

MEETING AGENDA

The City Council/Successor Agency of the City of Firebaugh
Vol. No.14/02-24

Location of Meeting: Andrew Firebaugh Community Center
1655 13th Street, Firebaugh, CA 93622
Date/Time: February 24, 2014/7:00 p.m.

CALL TO ORDER

ROLL CALL

Mayor Chris DeFrancesco
Mayor Pro Tem Craig Knight
Council Member Marcia Sablan
Council Member Freddy Valdez
Council Member Brady Jenkins

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA: Council votes to approve agenda as presented.

PUBLIC COMMENT

Per municipal code Ord. 2-2.1 "No business shall be brought before the city council without having first been referred to the city manager for scheduling on the council agenda." At this time any member of the public may address the Council on items of interest to the public that are within the jurisdiction of the City Council, which are not already on the agenda this evening. You will be permitted a single visit to the podium to state your comments & concerns. Please be brief, to the point, and limit your comments to three (3) minutes. No action or discussion shall be taken on any item not appearing on the agenda, except that Council members may briefly respond to statements made, or questions posed, by members of the public, if they so desire. Concerns, questions, or complaints will be referred to the City Manager's office.

PRESENTATION

- Mr. Bryant Jolley, CPA, will present a review of the Annual Independent Auditor's Report for the period ending June 30, 2013.

CONSENT CALENDAR

Items listed on the calendar are considered routine and are acted upon by one motion unless any Council member requests separate action. Typical items include minutes, claims, adoption of ordinances previously introduced and discussed, execution of agreements and other similar items.

1. **APPROVAL OF MINUTES – The City Council meeting on January 21, 2014.**
2. **WARRANT REGISTER – Period starting January 1, and ending on January 31, 2014.**

January, 2014	General Warrants	#30036 – #30152	\$ 234,770.47
	Payroll Warrants	#63729 – #63848	\$ 206,652.35
TOTAL			\$ 441,422.82

NEW BUSINESS

3. **RESOLUTION NO. 14-05 - RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH, CALIFORNIA ADOPTING AN EXPENSE AND USE OF PUBLIC RESOURCES POLICY STATEMENT.**

Recommended Action: Council receives public comment & approves Res. No. 14-05.

4. **RESOLUTION NO. 14-06 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH, CALIFORNIA, DECLARING CERTAIN CITY PROPERTY (VEHICLES) AS SURPLUS EQUIPMENT.**

Recommended Action: Council receives public comment & approves Res. No. 14-06.

5. **RESOLUTION NO. 14-07 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH, CALIFORNIA, DECLARING CERTAIN CITY PROPERTY (HANDGUNS) AS SURPLUS EQUIPMENT.**

Recommended Action: Council receives public comment & approves Res. No. 14-07.

6. **THE CITY COUNCIL OF THE CITY OF FIREBAUGH TO CONSIDER TOMATEK'S REQUEST ON WAVIER/ADJUSTMENT OF IMPACT FEES FOR CONDITIONAL USE PERMIT – CUP 2013-01.**

Recommended Action: City Council receives public comment & gives direction.

SUCCESSOR AGENCY MATTERS:

7. **REDEVELOPMENT DISSOLUTION CONTRACT BETWEEN THE CITY OF FIREBAUGH AND RGS FOR CONSULTING SERVICES.**

Recommended Action: Council receives public comment & approves agreement.

8. **RESOLUTION NO. 14-08 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR 14 – 15 A (JULY-DECEMBER 2014) & AUTHORIZING ITS TRANSMITTAL.**

Recommended Action: Council receives public comment & approves Res. No. 14-08.

9. **RESOLUTION NO. 14-09 - A RESOLUTION OF THE SUCCESSOR AGENCY APPROVING ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2014-15.**

Recommended Action: Council receives public comment & approves Res. No. 14-09.

10. **RESOLUTION NO. 14-10 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY APPROVING A LOAN AGREEMENT BETWEEN THE CITY OF FIREBAUGH AND THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY**

Recommended Action: Council receives public comment & approves Res. No. 14-10.

11. **DISPOSITION OF ASSESSOR PARCEL NUMBERS 008-075-11 AND 008-075-03, "GATEWAY PROJECT", INCLUDED IN THE LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5.**

Recommended Action: City Council receives public comment & gives staff direction.

STAFF REPORTS/COUNCIL ITEMS

CLOSED SESSION

12. **Government Code Section 54957.6**

CONFERENCE WITH LABOR NEGOTIATORS: ALL REPRESENTED AND UNREPRESENTED EMPLOYEES:

City Negotiator: City Manager

Employee Organizations: Fire, Police & Public Works bargaining units and all unrepresented positions

13. **CONFERENCE WITH CITY COUNCIL RE: REAL PROPERTY – APN# 008-075-3T & 008-075-11T – Pursuant to Government Code Section # 54956.8.**

ANNOUNCEMENT AFTER CLOSED SESSION

ADJOURNMENT

Certification of posting the Agenda

I declare under penalty of perjury that I am employed by the City of Firebaugh and that I posted this agenda on the bulletin boards at City Hall, February 20, 2014 at 5:00 p.m. by Rita Lozano, Deputy City Clerk.

CITY OF FIREBAUGH

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS JUNE 30, 2013

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Firebaugh, 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 Firebaugh, California, (the City) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Firebaugh, California, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 35 and 36 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.

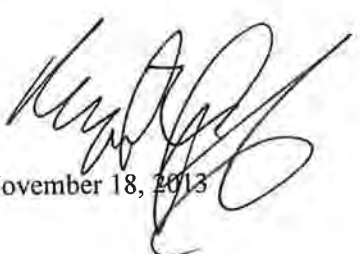
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Firebaugh's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2013, on our consideration of the City of Firebaugh's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Firebaugh's internal control over financial reporting and compliance.



November 18, 2013

CITY OF FIREBAUGH

STATEMENT OF NET POSITION JUNE 30, 2013

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 461,453	\$ 4,275,916	\$ 4,737,369
Accounts receivable	309,784	131,354	441,138
Due from other governmental agencies	402,369	624,019	1,026,388
Due (to)/from other funds	(815,007)	815,007	-
Amortizable costs	-	132,544	132,544
Notes receivable	2,079,313	-	2,079,313
Capital assets (net of allowance for depreciation)	1,555,792	16,937,743	18,493,535
Total assets	<u>3,993,704</u>	<u>22,916,583</u>	<u>26,910,287</u>
LIABILITIES			
Accounts payable and accrued expense	262,737	193,690	456,427
Accrued interest	3,222	77,427	80,649
Deposits	-	67,365	67,365
Compensated absences	177,061	47,402	224,463
Long-term liabilities			
Due within one year	23,941	185,500	209,441
Due in more than one year	79,187	9,184,500	9,263,687
Post-retirement health benefits	1,690,925	-	1,690,925
Total liabilities	<u>2,237,073</u>	<u>9,755,884</u>	<u>11,992,957</u>
NET POSITION			
Net investment in capital assets	1,452,664	7,567,743	9,020,407
Restricted for debt service	-	285,400	285,400
Restricted for specific projects and programs	467,035	-	467,035
Unrestricted	(163,068)	5,307,556	5,144,488
Total net position/(deficit)	<u>\$ 1,756,631</u>	<u>\$ 13,160,699</u>	<u>\$ 14,917,330</u>

CITY OF FIREBAUGH

STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2013

Functions/Programs	Program Revenue					Net Revenue/(Expense) and Changes in Net Position		
	Expense	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government		
						Business-Type Activities	Total	
Primary Government								
Governmental activities								
General government	\$ 718,064	\$ 155,116	\$ 13,678	\$ -	\$ (549,270)	\$ -	\$ (549,270)	
Public safety	2,016,180	285,819	187,428	-	(1,542,933)	-	(1,542,933)	
Public works	577,788	-	659,687	-	81,899	-	81,899	
Community development	499,257	45,461	147,173	340,832	34,209	-	34,209	
Parks and recreation	226,384	-	4,572	-	(221,812)	-	(221,812)	
Airport	201,937	12,475	171,011	-	(18,451)	-	(18,451)	
Debt service	5,364	-	-	-	(5,364)	-	(5,364)	
Interest and fiscal charges	4,244,974	498,871	1,183,549	340,832	(2,221,722)	-	(2,221,722)	
Total governmental activities								
Business-type activities								
Water	1,661,033	1,652,970	-	-	-	(8,063)	(8,063)	
Sewer	1,344,493	1,538,335	-	598,468	-	792,310	792,310	
Total business-type activities	3,005,526	3,191,305	-	598,468	-	784,247	784,247	
Total primary government	\$ 7,250,500	\$ 3,690,176	\$ 1,183,549	\$ 939,300	(2,221,722)	784,247	(1,437,475)	
General Revenues								
Property taxes					1,123,235	-	1,123,235	
Sales taxes					647,026	-	647,026	
Utility users tax					379,874	-	379,874	
Franchise taxes					106,796	-	106,796	
Business licenses					53,400	-	53,400	
Interest and rent					84,225	6,283	90,508	
Other					50,045	-	50,045	
Transfers					-	-	-	
Total general revenue					2,444,601	6,283	2,450,884	
Change in Net Position					222,879	790,530	1,013,409	
Net Position								
Beginning of year					1,533,752	12,370,169	13,903,921	
End of year					\$ 1,756,631	\$ 13,160,699	\$ 14,917,330	

CITY OF FIREBAUGH

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2013

	General	Community Development	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 68,463	\$ -	\$ 392,990	\$ 461,453
Accounts receivable, net	309,784	-	-	309,784
Due from other governmental agencies	-	272,918	129,451	402,369
Due from other funds	169,632	-	-	169,632
Notes receivable	-	-	2,079,313	2,079,313
Total assets	\$ 547,879	\$ 272,918	\$ 2,601,754	\$ 3,422,551

LIABILITIES AND FUND BALANCE

Liabilities				
Accounts payable and accrued expense	\$ 119,060	\$ 126,371	\$ 17,306	\$ 262,737
Due to other funds	815,007	146,547	23,085	984,639
Deferred revenue	-	-	1,729,313	1,729,313
Compensated absences	91,817	-	21,815	113,632
Total liabilities	1,025,884	272,918	1,791,519	3,090,321

Fund Balance

Nonspendable	-	-	350,000	350,000
Notes receivable	-	-	-	-
Restricted	-	-	-	-
Circulation improvements	-	-	287,264	287,264
Capital improvement projects	-	-	38,661	38,661
Lighting, landscape & park maintenance	-	-	61,378	61,378
Public safety programs	-	-	57,886	57,886
Low-income housing activities	-	-	21,846	21,846
Unassigned	(478,006)	-	(6,800)	(484,806)
Total fund balance	(478,006)	-	810,235	332,229
Total liabilities and fund balance	\$ 547,879	\$ 272,918	\$ 2,601,754	\$ 3,422,551

CITY OF FIREBAUGH

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES JUNE 30, 2013

Total governmental fund balance	\$ 332,229
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Notes receivable are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds	1,729,313
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	1,555,792
Long-term portion of compensated absences are not due and payable in the current period and, therefore, are not reported in the funds	(63,428)
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported in the funds	(3,222)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	(103,128)
Post-retirement health benefits are not due and payable in the current period and, therefore, are not reported in the funds	<u>(1,690,925)</u>
Net position of governmental activities	<u>\$ 1,756,631</u>

CITY OF FIREBAUGH

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2013

	General	Community Development	Other Governmental Funds	Total Governmental Funds
Revenue				
Taxes	\$ 2,245,205	\$ -	\$ 65,126	\$ 2,310,331
Intergovernmental	23,250	329,893	1,160,299	1,513,442
Charges for services	305,144	-	12,475	317,619
Licenses, permits and impact fees	47,800	-	10,939	58,739
Fines and forfeitures	133,452	-	-	133,452
Interest and rent	57,349	-	26,876	84,225
Other	50,045	-	-	50,045
Total revenue	2,862,245	329,893	1,275,715	4,467,853
Expenditures				
Current				
General government	281,453	-	-	281,453
Public safety	1,741,290	-	220,645	1,961,935
Public works	163,503	-	401,043	564,546
Community development	99,051	267,242	132,964	499,257
Parks and recreation	226,384	-	-	226,384
Airport	-	-	201,937	201,937
Capital outlay	-	-	7,900	7,900
Debt Service				
Principal	22,810	-	-	22,810
Interest and fiscal charges	6,247	-	-	6,247
Total expenditures	2,540,738	267,242	964,489	3,772,469
Revenue over/(under) expenditures	321,507	62,651	311,226	695,384
Other Financing Sources/(Uses)				
Operating transfers in	80,713	4,659	42,955	128,327
Operating transfers (out)	(19,531)	(67,310)	(41,486)	(128,327)
Total other financing sources (uses)	61,182	(62,651)	1,469	-
Change in Fund Balance	382,689	-	312,695	695,384
Fund Balance				
Beginning of year	(860,695)	-	497,540	(363,155)
End of year	(478,006)	-	810,235	332,229
	\$	\$	\$	\$

CITY OF FIREBAUGH

RECONCILIATION OF STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2013

Net change in fund balance - total governmental funds	\$ 695,384
Amounts reported for governmental activities in the Statement of Activities are different because:	
Depreciation expense on capital assets is reported in the Statement of Activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not required as expenditures in Governmental Funds	(129,366)
In the statement of activities, interest is accrued on long-term debt, whereas in governmental funds interest expenditure is reported when due	883
Repayment of long-term debt is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position	22,810
Post-retirement benefit costs in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the Governmental Funds	(374,732)
Governmental Funds report capital outlay as expenditures. However, in the Statement of Activities and Changes in Net Position the cost of those assets are capitalized as an asset and depreciated over the period of service	<u>7,900</u>
Change in net position of governmental activities	<u>\$ 222,879</u>

CITY OF FIREBAUGH

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

JUNE 30, 2013

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total Business-Type Funds
ASSETS			
Current assets			
Cash and investments	\$ 2,564,432	\$ 1,711,484	\$ 4,275,916
Accounts receivable	52,152	79,202	131,354
Due from other governmental agencies	-	624,019	624,019
Due from other funds	80,000	735,007	815,007
Total current assets	<u>2,696,584</u>	<u>3,149,712</u>	<u>5,846,296</u>
Non-current assets			
Unamortized bond discount	132,544	-	132,544
Property, plant and equipment (net of allowance for depreciation)	<u>10,662,341</u>	<u>6,275,402</u>	<u>16,937,743</u>
Total noncurrent assets	<u>10,794,885</u>	<u>6,275,402</u>	<u>17,070,287</u>
Total assets	<u>13,491,469</u>	<u>9,425,114</u>	<u>22,916,583</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued expense	52,208	141,482	193,690
Accrued interest	20,394	57,033	77,427
Deposits	67,365	-	67,365
Compensated absences	26,676	20,726	47,402
Current portion of long-term debt	<u>110,000</u>	<u>75,500</u>	<u>185,500</u>
Total current liabilities	<u>276,643</u>	<u>294,741</u>	<u>571,384</u>
Noncurrent Liabilities			
Revenue bonds payable	<u>5,590,000</u>	<u>3,594,500</u>	<u>9,184,500</u>
Total liabilities	<u>5,866,643</u>	<u>3,889,241</u>	<u>9,755,884</u>
NET POSITION			
Net investment in capital assets	4,962,341	2,605,402	7,567,743
Restricted for debt service	256,000	29,400	285,400
Unrestricted/(deficit)	<u>2,406,485</u>	<u>2,901,071</u>	<u>5,307,556</u>
Total net position	<u>\$ 7,624,826</u>	<u>\$ 5,535,873</u>	<u>\$ 13,160,699</u>

CITY OF FIREBAUGH

STATEMENT OF REVENUE, EXPENSE, AND CHANGES IN FUND NET POSITION – PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2013

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total Business-Type Funds
Operating Revenue			
Charges for services	\$ 1,618,062	\$ 1,510,025	\$ 3,128,087
Connection fees and other fees	34,908	28,310	63,218
Total operating revenue	<u>1,652,970</u>	<u>1,538,335</u>	<u>3,191,305</u>
Operating Expense			
Contractual services and utilities	421,906	399,635	821,541
Personnel	398,409	376,774	775,183
Supplies, repairs and other	216,894	182,933	399,827
Depreciation and amortization	366,564	232,065	598,629
Total operating expense	<u>1,403,773</u>	<u>1,191,407</u>	<u>2,595,180</u>
Operating income/(loss)	<u>249,197</u>	<u>346,928</u>	<u>596,125</u>
Nonoperating Revenue/(Expense)			
Intergovernmental revenue	-	598,468	598,468
Interest income	3,702	2,581	6,283
Interest expense	(257,260)	(153,086)	(410,346)
Total nonoperating revenue/(expense)	<u>(253,558)</u>	<u>447,963</u>	<u>194,405</u>
Net income/(loss) before transfers	<u>(4,361)</u>	<u>794,891</u>	<u>790,530</u>
Change in Net Position	<u>(4,361)</u>	<u>794,891</u>	<u>790,530</u>
Net Position			
Beginning of year	7,629,187	4,740,982	12,370,169
End of year	<u>\$ 7,624,826</u>	<u>\$ 5,535,873</u>	<u>\$ 13,160,699</u>

CITY OF FIREBAUGH

STATEMENT OF CASH FLOW - PROPRIETARY FUNDS YEAR ENDED JUNE 30, 2013

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Total Business-Type Funds
Operating Activities			
Receipts from customers and users	\$ 1,722,536	\$ 1,535,398	\$ 3,257,934
Payments for contractual services and utilities	(431,702)	(282,245)	(713,947)
Payments to employees	(395,174)	(373,991)	(769,165)
Payments to suppliers	(216,894)	(182,933)	(399,827)
Net cash provided by (used in) operating activities	<u>678,766</u>	<u>696,229</u>	<u>1,374,995</u>
Non-capital Financial Activities			
Payments from other governments	-	(5,510)	(5,510)
Payments received from (paid to) other funds	<u>492,437</u>	<u>(735,007)</u>	<u>(242,570)</u>
Net cash provided by (used in) noncapital financing activities	<u>492,437</u>	<u>(740,517)</u>	<u>(248,080)</u>
Capital and Related Financing Activities			
Purchase of property, plant and equipment	(719,876)	(598,468)	(1,318,344)
Principal paid on long-term debt	(105,000)	(69,500)	(174,500)
Interest paid on long-term debt	<u>(247,997)</u>	<u>(154,241)</u>	<u>(402,238)</u>
Net cash (used in) capital and related financing activities	<u>(1,072,873)</u>	<u>(822,209)</u>	<u>(1,895,082)</u>
Investing Activities			
Interest received	<u>3,702</u>	<u>2,581</u>	<u>6,283</u>
Net cash provided by investing activities	<u>3,702</u>	<u>2,581</u>	<u>6,283</u>
Net Increase (Decrease) in Cash	102,032	(863,916)	(761,884)
Cash			
Beginning of year	<u>2,462,400</u>	<u>2,575,400</u>	<u>5,037,800</u>
End of year	<u>\$ 2,564,432</u>	<u>\$ 1,711,484</u>	<u>\$ 4,275,916</u>
Cash Flows from Operating Activities			
Operating income (loss)	\$ 249,197	\$ 346,928	\$ 596,125
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	366,564	232,065	598,629
(Increase) Decrease in Accounts Receivable	66,441	(2,937)	63,504
Increase (Decrease) in Accounts Payable and Accrued Liabilities	<u>(3,436)</u>	<u>120,173</u>	<u>116,737</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 678,766</u>	<u>\$ 696,229</u>	<u>\$ 1,374,995</u>

See accompanying notes.

CITY OF FIREBAUGH

STATEMENT OF FIDUCIARY NET POSITION PRIVATE-PURPOSE TRUST FUND – SUCCESSOR AGENCY JUNE 30, 2013

Assets

Cash and investments	\$ 9,605
Held with trustees	1,318,034
Accounts receivable	4,400
Real estate	<u>1,833,649</u>
Total assets	<u>3,165,688</u>

Liabilities

Accounts payable and accrued liabilities	4,947
Interest payable	34,683
Long-term debt	
Due within one year	130,000
Due in more than one year	<u>6,465,000</u>
Total liabilities	<u>6,634,630</u>

Net Position

Held in trust for other governments	<u>\$ (3,468,942)</u>
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CITY OF FIREBAUGH

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION PRIVATE-PURPOSE TRUST FUND – SUCCESSOR AGENCY JUNE 30, 2013

Additions

Property taxes	\$ 999,958
Investment earnings and other	31,608
Total additions	<u>1,031,566</u>

Deductions

Administrative costs	250,000
Program expenses of former redevelopment agency	171,387
Interest and fiscal agency expenses of former redevelopment agency	<u>419,985</u>
Total deductions	<u>841,372</u>

Change In Net Position 190,194

Net Position

Beginning of year	<u>(3,659,136)</u>
End of year	<u>\$ (3,468,942)</u>

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies

The financial statements of the City of Firebaugh (the City) have been prepared in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

These financial statements present the government and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and data from these units is combined with data of the primary government. Each blended component unit has a June 30 fiscal year end. There are no discretely presented component units included in these financial statements. The following sections further describe the significant accounting policies of the City.

Reporting Entity

The City of Firebaugh, State of California (the "City"), was incorporated in 1914. The City operates under a Council-Manager form of government. The City's major operations include public safety; highways and streets; water and sewer; parks and recreation; building inspection; public improvements; planning and zoning, and general administrative services.

Basis of Presentation – Fund Accounting

Government-Wide Financial Statements - The Government-Wide Financial Statements (the Statement of Net Position and the Statement of Activities and Changes in Net Position) report information of all of the nonfiduciary activities of the primary government and its component units. For the most part, eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City and between the City and its component unit. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely significantly on fees charged to external parties.

The Statement of Activities and Changes in Net Position presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

Net position is restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental Fund Financial Statements - The Governmental Fund Financial Statements provide information about the City's funds, including fiduciary funds and the blended component unit. Separate statements for each fund category - governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are separately aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used for all financial resources except those required legally, or by sound financial management to be accounted for in another fund. Generally, the General Fund is used to account for those traditional governmental services of the City, such as police and fire protection, planning and general administrative services.

Community Development Fund – The Community Development Fund was established to account for the monies received from various sources which are to be used for the design and construction of various projects.

The City reports the following additional fund types:

Private-Purpose Trust Fund - The Private-Purpose Trust Fund accounts for assets held by the City as trustee for the Successor Agency.

Basis of Accounting

The Government-Wide and Proprietary Fund Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as non-operating.

Financial Statement Amounts

Cash and Investments - Cash and investments represent the City's cash bank accounts including but not limited to certificates of deposit, money market funds and cash management pools for reporting purposes in the Statement of Cash Flows. Additionally, investments with maturities of three months or less when purchased are included as cash equivalents in the Statement of Cash Flows.

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings as a result of this pooling are distributed to the appropriate funds based on month end cash balances in each fund.

Investments of the pool include only those investments authorized by the California Government Code such as, United States Treasury securities, agencies guaranteed by the United States Government, registered state warrants, and other investments. Investments primarily consist of deposits in the State of California Local Agency Investment Fund. Investments are stated at cost or amortized cost.

Accounts Receivable - Billed but unpaid services provided to individuals or non-governmental entities are recorded as accounts receivable. The Proprietary Funds include a year end accrual for services through June 30, 2013, which have not yet been billed.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

Fresno County is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year. Secured property taxes is due in two installments, on November 1 and March 1, and becomes a lien on those dates. They become delinquent on December 10 and April 10, respectively. Collection of delinquent accounts is the responsibility of the County, which retains all penalties collected. Property taxes are accounted for in the General Fund. Property tax revenues are recognized when they become measurable and available to finance current liabilities. The City considers property taxes as available if they are collected within 60 days after year end. Property tax on the unsecured roll are due on July 1 and become delinquent if unpaid on August 31. However, unsecured property taxes are not susceptible to year end accrual.

The City is permitted by Article XIII A of the State of California Constitution (known as Proposition 13) to levy a maximum tax of \$1.00 per \$100 of full cash value.

Interfund Receivables/Payables - Items classified as interfund receivable/payable represent short-term lending/borrowing transactions between funds. This classification also includes the current portion of an advance to or from another fund.

Advances To/From Other Funds - This classification represents non-current portions of any long-term lending/borrowing transactions between funds. This amount will be equally offset by a reserve of fund balance which indicates that it does not represent available financial resources and therefore, is not available for appropriation. The current portion of any interfund long-term loan (advance) is included as an interfund receivable/payable.

Capital Assets - Capital outlays are recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the Government-Wide Financial Statements to the extent the City's capitalization threshold is met.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the Government-Wide Financial Statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities are included as part of the capitalized value of the assets constructed.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

	Years
Buildings, structures and improvements	40
Infrastructure	40
Utility plant	40
Furniture and equipment	7
Automobiles and trucks	5

Compensated Absences - It is the City's policy to permit all employees to accumulate earned but unused vacation and compensatory time benefits. Those employees on shift work schedules may also accumulate hours for holiday time benefits.

Vested or accumulated vacation, holiday and any compensation time that is expected to be paid with expendable available financial resources is reported as an expenditure in the fund financial statements of the Governmental Fund that will pay for it. Amounts not expected to be liquidated with expendable available financial resources are reported in the Government-Wide Financial Statements.

Vested leave of Proprietary Funds are recorded as an expense and liability as the benefits accrue.

Sick leave can be accumulated, but vesting is limited and will not be paid upon termination. However, in past years unused sick leave could be used to pay post-employment health insurance. One retiree has unused benefits of \$63,428 at year end and this amount is reported as a compensated absence liability. For this reason, the City does not accrue any costs relating to sick leave.

Long-Term Obligations - In the Government-Wide Financial Statements, and Proprietary Fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or Proprietary Fund Type Statement of Net Position. Debt principal payments of both government and business-type activities are reported as decreases in the balance of the liability on the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, however, debt principal payments of Governmental Funds are recognized as expenditures when paid. Governmental Fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

Non-Current Governmental Assets/Liabilities - GASB Statement No. 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the Government-Wide Statement of Net Position.

Pension Plan - All full-time City employees are members of the State of California Public Employees' Retirement System. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually as of July 1 by the System's actuary. See note 9 for further discussion.

Bond Discount and Issuance Costs - For governmental funds, bond discounts, as well as issuance costs, are recognized during the current period. Bond proceeds are reported as other financing sources net of the applicable discount. Issuance costs, whether or not withheld from the actual net proceeds received, are reported as debt service expenditures. For business-type funds, bond discounts, as well as issuance costs, are deferred and amortized over the life, of the bonds. Bonds payable are reported net of applicable bond discounts. Issuance costs are reported as deferred charges.

Net Position/Fund Equity - The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position are categorized as invested capital assets (net of related debt), restricted and unrestricted.

- Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- Restricted Net Position - This category presents external restrictions on net position imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position - This category represents net position of the City, not restricted for any project or other purpose.

Fund Equity – In the fund financial statements, governmental fund balance is made up of the following components:

- Nonspendable fund balance typically includes inventories, prepaid items, and other items that must be maintained intact pursuant to legal or contractual requirements, such as endowments.
- Restricted fund balance category includes amounts that can be spent only for specific purposes imposed by creditors, grantors, contributors, or laws or regulations of other governments or through enabling legislations.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 1 – Summary of Significant Accounting Policies (Continued)

- Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council. The City Council has the authority to establish, modify, or rescind a fund balance commitment.
- Assigned fund balance are amounts designated by the City Council for specific purposes and do not meet the criteria to be classified as restricted or committed.
- Unassigned fund balance is the residual classification that includes all spendable amounts in the General Fund not contained in other classifications.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to apply restricted first. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

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/expenses during the reporting period. Actual results could differ from those estimates.

Implementation of New GASB Pronouncements - The District adopted new accounting standards in order to conform with the following Governmental Accounting Standards Board Statements (GASB):

- In December 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the authoritative pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. This Statement also supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*.
- In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. This Statement also amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 2 – Stewardship, Compliance and Accountability

California law authorizes the City to invest in obligations of the United States Treasury, agencies and instrumentalities, certificates of deposit or time deposits in banks and savings and loan associations which are insured by the Federal Deposit Insurance Corporation.

In accordance with applicable sections of the California Government Code and the Firebaugh Municipal Code, the City prepares and legally adopts an annual balanced budget on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund, specific Special Revenue Funds, and specific Capital Projects Funds. Budget plans are adopted for Proprietary Funds. A proposed budget is presented to the City Council during June of each year for review. The Council holds public hearings and may add to, subtract from, or change appropriations within the revenues and reserves estimated as available. Expenditures may not legally exceed budgeted appropriations at the fund level. Supplementary appropriations which alter the total expenditures of any fund, or expenditures in excess of total budgeted fund appropriations, must be approved by the City Council.

All annual appropriations lapse at fiscal year end to the extent they have not been expended or encumbered.

Note 3 – Cash and Investments

The City pools all of its cash and investments except those funds required to be held by outside fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash is allocated to the various funds on average cash balances. Interest income from cash investments held with fiscal agents is credited directly to the related funds.

Cash and investments as of June 30, 2013 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 4,737,369
Fiduciary Funds:	
Cash and Investments	9,605
Cash and Investments with Fiscal Agent	1,318,034
Total Cash and Investments	<u>\$ 6,065,008</u>

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 3 – Cash and Investments (Continued)

Cash and investments as of June 30, 2013 consist of the following:

Cash on hand	\$ 300
Deposits with Financial Institutions	2,216,384
Local Agency Investment Fund	2,384,729
Held by Fiscal Agent:	
Cash and cash equivalents	1,463,595
Total Cash and Investments	<u>\$ 6,065,008</u>

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. The City's investment policy does not contain any specific provisions intended to limit the City's exposure to 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.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds	1 year	None	5%
U.S. Treasury Obligations	1 year	None	None
U.S. Agency Securities	1 year	None	None
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposit	1 year	30%	None
Medium-Term Notes	1 year	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	1 year	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 3 – 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 the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	1 year	None	None
Commercial Paper	None	None	None
Money Market Mutual Funds	None	None	None
Investment Contracts	None	None	None
Certificates of Deposits	1 year	None	None
Repurchase Agreements	30 days	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Municipal Bonds	None	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. As of June 30, 2013 the City had the following investments.

Investment Type		Maturity Date
Local Agency Investment Fund	\$ 2,384,729	N/A
Held by Bond Trustee:		
Cash and cash equivalents	<u>1,463,595</u>	N/A
Total	<u>\$ 3,848,324</u>	

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 3 – 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 of year end for each investment type.

Investment Type		Minimum Legal Rating	Rating as of Year End Not Rated
Local Agency Investment Fund	\$ 2,384,729	N/A	\$ 2,384,729
Held by Bond Trustee:			
Cash and cash equivalents	1,463,595	N/A	1,463,595
Total	\$ 3,848,324		\$ 3,848,324

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of the total City investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The 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, 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.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 3 – Cash and Investments (Continued)

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code 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 upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Note 4 – Notes Receivable

Revolving Loan Program – Long-term loans receivable of \$1,729,313 represent monies loaned to homebuyers in connection with a downpayment assistance programs. The loans are secured by real property with repayment due upon the sale of real property or starting at the end of the 30 year deferral period. At the time of sale, the seller pays the loan balance in full plus interest, ranging from 0% to 4%. For the homebuyer loan program, starting at the end of the 30 year deferral period, the borrower is required to repay the loan over the following 15 years.

Firebaugh San Joaquin Vista Associates - During fiscal year 2000, the Redevelopment Agency of the City of Firebaugh loaned Firebaugh San Joaquin Vista Associates \$200,000 as a subsidy in connection with a low income apartment. The note carries an interest rate of 3% and matures during 2055. The terms of the agreement specify that payments of the outstanding principal and accrued interest shall be paid annually in the amount equal to 30% of available project revenues. Payments made shall be credited first against accrued interest and then against outstanding principal. There have been no required payments to date on this note.

San Joaquin Development LLC – During fiscal year 2009, the Redevelopment Agency of the City of Firebaugh loaned San Joaquin Development LLC \$150,000 in connection with the construction of low-income condominiums. The note is non-interest bearing and is repayable upon sale of each unit at the rate of \$7,134 per unit. There have been no repayments to date on this note.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 5 – Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013
<u>Governmental Activities</u>				
Capital assets, not being depreciated				
Land	\$ 137,047	\$ -	\$ -	\$ 137,047
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	<u>137,047</u>	<u>-</u>	<u>-</u>	<u>137,047</u>
Capital assets, being depreciated				
Buildings and improvements	1,338,503	-	-	1,338,503
Infrastructure	514,825	-	-	514,825
Machinery and equipment	<u>1,680,327</u>	<u>7,900</u>	<u>-</u>	<u>1,688,227</u>
Total capital assets, being depreciated	<u>3,533,655</u>	<u>7,900</u>	<u>-</u>	<u>3,541,555</u>
Less accumulated depreciation for:				
Buildings and improvements	(544,886)	(42,385)	-	(587,271)
Infrastructure	(90,097)	(12,871)	-	(102,968)
Machinery and equipment	<u>(1,358,461)</u>	<u>(74,110)</u>	<u>-</u>	<u>(1,432,571)</u>
Total accumulated depreciation	<u>(1,993,444)</u>	<u>(129,366)</u>	<u>-</u>	<u>(2,122,810)</u>
Total capital assets, being depreciated, net	<u>1,540,211</u>	<u>(121,466)</u>	<u>-</u>	<u>1,418,745</u>
Governmental activities capital assets, net	<u>\$ 1,677,258</u>	<u>\$ (121,466)</u>	<u>\$ -</u>	<u>\$ 1,555,792</u>
<u>Business-Type Activities</u>				
Capital assets, not being depreciated				
Land	\$ 203,705	\$ -	\$ -	\$ 203,705
Construction in progress	-	89,564	-	89,564
Total capital assets, not being depreciated	<u>203,705</u>	<u>89,564</u>	<u>-</u>	<u>293,269</u>
Capital assets, being depreciated				
Building	237,000	-	-	237,000
Improvements other than buildings	14,308,019	1,228,780	-	15,536,799
Machinery and equipment	<u>7,683,350</u>	<u>-</u>	<u>-</u>	<u>7,683,350</u>
Total capital assets, being depreciated	<u>22,228,369</u>	<u>1,228,780</u>	<u>-</u>	<u>23,457,149</u>
Less: accumulated depreciation	<u>(6,214,046)</u>	<u>(598,629)</u>	<u>-</u>	<u>(6,812,675)</u>
Total capital assets, being depreciated, net	<u>16,014,323</u>	<u>630,151</u>	<u>-</u>	<u>16,644,474</u>
Business-type activities capital assets, net	<u>\$ 16,218,028</u>	<u>\$ 719,715</u>	<u>\$ -</u>	<u>\$ 16,937,743</u>

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 5 – Capital Assets (Continued)

Depreciation and amortization expense were charged to the following functions in the Statement of Activities:

Governmental Functions:

General Government	\$	61,879
Public Safety		54,245
Public Works and Development		13,242
	\$	<u>129,366</u>

Business-Type Functions:

Water	\$	366,564
Sewer		232,065
	\$	<u>598,629</u>

Note 6 – Long-term Liabilities

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt. The City's debt transactions are summarized below and discussed in detail thereafter:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013	Current Portion
<u>Governmental Activity Long Term Debt</u>					
Lease Payable					
Fire truck lease	125,938	-	(22,810)	103,128	23,941
Total Governmental Activity Debt	\$ 125,938	\$ -	\$ (22,810)	\$ 103,128	\$ 23,941
<u>Business-Type Activity Long Term Debt</u>					
Bonds Payable					
1976 Firebaugh Sewer Revenue Bond	\$ 104,500	\$ -	\$ (24,500)	\$ 80,000	\$ 25,500
2005 Water Revenue Bond	1,680,000	-	(50,000)	1,630,000	55,000
Certificate of Participation					
2007 USDA Water COP	4,125,000	-	(55,000)	4,070,000	55,000
Loan Payable					
2008 USDA Sewer Loan	3,635,000	-	(45,000)	3,590,000	50,000
Total Business-Type Activity Debt	\$ 9,544,500	\$ -	\$ (174,500)	\$ 9,370,000	\$ 185,500
<u>Compensated Absences</u>					
Government Activities	\$ 168,571	\$ 8,490	\$ -	\$ 177,061	
Business-Type Activities	\$ 41,384	\$ 6,018	\$ -	\$ 47,402	

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 6 – Long-Term Liabilities (Continued)

Long-term debt payable at June 30, 2013 was comprised of the following individual issues:

Fire Truck Lease - In October 2006 the City entered into a capital lease for \$224,802 with Kansas State Bank of Manhattan for a new fire truck. The lease is payable in ten annual installments of \$29,056.30 consisting of principal and interest.

Revenue Bonds Payable - The 1976 Firebaugh Sewer Revenue Bonds in the amount of \$477,000 were issued in 1976. Interest in the amount of 5 percent is due semi-annually. Principal is paid annually.

2005 Water Revenue Bond - In 2005 the City issued \$1,970,000 of bonds. Interest on the bonds is payable semi-annually on December 1 and June 1 each year, with interest rates ranging between 3% and 5% per annum. Principal is paid annually.

2007 USDA Water Certificate of Participation - In 2007 the City issued \$4,365,000 of Certificates of Participation. The proceeds of the issue were used for the water system improvement project. Interest on the COP is payable semi-annually on December 1 and June 1 each year, with an interest rate of 4.125% per annum. Principal is paid annually on June 1.

2008 USDA Sewer Loan Payable - In 2008 the City borrowed \$3,800,000 from the USDA to finance sewer plant expansion. Interest on the loan is payable semi-annually on February 15 and August 15 each year, with an interest rate of 4.125% per annum. Principal is paid on August 15 of each year.

The annual requirement to amortize the principal and interest on all long-term debt at June 30, 2013 are as follows:

Years ending June 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2014	23,941	5,115	185,500	394,657
2015	25,129	3,928	191,500	386,767
2016	26,375	2,681	198,000	378,460
2017	27,683	1,373	180,000	369,824
2018	-	-	185,000	362,140
2019-2023	-	-	1,075,000	1,681,945
2024-2028	-	-	1,310,000	1,426,881
2029-2033	-	-	1,520,000	1,108,297
2034-2038	-	-	1,290,000	817,641
2039-2043	-	-	1,555,000	529,754
2044-2048	-	-	1,680,000	177,993
	<u>\$ 103,128</u>	<u>\$ 13,097</u>	<u>\$ 9,370,000</u>	<u>\$ 7,634,359</u>

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 7 – Interfund Transfers

In general, the City uses interfund transfers to (1) move revenues from the funds that collect them to the funds' that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to help finance various programs and capital projects accounted for in other funds in accordance with budgetary authorization, and (3) move cash to debt service funds from the funds responsible for payment as debt service payments become due. In general, the effect of the interfund activity has been eliminated from the government-wide financial statements.

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General Fund	\$ 61,182	\$ -
Community Development Fund	-	(62,651)
Nonmajor Governmental Funds:		
Gas Tax Fund	-	(12,502)
Measure C Fund	12,502	-
Airport Fund	15,678	-
Home Grant Fund	-	(14,209)
	<u>\$ 89,362</u>	<u>\$ (89,362)</u>

Note 8 – Deficit Net Position Balance

Net Asset Deficits – The General Fund and Airport Fund have deficit net asset balances as of June 30, 2013 of \$478,006 and \$6,800, respectively. The deficits are expected to be relieved from future revenues and reduction of expenditures.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 9 – Pension Plan

Plan Description - The City contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of PERS' annual financial report may be obtained from their Executive Office - 400 P Street - Sacramento, CA 95814.

Funding Policy - Participants are required to contribute seven percent (nine percent for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 15.263 percent for non-safety employees and 30.819 percent for safety employees of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost - For the year ended June 30, 2013, the City's annual pension cost of \$569,680 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.5 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service and (c) 3.0 percent per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 2.75 percent. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen-year period (smoothed market value). PERS unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis.

THREE YEAR TREND INFORMATION FOR PERS

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2011	\$ 497,974	100%	-
June 30, 2012	\$ 495,472	100%	-
June 30, 2013	\$ 569,680	100%	-

A new State law authorized the creation of risk pools by PERS and required mandatory participation of small employers to help reduce large fluctuations in their contribution rates. The City is now required to participate in the risk pool. Under this pooling method, assets and liabilities of the participant employers are aggregated. As such, individual employer's retirement data is no longer available.

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 10 – Post-Employment Health Care Benefits

Post Retirement Benefits

From an accrual accounting perspective, the cost of postemployment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in the future year when it will be paid. Prior to adopting the requirements of GASB Statement No. 45, the City recognized the cost of postemployment healthcare in the year it was paid. With the implementation of GASB Statement No. 45 the City will report the accumulated liability from prior years in order to provide information useful in assessing potential demands on the City's future cash flows. Recognition and funding of the liability accumulated from prior years will be phased in over 30 years.

Plan Description

For all employees employed by the City who are not under a labor agreement who retire from the City's employment under the Public Employee's Retirement System currently in effect, the City will continue to pay the premiums for health care coverage in an amount equal to the amount paid if the employee was still employed by the City.

For the fiscal year ending June 30, 2013, there were five retirees receiving such benefits. The City is financing any benefits on a pay as you go basis.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City. The City determines the required contributions using the Entry Age Normal Cost Method. The required contribution is based on projected pay-as-you-go financing requirements.

Membership in the plan consisted of the following at June 30, 2013, the date of the latest actuarial valuation.

Retirees receiving benefits	5
Active plan members eligible	<u>32</u>
Total	<u>42</u>
Retired employees:	
Average Age	65.2
Average Retirement Age	60
Active members eligible:	
Average Age	39.7
Average Service Years	8.6

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 10 – Post-Employment Health Care Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of thirty (30) years. The following table shows the amount contributed to the plan, and changes in the City's net OPEB obligation:

Annual required contribution (OPEB cost)	\$ 383,225
Interest on net OPEB obligation	59,229
Adjustment to annual required contribution	(59,307)
Annual OPEB cost (expense)	383,147
Contributions made	(8,415)
Increase (decrease) in net OPEB obligation	374,732
Net OPEB obligation, beginning of year	1,316,193
Net OPEB obligation, end of year	\$ 1,690,925

The City's OPEB obligation as of implementation of GASB Statement No. 45 is less than the actuarial accrued liability of \$2,896,304, all of which is unfunded. However, the OPEB obligation will be increased prospectively to the actuarial accrued liability amount. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation was as follows:

Year Ended June 30	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 415,620	-	0.0%	\$ 860,333
2012	415,620	2,777	0.7%	1,316,193
2013	383,225	8,415	2.2%	1,690,925

Funding Status and Progress

The funded status of the liability as of June 30, 2010, the plan's most recent actuarial valuation date, was as follows:

Actuarial Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability (Excess Assets)	Funded Ratio	Annual Covered Payroll	UAAL As a % of Payroll
06/30/10	2,263,046	-	2,263,046	0.0%	1,598,143	141.6%
06/30/13	2,896,304	-	2,896,304	0.0%	1,564,331	185.1%

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 10 – Post-Employment Health Care Benefits (Continued)

Funding Status and Progress (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding status and progress, as shown above, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and included the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The annual OPEB cost was determined as part of the June 30, 2013 actuarial valuation. Additional information as of the last actuarial valuations follows:

Valuation Date	June 30, 2013	
Actuarial Cost Method	Entry Age Normal	
Asset Valuation Method	Market Value	
Amortization Method	Level Percentage of Payroll	
Remaining Amortization Period	27 years	
Actuarial Assumptions:		
Investment Rate of Return	7.0%	
Discount Rate	4.5%	
Payroll Increase	3.25%	
Health Cost Trend Rates:	Annual increases in premium for retired medical and prescription drug benefits are assumed to be as follows:	
	Year After Valuation Date	Medical Premiums
	2013	Actual Premiums
	2014	Actual Premiums
	2015	8.5%
	2016	8.0%
	2017	7.5%
	Thereafter	5.5%

CITY OF FIREBAUGH

NOTES TO BASIC FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2013

Note 11 – Risk Management

The City participates with other public entities in a joint venture under a joint powers agreement which establishes the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each worker's compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula which, among other expenses, charges the City's account for liability losses under \$10,000 and workers' compensation losses under \$10,000. The CSJVRMA purchases excess reinsurance from \$1,000,000 to \$15,000,000. The CSJVRMA participates in an excess pool which provides Workers' Compensation coverage from \$500,000 to \$1,500,000 and purchases excess reinsurance above \$1,500,000 to the statutory limit.

The CSJVRMA is a consortium of 55 cities in San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500, et. seq. The CSJVRMA is governed by a Board of Directors, which meets three to four times each year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA. The financial statements of CSJVRMA can be obtained at 1831 K Street, Sacramento, CA 95814.

The latest audited financial information and the most current information available for CSJVRMA for fiscal year ended June 30, 2012 is as follows:

Total assets	<u>\$ 103,246,944</u>
Total liabilities	<u>\$ 90,963,926</u>
Total equities	<u>\$ 12,283,018</u>
Total revenues	<u>\$ 29,186,116</u>
Total expenses	<u>\$ 30,402,073</u>
Revenues over (under) expenses	<u>\$ (1,215,957)</u>

Note 13 - Contingencies

Federal and State Government Programs - The City participates in several federal and state grant programs. These programs have been audited, as needed, in accordance with the provisions of the federal Single Audit Act of 1984 and applicable state requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures, which may be disallowed by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

Note 14 – Subsequent Events

The City evaluated subsequent events for recognition and disclosure through November 18, 2013, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2013 that required recognition or disclosure in such financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FIREBAUGH

BUDGETARY COMPARISON SCHEDULE GENERAL FUND YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/ (Negative)
Revenue				
Taxes	\$ 1,963,580	\$ 1,963,580	\$ 2,245,205	\$ 281,625
Intergovernmental	17,900	17,900	23,250	5,350
Charges for services	196,330	196,330	305,144	108,814
Licenses, permits and impact fees	16,000	16,000	47,800	31,800
Fines and forfeitures	59,600	59,600	133,452	73,852
Interest and rent	81,500	81,500	57,349	(24,151)
Other	130,500	130,500	50,045	(80,455)
Total revenue	<u>2,465,410</u>	<u>2,465,410</u>	<u>2,862,245</u>	<u>396,835</u>
Expenditures				
Current				
General government	299,547	299,547	281,453	18,094
Public safety	1,692,910	1,692,910	1,741,290	(48,380)
Public works	142,329	142,329	163,503	(21,174)
Community development	99,665	99,665	99,051	614
Parks and recreation	262,713	262,713	226,384	36,329
Capital outlay	-	-	-	-
Debt Service				
Principal	-	-	22,810	(22,810)
Interest and fiscal charges	-	-	6,247	(6,247)
Total expenditures	<u>2,497,164</u>	<u>2,497,164</u>	<u>2,540,738</u>	<u>(43,574)</u>
Revenue over (under) expenditures	(31,754)	(31,754)	321,507	353,261
Other Financing Sources				
Transfers in (out) - net	-	-	61,182	61,182
Net Change in Fund Balance	<u>\$ (31,754)</u>	<u>\$ (31,754)</u>	382,689	<u>\$ 414,443</u>
Fund Balance				
Beginning of year			(860,695)	
End of year			<u>\$ (478,006)</u>	

CITY OF FIREBAUGH

BUDGETARY COMPARISON SCHEDULE COMMUNITY DEVELOPMENT FUND YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive/ (Negative)
	Original	Final		(Negative)
Revenue				
Intergovernmental	\$ -	\$ -	\$ 329,893	\$ 329,893
Other	-	-	-	-
Total revenue	-	-	329,893	329,893
Expenditures				
Current				
Community development	-	-	267,242	(267,242)
Capital outlay	-	-	-	-
Total expenditures	-	-	267,242	(267,242)
Revenue over (under)expenditures	-	-	62,651	62,651
Other Financing Sources/(Uses)				
Transfers in/(out) - net	-	-	(62,651)	62,651
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance				
Beginning of year			-	
End of year			<u>\$ -</u>	

SUPPLEMENTAL ONLY INFORMATION

CITY OF FIREBAUGH

COMBINING BALANCE SHEET NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2013

	Special Revenue Funds						Capital		Total	
	Gas Tax	Local Transportation	Measure C	Landscape Maintenance	Public Safety	Airport	HOME Grant	Low-Moderate Housing Asset		Development Impact Fees
ASSETS										
Cash and investments	\$ 35,849	\$ 108,698	\$ 111,660	\$ 62,874	\$ 13,402	\$ -	\$ -	\$ 21,846	\$ 38,661	\$ 392,990
Due from other governmental agencies	16,392	21,594	13,232	-	60,184	13,840	4,209	-	-	129,451
Notes receivable	-	-	-	-	-	-	1,729,313	350,000	-	2,079,313
Total assets	\$ 52,241	\$ 130,292	\$ 124,892	\$ 62,874	\$ 73,586	\$ 13,840	\$ 1,733,522	\$ 371,846	\$ 38,661	\$ 2,601,754
LIABILITIES AND FUND BALANCE										
Liabilities										
Accounts payable and accrued expense	\$ 1,910	\$ 2,827	\$ 1,895	\$ 1,496	\$ 7,414	\$ 1,764	\$ -	\$ -	\$ -	\$ 17,306
Due to other funds	-	-	-	-	-	18,876	4,209	-	-	23,085
Deferred revenue	-	-	-	-	-	-	1,729,313	-	-	1,729,313
Compensated absences	621	4,722	8,186	-	8,286	-	-	-	-	21,815
Total liabilities	2,531	7,549	10,081	1,496	15,700	20,640	1,733,522	-	-	1,791,519
Fund Balance										
Nonspendable	-	-	-	-	-	-	-	350,000	-	350,000
Restricted										
Circulation improvements	49,710	122,743	114,811	-	-	-	-	-	-	287,264
Capital improvement projects	-	-	-	-	-	-	-	-	38,661	38,661
Lighting, landscape & park maintenance	-	-	-	61,378	-	-	-	-	-	61,378
Public safety programs	-	-	-	-	57,886	-	-	-	-	57,886
Low-income housing activities	-	-	-	-	-	-	-	21,846	-	21,846
Unassigned	-	-	-	-	-	(6,800)	-	-	-	(6,800)
Total fund balance	49,710	122,743	114,811	61,378	57,886	(6,800)	-	371,846	38,661	810,235
Total liabilities and fund balance	\$ 52,241	\$ 130,292	\$ 124,892	\$ 62,874	\$ 73,586	\$ 13,840	\$ 1,733,522	\$ 371,846	\$ 38,661	\$ 2,601,754

CITY OF FIREBAUGH

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE NON-MAJOR GOVERNMENTAL FUNDS YEAR ENDED JUNE 30, 2013

	Special Revenue Funds							Capital Project Funds		Total
	Gas Tax	Local Transportation	Measure C	Landscape Maintenance	Public Safety	Airport	HOME Grant	Low-Moderate Housing Asset	Development Impact Fees	Non-major Governmental Funds
Revenue										
Taxes	\$ -	\$ -	\$ -	\$ 46,100	\$ 13,665	\$ 5,361	\$ -	\$ -	\$ -	\$ 65,126
Intergovernmental	177,311	240,198	237,178	-	187,428	171,011	147,173	-	-	1,160,299
Charges for services	-	-	-	-	-	12,475	-	-	-	12,475
Licenses, permits and impact fees	-	-	-	-	-	-	-	-	10,939	10,939
Interest and rent	51	13	190	43	100	4,080	-	21,846	553	26,876
Total revenue	<u>177,362</u>	<u>240,211</u>	<u>237,368</u>	<u>46,143</u>	<u>201,193</u>	<u>192,927</u>	<u>147,173</u>	<u>21,846</u>	<u>11,492</u>	<u>1,275,715</u>
Expenditures										
Public safety	-	-	-	-	220,645	-	-	-	-	220,645
Public works	115,175	117,472	135,153	33,243	-	-	-	-	-	401,043
Community development	-	-	-	-	-	-	132,964	-	-	132,964
Airport	-	-	-	-	-	201,937	-	-	-	201,937
Capital outlay	-	-	-	-	7,900	-	-	-	-	7,900
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>115,175</u>	<u>117,472</u>	<u>135,153</u>	<u>33,243</u>	<u>228,545</u>	<u>201,937</u>	<u>132,964</u>	<u>-</u>	<u>-</u>	<u>964,489</u>
Revenue over (under) expenditures	62,187	122,739	102,215	12,900	(27,352)	(9,010)	14,209	21,846	11,492	311,226
Other financing sources/(uses)										
Operating transfers in	14,775	-	12,502	-	-	15,678	-	-	-	42,955
Operating transfers (out)	(27,277)	-	-	-	-	-	(14,209)	-	-	(41,486)
	<u>(12,502)</u>	<u>-</u>	<u>12,502</u>	<u>-</u>	<u>-</u>	<u>15,678</u>	<u>(14,209)</u>	<u>-</u>	<u>-</u>	<u>1,469</u>
Change in Fund Balance	49,685	122,739	114,717	12,900	(27,352)	6,668	-	21,846	11,492	312,695
Fund Balance										
Beginning of year	25	4	94	48,478	85,238	(13,468)	-	350,000	27,169	497,540
End of year	<u>\$ 49,710</u>	<u>\$ 122,743</u>	<u>\$ 114,811</u>	<u>\$ 61,378</u>	<u>\$ 57,886</u>	<u>\$ (6,800)</u>	<u>\$ -</u>	<u>\$ 371,846</u>	<u>\$ 38,661</u>	<u>\$ 810,235</u>

CITY OF FIREBAUGH

SCHEDULE OF NET REVENUE AVAILABLE FOR DEBT SERVICE JUNE 30, 2013

	<u>Water Fund</u>	<u>Sewer Fund</u>
Service Charges	\$ 1,576,814	\$ 1,510,025
Delinquent Fees	41,248	-
Interest Earnings	3,702	2,581
Other Revenues	<u>34,908</u>	<u>626,778</u>
Total Miscellaneous Revenue	<u>79,858</u>	<u>629,359</u>
Total Revenue	<u>1,656,672</u>	<u>2,139,384</u>
Personnel Costs	398,409	376,774
Supplies	216,894	182,933
Professional Services	191,596	269,123
Utilities	<u>230,310</u>	<u>130,512</u>
Total Operations and Maintenance	<u>1,037,209</u>	<u>959,342</u>
Net Revenue Available for Debt Service	<u>\$ 619,463</u>	<u>\$ 1,180,042</u>
1976 Firebaugh Sewer Revenue Bond Debt Service	\$ -	\$ 29,500
2005 Water Revenue Bond Debt Service	130,713	-
2007 USDA Water Certificate of Participation	222,888	-
2008 USDA Sewer Loan	<u>-</u>	<u>197,056</u>
Total Debt Service	<u>353,601</u>	<u>226,556</u>
Net Revenue after Debt Service	<u>\$ 265,862</u>	<u>\$ 953,486</u>
Debt Service Coverage	1.75	5.21

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and City Council
City of Firebaugh, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Firebaugh, California, (the "City") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated November 18, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

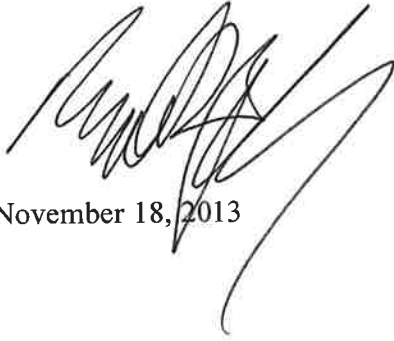
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

November 18, 2013

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Honorable Mayor and City Council
City of Firebaugh, California

Report on Compliance for Each Major Federal Program

We have audited City of Firebaugh, California's (the "City") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of City's major federal programs for the year ended June 30, 2013. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Firebaugh, California, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of City of Firebaugh, California, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to be "K. J. [unclear]", is written over the date.

November 18, 2013

CITY OF FIREBAUGH

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2013

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Justice			
ARRA - Public Safety Partnership and Community Policing Grant	16.710	2010-UM-WX-0029	\$ 87,260
U.S. Department of Housing and Urban Development			
Passed through from the State Department of Housing and Community Development			
HOME Investment Partnership Program	14.239	11-HOME-6993	25,000
HOME Investment Partnership Program	14.239	11-HOME-7688	114,125
			<u>139,125</u>
U.S. Department of Housing and Urban Development			
Passed through from the State Department of Housing and Community Development			
Community Development Block Grant	14.228	09-PTAG-6502	9,000
Community Development Block Grant	14.228	10-STBG-6714	621,469
			<u>630,469</u>
U.S. Department of Transportation			
Passed through from the California Department of Transportation			
Highway Planning and Construction	20.205	CML-5224(015)	6,040
Highway Planning and Construction	20.205	CML-5224(017)	3,403
Highway Planning and Construction	20.205	CML-5224(019)	5,834
Federal Safe Routes to School	20.205	SRTSL-5224(016)	37,966
Federal Safe Routes to School	20.205	SRTSL-5224(018)	171,120
			<u>224,363</u>
U.S. Department of Transportation			
Passed through California Department of Transportation			
Street Reconstruction	20.600	STPL-5224(020)	1,118
U.S. Department of Transportation			
Update Airport Master Plan	20.106	3-06-0346-04	12,598
Update Airport Master Plan	20.106	3-06-0346-05	1,917
Update Airport Master Plan	20.106	3-06-0346-06	156,496
			<u>171,011</u>

CITY OF FIREBAUGH

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2013

A. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unqualified

Internal control over financial reporting:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported
- Non-compliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?

☐ Yes ☒ No

Identification of Major Programs

CFDA Number

Name of Federal Program or Cluster

14.228

Community Development Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

B. Findings – Financial Statements Audit

None noted.

C. Findings and Questioned Costs – Major Federal Award Programs Audit

None noted.

CITY OF FIREBAUGH

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED JUNE 30, 2013

Summary Schedule of Prior Audit Findings

There were no prior year audit findings.

SPECIAL MEETING MINUTES

**The City Council/Successor Agency of the City of Firebaugh
Vol. No. 14/01-21**

Location of Meeting: Andrew Firebaugh Community Center
1655 13th Street, Firebaugh, CA 93622

Date/Time: January 21, 2014/ 7:00 p.m.

CALL TO ORDER Meeting called to order by Mayor Pro Tem Chris DeFrancesco at 7:00 p.m.

ROLL CALL

PRESENT: Mayor Pro Tem Craig Knight
Council Member Brady Jenkins
Council Member Freddy Valdez
Council Member Marcia Sablan

ABSENT: Mayor Chris DeFrancesco

OTHERS: City Attorney Regina Garza; City Manager, Kenneth McDonald; Finance Director, Pio Martin; Police Chief Elsa Lopez; Public Works Director, Ben Gallegos; Deputy City Clerk, Rita Lozano; City Engineer, Mario Gouveia; Paul Ashby, David & Mary Van Pelt and others.

PLEDGE OF ALLEGIANCE: Council Member Jenkins led pledge of Allegiance.

APPROVAL OF AGENDA: *Motion to approve agenda by Council Member Sablan, seconded by Council Member Jenkins, motion passes by 4-0 vote.*

PUBLIC COMMENT: *Leo Esparza raised and Graduated in Firebaugh, is the new Director of the Boys & Girls Club. He introduced himself and announced a Grand Opening at the Housing Authority, January 29, 2014 between 3:00 pm – 6:00 pm.*

CONSENT CALENDAR

1. APPROVAL OF MINUTES – The City Council meeting on December 16, 2013.
2. WARRANT REGISTER – Period starting December 1, and ending on December 31, 2013.

December, 2013	General Warrants	#29854– #30035	\$ 446,173.75
	Payroll Warrants	#63632 – #63728	\$ 242,946.95
TOTAL			\$ 689,120.70

3. RESOLUTION NO. 14-01 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH ACCEPTING PUBLIC UTILITY EASEMENTS FROM THE FRESNO WESTSIDE MOSQUITO ABATEMENT DISTRICT AT THE PROPERTY AS DESCRIBED ON THE EASEMENT DEED EXHIBITS "A" AND "B".
4. RESOLUTION NO. 14-02 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH URGING THE GOVERNOR TO DECLARE A STATE OF EMERGENCY DUE TO UNPRECEDENTED DROUGHT CONDITIONS.

Motion to approve consent calendar by Council Member Sablan, seconded by Council Member Jenkins; motion passes by 4-0 vote.

PUBLIC HEARING

5. THE CITY COUNCIL OF THE CITY OF FIREBAUGH TO ACCEPT CLOSEOUT OF COMMUNITY DEVELOPMENT BLOCK GRANT - GRANT 10-STBG-6714.

Public Hearing opened at 7:06 p.m. – Comment given by Public Works Director advising there has not been any plug-ups since project has been completed- Public Hearing closed at 7:07 p.m.

Motion to accept the closeout of the grant by Council Member Jenkins, seconded by Council Member Sablan; motion passes by 4-0 vote.

6. THE CITY COUNCIL OF THE CITY OF FIREBAUGH TO ACCEPT MASTER PLANS AND CLOSEOUT OF COMMUNITY DEVELOPMENT BLOCK GRANT - GRANT 11-PTEC-7623.

Public Hearing opened at 7:08 p.m. – No Comment given - Public Hearing closed at 7:08 p.m.

Motion to approve and accept the Master Plans and closeout of grant 11-PTEC-7623 by Council Member Jenkins, seconded by Council Member Sablan; motion passes by 4-0 vote.

NEW BUSINESS

7. THE CITY COUNCIL OF THE CITY OF FIREBAUGH TO AWARD BID FOR A DRILLING CONTRACT FOR THE 12-CDBG-8387 GRANT REGARDING THE NEW WELL #17.

Motion to award bid to Nor-Cal Pump & Well Drilling by Council Member Jenkins, seconded by Council Member Sablan; motion passes by 4-0 vote.

8. RESOLUTION NO. 14-03 - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH SUPPORTING AB1012 A STATE LAW TO SECURE THE EFFICIENCY OF TRANSPORTATION FUNDING AND IMPLEMENTING A TIMELY USE OF THE FEDERAL/STATE FUNDING UNDER THE FEDERAL SURFACE TRANSPORTATION ACT FOR THE FOLLOWING PROJECTS: LANDUCCI DRIVE AND MORRIS KYLE DRIVE REHABILITATION; 8TH STREET AND "O" STREET REHABILITATION; CLYDE FANNON ROAD REHABILITATION PHASE 1; CLYDE FANNON ROAD REHABILITATION PHASE 2.

Motion to approve Resolution No 14-03 by Council Member Sablan, seconded by Council Member Jenkins; motion passes by 4-0 vote.

SUCCESSOR AGENCY MATTERS:

9. RESOLUTION NO. 14-04 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY APPROVING A PRELIMINARY SUBMISSION TO THE STATE DEPARTMENT OF FINANCE REGARDING A PROPOSED REFUNDING OF CERTAIN OUTSTANDING OBLIGATIONS OF THE FIREBAUGH REDEVELOPMENT AGENCY.

Motion to approve Resolution No 14-04 by Board Member Jenkins, seconded by Board Member Sablan; motion passes by 4-0 vote.

STAFF REPORTS

- Ben Gallegos, Public Works Director – Sweeper is being fixed in Tulare, will be purchasing a new one within the next 3 months.
- Pio Martin, Finance Director – Auditor should be presenting the Auditor's Report next month.
- Mario Gouveia, City Engineer – Construction to begin on "Safe Route to School" grant, 100% federally funded.

COUNCIL ITEMS

- Council Member Sablan – requested an update regarding the Housing Authority & Gateway Project. City Manager reported the City received comments from Department of Finance on the Property Management Plan & should be able to move forward soon to start selling properties.

CLOSED SESSION

ANNOUNCEMENT AFTER CLOSED SESSION

ADJOURNMENT - *Motion to adjourn by Council Member Jenkins, seconded by Council Member Sablan, motion passes by 4-0 vote, meeting adjourned at 7:26 p.m.*



REPORT TO CITY COUNCIL — **MEMORANDUM** —

AGENDA ITEM NO: _____

COUNCIL MEETING DATE: FEBRUARY 24, 2014

SUBJECT: Warrant Register Dated: **FEBRUARY 24, 2014**

RECOMMENDATION:

In accordance with Section 37202 of the Government Code of the State of California there is presented herewith a summary of the demands against the City of Firebaugh covering obligations to be paid during the period of:

JANUARY 01, 2014 – JANUARY 31, 2014

Each demand has been audited and I hereby certify to their accuracy and that there are sufficient funds for their payment as of this date.

IT IS HEREBY RECOMMENDED THE CITY COUNCIL
APPROVE THE REGISTER OF DEMANDS AS FOLLOWS:

GENERAL WARRANTS	# 30036 – # 30152	\$ 234,770.47
PAYROLL WARRANTS	# 63738 - #63848	<u>\$ 206,652.35</u>
TOTAL WARRANTS.....		\$ 441,422.82

WARRANTS FOR JANUARY 2014

CK#	CK DATE	Vendor Name	AMOUNT	INVOICE DESCRIPTION
29887	1/27/2014	I-5 SOCIAL SERVICES CORPORAT	\$ (64.22)	Ck# 029887 Reversed
29929	1/13/2014	P.O.S.T	\$ (101.00)	Ck# 029929 Reversed
30036	1/6/2014	AT&T MOBILITY	\$ 272.25	PD INTERNET ACCESS - 11/20 - 12/19
30037	1/6/2014	BARNES DISTRIBUTION	\$ 428.38	SHOP - JANITORIAL SUPPLIES
30038	1/6/2014	BIG G'S AUTOMOTIVE CENTER	\$ 186.10	PD - R&M VEHICLE - UNIT #10
30039	1/6/2014	BSK & ASSOCIATES, INC.	\$ 572.50	SEWER LAB ANALYSIS
30041	1/6/2014	FERGUSON ENTERPRISES, INC. 1	\$ 492.74	REPAIR WATER LINE AT BEEHIVE & SWR. METER FOR TOMATEK
30042	1/6/2014	CITY OF FIREBAUGH	\$ 39,536.41	UNITED SEC BANK P/R A/C - MEDICAL - DENTAL - VISION INSURANCE
30043	1/6/2014	FIREBAUGH HARDWARE COMPA	\$ 28.31	PAL BUILDING ROOF REPAIR
30044	1/6/2014	G&K SERVICES, INC.	\$ 202.46	ALL DEPTS - JANITORIAL SUPPLIES & SHOP UNIFORM EXPENSE
30045	1/6/2014	KULLY SUPPLY, INC.	\$ 452.02	MALDONADO PARK - FLANGED PUSH BUTTON FOR REPAIRS
30046	1/6/2014	LOZANO SMITH, LLP	\$ 2,750.82	GENERAL LEGAL MATTERS
30047	1/6/2014	MOORE TWINING ASSOCIATES,	\$ 1,480.00	QUARTERLY GROUNDWATER & ANALYSIS - NOV. 01-30, 13
30048	1/6/2014	RON'S AUTO REPAIR	\$ 579.22	PD - REMOVE DASH PANEL - VEHICLE #5
30049	1/6/2014	SOUTHRN COUNTIES OIL CO.	\$ 1,449.82	BULK GAS
30050	1/6/2014	THARP'S FARM SUPPLY	\$ 202.84	PW - SEN CTR - SWEEPER, FAC, & EQUIP REPAIR
30051	1/6/2014	THOMASON TRACTOR COMPAN	\$ 409.41	SEWER PLANT - PART FOR LAWN MOWER

30052	1/6/2014	UNIVAR USA INC	\$ 2,366.02	SODIUM HYPOCHLORITE 12.5% - WATER CHEMICALS
30053	1/6/2014	U.S. POSTMASTER	\$ 777.86	POSTAGE FOR UTILITY BILLING - JANUARY 2014
30054	1/6/2014	GINISE, REBECCA	\$ 66.21	MQ CUSTOMER REFUND FOR GIN0001
30055	1/6/2014	ZAVALA, SOCORRO	\$ 9.54	MQ CUSTOMER REFUND FOR ZAV0005
30056	1/7/2014	ALA 346	\$ 76.20	AMERICAN LEGION AUX COMMUNITY CALNDARS-FUND RAISER
30057	1/7/2014	JOHN BORBOA	\$ 769.20	FIRE-STIPEND FOR 01/08/2014 -40 x 19.23/HR = 769.2
30058	1/7/2014	BSK & ASSOCIATES, INC.	\$ 2,250.00	TOMATEK - 2ND SEMI-ANNUAL SOIL SAMPLING - NOV 01-30
30059	1/7/2014	CITY OF FIREBAUGH	\$ 104,507.18	UNITED SECURITY BANK P/E JANUARY 08, 2014
30060	1/7/2014	FIREBAUGH REGIONAL HEALTH	\$ 150.00	REFUND CLEANING DEPOSIT -AF COMMUNITY HALL
30061	1/7/2014	FRESNO NETWORKS	\$ 777.50	ADMIN - COMPUTER PROGRAM REPAIR & NETWATCH
30062	1/7/2014	G&K SERVICES, INC.	\$ 51.78	SENIOR CENTER - JANITORIAL SUPPLIES
30063	1/7/2014	K B ELECTRIC	\$ 573.10	WATER SITE #1 - SERVICE & CHECK EQUIPMENT
30064	1/7/2014	RODDY A. LAKE	\$ 248.67	POLICE - HEALTH INS. REIMBURSEMENT - JAN. 2014
30065	1/7/2014	LIBERTY ANIMAL CONTROL	\$ 345.00	PUBLIC WORK - ANIMAL CONTROL - DEC 2013
30066	1/7/2014	RONALD J. MANFREDI	\$ 4,380.00	CONTRACT BILLING HRS FOR NOV. 2013 & DEC 2013
30067	1/7/2014	MID-VALLEY DISPOSAL	\$ 26,569.23	REFUSE SRVS FOR DEC 2013 & TIRE AMNESTY GRANT DISPOSAL CHARGES
30068	1/7/2014	OFFICE DEPOT, INC.	\$ 58.42	CITY HALL - OFFICE SUPPLIES
30069	1/7/2014	QUILL CORPORATION	\$ 18.39	OFFICE SUPPLIES
30070	1/7/2014	SOUTHRN COUNTIES OIL CO.	\$ 1,925.27	BULK GAS

30071	1/7/2014	USA BLUEBOOK	\$ 135.62	WATER PLANT - CONDUCTIVITY STANDARD
30072	1/7/2014	WESTERN EXTERMINATOR CO.	\$ 203.25	CITY HALL, SENIOR CTR, SHOP & COMM CENTER - PEST CONTROL
30073	1/7/2014	ZEE MEDICAL SERVICE CO.	\$ 16.08	POLICE DEPT - REPLENISH FIRST AID KIT
30074	1/10/2014	CALIFORNIA RURAL WATER	\$ 250.00	CERTIFICATION RENEWAL - CONTACT HRS. - M. MOLINA & B. GALLEGOS
30075	1/10/2014	CITY OF SELMA	\$ 23.00	CITY MANAGERS MEETING
30076	1/10/2014	DEPT. OF CONSERVATION	\$ 532.62	BLDG & INSPECTION QTRLY REPORT FOR JULY - DEC 2013
30077	1/10/2014	MID-VALLEY DISPOSAL	\$ 928.68	PAYMENT #9 OF 24 - DEC 2013 ARREARS
30078	1/10/2014	ROSENOW SPEVACEK GROUP, INC.	\$ 2,176.25	SA CONSULT SERVICES 13/14
30079	1/16/2014	ARTCO AR TECHNOLOGIES CO.	\$ 100.00	MONTHLY WEB HOSTING & MAINT. - DECEMBER 2013 & JANUARY 2014
30080	1/16/2014	AT&T	\$ 900.80	COM CTR - MULTI-CARRIER, 2 CIRCUITS, LONG DIST. & DSL INTERNET ACCESS
30081	1/16/2014	BIG G'S AUTOMOTIVE CENTER	\$ 25.30	SHOP - SUPPLIES
30082	1/16/2014	BSK & ASSOCIATES, INC.	\$ 1,204.50	WATER & SEWER LAB ANALYSIS INCLUDES 1 TOMATEK ANALYSIS
30083	1/16/2014	CALIFORNIA BUILDING STANDARDS	\$ 173.70	2ND. - 3RD - & 4TH QTR. REPORTS
30084	1/16/2014	COLLINS & SCHOETTLER	\$ 580.00	PLANNING & CONSULTING FOR DECEMBER 2013
30085	1/16/2014	CORELOGIC SOLUTIONS, LLC.	\$ 150.00	REALQUEST FEES FOR MONTH OF DECEMBER 2013
30086	1/16/2014	CENTRAL VALLEY TOXICOLOGY, INC.	\$ 146.00	POLICE - TOXICOLOGY LAB ANALYSIS
30087	1/16/2014	DELL BUSINESS CREDIT	\$ 36.07	BILLED FIN CHRGS
30088	1/16/2014	DEPARTMENT OF JUSTICE	\$ 131.00	POLICE - FINGERPRINT APPS & ALCOHOL ANALYSIS
30089	1/16/2014	SONNY HENEGAR	\$ 500.00	MONTHLY K-9 MAINTENANCE SESSIONS - NOVEMBER & DECEMBER 2013

30090	1/16/2014	FIRST BANKCARD	\$ 1,748.60	PW - FIRE DEPT. - POLICE & CITY MGR. CREDIT CARD - PD & FD REIMBURSED AC
30091	1/16/2014	FRESNO COUNTY TREASURER	\$ 155.54	POLICE - CONTRACT ACCESS FEES
30092	1/16/2014	FRESNO COUNTY AUDITOR'S OF	\$ 162.50	POLICE - PARKING CITATIONS
30093	1/16/2014	FRESNO-MADERA AREA AGENCY	\$ 10.05	11/13 NON USDA QUALIFIED MEALS
30094	1/16/2014	FRESNO NETWORKS	\$ 42.50	POLICE - NETWATCH PROGRAM
30095	1/16/2014	G&K SERVICES, INC.	\$ 164.05	ALL DEPTS - JANITORIAL SUPPLIES & SHOP UNIFORM EXPENSE
30096	1/16/2014	KER WEST, INC. DBA	\$ 397.50	LEGAL LOCAL NOTICE - TWO CDBG; ENGLISH & SPANISH
30097	1/16/2014	LEAGUE OF CALIF. CITIES	\$ 4,348.30	MEMBERSHIP DUES FOR CALENDAR YR. 2014
30098	1/16/2014	MANUELS TIRE SERVICE	\$ 166.48	PW - DISMOUNT & MOUNT TIRES - GREEN TRAILER
30099	1/16/2014	MID-VALLEY DISPOSAL	\$ 186.24	1238 P ST APTS - JAN 2014 & HELM CANAL RD.
30100	1/16/2014	MIGUEL'S PLUMBING SERVICE	\$ 675.00	TOMATEK - INSTALLED 6" METER IN PLANT DISCHARGE LN
30101	1/16/2014	MICHAEL MOLINA	\$ 70.00	REIMBURSEMENT FOR SAFETY WORK BOOTS - PER MOU
30102	1/16/2014	PACIFIC GAS & ELECTRIC	\$ 113.66	FIRE DEPT. - 1080 "P" STREET & 1264 P STREET APT.
30103	1/16/2014	POSO CANAL COMPANY	\$ 90.46	PW - 4TH QUARTER ASSESSMENTS
30104	1/16/2014	QUILL CORPORATION	\$ 197.72	RITA'S PRINTER - HP COLOR LASER JET 4600 CARTRIDGE
30105	1/16/2014	RON'S AUTO REPAIR	\$ 1,279.95	PW -LABOR/REMOVE & REPLACE TRANSMISSION/1999 SILVR
30106	1/16/2014	SOUTHRN COUNTIES OIL CO.	\$ 1,627.47	BULK GAS
30107	1/16/2014	TYCO INTEGRATED SECURITY LLC	\$ 478.50	COMMUNITY CENTER QTRLY BILLING - 02/01/14/-04/30/14
30108	1/16/2014	U.S. BANK EQUIPMENT FINANCE	\$ 436.34	CANON COPIER LEASE & OVERAGE PAYMENT

30109	1/16/2014	VERIZON WIRELESS	\$ 377.90	ALL DEPTS. - VERIZON CELL PHONES
30110	1/22/2014	AT&T	\$ 1,722.90	ADMIN -POLICE DEP - PW & SENIOR CTR
30111	1/22/2014	JOHN BORBOA	\$ 769.20	FIRE DEP -STIPEND FOR 01/04/14-01/17/2014 -40 HRS
30112	1/22/2014	CITY OF FIREBAUGH	\$ 90,726.88	UNITED SEC BANK- PAYROLL ACCT. P/E 01/17/2014
30113	1/22/2014	AGRI-VALLEY IRRIGATION	\$ 332.85	PARTS/INSTALL WTR METER, WTR LINE REPAIR, FAC & EQUIPMENT REPAIRS
30114	1/22/2014	GOUVEIA ENGINEERING, INC.	\$ 50,101.78	ENGINEERING SERVICES - VARIOUS INVOICES
30115	1/22/2014	THARP'S FARM SUPPLY	\$ 22.40	WWTP - SUPPLIES FOR FACILITY REPAIR
30116	1/30/2014	ADAMS ASHBY GROUP, LLC	\$ 12,087.50	PROFESSIONAL SERVICES - ENGINEERING
30117	1/30/2014	AG & INDUSTRIAL SUPPLY	\$ 5.63	PD - PART TO R&M UNIT #2
30118	1/30/2014	ALERT-O-LITE, INC.	\$ 896.85	ASPHALT PATCH TO RPR ST.- AIRPORT REGS & BELT FOR PARKS EQUIP.
30119	1/30/2014	A.M. PECHE & ASSOC. LLC	\$ 2,281.36	CONSULTANT - FINANCIAL ADVISORY FEE & EXPENSES
30120	1/30/2014	ANTHONY'S SHOP	\$ 209.56	PW-SEWER PLANT LAWN MOWER -NEW REPLACEMENT STARTER
30121	1/30/2014	AT&T	\$ 212.57	WATER TREATMENT PLANT TELEPHONE SERVICE
30122	1/30/2014	BSK & ASSOCIATES, INC.	\$ 1,360.00	WATER & SEWER LAB ANALYSIS - AND TOMATEK COLLECTION SYSTEM
30123	1/30/2014	CALIF WATER ENVIRONMENT	\$ 450.00	COLLECTION SYSTEM MAINT CERT RENEWAL - ALEX M & BEN G.
30124	1/30/2014	DEPT. OF TRANSPORTATION	\$ 1,044.50	SIGNALS & LIGHTING BILLING - OCT - DEC 2013
30125	1/30/2014	FERGUSON ENTERPRISES, INC. 1	\$ 528.43	PW - TO REPAIR WATER LINE
30126	1/30/2014	FIREBAUGH SUPER MARKET	\$ 31.34	COMM CTR. - CITY HALL - JANITORIAL SUPPLIES & DOG FOOD FOR KENNEL
30127	1/30/2014	FIREBAUGH TIRE SERVICE	\$ 12.11	PARK - RADIAL PATCH - DIXON LAWN MOWER

30128	1/30/2014	FRESNO-MADERA AREA AGENCY	\$ 20.10	12/13 NON USDA QUALIFIED MEALS
30129	1/30/2014	FRESNO OXYGEN	\$ 34.41	CYLINDER RENTAL
30130	1/30/2014	FRESNO MADERA COUNTIES	\$ 100.00	POLICE DEPT. - 2014 MEMBERSHIP FEE
30131	1/30/2014	FRESNO NETWORKS	\$ 42.50	PD - SERVICE NETWATCH
30132	1/30/2014	FRESNO PUMP SUPPLY	\$ 2,832.94	U.S. SEAL TO REPAIR BOOSTER PUMP @ WATER SITE #1&2
30133	1/30/2014	G&K SERVICES, INC.	\$ 244.34	ALL DEPTS - JANITORIAL SUPPLIES & SHOP UNIFORM EXPENSE
30134	1/30/2014	GOUVEIA ENGINEERING, INC.	\$ 8,912.27	ENGINEERING PROFESSIONAL SERVICES - VARIOUS INVOICES
30135	1/30/2014	K B ELECTRIC	\$ 1,146.20	WTR SITE #2 - SERVICED EQUIPMENT & REPLCED VOLTAGE REG/MAIN LIFT STN
30136	1/30/2014	KENNEDY / JENKS	\$ 8,447.62	PROFESSIONAL SERVICES - ENGINEERING
30137	1/30/2014	LOZANO SMITH, LLP	\$ 3,736.20	PROFESSIONAL LEGAL SERVICES
30138	1/30/2014	NEC FINANCIAL SERVICES, LLC	\$ 759.04	SHORETEL PHONE SYSTEM MONTHLY RENTAL
30139	1/30/2014	PACIFIC GAS & ELECTRIC	\$ 28,352.46	7355932148-1 - ALL DEPTS ELECTRIC/GAS BILL
30140	1/30/2014	LETICIA RODRIGUEZ	\$ 125.00	REFUND CLEANING DEPOSIT (PARTIAL) A.F. COMM CENTER
30141	1/30/2014	ROSENOW SPEVACEK GROUP, IN	\$ 465.00	SA CONSULTING SERVICE
30142	1/30/2014	SOUTHRN COUNTIES OIL CO.	\$ 2,934.33	BULK GASOLINE
30143	1/30/2014	SPARKLETT'S	\$ 31.18	CITY HALL - DRINKING WATER
30144	1/30/2014	TELSTAR	\$ 1,050.00	2013 ANNUAL CALIBRATIONS
30145	1/30/2014	THOMSON REUTERS - WEST	\$ 127.71	CA PENAL CODE 2014 PAMPHLETS (4)
30146	1/30/2014	TRIANGLE ROCK PRODUCTS	\$ 221.86	MINI LOAD RMC TO REPAIR SIDEWALK & SEWER LINE

30147	1/30/2014	UNDERGROUND SERVICE ALERT	\$ 106.50	Administration Dues/Fees
30148	1/30/2014	WESTERN EXTERMINATOR CO.	\$ 205.75	CITY HALL, SENIOR CTR, SHOP & COMM CNTR - 8000 HELM CAN/PEST CONTROL
30149	1/30/2014	WEST STAR ENVIRONMENTAL, II	\$ 2,112.00	PHASE EVR UPGRADE - GAS TANK
30150	1/30/2014	ZEE MEDICAL SERVICE CO.	\$ 319.94	WWTP & WW PW & CITY HALL - REPLENISH FIRST AID KITS
30151	1/30/2014	I-5 SOCIAL SERVICES CORPORAT	\$ 64.22	MQ CUSTOMER REFUND -TO REPLACE CK# 029887
30152	1/30/2014	GOUVEIA ENGINEERING, INC.	\$ 496.13	760.02 AIRPORT LAYOUT PLAN
			\$ 441,422.82	



STAFF REPORT

TO: City Council
FROM: Kenneth McDonald, City Manager *KM*
DATE: February 24, 2014
SUBJECT: Travel Expense and Use of Public Resources Policy

RECOMMENDATION

Approve Resolution No. 14-05 for Travel Expense and Use of Public Resources Policy.

HISTORY / DISCUSSION

After reviewing the current forms and policy the City has in place for travel and reimbursements, I determined that they are not adequate and do not conform to IRS standards and should be updated and reviewed periodically. The current policy in front of you was developed from my previous city experience and modified to fit for Firebaugh. This policy will affect all city employees and officials and should set an example for our prudent use of City resources.

FISCAL IMPACT

Although the travel and expense reimbursements are annually budgeted the proposed policy is not intended to add additional financial impacts but clarify and provide stronger accounting and internal control processes for the city.

CITY OF FIREBAUGH TRAVEL EXPENSE AND USE OF PUBLIC RESOURCES POLICY

RESOLUTION NO. 14-05

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH, CALIFORNIA ADOPTING AN EXPENSE AND USE OF PUBLIC RESOURCES POLICY STATEMENT

WHEREAS, The City of Firebaugh takes its stewardship over the use of its limited public resources seriously, and

WHEREAS, public resources should only be used when there is a substantial benefit to the City of Firebaugh, and

WHEREAS, such benefits include:

1. The opportunity to discuss the community's concerns with other city, county, state and federal officials;
2. Participating in regional, state and national organizations whose activities affect Firebaugh; and
3. Attending or participating in educational seminars, workshops, conferences and the like designed to improve employees' and city officials' skill and information levels.

WHEREAS, 1) legislative and other regional, state and federal agency business is frequently conducted over meals; 2) sharing a meal with regional, state and federal officials is frequently the best opportunity for a more extensive, focused and uninterrupted communication about Firebaugh's policy concerns; 3) each meal expenditure must comply with the limits and reporting requirements of local, state and federal law; and 4) a meal expenditure will be reimbursed only for a city official's personal meal expense, not for any other's meal expense, and

WHEREAS, this policy provides guidance to elected and appointed officials on the use and expenditure of Firebaugh's resources, as well as the standards against which those expenditures will be measured, and

WHEREAS, this policy satisfies the requirements of Government Code sections 53232.2 and 53232.3, and

WHEREAS, this policy supplements the definition of actual and necessary expenses for purposes of state laws relating to permissible uses of public resources, and

WHEREAS, this policy also supplements the definition of necessary and reasonable expenses for purposes of federal and state income tax laws, and

WHEREAS, this policy also applies to any charges made to a Firebaugh credit card or other lines of credit, and

WHEREAS, to conserve Firebaugh's resources and keep expenses within community standards for public officials and employees, expenditures should adhere to the following guidelines. In the event that expenses are incurred which exceed these guidelines, the cost borne or reimbursed by the City will be limited to the costs that fall within the guidelines; and

WHEREAS, this policy supersedes and invalidates any previously adopted expense policy.

THE FOREGOING RESOLUTION was approved and adopted at a special meeting of the City Council of the City of Firebaugh held on the 24th day of February, 2014, by the following vote:

AYES: Council Members

NOES: Council Members

ABSTAIN: Council Members

ABSEST: Council Members

APPROVED:

ATTEST:

Chris DeFrancesco, Mayor
City of Firebaugh

Rita Lozano, Deputy City Clerk
City of Firebaugh

CITY OF FIREBAUGH

TRAVEL EXPENSE AND USE OF PUBLIC RESOURCES POLICY

Authorized Expenses

All official travel must be authorized by a *Travel Approval Form* (attached). Expenses incurred in connection with the following types of activities generally constitute authorized expenses, as long as the other requirements of this policy are met:

1. Communicating with representatives of regional, state and national government on Firebaugh adopted policy positions;
2. Attending educational seminars, workshops and conferences designed to improve an official's and/or employee's skill and information levels;
3. Participating in regional, state and national organizations whose activities affect Firebaugh interests;
4. Recognizing service to Firebaugh (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
5. Implementing a Firebaugh-approved strategy for attracting or retaining businesses to the city, which will typically involve at least one staff member, and
6. Meetings such as those listed above for which a meeting stipend is expressly authorized under this policy.

All other expenditures require prior approval by the City Council of Firebaugh. In addition, the following expenses also require prior City Council approval:

1. International travel;
2. Expenses which exceed the annual limits established within the budget; or
3. Expenses exceeding \$2,000.00 per trip.

Examples of personal expenses that Firebaugh **will not** reimburse include, but are not limited to:

1. The personal portion of any trip, including personal phone calls;
2. Political or charitable contributions or events;
3. Family expenses, including partner's expenses when accompanying official on agency-related business, as well as children or pet related expenses;
4. Entertainment expenses, including theater, movies (either in-room or at the theater), sporting events (including gym, massage and/or golf related expenses), or other cultural events;
5. Non-mileage personal automobile expenses, including repairs, traffic citations, insurance or gasoline, and
6. Personal losses incurred while on Firebaugh business.

The approving authority is the Mayor for Council members and the City manager for all others and should resolve any questions regarding the propriety of a particular type of expense before the expense is incurred.

Meals

Meal expenses and associated gratuities will be reimbursed in compliance with federal IRS per diem rates per the current United States General Services Administration guidelines and shall not exceed the rates listed. Meal per diem expenses will only be reimbursed or paid for when travel on official Firebaugh business reasonably requires an overnight stay. Meal expenses and

associated gratuities for official overnight travel will be reimbursed at the following percentages for portions of the daily per diem rate:

Breakfast	20%
Lunch	30%
Dinner	<u>50%</u>
Total Daily	100%

A per diem is a daily allowance that covers the cost of all meals and incidental living expenses while traveling on City business. Itemized receipts are required for all expenses exceeding the per diem rate above. All expenses for meals in excess of the per diem rate must have **prior** authorization by the City Manager. The city will not pay or reimburse for alcohol/personal bar expenses. The employee is allowed a per diem amount per day for overnight travel, without providing receipts as follows:

- Breakfast: Travel status must begin at least by 7:00 a.m.
- Lunch: Travel status must be during normal lunch period.
- Dinner: Travel status must be at least until 6:00 p.m.

Transportation

A city vehicle shall be used for all business travel whenever possible and shall only be used for official business and travelers. If you are approved to use a personal vehicle or travel with unofficial travelers (family, friends, etc.), mileage will be reimbursed at the current IRS provided the travel is authorized in advance. Bridge and road tolls are reimbursable.

Lodging

Lodging expenses will be reimbursed or paid for when travel on official Firebaugh business reasonably requires an overnight stay. Travelers must request government rates, when available. Lodging rates that are equal to or less than government rates are presumed to be reasonable and hence reimbursable for purposes of this policy.

Airport Parking and Other

Long-term parking must be used for travel exceeding 24-hours. Baggage porter handling fees of up to \$1 per bag and gratuities of up to 15 percent will also be reimbursed.

Credit Card Use Policy

Firebaugh may issue credit cards to individual office holders. Use of city credit cards shall be in accordance with established policies. Itemized receipts documenting expenses incurred on the city's credit card and compliance with these policies must be submitted within ten business days of use.

Firebaugh credit cards **shall not** be used for personal expenses, even if the official or employee subsequently reimburses the city. All credit card charges must be for official business only and pre-approved.

Expense Report Content and Submission Deadline

All expenditures, credit card expenses, and expense reimbursement requests must be submitted on a ***Travel Expense Report Form*** (attached).

Expense reports must document that the expense in question met the requirements of this policy.

Inability to provide such documents in a timely fashion will result in the expense being borne by the official or employee.

A completed ***Travel Expense Report Form*** must be returned to the Finance Department within ten business days of the employee or official's return, along with all required itemized receipts documenting the expense in compliance with this policy. In the event no such expense report is submitted, the official or employee will be in violation of this policy and ineligible to receive future travel expense reimbursement.

Audits of Expense Reports

All expenses are subject to verification that they comply with this policy.

Compliance with Laws

Firebaugh officials and employees should keep in mind that all agency expenditures are public records and subject to disclosure under the Public Records Act.

Violation of This Policy

Use of public resources in violation of this policy or falsifying expense reports will result in any or all of the following: 1) loss of reimbursement and travel privileges, 2) a demand for restitution to the city, 3) reporting the expenses as taxable income to the employee or elected official, 4) civil penalties for misuse of public resources, 5) prosecution for misuse of public resources, and 6) disciplinary action, up to and including termination.



City of Firebaugh Travel Request / Approval Form

Traveler Information

Name	Telephone #	Dept# / Acct#
Position/Title of Traveler	Location (From/To)	Total # of Nights
Purpose of Travel	Departure Date	Return Date

Transportation Information

Indicate type requested <i>Please Circle</i>	Municipal Car	Personal Car	Airplane	Municipal Car reserved? Yes / No <i>Please Circle</i>
Flight #	Departing from City/Airport	Arriving at City/Airport	Date	
Flight #	Departing from City/Airport	Arriving at City/Airport	Date	

Destination Information

Name of Conference or Training	Hotel & rate
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Travel Authorization (Complete Prior to Travel Purchase)

	Type of Expense (Attach all supporting documents)	Estimated Expenses
1	Airfare	\$
2	Registration Fee (Complete all registration forms & circle payment type requested) Check or Credit Card	\$
3	Lodging (# of nights x rate)	\$
4	Meals (per diem rate x days) Estimate only see policy	\$
5	Parking/Tolls	\$
6	Mileage (# of miles x .56) per IRS as of 01/01/2014	\$
7	Destination Car Rental :	\$
8	Misc. (list type):	\$
9	Total	\$

Original Signatures Required Prior to Travel Purchase

Traveler X	Date
Department Head Approval X	Date
City Manager Approval X	Date

Comments:

Purpose:

Per Diem Amounts
Breakfast = \$ -
Lunch = \$ -
Dinner = \$ -
TOTAL Daily

[illegible]

Reimbursement rate per mile =

Grand Total

Less paid by City Credit Card

Due to (from) Employee

Employee Signature: _____

Date:

Approval Signature:

Date:

Attach all receipts to back (Per Diem amounts for overnight stays do not need receipts)



REPORT TO CITY COUNCIL – MEMORANDUM –

AGENDA ITEM NO. ____

COUNCIL MEETING DATE: February 24, 2014

SUBJECT: Declaring city vehicles surplus and allowing for minimum bid.

BACKGROUND:

Some of the city departments have vehicles/equipment that we would like to surplus and sell to the highest bidder in a public auction.

The police department has three (3) patrol cars that are no longer suitable for patrol. The money raised would go towards the purchase of fully equipped CHP cars. We are currently on a CHP list for two (2) cars that are being replaced with the Explorer.

Public works has three trucks that are no longer being utilized and are sitting around. The tractor's engine is cracked and it would cost \$3000 to fix it, if an engine could be found. We have discussed the possibility of cleaning it up and placing it along the trail or at another city location as a historic monument.

The fire department has a truck that is no longer suitable for emergency response. A newer truck has been purchased by the association and the money raised would go towards equipping the newer truck.

Department heads are recommending that we be allowed to surplus the vehicles/equipment to the public for a minimum bid as requested by the department heads. We will advertise the auction on the cities website, electronic board and other measures.

Submitted by,

Elsa Lopez, Chief of Police

RESOLUTION NO. 14-06

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH,
CALIFORNIA, DECLARING CERTAIN CITY PROPERTY AS SURPLUS EQUIPMENT**

WHEREAS, certain equipment has exceeded its useful life expectancy and has been determined to be no longer useful to the City, or the equipment is no longer cost-effective to repair; and

WHEREAS, the equipment is listed as follows:

VEHICLE Lic. #	MAKE/MODEL	VIN NUMBER	NOTES/Minimum bid
	Massey-Ferguson tractor		\$500
1188382	1985 GMC truck	1GDE6D1A8FV624221	\$1500
017195	1996 Dodge Ram 1500 truck	3B7HC13Y8TG179549	\$1000
036454	1996 Dodge Ram 250 truck	1B7JC26Y5TJ185245	\$1000
1188373	1992 Ford SW (Propane Van)	1FTJS34H1NHA28608	\$1000
1106449	2002 Ford Crown Victoria	2FAFP71W12X120577	\$700
1016186	1999 Ford Crown Victoria	2FAFP71Wxxx161331	\$250
1065051	2000 Ford Crown Victoria	2FAFP71W9YX106998	\$250
1193245	03 Ford truck / Fire	2FTRX18L73CA50124	\$3000

NOW, THEREFORE, IT IS RESOLVED as follows:

1. The following equipment has exceeded its useful life expectancy and is no longer required for City use and is hereby declared as surplus:

The foregoing resolution was passed and adopted by the City Council of the City of Firebaugh at a Special meeting duly held on the 24th day of February 2014, by the following vote:

AYES: Council Member(s)
NOES: Council Member(s)
ABSTAIN: Council Member(s)
ABSENT: Council Member(s)

APPROVED:

Chris DeFrancesco, Mayor

ATTEST:

Rita Lozano, Deputy City Clerk



REPORT TO CITY COUNCIL – MEMORANDUM –

AGENDA ITEM NO. _____

COUNCIL MEETING DATE: February 24, 2014

SUBJECT: Declaring city handguns as surplus and allowing for sale to authorized police employees.

BACKGROUND:

In the late 1980's, early 1990's the police department purchased 12 Smith and Wesson .45 cal 4516's for patrol officers. Previous to these, officers were issued the S&W .9mm Model 59's, which were then issued to the Reserve Officers. Around 2005 the police department purchased the Beretta .40 cal Brigadier for all officers so we were all carrying the same gun.

Shortly after the purchase of the new handguns, the then sitting Council authorized former Chief of Police Rod Lake to sell the S&W 45 handguns to the officers for \$250. The sell was never completed due to different issues and priorities.

A couple of weeks ago I contacted Skip Belli, the only authorized gun dealer in the city to ask if he would still do the transfer if authorized. I had been working with Mr. Belli since about 2005 for this project, but a lot of the delay was computerization of the dealer's record of sales. I have given him the description of the handguns and the amount authorized by the Council and he agrees that the value is fair. Besides selling the S&W 45's I would also like to sell the old S&W .9mm for \$150. We have about 10 of the .9mm and the majority of them are in bad shape, but some of the officers still want them.

I would like to use the proceeds from the sales to purchase some additional Beretta handguns. Currently, all guns are issued and we are unable to add any addition officers, full time or reserve without acquiring additional handguns. I do not want to sell them to a dealer, because I do not want them sold to the public and put onto the streets.

I am recommending that we be allowed to surplus the handguns and sell them to authorized police officers at the prices listed above.

Submitted by,

Elsa Lopez, Chief of Police

RESOLUTION NO. 14-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FIREBAUGH, CALIFORNIA, DECLARING CERTAIN CITY PROPERTY AS SURPLUS EQUIPMENT

WHEREAS, the police chief has requested that previously issued handguns be determined to be no longer useful to the City; and

WHEREAS, as the equipment is listed as follows:

VECHICLE Lic. #	MAKE/MODEL	Cal / BL	NOTES
TEU1164	S&W/4516-1	.45 / 4"	
TED1533	S&W / 4516	.45 / 4"	
TEZ4465	S&W / 4516	.45 / 4"	
TED6195 V4V5548	S&W / 4516	.45 / 4"	

NOW, THEREFORE, IT IS RESOLVED as follows:

1. The following equipment has exceeded its useful life expectancy and is no longer required for City use and is hereby declared as surplus: The equipment shall only be sold to officers of the police department by an authorized dealer.

The foregoing resolution was passed and adopted by the City Council of the City of Firebaugh at a Special meeting duly held on the 24^h day of February 2014, by the following vote:

AYES: Council Member(s)
NOES: Council Member(s)
ABSTAIN: Council Member(s)
ABSENT: Council Member(s)

APPROVED:

ATTEST:

Chris DeFrancesco, Mayor

Rita Lozano, Deputy City Clerk

CITY OF FIREBAUGH



FRESNO COUNTY, CALIFORNIA

1133 "P" STREET
FIREBAUGH, CALIFORNIA 93622-2547
(559) 659-2043
FAX (559) 659-3412

DATE: February 20, 2014

TO: Honorable Mayor and City Council Members

FROM: City Manager McDonald

SUBJECT: Toma-Tek request of wavier/adjustment of certain permit fees

We are unable to provide you the additional information with the Agenda, today.

For any questions, please contact City Manager Kenneth McDonald.

Thank you for your understanding in this matter.

AGENDA ITEM

TO: HONORABLE MAYOR AND COUNCILMEMBERS
SUBJECT: REDEVLEOPMENT DISSOLUTION CONSULTING SERVICES
DATE: FEBRUARY 14, 2014

BACKGROUND

As previously discussed the dissolution of the Firebaugh Redevelopment Agency will be a complicated and arduous task. Staff will require financial and management consulting services to help deal with the numerous deadlines and requirements of ABx1 26 and AB 1484.

Redevelopment Dissolution Consulting Services

The City of Firebaugh and the Successor Agency to the Firebaugh Redevelopment Agency have been working with Rosenow Spevacek Group, Inc. ("RSG") to provide consulting services related to the dissolution of the former Firebaugh Redevelopment Agency since 2011. To date, RSG has assisted with:

- Operational startup activities to create the Successor Agency, Housing Successor Entity, and Oversight Board
- The first four Recognized Obligation Payment Schedules (ROPS) covering six month periods from January 2012 through December 2013
- The Successor Agency's Administrative Budget for Fiscal Years 2012-13 and 2013-14
- Five-Year Cash Flow Analyses to aid preparation of the ROPS and inform other planning activities
- A City Loan Agreement to cover shortfalls in prior ROPS periods
- Due Diligence Review advisory services
- Property and asset disposition services including the Long Range Property Management Plan
- Review and analysis of contracts, agreements, and other documents
- Documents and presentations for City Council, Successor Agency, and Oversight Board Meetings
- Documents and presentations for meetings with State and County agencies
- Correspondence with State, County, and other agencies as needed
- General project advisory and management Services
- Legislative tracking, analysis, and advice
- Other services as needed

A new contract from administrative services is proposed in the amount of \$47,800 to continue providing consulting services in FY 2014-15. RSG will consult on all activities required by the Dissolution Act, which may include but are not limited to:

- Financial Planning and Transition Services, including preparation of Recognized Obligation Payment Schedules (ROPS), Administrative Budgets, and Cash Flows
- Asset Disposition Strategic Planning, including preparation of transfer documents for housing assets
- General Financial Advisory Services
- Project Advisory Services
- Project Management Services
- Meeting, Agenda, Staff Report Assistance for the City Council, Successor Agency, and Oversight Board
- Meeting Preparation and Attendance with State, County and other agencies as required
- Taxing Entity Consultations
- Monitoring of Legal Requirements and Agreements
- Legislative Analysis
- Others Services as Designated

The fee stated in the proposal matches the amount approved by the Successor Agency and Oversight Board in the FY 2014-15 Administrative Budget. Costs will be paid by the Successor Agency out of the administrative cost allowance, which will be placed on ROPS 14-15A.

RECOMMENDATIONS

1. Approve the attached Proposal for Consulting Services from RSG relating to Successor Agency matters and enter into the contract subject to Oversight Board approval.

FISCAL IMPACT

Unknown

Enclosures

1. Consulting Services Proposal from RSG dated February 14, 2014



RSG

INTELLIGENT COMMUNITY DEVELOPMENT

ROSENOW SPEVACEK GROUP INC. T 714 541 4585

309 WEST 4TH STREET

SANTA ANA, CA

92701-4502

F 714 541 1175

E INFO@WEBRSG.COM

WEBRSG.COM

Via Electronic Mail

February 14, 2014

Mr. Kenneth McDonald
City Manager
CITY OF FIREBAUGH
1133 "P" St.
Firebaugh, CA 93622

PROPOSAL FOR SUCCESSOR AGENCY ADMINISTRATIVE CONSULTING SERVICES

Dear Mr. McDonald:

RSG is pleased to present this proposed scope of work and budget to provide the Successor Agency to the Redevelopment Agency of the City of Firebaugh ("Successor Agency") administrative consulting services for the 2014-15 fiscal year. RSG has been working with the Successor Agency since the very beginning of the dissolution of the Firebaugh Redevelopment Agency in 2011. With RSG's assistance, the Successor Agency has overcome many hurdles and has fulfilled numerous state reporting requirements. RSG would like to continue to serve the Successor Agency in its capacity as Administrative Consultants and see the Successor Agency through to the end of this arduous process.

SCOPE OF SERVICES

The proposed Scope of Services is based upon our experience with the Successor Agency and upcoming tasks that we have identified. RSG is happy to discuss modifications to the scope as needed to satisfy the City's needs. RSG has identified the following tasks:

Task 1: Devise a Plan for the Use of Unexpended Bond Proceeds

The Successor Agency has been authorized by the Department of Finance to use any unspent bond proceeds. RSG will assist the Successor Agency in developing a plan for use of their unspent bond proceeds.

Task 2: Budget and Cash Flow Work

The Successor Agency has faced many challenges throughout the dissolution process, not the least of which has been continued budget shortfalls during Recognized Obligation Payment Schedule periods. RSG will continue to maintain a working cash flow model for the Successor Agency to anticipate future budget shortfalls. In addition, RSG will assist the Successor Agency in working to close any budget gaps by employing the variety of methods outlined in AB 1484.

COMMUNITY INVESTMENT & IMPROVEMENT

LOCAL GOVERNMENT SOLUTIONS

FINANCIAL ANALYSIS

REAL ESTATE & DEVELOPMENT

HOUSING

Task 3: Complete ROPS 14-15B and 15-16A and accompanying Administrative Budgets

The Successor Agency must submit a Recognized Obligation Payment Schedule ("ROPS") to the Oversight Board and Department of Finance every six months. RSG will assist the Successor Agency in completing the two ROPS that will be addressed during the 2014-15 fiscal year. In addition, the Successor Agency must submit an annual administrative budget supporting the use of the \$250,000 annual administrative allowance allowed by law. RSG will assist the Successor Agency in preparing the annual administrative budget for fiscal year 2015-16, which will be submitted along with ROPS 15-16A.

Task 4: Attend Meetings as Necessary

RSG will make a staff member available to the Successor Agency should they need assistance at any Successor Agency or Oversight Board meetings.

Task 5: Additional Administrative Services as Needed

RSG will assist the Successor Agency with any additional administrative tasks as they arise.

TIMELINE

RSG will begin this portion of its contract with the Successor Agency July 1, 2014 and will conclude June 30, 2015.

PROJECT TEAM

Ms. Tara Howard, Senior Associate, will be the Project Manager, and will be assisted by Jane Carlson, Senior Analyst. Ms. Felise Acosta, Partner will be the principal in charge of this engagement. Additional staff may be assigned as needed.

FEE PROPOSAL

We will provide these services on a time-and-materials basis, with a not to exceed amount of \$47,800. The fee matches the amount approved by the Successor Agency, Oversight Board, and DOF in the FY 2013-14 Administrative Budget. Costs will be paid by the Successor Agency out of the RSG does not charge clients for mileage (except direct costs related to field surveys), parking, standard telephone/fax expenses, general postage or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

HOURLY BILLING RATES:

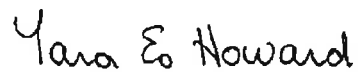
Principal/Director	\$ 210
Senior Associate	165
Associate	150

Mr. Kenneth McDonald
City Manager
CITY OF FIREBAUGH
February 14, 2014
Page 3

Senior Analyst	125
Analyst	115
Research Assistant	100
Technician	75
Clerical	60
Reimbursable Expenses	Cost plus 10%

We appreciate the opportunity to submit our proposal to the City and Successor Agency, and look forward to working with you again. If you have any questions, please do not hesitate to contact me at 714.316.2111.

Sincerely,
ROSENOW SPEVACEK GROUP, INC.



Tara Howard
Senior Associate

Staff Report

To: Successor Agency to the Firebaugh Redevelopment Agency

From: Kenneth McDonald, City Manager

Meeting Date: February 24, 2014

Subject: RECOGNIZED OBLIGATION PAYMENT SCHEDULE 14-15A AND ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2014-15

RECOMMENDATION

Adopt the resolution of the Successor Agency to the Firebaugh Redevelopment Agency approving the Recognized Obligation Payment Schedule 2014-15A (ROPS) for the July 1, 2014 through December 31, 2014 period and approving the Administrative Budget for Fiscal Year 2014-15.

BACKGROUND

On December 29, 2011, the California Supreme Court issued its decision in CRA v. Matosantos, upholding AB 1X 26, which dissolves all redevelopment agencies in California, and overturning AB 1X 27, the “voluntary alternative redevelopment program.” With the voluntary redevelopment program provided for in AB 1X 27 having been ruled unconstitutional by the Court, all California redevelopment agencies were dissolved on February 1, 2012. As of February 1, 2012, redevelopment agencies throughout the State ceased to exist. Successor Agencies are responsible for winding down the affairs of their respective now-dissolved redevelopment agencies. The City is acting as the Successor Agency to manage and curtail the operation of the dissolved Firebaugh Redevelopment Agency.

ANALYSIS

Recognized Obligation Payment Schedule

Health and Safety Code Section (HSC) 34177(l) requires the Successor Agency to prepare a ROPS showing all the obligations of the former Redevelopment Agency and the sources of funds for the repayments. According to the recently adopted Health and Safety Code Section 34177(m), the sixth ROPS covering the period July 1, 2014 through December 31, 2014 must be approved by the Oversight Board and sent to the Department of Finance (DOF) and County Auditor-Controller no fewer than 90 days before the date of property tax distribution, by March 1, 2014.

The Successor Agency is requesting a total of \$503,796 of RPTTF to fund ROPS obligations. The obligations listed on the ROPS include funding for:

- Bond Debt Service Costs and Trustee Fees
- Bond Disclosure Fees
- Bond Reserve Repayments
- Successor Agency Employee Costs (Administrative costs detailed in the Administrative Budget)
- Property Disposition Costs
- City and Successor Agency Loan

Administrative Budget

HSC Section 34177(j) requires the Successor Agency to prepare an Administrative Budget and submit it to the Oversight Board for approval. The Administrative Budget includes the proposed administrative expenditures, including the reclassified items per DOF, for Fiscal 2014-15. The Successor Agency anticipates needing the entire \$250,000 minimum annual administrative allocation described in HSC Section 34171 (b). The Successor Agency is \$125,000 for the 2014-15A ROPS period and \$125,000 for the 2014-15B ROPS period.

FISCAL IMPACT

Adoption and transmittal of the ROPS is necessary to receive money from the Redevelopment Property Tax Trust Fund to fund the Successor Agency's financial obligations from June to December 2014.

ATTACHMENTS

Attachment 1: Resolution approving the Recognized Obligation Payment Schedule 2014-15A (ROPS)

Attachment 2: Resolution approving Administrative Budget

RESOLUTION NO. 14-08

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY THROUGH DECEMBER 2014 AND AUTHORIZING ITS TRANSMITTAL

WHEREAS, the City of Firebaugh has elected to serve as the Successor Agency to the former Firebaugh Redevelopment Agency ("Successor Agency") pursuant to Assembly Bill x1 26 ("AB x1 26" or the "Dissolution Act") as codified in the California Health & Safety Code ("H&SC"); and

WHEREAS, among the duties of successor agencies under the Dissolution Act is the preparation of a recognized obligation payment schedule ("ROPS") for the ensuing six-month period for consideration by a local oversight board and California Department of Finance ("DOF") for purposes of administering the wind-down of financial obligations of the former Redevelopment Agency; and

WHEREAS, as amended by Assembly Bill 1484 ("AB 1484"), the Dissolution Act requires that the proposed ROPS be transmitted to the local oversight board, county auditor-controller, county executive officer, and DOF, after which time the oversight board may approve and transmit the adopted ROPS to DOF and the county auditor-controller for their consideration; and

WHEREAS, the proposed ROPS for the six-month period from July 1, 2014 through December 31, 2014, attached hereto as Exhibit "A" has been prepared by staff and consultants consistent with the provisions of the Dissolution Act and in the format made available by DOF; and

WHEREAS, the Successor Agency desires to approve the ROPS and transmit it to various parties as required by the Dissolution Act and AB 1484.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of ROPS. The Successor Agency hereby approves and adopts the ROPS covering the period of July 1, 2014 through December 31, 2014, in substantially the form attached hereto as Exhibit A, as required by the Dissolution Act and AB 1484.

Section 3. Posting; Transmittal to Appropriate Agencies. The City Manager is hereby authorized and directed to post of copy of the ROPS on the City's website and transmit a copy of the ROPS to the Oversight Board for their approval and to the offices of the Fresno County Auditor-Controller, the Fresno County Executive Officer, and the State Controller's Office.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Successor Agency, on the 24th day of February, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

CHAIRPERSON

ATTEST:

RITA LOZANO, DEPUTY CITY CLERK

APPROVED AS TO FORM:

DALE BACIGALUPI
SUCCESSOR AGENCY COUNSEL

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FIREBAUGH)

I, RITA LOZANO, hereby certify that I am the duly appointed City Clerk of the City of Firebaugh and that the foregoing resolution was duly adopted at a regular meeting of the Successor Agency held on the 24th day of February, 2014

Rita Lozano
Deputy City Clerk

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
JANUARY THROUGH JUNE 2014

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

(Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

(Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

(Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

(Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

[illegible]

Recognized Obligation Payment Schedule (ROPS) 14-15A - ROPS Detail
July 1, 2014 through December 31, 2014
 (Report Amounts in Whole Dollars)

[illegible]

RESOLUTION NO. 14-09

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT
AGENCY APPROVING THE SUCCESSOR AGENCY'S ADMINISTRATIVE BUDGET FOR FISCAL
YEAR 2014-15 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)**

WHEREAS, the City of Firebaugh has elected to serve as the Successor Agency to the former Firebaugh Redevelopment Agency ("Successor Agency") pursuant to Assembly Bill x1 26 ("AB x1 26" or the "Dissolution Act") as codified in the California Health & Safety Code ("H&SC"); and

WHEREAS, Section 34177(j) of the Dissolution Act requires the Successor Agency to prepare a proposed administrative budget and submit it to the Oversight Board for approval; and

WHEREAS, pursuant to Section 34177(j), the Successor Agency's "Administrative Budget" is to include all of the following: (a) estimated amounts of the Successor Agency's administrative costs for the up-coming six-month fiscal period; (b) the proposed sources of payment for the costs identified in (a); and (c) proposals for arrangements for administrative and operations services provided by the city serving as Successor Agency; and

WHEREAS, the Successor Agency desires to approve the proposed Fiscal Year 2014-15 Administrative Budget for the period July 1, 2014 to December 31, 2014 and for the period January 1, 2015 to June 30, 2015; and

WHEREAS, the Administrative Budget, when and as approved by the Oversight Board, will be provided to the County of Fresno Auditor-Controller pursuant to Section 34177(k) so that the Successor Agency's estimated administrative costs in the approved Administrative Budget will be paid from property tax revenues deposited into the Redevelopment Property Tax Trust Fund for each applicable six-month period.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of Administrative Budget. The Successor Agency hereby approves the Fiscal Year 2014-15 Administrative Budget for the period July 1, 2014 to December 31, 2014 and for the period January 1, 2015 to June 30, 2015 submitted herewith as Exhibit A, which is incorporated herein by this reference.

Section 3. Posting; Transmittal to Appropriate Agencies. The City Manager is hereby authorized and directed to transmit a copy of the Administrative Budget to the Oversight Board for their approval.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Successor Agency, on the 24th day of February, 2014, by the following vote:

AYES: Council Members
NOES: Council Members
ABSTAIN: Council Members
ABSEST: Council Members

APPROVED:

ATTEST:

Chris DeFrancesco, Chairperson

Rita Lozano, Deputy City Clerk

APPROVED AS TO FORM:

DALE BACIGALUPI
SUCCESSOR AGENCY COUNSEL

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FIREBAUGH)

I, RITA LOZANO, hereby certify that I am the duly appointed City Clerk of the City of Firebaugh and that the foregoing resolution was duly adopted at a regular meeting of the Successor Agency held on the 24th day of February, 2014.

Rita Lozano, Deputy City Clerk

EXHIBIT A

ADMINISTRATIVE BUDGET FOR FISCAL YEAR 2014-15

FIREBAUGH SUCCESSOR AGENCY ADMINISTRATIVE BUDGET (FISCAL YEAR 2014-15)

External Consultants

Attorney Costs	\$	20,000
Consultant Costs	\$	47,800
Continuing Disclosure	\$	2,200
Auditor Fees	\$	6,000
		<u>76,000</u>

Successor Agency Expenses

Successor Agency rent and utilities	\$	5,000
Successor Agency supplies	\$	500
Successor Agency equipment	\$	500
Successor Agency publications	\$	500
Salaries and Benefits	\$	140,000
Internet hosting	\$	150
IT support	\$	2,000
Travel expenses/seminars	\$	500
Risk management/insurance	\$	7,850
Property maintenance (prior to transfer/sale)	\$	1,500
		<u>158,500</u>

Oversight Board Expenses

Legal Costs	\$	15,000
Materials	\$	500
		<u>15,500</u>

Estimated Grand Total	\$	250,000
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FY 2014-15 Administrative Activities

County correspondence/coordination	Successor Agency Staff, RSG, Legal Counsel
State correspondence/coordination	Successor Agency Staff, RSG, Legal Counsel
Prepare ROPs	Successor Agency Staff, RSG, Legal Counsel
Prepare admin budget	Successor Agency Staff, RSG, Legal Counsel
Oversight Board staff support	Successor Agency Staff, RSG, Legal Counsel
Management of dissolution activities	Successor Agency Staff, RSG, Legal Counsel
Disclosure Services	A.M. Peche
Annual Audit	Bryant Jolley
Manage/monitor finances	Successor Agency Staff, RSG
Agendas/minutes/Brown Act records assistance	Successor Agency Staff

REPORT TO COUNCIL & SUCCESSOR AGENCY

Date: February 24, 2014
To: Mayor and Council
From: Kenneth McDonald, City Manager
Subject: Consider a Loan Agreement and accompanying resolution approving a loan between the City of Firebaugh and the Successor Agency to the Firebaugh Redevelopment Agency to pay for underfunded enforceable obligations

RECOMMENDATION

Staff recommends that the City Council:

1. Adopt a Resolution of the City Council of the City of Firebaugh, California Approving a Loan Agreement between the City of Firebaugh and the Successor Agency to the Firebaugh Redevelopment Agency

Staff recommends that the Successor Agency:

1. Adopt a Resolution of the Successor Agency to the Firebaugh Redevelopment Agency Approving a Loan Agreement between the City of Firebaugh and the Successor Agency to the Firebaugh Redevelopment Agency

BACKGROUND

On June 29, 2011, the Governor signed into law Assembly Bill ("AB") x1 26. The California Supreme Court upheld the constitutionality of ABx1 26 on December 29th, 2011. These actions effectively eliminated all redevelopment agencies in the State of California as of February 1, 2012. The City of Firebaugh elected to become the Successor Agency for the Firebaugh Redevelopment Agency. The Successor Agency is responsible for winding down the affairs of the redevelopment agency, with oversight from its Oversight Board.

Health & Safety Code ("H&SC") Section 34177(l) requires the Successor Agency to prepare a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period that lists its enforceable obligations. The Successor Agency adopted ROPS for the July to December 2013 ("ROPS 13-14A") which was approved by the Oversight Board and the California Department of Finance ("DOF"). The total amount of approved enforceable obligations was \$822,021 on ROPS 13-14A.

Despite approval by DOF, the Successor Agency did not receive sufficient funds from the Fresno County Auditor-Controller to pay for all of its approved enforceable obligations. The Successor Agency was allocated only \$428,290 in Redevelopment Property Tax Trust Funds ("RPTTF") for enforceable obligations on ROPS 13-14A. Upon reconciliation of ROPS 13-14A, it was determined that the Successor Agency only needed \$446,037 in RPTTF funding to cover enforceable obligations because actual ROPS 13-14A payments were lower than the original estimated amounts or have been shifted to other ROPS periods. Still, the Successor Agency encountered a deficit of \$17,748 for the ROPS 13-14A period, which was funded by the City.

Fiscal Impact

The City has already expended \$17,748 in general fund revenue to cover the Successor Agency's budget shortfall. If the loan is not formalized, the City will not be able to recoup these funds. By formalizing the loan, the Successor Agency can place the loan repayment on forthcoming ROPS and it can be repaid with RPTTF money as it becomes available.

RESOLUTION NO. 14-10

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY
APPROVING A LOAN AGREEMENT BETWEEN THE CITY OF FIREBAUGH AND THE SUCCESSOR
AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY**

WHEREAS, the City of Firebaugh has elected to serve as the Successor Agency to the former Firebaugh Redevelopment Agency ("Successor Agency") pursuant to Assembly Bill x1 26 ("AB x1 26" or the "Dissolution Act") as codified in the California Health & Safety Code ("H&SC"); and

WHEREAS, the Successor Agency encountered a budget shortfall for the Recognized Obligation Payment Schedules ("ROPS") covering the periods of July to December 2013 ("ROPS 13-14A"); and

WHEREAS, H&SC Section 34173(h) provides that the City may loan funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion, and that the loan must be reflected on the Agency's ROPS, which is subject to the approval of the Agency's Oversight Board; and

WHEREAS, the City loaned \$17,748 to the Successor Agency to cover the abovementioned budget shortfall for the ROPS 13-14A period; and

WHEREAS, the City and Agency desire to enter into a loan agreement in order to fully recoup City funds expended to fund enforceable obligations on the ROPS 13-14A.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE FIREBAUGH REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

Section 2. Approval of Loan Agreement. The Successor Agency hereby approves the Loan Agreement between the City of Firebaugh and the Successor Agency to the Firebaugh Redevelopment Agency, attached to this Resolution as Exhibit A.

Section 3. Execution of Loan Agreement. The City Manager is hereby authorized and directed to take such other and further action consistent with this resolution and sign any documents, as necessary, in order to implement this Resolution on behalf of the City.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Successor Agency, on the 24th day of February, 2014, by the following vote:

AYES: Council Members
NOES: Council Members
ABSTAIN: Council Members
ABSEST: Council Members

APPROVED:

ATTEST:

Chris DeFrancesco, Chairperson

Rita Lozano, Deputy City Clerk

APPROVED AS TO FORM:

DALE BACIGALUPI
SUCCESSOR AGENCY COUNSEL

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FIREBAUGH)

I, RITA LOZANO, hereby certify that I am the duly appointed City Clerk of the City of Firebaugh and that the foregoing resolution was duly adopted at a regular meeting of the Successor Agency held on the 24th day of February, 2014.

Rita Lozano, Deputy City Clerk

EXHIBIT A

LOAN AGREEMENT BETWEEN THE CITY OF FIREBAUGH
AND THE SUCCESSOR AGENCY TO THE
FIREBAUGH REDEVELOPMENT AGENCY

**LOAN AGREEMENT BETWEEN THE CITY OF FIREBAUGH AND THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF
FIREBAUGH**

This loan agreement ("Agreement") is entered into effective as of February 24, 2014 and is made by and between the City of Firebaugh, a municipal corporation ("City") and the Successor Agency to the Redevelopment Agency of the City of Firebaugh, a public body corporate and politic ("Agency").

RECITALS

- A. The City is a municipal corporation organized and operating under the laws of the State of California.
- B. The Agency is a public entity corporate and politic, organized and operating under Part 1.85 of Division 24 of the California Health and Safety Code ("H&SC").
- C. H&SC Section 34177(a) permits the Agency to make payments due for enforceable obligations.
- D. H&SC Section 34177(l) requires the Agency to prepare a Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period that lists its enforceable obligations.
- E. The Agency adopted a ROPS for the July to December 2013 period ("ROPS 13-14A"), which was approved by the Oversight Board on February 21, 2013 and by the California Department of Finance ("DOF") on April 11, 2013.
- F. The total amount of Redevelopment Property Tax Trust Fund ("RPTTF") funding requested for the ROPS 13-14A period was \$822,021. However, the Fresno County Auditor-Controller only distributed \$428,290 in RPTTF funding.
- G. As part of ROPS 14-15A, the Agency reconciled ROPS 13-14A on the Prior Period Adjustments tab. This reconciliation found that the Agency paid enforceable obligations in an amount equal to \$446,037. With only \$428,290 in RPTTF available, the Agency faced a shortfall of \$17,748.
- H. H&SC Section 34173(h) provides that the City may loan funds to the Agency for administrative costs, enforceable obligations, or project-related expenses at the city's discretion, and that the loan must be reflected on the Agency's Recognized Obligation Payment Schedule ("ROPS"), which is subject to the approval of the Agency's Oversight Board.
- I. Relying on this authority, the City extended a temporary loan ("Loan") to the Agency in the amount of \$17,748 ("Loan Amount") to be used to pay for enforceable obligations listed on the ROPS 13-14A.
- J. The Agency, in preparing the Recognized Obligation Payment Schedule for the July to December 2014 period ("ROPS 14-15A"), listed as an enforceable obligation the Loan in an amount equal to the Loan Amount.

AGREEMENT

For and in consideration of the mutual covenants and agreements hereinafter set forth, the City and Agency agree as follows:

Section 1. *Recitals.* The City and Agency represent and warrant to each other that each of the respective recitals is true and correct and is hereby incorporated into this Agreement by reference as if fully set forth.

Section 2. *Loan.* The City used City general funds to provide the Agency with the Loan in an amount \$17,748 to fund obligations during the ROPS 13-14A period.

Section 3. *Use of Loan.* The Agency utilized the Loan to pay for enforceable obligations on ROPS 13-14A adopted by the Oversight Board on February 21, 2013 and by the California Department of Finance on April 11, 2013.

Section 4. *Source of Repayment; Limited Subordination.*

(A) Except as provided in paragraph (B), the Loan shall be repaid on par with any enforceable obligations falling within H&SC Section 34183(a)(2)(C) (debts not qualifying as tax allocation bonds and certain revenue bonds).

(B) The City hereby agrees to defer payment on the Loan during a six month period covered by a ROPS to the extent that repayment in that period would leave insufficient funds to the Successor Agency to satisfy other contractual obligations covered by H&SC Section 34183(a)(2)(C) which: (1) are due in that six-month period; and (2) were in existence as of the date of this Agreement.

(C) Unless legally prohibited or waived by the City, any portion of the unpaid Loan shall also be repaid from other revenues available to the Successor Agency, such as the proceeds of asset sales and rents. These payments shall augment and supplement the required payments described in paragraph (A).

Section 5. *Placement of Loan Obligation on the Agency's ROPS 14-15A.* ROPS 14-15A includes the Loan as a listed enforceable obligation in an amount equal to the Loan Amount. The Agreement shall be included on each successive ROPS for the Agency until the City is repaid the full Loan Amount.

Section 6. *Term.* This Agreement shall be in full force and effect from the date hereof until such time as the entire amount of the Loan has been repaid in full.

Section 7. *Entire Agreement.* This Agreement constitutes the entire agreement by and between the parties with respect to the subject matter of this Agreement, and may be amended only in writing.

Section 8. *Remedies.* In the event of a default, the parties hereto shall be entitled to pursue any and all remedies available under California law for purposes of enforcing the terms and conditions of this Agreement.

SIGNATURE PAGE FOLLOWS

APPROVED AND EXECUTED by signature of the authorized representatives of each of the parties on February 24, 2014.

CITY:

**CITY OF FIREBAUGH,
A municipal corporation**

By: _____
Kenneth McDonald, City Manager

ATTEST:

By: _____
Rita Lozano, Deputy City Clerk

AGENCY:

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY
OF THE CITY OF FIREBAUGH,
a public body, corporate and politic**

By: _____
Kenneth McDonald, City Manager

ATTEST:

By: _____
Rita Lozano, Deputy City Clerk

APPROVED AS TO FORM:

By: _____
Dale Bacigalupi, City Attorney



REPORT TO CITY COUNCIL **– MEMORANDUM –**

AGENDA ITEM NO. _____

COUNCIL MEETING DATE: February 24, 2014

To: Successor Agency to the Firebaugh Redevelopment Agency

From: Kenneth McDonald, City Manager

Meeting Date: February 24, 2014

SUBJECT: DISPOSITION OF ASSESSOR PARCEL NUMBERS 008-075-11 AND 008-075-03, “GATEWAY PROJECT”, INCLUDED IN THE LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.5

RECOMMENDATION

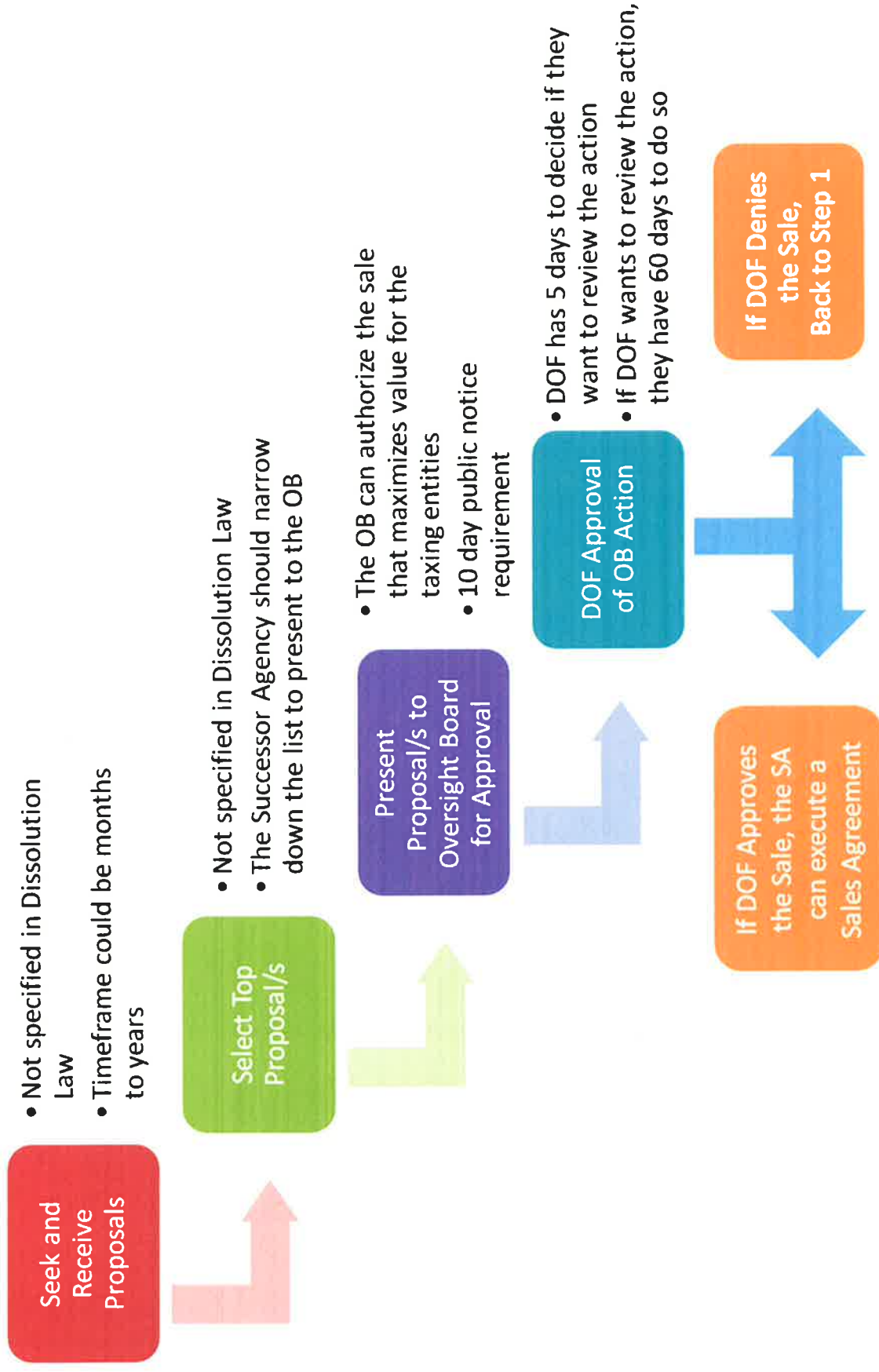
No action regarding the disposition of assessor parcel numbers 008-075-11 and 008-075-03, collectively referred to as the “Gateway Project”, is being requested from the Successor Agency to the Firebaugh Redevelopment Agency. This staff report is for informational purposes only.

DISCUSSION

Pursuant to Health and Safety Code section 34191.5, within six months after receiving a Finding of Completion from the Department of Finance (“DOF”), each successor agency is required to submit for approval to the oversight board and DOF, a Long-Range Property Management Plan (“PMP”) that addresses the disposition and use of the real properties of the former redevelopment agency. The Successor Agency to the Firebaugh Redevelopment Agency (“Successor Agency”) submitted its PMP to DOF it was approved by DOF on February 10, 2014.

The PMP included the Gateway Project which proposed that the property would be sold to the Fresno County Housing Authority (“Housing Authority”) upon approval of the PMP by DOF. The Housing Authority is continuing to express interest in purchasing the property and would like to expedite purchase of the property to ensure acquisition of the property for the California Tax Credit Allocation Committee deadline on March 5, 2014 that will help subsidize funding of the proposed affordable housing project. Staff understands that the Housing Authority has been in contact with DOF regarding expediting disposition of the property. However, the Successor Agency should be aware of the potential outcomes of the sale and the disposition process required by Assembly Bill 1484 to ensure that all requirements are satisfied.

The follow graphic presents the general disposition process. Disposition of the property must be brought back to the Oversight Board of the Successor Agency to the Firebaugh Redevelopment Agency (“Oversight Board”) for approval. As with all actions taken by the Oversight Board, it must be sent to DOF for final approval. This process could take up to 69 days to complete (Oversight Board Brown Act requirements and DOF review time). However, the Housing Authority indicated that they have received pre-approval of the sale to them from DOF. Staff was not involved in the conversations and can not confirm the accuracy of this or provide any additional detail but it appears as if the timeline may be expedited.



As depicted in the following chart, the Successor Agency may want to consider some the potential outcomes of disposing of the property. If the Successor Agency sells the property to the Housing Authority it will likely result in the property being exempt from property taxes. Thus, the City and other taxing entities will not benefit from future property tax revenue. However, this property is currently not on the tax roll since it is owned by the former Redevelopment Agency and the impact on current revenue would be minimal. The City could pursue an agreement for “Payments In Lieu of Property Taxes” with the Housing Authority. The City should review this option with legal counsel to ensure that the Housing Authority will not be violating any provisions in the Revenue and Taxation Code.

Effects	Sell to Housing Authority	Sell on Open Market
Short-Term Effects	<ul style="list-style-type: none"> • Project will be started quickly and is consistent with the goals set forth by the former Redevelopment Agency • Housing Authority has limited resources but could pay Fair Market Value 	<ul style="list-style-type: none"> • Unclear if there are any potential buyers and could take a long time to sell • Value could be higher or lower than Housing Authority purchase price
Long-Term Effects	<ul style="list-style-type: none"> • Project will be tax exempt and will not generate tax revenue for about 50 years • City may wish to enter into agreements for payments in –lieu of property taxes to collect the City’s portion of property tax in the future if permissible by the Revenue & Taxation Code • Other taxing agencies may wish to do the same or question why the City gets the benefit of entering into such agreement 	<ul style="list-style-type: none"> • If a market-rate project is developed, property tax revenue can be generated
Effects on the Community	<ul style="list-style-type: none"> • Create affordable housing in depressed area • Eliminate blight quickly 	<ul style="list-style-type: none"> • Specific project is unknown so the effects are hard to identify • May not be an affordable housing project

Additionally, the Successor Agency should ensure that the property be sold for “fair market value” or a value that can be supported by the Oversight Board and DOF. It is the fiduciary responsibility of the Oversight Board to ensure that the taxing entities benefit from distributions from the sale of former Redevelopment Agency properties.

FISCAL IMPACT: None.

ATTACHMENTS: None.

Staff Report: City of Firebaugh Public Works Department

To: Mayor Chris DeFrancesco and City Council Member

From: Ben Gallegos, Public Works Director

Date: February 24, 2014 Council Meeting

Water/Waste Water

The operation department has been working on the following:

1. Finished repairing HUD tank valve.
2. Finish cleaning storage tank at site #1 and started the disinfection process.
3. Rebuilding booster pump rotating assembly at water site 1 and 2.
4. Drained filter vessels at water site #1 for inspected and measured media levels.
5. Administering cross connection Program.
6. Measured water levels in wells.
7. Completing routine state reports.

Streets

The Street Department has been working on the following:

1. They continue performing street pothole repairs.
2. They continue to remove the trees throughout the City.

Parks

The Crew has been working on the following:

1. They continue to respond to dog call; four dogs were taken to Country Veterinary.
2. They continue to remove dead plants and termite infested trees throughout the City Parks.

City Projects:

1. Safe Routes to School cycle 3 is 75% completed.
2. The Rule 20: no update.

City of Firebaugh Police Department

Staff Report

To: Mayor Chris DeFrancesco and City Council members

From: Elsa Lopez, Chief of Police

Date: January 14- February 19th 2014

-
- ❑ Officer Miller has been conducting the “Every Second Counts” training for the school employees. It has been well received and the staff is very receptive.
 - ❑ I was recently informed that our K-9 trainer Sony Henegar is moving out of state and I have received a quote for the monthly training. Heritage K9 LLC is located in Clovis and will provide the twice per month required training for \$3400 annually, which is actually cheaper than what we had. The training will be held locally, so there we won’t have to travel to Sacramento.
 - ❑ I am requesting council’s approval to sell the department’s previously issued handguns to officers and use the revenue to purchase the currently issued Beretta handguns. Sometime late 2005-early 2006 Chief Lake received the manager’s and council approval, but we never followed through. The guns are the Smith and Wesson .45 Model 4516 which were purchased in the late 1980’s early 1990’s for about \$400.00. The price agreed to was \$250. I have spoken to Skip Belli, the only gun dealer in the city and he has agreed to do the required paperwork to the Department of Justice for the transfer. The officers purchasing the weapons would be responsible for the DOJ fees. Officers are currently using their S&W as backup or off duty guns and I don’t want to sell them to a gun dealer, which would then put them onto the streets. I appreciate your support in completing a previously authorized agreement.
 - ❑ We have picked up a student intern from Fresno State. The student Juan Guana, he’s pretty sharp and has already helped in the officer’s report writing area. We are looking at getting one maybe two more within the next few months.
 - ❑ On 2/19 I hosted our monthly Fresno/Madera Chief’s Meeting. One of the topics discussed was the agencies hiring officers to replace those positions lost or not filled. I have a couple of officers applying for other agencies and may soon be losing some. I am hopeful that should this happen that I would be able to fill the position(s). I received lots of compliments on the food, which was catered by Don Pepe’s.



QUARTER 4

GREENLiving

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CALIFORNIA'S 75% RECYCLING INITIATIVE

The State of California has proposed a new 75% Recycling Initiative with the hopes of a 75% source reduction of solid waste by the year 2020. Instead of focusing primarily on local diversion, the law calls for the state and the Department of Resources Recycling and Recovery (CalRecycle) to take a statewide approach to decreasing California's reliance on landfills. CalRecycle has been tasked by the Legislature to examine how extensions of existing efforts, as well as new strategies, can be combined to reach that policy goal.

It is Mid Valley Disposal's goal to continue to partner up with the city of Firebaugh to help in reaching this 75% recycling goal for both the benefit of the city and its residents. This is going to be done through continuous outreach and education for Firebaugh Residents, as well as innovative programs on behalf of Mid Valley Disposal.

COMMERCIAL SITE VISITS

During the 4th quarter, Mid Valley Disposal recycling staff visited over 32 commercial businesses and 3 multi-family complexes. It was made apparent that many businesses have taken correct steps in reducing contamination and becoming better recyclers. We noticed that many

businesses were doing a great job breaking down their boxes, in turn reducing overflows. We'd like to name some of the businesses that did a great job of recycling and following all guidelines in the 4th quarter. These include: Shogy Market, John Deere, Firebaugh Market, and Napa. The multi-family complexes that were visited during the 4th quarter also seemed to be doing increasingly better with continuous education that MVD staff has provided. We hope to only continue to strive forward with businesses and multi-families to make for a cleaner community for the city of Firebaugh.

Trunk or Treat



Firebaugh Christmas Parade



Shogy's Market



IN THE COMMUNITY

Mid Valley Disposal was present at this year's Trunk or Treat in Firebaugh where we were able to reach over 100 residents with recycling information and free candy!

PERMANENT HOUSEHOLD HAZARDOUS WASTE FACILITY

Construction of the Fresno County Hazardous Waste Facility is getting close to completion at American Ave Landfill. The grand opening ceremony will be held in November 2014. In addition to the HHW facility, Fresno County MOU committee members are also looking for drop off locations in each city, such as retail stores or public works yards. These drop off locations will serve as a safe and convenient site to get rid of materials such as Paint, Prescription drugs, Used Motor Oil, Fluorescent light bulbs, and batteries.

Mid Valley Disposal is working closely with Paint Care a non-profit organization assisting cities in California to establish drop-off sites at paint retail stores. Our staff provided Caitlin Sanders Paint Care's Regional Manager with contact information for the local hardware store, and hope to have a Paint drop off site for residents soon.

2013 Q4 Tonnage	Recycling	Green Waste	Refuse	Total Diversion
Residential	86.9	194.9	389.3	42%
Commercial	37		434.6	8%