.00%**	**1**	**1**	**2.002**	**2.030**
Cash								
Passbook/Checking (not included in yield calculations)	1,028,279.68	1,028,279.68	1,028,279.68		1	1	0.000	0.000
Total Cash and Investments	**10,428,889.97**	**10,428,889.97**	**10,428,889.97**		**1**	**1**	**2.002**	**2.030**

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	16,506.45	114,146.22
Average Daily Balance	**9,967,414.75**	**10,223,703.67**
Effective Rate of Return	**1.95%**	**2.21%**

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details - Investments
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Local Agency Investment Funds												
SYS100	100	STATE OF CALIFORNIA			9,400,610.29	9,400,610.29	9,400,610.29	2.030		2.030	1	
		Subtotal and Average	**9,400,610.29**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**			**2.030**	**1**	
		Total and Average	**9,967,414.75**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**			**2.030**	**1**	

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details - Cash
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Checking Accounts											
200	200	BANK OF THE WEST		08/31/2019	1,028,279.68	1,028,279.68	1,028,279.68			0.000	1
		Average Balance	**0.00**								**1**
		Total Cash and Investments	**9,967,414.75**		**10,428,889.97**	**10,428,889.97**	**10,428,889.97**			**2.030**	**1**

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details with Earnings - Investments
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss	Maturity Date
Local Agency Investment Funds													
SYS100	100	LAIF			9,400,610.29	9,400,610.29	9,400,610.29	2.030	1	2.030	50,950.87	0.00	
	Subtotal and Average		**9,400,610.29**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**	2.030	1	2.030	50,950.87	0.00	
	Total and Average		**9,967,414.75**		**9,400,610.29**	**9,400,610.29**	**9,400,610.29**	2.030	1	2.030	50,950.87	0.00	

SUCCESSOR AGENCIES MTB
Portfolio Management
Portfolio Details with Earnings - Cash
December 31, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Current Rate	Days To Maturity	YTM	Accrued Interest	Unrealized Gain/Loss
Checking Accounts												
200	200	BOFW		08/31/2019	1,028,279.68	1,028,279.68	1,028,279.68	0.000	1	0.000	0.00	0.00
	Average Balance		**0.00**									
	Total Cash and Investments		**9,967,414.75**		**10,428,889.97**	**10,428,889.97**	**10,428,889.97**	1.830	1	1.830	50,950.87	0.00

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity By Type
December 1, 2019 through December 31, 2019

CUSIP	Investment #	Issuer	Beginning Balance	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
Local Agency Investment Funds (Monthly Summary)								
		Subtotal	9,400,610.29					9,400,610.29
Checking Accounts (Monthly Summary)								
200	200	BANK OF THE WEST				476,857.73	0.00	
		Subtotal	551,421.95			476,857.73	0.00	1,028,279.68
		Total	9,952,032.24			476,857.73	0.00	10,428,889.97

SUCCESSOR AGENCIES MTB
Portfolio Management
Activity Summary
December 2018 through December 2019

Month End	Year	Number of Securities	Total Invested	Yield to Maturity 360 Equivalent	Yield to Maturity 365 Equivalent	Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
December	2018	1	4,257,246.18	2.288	2.320	2.320	0	0	1	1
January	2019	1	4,282,962.08	2.357	2.390	2.390	0	0	1	1
February	2019	1	4,282,962.08	2.357	2.390	2.390	0	0	1	1
March	2019	1	4,282,962.08	2.407	2.440	2.440	0	0	1	1
April	2019	1	4,309,828.36	2.416	2.450	2.450	0	0	1	1
May	2019	1	4,309,828.36	2.416	2.450	2.450	0	0	1	1
June	2019	1	4,309,828.36	2.377	2.410	2.410	0	0	1	1
July	2019	1	14,337,368.53	2.338	2.370	2.370	0	0	1	1
August	2019	1	9,337,368.53	2.288	2.320	2.320	0	0	1	1
September	2019	2	9,337,368.53	2.219	2.250	2.250	0	0	1	1
October	2019	2	9,400,610.29	2.111	2.140	2.140	0	0	1	1
November	2019	2	9,400,610.29	2.042	2.070	2.070	0	0	1	1
December	2019	2	9,400,610.29	2.002	2.030	2.030	0	0	1	1
	Average	**1**	**7,019,196.46**	**2.278%**	**2.310%**	**2.310**	**0**	**0**	**1**	**1**

SUCCESSOR AGENCIES MTB
Portfolio Management
Distribution of Investments By Type
December 2018 through December 2019

Security Type	December 2018	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019	Average by Period
Certificates of Deposit - Bank														
Certificates of Deposit - CU														
Local Agency Investment Funds	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0%
Money Market Funds														
Federal Agency Issues Disc.-At Cost														
Treasury Discounts -At Cost														
Savings Accounts														
Checking Accounts														

SUCCESSOR AGENCIES MTB
Portfolio Management
Interest Earnings Summary
December 31, 2019

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	90,781.93
Plus Accrued Interest at End of Period	50,950.87	50,950.87
Less Accrued Interest at Beginning of Period	(34,444.42)	(27,586.58)
Interest Earned during Period	16,506.45	114,146.22
Total Interest Earned during Period	**16,506.45**	**114,146.22**
Total Capital Gains or Losses	**0.00**	**0.00**
Total Earnings during Period	**16,506.45**	**114,146.22**

ITEM #18

RESOLUTION NO. _______

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO APPROVING AND ALLOWING CERTAIN CLAIMS AND DEMANDS

THE CITY COUNCIL OF THE CITY OF MONTEBELLO DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the reference is hereby made to that certain Register of Audited Demand Nos. 1484, consisting of 14 pages, and including

Warrant No. 586652 through 587023;
Warrant No. 1455 through 1456

on file in the office of the City Clerk, the same having been audited and approved by the Controller as required by law.

SECTION 2. That the said City Council having examined each such demand does hereby approve and direct the payment of same, as set forth in said Register, except the following Warrant No.

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SECTION 3. That the City Clerk shall certify to the adoption of this resolution and thence forth and thereafter the same shall be in full force and effect.

APPROVED AND ADOPTED THIS 22nd DAY OF JANUARY, 2020.

____
SALVADOR MELENDEZ, Mayor

ATTEST:

____
IRMA BARAJAS, City Clerk

City of Montebello

Register of Demands No. 1484

From Payment Date: 12/12/19 - To Payment Date: 1/14/20

CHECK #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
4331 - General Account					
586652	12/12/2019	$3,000.00	COMMUNITY BENEFIT	2702	SCHURR HIGH SCHOOL ATHLETIC DEPARTMENT
586653	12/12/2019	$80.00	CARPOOL INCENTIVE	2704	JACQUELINE JAUREGUI
586654	12/12/2019	$40.00	CARPOOL INCENTIVE	24280	MARTIN SOLANO
586655	12/12/2019	$40.00	CARPOOL INCENTIVE	33960	DAVID SOSNOWSKI
586656	12/12/2019	$40.00	CARPOOL INCENTIVE	1091	JANELLE TORRES
586657	12/12/2019	$40.00	CARPOOL INCENTIVE	595	MATTHEW A VALENZUELA
586658	12/12/2019	$80.00	CARPOOL INCENTIVE	395	MARIA TERESA VASQUEZ
586659	12/12/2019	$10,954.00	AUDIT SERVICES	75020	VASQUEZ & CO.,LLP
586660	12/12/2019	$40.00	CARPOOL INCENTIVE	2657	LEYNI VAZQUEZ-NOYOLA
586661	12/12/2019	$40.00	CARPOOL INCENTIVE	2332	HUMBERTO ZARAGOZA
586662	12/12/2019	$40.00	CARPOOL INCENTIVE	75560	KRISTINA ZENDZHIRYAN
586663	12/12/2019	$80.00	CARPOOL INCENTIVE	2331	FRANCISCO ZEPEDA
586664	12/12/2019	$17,472.00	MEAL EXPENSE FOR 6 MONTHS	1690	MONTEBELLO FIRE FIGHTERS ASSOCIATION
586665	12/12/2019	$9,125.50	*SEE ATTACHED	13240	BANKCARD CENTER
586666	12/16/2019	$10,676.25	SNOW FOR SNOW PARK EVENT	1529	NICHOLAS G ATHANS;ATHANS ICE HOUSE
586667	12/16/2019	$1,448.13	STRAW FOR SNOW PARK EVENT	1913	WHITTIER NARROWS FEED, INC.
586668	12/16/2019	$5,212.34	*SEE ATTACHED	13240	BANKCARD CENTER
586669	12/17/2019	$5,343.40	TRANSIT CURRENCY VALIDATOR	269	ADVANCED ELECTRONICS SOLUTIONS INC.
586670	12/17/2019	$174,185.50	SELF INSURANCE FEE	28120	STATE OF CALIFORNIA
586671	12/17/2019	$500.00	CONTRACT SERVICES	72	COGRAN SYSTEMS LLC
586672	12/17/2019	$325.00	CONTRACT SERVICES	34230	PHIL CULBERTSON
586673	12/17/2019	$11,266.60	BUS DECAL REPLACEMENT PROGRAM	29460	COMPLETE COACH WORKS
586674	12/17/2019	$783.00	CONTRACT SERVICES	49400	U.S. MOBILE WIRELESS
586675	12/17/2019	$680.00	CONTRACT SERVICES	19300	CARLOS DIAZ;DIAZ WINDOW CLEANING SERVICE
586676	12/17/2019	$3,090.00	CONTRACT SERVICES	41130	MIHM INC.;EMERGENCY RESPONSE CRIME SCENE CLEANING
586677	12/17/2019	$35,344.29	DIAL A RIDE SERVICES	75950	FIESTA TAXI COOPERATIVE, INC.
586678	12/17/2019	$6,516.66	TRANSIT SECURITY LIGHTING SYSTEM	2656	FOX FURY LIGHTING SOLUTIONS, LLC

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586679	12/17/2019	$777.94	SUPPLIES	9470	GRAINGER, INC.
586680	12/17/2019	$13,039.31	STREET SAFETY REPAIR	43860	MYERS & SONS HI-WAY SAFETY INC.
586681	12/17/2019	$1,862.68	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES, INC.;MONTEBELLO TIRE PROS
586682	12/17/2019	$1,361.25	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS, INC.; MR. ROOTER
586683	12/17/2019	$1,749.28	CONTRACT SERVICES	53120	NATIONAL CONSTRUCTION RENTALS
586684	12/17/2019	$59,150.96	STREET SWEEPING SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
586685	12/17/2019	$7,247.23	TRANSIT BUS PARTS	60710	THE AFTERMARKET PARTS COMPANY, LLC
586686	12/17/2019	$36,276.00	METRO LINK RAILFEEDER PROGRAM	42180	PCAM, LLC;PARKING COMPANY OF AMERICA
586687	12/17/2019	$362.08	SUPPLIES	523	PC INDUSTRIAL PRODUCTS LLC
586688	12/17/2019	$240.76	SUPPLIES	45960	R & R PRODUCTS, INC.
586689	12/17/2019	$40.00	CONTRACT SERVICES	1848	SECURITY DESIGN SYSTEMS
586690	12/17/2019	$1,145.00	CONTRACT SERVICES	4020	TORO NSN
586691	12/17/2019	$3,000.00	CONTRACT SERVICES	217	TRACKIT LLC
586692	12/17/2019	$23,170.00	TRANSIT MAINTENANCE SERVICES	49910	TRANSTRACK SYSTEMS, LLC
586693	12/17/2019	$6,780.00	TRANSIT BUS CLEANING SERVICES	74850	UNIQUE GENERAL SERVICES
586694	12/17/2019	$127.21	CONTRACT SERVICES	131	UNITED SITE SERVICES, INC.
586695	12/17/2019	$626.95	SUPPLIES	59290	UNIVAR USA INC.
586696	12/17/2019	$8,904.04	METROLINK SECURITY SERVICES	37	U.S. SECURITY ASSOCIATES, INC.
586697	12/17/2019	$11,736.00	TREE TRIMMING SERVICES	40860	WEST COAST ARBORISTS, INC.
586698	12/17/2019	$70.00	REFUND	2705	DOLORES AMADOR
586699	12/17/2019	$48.13	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
586700	12/17/2019	$409.02	SUPPLIES	31270	STARBOARD TACK SUPPLY INC.
586701	12/17/2019	$6,716.47	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
586702	12/17/2019	$671.55	SUPPLIES	21690	COLUMBIA BUSINESS FORMS, INC.
586703	12/17/2019	$571.20	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
586704	12/17/2019	$802.50	ADVERTISING/PRINTING SERVICES	1847	DODGE DATA AND ANALYTICS LLC
586705	12/17/2019	$150.00	ADVERTISING/PRINTING SERVICES	2123	ENDEAVOR BUSINESS MEDIA LLC.
586706	12/17/2019	$4,167.00	CONTRACT SERVICES	21260	FLAIR DATA SERVICES, INC.

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586707	12/17/2019	$250.00	REFUND	1307	PATRICIA FRIAS
586708	12/17/2019	$15,000.00	DUES & SUBSCRIPTIONS	1447	GATEWAY WATER MANAGEMENT AUTHORITY
586709	12/17/2019	$178.69	SUPPLIES	9470	GRAINGER, INC.
586710	12/17/2019	$1,872.00	LEGAL SERVICES	2001	LAW OFFICES OF DAVID J. WEISS
586711	12/17/2019	$13,992.50	POLICE RELATED FEES	692	LOS ANGELES COUNTY SUPERIOR COURT
586712	12/17/2019	$250.00	REFUND	2706	MELISSA MELERO
586713	12/17/2019	$20,565.24	TRANSIT BUS TIRE LEASE	110	MICHELIN NORTH AMERICA, INC
586714	12/17/2019	$108.00	REFUND	2707	ROLANDO ROJAS
586715	12/17/2019	$12,006.50	FUEL	45630	SOUTHERN CALIFORNIA EDISON
586716	12/17/2019	$14,269.92	INSURANCE PREMIUM	25850	STANDARD INSURANCE COMPANY
586717	12/17/2019	$900.00	CONTRACT SERVICES	9070	ERVIN L. YOUNGBLOOD
586718	12/19/2019	$2,450.00	ADVERTISING/PRINTING SERVICES	1293	923 MEDIA GROUP INC.
586719	12/19/2019	$246,325.15	ENGINEERING SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
586720	12/19/2019	$14,589.75	CDBG ADMIN SERVICES	38010	ADVANCED AVANT-GARDE CORPORATION
586721	12/19/2019	$31,277.10	DIAL A RIDE SERVICES	75950	FIESTA TAXI COOPERATIVE, INC.
586722	12/19/2019	$200.00	TRAINING	45050	OMAR RODRIGUEZ
586723	12/19/2019	$2,814.06	TRAINING	35750	STEPHEN SHARPE
586724	12/19/2019	$500.00	COST RECOVERY	2635	SPERTUS, LANDES & UMHOFER LLP
586725	12/19/2019	$340.00	CONTRACT SERVICES	328	ANNE L. DONOFRIO;WRITERANNE COMMUNICATIONS
586726	12/19/2019	$67,812.00	ROOF REPAIR SERVICES	1303	CERTIFIED ROOFING APPLICATORS, INC.
586727	12/19/2019	$6,000.00	MAIL/ POSTAL EXPENSE	68120	USPS-HASLER
586728	12/23/2019	$250,515.80	BIKE LANE IMPROVEMENTS	20770	SEQUEL CONTRACTORS. INC.
586729	12/23/2019	$636.54	UTILITY SERVICES	1732	AT&T CORP.
586730	12/23/2019	$258.40	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
586731	12/23/2019	$394.20	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR;ARTE PRINTING
586732	12/23/2019	$553.36	UTILITY SERVICES	38380	AT&T
586733	12/23/2019	$4,660.87	UTILITY SERVICES	39550	AT&T
586734	12/23/2019	$78.76	UTILITY SERVICES	39550	AT&T

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586735	12/23/2019	$110.58	UTILITY SERVICES	73760	AT&T TELECONFERENCE SERVICES
586736	12/23/2019	$2,919.00	LEGAL SERVICES	16710	ATKINSON, ANDELSON, LOYA, RUUD & ROMO
586737	12/23/2019	$656.00	FINGERPRINT SERVICES	58240	STATE OF CALIFORNIA-DEPARTMENT OF JUSTICE
586738	12/23/2019	$1,500.00	DUES & SUBSCRIPTIONS	54110	CALIFORNIA PEACE OFFICERS' ASSOCIATION
586739	12/23/2019	$84.90	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
586740	12/23/2019	$7.92	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
586741	12/23/2019	$1,279.65	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
586742	12/23/2019	$284.68	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
586743	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586744	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586745	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586746	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586747	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586748	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586749	12/23/2019	$74.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586750	12/23/2019	$37.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586751	12/23/2019	$74.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586752	12/23/2019	$185.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586753	12/23/2019	$74.00	PERMITS AND FEES	72580	LOS ANGELES COUNTY DEPARTMENT OF PUBLIC HEALTH
586754	12/23/2019	$598.00	CONTRACT SERVICES	2222	ELEVATOR SUPPORT SERVICES, INC.
586755	12/23/2019	$9,506.46	FIRE SCBA EQUIPMENT MAINTENANCE	2616	EXTREME SAFETY INC.
586756	12/23/2019	$7,709.85	BUILDING MATERIAL/SUPPLIES	48400	HOME DEPOT CREDIT SERVICES
586757	12/23/2019	$491.00	CONTRACT SERVICES	16520	I.D.R., INC.
586758	12/23/2019	$760.00	SUPPLIES	26670	LIFE-ASSIST, INC.
586759	12/23/2019	$362.50	CONTRACT SERVICES	1665	MONTEBELLO SPEAKER REPAIR CENTER, INC.
586760	12/23/2019	$1,050.00	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS, INC.;MR. ROOTER
586761	12/23/2019	$3,326.74	VEHICLE MAINTENANCE/EXPENSES	60710	THE AFTERMARKET PARTS COMPANY, LLC
586762	12/23/2019	$76.90	SUPPLIES	15620	OFFICE DEPOT

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586763	12/23/2019	$313.34	SUPPLIES	1938	P & R PAPER SUPPLY COMPANY INC.
586764	12/23/2019	$216.80	SUPPLIES	2587	VANESSA PADILLA NAVA
586765	12/23/2019	$664.00	TRAVEL & MEETINGS	34240	ROBERT PORTILLO
586766	12/23/2019	$176.46	CONTRACT SERVICES	56260	PRUDENTIAL OVERALL SUPPLY
586767	12/23/2019	$354.00	TRAINING	47640	RIVERSIDE COUNTY SHERIFF'S DEPARTMENT
586768	12/23/2019	$84,830.18	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
586769	12/23/2019	$196.25	CONTRACT SERVICES	51850	SECURITY SIGNAL DEVICES INC.
586770	12/23/2019	$352.98	VEHICLE MAINTENANCE/EXPENSES	716	SOUTH BAY FORD, INC.
586771	12/23/2019	$5,502.33	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
586772	12/23/2019	$433.90	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO.
586773	12/23/2019	$114.97	VEHICLE MAINTENANCE/EXPENSES	1963	SUEZ WTS SERVICES USA, INC.
586774	12/23/2019	$1,159.75	CONTRACT SERVICES	2256	THE SULLIVAN GROUP OF COURT REPORTERS, INC.
586775	12/23/2019	$21,245.00	PLANNING STAFF SUPPORT SERVICES	65440	TIERRA WEST ADVISORS
586776	12/23/2019	$342.09	UTILITY SERVICES	23610	VERIZON WIRELESS
586777	12/23/2019	$3,650.12	UTILITY SERVICES	23610	VERIZON WIRELESS
586778	12/23/2019	$5,417.21	FIRE STATION DOOR REPAIRS	47600	VORTEX INDUSTRIES
586779	12/23/2019	$1,990.16	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC.
586780	12/23/2019	$29.04	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
586781	12/23/2019	$210.60	FUEL	2186	ACEGAS LLC
586782	12/23/2019	$288.75	ENGINEERING SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
586783	12/23/2019	$1,438.56	CONTRACT SERVICES	40670	ALL CITY MANAGEMENT SERVICES
586784	12/23/2019	$1,852.00	GREENSPACE PROJECT SERVICES	38010	ADVANCED AVANT-GARDE CORPORATION
586785	12/23/2019	$302.63	CONTRACT SERVICES	27170	BEVERLY HOSPITAL
586786	12/23/2019	$2,389.68	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO. INC
586787	12/23/2019	$22,533.20	TRANSIT BUS DECAL REPLACEMENT	29460	COMPLETE COACH WORKS
586788	12/23/2019	$1,730.00	FIRE ROOF REPAIR	2389	THE CARBAJAL GROUP INC.;CORE CONSTRUCTION
586789	12/23/2019	$2,165.26	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
586790	12/23/2019	$2,020.00	CONTRACT SERVICES	47770	DUTHIE ELECTRIC SERVICE CORPORATION

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586791	12/23/2019	$6,290.00	PARKS VEHICLE LEASE PAYMENTS	74920	EXECUTIVE CAR LEASING COMPANY
586792	12/23/2019	$2,675.01	SUPPLIES	1914	EXPO IT, LLC.
586793	12/23/2019	$791.00	VEHICLE MAINTENANCE/EXPENSES	28730	GARFIELD CAR WASH
586794	12/23/2019	$1,136.53	CONTRACT SERVICES	1979	GLASS DOCTOR OF MONTEBELLO
586795	12/23/2019	$2,207.33	CONTRACT SERVICES	6690	IRRI-CARE PLUMBING AND BACKFLOW TESTING
586796	12/23/2019	$1,797.89	LEASE PAYMENT	2405	JCB FINANCE
586797	12/23/2019	$2,145.62	CONTRACT SERVICES	2152	JOHNSON CONTROLS, INC.
586798	12/23/2019	$367.55	CONTRACT SERVICES	74640	MISSION LINEN SUPPLY
586799	12/23/2019	$1,145.38	CONTRACT SERVICES	1200	MOBILITY ADVANCEMENT GROUP
586800	12/23/2019	$10,306.08	BUS STOP CLEANING SERVICES	35250	NATIONWIDE ENVIRONMENTAL SERVICES
586801	12/23/2019	$8,528.86	TRANSIT VEHICLE PARTS	60710	THE AFTERMARKET PARTS COMPANY, LLC
586802	12/23/2019	$11,133.89	LANDSCAPE SERVICES	2481	NORTH STAR LAND CARE
586803	12/23/2019	$208.30	SUPPLIES	1120	NESTLE WATERS NORTH AMERICA
586804	12/23/2019	$168.52	CONTRACT SERVICES	69730	DE LAGE LANDEN FINANCIAL SERVICES INC.;RICOH
586805	12/23/2019	$48,885.83	FUEL INVENTORY	1059	AMBER RESOURCES LLC;SAWYER PETROLEUM
586806	12/23/2019	$1,171.65	CONTRACT SERVICES	736	SIERRA DISPLAY, INC.
586807	12/23/2019	$1,205.32	VEHICLE MAINTENANCE/EXPENSES	716	SOUTH BAY FORD, INC.
586808	12/23/2019	$136.40	PERMITS AND FEES	28240	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
586809	12/23/2019	$421.02	PERMITS AND FEES	28240	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
586810	12/23/2019	$978.91	SUPPLIES	1933	STRICTLY TECHNOLOGY LLC.
586811	12/23/2019	$8,025.00	MACHINERY & EQUIPMENTS	2708	STRYKE SECURITY INC.
586812	12/23/2019	$115.00	ADVERTISING/PRINTING SERVICES	6460	TRANSIT TALENT.COM
586813	12/23/2019	$4,160.00	TRANSIT BUS CLEANING SERVICES	74850	UNIQUE GENERAL SERVICES
586814	12/23/2019	$2,588.14	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC.
586815	12/23/2019	$646.00	CONTRACT SERVICES	183	WECK LABORATORIES ENVIRONMENTAL SERVICES, INC.
586816	12/23/2019	$5,168.00	TREE TRIMMING SERVICES	40860	WEST COAST ARBORISTS, INC.
586817	12/23/2019	$120.45	SUPPLIES	35980	SAEED RADMEHR
586818	12/23/2019	$1,055.00	DUES & SUBSCRIPTIONS	1602	CALIFORNIA ASSOCIATION FOR COORDINATED TRANSPORTATION IN

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586819	12/23/2019	$6,549.30	CONSULTING SERVICES	2612	TERRIS BARNES WALTERS BOIGON HEATH, INC.
586820	01/07/2020	$42.71	FUEL	2186	ACEGAS LLC
586821	01/07/2020	$8,616.96	ENGINEERING SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
586822	01/07/2020	$1,105.44	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
586823	01/07/2020	$439.65	VEHICLE MAINTENANCE/EXPENSES	47980	AMERICAN MOVING PARTS
586824	01/07/2020	$446.76	SUPPLIES	35980	SAEED RADMEHR
586825	01/07/2020	$5,796.25	CDBG ADMINISTRATION SERVICES	38010	ADVANCED AVANT-GARDE CORPORATION
586826	01/07/2020	$521.66	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO. INC
586827	01/07/2020	$200.00	TRAINING	347	DANIEL CONTRERAS
586828	01/07/2020	$12,464.85	TRANSIT BUS DECAL SERVICES	70920	DECALS BY DESIGN, INC.
586829	01/07/2020	$10,235.17	HVAC SERVICES	2443	FM THOMAS AIR CONDITIONING, INC.
586830	01/07/2020	$726.86	VEHICLE MAINTENANCE/EXPENSES	33720	ARKAY ACQUISITION LLC
586831	01/07/2020	$141.52	SUPPLIES	9470	GRAINGER, INC.
586832	01/07/2020	$1,010.92	VEHICLE MAINTENANCE/EXPENSES	270	HARBOR DIESEL AND EQUIPMENT, INC.
586833	01/07/2020	$335.21	SUPPLIES	2679	HIGHER GROUND LLC
586834	01/07/2020	$86.33	VEHICLE MAINTENANCE/EXPENSES	29680	INLAND KENWORTH, INC.
586835	01/07/2020	$620.00	CONTRACT SERVICES	73310	KRONOS INCORPORATED
586836	01/07/2020	$30.00	TRAVEL & MEETINGS	32910	JOSE MEDRANO
586837	01/07/2020	$15,546.50	CDBG ADMINISTRATION SERVICES	981	MICHAEL BAKER INTERNATIONAL, INC.
586838	01/07/2020	$200.00	TRAINING	730	ARMANDO MIRANDA
586839	01/07/2020	$2,756.26	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS, INC.;MR. ROOTER
586840	01/07/2020	$306.16	VEHICLE MAINTENANCE/EXPENSES	1385	MUNCIE RECLAMATION AND SUPPLY COMPANY
586841	01/07/2020	$972.35	FUEL	19700	SYNCHRONY BANK
586842	01/07/2020	$318.36	SUPPLIES	1120	NESTLE WATERS NORTH AMERICA
586843	01/07/2020	$20,000.00	RED LIGHT CAMERA SERVICES	61050	REDFLEX TRAFFIC SYSTEMS
586844	01/07/2020	$10,671.98	COPIER REPAIR/SERVICES	69730	DE LAGE LANDEN FINANCIAL SERVICES INC.;RICOH
586845	01/07/2020	$5,035.04	TRANSIT BUS SERVICES	168	SOUTHERN COACH MFG. CO, INC.
586846	01/07/2020	$2,481.75	PERMITS AND FEES	485	LOS ANGELES COUNTY CLERK

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586847	01/08/2020	$191.37	CONTRACT SERVICES	17680	ALVARADOSMITH
586848	01/08/2020	$8,167.61	FIRE EQUIPMENT	20350	ALLSTAR FIRE EQUIPMENT INC.
586849	01/08/2020	$98.50	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
586850	01/08/2020	$50.37	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR;ARTE PRINTING
586851	01/08/2020	$527.88	SUPPLIES	31270	STARBOARD TACK SUPPLY INC.
586852	01/08/2020	$6,563.61	UTILITY SERVICES	39550	AT&T
586853	01/08/2020	$1,753.74	UTILITY SERVICES	39550	AT&T
586854	01/08/2020	$192.00	CONTRACT SERVICES	58240	STATE OF CALIFORNIA-DEPARTMENT OF JUSTICE
586855	01/08/2020	$21.09	PERMITS AND FEES	2307	CALIFORNIA DEPARTMENT OF
586856	01/08/2020	$802.12	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
586857	01/08/2020	$836.64	CONTRACT SERVICES	2057	CIGNA BEHAVIORAL HEALTH
586858	01/08/2020	$502.82	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO. INC
586859	01/08/2020	$240.00	INCURRED CLAIMS	1643	COMPANY NURSE
586860	01/08/2020	$789.05	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC
586861	01/08/2020	$1,043.63	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC
586862	01/08/2020	$789.05	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC
586863	01/08/2020	$459.06	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC
586864	01/08/2020	$789.05	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC
586865	01/08/2020	$138.11	SUPPLIES	9470	GRAINGER, INC.
586866	01/08/2020	$109.20	SUPPLIES	15440	HOSE-MAN, INC.
586867	01/08/2020	$107.86	SUPPLIES	31360	DAVID J. KIM
586868	01/08/2020	$1,264.70	LEGAL SERVICES	2001	LAW OFFICES OF DAVID J. WEISS
586869	01/08/2020	$500.00	DUES & SUBSCRIPTIONS	56630	LOS ANGELES COUNTY POLICE CHIEFS' ASSOCIATION
586870	01/08/2020	$126.00	ADVERTISING/PRINTING SERVICES	43050	LYNN CARD COMPANY
586871	01/08/2020	$154.00	SUPPLIES	12180	M'S FLOWERS
586872	01/08/2020	$9,415.11	UTILITY SERVICES	4760	MONTEBELLO LAND & WATER CO.
586873	01/08/2020	$2,071.93	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS, INC.;MR. ROOTER
586874	01/08/2020	$1,960.00	CONTRACT SERVICES	26370	NAVARRO'S TOWING SERVICE

City of Montebello

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586875	01/08/2020	$539.86	INSURANCE REIMBURSEMENT	42490	LINDA PAYAN
586876	01/08/2020	$200.00	DUES & SUBSCRIPTIONS	202	POLICE EXECUTIVE RESEARCH FORUM
586877	01/08/2020	$158.02	CONTRACT SERVICES	161	PREMIERE CUSTOM SILKSCREENING
586878	01/08/2020	$400.00	CONTRACT SERVICES	134	RICHARD H. MUNOZ
586879	01/08/2020	$578.70	COPIER REPAIR/SERVICES	69730	DE LAGE LANDEN FINANCIAL SERVICES INC.
586880	01/08/2020	$45,518.25	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
586881	01/08/2020	$7,783.23	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
586882	01/08/2020	$128.45	CONTRACT SERVICES	36350	SHRED-IT USA
586883	01/08/2020	$17,987.87	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
586884	01/08/2020	$34,434.81	FUEL INVENTORY	40520	SOUTHERN CALIFORNIA GAS CO.
586885	01/08/2020	$3,695.39	UTILITY SERVICES	72570	U.S. TELEPACIFIC CORP
586886	01/08/2020	$265.50	CONTRACT SERVICES	387	TRANSUNION RISK AND ALTERNATIVE DATA SOLUTIONS,INC.
586887	01/08/2020	$535.60	RETIREMENT	27300	ROBERT C. TUFANO
586888	01/08/2020	$127.21	CONTRACT SERVICES	131	UNITED SITE SERVICES, INC.
586889	01/08/2020	$456.25	UTILITY SERVICES	23610	VERIZON WIRELESS
586890	01/08/2020	$38.01	UTILITY SERVICES	23610	VERIZON WIRELESS
586891	01/08/2020	$5,209.44	OTHER GROUP INSURANCE PAYABLE	58990	VISION SERVICE PLAN
586892	01/08/2020	$70.00	POLICE RELATED FEES	2694	MICHELE ANCHETA
586893	01/08/2020	$120,956.46	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
586894	01/09/2020	$31,513.98	TRANSIT VEHICLE PARTS	29160	FORD OF MONTEBELLO
586895	01/09/2020	$60.00	TRAVEL & MEETINGS	34990	SAN GABRIEL VALLEY CITY MANAGERS' ASSOC.
586896	01/09/2020	$73,673.06	FUEL INVENTORY	1059	AMBER RESOURCES LLC;SAWYER PETROLEUM
586897	01/09/2020	$636.54	UTILITY SERVICES	1732	AT&T CORP.
586898	01/09/2020	$250.00	TRAINING	18620	CRAIG E. ADAMS
586899	01/09/2020	$685.52	UTILITY SERVICES	2257	AIRESPRING INC.
586900	01/09/2020	$66.00	CONTRACT SERVICES	1287	ALTA LANGUAGE SERVICES, INC.
586901	01/09/2020	$88,320.15	LEGAL SERVICES	16120	ALVAREZ-GLASMAN & COLVIN
586902	01/09/2020	$250.00	TRAINING	18700	PAUL ANTISTA

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586903	01/09/2020	$859.31	SUPPLIES	31270	STARBOARD TACK SUPPLY INC.;ASTRO PLUMBING
586904	01/09/2020	$129.44	UTILITY SERVICES	39550	AT&T
586905	01/09/2020	$285.38	UTILITY SERVICES	39550	AT&T
586906	01/09/2020	$553.36	UTILITY SERVICES	38380	AT&T
586907	01/09/2020	$124.46	TRAINING	1498	LISA M BUSTOS
586908	01/09/2020	$266.00	TRAINING	842	CALIFORNA STATE UNIVERSITY OF LONG BEACH FOUNDATIO
586909	01/09/2020	$120.47	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
586910	01/09/2020	$99.74	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
586911	01/09/2020	$374.46	TRAINING	476	MARIA CHAVEZ
586912	01/09/2020	$1,005.30	TRAINING	347	DANIEL CONTRERAS
586913	01/09/2020	$390.00	TRAINING	47440	JOHN E. KANE JR.
586914	01/09/2020	$10,899.50	FORENSIC SERVICES	2677	FULCRUM FINANCIAL INQUIRY LLP
586915	01/09/2020	$800.40	UTILITY SERVICES	2467	FUSION CLOUD SERVICES, LLC
586916	01/09/2020	$250.00	TRAINING	57570	JENNIFER GARCIA CARRERA
586917	01/09/2020	$1,109.59	CONTRACT SERVICES	70140	GNA-BROOK FIRE PROTECTION, INC.
586918	01/09/2020	$660.00	CONTRACT SERVICES	16760	LIEBERT CASSIDY WHITMORE
586919	01/09/2020	$10.00	CONTRACT SERVICES	9200	LOS ANGELES COUNTY ASSESSOR OFFICE
586920	01/09/2020	$34.05	UTILITY SERVICES	100	PICO WATER DISTRICT
586921	01/09/2020	$769.70	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO.
586922	01/09/2020	$1,501.90	INSURANCE REIMBURSEMENT	9340	GEORGE S. SIMONIAN
586923	01/09/2020	$44,746.23	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
586924	01/09/2020	$1,030.75	CONTRACT SERVICES	2256	THE SULLIVAN GROUP OF COURT REPORTERS, INC.
586925	01/09/2020	$53.85	UTILITY SERVICES	23610	VERIZON WIRELESS
586926	01/09/2020	$1,118.30	UTILITY SERVICES	23610	VERIZON WIRELESS
586927	01/09/2020	$3,164.87	UTILITY SERVICES	23610	VERIZON WIRELESS
586928	01/09/2020	$2,015.77	UTILITY SERVICES	23610	VERIZON WIRELESS
586929	01/09/2020	$236,254.40	RUBBISH SERVICES	40970	ARAKELIAN ENTERPRISES;ATHENS
586930	01/09/2020	$300.92	REFUND	2711	DAVISON & MOORE, LLC

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CHECK #	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
586931	01/09/2020	$1,359.05	REFUND	2712	PROFESSIONAL BUILDERS & REMODELING
586932	01/13/2020	$61.32	ADVERTISING/PRINTING SERVICES	35980	SAEED RADMEHR;ARTE PRINTING
586933	01/13/2020	$20,210.18	GOLF PRO SHOP SERVICES	52070	TOM CAMACHO
586934	01/13/2020	$27,141.42	WATER PURCHASE RESALE	19120	CENTRAL BASIN MUNICIPAL WATER DISTRICT
586935	01/13/2020	$138.60	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
586936	01/13/2020	$1,382.00	VEHICLE MAINTENANCE/EXPENSES	70920	DECALS BY DESIGN, INC.
586937	01/13/2020	$1,275.00	CONTRACT SERVICES	2019	DEWEY SERVICES INCORPORATED
586938	01/13/2020	$60.00	CONTRACT SERVICES	23660	DAIOHS USA
586939	01/13/2020	$632.84	UNIFORM EXPENSE	55650	GALLS/LONG BEACH UNIFORMS
586940	01/13/2020	$446.11	PREVENTIVE MAINTENANCE	70140	GNA-BROOK FIRE PROTECTION, INC.
586941	01/13/2020	$8,085.62	SUPPLIES	26670	LIFE-ASSIST, INC.
586942	01/13/2020	$8,966.88	PLUMBING SERVICES	26880	SEBASTIAN WATERWORKS, INC.;MR. ROOTER
586943	01/13/2020	$265.64	SUPPLIES	1938	P & R PAPER SUPPLY COMPANY INC.
586944	01/13/2020	$247.19	CONTRACT SERVICES	56260	PRUDENTIAL OVERALL SUPPLY
586945	01/13/2020	$420.53	CONTRACT SERVICES	51850	SECURITY SIGNAL DEVICES INC.
586946	01/13/2020	$542.25	SUPPLIES	2686	THE SHERWIN-WILLIAMS CO.
586947	01/13/2020	$4,493.54	VEHICLE MAINTENANCE/EXPENSES	716	SOUTH BAY FORD, INC.
586948	01/13/2020	$1,820.44	VEHICLE MAINTENANCE/EXPENSES	168	SOUTHERN COACH MFG. CO, INC.
586949	01/13/2020	$16.44	CONTRACT SERVICES	10300	TRANSUNION CORP.
586950	01/13/2020	$682.99	SUPPLIES	1670	ADAMSON POLICE PRODUCTS
586951	01/13/2020	$648.60	SUPPLIES	2586	AMAZON CAPITAL SERVICES, INC.
586952	01/13/2020	$1,000.00	SUPPLIES	35660	COSTCO
586953	01/13/2020	$44,854.50	INSURANCE PREMIUM	4110	DELTA DENTAL OF CALIFORNIA
586954	01/13/2020	$200.00	PERMITS AND FEES	18760	FEDERICO JIMENEZ
586955	01/13/2020	$899.69	SUPPLIES	2544	MONTEBELLO - RECREATION DEPARTMENT
586956	01/13/2020	$85.42	COPIER REPAIR/SERVICES	69730	DE LAGE LANDEN FINANCIAL SERVICES INC.;RICOH
586957	01/13/2020	$750.00	CONTRACT SERVICES	2382	SAFE USA, INC.
586958	01/13/2020	$783.31	CONTRACT SERVICES	736	SIERRA DISPLAY, INC.

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586959	01/13/2020	$4,469.52	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
586960	01/13/2020	$200.00	PERMITS AND FEES	2508	ALAN WILKES
586961	01/14/2020	$330.00	CONTRACT SERVICES	11820	ADCO SERVICES, INC.
586962	01/14/2020	$11,669.75	ENGINEERING SERVICES	37720	ADVANCED APPLIED ENGINEERING, INC.
586963	01/14/2020	$492.75	SUPPLIES	35980	SAEED RADMEHR;ARTE PRINTING
586964	01/14/2020	$2,150.00	CONTRACT SERVICES	38010	ADVANCED AVANT-GARDE CORPORATION
586965	01/14/2020	$1,757.88	SUPPLIES	2676	BKM OFFICE FURNITURE
586966	01/14/2020	$165.00	DUES & SUBSCRIPTIONS	41840	CALIFORNIA PARK AND RECREATION SOCIETY (CPRS)
586967	01/14/2020	$325.00	CONTRACT SERVICES	34230	PHIL CULBERTSON
586968	01/14/2020	$724.43	SUPPLIES	21690	COLUMBIA BUSINESS FORMS, INC.
586969	01/14/2020	$1,223.60	ADVERTISING/PRINTING SERVICES	1354	DAILY JOURNAL CORPORATION
586970	01/14/2020	$550.00	CONTRACT SERVICES	1569	DISCOVERY BENEFITS
586971	01/14/2020	$540.67	SUPPLIES	7610	EWING IRRIGATION PRODUCTS,INC.
586972	01/14/2020	$140.57	PREVENTIVE MAINTENANCE	70140	GNA-BROOK FIRE PROTECTION, INC.
586973	01/14/2020	$50.00	DUES & SUBSCRIPTIONS	12760	INTERNATIONAL ASSOCIATION FOR PROPERTY
586974	01/14/2020	$3,023.75	CONTRACT SERVICES	2152	JOHNSON CONTROLS, INC.
586975	01/14/2020	$7,825.00	CONSULTING SERVICES;WASTE RECYCLE	19040	MUNICIPAL CONTRACT ADMINISTRATORS, INC
586976	01/14/2020	$525.60	VEHICLE MAINTENANCE/EXPENSES	11490	MONTEBELLO AUTOCRAFT
586977	01/14/2020	$143.56	CONTRACT SERVICES	53120	NATIONAL CONSTRUCTION RENTALS
586978	01/14/2020	$38,200.53	GRAFFITI AND STREET SWEEPING SRV	35250	NATIONWIDE ENVIRONMENTAL SERVICES
586979	01/14/2020	$6,497.94	TRANSIT BUS PARTS	60710	THE AFTERMARKET PARTS COMPANY, LLC
586980	01/14/2020	$940.74	VEHICLE MAINTENANCE/EXPENSES	2191	PERFORMANCE TRUCK REPAIR INC.
586981	01/14/2020	$1,320.00	TRAINING	2588	CHINOA ALANIZ
586982	01/14/2020	$240.01	CONTRACT SERVICES	57140	UNDERGROUND SERVICE ALERT OF SOUTHERN CA
586983	01/14/2020	$2,080.00	CONTRACT SERVICES	74850	UNIQUE GENERAL SERVICES
586984	01/14/2020	$9,927.00	AUDIT SERVICES	75020	VASQUEZ & CO.,LLP
586985	01/14/2020	$1,901.36	VEHICLE MAINTENANCE/EXPENSES	25860	WAYNE HARMEIER INC.
586986	01/14/2020	$16,959.00	TREE TRIMMING SERVICES	40860	WEST COAST ARBORISTS, INC.

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586987	01/14/2020	$26,475.84	CLAIM ADMINISTRATION	1631	YORK RISK SERVICES GROUP, INC.
586988	01/14/2020	$40.00	CARPOOL INCENTIVE	27220	ANTHONY ACEVEZ
586989	01/14/2020	$20.00	CARPOOL INCENTIVE	1974	CECILIA AMAYA
586990	01/14/2020	$40.00	CARPOOL INCENTIVE	567	ARTHUR P ANCHONDO
586991	01/14/2020	$40.00	CARPOOL INCENTIVE	289	ANDREA ANDRADE
586992	01/14/2020	$40.00	CARPOOL INCENTIVE	61470	ERIKA L. ANDRADE
586993	01/14/2020	$40.00	CARPOOL INCENTIVE	2139	DANIEL ANTUNEZ
586994	01/14/2020	$55.00	CARPOOL INCENTIVE	2700	JUAN ARREDONDO
586995	01/14/2020	$120.00	CARPOOL INCENTIVE	291	ROSA AVALOS
586996	01/14/2020	$40.00	CARPOOL INCENTIVE	68640	LAURA CASTRO
586997	01/14/2020	$40.00	CARPOOL INCENTIVE	2322	GIOVANNA CISNEROS
586998	01/14/2020	$40.00	CARPOOL INCENTIVE	598	RONI L CISNEROS
586999	01/14/2020	$40.00	CARPOOL INCENTIVE	29020	RAPHAEL DE LA TORRE
587000	01/14/2020	$40.00	CARPOOL INCENTIVE	2572	MARLENE GIL
587001	01/14/2020	$40.00	CARPOOL INCENTIVE	38440	ANDREW GUZMAN
587002	01/14/2020	$40.00	CARPOOL INCENTIVE	568	JUAN M HERNANDEZ
587003	01/14/2020	$40.00	CARPOOL INCENTIVE	73180	MONICA HUERTA
587004	01/14/2020	$40.00	CARPOOL INCENTIVE	2704	JACQUELINE JAUREGUI
587005	01/14/2020	$40.00	CARPOOL INCENTIVE	11280	MICHAEL LOPEZ
587006	01/14/2020	$40.00	CARPOOL INCENTIVE	71590	LUZ MARIA
587007	01/14/2020	$30.00	CARPOOL INCENTIVE	50330	ANDREW MARTINEZ
587008	01/14/2020	$20.00	CARPOOL INCENTIVE	60300	NICOLE MOOSHAGIAN
587009	01/14/2020	$80.00	CARPOOL INCENTIVE	2203	SAMANTHA NEVAREZ
587010	01/14/2020	$40.00	CARPOOL INCENTIVE	138	BRIANNON PADILLA
587011	01/14/2020	$40.00	CARPOOL INCENTIVE	59960	JO ANN PANOSIAN
587012	01/14/2020	$40.00	CARPOOL INCENTIVE	2138	ELVA PHAM
587013	01/14/2020	$40.00	CARPOOL INCENTIVE	34240	ROBERT PORTILLO
587014	01/14/2020	$40.00	CARPOOL INCENTIVE	56830	ESTHER ROBLES

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587015	01/14/2020	$40.00	CARPOOL INCENTIVE	2260	GERARDO RODRIGUEZ
587016	01/14/2020	$40.00	CARPOOL INCENTIVE	69960	NICOLE I. SAUCEDO
587017	01/14/2020	$40.00	CARPOOL INCENTIVE	24280	MARTIN SOLANO
587018	01/14/2020	$40.00	CARPOOL INCENTIVE	33960	DAVID SOSNOWSKI
587019	01/14/2020	$40.00	CARPOOL INCENTIVE	595	MATTHEW A VALENZUELA
587020	01/14/2020	$40.00	CARPOOL INCENTIVE	395	MARIA TERESA VASQUEZ
587021	01/14/2020	$40.00	CARPOOL INCENTIVE	2332	HUMBERTO ZARAGOZA
587022	01/14/2020	$40.00	CARPOOL INCENTIVE	75560	KRISTINA ZENDZHIRYAN
587023	01/14/2020	$40.00	CARPOOL INCENTIVE	2331	FRANCISCO ZEPEDA
	Subtotal	**$2,673,965.19**			
6093 - Successor Agency					
1455	12/17/2019	$4,100.00	CONTRACT SERVICES	15180	STEARNS, CONRAD AND SCHMIDT CONSULTING ENG.
1456	01/09/2020	$749.50	LEGAL SERVICES	16120	ALVAREZ-GLASMAN & COLVIN
	Subtotal	**$4,849.50**			
	Total	**$2,678,814.69**			

CITY OF MONTEBELLO
BANK OF THE WEST CREDIT CARD CHARGES
CHECK # 586665 & 586668 - DECEMBER 2019

DATE		AMOUNT	ACCOUNT DESCRIPTION	VENDOR NAME	DEPARTMENT
11/5/19	$	50.00	MEETING	PAYPAL-WHITTIER PUBLIC LIBRARY	ADMINISTRATION
11/11/19	$	16.00	DIGITAL SUBSCRIPTION	LOS ANGELES TIMES	ADMINISTRATION
11/13/19	$	108.00	CITY COUNCIL MEETING	FRUMENTO'S DELI	ADMINISTRATION
11/20/19	$	600.00	REG;SALAZAR	INDEPENDENT CITIES ASSOCIATION	ADMINISTRATION
11/20/19	$	600.00	REG;BOBADILLA	INDEPENDENT CITIES ASSOCIATION	ADMINISTRATION
11/3/19	$	187.75	TRAINING MATERIALS	HOME DEPOT	FIRE
11/6/19	$	351.89	GREETING CARDS	ARTE PRINTING	FIRE
11/9/19	$	92.52	SAFETY GEAR BINS	HOME DEPOT	FIRE
11/9/19	$	59.11	OFFICE SUPPLIES	OFFICE DEPOT	FIRE
11/14/19	$	53.64	FINGER PRINT SCANNER	AMAZON	FIRE
11/15/19	$	420.00	SUBSCRIPTION	SUPERIOR LIFE SUPPORT	FIRE
11/16/19	$	295.32	DEPARTMENT SHIRTS	THE SAUCE CREATIVE SERVICES	FIRE
11/18/19	$	25.82	BUILDING MATERIALS	HOME DEPOT	FIRE
11/23/19	$	430.00	TRAINING CONFERENCE	CA FIRE PREVENTION	FIRE
11/8/19	$	224.63	SEWER PUMPS	SOLUTIONS PEST & LAWN	PUBLIC WORKS
10/30/19	$	8.00	TRAINING	EB CRITICAL LEGAL	POLICE
11/6/19	$	89.57	TRAINING	PALMS CASINO	POLICE
11/6/19	$	89.57	TRAINING	PALMS CASINO	POLICE
11/6/19	$	89.57	TRAINING	PALMS CASINO	POLICE
11/6/19	$	404.75	TRAINING	PALMS CASINO	POLICE
11/6/19	$	404.75	TRAINING	PALMS CASINO	POLICE
11/6/19	$	404.75	TRAINING	PALMS CASINO	POLICE
11/6/19	$	30.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	349.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	30.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	349.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	30.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	349.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	30.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/6/19	$	349.00	TRAINING	CA HOMICIDE INVESTIGATIONS	POLICE
11/7/19	$	55.00	TRAINING	CA CLETS USERS	POLICE
11/15/19	$	2.00	SOFTWARE APPLICATION	APPLE.COM	POLICE
11/15/19	$	14.99	SOFTWARE APPLICATION	APPLE.COM	POLICE
11/6/19	$	75.00	LEGISLATIVE SEMINAR FEES	LIEBERT CASSIDY WHITMORE	HUMAN RESOURCES
11/8/19	$	41.95	EMPLOYMENT VERIFICATION	TALX CORPORATION	HUMAN RESOURCES

CITY OF MONTEBELLO
BANK OF THE WEST CREDIT CARD CHARGES
CHECK # 586665 & 586668 - DECEMBER 2019

DATE		AMOUNT	ACCOUNT DESCRIPTION	VENDOR NAME	DEPARTMENT
11/12/19	$	75.49	OFFICE SUPPLIES	OFFICE DEPOT	HUMAN RESOURCES
10/30/19	$	163.48	CTA CONF;BARRIO	HOTELS.COM	TRANSIT
10/30/19	$	118.32	SHIPPING	UPS STORE	TRANSIT
11/15/19	$	408.40	SOFTWARE PROGRAM SUBSCRIP.	GODADDY.COM	TRANSIT
11/15/19	$	1,161.16	CTA CONF;PORTILLO	PORTOLA HOTEL AND SPA	TRANSIT
11/15/19	$	870.87	CTA CONF;YAN	PORTOLA HOTEL AND SPA	TRANSIT
11/19/19	$	20.89	SHIPPING	UPS STORE	TRANSIT
11/1/19	$	250.00	EMPLOYEE TRAINING	SONIC TRAINING	FINANCE
11/14/19	$	120.00	LAIF CONF/MESCHER	SOUTHWEST AIRLINES	FINANCE
11/20/19	$	250.00	EMPLOYEE TRAINING	SONIC TRAINING	FINANCE
10/28/19	$	222.41	BUILDING MATERIALS	HOME DEPOT	RECREATION
10/28/19	$	15.67	BUILDING MATERIALS	HOME DEPOT	RECREATION
10/29/19	$	192.65	BUILDING MATERIALS	HOME DEPOT	RECREATION
10/30/19	$	958.33	BUILDING MATERIALS	HOME DEPOT	RECREATION
10/31/19	$	95.50	ADVERTISING	FACEBOOK	RECREATION
11/5/19	$	303.20	DOOR BOLTS	ATLANTIC LOCK AND SAFE	RECREATION
11/7/19	$	381.05	PAINT SUPPLIES	SHERWIN WILLIAMS	RECREATION
11/8/19	$	44.08	PAINT SUPPLIES	LOWES	RECREATION
11/8/19	$	458.94	PAINT SUPPLIES	SHERWIN WILLIAMS	RECREATION
11/8/19	$	109.34	BUILDING MATERIALS	HOME DEPOT	RECREATION
11/10/19	$	19.48	OFFICE SUPPLIES	OFFICE DEPOT	RECREATION
11/11/19	$	38.34	MEETING SUPPLIES	7-ELEVEN	RECREATION
11/18/19	$	375.00	BOARD UP DOOR	ALLEN EMERGENCY	RECREATION
11/19/19	$	86.54	PRINTING SUPPLIES	U-PRINTING	RECREATION
11/21/19	$	888.12	EMPLOYEE RAIN GEAR	BISHOP COMPANY	RECREATION
TOTAL	**$**	**14,337.84**			

CITY OF MONTEBELLO
1600 WEST BEVERLY BLVD.
MONTEBELLO, CALIFORNIA

NOVEMBER 18, 2019
WEDNESDAY
5:30 P.M.

MINUTES

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AND PLACE IN SPECIAL SESSION.

OPENING CEREMONIES

1. **CALL MEETING TO ORDER:** Mayor Hadjinian called the meeting to order at the hour of 5:45 p.m.

2. **ROLL CALL:** **Deputy City Clerk Guzman**
MEMBERS PRESENT: **Melendez, Cobos-Cawthorne, Jimenez, Torres, Hadjinian**
STAFF PRESENT: **City Manager Bobadilla, City Attorney Alvarez-Glasman**

3. **STATEMENT OF PUBLIC ORAL COMMUNICATIONS:** City Attorney Alvarez-Glasman

Dan Mariscal asked why there weren't additional descriptions of items listed in Closed Session.

City Attorney Alvarez-Glasman stated that Closed Session items are listed per the requirements of the Brown Act.

Gary Clifford spoke about services provided by Athens Services and Measure O.

Rosie Vasquez asked City Councilmembers to resolve the lawsuit with Athens Services.

City Attorney Alvarez-Glasman asked the City Council to discuss correspondence received today regarding Item No. 5, and to add Item No. 6a to the agenda, as it came to his attention after the posting of the agenda. Councilmember Cobos-Cawthorne moved, seconded by Mayor Pro Tem Melendez to add the mentioned item to the agenda. Motion was carried unanimously to add the item to the agenda.

Mayor Hadjinian recessed the meeting into Closed Session at the hour of 5:56 p.m. Mayor Hadjinian reconvened the meeting at the hour of 7:26 p.m. All five members were present for all Closed Session items.

CLOSED SESSION

4. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
City of Montebello v. All Persons Interested, L.A.S.C. Case No. BC713533

City Council provided direction to City Manager and City Attorney to engage in discussions with Arakelian Enterprises and Athens Services consistent with terms discussed in Closed Session, subject to certain parameters.

5. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
Government Code Section 54956.9(d)(1)
Arakelian Enterprises v. City of Montebello

City Council provided direction to City Manager and City Attorney to engage in discussions with Arakelian Enterprises and Athens Services consistent with terms discussed in Closed Session, subject to certain parameters.

6. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code section 54956.9(d)(2)

City Council received a briefing from the City Attorney. Direction was provided. The City Attorney's office with follow up accordingly.

6a. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code section 54956.9(d)(2)

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Melendez to add this item to the agenda as it came up after the posting of the agenda. Motion carried unanimously.

Involving IE, direction was provided after receiving a briefing. No final action, nothing further to report.

ADJOURNMENT

Upon motion carried unanimously, Mayor Hadjinian adjourned the meeting at the hour of 7:28 p.m.

APPROVAL OF MINUTES: Upon motion carried unanimously, the minutes of November 18, 2019 were approved as written on January 22, 2020.

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IRMA BARAJAS, City Clerk

CITY OF MONTEBELLO **NOVEMBER 13, 2019**
1600 WEST BEVERLY BLVD. **WEDNESDAY**
MONTEBELLO, CALIFORNIA **5:42 P.M.**

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AN PLACE IN A REGULAR SESSION.

OPENING CEREMONIES

1. CALL MEETING TO ORDER: **Mayor Hadjinian called the meeting to order a the hour of 5:42 p.m.**

2. ROLL CALL: **City Clerk I. Barajas**
MEMBERS PRESENT: **Torres, Melendez, Cobos-Cawthorne, Jimenez, Hadjinian**
MEMBERS ABSENT: **None**
STAFF PRESENT: **City Manager Bobadilla, City Attorney Alvarez-Glasman**

3. STATEMENT OF PUBLIC ORAL COMMUNICATIONS FOR CLOSED SESSION ITEMS:
Youth Commissioner Ani Ouzounian

ORAL COMMUNICATIONS ON CLOSED SESSION ITEMS

None.

Mayor Hadjinian recessed the meeting into Closed Session at the hour of 5:45 p.m. to discuss the following items. At the hour of 6:30 p.m., Mayor Hadjinian reconvened the meeting.

CLOSED SESSION - 5:30 P.M.

The City Attorney provided a briefing on the item listed for Closed Session as follows:

4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)
One matter of exposure to litigation

One matter was discussed. City Council authorized the City Attorney's Office to provide a letter to California For Home Ownership Association, of the City's position on this one item. No final action.

5. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9(d)(1)
Four Cases Related to Workers Compensation Claims:
M. Chance v. City of Montebello (Case Nos. ADJ10803971, ADJ10804057)
T. Wessel v. City of Montebello (Case No. ADJ11214593)
N. Panagakos v. City of Montebello (Case Nos. ADJ9649244, ADJ77119310, ADJ113202522)
D. Amador v. City of Montebello (Case No. ADJ11309122)

Council was given a briefing on all matters. The N. Panagakos matter was not discussed. Direction was given to Special Counsel regarding all items, except for the N. Panagakos matter, for a possible resolution to the matters consistent with terms as discussed in Closed Session. No final action and nothing further to report.

6. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Government Code section 54956.8

Property:	901 Via San Clemente, Montebello, CA
Agency's Negotiator:	René Bobadilla, City Manager
Negotiating Party:	Transports
Under Negotiation:	Price and Terms

City Council authorized the execution of a Letter of Interest regarding this matter and authorized the Mayor to sign the letter. No final action and nothing further to report.

6a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Government Code Section No. 54956.9

Property:	
Agency's Negotiator:	René Bobadilla, City Manager
Negotiating Party:	Toll Brother
Under Negotation:	Price and Terms

Added to the agenda as the item was brought up after the posting of the agenda. City Manager was given direction on the matter. No final action and nothing further to report.

REGULAR SESSION – 6:30 P.M.

7. INVOCATION **City Treasurer Gutierrez**

PLEDGE OF ALLEGIANCE **Youth Commissioner Ani Ouzounian**

8. PRESENTATIONS

a. YOUTH COMMISSIONERS TO SHADOW COUNCILMEMBERS – YOUTH COMMISSIONERS JOINED COUNCILMEMBERS ON THE DAIS FOR THE MEETING.

9. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

Director David Sosnowski announced the Tree Lighting event at City Hall on Sunday, December 1, 2019 from 5:00 p.m. to 7:30 p.m.. and the Snow in the Park event on Saturday, December 7, 2019 from 11:00 a.m. to 3:00 p.m.

10. CORRECTIONS TO THE AGENDA – CITY MANAGER

City Manager Bobadilla stated that Item No. 14 will be discussed will be pulled and discussed. Item Nos. 29 and 31 have minor corrections to the staff reports and resolutions. Item No. 28 will be pulled from the agenda and brought back to a future agenda.

11. STATEMENT OF PUBLIC ORAL COMMUNICATIONS: YOUTH COMMISSIONER ANI OUZOUNIAN

12. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

Edwina Garcia spoke about the claim recently filed for $12.5 million dollars.

Charmetria Marshall, Library Manager at the Chet Holifield Library, spoke about library programs and resources, and stated that the Los Angeles County Library card covers 85 libraries in the County.

Tila Gregorian stated that Bill Molinari should have been recognized at the Veterans Day Ceremony. Ms. Gregorian also spoke about health studies and traffic on Montebello Blvd. near the Montebello Hills.

Levan Prothero spoke about a drug lab on 4th Street.

13. **APPROVAL OF AGENDA:** Mayor Pro Tem Melendez moved, seconded by Councilmember Jimenez that all items be approved in a single motion with the exception of Item Nos. 14, 21, 22, 25, and 26. Item Nos. 15 and 26 were pulled from the agenda. Such approval will also waive the reading of any ordinance.

CONSENT MATTERS (14- 34)

14. ADOPTION OF AN URGENCY ORDINANCE FOR A CITY SERVICES PROTECTION MEASURE, AND CONSIDERATION OF RESOLUTIONS: CALLING FOR A SPECIAL ELECTION ON MARCH 3, 2020; DECLARING AN EMERGENCY PURSUANT TO THE PROVISIONS OF THE CALIFORNIA CONSTITUTION; PLACING A MEASURE BEFORE THE VOTERS OF THE CITY OF MONTEBELLO WHICH WOULD PRESERVE VITAL CITY SERVICES

City Manager Bobadilla summarized the item and stated that CIP projects are needed by various departments.

Consultant Richard Bernard gave a power point presentation.

Mayor Pro Melendez asked how Mr. Bernard came up with the questions. Mr. Bernard focused on the voters and asked the broadest questions. Mayor Pro Tem Melendez stated support of the March Election.

Councilmember Cobos-Cawthorne stated that she would like to be transparent and accountable for spending from the sales tax measure resources.

Councilmember Jimenez stated support of a March 2020 Election.

Councilmember Torres asked about the methodology.

It is recommended that the City Council:

(1) Councilmember Torres moved, seconded by Councilmember Jimenez, that by a unanimous vote: adopt Resolution No. 19-127 declaring a emergency as required by the California Constitution, Article XIII C Section 2b and calling and giving notice of a special municpal eleciton to be held Tuesday, March 3, 2020, to submit to voters of the City of Montebello a City Services Protection Ordinance to adopt a .75% General Transactions and Use Tax. Motion carried unanimously on a 5-0 roll call vote;

(2) Mayor Pro Tem Melendez moved, seconded by Councilmember Jimenez that by at least 4/5 vote: waive reading in full and adopt Urgency Ordinance No. 2416 for a City Services Protection Measure structured as a general transactions and use tax to be administered by the California Department of Tax and Fee Administration (CDTFA) or the State Board of Equalization (SBE), as applicable, pursaunt to Revenue & Taxaction Code section 7251 et seq., to be submitted for voter approval pursuant to Elections Code section 9200 et seq. and Revenue and Taxation Code section 7285.9. Motion carried unanimously on a 5-0 roll call vote.

(3) Councilmember Jimenez moved, seconded by Councilmember Cobos-Cawthorne that by at least a majorty vote:

(a) Adopt Resolution No. 19-128 requesting the Board of Supervisors of the County of Los Angeles authorize and order the consolidation of a special municipal election of the City of Montebello with other elections occuring on March 3, 2020, and requesting the County Clerk / Registrar of Voters provide certain services in connection with such election. Motion carried unanimously on a 5-0 roll call vote. Motion carried unanimously on a 5-0 roll call vote.

(b) Adopt Resolution No. 19-129 setting priorites for filing written arguments and rebuttals regarding the City measure and direct the City Attorney to prepare an impartial analysis. Motion carried unanimously on a 5-0 roll call vote.

15. AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR OFFICIAL POLICE TOW AS DETAILED IN RFP#19-19

Councilmember Cobos-Cawthorne moved, seconded by Mayor Hadjinian that the City Council:

1) Award Professional Services Agreement No. 3705 for official police tow services as detailed in RFP #19-19; and

2) Authorize the City Manager to execute the Professional Services Agreement on behalf of the City.

Motion carried unanimously.

16. AWARD A CONTRACT TO THE GOODYEAR TIRE & RUBBER COMPANY FOR BID NO. 19-36 – BUS TIRE LEASE SERVICE

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Award a contract to The Goodyear Tire & Rubber Company for the Bus Tire Lease Service in an amount(s) not to exceed: Year 1 - $163,880.99; Year 2 - $151,512.72; Year 3 - $155,276.76; Year 4 - $159,164.52; and Year 5 - $163,128.00.

2) Authorize the City Manager to execute Contract No. 3706 on behalf of the City.

Motion carried unanimously.

17. AWARD OF CONTRACT FOR PROCUREMENT SERVICES AND PROJECT MANAGEMENT, RFP NO.19-20

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Award a contract to The LeFlore Group for Procurement Services and Project Management in an amount not to exceed eighty thousand dollars and no cents ($80,000); and

2) Authorize the City Manager to execute Contract No. 3707 on behalf of the City.

Motion carried unanimously.

18. APPROVE A RESOLUTION REJECTING ALL BIDS AS RECEIVED AND AUTHORIZING STAFF TO RE-ISSUE REQUEST FOR PROPOSAL (RFP) 19-50 FOR HOLIFIELD PARK PARKING LOT IMPROVEMENTS

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Approve Resolution No. 19-130 rejecting all bids as received and authorize staff to rebid the Holifield Park Parking Lot Improvement Project, RFP 19-50. Motion carried unanimously.

19. BUDGET APPROPRIATION FOR PROP A PARK GRANTS

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Authorize the Department of Recreation & Community Services to appropriate an additional $225,592 for personnel, repairs, improvement projects and regular maintenance items to the Los Angeles County Regional Park Grants Account for a total amount of up to $429,290 for Fiscal Year 2019/2020. Motion carried unanimously.

20. ADOPT REVISED RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION FOR AND RECEIPT OF SB 2 PLANNING GRANT PROGRAM FUNDS

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Adopt Resolution No. 19-131 approving an application for three hundred ten thousand dollars and 00/100 cents ($310,000) under the SB 2 Planning Grants Program from the Building Homes and Jobs Trust Fund;

2) Authorize the City Manager to execute the City's Planning Grants Program application, grant documents, and any amendments thereto, on behalf of the City; and

3) Authorize the City Manager to enter into, execute, and deliver a State of California Agreement and any and all other documents required or deemed necessary or appropriate to evidence and secure the Planning Grants Program grant.

Motion carried unanimously.

21. APPROVAL OF THE REQUEST FOR PROPOSALS FOR CONSULTING SERVICES TO PREPARE THE CITY OF MONTEBELLO'S COMPREHENSIVE GENERAL PLAN UPDATE AND ENVIRONMENTAL IMPACT REPORT

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

(1) Approve the Request for Proposals ("RFP") for consulting services to prepare the City's comprehensive General Plan Update/Environmental Impact Report and authorize solicitation of proposals.

22. THIRD AMENDMENT TO THE ORIGINAL AGREEMENT NO. 3565 WITH TIERRA WEST ADVISORS, INC. TO PROVIDE CONTRACT PROFESSIONAL SERVICES RELATING TO CANNABIS IMPLEMENTATION AND INTERIM STAFF SERVICES

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Receive and approve the recommendation from staff to approve a third amendment to the original Agreement No. 3565 with Tierra West Advisors, Inc. (Third Amendment) to increase the current not-to-exceed award amount by an additional $125,000 reflecting the new not-to-exceed amount to $225,000 for continued contract professional services relating to cannabis and the inclusion of additional interim staff services for code enforcement, economic development, and planning; and

2) Per City of Montebello Section 3.21.025 (C) Conformance with bidding procedures by a four-fifths vote determine to dispense with bidding and other procedures required upon a finding by the council that it would be impractical, useless, or uneconomical in such instance to follow the procedures, and that the welfare of the public would be promoted by dispensing with the same; and

3) Authorize the Mayor to execute the Third Amendment.

Motion carried unanimously.

23. FY19-20 TRANSPORTATION DEPARTMENT CAPITAL PROJECTS BUDGET

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1. Adopt the Fiscal Year 2019-20 proposed Transportation Capital Projects Budget

2. Approve Resolution 19-132 for additional appropriation of $220,718 from Transit operating reserves for Tire Lease and Transit Outlet & Amenities projects.

Motion carried unanimously.

24. APPROVAL OF A LAND LEASE AGREEMENT WITH THE CITY OF EL MONTE

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Approve Land Lease Agreement 3709 between the City and the City of El Monte for a certain designated space on the City's tower located at the Prime/Reservoir Radio Site at 1343 North Montebello Boulevard; and

2) Authorize the City Manager to execute the Land Lease Agreement.

Motion carried unanimously.

25. APPROVAL OF THE LEASE REVENUE REFUNDING BONDS, 2019 SERIES A (HILTON GARDEN INN PROJECT) ISSUANCE

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez_that the City Council:

1) Adopt Resolution No. 19-133 approving and authorizing the issuance of the Lease Revenue Refunding Bonds 2019 Series A (Hilton Garden Inn Project) by the Montebello Public Financing Authority; authorizing and approving a Site and Facilities Lease, a Lease Agreement, a Preliminary Official Statement, a Final Official Statement, a Continuing Disclosure Agreement and a Bond Purchase Agreement; authorizing certain other actions in connection therewith. Motion carried unanimously on a 5-0 roll call vote

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Torres that the Authority Board:

2) Adopt PFA Resolution 19-01 approving and authorizing the issuance of Lease Revenue Refunding Bonds 2019 Series A (Hilton Garden Inn Project), a Site and Facilities Lease, a Lease Agreement, Assignment Agreement, an Indenture, a Preliminary Official Statement, a Final Official Statement, a Bond Purchase Agreement and an Escrow Agreement; and authorizing certain other actions in connection therewith Motion carried unanimously on a 5-0 roll call vote.

26. APPROVAL OF THE MONTEBELLO PUBLIC FINANCING AUTHORITY, SALES TAX REVENUE BONDS, SERIES 2019A (MEASURE M), 2019B (MEASURE R), & 2019C (PROPOSITION C) PRELIMINARY OFFICIAL STATEMENT

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne_that the City Council:

1) Adopt Resolution No. 19-134 approving a Preliminary and Final Official Statement; a Continuing Disclosure Agreement, a Bond Purchase Agreement,

and authorizing the taking of certain other actions in connection therewith. Motion carried unanimously on a 5-0 roll call vote.

Councilmember Torres moved, seconded by Mayor Pro Tem Melendez that the Authority Board:

1) Adopt PFA Resolution 19-02 approving a Preliminary and Final Official Statement; a Bond Purchase Agreement; and authorizing the taking of certain other actions in connection therewith. Motion carried unanimously on a 5-0 roll call vote.

27. QUARTERLY FINANCIAL REPORT AS OF SEPTEMBER 30, 2019

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) It is recommended that the City Council review and accept the report. Motion carried unanimously.

28. ADOPTION OF RESOLUTION IN SUPPORT OF BALANCED ENERGY SOLUTIONS AND LOCAL CHOICE

This item will be brought back to a future meeting.

29. REQUEST TO APPROVE CALPERS RESOLUTIONS FOR PAYING THE VALUE OF THE EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Approve nine (9) CalPERS resolution Nos. 19-136, 19-137, 19-138, 19-139, 19-140, 19-141, 19-142, 19-143, and 19-144 for paying the value of the employer paid member contributions (EPMC), effective as of January 5, 2020. Motion carried unanimously.

30. APPROVE THE RESOLUTION ESTABLISHING HOLIDAYS FOR EMPLOYEES IN THE CITY'S SERVICE FOR CALENDAR YEAR 2020

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) It is recommended that the City Council approve Resolution No. 19-145 establishing twelve holidays for employees in the City's service for the next calendar year commencing January 1, 2020 to December 31, 2020 in accordance with Section 2.60.340(A) of the City of Montebello's Municipal Code. Motion carried unanimously.

31. CITY HALL AND RELATED ADMINISTRATIVE FACILITIES HOLIDAY CLOSURE

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) It is recommended that the City Council approve the closure of City Hall and the Recreation and Community Services Administrative Office beginning on Monday, December 23, 2019 and re-open on Monday, January 6, 2020. All other City operations will remain open including Police, Fire and Transportation. Motion carried unanimously.

32. APPOINTMENT OF A REPRESENTATIVE THE GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT

Councilmember Cobos-Cawthorne moved, seconded by Councilmember Jimenez that the City Council:

1) Re-appoint Avik Cordiero to the Greater Los Angeles County Vector Control District for a 2 year term. Motion carried unanimously.

33. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY/SUCCESSOR AGENCY WARRANT REGISTER OF DEMANDS DATED NOVEMBER 13, 2019

Mayor Pro Tem Melendez moved, seconded by Councilmember Cobos-Cawthorne that the City Council:

1) Adopt the Resolution No. 19-146 approving the Warrant Register dated November 13, 2019. Motion carried unanimously.

34. APPROVAL OF MINUTES: SEPTEMBER 11, 2019 AND OCTOBER 9, 2019

RECOMMENDED ACTION: It is recommended that the City Council:

1) Approve said minutes as written. Motion carried unanimously.

35. PUBLIC ORALS – IF NEEDED

COUNCIL ORALS

36. COUNCILMEMBER TORRES

None.

37. MAYOR PRO TEM MELENDEZ

a. NALEO Conference
b. Free Legal Fair event

38. COUNCILMEMBER COBOS-CAWTHORNE

a. Public Works Department follow up: Street signs and replacement of faded signs, as well as Tree Planting program.
b. Planning Department update: CHIP Program and RING Program

39. COUNCILMEMBER JIMENEZ

None.

40. MAYOR HADJINIAN

None.

ADJOURNMENT

Upon motion carried unanimously, Mayor Hadjinian adjourned the meeting at the hour of 8:55 p.m. in memory of

APPROVAL OF MINUTES: Upon motion carried unanimously, the minutes of November 13, 2019, were approved as written on January 22, 2020.

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IRMA BARAJAS, City Clerk

MINUTES

THE CITY OF MONTEBELLO CITY COUNCIL MET AT THE ABOVE TIME AND PLACE IN A REGULAR SESSION.

OPENING CEREMONIES

1. CALL MEETING TO ORDER: **Mayor Hadjinian called the meeting to order at the hour of 6:26 p.m.**

2. ROLL CALL: **City Clerk I. Barajas**
MEMBERS PRESENT: **Melendez, Cobos-Cawthorne, Jimenez, Torres, Hadjinian**
STAFF PRESENT: **City Attorney Alvarez-Glasman, City Manager Bobadilla**

REGULAR SESSION

3. INVOCATION **John Velasco, Heart of Compassion**

4. PLEDGE OF ALLEGIANCE **Alejandra Cortez**

5. PRESENTATIONS

6. STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

None.

7. CORRECTIONS TO THE AGENDA – CITY MANAGER

None.

8. STATEMENT OF PUBLIC ORAL COMMUNICATIONS: City Attorney Alvarez-Glasman

9. PUBLIC ORAL COMMUNICATIONS ON OPEN SESSION ITEMS (30 MINUTES)

Michael Popoff spoke about the Montebello Hills.

Tila Gregorian was not present to speak

Teresa Lopez spoke about and upcoming holiday event for the residents at the Golden Manor, at 1109 W. Beverly Blvd., from 5:00 p.m. to 8:00 p.m., on Friday, December 13, 2019, and invited all to participate.

Margot Eiser spoke about the Montebello Hills project.

Randy Beas, President and Found, Keeping the Culture Alive, spoke about the upcoming Toy Drive, from 3:00 p.m. to 8:00 p.m. at Balrog Coffee on Saturday December 13, 2019. Mr. Beas thanked the Mayor for his involvement in the arts and added that the organization is growing.

Linda Strong, Co-Chair, Save the Montebello Hills, Sierra Club Task Force, spoke about the Montebello Hills project approved in June 2015, and spoke about unavoidable adverse air quality because of the project.

10. **APPROVAL OF AGENDA:** Councilmember Jimenez moved, seconded by Mayor Pro Tem Melendez that all items be approved in a single motion with the exception of Item No. 13. Such approval will also waive the reading of any ordinance. Motion carried unanimously.

CONSENT MATTERS (11-12)

11. MONTHLY INVESTMENT REPORT – OCTOBER 2019

Councilmember Jimenez moved, seconded by Mayor Pro Tem Melendez that the City Council:

1) Move to approve and file said report. Motion carried unanimously.

12. PAYMENT OF BILLS: RESOLUTION APPROVING THE CITY/SUCCESSOR AGENCY WARRANT REGISTER OF DEMANDS DATED DECEMBER 11, 2019

Councilmember Jimenez moved, seconded by Mayor Pro Tem Melendez that the City Council:

1) Adopt Resolution No. 19-146A approving the Warrant Register dated December 11, 2019. Motion carried unanimously.

NEW BUSINESS

The following attendees recognized Outgoing Mayor Hadjinian:

Edith Gonzalez from Supervisor Hilda Solis's Office.

Janet Chin, Los Angeles County Assessor Jeffrey Prang's Office.

Griselda Ortiz, Congresswoman Linda Sanchez's Office.

Raquel Ramirez, Assemblymember Cristina Garcia's Office.

Mayor Alejandra Cortez, City of Bell Gardens.

John Soria and Ivan Altamirano, City of Commerce.

Sergio Calderon, Water Replenishment District.

John Velasco, Heart of Compassion.

Ani Minasian – Chamber of Commerce.

Mayor Hadjinian made presentations to the following individuals:

Police Chief Brad Keller, Montebello Police Department.

Fire Chief Fernando Pelaez, Montebello Fire Department.

George Pacheco, Betty Peralta, ANCA, Phil Pace, Margaret Hadjinian, and Lori Hadjinian.

13. CITY COUNCIL REORGANIZATION – MAYOR AND MAYOR PRO TEM APPOINTMENT

Councilmember Jimenez nominated Mayor Pro Tem Salvador Melendez for Mayor. Mayor Pro Tem Salvador Melendez was appointed Mayor. Motion carried unanimously.

Mayor Melendez nominated Councilmember Cobos-Cawthorne for Mayor Pro Tem. Councilmember Cobos-Cawthorne was appointed Mayor Pro Tem. Motion carried unanimously.

ADJOURNMENT

Upon motion carried unanimously, Mayor Melendez adjourned the meeting at the hour of 7:55 p.m.

APPROVAL OF MINUTES: Upon motion carried unanimously, the minutes of December 11, 2019 were approved as written on January 22, 2020.

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IRMA BARAJAS, City Clerlk