TAFT CITY COUNCIL/SUCCESSOR AGENCY
JOINT REGULAR MEETING AGENDA
TUESDAY, OCTOBER 20, 2015
CITY HALL COUNCIL CHAMBERS
209 E. KERN ST., TAFT, CA 93268

AS A COURTESY TO ALL - PLEASE TURN OFF CELL PHONES

Any writings or documents provided to a majority of the City Council regarding any item on this agenda are made available for public inspection in the lobby at Taft City Hall, 209 E. Kern Street, Taft, CA during normal business hours (SB 343).

REGULAR MEETING **6:00 P.M.**

Pledge of Allegiance
Invocation
Roll Call: Mayor Miller
Mayor Pro Tem Noerr
Councilmember Krier
Councilmember Bryant
Councilmember Hill

1. HEARING ON COSTS AND PLACEMENT OF LIENS ON ABATED PROPERTY

Recommendation –

1. Conduct hearing re Statement of Expense.
2. Motion to confirm Statement of Expense as submitted and approve resolution titled a
   A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 124 NORTH ST., TAFT, CA, APN# 031-450-27 IN THE AMOUNT OF $1,361.83
   B. RESOLUTION …… 711 NORTH ST., TAFT, CA, APN #031-220-21 . . . . . .$1,135.96
   C. RESOLUTION …… 105 NORTH ST., TAFT, CA, APN #031-440-16 . . . . . $10,571.93
   D. RESOLUTION …… 322 CENTER ST., TAFT, CA, APN #031-030-22 . . . . . $620.63
   E. RESOLUTION …… 407 6TH ST., TAFT, CA, APN #032-136-10 . . . . . .$568.96
   F. RESOLUTION …… 620 LUCARD ST., TAFT, CA, APN #031-260-17 . . . . . $620.49
   G. RESOLUTION …… 716 NORTH ST., TAFT, CA, APN #031-230-16 . . . . . .$1,272.91

2. ANNUAL AUDITED FINANCIAL STATEMENTS FOR 2013-2014

Recommendation - Motion to receive and file the Annual Audited Comprehensive Financial Reports for the year ended June 30, 2014.

3. STUDY SESSION – PRESENTATION ON INVESTMENTS

4. CITIZEN REQUESTS/PUBLIC COMMENTS

THIS IS THE TIME AND PLACE FOR THE GENERAL PUBLIC TO ADDRESS THE CITY COUNCIL ON MATTERS WITHIN ITS JURISDICTION. STATE LAW PROHIBITS THE COUNCIL FROM ADDRESSING ANY ISSUE NOT PREVIOUSLY INCLUDED ON THE AGENDA. COUNCIL MAY RECEIVE COMMENT AND SET THE MATTER FOR A SUBSEQUENT MEETING. PLEASE LIMIT COMMENTS TO FIVE MINUTES.

5. COUNCIL STATEMENTS (NON ACTION)

6. DEPARTMENT REPORTS

7. CITY MANAGER STATEMENTS

8. CITY ATTORNEY STATEMENTS

9. FUTURE AGENDA REQUESTS

****

CONSENT CALENDAR ITEMS 10 - 13

All items listed on the Consent Calendar shall be considered routine and will be enacted by one roll call vote. There will be no separate discussion of these items unless a member of the City Council requests specific items to be removed from the Consent Calendar for separate action. Any item removed from the Consent Calendar will be considered after the regular business items. Are there any items on the consent calendar that any member of the public would like to comment on?

10. MINUTES
October 5, 2015 Special
October 6, 2015 Regular

Recommendation – Approve as submitted.

11. PAYMENT OF BILLS
Warrant# 100915 Check No. 80995-81090 $ 747,148.11

Recommendation – Approve payment of the bills.

12. TREASURERS REPORTS

Recommendation – Motion to receive and file Treasurer's Report dated October 8, 2015 for the Month of August 2015

13. CITY INVESTMENT POLICY ANNUAL REVIEW

Recommendation - Motion to concur with the Finance Committee's recommendation to adopt the policy with no changes.

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14. ECONOMIC DEVELOPMENT AD HOC COMMITTEE - SCHEDULE

Recommendation – Motion to set the first meeting date of the Economic Development Ad Hoc Committee.

CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(b) – two (2) potential cases

B. CONFERENCE WITH LABOR NEGOTIATOR, CRAIG JONES, CITY MANAGER
Government Code 54957.6 – All units.

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9 (a) – Case Number BCV-15-100357

ADJOURNMENT

AMERICANS WITH DISABILITIES ACT

(Government Code Section 54943.2)

The City of Taft City Council Chamber is accessible to persons with disabilities. Disabled individuals who need special assistance (including transportation) to attend or participate in a meeting of the Taft City Council may request assistance at the Office of the City Clerk, City of Taft, 209 E. Kern Street, Taft, California or by calling (661) 763-1222. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

AFFIDAVIT OF POSTING

I, Darnell Rowe, declare as follows:

That I am the Deputy City Clerk for the City of Taft; that an agenda was posted on a public information bulletin board located near the door of the Civic Center Council Chamber on October 15, 2015, pursuant to 1987 Brown Act Requirements.

I declare under penalty of perjury that the foregoing is true and correct.
Executed October 15, 2015, at Taft, California.

Date/Time_____Signature_____

City of Taft Agenda Report

DATE: **OCTOBER 20, 2015**

TO: **MAYOR MILLER AND COUNCIL MEMBERS**

AGENDA MATTER:

HEARING ON COSTS AND PLACEMENT OF LIENS ON ABATED PROPERTY

SUMMARY STATEMENT:

The properties listed below have had nuisances abated. The owners of record have been notified by certified mail and by posting on said properties in accordance with the City of Taft Municipal Code of the costs incurred during the abatement process.

The owners were also notified of the time and place of a Public Hearing on costs whereby Council will hear any objections or protests from the property owner or other interested parties.

If costs of abatement as submitted or modified for the property listed here are not paid within 5 days from the date of confirmation, the confirmed Statements of Expense shall constitute a lien against the properties and all such costs to be made a personal obligation against the property owner pursuant to section 38773 of the California Government Code and Taft Municipal Code section 3-4.5-5 (c) and (d).

Properties and the clean-up amounts are: 124 North St. for $1,361.83, 711 North St. for $1,135.96, 105 North St. for $10,571.93, 322 Center St. for $620.63, 407 6th St. for $568.96, 620 Lucard St. for $620.49 and 716 North St. for $1,272.91.

RECOMMENDED ACTION

1. Conduct hearing re Statement of Expense.
2. Motion to confirm Statement of Expense as submitted and approve resolution titled a
   - **A. RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 124 NORTH ST., TAFT, CA, APN# 031-450-27 IN THE AMOUNT OF $1,361.83**
   - **B. RESOLUTION …… 711 NORTH ST., TAFT, CA, APN #031-220-21 . . . . . .$1,135.96**
   - **C. RESOLUTION …… 105 NORTH ST., TAFT, CA, APN #031-440-16 . . . . . $10,571.93**
   - **D. RESOLUTION …… 322 CENTER ST., TAFT, CA, APN #031-030-22 . . . . . $620.63**
   - **E. RESOLUTION …… 407 6TH ST., TAFT, CA, APN #032-136-10 . . . . . $568.96**
   - **F. RESOLUTION …… 620 LUCARD ST., TAFT, CA, APN #031-260-17 . . . . . $620.49**
   - **G. RESOLUTION …… 716 NORTH ST., TAFT, CA, APN #031-230-16 . . . . . $1,272.91**

IMPACT ON BUDGET (Y/N): Yes (revenue when collected)

ATTACHMENT (Y/N): Yes - Resolutions

PREPARED BY: City Clerk

REVIEWED BY:

CITY CLERK	FINANCE DIRECTOR	CITY MANAGER

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 124 NORTH STREET, TAFT, CA 93268, APN # 031-450-27

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process and demolition of building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as **124 NORTH STREET, TAFT, CA 93268, APN # 031-450-27**

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $1,361.83 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

I, Yvette Mayfield, City Clerk of the City of Taft, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Taft at a regular meeting thereof held on the 20th day of October, 2015.

AYES: COUNCIL MEMBERS:
NAYS: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 711 NORTH STREET, TAFT, CA 93268, APN # 031-220-21

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process of the building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as 711 North St., Taft, CA 93268, APN # 031-220-21.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $1,135.96 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

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AYES: COUNCIL MEMBERS:
NAYS: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 105 NORTH ST., TAFT, APN NUMBER 031-440-16

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process and/or demolition of building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as **105 North St., Taft, APN Number 031-440-16**

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $10,571.93 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

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AYES: COUNCIL MEMBERS:
NAYS: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 322 CENTER STREET, TAFT, CA 93268, APN # 031-030-22

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process and demolition of building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as **322 CENTER STREET, TAFT, CA 93268, APN # 031-030-22**

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $620.63 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

I, Yvette Mayfield, City Clerk of the City of Taft, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Taft at a regular meeting thereof held on the 20th day of October, 2015.

AYES: COUNCIL MEMBERS:
NAYS: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 407 S. 6TH STREET, TAFT, CA 93268, APN # 032-136-10

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process and demolition of building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as **407 S. 6TH STREET, TAFT, CA 93268, APN # 032-136-10**

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $568.96 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

I, Yvette Mayfield, City Clerk of the City of Taft, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Taft at a regular meeting thereof held on the 20th day of October, 2015.

AYES: COUNCIL MEMBERS:
NAYS: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 620 LUCARD ST., TAFT, APN NUMBER 031-260-17

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process and/or demolition of building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as **620 Lucard St., Taft, APN Number 031-260-17**

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $620.49 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October, 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

I, Yvette Mayfield, City Clerk of the City of Taft, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Taft at a regular meeting thereof held on the 20th day of October, 2015.

AYES: COUNCIL MEMBERS:
NAYS: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND CONFIRMING THE COSTS FOR THE ABATEMENT OF THE NUISANCE AT 711 NORTH STREET, TAFT, CA 93268, APN # 031-220-21

WHEREAS, the City of Taft has been diligently pursuing the betterment of the community; and

WHEREAS, the City of Taft has followed all steps outlined in Section 3-4-9 of the Taft Municipal Code in order to abate nuisance in the community; and

WHEREAS, costs have been incurred during the abatement process of the building on said property; and

WHEREAS, the following cost shall constitute a lien upon the property located at and known as 711 North St., Taft, CA 93268, APN # 031-220-21.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Taft approves and confirms the following costs of $1,135.96 and resolves that these costs shall constitute a lien on said property and shall accrue interest in the amount of 6% per annum on the unpaid balance until paid in full.

PASSED, APPROVED AND ADOPTED this 20th day of October 2015.

_____
Randy Miller, Mayor

ATTEST:

_____
Yvette Mayfield
City Clerk

STATE OF CALIFORNIA }
COUNTY OF KERN } SS
CITY OF TAFT }

I, Yvette Mayfield, City Clerk of the City of Taft, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Taft at a regular meeting thereof held on the 20th day of October, 2015.

AYES: COUNCIL MEMBERS:
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ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

_____
Yvette Mayfield, City Clerk

City of Taft Agenda Report

DATE: **OCTOBER 20, 2015**

TO: **MAYOR MILLER AND COUNCIL MEMBERS**

AGENDA MATTER:

ANNUAL AUDITED FINANCIAL STATEMENTS FOR 2013-2014

SUMMARY STATEMENT:

Attached is the Annual Audited Reports for the years ended June 30, 2014, which includes the Comprehensive Annual Financial Report (CAFR), Management Report (City wide), Wastewater Treatment Plant Financial Statements (WWTP). Since the City did not expend more than $500,000 in Federal monies the City was not required to prepare a Single Audit.

On October 13, 2015, the Taft City Finance Committee reviewed the Annual Audited Comprehensive Financial Report with the City's auditor. The committee recommended the financial statements be presented to the City Council at this meeting.

RECOMMENDED ACTION:

Motion to receive and file the Annual Audited Comprehensive Financial Reports for the year ended June 30, 2014.

IMPACT ON BUDGET (Y/N): No

ATTACHMENT (Y/N): *YES*, Comprehensive Annual Financial Reports dated June 30, 2014 and Management Report and Auditor's Communication Letter for the City and the WWTP Financial Statements dated June 30, 2014

PREPARED BY: *Teresa Binkley, Finance Director*

REVIEWED BY:

CITY CLERK	FINANCE DIRECTOR	CITY MANAGER

CITY OF TAFT
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2014

CITY OF TAFT
ANNUAL FINANCIAL REPORT
JUNE 30, 2014

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CITY OF TAFT
ANNUAL FINANCIAL REPORT
JUNE 30, 2014

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MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS
RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
ADAM V GUISE, CPA
TRAVIS J HOLE, CPA

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CULVER CITY, CA 90230
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www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Taft, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Taft, California (City) as of and for the fiscal year ended June 30, 2014, 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.

OFFICES: BEVERLY HILLS · CULVER CITY · SANTA MARIA
MEMBER AMERICAN INSTITUTE OF C.P.A.'S · CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS · CALIFORNIA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

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 Taft, California, as of June 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principles

As discussed in note 1 to the basic financial statements effective July 1, 2013, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 65, Items Previously Reported as Assets and Liabilities, Statement No. 66, Technical Correction-2012, Statement No. 67, Financial Reporting for Pension Plans, and Statement No. 70, Accounting and Financial Reporting for Non-exchange Financial Guarantees. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the General fund budgetary comparison information on page 57 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 Taft, California's basic financial statements. The WWTP Capital Projects budgetary comparison schedule, combining and individual non-major governmental and fiduciary fund financial statements are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The WWTP Capital Projects budgetary comparison schedule, combining and individual non-major governmental and fiduciary fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major governmental and fiduciary fund financial statements are 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 May 18, 2015, on our consideration of the City of Taft, California'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 the City of Taft, California's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim, LLP
Culver City, California
May 18, 2015

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CITY OF TAFT
STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 631,902	$ 5,127,715	$ 5,759,617
Accounts receivable	1,599,844	3,721,247	5,321,091
Interest receivable	413	128	541
Internal balances	5,711,721	(5,711,721)	
Notes receivable	3,445,114		3,445,114
Prepaid expenses	65,433	25,871	91,304
Deposits		17,345	17,345
Loan receivable - Successor Agency	2,535,490		2,535,490
Capital assets not being depreciated	1,688,451	479,414	2,167,865
Capital assets being depreciated	17,027,995	10,275,036	27,303,031
Capital assets, accumulated depreciation	(10,214,331)	(5,508,204)	(15,722,535)
Total assets	22,492,032	8,426,831	30,918,863
LIABILITIES			
Accounts payable	63,161	299,639	362,800
Accrued payroll	28,987	92,787	121,774
Unearned revenue	355,747	1,108,331	1,464,078
Deposits payable	12,917	42,877	55,794
Noncurrent liabilities:			
Due within one year	238,477	21,560	260,037
Due in more than one year	118,828	64,678	183,506
Total liabilities	818,117	1,629,872	2,447,989
NET POSITION			
Net investment in capital assets	8,502,115	5,246,246	13,748,361
Restricted for:			
Streets and roads	109,919		109,919
Public safety	63,292		63,292
Community development	3,953,724		3,953,724
Capital projects - WWTP	4,098,403		4,098,403
Unrestricted	4,946,462	1,550,713	6,497,175
Total net position	$ 21,673,915	$ 6,796,959	$ 28,470,874

See accompanying notes to financial statements

CITY OF TAFT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	$ (2,007,396)	$ 1,979,360	$ 909,788	$ 32,463
Public safety	(3,161,818)	344,310	357,703	
Public works	(1,369,075)	223,528	290,984	263,458
Health and welfare	(19,324)	4,779	1,076	
Community development	(2,023,329)		59,464	
Total governmental activities	(8,580,942)	2,551,977	1,619,015	295,921
Business-type activities:				
County correctional facility (CCF)	(7,209,050)	5,631,950		
Federal WWTP	(916,457)	953,556		
Sewer	(791,073)	693,897		
Refuse	(933,344)	792,037	5,000	
Transit	(1,053,728)	348,359	329,039	54,050
Total business-type activities	(10,903,652)	8,419,799	334,039	54,050
Total government	$ (19,484,594)	$ 10,971,776	$ 1,953,054	$ 349,971

General revenues:
Taxes:
Property taxes
Sales tax
Other taxes
Investment earnings
Miscellaneous

Total general revenues

Change in net position

Net position, beginning of fiscal year
Prior period adjustments
Net position, beginning of fiscal year, restated

Net position, end of fiscal year

See accompanying notes to financial statements

Net (Expense) Revenue and Change in Net Position		
Governmental Activities	Business-type Activities	Total
$ 914,215	$ -	$ 914,215
(2,459,805)		(2,459,805)
(591,105)		(591,105)
(13,469)		(13,469)
(1,963,865)		(1,963,865)
(4,114,029)		(4,114,029)
	(1,577,100)	(1,577,100)
	37,099	37,099
	(97,176)	(97,176)
	(136,307)	(136,307)
	(322,280)	(322,280)
	(2,095,764)	(2,095,764)
(4,114,029)	(2,095,764)	(6,209,793)
1,276,017		1,276,017
1,773,391		1,773,391
467,880		467,880
178,430	52,604	231,034
523,965		523,965
4,219,683	52,604	4,272,287
105,654	(2,043,160)	(1,937,506)
21,567,401	8,834,019	30,401,420
860	6,100	6,960
21,568,261	8,840,119	30,408,380
$ 21,673,915	$ 6,796,959	$ 28,470,874

CITY OF TAFT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014

	General	Revolving Loan Fund CDBG	Revolving Loan Fund Home	WWTP Capital Projects
ASSETS				
Cash and investments	$ 500	$ 271,960	$ 132,110	$ -
Receivables:				
Accounts	679,708			
Interest	45	14	11	302
Notes		1,865,958	1,082,948	
Due from other funds	2,510,737			3,588,117
Prepaid items	61,167	270	270	
Loan receivable from Successor Agency	2,535,490			
Total assets	$ 5,787,647	$ 2,138,202	$ 1,215,339	$ 3,588,419
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 58,346	$ (1,391)	$ -	$ -
Accrued payroll	24,207			
Due to other funds				
Deposit payable	12,917			
Unearned revenue	355,747			
Total liabilities	451,217	(1,391)		
DEFERRED INFLOW OF RESOURCES				
Unearned revenue - loans/notes	77,692	1,865,958	1,082,948	
Unearned revenues - unavailable grant revenues	201,768			
Total deferred inflow of resources	279,460	1,865,958	1,082,948	
FUND BALANCES				
Nonspendable	2,518,965	270	270	
Restricted		273,365	132,121	3,588,419
Unassigned	2,538,005			
Total fund balances	5,056,970	273,635	132,391	3,588,419
Total liabilities, deferred inflow of resources, and fund balances	$ 5,787,647	$ 2,138,202	$ 1,215,339	$ 3,588,419

See accompanying notes to financial statements

Total Non-major Governmental Funds	Total
$ 215,332	$ 619,902
920,136	1,599,844
41	413
496,208	3,445,114
	6,098,854
2,835	64,542
	2,535,490
$ 1,634,552	$ 14,364,159
$ 4,810	$ 61,765
2,864	27,071
387,133	387,133
	12,917
	355,747
394,807	844,633
496,208	3,522,806
	201,768
496,208	3,724,574
2,835	2,522,340
782,990	4,776,895
(42,288)	2,495,717
743,537	9,794,952
$ 1,634,552	$ 14,364,159

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CITY OF TAFT
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Fund balances of governmental funds		$ 9,794,952
Amounts reported for governmental activities in the statements of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities, are not current financial resources. Therefore, they are not reported in the governmental funds.		
Total capital assets	$ 18,716,446	
Accumulated depreciation	(10,214,331)	8,502,115
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities include compensated absences and CalPERS side fund payable.		(357,305)
Internal service funds are used by management to charge the costs of certain activities such as vehicle maintenance to individual funds. The assets and the liabilities of the internal service fund must be added to the statement of net position (not included compensated absences ($9,579) report above)		9,579
Certain revenues are deferred in the governmental funds because the availability criteria is not met. These revenues are not deferred in the statement of net position.		3,724,574
Net position of governmental activities		$ 21,673,915

See accompanying notes to financial statements

CITY OF TAFT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	General	Revolving Loan Fund CDBG	Revolving Loan Fund Home	WWTP Capital Projects
REVENUES				
Property taxes	$ 1,276,017	$ -	$ -	$ -
Sales taxes	1,773,391			
Other taxes	467,880			
Licenses and permits, and fees	363,033			
Fines and forfeitures	2,090			
Use of money and property	178,430	1,028	1,090	32,463
Intergovernmental	301,945	29,192	984	
Current services charges	2,080,339			
Other	519,444			
Total revenues	6,962,569	30,220	2,074	32,463
EXPENDITURES				
Current:				
General government	1,230,856			
Public safety	3,084,562			
Public works	957,572			
Health and welfare				
Community development	688,936	(1,057)		
Capital outlay	419,074			
Total expenditures	6,381,000	(1,057)		
Excess of revenues over (under) expenditures	581,569	31,277	2,074	32,463
OTHER FINANCING SOURCES (USES)				
Transfers in	301,072	176,184		131,200
Transfers out	(89,630)			
Total other financing sources (uses)	211,442	176,184		131,200
Net change in fund balances	793,011	207,461	2,074	163,663
Fund balances, beginning of fiscal year	4,401,270	66,174	130,317	3,424,756
Prior period adjustments	(137,311)			
Fund balances, beginning of fiscal year, restated	4,263,959	66,174	130,317	3,424,756
Fund balances, end of fiscal year	$ 5,056,970	$ 273,635	$ 132,391	$ 3,588,419

See accompanying notes to financial statements

Total Non-major Governmental Funds	Total
$ -	$ 1,276,017
	1,773,391
	467,880
	363,033
9,331	11,421
4,591	217,602
1,379,355	1,711,476
107,670	2,188,009
5,594	525,038
1,506,541	8,533,867
667,722	1,898,578
155,212	3,239,774
14,400	971,972
19,324	19,324
586,520	1,274,399
11,044	430,118
1,454,222	7,834,165
52,319	699,702
28,446	636,902
(547,272)	(636,902)
(518,826)	
(466,507)	699,702
1,210,044	9,232,561
	(137,311)
1,210,044	9,095,250
$ 743,537	$ 9,794,952

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CITY OF TAFT
GOVERNMENTAL FUNDS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Net change in fund balances of governmental funds		$ 699,702
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures, and changes in fund balance because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This activity is reconciled as follows:		
Cost of assets capitalized	$ 377,873	
Cost of assets disposed (net of accumulated depreciation)	(54,428)	
Depreciation expense	(525,291)	(201,846)
Certain notes receivable are reported in the governmental funds as expenditures and then offset by deferred revenue as they are not available to pay current expenditures. Likewise, when the note is collected, it is reflected in revenue. This is the net change between notes receivable collected and issued.		(244,361)
Revenues that are measurable but not available. Amounts are not recorded as revenue under the modified accrual basis of accounting.		(345,886)
Debt repayments are reported as an expenditures in the governmental funds. The repayment is not an expense in the statement of activities as it is a reduction of a long-term liability. The balance for compensated absences reflects the difference between absences accrued and absences paid.		
Debt principal repayments and reduction of the CalPERS side fund	179,200	
Compensated absences	18,845	198,045
Change in net position of governmental activities.		$ 105,654

See accompanying notes to financial statements

CITY OF TAFT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Business-type Activities			
	Enterprise Funds			
	CCF	Federal WWTP	Sewer	Refuse
ASSETS				
Current assets:				
Cash and investments	$ 3,220	$ 2,900,001	$ 1,829,860	$ 307,344
Due from other funds				580,118
Receivables:				
Accounts	3,030,213		67,826	77,962
Interest	(307)	259	151	81
Prepaid items	21,706	89	89	203
Deposits			17,345	
Total current assets	3,054,832	2,900,349	1,915,271	965,708
Noncurrent assets:				
Capital assets, not being depreciated	11,850	467,564		
Capital assets, being depreciated	186,987	5,370,252	2,908,734	601,714
Capital assets - accumulated depreciation		(2,983,152)	(1,454,700)	(378,159)
Total noncurrent assets	198,837	2,854,664	1,454,034	223,555
Total assets	3,253,669	5,755,013	3,369,305	1,189,263
LIABILITIES				
Current Liabilities:				
Accounts payable	253,602	26,895	114	8,303
Accrued payroll	76,444	1,272	1,217	2,070
Due to other funds	5,584,593			
Unearned revenue				
Deposits payable			19,275	23,602
Current portion of compensated absences	14,640	948	960	1,554
Total current liabilities	5,929,279	29,115	21,566	35,529
Noncurrent liabilities:				
Compensated absences	43,920	2,843	2,880	4,661
Total noncurrent liabilities	43,920	2,843	2,880	4,661
Total liabilities	5,973,199	31,958	24,446	40,190
NET POSITION				
Net investment in capital assets	198,837	2,854,664	1,454,034	223,555
Unrestricted	(2,918,367)	2,868,391	1,890,825	925,518
Total net position (deficit)	$ (2,719,530)	$ 5,723,055	$ 3,344,859	$ 1,149,073

See accompanying notes to financial statements

Business-type Activities Enterprise Funds		Governmental Activities
Transit	Total Enterprise Funds	Internal Service Fund
$ 87,290	$ 5,127,715	$ 12,000
	580,118	
474,812	3,650,813	
(56)	128	
3,784	25,871	891
	17,345	
565,830	9,401,990	12,891
	479,414	
1,207,349	10,275,036	
(692,193)	(5,508,204)	
515,156	5,246,246	
1,080,986	14,648,236	12,891
10,725	299,639	1,396
11,784	92,787	1,916
707,246	6,291,839	
1,108,331	1,108,331	
	42,877	
3,458	21,560	9,579
1,841,544	7,857,033	12,891
10,374	64,678	
10,374	64,678	
1,851,918	7,921,711	12,891
515,156	5,246,246	
(1,286,088)	1,480,279	
$ (770,932)	$ 6,726,525	$ -

CITY OF TAFT
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities			
	Enterprise Funds			
	CCF	Federal WWTP	Sewer	Refuse
OPERATING REVENUES				
Charges for services	$ 5,631,943	$ 953,556	$ 896,608	$ 792,037
Connection and installation fees			127	
Other	7		(204)	
Total operating revenues	5,631,950	953,556	896,531	792,037
OPERATING EXPENSES				
Salaries and wages	1,795,465	53,370	55,948	119,901
Training and development	19,552		60	
Contract and professional services	777,167	387,491	2,077	336,846
Maintenance and operations	924,216	31,581	456,237	220,539
Materials and supplies	197,120	62,528	840	30,658
Insurance	59,536	7,841	7,841	7,841
Utilities	133,585	36,465	158	
Administrative service charges		95,751	78,145	81,623
Depreciation		179,009	78,772	43,603
Leases and rents	1,878,618			
Bad debt expense			3,350	2,848
Other operating expenses	1,400,978	62,421	107,645	89,485
Total operating expenses	7,186,237	916,457	791,073	933,344
Operating income (loss)	(1,554,287)	37,099	105,458	(141,307)
NONOPERATING REVENUES (EXPENSES)				
Interest earnings on investments		27,953	15,967	8,684
Interest expense	(22,813)			
Intergovernmental				5,000
Total nonoperating revenues (expenses)	(22,813)	27,953	15,967	13,684
CAPITAL CONTRIBUTION				
Capital contribution				
Total capital contribution				
Changes in net position	(1,577,100)	65,052	121,425	(127,623)
Total net position (deficit), beginning of fiscal year	(1,142,430)	5,658,003	3,398,816	1,368,282
Prior period adjustments			(175,382)	(91,586)
Total net position (deficit), beginning of fiscal year, restated	(1,142,430)	5,658,003	3,223,434	1,276,696
Total net position (deficit), end of fiscal year	$ (2,719,530)	$ 5,723,055	$ 3,344,859	$ 1,149,073

See accompanying notes to financial statements

Business-type Activities		Governmental Activities
Enterprise Funds		
Transit	Total Enterprise Funds	Internal Service Fund
$ 347,970	$ 8,622,114	$ 167,459
	127	
389	192	
348,359	8,622,433	167,459
541,894	2,566,578	121,694
2,047	21,659	
52,563	1,556,144	
187,852	1,820,425	5,914
11,125	302,271	3,830
7,841	90,900	
6,472	176,680	5,334
79,893	335,412	17,271
139,658	441,042	
	1,878,618	
	6,198	
18,448	1,678,977	13,416
1,047,793	10,874,904	167,459
(699,434)	(2,252,471)	
	52,604	
(5,935)	(28,748)	
329,039	334,039	
323,104	357,895	
54,050	54,050	
54,050	54,050	
(322,280)	(1,840,526)	
(448,652)	8,834,019	
	(266,968)	
(448,652)	8,567,051	
$ (770,932)	$ 6,726,525	$ -

CITY OF TAFT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Business-type Activities		
	Enterprise Funds		
	CCF	Federal WWTP	Sewer
Cash Flows from Operating Activities:			
Cash received from customers and users	$ 2,678,618	$ 953,556	$ 849,238
Cash paid to suppliers for goods and services	(5,164,129)	(701,584)	(657,720)
Cash paid to employees for services	(1,671,674)	(51,907)	(54,552)
Net cash provided (used) by operating activities	(4,157,185)	200,065	136,966
Cash Flows from Capital and Related Financing Activities:			
Acquisition, proceeds, and construction of capital assets	(198,837)	(311,300)	(85,388)
Interest paid	(30,279)		
Capital contribution			
Net cash provided (used) by capital and related financing activities	(229,116)	(311,300)	(85,388)
Cash Flows from Non-Capital Financing Activities:			
Operating grant received			
Increase (decrease) in due to other funds	4,389,214		
Net Cash provided (used) by Non-Capital Financing Activities:	4,389,214		
Cash Flows from Investing Activities:			
Interest received	307	50,216	30,243
Net Cash provided by investing activities	307	50,216	30,243
Net increase (decrease) in cash and cash equivalents	3,220	(61,019)	81,821
Cash and Cash Equivalents at Beginning of Fiscal Year		2,961,020	1,748,039
Cash and Cash Equivalents at End of Fiscal Year	$ 3,220	$ 2,900,001	$ 1,829,860
Reconciliation to Statement of Net Position:			
Cash and investments	$ 3,220	$ 2,900,001	$ 1,829,860
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	$ (1,554,287)	$ 37,099	$ 105,458
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation		179,009	78,772
(Increase) decrease in accounts receivable	(2,953,332)		(49,143)
(Increase) decrease in prepaid expenses	(21,706)	(89)	(89)
(Increase) decrease in deposits			(18)
Increase (decrease) in accounts payable	248,349	(17,417)	(1,278)
Increase (decrease) in accrued payroll	75,336	565	472
Increase (decrease) in unearned revenue			
Increase (decrease) in deposits payable			1,868
Increase (decrease) in compensated absences	48,455	898	924
Total adjustments	(2,602,898)	162,966	31,508
Net cash provided (used) by operating activities	$ (4,157,185)	$ 200,065	$ 136,966

See accompanying notes to financial statements

Business-type Activities			Governmental Activities
Enterprise Funds			Internal Service Fund
Refuse	Transit	Totals	
$ 775,074	$ 202,907	$ 5,459,393	$ 167,459
(771,797)	(370,088)	(7,665,318)	(47,176)
(118,367)	(537,942)	(2,434,442)	(119,931)
(115,090)	(705,123)	(4,640,367)	352
	(41,742)	(637,267)	
	(15,441)	(45,720)	
	54,050	54,050	
	(3,133)	(628,937)	
5,000	329,039	334,039	
(580,118)	466,451	4,275,547	
(575,118)	795,490	4,609,586	
16,599	56	97,421	
16,599	56	97,421	
(673,609)	87,290	(562,297)	352
980,953		5,690,012	11,648
$ 307,344	$ 87,290	$ 5,127,715	$ 12,000
$ 307,344	$ 87,290	$ 5,127,715	$ 12,000
$ (141,307)	$ (699,434)	$ (2,252,471)	$ -
43,603	139,658	441,042	
(19,234)	(146,405)	(3,168,114)	
(203)	(3,257)	(25,344)	(891)
		(18)	
(1,754)	(590)	227,310	(520)
487	4,643	81,503	383
	953	953	
2,271		4,139	
1,047	(691)	50,633	1,380
26,217	(5,689)	(2,387,896)	352
$ (115,090)	$ (705,123)	$ (4,640,367)	$ 352

CITY OF TAFT
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
June 30, 2014

	Private-Purpose Trust Funds	Agency Funds
ASSETS		
Cash and investments	$ 159,115	$ 62,370
Cash and investments with fiscal agents	462,553	3,250,894
Interest receivable	10	
Prepaid items	356	
Capital assets - nondepreciable	1,698,163	
Capital assets - being depreciated	407,116	
Capital assets - accumulated depreciation	(205,772)	
Total assets	2,521,541	$ 3,313,264
LIABILITIES		
Accounts payable	$ 5	$ 1,873
Accrued payroll	531	
Accrued interest payable	97,911	
Deposits payable		159,000
Due to inmates		59,938
Compensated absences	13,668	
Due to bondholders		3,092,453
Loan payable to City of Taft	2,535,490	
Bonds payable	3,395,000	
Total liabilities	6,042,605	$ 3,313,264
NET POSITION		
Restricted for debt service	364,642	
Unrestricted	(3,885,706)	
Total net position (deficit)	$ (3,521,064)	

See accompanying notes to financial statements

CITY OF TAFT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Private Purpose Trust Funds
Additions:	
Investment revenue	$ 130,490
Taxes and assessments	377,607
Total additions	508,097
Deductions:	
Community development	168,644
Interest expense	201,006
Depreciation	10,178
Total deductions	379,828
Change in net position	128,269
Net Position (Deficit) - July 1, 2013	(4,348,021)
Prior Period Adjustment	698,688
Net Position (Deficit) - July 1, 2013, Restated	(3,649,333)
Net Position (Deficit) - June 30, 2014	$ (3,521,064)

See accompanying notes to financial statements

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Taft, California (the City), which was founded on November 7, 1910, has a population of 9,052 living within an area of 15.05 square miles. It is located in Western Kern County 119 miles northwest of Los Angeles, 280 miles south of San Francisco, and 37 miles southwest of Bakersfield in the foothills of the western edge of southern San Joaquin Valley.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in the U.S. GAAP. The basic—but not the only—criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of the governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criteria used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the City is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the City's reporting entity.

Included within the reporting entity:

- *Taft Public Financing Authority*. A nonprofit public benefit corporation created in 1994 through a Joint Exercise of Powers agreement between the City of Taft and the Taft Community Development Agency established for the purpose of, among other things, issuing bonds to provide financing and refinancing for public capital improvements of the City and Agency. (Separate financial statements are not prepared for this entity.)

- *Taft Public Improvement Corporation*. A nonprofit public benefit corporation, created in 1989 to provide services for the betterment of the City. These services include constructing various capital improvements for the City, assisting with the creation or expansion of the City's facilities, the purchase and sale of real or personal property and assisting the City to finance, acquire, construct and install such property. (Separate financial statements are not prepared for this entity.)

- *Greater Taft Transportation Authority*. The Greater Taft Transportation Authority (GTTA) was formed in April 2001 as a joint exercise of powers between the City of Taft and Taft Community Development Agency pursuant to the California Government Code Section 6500 et seq. (Separate financial statements are not prepared for the GTTA.)

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Accounting and Reporting Policies

The City has conformed to the pronouncements of the GASB, which are the primary authoritative statements of accounting principles generally accepted in the United States of America applicable to state and local governments.

C. Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflow/outflow of resources, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into generic fund types and broad categories as follows:

Governmental Funds:

- *General Fund.* The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in other funds.

- *Special Revenue Funds.* The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

- *Debt Service Fund.* The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

- *Capital Projects Fund.* The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Proprietary Funds:

- *Enterprise Funds.* The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise – where the intent of the City Council is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

- *Internal Service Fund – Garage Fund.* The Garage Fund is used to account for the cost of providing vehicle maintenance to operating funds. Costs are recovered by user charges.

Fiduciary Funds:

- *Agency Funds.* The Agency Funds are used to account for assets held by the City as an agent. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Accounting (Continued)

- ***Private Purpose Funds.*** These funds are for disbursements made only for those activities to wind down the business of the former Taft Community Development Agency (TCDA). These activities include, but are not limited to the payment of debt service related to the bonds issued by the TCDA as well as other contractual commitments.

D. Basis of Accounting/Measurement Focus

Government-wide Financial Statements

The City's Government-wide Financial Statements include a Statement of Net Position and a Statement of Activities (including changes in Net Position). These statements present summaries of governmental and business-type activities of the City. Fiduciary activities of the City are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the City's assets and liabilities, including capital assets and infrastructure as well as long-term debt, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function. Grant and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenue are reported as general revenue.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet, and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and aggregated non-major funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net assets presented in the government-wide financial statements. The City has presented all major funds that met the qualifications of GASB Statement No. 34.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting/Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

All governmental funds are accounted for on a spending or financial flow measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is their net current assets, which is considered only to be a measure of available spendable resources. Governmental fund operating statements present a summary of sources and uses of available spendable resources during a period by presenting increases and decreases in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they both become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. Those revenues susceptible to accrual are property taxes, sales taxes, interest revenues, charges for services, and special assessments. Licenses, fines, and permit revenues are not susceptible to accrual because they generally are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long term obligations which are recognized when due. Because of their current financial resources focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The Revolving Loan Fund – CDBG was established to account for Community Development grants by using Community Development program revenue.

The Revolving Loan Fund – HOME was established to account for funds as direct loans for rehabilitation or reconstruction of dwellings owned and occupied by qualifying low and moderate income households.

The WWTP Capital Projects Fund is used to account for capital asset acquisition and construction of the wastewater treatment plant.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. All proprietary fund types are accounted for using the accrual basis of accounting and the economic resources measurement focus. Their revenues are recognized when earned, and expenses are recognized when incurred. All liabilities associated with their activity are also included in the Statement of Net Position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting/Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

Proprietary Funds include enterprise funds. The City reports the following major enterprise funds:

The Federal WWTP Fund is used to account for the operations related to building and maintaining a wastewater treatment plant for the federal prison.

The CCF Fund is used to account for the operations of the Community Correctional Facility. The CCF provides housing and program services to the California Department of Corrections. The City was notified by the State of California the CCF contract was cancelled on November 2011. However, the City reopened the CCF facility on March 1, 2014 and the State of California is continuing lease payments to the City through January 2017.

The Sewer Fund is used to account for the operations of the City's sewer system.

The Transit Fund is used to record the operations of the Taft Area Transit Dial-A-Ride service. The enterprise collects fares from users of the service.

The Refuse Fund is used to record the operation of the refuse removal enterprise of the City. The enterprise collects user fees for the collection of refuse from businesses and residents in the City of Taft.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenue of the internal service fund is charges to other funds. Operating expenses for the internal service fund include the costs of vehicle maintenance.

Internal Service Fund Statements

The City reports Internal service funds consisting of the central garage fund. These funds are established to account for any activity that provides goods or services to other funds or departments of the primary government and its component units, or to other governments, on a cost-reimbursement basis. See proprietary funds above for accounting for internal service funds.

Fiduciary Fund Financial Statements

Fiduciary Fund Financial Statements include a Statement of Net of Position and a Statement of Changes in Net Position. The fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. Since these assets are being held for the benefit of a third party, these funds are not incorporated into the government-wide statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting/Measurement Focus (Continued)

Fiduciary Fund Financial Statements (Continued)

The City's fiduciary funds are agency funds and private purpose trust funds. These funds use the accrual basis of accounting, Agency funds are used to account for amounts held for debt service related to conduit debt, and amounts held on behalf of inmates housed in the Community Correctional Facility. The Agency funds are custodial in nature (assets equal liabilities) and therefore do not involve measurement of results of operations. The private purpose funds are used to account for the redevelopment agency successor agency by the City as trustee. Trust funds are accounted for on the economic resources measurement focus.

E. Budgetary Policy and Control

General Budget Policies

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public meetings are conducted prior to its adoption by the Council. All appropriations lapse at year-end. The City Council has the legal authority to amend the budget at any time during the fiscal year. The City Manager has the authority to make adjustments to the operating budget within each fund. Transfers of operating budget appropriations between funds or to or from appropriated reserve accounts, use of unappropriated fund balances, cancellation of appropriations and all changes in capital improvement project budgets require the approval of the City Council.

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) for the operating budget is at fund level. Formal budgetary integration is employed as a management control device during the fiscal year for the Governmental Fund Types.

F. Cash/Investment Policy

In order to maintain an effective investment program, all cash, except certain trust and agency cash and restricted cash, is pooled, and amounts not required for day-to-day financial transactions are invested as approved by the City Council on a pooled basis and earnings are allocated to each fund on the basis of its average cash balance at the end of each quarter.

GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and External Pools", requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in the fair value of investments in the year in which the change occurred. In accordance with GASB Statement No. 31, the City has adjusted certain investments to fair value (when material).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets and Depreciation

Capital assets, which include buildings, machinery and equipment, and infrastructure assets (roads, bridges, etc.) are reported in the government-wide financial statements as well as proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $500. Sensitive items with costs below $500 are also included. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available.

Capital assets are depreciated over their estimated useful lives using the straight-line method. This means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The purpose of depreciation is to spread the cost of capital assets over the useful life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation of capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the Statement of Net Position of the government-wide financial statements as a reduction in the book value of capital assets.

The City has assigned the useful lives listed below to capital assets:

Structures and improvements	20-40 Years
Machinery and equipment	5-20 Years
Infrastructure	
Pavement	40 Years
Concrete	60 Years

H. Deferred Outflow/Inflow of Resources

The City reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position that is applicable to a future period.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual; it must be both measurable and available to finance expenditures of the current fiscal period. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources. This type of deferred inflow is unique to governmental funds, since it is tied to the modified accrual basis of accounting, which is used only in connection with governmental funds.

I. Interfund Transactions

Quasi-external transactions are accounted for as fund revenues or expenditures/expenses. Transactions, which constitute reimbursements to a fund for expenditures/expenses are recorded as expenditures/expenses in the reimbursing fund, and as reductions of the expenditures/expenses in the reimbursed fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capitalized Interest

No interest cost relating to construction was capitalized during the fiscal year ending June 30, 2014.

K. Compensated Absences

- **Sick leave liability**
  Generally, employees earn one day of sick leave per month with a maximum accumulation of 720 hours. All employees are entitled to payment for accumulated sick leave up to the lower of 50 percent of earned days or forty-five days, upon retirement, death, or disability.

- **Vacation leave liability**
  Employees earn ten days vacation leave per year, up to four years service; from four years through nine years service, fifteen days are earned; from ten years through nineteen years service, twenty days are earned; and after nineteen years, twenty-five days. All employees are able to accrue an amount equal to twice the employee's annual accrual after which further accrual will cease. Accumulated vacation is payable upon termination. The compensated absences accrual at June 30, 2014, amounted to $158,437 for Governmental Activities and $86,238 for Business-type Activities.

L. Property Taxes

Property Taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments which are delinquent after December 10 and April 10. Unsecured personal property taxes become due on July 1st of each year and are delinquent, if unpaid by August 31st. Kern County bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized on the modified accrual basis of accounting method. The County is permitted by State Law (Proposition 13) to levy taxes at 1 percent of full value (at time of purchase). The City receives a share of this basic levy proportionate to what it received in the 1976 to 1978 period.

M. Cash Flows

Proprietary fund type cash and investments are used in the preparation of the statement of cash flows as investments are pooled and are not allocated to specific funds. Each of these funds' share of pooled cash and investments is considered cash for purposes of the statement of cash flows since these amounts are immediately available for withdrawal. For the purposes of the Proprietary Funds' Statement of Cash Flows, the City considers all investments with a maturity of three months or less when purchased to be cash equivalents.

N. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed. Restricted resources are defined as resources received from outside agencies dedicated for specific purposes (grants for example).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. 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 effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

P. New Accounting Pronouncements

The City has implemented the requirements of Governmental Accounting Standards Board (GASB) during the fiscal year ended June 30, 2014.

Governmental Accounting Standards Board Statement No. 65

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities." This Statement is effective for periods beginning after December 15, 2012. The objective of this Statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. Implementation of the statement and the impact on the City's financial statements are explained in Note 1(H) and Note 16. Items previously reported as assets and liabilities are now reported as deferred inflows or outflows of resources.

Governmental Accounting Standards Board Statement No. 66

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 66, "Technical Correction - 2012." This Statement is effective for periods beginning after December 15, 2012. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions," and GASB Statement No. 62 "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement No. 54 and Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement No. 62 and Statements No. 13, Accounting for Operating Leases with Scheduled Rent Increases, regarding the reporting of certain operating lease transactions, and No. 48, Sales and Pledges of Receivables and Future Revenues and Intra-Equity Transfers of Assets and Future Revenues, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. Implementation of the GASB Statement No. 66 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2014.

Governmental Accounting Standards Board Statement No. 67

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 67, "Financial Reporting for Pension Plans." This Statement is effective for periods beginning after June 15, 2013. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement replaces the requirements of Statements No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. New Accounting Pronouncements (Continued)

Governmental Accounting Standards Board Statement No. 67 (Continued)

Disclosures for Defined Contribution Plans" and No. 50 "Pension Disclosures" as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. Implementation of the GASB Statement No. 67 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2014.

Governmental Accounting Standards Board Statement No. 70

For the fiscal year ended June 30, 2014, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 70, "Accounting and Financial Reporting for Non-exchange Financial Guarantees." This Statement is effective for periods beginning after June 15, 2013. The objective of this Statement is to improve the recognition, measurement, and disclosure guidance for state and local governments that have extended or received financial guarantees that are non-exchange transactions. Implementation of the GASB Statement No. 70 did not have an impact on the City's financial statements for the fiscal year ended June 30, 2014.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. General Budget Policies

1. The budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.

2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the fiscal year. All amendments made during the fiscal year are included in the budgetary amounts reported herein. The "appropriated budget" covers all City expenditures. Actual expenditures may not exceed budgeted appropriations at the fund level, which is the legal level of budgetary control.

3. Formal budgetary integration is employed as a management control device during the fiscal year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Appropriations which are encumbered lapse at fiscal year-end, and then are added to the following fiscal year's budgeted appropriations

4. Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

   Budget comparisons are not presented for the Proprietary funds, as the City is not legally required to adopt a budget for this type of funds.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

A. General Budget Policies (Continued)

4. There were no budgets adopted for the following funds: RLF-CDBG (major fund), Revolving Loan Fund – Home (major fund) , TDA, Business Assistance Grant – EDEF 6534, Business Assistance Grant – EDEF 5878, CDBG Home, Cal Homes Revolving Loan, TARP Revolving Loan, Cal Home 4917, and Taft Successor Housing Agency Special Revenue Fund.

5. Capital projects are budgeted through the Capital Projects Funds. Appropriations for capital projects authorized but not constructed or completed during the fiscal year are carried forward as continuing appropriations into the following fiscal year's budget.

6. Under Article XIII-B of the California constitution (the GANN Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceed of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset by a deficit in the following year. For the fiscal year ended June 30, 2014, based on calculations by City staff, proceeds of taxes did not exceed appropriations. Further, section 5 of Article XIII-B allows the City to designate a portion of fund balance for general contingencies, to be used for any purpose.

B. Deficit Fund Balances/Net Position

The following funds contained deficit fund balances/net position as of June 30, 2014:

Major Entpersie Funds:	
CCF	$ 2,719,530
Transit	778,439
Non Major Governmental Funds:	
Landscape Assessment District	28,773
Inmate Welfare Trust	13,469

The City anticipates that future revenue will be sufficient to cover these deficits.

C. Excess of Expenditures over Appropriations

Excess of expenditures over appropriations in departments/cost centers of individual funds:

	Expenditures	Final Appropriations	Excess
Major Governmental Funds			
General Fund			
General government	$ 1,230,856	$ 1,123,430	$ 107,426
Community development	688,936	686,065	2,871
Capital outlay	419,074	415,359	3,715

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

C. Excess of Expenditures over Appropriations (Continued)

Excess of expenditures over appropriations in departments/cost centers of individual funds (Continued):

	Expenditures	Final Appropriations	Excess
Nonmajor Governmental Funds			
Assets Forfeiture			
Public safety	$ 28,551	$ 25,255	$ 3,296
Crime Prevention			
Public safety	126,661	125,145	1,516
WWTP			
Capital outlay	11,044		11,044

NOTE 3 – CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash and investments at June 30, 2014, consisted of the following:

Statement of Net Position:	
Cash and investments	$ 5,759,617
Statement of Fiduciary Net Position:	
Cash and investments	221,485
Cash and investments with fiscal agents	3,713,447
Total cash and investments	$ 9,694,549

Cash and investments as of June 30, 2014 consisted of the following:

Cash on hand	$ 5,720
Deposits held by financial institutions	303,507
Investments	9,385,322
Total cash and investments	$ 9,694,549

Investments authorized by the California Government Code and the City's Investment policy

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

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Investments authorized by the California Government Code and the City's Investment policy (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage/ Amount of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 Years	None	None
Certificates of Deposit	5 Years	None	None
Negotiable Certificates of Deposit	3 Years	30%	None
Passbook Savings Accounts	N/A	None	None
County Pooled Investment Funds	N/A	50%	None
Local Agency Investment Fund (LAIF)	N/A	$50,000,000	$50,000,000
U.S. Agency Securities	N/A	None	None

Investment Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Investment in One Issuer	Maximum Percentage/ Amount of Portfolio	Maximum Maturity
U.S. Agency Securities	None	None	None
Money Market Mutual Funds	None	None	N/A
Commercial Paper	None	None	270 days
Certificates of Deposit	None	None	5 years
Repurchase Agreements	None	None	180 days
U.S. Treasury Obligations	None	None	365 days
Time Deposits	None	None	365 days

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. Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the table on next page that shows the distribution of the City's investments by maturity:

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk (Continued)

Investment Type	Remaining Maturity (in Months) 12 Months or Less	13 to 24 Months	25 to 60 Months	Total
State Investment Pool (LAIF)	$ 540,328	$ -	$ -	$ 540,328
Certificates of Deposit	631,857	100,446	1,379,045	2,111,348
U.S. Agency Securities			3,007,284	3,007,284
Money Market Funds	12,915			12,915
Held by Trustees:				
U.S. Agency Securities			365,000	365,000
Money Market Funds	3,348,447			3,348,447
Total	$ 4,533,547	$ 100,446	$ 4,751,329	$ 9,385,322

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 fiscal year-end for each investment type:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	S&P Rating AAA	AA+	A	Not Rated
State Investment Pool (LAIF)	$ 540,328	N/A	$ -	$ -	$ -	$ -	$ 540,328
Certificates of Deposit	2,111,348	N/A					2,111,348
U.S. Agency Securities	3,007,284	N/A			3,007,284		
Money Market Funds	12,915	N/A		12,915			
Held by Trustees:							
U.S. Agency Securities	365,000	N/A			365,000		
Money Market Funds	3,348,447	N/A		3,348,447			
Total	$ 9,385,322		$ -	$ 3,361,362	$3,372,284	$ -	$ 2,651,676

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. Investments in any one issuer (other than external investment pools and money market funds) that represent 5% or more of the total City's investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Home Loan Bank	U.S. Agency Security	$ 1,001,069
Federal Farm Credit Bank	U.S. Agency Security	1,003,090
Federal National Mortgage Association	U.S. Agency Security	1,368,125

NOTE 3 – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk (Continued)

Investments in any one issuer that represents 5% or more of total investments by reporting unit are as follows:

The $3,372,284 in the above Federal Agency securities are included within the City's cash and investment pool and therefore are not contained in any specific opinion unit.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of a failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of anther party.

The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provisions 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 fair value of the pledged securities in the collateral pool must equal at least 110% of the total fair value 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.

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: All of the City deposits with financial institutions (including Certificates of Deposit) in excess of federal depository insurance limits were held in pledged collateral accounts as described above.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. 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.

LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee, comprised of California State officials and various participants, provided oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office. The City is a voluntary participant in the investment pool.

NOTE 4 – NOTES RECEIVABLE

The City operates a loan program whereby funds are made available to eligible businesses and individuals for various purposes. Grant funds were originally used to start the program and repayments are required to be used for the same purpose. As of June 30, 2014, the balance of notes receivable was $ 3,445,114. Of this amount, $2,871,115 are deferred housing loans, which are due when the properties are transferred. These loans are collateralized by the titles of the properties. The remaining balances are made up of CDBG loans made to local businesses. These loans carry interest rates between 1% to 5%. All the loans are deferred revenue offsets.

NOTE 5 – INTERFUND ACTIVITIES

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.

Interfund transfers during the fiscal year ended June 30, 2014 are as follows.

	Transfers In	Transfers Out
Major Governmental Funds:		
General	$ 301,072	$ 89,630
Revolving Loan Fund CDBG	176,184	
WWTP Capital Projects	131,200	
Nonmajor Governmental Funds:		
Traffic Safety		6,957
Gas Tax		290,000
Business Assistance Grant - EDEF 6534	65	
TARP Revolving Loan	28,381	115,000
Asset Forfeiture		4,115
WWTP Special Revenue		131,200
Total interfund transfers	$ 636,902	$ 636,902

NOTE 5 – INTERFUND ACTIVITIES (Continued)

Current interfund balances arise in the normal course of business (i.e. one fund loaning funds to pay for current expenditures) and are expected to be repaid shortly after the end of the fiscal year. The following is a summary of interfund balances as of June 30, 2014.

	Due from (Receivable)	Due to (Payable)
Major Governmental Funds:		
General	$ 2,510,737	$ -
WWTP Capital Projects	3,588,117	
Major Proprietary Funds:		
Refuse	580,118	
CCF		5,584,593
Transit		707,246
Nonmajor Governmental Funds:		
Traffic Safety		212
Gas Tax		8,024
TDA		332,103
Landscape Assessment District		28,619
Inmate Welfare Trust		18,175
Total	$ 6,678,972	$ 6,678,972

In addition, the general fund advanced $2,535,490 (including $77,692 accrued interest) to the Successor Agency Capital Projects Fund (formerly the TCDA Capital Projects Funds) within the Private Purpose Trust Funds. During the fiscal year, City recalculated the accrued interest using a lower interest rate as required by California Department of Finance. As a result the accrued interest balance was adjusted down from $757,744 to $77,692.

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the government-wide statement of net position. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructures reporting, whereby depreciation expense and accumulated depreciation have been recorded. The following table presents the capital asset activity for the fiscal year ended June 30, 2014.

Governmental Activities	Balance July 1, 2013	Additions	Deletions	Transfers	Prior Period Adjustment	Balance June 30, 2014
Capital assets not being depreciated:						
Land	$ 1,328,603	$ -	$ -	$ -	$ -	$ 1,328,603
Construction in progress	1,120,119	300,566	(41,742)	(1,141,045)	121,950	359,848
Total capital assets not being depreciated	2,448,722	300,566	(41,742)	(1,141,045)	121,950	1,688,451
Capital assets being depreciated:						
Structures and improvements	8,378,589			357,339		8,735,928
Machinery and equipment	3,219,350	77,307	(50,586)		167,079	3,413,150
Infrastructure:						
Roadway system	3,830,028			783,706		4,613,734
Bridges	265,183					265,183
Total capital assets being depreciated	15,693,150	77,307	(50,586)	1,141,045	167,079	17,027,995
Less accumulated depreciation for:						
Structures and improvements	(4,906,566)	(267,502)				(5,174,068)
Machinery and equipment	(2,873,294)	(144,648)	37,900		(150,858)	(3,130,900)
Infrastructure:						
Roadway system	(1,566,396)	(104,302)				(1,670,698)
Bridges	(229,826)	(8,839)				(238,665)
Total accumulated depreciation	(9,576,082)	(525,291)	37,900		(150,858)	(10,214,331)
Total capital assets, being depreciated net of accumulated depreciation	6,117,068	(447,984)	(12,686)	1,141,045	16,221	6,813,664
Total Governmental activities capital assets, net of accumulated depreciation	$ 8,565,790	$ (147,418)	$ (54,428)	$ -	$ 138,171	$ 8,502,115

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	$ 127,663
Public safety	88,558
Public works	303,116
Community development	5,954
Total depreciation expense - governmental activities	$ 525,291

NOTE 6 – CAPITAL ASSETS AND DEPRECIATION (Continued)

Changes in business-type activities capital assets:

Business-type activities	Balance July 1, 2013	Additions	Deletions	Reclassification	Balance June 30, 2014
Capital assets not being depreciated:					
Land	$ -	$ 11,850	$ -	$ -	$ 11,850
Construction in progress	156,264	311,300			467,564
Total capital assets not being depreciated	156,264	323,150			479,414
Capital assets being depreciated:					
Structures and improvements	5,942,613	41,742	(572,362)	475,347	5,887,340
Machinery and equipment	2,842,531	186,987	(1,075,210)	(475,347)	1,478,961
Sewer infrastructure	2,823,347	85,388			2,908,735
Total capital assets being depreciated	11,608,491	314,117	(1,647,572)		10,275,036
Less accumulated depreciation for:					
Structures and improvements	(3,376,505)	(194,066)	572,362	(146,565)	(3,144,774)
Machinery and equipment	(1,962,301)	(168,204)	1,075,210	146,565	(908,730)
Sewer infrastructure	(1,375,928)	(78,772)			(1,454,700)
Total accumulated depreciation	(6,714,734)	(441,042)	1,647,572		(5,508,204)
Total capital assets, being depreciated, net of accumulated depreciation	4,893,757	(126,925)			4,766,832
Total Business-type activities capital assets, net of accumulated depreciation	$ 5,050,021	$ 196,225	$ -	$ -	$ 5,246,246

Depreciation for business-type activities was charged to functions/programs as follows:

Federal WWTP	$ 179,009
Sewer	78,772
Refuse	43,603
Transit	139,658
Total depreciation expense - business-type activities	$ 441,042

NOTE 7 – GOVERNMENTAL ACTIVITIES LONG-TERM DEBT

During the fiscal year ended June 30, 2014, the following changes occurred to the governmental activities long-term liabilities:

Compensated Absences

The short-term portion of the liability is determined to be the amount due to employees for future absences, which is attributable to services already rendered, and which is expected to be paid during the next fiscal year. The general fund is expected to liquidate approximately 75 percent of the liability, the WWTP special revenue fund approximately 10 percent, and other funds, the remaining 15 percent.

NOTE 7 – GOVERNMENTAL ACTIVITIES LONG-TERM DEBT (Continued)

During the fiscal year ended June 30, 2014, the following changes occurred to the governmental activities long-term liabilities: (Continued)

CalPERS Side Fund

During the 2005-2006 fiscal year, the City was required to participate in the Public Employees Retirement System (CalPERS) risk pool. As a result, a side fund was created to account for the difference between the funded status of the City's plan, in addition to the existing unfunded liability. The outstanding balance at June 30, 2014 was $198,868.

Governmental Activities:	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due in One Year
Compensated Absences	$ 175,902	$ 70,450	$ (87,915)	$ 158,437	$ 39,609
CalPERS side fund obligation	378,068	20,984	(200,184)	198,868	198,868
Total governmental activities	$ 553,970	$ 91,434	$ (288,099)	$ 357,305	$ 238,477

NOTE 8 – BUSINESS-TYPE ACTIVITIES LONG-TERM DEBT

During the fiscal year ended June 30, 2014, the following changes occurred to the business-type activities long-term liabilities:

Business type activities	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due in One Year
Compensated Absences	$ 35,605	$ 57,005	$ (6,372)	$ 86,238	$ 21,560
Total business-type activities	$ 35,605	$ 57,005	$ (6,372)	$ 86,238	$ 21,560

Compensated Absences

The liability is recorded in the various funds and is determined to be the amount due to employees for future absences, which is attributable to services already rendered. The amount estimated to be paid during the next fiscal year is classified with current liabilities, with the remainder classified with noncurrent liabilities.

NOTE 9 – PENSION PLAN OBLIGATION

A. Plan description

The City of Taft 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 act 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, California 95814.

B. Funding policy

Participants are required to contribute 7 percent (9 percent for Tier 1 safety employees) of their annual covered salary. Effective September 1, 2012, the miscellaneous employees group is responsible for paying 7 percent of the employees' share of PERS. Also, effective September 30, 2012, the safety unit employees group will pay 7% of the employees' share of PERS (Safety Tier 1, the City contributes 2 percent of the 9 percent of the employee share). The City is required to contribute at an actuarially determined rate; the rate for the fiscal year ended June 30, 2014 was 10.282% for non-safety employees, 6.25% for non-safety employees Tier 2, 105.223% for Tier 1 public safety employees, and 16.06% for Tier 2 public safety employees of annual covered payroll. The previous fire pool, which has been inactive for years, has a yearly determined PERS employer dollar contribution amount.

C. Annual pension cost

For fiscal year 2013-2014, the City of Taft's annual pension cost was $566,635 and was equal to the City's required and actual contributions. The required contribution for fiscal year 2013-2014 was determined as part of the June 30, 2011 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included: (a) 7.50% investment rate of return (net of administrative expenses); (b) projected salary increases that vary by duration of service ranging from 3.30% to 14.20% for miscellaneous members, 3.30% and 14.20% for the Safety Plan Tier 1 and 3.30% and 14.20% for Tier 2 Safety Plan and; (c) 2% cost-of-living adjustment. Both (a) and (b) include an inflation component of 2.75%. The actuarial value of the plan's assets was determined using a technique that smoothes the effects of short-term volatility in the market value of investments over a fifteen-year period. Miscellaneous Plans' unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis. The average remaining amortization period at June 30, 2014, was 20 years for the Miscellaneous Plan, 16 and 17 years (Tier 1 and Tier 2) for the Safety Police Plans.

D. Three year trend information

Fiscal Year Ended June 30,	Description			Percentage of APC Contributed	Pension Obligation
	Miscellaneous	Police	Fire		
2012	$ 530,362	$ 338,506	$ 21,985	100%	$ -
2013	239,329	189,658	24,138	100%	-
2014	275,330	262,810	28,495	100%	-

NOTE 10 – NET POSITION

Governmental and Business -Type Activities

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. In the Government-wide financial statements, proprietary fund financial statements, and private-purpose trust fund financial statements, net position is classified as either net investment in capital assets, restricted, or unrestricted.

- **Net Investment in Capital Assets** describe the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

- **Restricted** describe the portion of net position, which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include debt service requirements, capital projects, and deferred improvement funds restricted to low and moderate income housing purposes.

- **Unrestricted** describes the portion of net position which is not restricted as to use.

When both restricted and unrestricted net position are available, restricted resources are depleted first before the unrestricted resources are used.

NOTE 11 – RISK MANAGEMENT

The City is exposed to various risks of loss related to, theft of, damage to, and destruction of assets including low value vehicle coverage; errors and omissions; injuries to employees and natural disasters. 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) as a common risk management and insurance program. The relationship between the City and CSJVRMA is such that CSJVRMA is not a component of the City for financial reporting purposes.

CSJVRMA maintains separate records for each year of participation. The records track cash paid to the RMA through deposit premium assessments, the City's self-insurance retention portion of claims paid, and the City's allocation of shared risks. Three years after the close of the workers' compensation coverage year and five years after the close of the general liability coverage year, CSJVRMA assesses the status of all members for that year, and either make a refund to a refund to a member if it has a positive balance (i.e. payout and reserve experience is less than premium paid) or collects any deficit.

Worker's Compensation

The City is self-insured for the first $50,000 of each claim. The City participates in a risk sharing pool through CSJVRMA for claims between $50,000 and $500,000. The CSJVRMA participates in another excess pool, which provides workers' compensation coverage from $500,000 to $1,500,000 and purchases excess insurance above $2,000,000 to $98,000,000.

NOTE 11 – RISK MANAGEMENT (Continued)

General Liability

The City is self-insured for the first $25,000 of each claim. The City participates in a risk sharing pool through CSJVRMA for claims between $25,000 and $1,000,000. The CSJVRMA participates an excess pool, which provides general liability coverage from $1,000,000 to $3,000,000 and purchases excess reinsurance above $3,000,000 to $29,000,000. The CSJVRMA is a consortium of fifty-four 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 per 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 position and results of operations for the CSJVRMA as of June 30, 2014, the most recent information available, is presented below:

Total Assets	$ 80,694,798
Total Liabilities	$ 65,440,947
Total Retained Earnings	15,253,851
Total Liabilities and Retained Earnings	$ 80,694,798
Revenues for Fiscal Year	$ 32,108,146
Expenses for Fiscal Year	32,739,704
Change in Net Position	$ (631,558)

At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the cities in accordance with its governing documents. Audited financial statements are available from the Central San Joaquin Risk Management Authority at 6371 Auburn Boulevard, Citrus Heights, CA 95621.

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

The City entered into a contract with the State of California on January 7, 1997, to establish and operate a Community Correctional Facility (CCF) program consistent with Chapter 7 of the California Penal Code and with Title 15 of the California Code of Regulations for the custody of and the provision of program services to parole violators and other State inmates who are the responsibility of the California Department of Corrections. The State agrees that the monetary considerations of the Contract are not designed to have an adverse fiscal impact on the City. The term of the contract was for 20 years, from January 7, 1997, unless otherwise terminated as provided in the contract.

NOTE 12 – COMMITMENTS AND CONTINGENCIES (Continued)

To provide services under the CCF Program Contract, the City entered into a triple net lease agreement on January 1, 1997, by and between Taft Public Financing Authority (the Authority) and the City to lease the CCF located at 330 Commerce Way in Taft, California and named the facility "Taft Community Correctional Facility." The term of the lease was to end on the earlier of January 1, 2017, or such time as all the bonds had been retired or provision of their payment had been provided for pursuant to the terms of the indenture. The amount of the Base Rental rental was to be equal to the monthly debt service on the Bonds.

The State of California agreed to continue to pay the rentals to the Authority or the Trustee, in the event the CCF Program Contract with the City was terminated. The City agreed to pay the rentals solely with the monies received from the State of California, and under any circumstances, the City was not required to make the rental payments from any other sources of its funding including, but not limited to, the City's general fund.

The City received a notice purporting to terminate the contract from the State of California in May 2011. The facility closed on November 30, 2011, with inmates transferred to other Kern County facilities. The City reopened the CCF facility on March 1, 2014. The City and the State engaged in litigation regarding costs and expenses associated with the closure of the CCF facility. Trial was set and postponed a number of times. Currently, a dismissal hearing is set for said litigation for August 2015. The City and the State have agreed to a settlement of the litigation, with the State to pay the City approximately $168,000 for reimbursement of costs arising from the original closure of the CCF facility. It is expected that the settlement will be finalized, the litigation dismissed, and payment of said monies made in August to September 2015.

The City has received State and Federal funds for specific purposes that are subject to review by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

From time to time, City is involved in various litigation matters incidental to operations, which the opinion of the City the ultimate outcome will not a material effect on operations.

The City is a lessor in certain month – to – month leases. In addition the City leases properties under non-cancelable operating leases. Minimum rents due under these leases are as follows:

Fiscal Year Ending June 30,	Amount
2015	$ 36,000
2016	36,000
2017	36,000
2018	36,000
2019	36,000
Thereafter	342,000
Total	$ 522,000

NOTE 13 – FUND EQUITY

Fund Balance – Governmental Funds

As of June 30, 2014, fund balances of the governmental funds are classified as follows:

- **Nonspendable** – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

- **Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

- **Committed** – amounts that can be used only for specific purposes determined by a formal action of the governing board is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the governing board.

- **Assigned** – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only the governing board or director may assign amounts for specific purposes.

- **Unassigned** – all other spendable amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally, unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

	General	Revolving Loan Fund CDBG	Revolving Loan Fund Home	WWTP Capital Projects	Total Non-major Governmental Funds	Total
Nonspendable:						
Prepaid items	$ 61,167	$ 270	$ 270	$ -	$ 2,835	$ 64,542
Principal on advances	2,457,798					2,457,798
Total Nonspendable	2,518,965	270	270		2,835	2,522,340
Restricted for:						
Streets and roads					109,919	109,919
Public safety					60,592	60,592
Community development		273,365	132,121		102,584	508,070
Capital Projects - WWTP				3,588,419	509,895	4,098,314
Total Restricted		273,365	132,121	3,588,419	782,990	4,776,895
Unassigned	2,538,005				(42,288)	2,495,717
Total Fund Balances	$ 5,056,970	$ 273,635	$ 132,391	$ 3,588,419	$ 743,537	$ 9,794,952

NOTE 14 – CONDUIT DEBT (NONOBLIGATORY DEBT)

In January 1997, Taft Public Financing Authority (the Authority) issued the Lease Revenue Bonds 1997 Series A (Community Correctional Facility Acquisition Project) totaling $21,740,000 to (a) acquire the Taft Community Correctional Facility located at 333 Commerce Way in Taft, California, (b) fund a reserve account, and (c) pay the issuance costs. The principal balance of the Revenue Bonds at June 30, 2014 is $5,020,000.

These bonds are special limited obligations of the Authority, payable solely from and secured by certain pledged revenue to be received from the State of California. The Bonds do not represent or constitute a debt of the Authority, the State, or the City of Taft within the meaning of any constitutional or statutory limitation or pledge of the faith and credit of the State or any political subdivision thereof, including the Authority, the City of Taft, or the State.

NOTE 15 – AGREEMENTS

Wastewater Treatment Plant (WWTP): Under agreements between the City of Taft, the Taft Heights Sanitation District, and the Ford City Sanitation District dated May 29, 1950, amended March 7, 1966, restated April 24, 1972, and restated August 21, 1991, covering the "Joint Sewage Project – 1972," the City operates and maintains the Wastewater Treatment Plant serving the City and the two Sanitation Districts. The City includes the activities of the WWTP within its fund structure since the Agreement specifies that the City shall act on its own behalf and on behalf of the other Districts in operating and maintaining the WWTP. The City maintains the accounting records for the WWTP and has physical custody of its assets. The Agreement specifies that the City shall contribute 52 percent of the revenue required to operate and maintain the WWTP, with the other Districts providing a combined 48 percent of the operating revenue. Since the WWTP is not a separate legal entity it is not considered a component unit.

NOTE 16 – PRIOR PERIOD ADJUSTMENTS

Prior period adjustments of $860 were made to the statement of net position - governmental activities related to an understatement of capital assets in an amount of $138,171, an overstatement of accrual interest on advances in an amount of ($132,398), and understatement of deposit payable in an amount of ($4,913).

A prior period adjustment in the amount of ($175,382) were made to the statement of net position – business-type activities and the major Sewer fund related to an overstatement of interest payable in an amount of ($6,100), an overstatement of accounts receivable in an amount of ($202,625), and an overstatement of allowance of bad debt in an amount of $21,143.

A prior period adjustment in the amount of ($91,586) were made to the statement of net position – business-type activities and the major Refuse fund related to an overstatement of accounts receivable in an amount of ($111,021), and an overstatement of allowance of bad debt in an amount of $19,435.

A prior period adjustment in the amount of $(137,311) was made to the General fund related to an overstatement of accrual interest on advances in an amount of ($132,398) and understatement of deposit payable in an amount of ($4,913).

NOTE 16 – PRIOR PERIOD ADJUSTMENTS (Continued)

Prior period adjustments of $698,688 were made to the private purpose trust funds related to an overstatement of accrual interest payable on advances from the City in an amount of $680,052, an overstatement of unearned revenues in an amount of $130,531 and an overstatement of deferred charges in an amount of ($111,895) due to implementation of GASB statement No. 65.

NOTE 17 – RELATED PARTY TRANSACTIONS

The purchase of a City-owned residence was approved by the City Council in a closed session during August 2006 and during the fiscal year was leased to the City Manager. Subsequent to the fiscal year end June 30, 2012 the City Manager resigned. Presently, the residence is leased to the non-related resident in an amount of $1,200 per month. The lease term is for six month with a six month auto renewal, if not canceled by either party, with the option to purchase the property at the appraised value at the time of purchase.

A City employee's family member obtained a loan under a City grant program which was approved by the City and the State of California Agency administering the grant program.

NOTE 18 – SUCCESSORY AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Taft that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or other unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 17, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City resolution number 12.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence as the date of the dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the state Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

NOTE 18 – SUCCESSORY AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Prior to that date, the final seven months of activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

Capital Asset activity for the fiscal year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Capital assets not being depreciated:				
Land	$ 1,698,163	$ -	$ -	$ 1,698,163
Total capital assets not being depreciated	1,698,163			1,698,163
Capital assets being depreciated:				
Structures and improvements	407,116			407,116
Total capital assets being depreciated	407,116			407,116
Less accumulated depreciation for:				
Structures and improvements	(195,594)	(10,178)		(205,772)
Total accumulated depreciation	(195,594)	(10,178)		(205,772)
Total capital assets, being depreciated net of accumulated depreciation	211,522	(10,178)		201,344
Total Governmental activities capital assets, net of accumulated depreciation	$ 1,909,685	$ (10,178)	$ -	$ 1,899,507

The following is a schedule of long-term liabilities for the fiscal year ended June 30, 2014:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due in One Year
1998 Revenue Refunding Bonds	$ 3,555,000	$ -	$ (160,000)	$ 3,395,000	$ 165,000
Total governmental activities	$ 3,555,000	$ -	$ (160,000)	$ 3,395,000	$ 165,000

NOTE 18 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

1998 Revenue Refunding Bonds (Continued)

The maturity schedule of the bonds is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2015	$ 165,000	$ 196,910	$ 361,910
2016	175,000	187,340	362,340
2017	180,000	177,190	357,190
2018	195,000	166,750	361,750
2019	205,000	155,440	360,440
2020-2024	1,220,000	583,190	1,803,190
2025-2028	1,255,000	187,340	1,442,340
Total	$ 3,395,000	$ 1,654,160	$ 5,049,160

NOTE 19- SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report which is May 18, 2015.

NOTE 20-OTHER MATTERS

Pursuant to City Resolution No. 3392-12 dated January 11, 2012, which was in part the result of the California Supreme Court's ruling in California Redevelopment Association v. Matosantos Case No. S194861 which upheld AB26x1 that dissolved all of the redevelopment agencies in California, the City determined that it is in the best interests to serve as Successor Agency.

Further, pursuant to the above Resolution, the City had the Taft Housing Authority assume all rights, powers, assets, liabilities, duties and obligations associated with housing activities of the Taft Community Development Agency. City Resolution 3284, dated March 15, 2011 created a Housing Authority and designated City Council members as the Housing Authority Commissioners. Presently, any Taft Housing Authority expenditure actions need approval of the Successor Agency.

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CITY OF TAFT
MAJOR FUND BUDGETARY COMPARISON SCHEDULES
JUNE 30, 2014

Budgetary comparison schedules are presented as Required Supplementary Information for the General Fund as provided for by GASB Statement No. 34. The budgetary comparison schedules for the remaining major funds are presented to aid in additional analysis and is not a required part of the basic financial statements or Required Supplementary Information.

Budgets were not adopted for the Revolving Loan Fund CDBG and Revolving Loan Fund Home.

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CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	$ 1,415,120	$ 1,487,160	$ 1,276,017	$ (211,143)
Sales taxes	1,709,791	1,734,676	1,773,391	38,715
Other taxes	411,736	419,320	467,880	48,560
Licenses and permits, and fees	279,963	354,747	363,033	8,286
Fines and forfeitures	2,336	2,104	2,090	(14)
Use of money and property	121,743	223,041	178,430	(44,611)
Intergovernmental	52,542	262,969	301,945	38,976
Current services charges	2,137,436	1,583,273	2,080,339	497,066
Other	14,750	82,453	519,444	436,991
Total revenues	6,145,417	6,149,743	6,962,569	812,826
EXPENDITURES				
Current:				
General government	1,097,374	1,123,430	1,230,856	(107,426)
Public safety	3,152,809	3,169,043	3,084,562	84,481
Public works	1,062,990	1,035,341	957,572	77,769
Community development	565,599	686,065	688,936	(2,871)
Capital outlay	72,500	415,359	419,074	(3,715)
Total expenditures	5,951,272	6,429,238	6,381,000	48,238
Excess (deficiency) of revenues over expenditures	194,145	(279,495)	581,569	861,064
OTHER FINANCING SOURCES (USES)				
Transfers in	391,301	279,495	301,072	21,577
Transfers out			(89,630)	(89,630)
Total other financing sources (uses)	391,301	279,495	211,442	(68,053)
Net change in fund balance	585,446		793,011	793,011
Fund balance, beginning of fiscal year	4,401,270	4,401,270	4,401,270	
Prior period adjustment			(137,311)	(137,311)
Fund balance, beginning of fiscal year, restated	4,401,270	4,401,270	4,263,959	(137,311)
Fund balance, end of fiscal year	$ 4,986,716	$ 4,401,270	$ 5,056,970	$ 655,700

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CITY OF TAFT
MAJOR CAPTIAL PROJECT FUND
JUNE 30, 2014

WWTP Capital Projects Fund

The WWTP Capital Projects Fund is used to account for capital asset acquisition and construction of the wastewater treatment plant.

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CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WWTP CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of money and property	$ 30,164	$ 32,463	$ 2,299
Total revenues	30,164	32,463	2,299
EXPENDITURES			
Capital outlay	142,364		142,364
Total Expenditures	142,364		142,364
Excess (Deficiency) of Revenues Over Expenditures	(112,200)	32,463	144,663
OTHER FINANCING SOURCES (USES)			
Transfers in	131,200	131,200	
Transfers out	(19,000)		19,000
Total other financing sources (uses)	112,200	131,200	19,000
Net change in fund balance		163,663	163,663
Fund balance, beginning of fiscal year	3,424,756	3,424,756	
Fund balance, end of the fiscal year	$ 3,424,756	$ 3,588,419	$ 163,663

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CITY OF TAFT
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

SPECIAL REVENUE FUNDS

Traffic Safety

This Fund was established to receive the City's share of traffic fines and reimburse the General Fund for police activities related to traffic safety and traffic control devices.

Gas Tax

This fund was established to receive a share of the revenues derived from the State taxes on gasoline.

Transportation and Development Act (TDA)

This fund was established to receive and expend the City's allocation of sales tax under SB 325. This bill reduced the State's percentage of sales tax by 1.4 percent and allowed the counties within the State of California to increase their sales tax percentage by ¼ percent. The funds generated by this ¼ percent are allocated to the counties and a portion of this is then allocated to the cities within each county and restricted to street purposes.

Business Assistance Grant – EDEF 6534

This fund was established to account for business assistance loans under one of the City's grant programs.

Community Development Block Grant Home - 6859

This fund was established to account for business assistance loans under one of the City's grant programs.

Cal Home Revolving Loan

This fund was established to account for all CalHome grant received by the City.

Tarp Revolving Loan

This fund was established to account for funds received from the State of California CDBG program whose intent is to provide financing to new and existing businesses for a healthy economic environment.

Asset Forfeiture

This fund was established to receive funds that are seized from narcotics dealers or following the sale of dealer assets.

Landscape Assessment District

This fund was established in connection with a single-family housing development project (Tract No. 5574) and will be used to record expenditures and revenues relative to formation and operation of a Landscape Maintenance District in that tract.

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SPECIAL REVENUE FUNDS (Continued)

Cal Home-4917

This fund was established to account for all Cal Home grant funds received by the City.

Crime Prevention

This fund was established to account for receipts from the State COPS grant program and related expenditures.

Taft Successor Housing

This fund was established to account for the former TCDA Low/Moderate Income Housing fund transferred to the City.

Wastewater Treatment Plant (WWTP)

This fund is used to account for special projects related to the City's share of the wastewater treatment plant.

Inmate Welfare Trust

The inmate welfare trust fund account is established and maintained pursuant to Penal Code Sections 5005, 5006.1, 5007, and 5008 and the Business Administration Manual, Chapter 4200. All entries to the inmate welfare trust fund are supported by source documentation.

CITY OF TAFT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2014

	Special Revenue Funds			
	Traffic Safety	Gas Tax	TDA	Business Assistance Grant - EDBF 6534
ASSETS				
Cash and investments	$ -	$ -	$ -	$ -
Receivables:				
Accounts	1,037	27,541	422,485	
Interest		20		
Notes				
Prepaid items				
Total assets	$ 1,037	$ 27,561	$ 422,485	$ -
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Accrued payroll				
Due to other funds	212	8,024	332,103	
Total liabilities	212	8,024	332,103	
DEFERRED INFLOW OF RESOURCES				
Unearned revenue - loans/notes				
FUND BALANCES				
Nonspendable				
Restricted	825	19,537	90,382	
Unassigned				
Total fund balances (deficits)	825	19,537	90,382	
Total liabilities, deferred inflow of resources, and fund balances	$ 1,037	$ 27,561	$ 422,485	$ -

Special Revenue Funds						
CDBG Home - 6859	Cal Homes Revolving Loan Fund	TARP Revolving Loan	Asset Forfeiture	Landscape Assessment District	Cal Home 4917	Crime Prevention
$ -	$ -	$ 102,576	$ 57,021	$ -	$ -	$ 3,441
		8	6			1
	283,790	212,418				
				46		2,700
$ -	$ 283,790	$ 315,002	$ 57,027	$ 46	$ -	$ 6,142
$ -	$ -	$ -	$ 85	$ 75	$ -	$ 6
				125		611
				28,619		
			85	28,819		617
	283,790	212,418				
				46		2,700
		102,584	56,942			2,825
				(28,819)		
		102,584	56,942	(28,773)		5,525
$ -	$ 283,790	$ 315,002	$ 57,027	$ 46	$ -	$ 6,142

(Continued)

CITY OF TAFT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2014
(Continued)

	Special Revenue Funds			
	Taft Successor Housing	WWTP Special Revenue	Inmate Welfare Trust	Total Non-Major Governmental Funds
ASSETS				
Cash and investments	$ -	$ 48,762	$ 3,532	$ 215,332
Receivables:				
Accounts		466,749	2,324	920,136
Interest		6		41
Notes				496,208
Prepaid items		89		2,835
Total assets	$ -	$ 515,606	$ 5,856	$ 1,634,552
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ 4,350	$ 294	$ 4,810
Accrued payroll		1,272	856	2,864
Due to other funds			18,175	387,133
Total liabilities		5,622	19,325	394,807
DEFERRED INFLOW OF RESOURCES				
Unearned revenue - loans/notes				496,208
FUND BALANCES				
Nonspendable		89		2,835
Restricted		509,895		782,990
Unassigned			(13,469)	(42,288)
Total fund balances (deficits)		509,984	(13,469)	743,537
Total liabilities, deferred inflow of resources, and fund balances	$ -	$ 515,606	$ 5,856	$ 1,634,552

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CITY OF TAFT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Special Revenue Funds			
	Traffic Safety	Gas Tax	TDA	Business Assistance Grant - EDEF 6534
REVENUES				
Fines and forfeitures	$ 6,957	$ -	$ -	$ -
Use of money and property		1,475		
Intergovernmental		281,397		
Current services charges				
Other				
Total revenues	6,957	282,872		
EXPENDITURES				
Current:				
General government				
Public safety				
Public works				
Health and welfare				
Community development				(8)
Capital outlay				
Total expenditures				(8)
Excess of revenues over (under) expenditures	6,957	282,872		8
OTHER FINANCING SOURCES (USES)				
Transfers in				65
Transfers out	(6,957)	(290,000)		
Total other financing sources (uses)	(6,957)	(290,000)		65
Net changes in fund balances		(7,128)		73
Fund balances (deficits), beginning of fiscal year	825	26,665	90,382	(73)
Fund balances (deficits), end of fiscal year	$ 825	$ 19,537	$ 90,382	$ -

Special Revenue Funds						
CDBG Home - 6859	Cal Homes Revolving Loan Fund	TARP Revolving Loan	Asset Forfeiture	Landscape Assessment District	Cal Home 4917	Crime Prevention
$ -	$ -	$ -	$ 2,374	$ -	$ -	$ -
		1,026	578	1		110
3,320		71,735	14,386			100,000
				8,111		
3,320		72,761	17,338	8,112		100,110
			28,551			126,661
				14,400		
		(517)			1,996	
		(517)	28,551	14,400	1,996	126,661
3,320		73,278	(11,213)	(6,288)	(1,996)	(26,551)
		28,381				
		(115,000)	(4,115)			
		(86,619)	(4,115)			
3,320		(13,341)	(15,328)	(6,288)	(1,996)	(26,551)
(3,320)		115,925	72,270	(22,485)	1,996	32,076
$ -	$ -	$ 102,584	$ 56,942	$ (28,773)	$ -	$ 5,525

(Continued)

CITY OF TAFT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
(Continued)

	Special Revenue Funds			
	Taft Successor Housing	WWTP Special Revenue	Inmate Welfare Trust	Total Non-Major Governmental Funds
REVENUES				
Fines and forfeitures	$ -	$ -	$ -	$ 9,331
Use of money and property	130	1,271		4,591
Intergovernmental		908,517		1,379,355
Current services charges		94,780	4,779	107,670
Other	4,518		1,076	5,594
Total revenues	4,648	1,004,568	5,855	1,506,541
EXPENDITURES				
Current:				
General government		667,722		667,722
Public safety				155,212
Public works				14,400
Health and welfare			19,324	19,324
Community development	585,049			586,520
Capital outlay		11,044		11,044
Total expenditures	585,049	678,766	19,324	1,454,222
Excess of revenues over (under) expenditures	(580,401)	325,802	(13,469)	52,319
OTHER FINANCING SOURCES (USES)				
Transfers in				28,446
Transfers out		(131,200)		(547,272)
Total other financing sources (uses)		(131,200)		(518,826)
Net changes in fund balances	(580,401)	194,602	(13,469)	(466,507)
Fund balances (deficits), beginning of fiscal year	580,401	315,382		1,210,044
Fund balances (deficits), end of fiscal year	$ -	$ 509,984	$ (13,469)	$ 743,537

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TRAFFIC SAFETY SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and forfeitures	$ 5,919	$ 6,957	$ 1,038
Total revenues	5,919	6,957	1,038
OTHER FINANCING SOURCES (USES)			
Transfers out	(5,919)	(6,957)	(1,038)
Total other financing sources (uses)	(5,919)	(6,957)	(1,038)
Net change in fund balance			
Fund balance, beginning of fiscal year	825	825	
Fund balance, end of fiscal year	$ 825	$ 825	$ -

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of money and property	$ 1,726	$ 1,475	$ (251)
Intergovernmental	267,735	281,397	13,662
Total revenues	269,461	282,872	13,411
OTHER FINANCING SOURCES (USES)			
Transfers out	(269,461)	(290,000)	(20,539)
Total other financing sources (uses)	(269,461)	(290,000)	(20,539)
Net change in fund balance		(7,128)	(7,128)
Fund balance, beginning of fiscal year	26,665	26,665	
Fund balance, end of fiscal year	$ 26,665	$ 19,537	$ (7,128)

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ASSET FORFEITURE SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and forfeitures	$ 2,374	$ 2,374	$ -
Use of money and property	346	578	232
Intergovernmental	14,386	14,386	
Total revenues	17,106	17,338	232
EXPENDITURES			
Current:			
Public safety	25,255	28,551	(3,296)
Capital outlay	3,296		3,296
Total expenditures	28,551	28,551	
Excess (deficiency) of revenues over expenditures	(11,445)	(11,213)	232
OTHER FINANCING SOURCES (USES)			
Transfers in	15,560		(15,560)
Transfers out	(4,115)	(4,115)	
Total other financing sources (uses)	11,445	(4,115)	(15,560)
Net change in fund balance		(15,328)	(15,328)
Fund balance, beginning of fiscal year	72,270	72,270	
Fund balance, end of fiscal year	$ 72,270	$ 56,942	$ (15,328)

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
LANDSCAPE ASSESSMENT SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of money and property	$ -	$ 1	$ 1
Current services charges	8,222	8,111	(111)
Total revenues	8,222	8,112	(110)
EXPENDITURES			
Current:			
Public works	14,692	14,400	292
Total expenditures	14,692	14,400	292
Excess (deficiency) of revenues over expenditures	(6,470)	(6,288)	182
OTHER FINANCING SOURCES (USES)			
Transfers in	6,470		(6,470)
Total other financing sources (uses)	6,470		(6,470)
Net change in fund balance		(6,288)	(6,288)
Fund balance (deficit), beginning of fiscal year	(22,485)	(22,485)	
Fund balance (deficit), end of fiscal year	$ (22,485)	$ (28,773)	$ (6,288)

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CRIME PREVENTION SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of money and property	$ 60	$ 110	$ 50
Intergovernmental	100,000	100,000	
Total revenues	100,060	100,110	50
EXPENDITURES			
Current:			
Public safety	125,145	126,661	(1,516)
Total expenditures	125,145	126,661	(1,516)
Excess (deficiency) of revenues over expenditures	(25,085)	(26,551)	(1,466)
OTHER FINANCING SOURCES (USES)			
Transfers in	25,085		(25,085)
Total other financing sources (uses)	25,085		(25,085)
Net change in fund balance		(26,551)	(26,551)
Fund balance, beginning of fiscal year	32,076	32,076	
Fund balance, end of fiscal year	$ 32,076	$ 5,525	$ (26,551)

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WWTP SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of money and property	$ -	$ 1,271	$ 1,271
Intergovernmental	893,519	908,517	14,998
Current services charges	70,000	94,780	24,780
Total revenues	963,519	1,004,568	41,049
EXPENDITURES			
Current:			
General government	851,319	667,722	183,597
Capital outlay		11,044	(11,044)
Total expenditures	851,319	678,766	172,553
Excess (deficiency) of revenues over expenditures	112,200	325,802	213,602
OTHER FINANCING SOURCES (USES)			
Transfers in	19,000		(19,000)
Transfers out	(131,200)	(131,200)	
Total other financing sources (uses)	(112,200)	(131,200)	(19,000)
Net change in fund balance		194,602	194,602
Fund balance, beginning of fiscal year	315,382	315,382	
Fund balance, end of fiscal year	$ 315,382	$ 509,984	$ 194,602

CITY OF TAFT
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INMATE WELFARE TRUST SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Current services charges	$ 18,248	$ 4,779	$ (13,469)
Other	1,076	1,076	
Total revenues	19,324	5,855	(13,469)
EXPENDITURES			
Current:			
Health and welfare	19,324	19,324	
Total expenditures	19,324	19,324	
Net change in fund balance		(13,469)	(13,469)
Fund balance, beginning of fiscal year			
Fund balance (deficit), end of fiscal year	$ -	$ (13,469)	$ (13,469)

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CITY OF TAFT
PRIVATE-PURPOSE TRUST FUNDS AND AGENCY FUNDS
JUNE 30, 2014

Private-Purpose Trust Funds are used to account for assets and liabilities held by the City of Taft in a trustee capacity.

Capital Projects Fund

This fund is used to account for capital assets and other activities of the former redevelopment agency.

Post RDA Debt Retirement

This fund is used to account for administration and debt retirement activities related to the former redevelopment agency

AGENCY FUNDS DESCRIPTION

Trust and agency funds were established to control money held by the City as agent or trustee. The collections reflected in these funds are not revenues to the City and disbursements do not represent expenditures of the City. Accordingly, these funds do not employ the budgetary accounting procedures used for the other funds.

Inmate Trust Account

The Inmate Trust Account maintains those accounting records necessary to provide for the recording of all transactions affecting the inmate trust accounts. It also provides accurate and current information relative to each individual inmate trust account.

1997-A Lease Revenue Bond

This fund is used to account for resources held related to nonobligatory conduit debt. The City acts as an agent by collecting payments and forwarding them to a trustee on behalf of the bondholders.

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CITY OF TAFT
COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2014

	Capital Projects Fund	Post RDA Debt Retirement	Total
ASSETS			
Cash and investments	$ -	$ 159,115	$ 159,115
Cash and investment with fiscal agents		462,553	462,553
Interest receivable		10	10
Prepaid items		356	356
Capital assets - nondepreciable	1,698,163		1,698,163
Capital assets - being depreciated	407,116		407,116
Capital assets - accumulated depreciation	(205,772)		(205,772)
Total assets	1,899,507	622,034	2,521,541
LIABILITIES			
Accounts payable		5	5
Accrued payroll		531	531
Accrued interest payable		97,911	97,911
Compensated absences		13,668	13,668
Advance due to City of Taft		2,535,490	2,535,490
Bonds payable		3,395,000	3,395,000
Total liabilities		6,042,605	6,042,605
NET POSITION (DEFICIT)			
Restricted for debt service		364,642	364,642
Unrestricted	1,899,507	(5,785,213)	(3,885,706)
Total Net Position (Deficit)	$ 1,899,507	$ (5,420,571)	$ (3,521,064)

CITY OF TAFT
PRIVATE PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Capital Projects Fund	Post RDA Debt Retirement	Total
Additions:			
Investment revenue	$ 1	$ 130,489	$ 130,490
Taxes and assessments		377,607	377,607
Total additions	1	508,096	508,097
Deductions:			
Community development		168,644	168,644
Interest expense		201,006	201,006
Depreciation	10,178		10,178
Total deductions	10,178	369,650	379,828
Change in net position	(10,177)	138,446	128,269
Net Position (Deficit) - July 1, 2013	1,909,684	(6,257,705)	(4,348,021)
Prior Period Adjustment		698,688	698,688
Net Position (Deficit) - July 1, 2013, Restated	1,909,684	(5,559,017)	(3,649,333)
Net Position (Deficit) - June 30, 2014	$ 1,899,507	$ (5,420,571)	$ (3,521,064)

CITY OF TAFT
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2014

	Inmate Trust Fund	1997-A Lease Revenue Bond	Total
ASSETS			
Cash and investments	$ 61,811	$ 559	$ 62,370
Cash and investment with fiscal agents		3,250,894	3,250,894
Total assets	$ 61,811	$ 3,251,453	$ 3,313,264
LIABILITIES			
Accounts payable	$ 1,873	$ -	$ 1,873
Deposits payable		159,000	159,000
Due to inmates	59,938		59,938
Due to bondholders		3,092,453	3,092,453
Total liabilities	$ 61,811	$ 3,251,453	$ 3,313,264

CITY OF TAFT
FIDUCIARY FUNDS - AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Inmate Trust Fund	July 1, 2013 Balance	Additions	Reductions	June 30, 2014 Balance
ASSETS				
Cash and investments	$ 8,812	$ 121,626	$ (68,627)	$ 61,811
Total assets	$ 8,812	$ 121,626	$ (68,627)	$ 61,811
LIABILITIES				
Accounts payable	$ -	$ 65,898	$ (64,025)	$ 1,873
Due to inmates	8,812	55,728	(4,602)	59,938
Total liabilities	$ 8,812	$ 121,626	$ (68,627)	$ 61,811

1997-A Lease Revenue Bond	July 1, 2013 Balance	Additions	Reductions	June 30, 2014 Balance
ASSETS				
Cash and investments	$ 559	$ -	$ -	$ 559
Cash and investments with fiscal agents	3,262,612	3,710,007	(3,721,725)	3,250,894
Total assets	$ 3,263,171	$ 3,710,007	$ (3,721,725)	$ 3,251,453
LIABILITIES				
Deposits payable	$ 159,000	$ -	$ -	$ 159,000
Due to bondholders	3,104,171	3,710,007	(3,721,725)	3,092,453
Total liabilities	$ 3,263,171	$ 3,710,007	$ (3,721,725)	$ 3,251,453

Total	July 1, 2013 Balance	Additions	Reductions	June 30, 2014 Balance
ASSETS				
Cash and investments	$ 9,371	$ 121,626	$ (68,627)	$ 62,370
Cash and investments with fiscal agents	3,262,612	3,710,007	(3,721,725)	3,250,894
Total assets	$ 3,271,983	$ 3,831,633	$ (3,790,352)	$ 3,313,264
LIABILITIES				
Accounts payable	$ -	$ 65,898	$ (64,025)	$ 1,873
Due to bondholders	3,104,171	3,710,007	(3,721,725)	3,092,453
Due to inmates	8,812	55,728	(4,602)	59,938
Deposits payable	159,000			159,000
Total liabilities	$ 3,271,983	$ 3,831,633	$ (3,790,352)	$ 3,313,264

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY-TAFT HEIGHTS
SANITATION DISTRICT

FINANCIAL STATEMENTS

JUNE 30, 2014

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY-TAFT HEIGHTS
SANITATION DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
City of Taft/Ford City-Taft Heights
Sanitation District
Taft, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Wastewater Treatment Plant of the City of Taft / Ford City-Taft Heights Sanitation District (the WWTP), as of and for the fiscal year ended June 30, 2014, which collectively comprise the WWTP'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.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Wastewater Treatment Plant of the City of Taft / Ford City-Taft Heights Sanitation District, California, as of June 30, 2014, and the respective changes in financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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 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.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 16 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 methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the WWTP's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual – Capital Projects Fund is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance, Budget and Actual – Capital Projects Fund is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated May 18, 2015, on our consideration of the WWTP's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the WWTP's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim, LLP
Culver City, California
May 18, 2015

GOVERNMENT-WIDE FINANCIAL STATEMENTS

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2014

	Governmental Activities
ASSETS	
Current Assets:	
Cash and investments	$ 3,636,879
Accounts receivable	466,749
Interest receivable	308
Prepaid expenses	89
Total Current Assets	4,104,025
Noncurrent Assets:	
Capital assets:	
Non-depreciable:	
Land	18,750
Construction-in-progress	132,994
Depreciable, net of accumulated depreciation:	
Machinery and equipment	11,794
Structures and improvements	764,606
Total Noncurrent Assets	928,144
Total Assets	5,032,169
LIABILITIES	
Current Liabilities:	
Accounts payable	4,350
Accrued payroll	1,272
Compensated absences	3,790
Total Current Liabilities	9,412
Total Liabilities	9,412
NET POSITION	
Net investment in capital assets	928,144
Nonspendable	89
Restricted	4,094,524
Total Net Position	$ 5,022,757

The notes to the basic financial statements are an integral part of this statement.

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Function/Program	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense)/Revenue and Changes in Net Position Governmental Activities
Governmental Activities:					
General government	$ 719,133	$ 94,780	$ 908,517	$ -	$ 284,164
Total Governmental Activities	$ 719,133	$ 94,780	$ 908,517	$ -	284,164
General Revenues:					
Investment earnings					33,734
Total General Revenues					33,734
Change in Net Position					317,898
Net Position, Beginning of Fiscal Year					4,704,859
Net Position, End of Fiscal Year					$ 5,022,757

The notes to basic financial statements are an integral part of this statement.

FUND FINANCIAL STATEMENTS

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014

	WWTP Capital Projects	WWTP Special Revenue	Total Governmental Funds
ASSETS			
Cash and investments	$ 3,588,117	$ 48,762	$ 3,636,879
Accounts receivable		466,749	466,749
Interest receivable	302	6	308
Prepaid items		89	89
Total Assets	$ 3,588,419	$ 515,606	$ 4,104,025
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ 4,350	$ 4,350
Accrued payroll		1,272	1,272
Total Liabilities		5,622	5,622
FUND BALANCES			
Nonspendable		89	89
Restricted	3,588,419	509,895	4,098,314
Total Fund Balances	3,588,419	509,984	4,098,403
Total Liabilities and Fund Balances	$ 3,588,419	$ 515,606	$ 4,104,025

The notes to basic financial statements are an integral part of this statement.

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Fund Balances of Governmental Funds	$	4,098,403
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. This balance reflects WWTP's compensated absences.		(3,790)
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		928,144
Net Position of Governmental Activities	$	5,022,757

The notes to the basic financial statements are an integral part of this statement.

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	WWTP Capital Projects	WWTP Special Revenue	Total Governmental Funds
REVENUES			
Intergovernmental	$ -	$ 908,517	$ 908,517
Use of money and property	32,463	1,271	33,734
Charges for services		94,780	94,780
Total Revenues	32,463	1,004,568	1,037,031
EXPENDITURES			
Current:			
General government		667,722	667,722
Capital outlay		11,044	11,044
Total Expenditures		678,766	678,766
Excess (Deficiency) of Revenues Over Expenditures	32,463	325,802	358,265
OTHER FINANCING SOURCES (USES)			
Transfers in	131,200		131,200
Transfers out		(131,200)	(131,200)
Total Other Financing Sources (Uses)	131,200	(131,200)	
Net Change in Fund Balances	163,663	194,602	358,265
Fund Balances, Beginning of Fiscal Year	3,424,756	315,382	3,740,138
Fund Balances, End of Fiscal Year	$ 3,588,419	$ 509,984	$ 4,098,403

The notes to basic financial statements are an integral part of this statement.

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Net Change in Fund Balances of Governmental Funds			$	358,265
Amounts reported for governmental activities in the Statement of Activities differs from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances because:				
Governmental funds report capital outlay as expenditures. However, in the statement of activities the costs of those assets are allocated over their estimated useful lives as depreciation expense. This activity is reconciled as follows:				
	Cost of assets capitalized	$ 11,044		
	Depreciation	(50,513)		(39,469)
Debt repayments are reported as expenditures in the governmental funds. The repayment is not an expense in the statement of activities as it is a reduction of a long-term liability. This amount reflects the difference between compensated absences accrued and compensated absences paid for the period.				(898)
Change in Net Position of Governmental Activities			$	317,898

The notes to the basic financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The primary function of this organization is the operation and maintenance of the sewer treatment facility serving the City of Taft (the City) and the Ford City-Taft Heights Sanitation District. In accordance with the terms of the "Joint Exercise of Powers Agreements" between the City of Taft, Taft Heights, and Ford City Sanitation District dated May 29, 1950, amended March 7, 1966, restated April 24, 1972, and restated August 21, 1991, covering the "Joint Sewage Project – 1972," the City of Taft was designated to act on its own behalf and on behalf of each of the other agencies, to operate and maintain the Wastewater Treatment Plant (WWTP). All costs to operate and maintain the facilities shall be paid by the City of Taft and the other agencies in the following cost share ratios:

52 percent shall be paid by the City of Taft
19 percent shall be paid by the Taft Heights Sanitation District
29 percent shall be paid by the Ford City Sanitation District

The WWTP has access to the services and facilities of the City and the City's staff. The City assists the WWTP in the planning, financing, acquisition, construction, and maintenance or operation of the activities undertaken by the WWTP in accordance with the agreements and the applicable state and federal law. The costs incurred and paid by the City on behalf of the WWTP may include a part of the salaries and benefits of the City officers and employees who performed services for the WWTP, and are reimbursed by the WWTP.

The financial statements of the WWTP have been prepared in accordance with accounting principles generally accepted in the United States of America (USGAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The more significant of the accounting principles are described below:

A. Reporting Entity

The City of Taft operates the WWTP pursuant to the Joint Exercise of Powers Agreement noted above. The WWTP is not a separate legal entity and therefore is not included as a component unit of the City. Because of the City's oversight responsibilities, the funds of the WWTP are included within the fund structure of the City. The financial statements of the WWTP do not purport to, and do not, present fairly the financial position of the City of Taft as a whole or the Ford City or Taft Heights Sanitation Districts as a whole.

B. Fund Accounting

The accounts of the Wastewater Treatment Plant are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The WWTP uses two funds as follows:

Capital Projects Fund – the Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Special Revenue Fund – the Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting/Measurement Focus

Consistent with the City's implementation of GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments,* the WWTP financial statements report information on both the accrual and modified accrual basis of accounting. The differences between the two presentations are discussed below.

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the WWTP's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized when the liability is incurred. Interfund activities (such as transfers) are eliminated from these statements.

Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balance for each fund. A separate statement is presented to report the differences in fund balance as presented in these statements to the net position presented in the Statement of Net Position. All governmental funds are accounted for on a "spending" or "financial flow" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is their net current assets, which is considered only to be a measure of available resources. Governmental fund operating statements present a summary of sources and uses of available resources during a period by presenting increases and decreases in net position. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after fiscal year end) are recognized when due. Revenues susceptible to accrual are investment earnings and assessments from member governments.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on long term obligations which are recognized when due. Because of their current financial resources focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

D. Budgetary Policy and Control

1. General Budget Policies

The Taft City Council approves each fiscal year's budget for the WWTP as part of the overall City budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. All appropriations lapse at year-end. The City Council has the legal authority to amend the budget at any time during the fiscal year. The City Manager has the authority to make adjustments to the operating budget within program areas. Transfers of operating budget appropriations between program areas or to or from appropriated reserve accounts, use of unappropriated fund balances, cancellation of appropriations and all changes in capital improvement project budgets require the approval of the City Council.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgetary Policy and Control (Continued)

2. General Budget Policies

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) for the operating budget that is the program area – total for all funds. Formal budgetary integration is employed as a management control device during the fiscal year for the Governmental Funds.

3. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Encumbrances do not constitute expenditures or liabilities.

E. Cash/Investment Policy

In order to maintain an effective investment program, all cash is pooled with the cash and investments of the City of Taft and amounts not required for day-to-day financial transactions are invested as approved by the Taft City Council on a pooled basis and earnings are allocated to each fund on the basis of its average cash balance at the end of each quarter. Investments are carried at fair value.

F. Capital Assets and Depreciation

Capital assets, which include land, buildings, infrastructure, machinery, and equipment, are reported in the Statement of Net Position. Capital assets are defined as assets with an initial, individual cost of more than $500. Sensitive items with costs below $500 are also included. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated.

Capital assets are depreciated over their estimated useful lives using the straight-line method. This means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The purpose of depreciation is to spread the cost of capital assets over the useful lives of these assets. The amount charged to depreciation expense each fiscal year represents that fiscal year's pro rata share of the cost of capital assets.

Depreciation of capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is a reduction in the book value of the capital assets. The WWTP has assigned the useful lives listed below to capital assets.

Structures and improvements	20-40 years
Machinery and equipment	5-20 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

H. Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the WWTP's policy to use restricted resources first, and then unrestricted resources as they are needed. Restricted resources are defined as resources received from outside agencies dedicated for specific projects or purposes.

NOTE 2 – CASH AND INVESTMENTS

The WWTP's cash and investments are pooled with the funds of the City for deposit and investment purposes. Interest on pooled cash and investments is credited to the funds based on each prospective fund's average cash balance at each quarter end. Detailed information concerning the City of Taft's pooled cash and investments can be found in the City's Annual Financial Report for the fiscal year ended June 30, 2014. The WWTP's cash and investments balance at June 30, 2014 is $3,636,879.

The WWTP's cash and investments are held within the City of Taft's investment pool. As the WWTP does not hold specific investments or deposits in its name, the cash and investments are not evidenced by deposits or securities that exist in physical or book entry form.

NOTE 3 – CAPITAL ASSETS

During the fiscal year ended June 30, 2014, the following changes in capital assets occurred:

Governmental Activities	Beginning Balance July 1, 2013	Additions	Deletions	Ending Balance June 30, 2014
Capital Assets Not Being Depreciated:				
Land	$ 18,750	$ -	$ -	$ 18,750
Construction in Progress	121,950	11,044		132,994
Total Capital Assets Not Being Depreciated	140,700	11,044		151,744
Capital Assets, Being Depreciated:				
Machinery and equipment	284,425			284,425
Structures and improvements	2,696,723			2,696,723
Total Capital Assets Being Depreciated	2,981,148			2,981,148
Less Accumulated Depreciation For:				
Machinery and equipment	(268,135)	(4,496)		(272,631)
Structures and improvements	(1,886,100)	(46,017)		(1,932,117)
Total Accumulated Depreciation	(2,154,235)	(50,513)		(2,204,748)
Total Capital Assets, Being Depreciated, Net	826,913	(50,513)		776,400
Governmental Activities Capital Assets, Net	$ 967,613	$ (39,469)	$ -	$ 928,144

Depreciation expense of $50,513 was charged to general government on the Statement of Activities for the fiscal year ended June 30, 2014.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers as of June 30, 2014 were as the following:

Fund	Transfers in	Transfers out
WWTP Capital Projects	$ 131,200	$ -
WWTP Special Revenue		131,200
Total	$ 131,200	$ 131,200

The transfer into the Capital Project Fund is for building a reserve that will be used at a future date for large maintenance projects and/or reconstruction of the facility. This is an agreed upon amount between all District members.

NOTE 5 – COMPENSATED ABSENCES

During the fiscal year ended June 30, 2014, the following changes occurred in the governmental activities compensated absences:

Governmental Activities	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due in One Year
Compensated Absences	$ 2,892	$ 1,057	$ (159)	$ 3,790	$ 3,790
Total governmental activities long-term debt	$ 2,892	$ 1,057	$ (159)	$ 3,790	$ 3,790

Compensated Absences

The short-term portion of the liability is recorded in the various funds and is determined to be the amount due to employees for future absences, which is attributable to services already rendered, and which is expected to be paid during the next fiscal year. The long-term portion is recorded only in the Statement of Net Position. As of June 30, 2014 all compensated absences are current.

NOTE 6 – NET POSITION/FUND BALANCES

Net position is divided into three captions. These captions apply to net position as determined at the government-wide level and are described below:

Net Investment in Capital Asset describes the portion of net position which is represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include debt service requirements.

Unrestricted describes the portion of net position which is not restricted as to use.

NOTE 6 – NET POSITION/FUND BALANCES (Continued)

Fund balances are divided into five classifications based primarily on the extent to which the WWTP is bound to observe constraints imposed upon the use if the resources in the governmental funds. The classifications are as follows:

1. Nonspendable Fund Balance
   That portion of a fund balance that includes amounts that cannot be spent because they are either (a) not in a spendable form, such as prepaid items, inventories of supplies, or loans receivable; or (b) legally or contractually required to be maintained intact, such as the principal portion of an endowment.

2. Restricted Fund Balance
   That portion of a fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

3. Committed Fund Balance
   That portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, and remain binding unless removed in the same manner.

4. Assigned Fund Balance.
   That portion of a fund balance that includes amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed. Such intent needs to be established at either the highest level of decision making, or by an official designated for that purpose.

   Enabling legislation authorizes the WWTP to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes legally enforceable requirements that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the WWTP can be compelled by an external party, such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

5. Unassigned Fund Balance
   That portion of a fund balance that includes amounts that do not fall into one of the above categories. A General Fund is the only fund that should report this category of fund balance.

REQUIRED SUPPLEMENTARY INFORMATION

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
REVENUES				
Use of money and property	$ -	$ -	$ 1,271	$ 1,271
Intergovernmental	893,519	893,519	908,517	14,998
Charges for services	70,000	70,000	94,780	24,780
Total Revenues	963,519	963,519	1,004,568	41,049
EXPENDITURES				
Current:				
General government	851,319	851,319	667,722	183,597
Capital outlay			11,044	(11,044)
Total Expenditures	851,319	851,319	678,766	172,553
Excess (Deficiency) of Revenues Over Expenditures	112,200	112,200	325,802	213,602
OTHER FINANCING SOURCES (USES)				
Transfers in	19,000	19,000		(19,000)
Transfers out	(131,200)	(131,200)	(131,200)	
Total other financing sources (uses)	(112,200)	(112,200)	(131,200)	(19,000)
Net Change in Fund Balance			194,602	194,602
Fund Balance, Beginning of Fiscal year	315,382	315,382	315,382	
Fund Balance, End of the Fiscal Year	$ 315,382	$ 315,382	$ 509,984	$ 194,602

OTHER SUPPLEMENTARY INFORMATION

WASTEWATER TREATMENT PLANT
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Use of money and property	$ 30,164	$ 32,463	$ 2,299
Total Revenues	30,164	32,463	2,299
EXPENDITURES			
Capital outlay	142,364		142,364
Total Expenditures	142,364		142,364
Excess (Deficiency) of Revenues Over Expenditures	(112,200)	32,463	144,663
OTHER FINANCING SOURCES (USES)			
Transfers in	131,200	131,200	
Transfers out	(19,000)		19,000
Total other financing sources (uses)	112,200	131,200	19,000
Net Change in Fund Balance		163,663	163,663
Fund Balance, Beginning of Fiscal Year	3,424,756	3,424,756	
Fund Balance, End of the Fiscal Year	$ 3,424,756	$ 3,588,419	$ 163,663

CITY OF TAFT

MANAGEMENT REPORT
AND
AUDITOR'S COMMUNICATION LETTERS

June 30, 2014

CITY OF TAFT
JUNE 30, 2014

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

In planning and performing our audit of the financial statements of the governmental activities, business type activities each major fund, and the aggregate remaining fund information of the City of Taft (City), California, as of and for the fiscal year ended June 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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.

During our audit, we noted one matter involving internal control for your consideration, which is designed to assist the City to make improvements and operational efficiencies (Finding 2014-1).

The City's written response to the finding is identified in our audit and described in the current year recommendation section. We did not audit the City's response and, accordingly, we express no opinion on it. In addition, we would be pleased to discuss this recommendation in further detail at your convenience, to perform any additional study of this matter, or to assist you in implementing this recommendation.

OFFICES: BEVERLY HILLS · CULVER CITY · SANTA MARIA

MEMBER AMERICAN INSTITUTE OF C.P.A.'S · CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS · CALIFORNIA ASSOCIATION OF SCHOOL BUSINESS OFFICIALS

This communication is intended solely for the information and use of management of the City of Taft, the members of the City Council, and others within the City, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Levy & Hartzheim, LLP
Culver City, California
May 18, 2015

MOSS, LEVY & HARTZHEIM LLP
CERTIFIED PUBLIC ACCOUNTANTS

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

We have audited the financial statements of the governmental activities, business type activities, each major fund, and the aggregate remaining fund information of the City of Taft (City), California for the fiscal year ended June 30, 2014, and have issued our report thereon dated May 18, 2015. Professional standards require that we provide you with the information about our responsibilities under auditing standards generally accepted in the United States of America and, if applicable, Government Auditing Standards and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated July 9, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 of the notes to the basic financial statements. As discussed in Note 1 of the notes to the basic financial statements, effective July 1, 2013, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 65 – Items Previously Reported as Assets and Liabilities, GASB Statement No. 66 – Technical Correction - 2012, GASB Statement No. 67 – Financial Reporting for Pension Plans, and GASB Statement No. 70 – Accounting and Financial Reporting for Non-exchange Financial Guarantees. Only GASB Statement No. 65 had an effect on the financial statements (see Note 1p of the notes to the basic financial statements).

We noted no transactions entered into by the City during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were: a) determination of the balances included within current and deferred revenue, b) the estimated valuations of employee retirement systems, pension plans and other post-employment benefits, c) the adequacy of protection against settlements or judgments that may exceed pooled or insured coverage, and d) estimated useful economic lives of capital assets.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit
We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. There were no material misstatements detected as a result of audit procedures.

Disagreements with Management
For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations
We have requested certain representations from management that are included in the management representation letter dated May 18, 2015.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements
With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the members of the City Council of the City and management of the City of Taft, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Levy & Hartzheim, LLP
Culver City, California
May 18, 2015

CURRENT YEAR RECOMMENDATION

Other Matters

2014-1 Management Approves Their Own Credit Card Purchases

During our test of credit card transaction, although all purchases were appropriate, we noted that two out of eight employee credit cards examined did not have another responsible person approving the purchases.

Effect:

When there is a lack of segregation of duties, there is a greater chance for a misappropriation of funds to occur and to go undetected.

Recommendation:

We recommend that the City implement procedures for another responsible person to approve the purchases prior to charging. All Management credit cards purchases should be approved by Finance Director and Finance Director credit card purchases should be approved by City Manager.

Management's Response:

Administration policy, Use of Credit Card, has been revised to reflect the recommended changes. Also, additional credit cards will be issued to staff for City business and those transactions will be approved by Management.

STATUS OF PRIOR YEAR RECOMMENDATIONS

Significant Deficiency

2013-1 Segregation of Duties and Size of Finance/Accounting Department:

Due to budget constraints the finance/accounting department is operating with minimum personnel, which has caused key finance department personnel to assist other employees in the accounting department. This situation has created an overlap of duties from time to time, such as in the payroll function. Key personnel are also significantly burdened having to work significant overtime to attempt to keep up with the finance/accounting processes. In addition, the closure of the Redevelopment Agency has added reporting burdens to key accounting department personnel. Further, turnover in the finance/accounting department, such as in the payroll function has further tasked the Director of Finance to work with the replacement of such a key position in the accounting function.

Effect:

These additional finance/accounting duties and staff turnover create an accounting environment that increases the opportunity for errors and delayed deadlines.

Recommendation:

Within budget constraints we recommend the City consider this burden for the potential for part-time or full time assistance within the Finance Department to reduce the risk of accounting errors, increase the timeliness of reporting and to assist in additional reporting requirements such "ROPS" schedules and communications to the State of California.

Current Status:

Implemented

Other Matters

2013-2 Front Desk Cash Controls

We noted the front desk is not required to maintain a log of cash and checks delivered to the front counter for reconciliation with accounting when cash and checks are delivered to accounting for deposit to the financial institutions and input into the accounting system.

Effect:

The opportunity for misappropriation of cash and checks is increased by not having a log to reconcile checks and cash to the accounting deposits and accounting systems.

Recommendation:

Have the front desk make a log of cash and checks and have accounting reconcile this log to receipts provided. In addition, accounting should spot check from time to time the front desk activity to provide a safeguard to Taft cash and checks received.

Current Status:

Implemented

2013-3 Business License Fees Not Always Checked for Accuracy

During our tests of selected revenues, we noted a business license fee was not computed correctly by the business who submitted the business license paperwork to the City. We also noted the difference was not a significant amount.

Effect:

The possibility of reduced revenue to the City and incorrect business license fee filings increases if such filings are at least not tested on a selected basis.

Other Matters (Continued)

Recommendation:
Checking computations of business license renewal submissions can increase the accuracy of business license fees submitted to the City and increase compliance with the City fee requirements as well as revenue.

Current Status:
Implemented

2013-4 Utility Bill Computer Computations

During our tests of utility billings, we noted that certain billings had minor amounts (pennies [one cent to twenty cents]) added as an interest charge to the utility bills perhaps randomly and for unknown reasons by the computer software.

Effect:
These minor amounts of interest added can create incorrect utility billings.

Recommendation:
The City needs to contact the software company to correct this situation and refund or credit any, although not significant, incorrect interest charges added by the computer software.

Current Status:
Implemented

2013-5 Building Permit Computations

During our tests of building permit fees we noted one building permit calculated incorrectly due to fees not being updated to the current fee schedule in the computer system. This was the result of the computer system not being updated timely for changes in City fees and reliance on fees in the computer system.

Effect:
City revenue is not computed correctly.

Recommendation:
The City needs to make efforts to ensure the timely and accurate updating of building permit computations to ensure proper building permit remittance.

Current Status:
Implemented

TAFT CITY COUNCIL/SUCCESSOR AGENCY
SPECIAL MEETING MINUTES
OCTOBER 5, 2015

SPECIAL MEETING **9:00 A.M.**

The October 5, 2015, special joint meeting of the Taft City Council/Taft Successor Agency, held in the City Hall Administrative Conference Room, 209 East Kern Street, Taft, CA 93268, was opened by Mayor Randy Miller at 9 AM.

PRESENT: Mayor Randy Miller
Council Members Orchel Krier, Josh Bryant and Renee Hill
City Manager Craig Jones and Finance Director Teresa Binkley
City Clerk Yvette Mayfield
City Attorney Jason Epperson and Special Counsel Vanessa Locklin attended via conference call

ABSENT: Mayor Pro Tem Dave Noerr

1. CITIZEN REQUESTS/PUBLIC COMMENTS

There were none.

2. ADMINISTRATIVE BUDGET FOR THE PERIOD OF JANUARY 1, 2016 THROUGH JUNE 30, 2016

Motion: Moved by Bryant, seconded by Krier to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED TAFT COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAFT APPROVING ADMINISTRATIVE BUDGET THE PERIOD JANUARY 1, 2016 THROUGH JUNE 30, 2016, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177(j)** *(Resolution No. 3705-15)* and direct Staff to present the Administrative Budget to the Oversight Board for approval.

AYES: Krier, Bryant, Hill, Miller
PASSED: 4-0

3. RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16B) FOR JANUARY 2016 THROUGH JUNE 2016.

Motion: Moved by Bryant, seconded by Hill to adopt a resolution entitled **A RESOLUTION OF THE SUCCESSOR AGENCY TO THE DISSOLVED TAFT COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF TAFT APPROVING AND ADOPTING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS 15-16B) FOR THE PERIOD JANUARY 1, 2016 THROUGH JUNE 30, 2016, PURSUANT TO THE PROVISIONS SET FORTH IN HEALTH AND SAFETY CODE SECTION 34177** *(Resolution No. 3706-15)* and direct Staff to present the ROPS 15-16B to the Oversight Board for approval.

AYES: Krier, Bryant, Hill, Miller
PASSED: 4-0

4. COUNCIL MEMBER STATEMENTS (NON ACTION)

There were none.

****

At 9:07 AM the special meeting was recessed to closed session.

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9 (a) – Case Number BCV-15-100357

- The City Council discussed Item 4.A in closed session, as agendized, and direction was given to staff and attorneys.

ADJOURNMENT - With no further business to conduct the meeting was adjourned at 9:28 AM.

Yvette Mayfield
City Clerk

Randy Miller
Mayor

TAFT CITY COUNCIL/SUCCESSOR AGENCY
JOINT REGULAR MEETING MINUTES
OCTOBER 6, 2015

REGULAR MEETING **6:00 P.M.**

The October 6, 2015, regular joint meeting of the Taft City Council/Taft Successor Agency, held in the Council Chamber at Taft City Hall, 209 East Kern Street, Taft, CA 93268, was opened by Mayor Randy Miller at 6:02:18 PM. The Pledge of Allegiance was led by Council Member Bryant, followed by an invocation given by Heather Mueller of St. Andrews Episcopal Church.

PRESENT: Mayor Randy Miller
Council Members Orchel Krier, Josh Bryant and Renee Hill
City Manager Craig Jones and City Attorney Jason Epperson
City Clerk Yvette Mayfield

ABSENT: Mayor Pro Tem Dave Noerr

At 6:05:37 PM with all Council Members present the meeting was recessed to Closed Session.

CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(b) – two (2) potential cases

At 6:32:37 PM with all Council Members present the meeting was resumed to regular meeting.

- The City Council discussed Agenda Item "A," which was agendized for closed session discussion, and direction was given to Staff.

1. PROCLAMATIONS –

- **Human Trafficking Month**
  Council Member Hill presented the proclamation to Heather Mueller of St. Andrews Episcopal Church.

- **Kern Energy Festival**
  Council Member Krier presented the proclamation to Trent Rosenlieb of Linn Energy.

- **Petroleum Industry Appreciation Month**
  Council Member Bryant presented the proclamation to Blair Knox of California Independent Petroleum Association.

- **2015 Oildorado**
  Mayor Miller presented the proclamation to Paul Linder, President of Oildorado 2015.

  Meeting recessed at 6:55:45 PM for the serving of arrest warrant by the Oildorado Posse.

  At 7:01:05 PM with all Council Members present the meeting was resumed.

2. CITIZEN REQUESTS/PUBLIC COMMENTS

Paul Linder presented the City with a sponsorship poster on behalf of Oildorado 2015 and introduced the Oildorado Board.

Kathy Johnson of Taft Community Garden thanked the Council for previous support of the Garden's Annual Pumpkin Carving Contest and invited their participation in this year's event being held on October 24, 2015.

Bob Jordan of the West Side Ministerial Association and West Side Cemetery District invited everyone to attend the Oildorado Kickoff Concert on October 9th, the rededicating of the Midway Cemetery October 13th and the Community Service being held on Sunday October 18th.

3. COUNCIL STATEMENTS (NON ACTION)

Krier stated Oildorado is shaping up to be a great celebration and will be offering something for everyone.

Bryant thanked everyone who worked so hard on the downtown beautification project on Center Street, wished Taft a happy birthday and said he felt blessed to be serving on the Council during this time.

Hill recognized that there were a lot of people and donations that made the downtown beautification project successful and thanked everyone who participated.

Miller gave kudos to City Staff for all the hard work around town in preparing for Oildorado, shared that there was a new restaurant opening in the old Mercantile building during Oildorado that he hoped would become a permanent fixture and shared that he was proud to be Mayor of the City of Taft.

4. DEPARTMENT REPORTS

There were none.

5. CITY MANAGER STATEMENTS

Jones shared that the Oilfield Skills Competition being held October 10th at the Petroleum Club is still looking for participants in several of the skill categories.

6. CITY ATTORNEY STATEMENTS

Epperson shared that he and his family are looking forward to attending upcoming Oildorado events.

7. FUTURE AGENDA REQUESTS

There were none.

****

CONSENT CALENDAR ITEMS 8 - 23

Motion:	Moved by Krier, seconded by Bryant to approve consent calendar Items 8-23.
AYES:	Krier, Bryant, Hill, Miller
ABSENT:	Noerr
PASSED:	4-0

8. MINUTES

September 15, 2015 Regular

Recommendation – Approve as submitted.

9. PAYMENT OF BILLS

Warrant# 091115	Check No. 80807-80890	$ 254,361.36
Warrant# 092515	Check No. 80891-80992	$ 956,683.58
Warrant# 092515	Check No. 80993-80994	$ 163,606.95

Recommendation – Approve payment of the bills.

10. TREASURERS REPORTS

Recommendation – Motion to receive and file Treasurer's Reports:

a) dated September 10, 2015 for the Month of June 2015 (revised)
b) dated September 15, 2015 for the Month of July 2015

11. REQUEST FOR CAUTION SIGNS ON PETROLEUM CLUB ROAD

Recommendation - Motion to approve installation of "Trucks Entering Roadway" signs on Petroleum Club Road.

12. ACCEPT THE LOWEST RESPONSIBLE BASE BID, AWARD THE PROJECT AND TO EXECUTE A CONSTRUCTION AGREEMENT WITH R.C. BECKER AND SON, INC. FOR THE RAILS TO TRAILS PHASE IV – RPSTPLE – 5193 (036)

Recommendation - Motion to accept the lowest responsible base bid, award the project and to execute a construction agreement with R.C. Becker and Son, Inc. for the Rails to Trails Phase IV – RPSTPLE – 5193 (036).

13. BUDGETED VEHICLE PURCHASES- CITY HALL ADMINISTRATION/MODIFIED COMMUNITY CORRECTIONAL FACILITY (MCCF)/BUILDING INSPECTOR

Recommendation - Motion to appropriate $74,573.50 for vehicle replacement purchases.

14. APPLICATION TO THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT NEW ALTERNATIVE FUEL VEHICLE PURCHASE GRANT PROGRAM

Recommendation - Motion to adopt a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING AND AUTHORIZING AN APPLICATION TO THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT PUBLIC BENEFIT GRANTS PROGRAM UNDER THE NEW ALTERNATIVE FUEL VEHICLE PURCHASE PROGRAM AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS** *(Resolution No. 3708-15)*

15. ADOPTING ADMINISTRATION POLICY #214, REVISION NO. 3, USE OF CITY CREDIT CARDS

Recommendation - Motion to adopt resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT ADOPTING ADMINISTRATION POLICY #214, REVISION NO. 3, USE OF CITY CREDIT CARDS** *(Resolution No. 3709-15)*

16. AUTHORIZE THE MAYOR TO EXECUTE AN AGREEMENT WITH ESPY SERVICES TO PERFORM TELECOMMUNICATION INVOICE AUDIT

Recommendation - Motion to authorize the Mayor to execute an agreement with Espy Services to perform telecommunication invoice audit.

17. AUTHORIZE BANK CARD SERVICES

Recommendation - Motion to adopt resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT AUTHORIZING BANK CARD SERVICES** *(Resolution No. 3710-15)*

18. APPROVAL OF AMENDED COMPENSATION PLANS FOR THE MANAGEMENT/SUPERVISORY/ CONFIDENTIAL GROUP AND DEPARTMENT HEADS

Recommendation - Motion to adopt a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT AMENDING THE POSITION CLASSIFICATION PLANS FOR MANAGEMENT/ SUPERVISORY/CONFIDENTIONAL AND DEPARTMENT HEADS AND ESTABLISHING CORRESPONDING COMPENSATION RATES** *(Resolution No. 3711-15)*

19. APPROVAL OF MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF TAFT AND THE TAFT POLICE OFFICERS ASSOCIATION/COOMUNICATION WORKERS OF AMERICA, AFL-CIO, LOCAL 9110

Recommendation - Motion to approve the Memorandum of Agreement between the City of Taft and Taft Police Officers Association.

20. PURCHASE OF A NEW 2014 CHEVROLET TAHOE PPV FOR THE POLICE DEPARTMENT

Recommendation - Motion to approve the purchase of a 2014 Chevrolet Tahoe PPV along with listed equipment at a total cost of $42,374.01.

21. PURCHASE OF REPLACEMENT WIRELESS CAMERAS AT 6TH STREET AND TENTH STREET AND RAILS TO TRAIL

Recommendation - Motion to approve the purchase of two (2) replacement cameras for the 6th Street and Tenth Street Rails to Trail locations at a cost of $ 5,480.14 as a Capital Purchase.

22. FLOORING / ELECTRICAL / JAIL CONTROL PANEL UPGRADE TO THE POLICE DEPARTMENT DISPATCH CENTER AND ELECTRICAL ROOM

Recommendation - Motion to approve the Jail upgrade project for flooring, electrical, and Jail Control Panel at a cost of $ 15,445.50 from General Fund – Capital Purchases.

23. SPECIAL EVENT PERMIT – OILDORADO 2015 CARNIVAL BY SCHOEPPNER SHOWS AT SUPPLY ROW AND 6TH STREET, OCTOBER 13TH – 19TH, 2015

Recommendation - Motion to approve a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING A SPECIAL EVENT PERMIT, AUTHORIZING SCHOEPPNER SHOWS TO OPERATE AN OILDORADO CARNIVAL ON CITY PROPERTY AT 6TH STREET AND SUPPLY ROW FROM OCTOBER 13TH TO 19TH, 2015** *(Resolution No. 3712-15)*

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24. APPROVAL OF PURCHASE OF TAX DEFAULTED PROPERTY LOCATED AT 308 CHURCH STREET

Motion: Moved by Hill, seconded by Bryant to approve expenditure of $24,900 plus costs associated with the sale from Capital Reserves and adopt a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT TO PURCHASE TAX-DEFAULTED PROPERTY LOCATED AT 308 CHURCH STREET (Assessor's Parcel 032-291-06-00-3)** *(Resolution No. 3713-15)*

AYES: Krier, Bryant, Hill, Miller
ABSENT: Noerr
PASSED: 4-0

Miller stated he was glad to see something would finally happen with this property as it has been a sore thumb of the neighborhood and the City has spent a lot of money abating nuisances on the property.

At 7:31:57 PM the regular meeting was recessed to closed session.

CLOSED SESSION

B. CONFERENCE WITH LABOR NEGOTIATOR, CRAIG JONES, CITY MANAGER
Government Code 54957.6 – All units.

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9 (a) – City of Taft vs. CDCR.

D. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, CRAIG JONES- CITY MANAGER
Government Code Section 54956.8 – APN # 220-290-08

E. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(A) – one (1) undisclosed case

F. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Government Code Section 54956.9 (a) – Case Number BCV-15-100357

- The City Council discussed Agenda Item's B, C, D, E, and F, which were agendized for closed session discussion. Direction was given to staff as to Items B, C, D, and F. As for Item E, a motion was made by Council Member Hill and seconded by Council Member Bryant to reject RMA Claim No. FR96383. The motion was adopted unanimously, 4 - 0, with one Council Member absent.

ADJOURNMENT - With no further business to conduct the meeting was adjourned at 8:33 PM.

Yvette Mayfield
City Clerk

Randy Miller
Mayor

ACCOUNTS PAYABLE CASH DISBURSEMENTS
DISTRIBUTION BY FUND

ALLOWED BY CITY COUNCIL ON _____

$747,148.11 OUT OF FUNDS AS NOTED BELOW

10 GENERAL	$401,042.32
35 04-HOME-0759	$0.00
36 ASSET FORFEITURES	$0.00
38 LANDSCAPE ASSESSMENT DIST	$257.40
40 CDBG/ HOUSING RLF	$40.00
41 TARP/RLF	$0.00
43 CALHOMES	$0.00
48 HOME RLF/HOUSING	$6.33
50 CRIME PREVENTION	$1,311.57
51 CCF FACILITY	$137,293.60
53 CCF/INMATE WELFARE FUND	$503.09
54 INMATE TRUST ACCOUNT	$0.00
58 FEDERAL PRISON-WWTP	$81,490.87
59 CENTRAL GARAGE	$665.49
60 SEWER	$29,078.71
61 REFUSE	$18,773.23
62 TRANSIT	$10,598.91
65 TCDA	$0.00
67 TCDA / DEBT SRV FND	$457.67
70 WWTP	$64,421.42
71 WWTP/REPLACEMNT RESERV	$0.00
78 TRUST & AGENCY	$262.50
81 CAPITAL PROJECTS	$945.00
82 GRANT PROJECTS	$0.00
	$0.00
TOTAL	$747,148.11

_____ MAYOR

_____ CITY CLERK

_____ ACCOUNT CLERK I

CHRISTINE BAMFORD

WARRANT NO. 100915 DATE: 10/09/15

CHECK NUMBER 80995- 81090

CITY COUNCIL

_____

_____

_____

_____

CITY OF TAFT, CA
ACCOUNTS PAYABLE CHECK REGISTER

Check Number	Check Date	Type	Vendor Number	Vendor Name	Check Amount
80995	/2015 12:00:0	PRINTED	354	A T & T	251.47
80996	/2015 12:00:0	PRINTED	40	A.P.I. PLUMBING	411.93
80997	/2015 12:00:0	PRINTED	43	A.S.I., INC.	174.15
80998	/2015 12:00:0	PRINTED	27	ATLANTA BARBER AND BEAUTY SUPPLY	331.20
80999	/2015 12:00:0	PRINTED	185	AMERICAN EXPRESS	1,386.44
81000	/2015 12:00:0	PRINTED	191	AMERICAN TEXTILE SYSTEMS	841.19
81001	/2015 12:00:0	PRINTED	300	ARAMARK CORP.	41,114.88
81002	/2015 12:00:0	PRINTED	313	ARTZ WEST SIDE CHEVRON	16.00
81003	/2015 12:00:0	PRINTED	313	ARTZ WEST SIDE CHEVRON	456.00
81004	/2015 12:00:0	PRINTED	370	AUSTINS PEST CONTROL	250.00
81005	/2015 12:00:0	PRINTED	437	BC LABORATORIES, INC	2,605.00
81006	/2015 12:00:0	PRINTED	657	BLUE SHIELD OF CALIFORNIA	50,541.43
81007	/2015 12:00:0	PRINTED	669	BOB BARKER COMPANY, INC.	3,144.51
81008	/2015 12:00:0	PRINTED	711	BRENNTAG PACIFIC,INC	2,768.90
81009	/2015 12:00:0	PRINTED	715	BRIGHT HOUSE NETWORKS	223.76
81010	/2015 12:00:0	PRINTED	715	BRIGHT HOUSE NETWORKS	351.80
81011	/2015 12:00:0	PRINTED	738	BROWN & REICH PETROLEUM INC.	4,783.86
81012	/2015 12:00:0	PRINTED	929	CHRISTINE CARPENTER	343.00
81013	/2015 12:00:0	PRINTED	915	CARQUEST AUTO PARTS	395.73
81014	/2015 12:00:0	PRINTED	12318	CEN-CAL CONSTRUCTION	180,636.15
81015	/2015 12:00:0	PRINTED	1083	CHUCK'S CONCRETE PUMPING	352.00
81016	/2015 12:00:0	PRINTED	1046	COMMUNICATION ENTERPRISE	802.38
81017	/2015 12:00:0	PRINTED	1079	CONSTAR SUPPLY	494.32
81018	/2015 12:00:0	PRINTED	1035	COOPER'S TRUE VALUE HOME CENTER	1,190.36
81019	/2015 12:00:0	PRINTED	1117	CORELOGIC INFORMATION SOLUTIONS, I	50.00
81020	/2015 12:00:0	PRINTED	1114	COUNTRY AUTO & TRUCK TAFT	452.74
81021	/2015 12:00:0	PRINTED	1134	CREATIVE BUS SALES	102.17
81022	/2015 12:00:0	PRINTED	1225	DAILY MIDWAY DRILLER	205.00
81023	/2015 12:00:0	PRINTED	1403	PATRICIA DICKEY	11.26
81024	/2015 12:00:0	PRINTED	1531	DONOVAN BENTROTT	17,225.00
81025	/2015 12:00:0	PRINTED	1505	DOWNTOWN FORD	45,393.45

CITY OF TAFT, CA
ACCOUNTS PAYABLE CHECK REGISTER

Check Number	Check Date	Type	Vendor Number	Vendor Name	Check Amount
81026	/2015 12:00:0	PRINTED	1505	DOWNTOWN FORD	29,180.05
81027	/2015 12:00:0	PRINTED	1515	DRILLER PRINTERS, INC.	1,718.93
81028	/2015 12:00:0	PRINTED	1647	ECOLAB	209.17
81029	/2015 12:00:0	PRINTED	1699	EMBLEM ENTERPRISES, INC.	820.70
81030	/2015 12:00:0	PRINTED	1719	ENFINITY CENTRALVAL 6 LLC	24,398.37
81031	/2015 12:00:0	PRINTED	12557	ERNIE MAURO ELECTRIC	102.50
81032	/2015 12:00:0	PRINTED	1830	FASTENAL	6,682.25
81033	/2015 12:00:0	PRINTED	1845	FEDERAL EXPRESS CORP	21.11
81034	/2015 12:00:0	PRINTED	1898	FIRST CHOICE SERVICE	420.35
81035	/2015 12:00:0	PRINTED	2061	GOLDEN EMPIRE CONCRETE	1,507.18
81036	/2015 12:00:0	PRINTED	2309	HIGH DESERT WIRELESSS BROADBAND (	3,063.00
81037	/2015 12:00:0	PRINTED	2309	HIGH DESERT WIRELESSS BROADBAND (	5,854.75
81038	/2015 12:00:0	PRINTED	2267	HELT ENGINEERING, INC.	11,582.50
81039	/2015 12:00:0	PRINTED	2391	HUGHES NETWORK SYSTEMS, INC	89.99
81040	/2015 12:00:0	PRINTED	2678	JOHNSTONE SUPPLY	1,586.65
81041	/2015 12:00:0	PRINTED	1348	DENNEY,JACKIE	30.12
81042	/2015 12:00:0	PRINTED	12737	KERN COUNTY ANIMAL CONTROL	160.00
81043	/2015 12:00:0	PRINTED	2835	KERN COUNTY AUDITOR-CONTROLLER	2,868.00
81044	/2015 12:00:0	PRINTED	2914	KERN ELECTRIC DIST.	29.56
81045	/2015 12:00:0	PRINTED	2928	KERN SANITATION AUTHORITY	147,352.00
81046	/2015 12:00:0	PRINTED	2927	KERN TURF SUPPLY INC.	196.40
81047	/2015 12:00:0	PRINTED	2952	KIMBALL MIDWEST	46.28
81048	/2015 12:00:0	PRINTED	2946	KIWANIS CLUB OF TAFT	315.50
81049	/2015 12:00:0	PRINTED	3125	LAW OFFICES OF MARTIN D. KOCZANOWI	100.00
81050	/2015 12:00:0	PRINTED	3219	MAILFINANCE	997.79
81051	/2015 12:00:0	PRINTED	3220	MAINTENANCE U.S.A.	1,462.31
81052	/2015 12:00:0	PRINTED	3359	MELO'S GAS & GEAR	185.26
81053	/2015 12:00:0	PRINTED	3386	JAMES R. MILLER	740.32
81054	/2015 12:00:0	PRINTED	3398	MISSION LINEN SUPPLY	540.26
81055	/2015 12:00:0	PRINTED	3412	MONARCH FLEET SERVICES	1,798.77
81056	/2015 12:00:0	PRINTED	3544	MOTOR CITY BUICK|GMC	505.13

CITY OF TAFT, CA
ACCOUNTS PAYABLE CHECK REGISTER

Check Number	Check Date	Type	Vendor Number	Vendor Name	Check Amount
81057	/2015 12:00:0	PRINTED	3594	MUTUAL OF OMAHA	397.43
81058	/2015 12:00:0	PRINTED	3670	NEOFUNDS BY NEOPOST	624.32
81059	/2015 12:00:0	PRINTED	12343	NSI LAB SOLUTIONS	77.50
81060	/2015 12:00:0	PRINTED	3947	O'LEARYS OFFICE PRODUCTS	31.78
81061	/2015 12:00:0	PRINTED	3790	OFFICE DEPOT	215.00
81062	/2015 12:00:0	PRINTED	4125	PACIFIC GAS & ELECTRIC	33,061.09
81063	/2015 12:00:0	PRINTED	4457	PRENTICE & EPPERSON LLP	12,299.50
81064	/2015 12:00:0	PRINTED	4454	PUBLIC EMPLOYEES' RETIREMENT SYSTE	33,751.79
81065	/2015 12:00:0	PRINTED	4562	QUINN COMPANY	309.06
81066	/2015 12:00:0	PRINTED	12269	REED, CHARLOTTE	396.00
81067	/2015 12:00:0	PRINTED	4716	REEDY, JACK	78.31
81068	/2015 12:00:0	PRINTED	4845	RICHLAND CHEVROLET CO.	1,156.85
81069	/2015 12:00:0	PRINTED	4868	ROTATIONAL MOLDING, INC.	11,992.00
81070	/2015 12:00:0	PRINTED	5134	SHERWIN WILLIAMS	91.38
81071	/2015 12:00:0	PRINTED	5195	STERLING CODIFIERS	676.00
81072	/2015 12:00:0	PRINTED	5250	STINSON'S	306.69
81073	/2015 12:00:0	PRINTED	5280	SUPPLYWORKS	1,871.72
81074	/2015 12:00:0	PRINTED	5374	TAFT C.C.F.	3,000.00
81075	/2015 12:00:0	PRINTED	1008	CITY OF TAFT	900.00
81076	/2015 12:00:0	PRINTED	2295	TAMI HOLT	396.00
81077	/2015 12:00:0	PRINTED	6140	VIBUL TANGPRAPHAPHORN,MD	248.00
81078	/2015 12:00:0	PRINTED	5609	TELEPACIFIC COMMUNICATIONS	42.99
81079	/2015 12:00:0	PRINTED	5609	TELEPACIFIC COMMUNICATIONS	201.21
81080	/2015 12:00:0	PRINTED	5609	TELEPACIFIC COMMUNICATIONS	374.79
81081	/2015 12:00:0	PRINTED	5609	TELEPACIFIC COMMUNICATIONS	424.67
81082	/2015 12:00:0	PRINTED	5645	TRANS UNION LLC	60.00
81083	/2015 12:00:0	PRINTED	5645	TRANS UNION LLC	36.57
81084	/2015 12:00:0	PRINTED	6105	VERIZON WIRELES	1,963.60
81085	/2015 12:00:0	PRINTED	5935	VULCAN	644.25
81086	/2015 12:00:0	PRINTED	6211	WALDROPS AUTO PARTS	77.27
81087	/2015 12:00:0	PRINTED	6400	WEST SIDE URGENT CARE	6,297.47

CITY OF TAFT, CA
ACCOUNTS PAYABLE CHECK REGISTER

Check Number	Check Date	Type	Vendor Number	Vendor Name	Check Amount
81088	/2015 12:00:0	PRINTED	6399	WESTSIDE WASTE	50.00
81089	/2015 12:00:0	PRINTED	6481	WONDRIES FLEET GROUP	32,880.10
81090	/2015 12:00:0	PRINTED	6770	Z.A.P.	343.49
			96 Checks	**Cash Account Total:**	**747,148.11**

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
PAID INVOICE LIST

Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
354 - A T & T		9117807-1015	INV	5 12:00:00AM	$251.47	80995	PD-09/23-10/22/15 SRVCS	10421 02200
40 - A.P.I. PLUMBING		1619	INV	5 12:00:00AM	$20.43	80996	ST-5TH ST-NC-HUBS	10433 06200
40 - A.P.I. PLUMBING		1602	INV	5 12:00:00AM	$25.19	80996	ST-CNTR-NPPLS/CLLRS/TEES/90S	10433 06200
40 - A.P.I. PLUMBING		1187	INV	5 12:00:00AM	$34.88	80996	ST-CNTR-90S/COLLARS/TEES/45S/CAP/BUSH	10433 06200
40 - A.P.I. PLUMBING		1610	INV	5 12:00:00AM	$44.08	80996	CVC-R2T-SLIP FIX/PVC PIPE/COLLAR/GLUE/TEI	10416 06201
40 - A.P.I. PLUMBING		1604	INV	5 12:00:00AM	$46.12	80996	ST-CNTR-COLLARS/VALVES/NPPLS/SPRNKLRS	10433 06200
40 - A.P.I. PLUMBING		1607	INV	5 12:00:00AM	$54.13	80996	CVC-HND PUMP/MIPS/TEES/90S	10416 06200
40 - A.P.I. PLUMBING		1601	INV	5 12:00:00AM	$58.10	80996	ST-CNTR-CLLRS/NPPLRS/90S/MIPS/TEE/SLIP-FX	10433 06200
40 - A.P.I. PLUMBING		1606	INV	5 12:00:00AM	$129.00	80996	CVC-SLOAN COMPLTE CLST KIT	10416 05000
43 - A.S.I., INC.		0000376-IN	INV	5 12:00:00AM	$174.15	80997	MCCF-TMP MAT 1"/ STRPNG TPE	51451 05000
27 - ATLANTA BARBER AND BEAUTY SUPPLY		397434	INV	5 12:00:00AM	$331.20	80998	MCCF- RFLL BTTL/SPRY BTTL/TALC	51451 06731
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$28.78	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	59459 06400
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$40.00	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10415 02100
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$40.00	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10425 02100
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$40.00	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	40440 02100
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$45.83	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	51451 06200
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$54.40	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10419 06000
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$60.24	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10424 06000
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$124.90	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10416 06400
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$376.37	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10413 06000
185 - AMERICAN EXPRESS		211007-0915	INV	5 12:00:00AM	$575.92	80999	PLG,FIN,CCF,ST-PSTG/PAPR/MMBRSHP/MRKRS	10413 04100
191 - AMERICAN TEXTILE SYSTEMS		32444	INV	5 12:00:00AM	$841.19	81000	MCCF-CVRALLS DSPSBL	51451 07260
300 - ARAMARK CORP.		200383800-55	INV	5 12:00:00AM	$49.86	81001	PD-9/30 IM MEALSx15	10421 09000

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
PAID INVOICE LIST

Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
300	ARAMARK CORP.	200383800-53	INV	5 12:00:00AM	$99.72	81001	PD-09/23 IM MEALSx30	10421 09000
300	ARAMARK CORP.	200383800-56	INV	5 12:00:00AM	$20,462.62	81001	MCCF-9/24-9/30/15 INMT MLS	51451 03020
300	ARAMARK CORP.	200383800-54	INV	5 12:00:00AM	$20,502.68	81001	MCCF-9/17-9/23/15 INMT MLS	51451 03020
313	ARTZ WEST SIDE CHEVRON	092715A	INV	5 12:00:00AM	$16.00	81002	ADM-CAR WASHESx2	10413 04200
313	ARTZ WEST SIDE CHEVRON	092715	INV	5 12:00:00AM	$456.00	81003	PD-CAR WASHESx57	10421 04200
370	AUSTINS PEST CONTROL	093015PD	INV	5 12:00:00AM	$30.00	81004	PD-MNTHLY PST CNTRL SRVC	10421 05000
370	AUSTINS PEST CONTROL	091515AC	INV	5 12:00:00AM	$40.00	81004	AC-MNTHLY PST CNTRL	10431 05000
370	AUSTINS PEST CONTROL	091915MCCF	INV	5 12:00:00AM	$90.00	81004	MCCF-9/19/15 BIWKLY PST CNTRL	51451 05000
370	AUSTINS PEST CONTROL	093015MCCF	INV	5 12:00:00AM	$90.00	81004	MCCF-9/30/15 BWKLY PST CNTRL	51451 05000
437	BC LABORATORIES, INC	B214291	INV	5 12:00:00AM	$55.00	81005	FEDWWTP-EC/SUSPNDED SOLIDS/BOD	58458 03001
437	BC LABORATORIES, INC	B214735	INV	5 12:00:00AM	$80.00	81005	FEDWWTP-EFFLUENT M2/SP5/TOTAL COLIFORI	58458 03001
437	BC LABORATORIES, INC	B214437	INV	5 12:00:00AM	$80.00	81005	FEDWWTP-TOTAL COLIFROM/EFFLUENT M2/SI	58458 03001
437	BC LABORATORIES, INC	B214848	INV	5 12:00:00AM	$95.00	81005	FEDWWTP-EX/SUSPNDED SOLIDS/BOD	58458 03001
437	BC LABORATORIES, INC	B212429	INV	5 12:00:00AM	$95.00	81005	WWTP-EC/SUSPNDED SOLIDS/BOD	70470 03001
437	BC LABORATORIES, INC	B213576	INV	5 12:00:00AM	$95.00	81005	WWTP-EC/SUSPNDED SOLIDS/BOD	70470 03001
437	BC LABORATORIES, INC	B214020	INV	5 12:00:00AM	$110.00	81005	FEDWWTP-EFFLUENT M-2/SP5 /TOTAL COLIFOI	58458 03001
437	BC LABORATORIES, INC	B213550	INV	5 12:00:00AM	$300.00	81005	FEDWWTP-OIL/GREASE/AMMNIA/EC/SUSPNDD	58458 03001
437	BC LABORATORIES, INC	B205196	INV	5 12:00:00AM	$796.00	81005	FEDWWTP-SLUDGE PILE-K/N/CR/PHSPR/AMNIA	58458 03001
437	BC LABORATORIES, INC	B205197	INV	5 12:00:00AM	$899.00	81005	WWTP-SLUDGE PILE-N/K/CR/LEAD/MRC/CPPR/I	70470 03001
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$2.11	81006	10/15 HEALTH INSURANCE PREMIUMS	10432 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$22.36	81006	10/15 HEALTH INSURANCE PREMIUMS	10433 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$90.42	81006	10/15 HEALTH INSURANCE PREMIUMS	58458 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$90.42	81006	10/15 HEALTH INSURANCE PREMIUMS	70470 01445

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
PAID INVOICE LIST

Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$91.16	81006	10/15 HEALTH INSURANCE PREMIUMS	60460 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$103.87	81006	10/15 HEALTH INSURANCE PREMIUMS	10412 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$181.28	81006	10/15 HEALTH INSURANCE PREMIUMS	38438 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$214.78	81006	10/15 HEALTH INSURANCE PREMIUMS	61461 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$344.67	81006	10/15 HEALTH INSURANCE PREMIUMS	67467 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$651.98	81006	10/15 HEALTH INSURANCE PREMIUMS	10415 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$1,255.19	81006	10/15 HEALTH INSURANCE PREMIUMS	10419 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$1,302.57	81006	10/15 HEALTH INSURANCE PREMIUMS	10425 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$1,302.57	81006	10/15 HEALTH INSURANCE PREMIUMS	50450 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$1,326.58	81006	10/15 HEALTH INSURANCE PREMIUMS	10431 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$1,631.56	81006	10/15 HEALTH INSURANCE PREMIUMS	10416 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$1,829.02	81006	10/15 HEALTH INSURANCE PREMIUMS	10413 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$2,118.35	81006	10/15 HEALTH INSURANCE PREMIUMS	10420 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$2,645.97	81006	10/15 HEALTH INSURANCE PREMIUMS	10000 00244
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$3,682.20	81006	10/15 HEALTH INSURANCE PREMIUMS	62462 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$11,524.35	81006	10/15 HEALTH INSURANCE PREMIUMS	10421 01445
657	BLUE SHIELD OF CALIFORNIA	152590004523	INV	5 12:00:00AM	$20,130.02	81006	10/15 HEALTH INSURANCE PREMIUMS	51451 01445
669	BOB BARKER COMPANY, INC.	UT1000361830	INV	5 12:00:00AM	$41.07	81007	MCCF-SOAP/SHOE,BLK/BOOTS	51451 06750
669	BOB BARKER COMPANY, INC.	UT1000361887	INV	5 12:00:00AM	$122.49	81007	MCCF-TWL,WHT,SPR	51451 06750
669	BOB BARKER COMPANY, INC.	UT1000361830	INV	5 12:00:00AM	$1,230.85	81007	MCCF-SOAP/SHOE,BLK/BOOTS	51451 06900
669	BOB BARKER COMPANY, INC.	UT1000361830	INV	5 12:00:00AM	$1,750.10	81007	MCCF-SOAP/SHOE,BLK/BOOTS	51451 08000
711	BRENNTAG PACIFIC,INC	BPI563315	INV	5 12:00:00AM	$1,292.46	81008	FEDWWTP-SODIUM BISULFITE	58458 06250
711	BRENNTAG PACIFIC,INC	BPI559382	INV	5 12:00:00AM	$1,476.44	81008	FEDWWTP-SODIUM HYPOCHLORITE/BISULFITI	58458 06250

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
715	BRIGHT HOUSE NETWORKS	064052300915	INV	5 12:00:00AM	$223.76	81009	MCCF-10/2015 INTRNT SRVCS	51451 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$1.17	81010	CITY HALL-09/15 INTRNT SRVC	58458 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$2.34	81010	CITY HALL-09/15 INTRNT SRVC	10432 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$3.50	81010	CITY HALL-09/15 INTRNT SRVC	70470 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$4.67	81010	CITY HALL-09/15 INTRNT SRVC	60460 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$5.25	81010	CITY HALL-09/15 INTRNT SRVC	67467 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$5.84	81010	CITY HALL-09/15 INTRNT SRVC	10433 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$7.59	81010	CITY HALL-09/15 INTRNT SRVC	61461 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$7.59	81010	CITY HALL-09/15 INTRNT SRVC	62462 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$11.09	81010	CITY HALL-09/15 INTRNT SRVC	10420 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$11.68	81010	CITY HALL-09/15 INTRNT SRVC	10416 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$12.84	81010	CITY HALL-09/15 INTRNT SRVC	10412 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$39.09	81010	CITY HALL-09/15 INTRNT SRVC	10413 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$65.41	81010	CITY HALL-09/15 INTRNT SRVC	10419 02200
715	BRIGHT HOUSE NETWORKS	064050001015	INV	5 12:00:00AM	$78.83	81010	CITY HALL-09/15 INTRNT SRVC	10415 02200
715	BRIGHT HOUSE NETWORKS	063787301015	INV	5 12:00:00AM	$94.91	81010	PD-10/15 INTRNT SRVC	10421 02200
738	BROWN & REICH PETROLEUM INC.	22105	INV	5 12:00:00AM	$35.93	81011	BLD-09/21 FUEL USAGE	10424 04250
738	BROWN & REICH PETROLEUM INC.	22108	INV	5 12:00:00AM	$55.89	81011	PD,AC-09/15-09/30/15 FUEL USAGE	10431 04250
738	BROWN & REICH PETROLEUM INC.	22106	INV	5 12:00:00AM	$60.46	81011	CVC,ST,TRN,REF-09/15-09/30/15 FUEL USAGE	61461 04250
738	BROWN & REICH PETROLEUM INC.	22107	INV	5 12:00:00AM	$142.31	81011	CCF-09/15-/09/30/15 FUEL USAGE	51451 04250
738	BROWN & REICH PETROLEUM INC.	22106	INV	5 12:00:00AM	$266.18	81011	CVC,ST,TRN,REF-09/15-09/30/15 FUEL USAGE	10416 04250
738	BROWN & REICH PETROLEUM INC.	22106	INV	5 12:00:00AM	$558.37	81011	CVC,ST,TRN,REF-09/15-09/30/15 FUEL USAGE	10433 04250
738	BROWN & REICH PETROLEUM INC.	22108	INV	5 12:00:00AM	$1,181.77	81011	PD,AC-09/15-09/30/15 FUEL USAGE	10421 04250

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ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
738	BROWN & REICH PETROLEUM INC.	22106	INV	5 12:00:00AM	$2,482.95	81011	CVC,ST,TRN,REF-09/15-09/30/15 FUEL USAGE	62462 04250
929	CHRISTINE CARPENTER	092815	INV	5 12:00:00AM	$343.00	81012	PD-PER DIEM-SO LK TAHOE-10/12-10/16/15	10421 02000
915	CARQUEST AUTO PARTS	7305-186354	INV	5 12:00:00AM	$3.92	81013	B-2 DOOR LOCK LINK CLIPS	10433 04200
915	CARQUEST AUTO PARTS	7305-186049	INV	5 12:00:00AM	$8.08	81013	M-29 OIL FILTER	10433 04200
915	CARQUEST AUTO PARTS	7305-185925	INV	5 12:00:00AM	$8.21	81013	MS-3 HALOGEN BULB	61461 04200
915	CARQUEST AUTO PARTS	7305-185926	INV	5 12:00:00AM	$9.66	81013	P46-DW CAPSULE	10421 04200
915	CARQUEST AUTO PARTS	7305-185957	INV	5 12:00:00AM	$9.84	81013	T15-PVC SPLIT LOOM	62462 04200
915	CARQUEST AUTO PARTS	7305-186051	INV	5 12:00:00AM	$16.45	81013	M-29 MINI LAMP	10433 04200
915	CARQUEST AUTO PARTS	7305-186289	INV	5 12:00:00AM	$21.65	81013	T-21 SILCONE PASTE	62462 04200
915	CARQUEST AUTO PARTS	7305-186130	INV	5 12:00:00AM	$24.75	81013	C-5 FLEX BEAM BLADE	10416 04200
915	CARQUEST AUTO PARTS	7305-186050	INV	5 12:00:00AM	$27.68	81013	TRN-COMPRESSOR OIL	62462 04200
915	CARQUEST AUTO PARTS	7305-186015	INV	5 12:00:00AM	$78.12	81013	M-19 FUEL/AIR FILTERS/LUBE/TRANS FILTER	10433 04200
915	CARQUEST AUTO PARTS	7305-185970	INV	5 12:00:00AM	$141.73	81013	M-29 NEW WATER PUMP/AIR/FUEL/HYD FILTEI	10433 04200
915	CARQUEST AUTO PARTS	7305-186201	INV	5 12:00:00AM	$176.09	81013	ME-32 AIR/CABIN AIR FILTERS	10433 04200
915	CARQUEST AUTO PARTS	7305-185699	CRM	5 12:00:00AM	-$29.03	81013	CC14-REMAN ALTERNATOR	51451 04200
915	CARQUEST AUTO PARTS	7305-186028	CRM	5 12:00:00AM	-$101.42	81013	M-24 NEW WATER PUMP	10433 04200
12318	CEN-CAL CONSTRUCTION	1519-01	INV	5 12:00:00AM	$180,636.15	81014	ST-CNTR ST REHAB 4TH TO 6TH ST	10733 00021
1083	CHUCK'S CONCRETE PUMPING	092315	INV	5 12:00:00AM	$352.00	81015	SWR-ASH & 119-CEMENT	60460 10600
1046	COMMUNICATION ENTERPRISE	1085404	INV	5 12:00:00AM	$172.00	81016	MCCF-MOTOROLA BLT CLP	51451 06730
1046	COMMUNICATION ENTERPRISE	1085495	INV	5 12:00:00AM	$250.00	81016	PD-SITE RENTAL OCT 2015	10421 09850
1046	COMMUNICATION ENTERPRISE	1085462	INV	5 12:00:00AM	$576.16	81016	PD-MOBIBLE RADIO/WAVE ANT/CRIMP/CABLE	10521 10002
1046	COMMUNICATION ENTERPRISE	1084248	CRM	5 12:00:00AM	-$195.78	81016	MCCF-BTTRYS/CLIPS/BELT CLPS	51551 10019
1079	CONSTAR SUPPLY	501378	INV	5 12:00:00AM	$494.32	81017	ST-SURFACE TACT PANEL/MRKNG PAINT/BRD	10433 06200

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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
1035	COOPER'S TRUE VALUE HOME CENTER	339379	INV	5 12:00:00AM	$3.29	81018	T-16 NUTS & BOLTS	62462 04200
1035	COOPER'S TRUE VALUE HOME CENTER	339360	INV	5 12:00:00AM	$5.15	81018	ST-XL TOGGLE BOLTS	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	338960	INV	5 12:00:00AM	$11.37	81018	ST-COVER/FRAME	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	338989	INV	5 12:00:00AM	$13.95	81018	ST-WASP/HORNET KILLER	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339037	INV	5 12:00:00AM	$14.13	81018	M-38 COIL CHAIN/CD-8 HOOK	10433 04200
1035	COOPER'S TRUE VALUE HOME CENTER	339449	INV	5 12:00:00AM	$15.02	81018	MS-3 ANCH SHCKL W/PIN/PAIL CHAIN	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339469	INV	5 12:00:00AM	$15.03	81018	CVC-GAL BAR AND CHAIN OIL	10416 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339749	INV	5 12:00:00AM	$15.04	81018	MCCF-ADJ TNK RPR KT/GRLS BTHRM,LBBY	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339341	INV	5 12:00:00AM	$23.60	81018	ST-COVER GRAME/PAINT STAINER	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339294	INV	5 12:00:00AM	$24.71	81018	ST-WEEDPREVENTER	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339273	INV	5 12:00:00AM	$30.08	81018	MCCF-BRS S&W BLL VLV	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339240	INV	5 12:00:00AM	$31.83	81018	ST-FENCE POST MIX	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339481	INV	5 12:00:00AM	$34.38	81018	ME-31 WLDNG ROD MILD	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339065	INV	5 12:00:00AM	$37.52	81018	MCCF-WHT AP PRMR/WHT GLS ENML	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339208	INV	5 12:00:00AM	$40.84	81018	CVC-WELD STL EXP	10416 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339247	INV	5 12:00:00AM	$45.43	81018	MCCF-SW BLDS/JNT KNF/PTTY KNF	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339002	INV	5 12:00:00AM	$45.66	81018	CVC-BOLD SHRP/DGNG SHVL/BROOM	10416 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339645	INV	5 12:00:00AM	$61.22	81018	MCCF-GLS POLY FNSH/GAL ACTNE	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339453	INV	5 12:00:00AM	$61.25	81018	CVC-NVERKINK HOSE/LHSP SHOVEL	10416 06200
1035	COOPER'S TRUE VALUE HOME CENTER	338847	INV	5 12:00:00AM	$65.07	81018	MCCF-1NM WHP/WTR ODR CNTRLR	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339109	INV	5 12:00:00AM	$68.96	81018	ST-NYL ROPE/SGL PULLEY.ANCH SHCKL W/PIN	10433 06200
1035	COOPER'S TRUE VALUE HOME CENTER	339012	INV	5 12:00:00AM	$78.34	81018	MCCF-COP TUBE BRSH/BLL VLV/NDL VLV	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	339168	INV	5 12:00:00AM	$106.39	81018	ST-COTTON HOE/MORTAR HOE	10433 06200

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
1035	COOPER'S TRUE VALUE HOME CENTER	339145	INV	5 12:00:00AM	$121.96	81018	MCCF-SS RISER/GP SOLDER	51451 05000
1035	COOPER'S TRUE VALUE HOME CENTER	338800	INV	5 12:00:00AM	$220.14	81018	MCCF-REPL TUBE/WHT DPLX RCPTCL	51451 05000
1117	CORELOGIC INFORMATION SOLUTIONS, INC.	81620057	INV	5 12:00:00AM	$50.00	81019	ADM-REAL QUEST	10413 06000
1114	COUNTRY AUTO & TRUCK TAFT	571271	INV	5 12:00:00AM	$96.74	81020	T-15 DISC PAD BRAKES	62462 04200
1114	COUNTRY AUTO & TRUCK TAFT	571270	INV	5 12:00:00AM	$106.30	81020	T-22 DISC PAD	62462 04200
1114	COUNTRY AUTO & TRUCK TAFT	571094	INV	5 12:00:00AM	$123.18	81020	M-29 WATER PUMP NEW	10433 04200
1114	COUNTRY AUTO & TRUCK TAFT	571272	INV	5 12:00:00AM	$126.52	81020	T-21 DISC PAD	62462 04200
1134	CREATIVE BUS SALES	5077575	INV	5 12:00:00AM	$102.17	81021	TRN-LATCH/EMERGNCY WINDOW	62462 04200
1225	DAILY MIDWAY DRILLER	092515	INV	5 12:00:00AM	$205.00	81022	CC-MAGAINE SUMMIT/AE OTHER	10411 09200
1403	PATRICIA DICKEY	100115	INV	5 12:00:00AM	$11.26	81023	MCCF-RMBRSMNT TRNG	51451 02000
1531	DONOVAN BENTROTT	1543	INV	5 12:00:00AM	$17,225.00	81024	ST-TREE TRIM CENTER/PARK/FIRE STATION	10433 05000
1505	DOWNTOWN FORD	S092415 421	INV	5 12:00:00AM	$45,393.45	81025	ADM-2016 FORD FUSION SEDANx2	10513 10005
1505	DOWNTOWN FORD	S092415 424	INV	5 12:00:00AM	$29,180.05	81026	CCF-2016 FORD F150 4X2	51551 10001
1515	DRILLER PRINTERS, INC.	00018871	INV	5 12:00:00AM	$48.38	81027	GAR-B/C BISHOP	59459 06000
1515	DRILLER PRINTERS, INC.	00018875	INV	5 12:00:00AM	$75.25	81027	FIN-B/C GARCIA/TYPESETTING	10419 06000
1515	DRILLER PRINTERS, INC.	00018877	INV	5 12:00:00AM	$215.00	81027	ADM-EE PERFORMANCE EVALUATION FORMS	10413 06000
1515	DRILLER PRINTERS, INC.	00018868	INV	5 12:00:00AM	$1,380.30	81027	ADM-REG ENEVL/WINDOW ENVEL	10413 06000
1647	ECOLAB	9625667	INV	5 12:00:00AM	$209.17	81028	MCCF-PRTCTR CRT/CRTN RD	51451 06700
1699	EMBLEM ENTERPRISES, INC.	627130	INV	5 12:00:00AM	$820.70	81029	PD-TAFT POLICE PATCHSx500	10421 06000
1719	ENFINITY CENTRALVAL 6 LLC	722115100406	INV	5 12:00:00AM	$2,098.57	81030	CVC-09/01-09/30/15 ENERGY USAGE	10416 08100
1719	ENFINITY CENTRALVAL 6 LLC	722015100406	INV	5 12:00:00AM	$2,414.08	81030	PD-09/01/09/30/15 ENERGY USAGE	10421 08100
1719	ENFINITY CENTRALVAL 6 LLC	721915100406	INV	5 12:00:00AM	$3,691.49	81030	FEDWWTP-09/01-09/30/15 ENERGY USAGE	58458 08100
1719	ENFINITY CENTRALVAL 6 LLC	722215100406	INV	5 12:00:00AM	$16,194.23	81030	WWTP-09/01-09/30/15 ENERGY USAGE	70470 08100

CITY OF TAFT, CA
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12557	ERNIE MAURO ELECTRIC	092315	INV	5 12:00:00AM	$102.50	81031	REFND OVRPAYMNT	78000 00229
1830	FASTENAL	CATAF30319	INV	5 12:00:00AM	$307.50	81032	ST-FBH HARNESSES	10433 08900
1830	FASTENAL	CATAF30463	INV	5 12:00:00AM	$6,374.75	81032	REF-40G OUTDOOR TRASH CAN	61561 10800
1845	FEDERAL EXPRESS CORP	5-171-45172	INV	5 12:00:00AM	$21.11	81033	BLD-POSTAGE	10424 06500
1898	FIRST CHOICE SERVICE	967334	INV	5 12:00:00AM	$28.92	81034	ADM,PLG,CVC,FIN-CFFEE SRVC 09/29/15	10416 06000
1898	FIRST CHOICE SERVICE	967334	INV	5 12:00:00AM	$28.92	81034	ADM,PLG,CVC,FIN-CFFEE SRVC 09/29/15	10419 06000
1898	FIRST CHOICE SERVICE	967334	INV	5 12:00:00AM	$57.68	81034	ADM,PLG,CVC,FIN-CFFEE SRVC 09/29/15	10413 06000
1898	FIRST CHOICE SERVICE	967334	INV	5 12:00:00AM	$57.68	81034	ADM,PLG,CVC,FIN-CFFEE SRVC 09/29/15	10415 06000
1898	FIRST CHOICE SERVICE	967328	INV	5 12:00:00AM	$247.15	81034	MCCF-9/29/15 CFFEE SRVCS	51451 06000
2061	GOLDEN EMPIRE CONCRETE	86909	INV	5 12:00:00AM	$432.17	81035	SWR-119 & AIRPORT-CONCRETE/SWR RPAIR	60460 10600
2061	GOLDEN EMPIRE CONCRETE	87730	INV	5 12:00:00AM	$1,075.01	81035	SWR-119 & ASH-CONCRETE/EUCON/ENVIRMN	60460 10600
2309	HIGH DESERT WIRELESSS BROADBAND COMMUNICATIONS	PD20150929-1	INV	5 12:00:00AM	$3,063.00	81036	PD-TROY TRNK STG GUN BOX/INVERTER/CRG	10521 10002
2309	HIGH DESERT WIRELESSS BROADBAND COMMUNICATIONS	PD-20150929	INV	5 12:00:00AM	$5,854.75	81037	PD-SMRT SRN PLAT W/MIC CNTRL/FLSHR/RD I	10521 10002
2267	HELT ENGINEERING, INC.	15-369	INV	5 12:00:00AM	$595.00	81038	ENG-CMAQ CALL FOR PROJECTS	10432 03000
2267	HELT ENGINEERING, INC.	15-368	INV	5 12:00:00AM	$595.00	81038	ENG-RSTP CALL FOR PROJECTS	10432 03000
2267	HELT ENGINEERING, INC.	15-367	INV	5 12:00:00AM	$782.50	81038	ENG-PROPOSED WAREHOUSE/OFFICE BLD-PLA	10432 03000
2267	HELT ENGINEERING, INC.	15-365	INV	5 12:00:00AM	$945.00	81038	SUPPLY ROW-PARK & RIDE	81884 00005
2267	HELT ENGINEERING, INC.	15-366	INV	5 12:00:00AM	$2,330.00	81038	ST-R2T PHASE IV	10733 00017
2267	HELT ENGINEERING, INC.	15-364	INV	5 12:00:00AM	$6,335.00	81038	ST-CENTER ST RECON	10733 00021
2391	HUGHES NETWORK SYSTEMS, INC	B1-292250710	INV	5 12:00:00AM	$89.99	81039	FEDWWTP-MNTHLY SRVC FEE	58458 02200
2678	JOHNSTONE SUPPLY	S1458881.001	INV	5 12:00:00AM	$1,586.65	81040	MCCF-AC SCRLL/RFRGRNT/WLD TP	51451 05000
1348	DENNEY,JACKIE	2015-1129745	INV	5 12:00:00AM	$7.27	81041	CVC-SECURED PROPERTY TAX	10416 07250
1348	DENNEY,JACKIE	2015-1129764	INV	5 12:00:00AM	$7.27	81041	CVC-SECURED PROPERTY TAX	10416 07250

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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
1348	DENNEY,JACKIE	2015-1129826	INV	5 12:00:00AM	$7.79	81041	CVC-SECURED PROPERTY TAX	10416 07250
1348	DENNEY,JACKIE	2015-1130276	INV	5 12:00:00AM	$7.79	81041	CVC-SECURED PROPERTY TAX	10416 07250
12737	KERN COUNTY ANIMAL CONTROL	4854	INV	5 12:00:00AM	$20.00	81042	AC-KC DOG LIC/HARDWICK	78000 00229
12737	KERN COUNTY ANIMAL CONTROL	4855	INV	5 12:00:00AM	$20.00	81042	AC-KC DOG LIC/HARDWICK	78000 00229
12737	KERN COUNTY ANIMAL CONTROL	4856	INV	5 12:00:00AM	$20.00	81042	AC-KC DOG LIC/HARDWICK	78000 00229
12737	KERN COUNTY ANIMAL CONTROL	4852	INV	5 12:00:00AM	$20.00	81042	AC-KC DOG LIC/QUINTANA	78000 00229
12737	KERN COUNTY ANIMAL CONTROL	4853	INV	5 12:00:00AM	$20.00	81042	AC-KC DOG LIC/WESENBERGER	78000 00229
12737	KERN COUNTY ANIMAL CONTROL	24860	INV	5 12:00:00AM	$60.00	81042	AC-KC DOG LIC/YOUNT	78000 00229
2835	KERN COUNTY AUDITOR-CONTROLLER	2015-2016	INV	5 12:00:00AM	$2,868.00	81043	RECVRY LAFCOS OPERATNG COST	10301 00033
2914	KERN ELECTRIC DIST.	541551	INV	5 12:00:00AM	$29.56	81044	CVC-MERCURY LAMP #22575	10416 05000
2928	KERN SANITATION AUTHORITY	0000385-IN	INV	5 12:00:00AM	$27,091.00	81045	FEDWWTP,WWTP,SWR-DEPOSIT PER AFT#423-2	60460 09999
2928	KERN SANITATION AUTHORITY	0000385-IN	INV	5 12:00:00AM	$47,026.00	81045	FEDWWTP,WWTP,SWR-DEPOSIT PER AFT#423-2	70470 09999
2928	KERN SANITATION AUTHORITY	0000385-IN	INV	5 12:00:00AM	$73,235.00	81045	FEDWWTP,WWTP,SWR-DEPOSIT PER AFT#423-2	58458 09999
2927	KERN TURF SUPPLY INC.	351692	INV	5 12:00:00AM	$196.40	81046	CVC-5000 SERIES ROTOR/VRBL ARC NZZLE	10416 06200
2952	KIMBALL MIDWEST	4440961	INV	5 12:00:00AM	$3.76	81047	TRN,ST-USS GR5	10433 06200
2952	KIMBALL MIDWEST	4440961	INV	5 12:00:00AM	$3.77	81047	TRN,ST-USS GR5	62462 04200
2952	KIMBALL MIDWEST	4452045	INV	5 12:00:00AM	$9.09	81047	TRN,ST-JAM NUT/USS GR5	10433 06200
2952	KIMBALL MIDWEST	4452045	INV	5 12:00:00AM	$9.10	81047	TRN,ST-JAM NUT/USS GR5	62462 04200
2952	KIMBALL MIDWEST	4474707	INV	5 12:00:00AM	$20.56	81047	MCCF-PH WH SMS BLK	51451 05000
2946	KIWANIS CLUB OF TAFT	15962	INV	5 12:00:00AM	$74.50	81048	CTY CLK-MYFLD-SEP LUNCHES/QTRLY MMBR	10412 02100
2946	KIWANIS CLUB OF TAFT	15942	INV	5 12:00:00AM	$74.50	81048	PSNL-BOYER-SEP LUNCHES/QTR MMBRSHP DU	10420 02100
2946	KIWANIS CLUB OF TAFT	15981	INV	5 12:00:00AM	$74.50	81048	PD-WHITNG-SEP LUNCHES/QTRLY MMBRSHP I	10421 02100
2946	KIWANIS CLUB OF TAFT	15924	INV	5 12:00:00AM	$92.00	81048	PD-WHTNG-AUG LUNCHES/AUG CLUB AUCTIO	10421 02100

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
3125	LAW OFFICES OF MARTIN D. KOCZANOWICZ	732	INV	5 12:00:00AM	$100.00	81049	CTY ATT-REVW NOTICE OF CANCLATION/RESI	67467 03000
3219	MAILFINANCE	N5550943	INV	5 12:00:00AM	$498.89	81050	MCCF-10/31-1/30/16 LSE PYMNT	53453 06500
3219	MAILFINANCE	N5550943	INV	5 12:00:00AM	$498.90	81050	MCCF-10/31-1/30/16 LSE PYMNT	51451 06500
3220	MAINTENANCE U.S.A.	12733232	INV	5 12:00:00AM	$542.25	81051	MCCF-SNGL HNDL LAV CNTRST	51451 05000
3220	MAINTENANCE U.S.A.	12680034	INV	5 12:00:00AM	$920.06	81051	MCCF-SNGL HNDL LV CNTRST CHR	51451 05000
3359	MELO'S GAS & GEAR	10192176	INV	5 12:00:00AM	$67.64	81052	GAR-WIRE/FLAP/NEON DISC	10433 06200
3359	MELO'S GAS & GEAR	10187080	INV	5 12:00:00AM	$117.62	81052	ST-GLASSES S&W/SATFETY GLASS	10433 06200
3386	JAMES R. MILLER	100315	INV	5 12:00:00AM	$740.32	81053	CC-SAN JOSE PER DIEM 09/30-10/02/15	10411 02000
3398	MISSION LINEN SUPPLY	500966306	INV	5 12:00:00AM	$25.00	81054	PD-MATS	10421 05000
3398	MISSION LINEN SUPPLY	501012937	INV	5 12:00:00AM	$25.00	81054	PD-MATS	10421 05000
3398	MISSION LINEN SUPPLY	501058705	INV	5 12:00:00AM	$76.51	81054	CVC-TWLS/DUST MOP/MAPTS	10416 06400
3398	MISSION LINEN SUPPLY	501012940	INV	5 12:00:00AM	$76.51	81054	CVC-TWLS/MOP/MATS	10416 06400
3398	MISSION LINEN SUPPLY	501012938	INV	5 12:00:00AM	$79.04	81054	CVC-TWLS/MATS	10416 06400
3398	MISSION LINEN SUPPLY	501058703	INV	5 12:00:00AM	$79.04	81054	CVC-TWLS/MATS	10416 06400
3398	MISSION LINEN SUPPLY	501058704	INV	5 12:00:00AM	$89.58	81054	CVC-TWLS/DUST MOP/MATS	10416 06400
3398	MISSION LINEN SUPPLY	501012939	INV	5 12:00:00AM	$89.58	81054	CVC-TWLS/MATS/MOP	10416 06400
3412	MONARCH FLEET SERVICES	205691	INV	5 12:00:00AM	$685.21	81055	C-5 LT245/75R17	10416 04200
3412	MONARCH FLEET SERVICES	205734	INV	5 12:00:00AM	$1,113.56	81055	T-21 CNT/LT235/85R16	62462 04200
3544	MOTOR CITY BUICK|GMC	759107	INV	5 12:00:00AM	$505.13	81056	T-21 LABOR AND PARTS	62462 04200
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	-$2.49	81057	LIFE INSURANCE	51451 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$0.30	81057	LIFE INSURANCE	38438 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$0.90	81057	LIFE INSURANCE	10432 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$1.95	81057	LIFE INSURANCE	58458 01441

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$1.95	81057	LIFE INSURANCE	70470 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$2.10	81057	LIFE INSURANCE	60460 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$2.70	81057	LIFE INSURANCE	67467 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$3.00	81057	LIFE INSURANCE	10424 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$3.00	81057	LIFE INSURANCE	10425 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$3.15	81057	LIFE INSURANCE	10412 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$4.20	81057	LIFE INSURANCE	53453 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$4.50	81057	LIFE INSURANCE	61461 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$5.70	81057	LIFE INSURANCE	10416 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$6.00	81057	LIFE INSURANCE	10431 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$6.00	81057	LIFE INSURANCE	59459 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$7.77	81057	LIFE INSURANCE	10420 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$9.00	81057	LIFE INSURANCE	50450 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$9.90	81057	LIFE INSURANCE	10415 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$10.36	81057	LIFE INSURANCE	10419 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$13.38	81057	LIFE INSURANCE	10413 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$16.95	81057	LIFE INSURANCE	10433 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$25.35	81057	LIFE INSURANCE	62462 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$57.00	81057	LIFE INSURANCE	10421 01441
3594	MUTUAL OF OMAHA	000426110109	INV	5 12:00:00AM	$204.76	81057	LIFE INSURANCE	51451 01441
3670	NEOFUNDS BY NEOPOST	091315	INV	5 12:00:00AM	$624.32	81058	MCCF-PSTG/LTE FEE	51451 06500
12343	NSI LAB SOLUTIONS	324608	INV	5 12:00:00AM	$77.50	81059	FEDWWTP-ULTRA LW CHLORINE	58458 06250
3947	O'LEARYS OFFICE PRODUCTS	387071-0	INV	5 12:00:00AM	$9.74	81060	FIN,PLG,MCCF-SCALE/CLEAN WIPES	10415 06000

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
3947	O'LEARYS OFFICE PRODUCTS	387071-0	INV	5 12:00:00AM	$11.02	81060	FIN,PLG,MCCF-SCALE/CLEAN WIPES	10419 06000
3947	O'LEARYS OFFICE PRODUCTS	387071-0	INV	5 12:00:00AM	$11.02	81060	FIN,PLG,MCCF-SCALE/CLEAN WIPES	51451 06000
3790	OFFICE DEPOT	795096193001	INV	5 12:00:00AM	$15.51	81061	MCCF-FLP CHRT	51451 06950
3790	OFFICE DEPOT	794247278001	INV	5 12:00:00AM	$28.97	81061	MCCF-PNCLS/PRT PPR/DRY MRKRS	51451 10036
3790	OFFICE DEPOT	795096438001	INV	5 12:00:00AM	$39.55	81061	MCCF-PPR,RSME/PRTFLIO,PCKT/CMP BOOK	51451 06950
3790	OFFICE DEPOT	794247278001	INV	5 12:00:00AM	$50.36	81061	MCCF-PNCLS/PRT PPR/DRY MRKRS	51451 06950
3790	OFFICE DEPOT	795830889001	INV	5 12:00:00AM	$80.61	81061	PD-PAPER/COPY/CONTAINER/SHARPS	10421 06000
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$12.44	81062	CITY HALL-08/19-09/17/15 GAS USAGE	60460 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$27.46	81062	CITY HALL-08/19-09/17/15 GAS USAGE	10421 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$75.82	81062	CITY HALL-08/19-09/17/15 GAS USAGE	38438 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$356.42	81062	CITY HALL-08/19-09/17/15 GAS USAGE	10431 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$445.27	81062	CITY HALL-08/19-09/17/15 GAS USAGE	59459 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$507.89	81062	CITY HALL-08/19-09/17/15 GAS USAGE	10433 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$586.90	81062	CITY HALL-08/19-09/17/15 GAS USAGE	62462 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$642.65	81062	CITY HALL-08/19-09/17/15 GAS USAGE	10416 08101
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$681.11	81062	CITY HALL-08/19-09/17/15 GAS USAGE	10416 08100
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$6,021.44	81062	CITY HALL-08/19-09/17/15 GAS USAGE	10433 08000
4125	PACIFIC GAS & ELECTRIC	3980-1015	INV	5 12:00:00AM	$23,703.69	81062	CITY HALL-08/19-09/17/15 GAS USAGE	51451 08100
4457	PRENTICE & EPPERSON LLP	523	INV	5 12:00:00AM	$4,299.50	81063	CTY ATT-PRTCHS MOTION-SRVCS THRU 09/28/	10414 03030
4457	PRENTICE & EPPERSON LLP	522	INV	5 12:00:00AM	$8,000.00	81063	CITY ATT-SRVCS THRU 09/28/15	10414 03000
4454	PUBLIC EMPLOYEES' RETIREMENT SYSTEM	9-2015-4	INV	5 12:00:00AM	$33,751.79	81064	PERS FOR P/R 08/31-09/13/15	10000 00212
4562	QUINN COMPANY	PC080363083	INV	5 12:00:00AM	$1.85	81065	ME-32 BOLT	10433 04200
4562	QUINN COMPANY	PC080363755	INV	5 12:00:00AM	$70.41	81065	ME-32 ELEMENT SEC	10433 04200

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
4562	QUINN COMPANY	PC080363082	INV	5 12:00:00AM	$236.80	81065	ME-32 WSHER/BRACKET/MIRROR	10433 06200
12269	REED, CHARLOTTE	100115	INV	5 12:00:00AM	$396.00	81066	PER DIEM-REED-MONTEREY CA 10/18-10/23/15	51451 02000
4716	REEDY, JACK	100115	INV	5 12:00:00AM	$78.31	81067	MCCF- RMBRSMNT EDU SPPLY WDSHP	51451 06950
4845	RICHLAND CHEVROLET CO.	230613	INV	5 12:00:00AM	$22.21	81068	M-29 RESERVOIR	10433 04200
4845	RICHLAND CHEVROLET CO.	230563	INV	5 12:00:00AM	$38.17	81068	T-21 VALVE	62462 04200
4845	RICHLAND CHEVROLET CO.	230805	INV	5 12:00:00AM	$41.85	81068	T-22 CONNECTOR	62462 04200
4845	RICHLAND CHEVROLET CO.	230557	INV	5 12:00:00AM	$51.77	81068	T-22 RESERVOIR	62462 04200
4845	RICHLAND CHEVROLET CO.	230816	INV	5 12:00:00AM	$59.07	81068	T-22/T-21 MOUNT	62462 04200
4845	RICHLAND CHEVROLET CO.	230616	INV	5 12:00:00AM	$201.08	81068	T-21 BLOCK	62462 04200
4845	RICHLAND CHEVROLET CO.	230815	INV	5 12:00:00AM	$215.76	81068	T-21 MOUNT	62462 04200
4845	RICHLAND CHEVROLET CO.	230761	INV	5 12:00:00AM	$237.19	81068	T-23 MOUNT	62462 04200
4845	RICHLAND CHEVROLET CO.	230730	INV	5 12:00:00AM	$289.75	81068	T-23 RADIATOR	62462 04200
4868	ROTATIONAL MOLDING, INC.	081715	INV	5 12:00:00AM	$11,992.00	81069	REF-CONTNR/HTCH/LID/NYLON	61561 10800
5134	SHERWIN WILLIAMS	8372-5	INV	5 12:00:00AM	$91.38	81070	ST-QP REPAIRKIT	10433 06200
5195	STERLING CODIFIERS	16934	INV	5 12:00:00AM	$676.00	81071	CTY CLK-SPPLMNT #30	10412 03000
5250	STINSON'S	630869-0	INV	5 12:00:00AM	$65.98	81072	MCCF-FRSHNRS/RFLLS/LGL PD	51451 06600
5250	STINSON'S	631359-0	INV	5 12:00:00AM	$240.71	81072	MCCF-CPY,LSR PPR	51451 06000
5280	SUPPLYWORKS	5149664-00	INV	5 12:00:00AM	$1,871.72	81073	MCCF-TSSUE/TRKSH TWLS/LNR LD	51451 06600
5374	TAFT C.C.F.	100515	INV	5 12:00:00AM	$3,000.00	81074	MCCF-RLS FNDS INMTS	51000 00103
1008	CITY OF TAFT	093015	INV	5 12:00:00AM	$900.00	81075	CC-STIPEND DONATION JUL-SEP 2015	10411 01301
2295	TAMI HOLT	100115	INV	5 12:00:00AM	$396.00	81076	CCF-PER DIEM-MONTEREY 10/18-10/23/15	51451 02000
6140	VIBUL TANGPRAPHAPHORN,MD	092215	INV	5 12:00:00AM	$113.00	81077	PSNL,TRN-BYR/PLNKTT/CRZ/KRJC/ERKSN/MRI	62462 02500
6140	VIBUL TANGPRAPHAPHORN,MD	092215	INV	5 12:00:00AM	$135.00	81077	PSNL,TRN-BYR/PLNKTT/CRZ/KRJC/ERKSN/MRI	10420 02500

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
5609	TELEPACIFIC COMMUNICATIONS	71235765-0	INV	5 12:00:00AM	$42.99	81078	PD-10/15 LONG DISTANCE SRVC	10421 02200
5609	TELEPACIFIC COMMUNICATIONS	71200823-0	INV	5 12:00:00AM	$201.21	81079	TRN-10/15 LONG DISTANCE SRVC	62462 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$1.27	81080	CITY HALL-10/15 LONG DISTANCE SRVC	58458 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$2.53	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10432 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$2.53	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10433 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$3.15	81080	CITY HALL-10/15 LONG DISTANCE SRVC	67467 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$3.83	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10424 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$4.48	81080	CITY HALL-10/15 LONG DISTANCE SRVC	70470 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$6.27	81080	CITY HALL-10/15 LONG DISTANCE SRVC	61461 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$6.33	81080	CITY HALL-10/15 LONG DISTANCE SRVC	48448 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$6.33	81080	CITY HALL-10/15 LONG DISTANCE SRVC	60460 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$6.90	81080	CITY HALL-10/15 LONG DISTANCE SRVC	62462 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$21.77	81080	CITY HALL-10/15 LONG DISTANCE SRVC	51451 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$22.46	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10412 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$27.13	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10415 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$68.54	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10420 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$92.31	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10413 02200
5609	TELEPACIFIC COMMUNICATIONS	71189876-0	INV	5 12:00:00AM	$98.96	81080	CITY HALL-10/15 LONG DISTANCE SRVC	10419 02200
5609	TELEPACIFIC COMMUNICATIONS	71193700-0	INV	5 12:00:00AM	$424.67	81081	PD-10/15 DISASTER SRVC	10421 02200
5645	TRANS UNION LLC	09503354	INV	5 12:00:00AM	$60.00	81082	PSNL-MMBRSHP DUES	10420 02100
5645	TRANS UNION LLC	09512428	INV	5 12:00:00AM	$36.57	81083	PSNL-CRD SUMM/CRDT CNTCT	10420 02100
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$1.90	81084	CITY HALL-08/17-09/16/15 WIRLESS	67467 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$2.66	81084	CITY HALL-08/17-09/16/15 WIRLESS	10420 02200

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
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Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$6.84	81084	CITY HALL-08/17-09/16/15 WIRLESS	10413 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$9.15	81084	CITY HALL-08/17-09/16/15 WIRLESS	10432 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$11.83	81084	CITY HALL-08/17-09/16/15 WIRLESS	60460 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$11.84	81084	CITY HALL-08/17-09/16/15 WIRLESS	70470 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$17.18	81084	CITY HALL-08/17-09/16/15 WIRLESS	58458 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$19.01	81084	CITY HALL-08/17-09/16/15 WIRLESS	10421 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$43.36	81084	CITY HALL-08/17-09/16/15 WIRLESS	10419 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$54.67	81084	CITY HALL-08/17-09/16/15 WIRLESS	61461 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$80.54	81084	CITY HALL-08/17-09/16/15 WIRLESS	10425 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$101.73	81084	CITY HALL-08/17-09/16/15 WIRLESS	10416 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$134.08	81084	CITY HALL-08/17-09/16/15 WIRLESS	10424 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$137.06	81084	CITY HALL-08/17-09/16/15 WIRLESS	59459 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$232.42	81084	CITY HALL-08/17-09/16/15 WIRLESS	62462 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$233.64	81084	CITY HALL-08/17-09/16/15 WIRLESS	51451 02200
6105	VERIZON WIRELES	9752396735	INV	5 12:00:00AM	$348.41	81084	CITY HALL-08/17-09/16/15 WIRLESS	10433 02200
6105	VERIZON WIRELES	9752380288	INV	5 12:00:00AM	$517.28	81084	PD-08/16-09/15/15 WIRELESS SRVC	10421 02200
5935	VULCAN	70894554	INV	5 12:00:00AM	$644.25	81085	ST-ST 3/8 CM SC3000	10433 06200
6211	WALDROPS AUTO PARTS	38388	INV	5 12:00:00AM	$77.27	81086	ST-GLOS/BLCK	10433 06200
6400	WEST SIDE URGENT CARE	DME 15-1	INV	5 12:00:00AM	$402.76	81087	MCCF-DRBL MDCL EQPMNT	51451 03009
6400	WEST SIDE URGENT CARE	MEDS 15-8	INV	5 12:00:00AM	$5,894.71	81087	MCCF-8/2015 MDCTNS	51451 03011
6399	WESTSIDE WASTE	JULY 2015A	INV	5 12:00:00AM	$50.00	81088	09/15 WSTE DISPOSAL FEES	61461 09999
6481	WONDRIES FLEET GROUP	100615	INV	5 12:00:00AM	$32,880.10	81089	PD-2014 CHEVY TAHOE PPV	10521 10002
6770	Z.A.P.	44265	INV	5 12:00:00AM	$343.49	81090	ST-OCT SIGN H.I.P.	10433 06200

CITY OF TAFT, CA
ACCOUNTS PAYABLE WARRANT REPORT
PAID INVOICE LIST

Vendor Number	Vendor Name	Invoice Number	Type	Warrant Date	Invoice Amount	Check Number	Expenditure Description	Account Number

$747,148.11

CITY OF

TAFT

energized for the future

October 08. 2015

Members of City Council
City of Taft

Reference: Treasurer's Report for the Month of August, 2015

Dear Members of the City Council:

The attached are Treasurer's Investment Fund Summary Report, Cash Receipts & Disbursements Summary Report, and other supporting documents of the report. The investment Fund Summary Report is presented at fair market value, as well as book value in accordance with Statement No. 31 of the Governmental Accounting Standards Board (GASB), Accounting and Financial Reporting for Certain Investments. As defined, when the Treasurer's Pooled Cash Portfolio is an external pool and must report accordance with GASB 31 for fiscal years beginning after June 15, 1997. The reporting at fair market value is for compliance with GASB 31 and is not to be used for budgetary purposes, since actual fund values and interest allocated in the Investment Fund are on an accrued accounting basis according to Generally Accepted Accounting Principles.

The monthly earnings from the pooled unrestricted money investments in passbook/checking accounts, certificate of deposit, and investment in U.S. government securities for the month ended August 31, 2015, were $3,177.55, and the restricted money investment monthly interest earning were $30.91. These earnings represented an average net annualized yield of 1.81% and .29%, respectively. For reference, a comparable statement of interest earnings on a quarterly basis for the year ending June 30, 2016 is shown at the bottom of the Summary of Receipts & Disbursements report. The investment program generates additional annual operating revenue for the City. Interest earnings are distributed quarterly to the participating f0unds in the City's Investment Fund.

California Government Code Section 53646 (b)(2) requires a report of "compliance with the statement of investment policy, or manner in which the investment is not in compliance". At the time of purchase all investments were in compliance with State law and our investment policy.

California Government Code Section 53646 (b)(3) requires a "statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six

ADMINISTRATION ▪ FINANCE ▪ PLANNING ▪ PUBLIC WORKS
209 E. KERN STREET ▪ TAFT, CA 93268
661 / 763-1222 ▪ 661 / 765-2480 Fax
www.cityoftaft.org

months……" To the best of my knowledge, the City's investment fund has sufficient liquidity to meet its obligations for the next six month's.

It is recommended that you receive and file this information.

Very truly yours,

Ben Mangum
City Treasurer

Cc: Craig Jones, City Manager
Teresa C. Binkley, Finance Director
Samantha Anderson, Accountant

FILE NAME: S:/VOL1/FINANCE/TRES REPORT/TRS0113.RPT.doc

EXHIBIT A

CITY OF TAFT
TREASURER'S REPORT - CASH & INVESTMENT SUMMARY
AS OF AUGUGST 31, 2015

A/C #	POOLED DESIGNATED AND OPERATING CASH & INVESTMENTS:	BOOK VALUE	MARKET VALUE	PERCENT OF PORTFOLIO	MATURITY DATE	# OF DAYS TO MATURITY	YIELD TO MATURITY 360 DAYS EQUIVALENT	YIELD TO MATURITY 365 DAYS EQUIVALENT
9-100	Passbook / Checking Accounts WESTAMERICA BANK "NOW" Demand Deposits (365)	$1,202,648.35	$1,202,648.35	11.76%	NOW	1	0.05%	0.05%
	TOTAL	$1,202,648.35	$1,202,648.35					
9-101	Local Agency Investment Funds (A) State Pool Demand Deposits(365)	$3,894,305.98	$3,894,305.98	38.07%	NOW	1	0.24%	0.24%
	TOTAL	$3,894,305.98	$3,894,305.98					
9-103	Certificate of Deposit United Security Bank	$257,102.85	$257,102.85	2.51%	NOW	1	1.37%	1.39%
	TOTAL	$257,102.85	$257,102.85					
9-104	Investment-U.S. Government Securities US Bankcorp Piper Jaffray ($2,500,000.00 Fire Dept Reserves)	$3,000,000.00	$3,000,000.00	29.32%	SEE EXHIBIT E	1	0.95%	0.97%
	TOTAL	$3,000,000.00	$3,000,000.00					
9-113	Multi-Bank Securities, Inc	$300,295.60	$300,543.60	2.94%	SEE EXHIBIT G	1	1.31%	1.33%
	TOTAL	$300,295.60	$300,543.60					
9-114	Morgan Stanley Securities	$616,118.75	$617,737.28	6.02%	SEE EXHIBIT I	1	1.14%	1.16%
	TOTAL	$616,118.75	$617,005.37					
9-115	UBS Financial Services, Inc	$500,000.00	$661,071.85	4.89%	SEE EXHIBIT K	1	1.00%	1.94%
	TOTAL	$500,000.00	$661,071.85					
9-116	Morgan Stanley Securities Smith Barney	$200,000.00	$203,615.70	1.95%	SEE EXHIBIT M	1	2.00%	2.00%
	TOTAL	$200,000.00	$203,615.70					
9-117	Mutual Securities	$259,941.04	$264,041.04	2.54%	SEE EXHIBIT O	1	2.00%	2.00%
	TOTAL	$259,941.04	$264,041.04					
	OPERATING CASH & INVESTMENTS:	$10,230,412.57	$10,400,334.74	100.00%				
	RESTRICTED CASH & INVESTMENTS							
53-100	Restricted cash - Inmate Welfare Fund	$9,285.82	$9,285.82	0.22%	NOW	1	0.00%	0.00%
54-100	Restricted cash - Inmate Trust Fund	$75,049.78	$75,049.78	1.76%	NOW	1	0.10%	0.10%
60-114	Restricted cash- Escrow Account CDFW	$17,364.90	$17,364.90	0.41%	10/21/08	1	0.10%	0.10%
64-101	Restricted 97 CCF Lease Rev. Bond Investments US Bank Security of U.S. Government (365)	$3,454,782.98	$3,454,782.98	80.87%	01/01/17		0.00%	0.00%
67-101	Restricted 98 Rev. Refunding Bond Investments US Bank Security of U.S. Government (365)	$373,641.41	$373,641.41	8.75%	01/07/28		1.03%	1.04%
62-115	Restricted - Investment UBS (PTMISEA)	$1,085,000.00	$1,085,000.00					
62-104	Restricted cash - Transit PTMISEA Investment US Bank	$87,392.60	$87,392.60	2.05%	NOW	1	0.10%	0.10%
62-101	Restricted cash - Transit Center / PTMISEA	$163,249.49	$163,249.49	3.82%	NOW	1	0.10%	0.10%
62-105	Restricted cash - PTMISEA / Bus	$91,343.00	$91,343.00	2.14%				
	TOTAL RESTRICTED CASH & INVESTMENTS:	$4,272,109.98	$4,272,109.98	100.00%				
	GRAND TOTAL CASH & INVESTMENTS	$14,502,522.55	$14,672,444.72					

This report is presented pursuant to the City of Taft's Investment Policy which was revised by the Taft City Council at its regularly scheduled meeting of February 5, 2013.
There are sufficient funds to meet the next 6 months' obligations.

(A) As allowed by California Government Code Section 53646(e), see attached most recent copies of the statements from LAIF and WestAmerica Bank in lieu of the information required by section 53646(b)(1).

Ben Mangum, Treasurer, City of Taft

EXHIBIT B

CITY OF TAFT
Treasurer's Report - Summary of Receipts & Disbursements
For the month ended AUGUST 31, 2015

	BALANCE AS OF 07/31/15	RECEIPTS	DISBURSEMENTS	ACCRUED INTEREST	TRANSFER IN	TRANSFER (OUT)	BALANCE AS OF 08/31/15
POOLED DESIGNATED AND OPERATING CASH & INVESTMENTS:							
PASSBOOK/CHECKING ACCOUNT-WA	$1,272,217.49	$2,578,063.52	($2,647,684.64)	$51.98	$0.00	$0.00	$1,202,648.35
CETIFICATE OF DEPOSIT/UNITED SECURITY BANK	$257,000.26	$0.00	$0.00	$102.59	$0.00	$0.00	$257,102.85
LOCAL AGENCY INVESTMENT FUND	$2,894,305.98	$0.00	$0.00	$0.00	$1,000,000.00	$0.00	$3,894,305.98
INVESTMENT-U.S. GOVERNMENT SECURITIES ($2,500,000.00 Fire Dept. Reserves)	$3,000,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3,000,000.00
MULTI-BANK SECURITIES, INC	$300,197.93	$0.00	$0.00	$97.67	$0.00	$0.00	$300,295.60
CERTIFICATE OF DEPOSIT/MORGAN STANLEY	$618,148.23	$0.00	$0.00	$635.69	$0.00	($2,665.17)	$616,118.75
CERTIFICATE OF DEPOSIT/UBS FINANCIAL SERVICES INC.	$509,373.42	$0.00	$0.00	($6,235.57)	$0.00	($3,137.85)	$500,000.00
CERTIFICATE OF DEPOSIT/MORGAN STANLEY SMITH BARNE	$200,311.70	$339.73	($339.73)	$0.00	$0.00	($311.70)	$200,000.00
CERTIFICATE OF DEPOSIT/MUTUAL SECURITIES	$259,940.96	$0.00	$0.00	$0.08	$0.00	$0.00	$259,941.04
TOTAL POOLED DESIGNATED AND OPERATING CASH & INVESTMENTS:	$9,311,495.97	$2,578,403.25	($2,648,024.37)		$1,000,000.00	($6,114.72)	$10,230,412.57
RESTRICTED CASH & INVESTMENTS							
INMATE WELFARE FUND	$6,777.39	$2,507.76	$0.00	$0.67	$0.00	$0.00	$9,285.82
INMATE TRUST FUND	$70,394.08	$32,116.40	($27,442.96)	$7.26	$0.00	($25.00)	$75,049.78
ESCROW ACCOUNT-CDFW	$17,363.43	$0.00	$0.00	$1.47	$0.00	$0.00	$17,364.90
UNITED SECURITY BANK/PTMISEA	$87,385.18	$0.00	$0.00	$7.42	$0.00	$0.00	$87,392.60
UNITED SECURITY BANK TRANSIT CENTER	$163,235.63	$0.00	$0.00	$13.86	$0.00	$0.00	$163,249.49
UNITED SECURITY BANK PTMISEA/BUS	$91,343.00	$0.00	$0.00	$0.00	$0.00	$0.00	$91,343.00
98 REV. REFUNDING BOND - US BANK	$373,641.18	$0.00	$0.00	$0.23	$0.00	$0.00	$373,641.41
97 C.C.F. LEASE REV. BOND - US BANK	$3,298,247.77	$156,535.21	$0.00	$0.00	$0.00	$0.00	$3,454,782.98
TOTAL RESTRICTED CASH & INVESTMENTS:	$4,108,387.66	$191,159.37	($27,442.96)	$30.91	$0.00	($25.00)	$4,272,109.98
GRAND TOTAL CASH & INVESTMENTS	$13,419,883.63	$2,769,562.62	($2,675,467.33)	$30.91	$1,000,000.00	($6,139.72)	$14,502,522.55

INTEREST EARNED DURING THE CURRENT MONTH ENDED JUNE 30, 2015 ARE AS FOLLOWS:

	MONTHLY	QUARTERLY	SEMI-ANNUAL	TOTAL
POOLED CASH & INVESTMENTS - WITH - WA	$51.98			$51.98
POOLED CASH & INVESTMENTS - WITH - US BANK	$102.59			$102.59
POOLED CASH & INVESTMENTS-WITH-MULTI-BANK SEC	$97.67			$97.67
POOLED CASH & INVESTMENTS - WITH - L.A.I.F.	$0.00			$0.00
POOLED CASH & INVESTMENTS-WITH-MORGAN STANLEY SM	$339.73			$339.73
POOLED CASH & INVESTMENTS-WITH-MORGAN STANLEY	$91.02			$91.02
POOLED CASH & INVESTMENTS-WITH-UBS FINANCIAL SERVI	$2,494.48			$2,494.48
POOLED CASH & INVESTMENTS-MUTUAL SECURITIES	$0.08			$0.08
RESTRICTED CASH & INVESTMENTS	$30.91			$30.91
TOTAL	$3,208.46	$0.00	$0.00	$3,208.46

QUARTERLY INTEREST EARNING ARE AS FOLLOWS:

	QTR. ENDING SEP. 30, 2014	QTR. ENDING DEC. 31, 2014	QTR. ENDING MARCH 31, 2015	QTR. ENDING JUNE 30, 2015	FISCAL YEAR TO DATE
POOLED CASH & INVESTMENTS - WITH - WA	$89.28	$0.00	$0.00	$0.00	$89.28
POOLED CASH & INVESTMENTS - WITH - RAYMOND JAMES	$0.00	$0.00	$0.00	$0.00	$0.00
POOLED CASH & INVESTMENTS - WITH - US BANK	$0.00	$0.00	$0.00	$0.00	$0.00
POOLED CASH & INVESTMENTS-WITH-MULTI BANK SEC	$192.19	$0.00	$0.00	$0.00	$192.19
POOLED CASH & INVESTMENTS - WITH - L.A.I.F.	$0.00	$575.68	$0.00	$0.00	$575.68
POOLED CASH & INVESTMENTS - WITH - UNITED SECURTIY E	$201.83	$0.00	$0.00	$0.00	$201.83
POOLED CASH & INVESTMENTS - WITH - MORAN STANLEY SI	$0.59	$0.00	$0.00	$0.00	$0.59
POOLED CASH & INVESTMENTS - WITH - MS	$1,265.88	$0.00	$0.00	$0.00	$1,265.88
POOLED CASH & INVESTMENTS - WITH - UBS	$4,669.28	$0.00	$0.00	$0.00	$4,669.28
POOLED CASH & INVESTMENTS - WITH - MUTUAL SECURITIE	($29.84)	$0.00	$0.00	$0.00	($29.84)
RESTRICTED CASH & INVESTMENTS	$1,926.26	$0.00	$0.00	$0.00	$1,926.26
TOTAL	$8,315.47	$575.68	$0.00	$0.00	$8,891.15

EXHIBIT C

CITY OF TAFT
TREASURER'S REPORT - CASH & INVESTMENT SUMMARY
POOLED DESIGNATED, OPERATING CASH, & INVESTMENTS
AS OF AUGUST 31, 2015

A/C #	POOLED DESIGNATED AND OPERATING CASH & INVESTMENTS:		BOOK VALUE	MARKET VALUE
9-100	Passbook / Checking Accounts WESTAMERICA BANK "NOW" Demand Deposits (365)		$1,202,648.35	$1,202,648.35
		TOTAL	$1,202,648.35	$1,202,648.35
9-101	Local Agency Investment Funds (A) State Pool Demand Deposits(365)		$3,894,305.98	$3,894,305.98
		TOTAL	$3,894,305.98	$3,894,305.98
9-103	Certificate of Deposit UNITED SECURITY BANK		$257,102.85	$257,102.85
		TOTAL	$257,102.85	$257,102.85
9-104	Investment-U.S. Government Securities US Bankcorp Piper Jaffray **($ 2,500,000.00 Fire Dept. Reserves)**		$3,000,000.00	$3,000,000.00
		TOTAL	$3,000,000.00	$3,000,000.00
9-113	Certificate of Deposit MULTI-BANK SECURITIES		$300,295.60	$300,543.60
		TOTAL	$300,295.60	$300,543.60
9-114	Certificate of Deposit MORGAN STANLEY		$616,118.75	$617,737.28
		TOTAL	$616,118.75	$617,737.28
9-115	BOND SECURITY UBS FINANCIAL SERVICES, INC.		$500,000.00	$661,071.85
		TOTAL	$500,000.00	$661,071.85
9-116	Certificate of Deposit MORGAN STANLEY SMITH BARNEY		$200,000.00	$203,615.70
		TOTAL	$200,000.00	$203,615.70
9-117	Certificate of Deposit MUTUAL SECURITIES		$259,941.04	$264,041.04
		TOTAL	$259,941.04	$264,041.04
	TOTAL POOLED DESIGNATED AND OPERATING CASH & INVESTMENTS:		$10,230,412.57	$10,401,066.65

SUMMARY OF CASH & INVESTMENT BALANCES BY FUNDS

GENERAL FUND	$1,780,781.74
SPECIAL REVENUE FUND	$917,456.32
COMMUNITY CORRECTIONAL FACILITY	($1,060,208.94)
SEWER FUND	$2,105,371.72
REFUSE FUND	$883,681.59
TRANSIT FUND	($1,285,949.85)
FEDERAL WWTP	$3,081,379.68
TAFT COMMUNITY DEVELOPMENT AGENCY	$89,255.03
WASTEWATER TREATMENT PLANT	$3,722,338.23
UNALLOCATED INTEREST INCOME	($3,692.95)
UNKNOWN DIFFERENCE	$0.00
TOTAL POOLED DESIGNATED AND OPERATING CASH & INVESTMENTS:	$10,230,412.57

PRINT FORMAT: P.

EXHIBIT D

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif/laif.asp
September 22, 2015

CITY OF TAFT

DIRECTOR OF FINANCE
209 EAST KERN STREET
TAFT, CA 93268

PMIA Average Monthly Yields

Account Number:
98-15-912

Tran Type Definitions

August 2015 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
8/20/2015	8/20/2015	RD	1477099	TERESA BINKLEY	1,000,000.00

Account Summary

Total Deposit:	1,000,000.00	Beginning Balance:	2,894,305.98
Total Withdrawal:	0.00	Ending Balance:	3,894,305.98

CITY OF TAFT
INVESTMENT IN US GOVERNMENT SECURITIES
BALANCES AS OF 8/31/15

INVESTMENT DESCRIPTION	COST AT PAR	ACCRUED INTEREST	TOTAL COSTS COST @ PAR+ ACCRUED INT.	MARKET VALUE	RATE OF RETURNS	ANNUAL INCOME	INTEREST PAYMENT DATES	
FEDL HOME LOAN BANK BONDS PURCHASED: 11/8/12/ DUE: 5/08/17 FIRST COUPON: 5/08/14/12/ CALL: 2/8/13	$ 1,000,000.00	$ -	$ 1,000,000.00	$ 997,120.00	0.740%	$7,400.00	May 8	November 8
FEDERAL FARM CREDIT BANK PURCHASED: 3/12/13/ DUE: 3/12/18 FIRST COUPON: 9/12/13/ CALL: 3/12/14	$ 1,000,000.00	$ -	$ 1,000,000.00	$ 994,720.00	1.030%	$10,300.00	March 12	September 12
FEDERAL NATIONAL MTG ASSN PURCHASED: 3/20/13/ DUE: 3/20/18 FIRST COUPON: 9/20/13/ CALL: 9/20/14	$ 1,000,000.00		$ 1,000,000.00	$ 998,170.00	1.125%	$11,250.00	March 20	September 20
CASH BALANCE	$ -	$ -	$ -	$ -				
INCOME BALANCE	$ -	$ -	$ -	$ -				
ACCRUED INTEREST BALANCE	$ -	$ 12,189.31	$ 12,189.31	$ 12,189.31				
TOTAL INVESTMENTS	$ 3,000,000.00	$ 12,189.31	$ 3,012,189.31	$ 3,002,199.31	0.965%	$28,950.00		

TOTAL ANNUAL INTEREST INCOME FROM THESE INVESTMENTS: $28,950.00

EXHIBIT E

GUIDES FOR THE JOURNEY | PiperJaffray.

STATEMENT OF ACCOUNT

Registered Representative:

UME-UKEJE
877-337-4737

Piper Jaffray & Co.
800 Nicollet Mall, Suite 1000
Minneapolis, MN 55402-7036

RECEIVED
SEP 14 2015
CITY OF TAFT

00003735 01 MB 0.436 01 TR 00019 PJBPD002 000000
CITY OF TAFT
ATTN TERESA STATLER
FINANCE DIRECTOR
209 E KERN STREET
TAFT CA 93268

Account Value

Value as of August 31, 2015	$3,002,199.31

Customer Notice

Cost Basis information can now be viewed online at Client Online Services. In addition, you can access account statements, confirms, and tax documents and sign up for e-delivery of confirms and shareholder communications. Just log in to your account at online.piperjaffray.com to take advantage of these convenient resources.

EXHIBIT F

S 003735 PJBPD002 002621

THIS SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY. IT IS NOT INTENDED AS A TAX DOCUMENT.
THIS STATEMENT SHOULD BE RETAINED FOR YOUR RECORDS.

GENERAL INFORMATION

The following information is provided to help you understand your Piper Jaffray & Co. account statement. The descriptions that follow cover most statement sections; however, some of the information may not apply to your particular account statement. An explanatory brochure, "How to Read Your Account Statement," is available upon request and provides additional descriptions and explanations. If you have any questions, please contact your Piper Jaffray registered representative.

Account Value is the total value of your account as of the last business day of the statement period. It does not include unpriced securities.

Account Value Summary shows the opening and closing value of your portfolio for the statement period, categorized by investment type and cash balances. The total is the value of all cash and money market funds plus priced securities. *Net Change in Account Value* is the difference in priced securities, money market funds and cash balances from the previous statement period.

Dividends, Interest, and Tax Activity Summary shows total portfolio income for the current statement period and year to date, including dividends and bond interest and other types of income and expenses.

Retirement Activity Summary reflects contributions received and distributions paid during the current year and prior year.

Activity Summary recaps the transactions in your account during the current statement period.

Portfolio Summary is a listing of securities in your account organized by product type.

Verification Notice shows the information on file at Piper Jaffray & Co. regarding the owner(s) of your account.

Estimated Annual Income (EAI)/Estimated Current Yield (EY) for certain types of securities could include a return of principal or capital gains in which case the EAI and EY would be overstated. Both EAI and EY are estimates and the actual income and yield might be lower or higher than the estimated amounts. The EY reflects only the income generated by an investment. It does not reflect changes in its market value, which may fluctuate.

REGULATORY INFORMATION

Market Prices/Bond Ratings - Prices for determining market values represent estimates obtained from multiple sources, including Piper Jaffray & Co., its affiliates and outside vendor sources. Pricing estimates may be based upon bids, prices within the bid/ask spread, closing prices or a matrix methodology that uses data relating to other securities whose prices are more ascertainable, producing a hypothetical price based on the estimated yield spread relationship between the securities. Pricing estimates do not constitute a bid for any security. Actual prices realized at sale may be more or less than shown on your statement. Bond ratings are received from outside sources. *(While we believe our sources for security prices and bond ratings to be reliable, we cannot guarantee their accuracy.)*

Loan/Margin Account Clients - If you have a margin account, this is a combined statement of your general account and the Special Memorandum Account maintained for you under Section 220.6 of Regulation T, issued by the Board of Governors of the Federal Reserve System. As required by Regulation T, the permanent record of the separate sub-accounting is available for your inspection.

Callable Securities - In the event of a partial call of corporate or municipal bonds or preferred stock held in bulk by us for you and other securities clients, the securities to be called will automatically be called using a random selection procedure prescribed by the Financial Industry Regulatory Authority (FINRA). The probability that your securities will be selected is proportional to your holdings relative to the total firm holdings.

Free Credit Balances – Under the client protection rules, we are required to disclose to you that we may use free credit balances in your account in the ordinary course of our business and these funds are payable to you on demand.

Securities Account Protection - Piper Jaffray & Co. is a member of the Securities Investor Protection Corporation (SIPC). SIPC protects securities clients of member firms that are in liquidation for up to $500,000 per account (including up to $250,000 in cash). Although SIPC was created with the Securities Investor Protection Act of 1970, it is not a government agency or regulatory authority. It is a nonprofit membership corporation funded by its members. To learn more about what the Securities Investor Protection Corporation does, for membership questions, or to obtain a copy of the SIPC brochure, you may call 202 371-8300 or visit the SIPC website at www.sipc.org. Protection through SIPC does not protect against losses in the market value of investments.

Tax Reporting - As required by law, at year-end we will report to you, the Internal Revenue Service and to certain states specific information on sales (including short sales and cost basis, as required), dividends and various types of interest that have been credited to your account. Therefore, your statement should not be used to complete your tax return.

Upon opening, your account is set up with a First In, First Out (FIFO) accounting method for tax lot designation on sales; shares with the oldest purchase date are sold first. If you wish to change your basis election at the account and/or security level, contact your registered representative. You must also notify your registered representative by the settlement date of a sale if you wish to sell a specific tax lot.

Our firm does not provide tax, accounting or legal advice. Please contact your tax or accounting advisor regarding tax deferred plans, tax lot designation and the suitability of tax-exempt investments in your portfolio.

Piper Jaffray & Co. Statement of Financial Condition - You may obtain a copy of our Statement of Financial Condition by visiting our website at www.piperjaffray.com or by requesting a copy be mailed to you free-of-charge by calling us toll free at 866 676-9480.

Changes in Your Situation - Please advise your Piper Jaffray & Co. registered representative promptly of any material change in your investment objectives or financial condition.

Inaccuracies/Discrepancies - Should you find any error or discrepancy in your account, account statement, a trade confirmation or tax documents provided by Piper Jaffray & Co., you should promptly notify your Piper Jaffray & Co. registered representative. Any verbal communication should be re-confirmed in writing.

Under the Public Disclosure Program, referred to as the BrokerCheck program, FINRA provides certain information regarding the disciplinary history of FINRA member firms and their associated persons. An investor brochure that includes information describing the BrokerCheck program may be obtained from FINRA by calling 800 289-9999 or visiting the FINRA website at www.finra.org.

Complaints - Complaints regarding your Piper Jaffray & Co. account can be directed, in writing, to the Piper Jaffray & Co. Compliance Department c/o Chief Compliance Officer, 800 Nicollet Mall Suite 1000, Minneapolis MN 55402 or by calling 612-303-6000.

ACCOUNT VALUE SUMMARY

Description	As of 07/31/15	This Period
U.S. Agency Securities	$2,992,230.00	$2,990,010.00
Subtotal	**$2,992,230.00**	**$2,990,010.00**
Accrued Interest Balance	9,776.80	12,189.31
TOTAL	**$3,002,006.80**	**$3,002,199.31**
NET CHANGE IN ACCOUNT VALUE		**$192.51**

DIVIDENDS, INTEREST, AND TAX ACTIVITY SUMMARY

Description	This Statement	Year to Date
Government Agency Interest	$0.00	$14,475.00
TOTAL INCOME	**$0.00**	**$14,475.00**

PORTFOLIO SUMMARY

Bond ratings are provided by Moody's and Standard & Poor's, respectively. For more information about bond ratings please contact your Registered Representative.

Note: The accrued interest displayed for certain fixed income securities is the interest accrued from the previous coupon payment date through the end of the statement period. While this accrued interest is reflected in your account value as Accrued Interest Balance or Short Accrued Int. Balance, the payment of the coupon interest is not guaranteed.

US AGENCY SECURITIES

Account Type	Quantity	Description	Bond Ratings	Current Price	Market Value	Estimated Annual Income	Estimated Current Yield
CASH	1,000,000	FEDERAL HOME LOAN BANK DATED DATE 11/08/12 DUE 05/08/2017 0.740% MN 08 CUSIP - 3133812G9	MOODY: 000 S&P: AA+	$99.7120 ACCRU. INT	$997,120.00 2,322.78	$7,400.00	0.7400%
CASH	1,000,000	FEDERAL FARM CREDIT BANK DATED DATE 03/12/13 DUE 03/12/2018 1.030% MS 12 CUSIP - 3133ECHS6	MOODY: Aaa S&P: AA+	99.4720 ACCRU. INT	994,720.00 4,835.28	10,300.00	1.0400%
CASH	1,000,000	FEDERAL NATIONAL MTG ASSN DATED DATE 03/20/13 DUE 03/20/2018 1.125% MS 20 CUSIP - 3135G0VL4	MOODY: Aaa S&P: AA+	99.8170 ACCRU. INT	998,170.00 5,031.25	11,250.00	1.1300%
		MARKET VALUE OF US AGENCY SECURITIES			**$2,990,010.00**	**$28,950.00**	

THIS SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY. IT IS NOT INTENDED AS A TAX DOCUMENT.
THIS STATEMENT SHOULD BE RETAINED FOR YOUR RECORDS.

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CITY OF TAFT
MULTI-BANK SECURITIES, INC CERTIFICATE OF DEPOSITS
BALANCES AS OF 8/31/15

INVESTMENT DESCRIPTION	COST AT PAR	INTEREST EARNED	TOTAL COSTS COST @ PAR+ ACCRUED INT.	MARKET VALUE	RATE OF RETURNS	ANTICIPATED INCOME (ANNUALIZED)	INTEREST PAYMENT DATES
SALLIE MAE BK SALT LAKE CITY UT PURCHASED: 11/13/13/ DUE: 11/13/17 FIRST COUPON: 5/13/14/ CALL: 11/13/17	$ 100,000.00	$ -	$ 100,000.00	$ 100,644.00	1.450%	$1,450.00	Monthly
FIRSTBANK P R SANTURCE PURCHASED: 6/21/10/ DUE: 11/25/13 FIRST COUPON: 12/24/10/ CALL: 11/25/13	$ 100,000.00	$ -	$ 100,000.00	$ 100,501.00	1.500%	$1,600.00	Monthly
DISCOVER BK GREENWOOD DEL CTF PURCHASED: 5/09/12/ DUE: 5/11/15 FIRST COUPON: 11/09/12/ CALL: 5/11/15	$ 100,000.00	$ -	$ 100,000.00	$ 99,103.00	1.050%	$1,050.00	Semi Annual
MONEY MARKET FUND	$ -	$ -	$ -	$ -			
DIVIDENDS/INTEREST	$ -	$ 295.60	$ 295.60	$ 295.60			
TOTAL INVESTMENTS	$ 300,000.00	$ 295.60	$ 300,295.60	$ 300,543.60	1.333%	$4,100.00	

TOTAL ANNUAL INTEREST INCOME FROM THESE INVESTMENTS: $4,100.00

EXHIBIT G

MBS MULTI-BANK SECURITIES, INC.®
1000 Town Center, Suite 2300
Southfield, MI 48075
(800) 967-9045
Member of FINRA & SIPC; MSRB

Brokerage
Account Statement

* 00209246 01 AT 0.413 01 TR 00944 X108PD18 000000

CITY OF TAFT
209 EAST KERN ST
TAFT CA 93268-3224

Account Number: RMB-017534
Statement Period: 08/01/2015 - 08/31/2015

Valuation at a Glance

	This Period
Beginning Account Value	**$300,565.93**
Dividends/Interest	97.67
Change in Account Value	-120.00
Ending Account Value	**$300,543.60**
Estimated Annual Income	$3,750.00

Your Account Executive:
MICHAEL DEGEETER
(800) 967-4507

EXHIBIT H

Asset Allocation

	Last Period	This Period	% Allocation
Cash, Money Funds, and Bank Deposits	197.93	295.60	1%
Fixed Income	300,368.00	300,248.00	99%
Account Total	**$300,565.93**	**$300,543.60**	**100%**

Please review your allocation periodically with your Account Executive.

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Client Service Information

Your Account Executive: MAW
MICHAEL DEGEETER
MULTI-BANK SECURITIES
1000 TOWN CENTER, STE 2300
SOUTHFIELD MI 48075-1239

Contact Information
Telephone Number: (800) 967-4507
E-Mail Address: customerservice@mbssecurities.com

Client Service Information
Service Hours: Weekdays 09:00 a.m. - 05:00 p.m. (EST)
Client Service Telephone Number: (800) 967-9045
Web Site: WWW.MBSSECURITIES.COM

Your Account Information

Investment Objective

Investment Objective: NONE SPECIFIED
Risk Exposure: NONE SPECIFIED
Please discuss your investment objective with your Account Executive.

Tax Lot Default Disposition Method

Default Method for Mutual Funds: FIRST-IN-FIRST-OUT
Default Method for Stocks in a Dividend Reinvestment Plan: FIRST IN FIRST OUT
Default Method for all Other Securities: FIRST-IN-FIRST-OUT
Bond Amortization Elections:
Treat all interest as original issue discount (OID): No
Amortize premium on taxable bonds based on Constant Yield Method: Yes
Accrual market discount method for all other bond types: Ratable Method
Include market discount in income annually: No

Electronic Delivery

You have not selected any account communications for electronic delivery. To register and turn off paper communications, log in to your account or contact your Account Executive for more information.

Income and Expense Summary

	Current Period		Year-to-Date	
	Taxable	Non Taxable	Taxable	Non Taxable
Interest Income				
Other Interest	97.67	0.00	2,011.05	0.00
Total Dividends, Interest, Income and Expenses	**$97.67**	**$0.00**	**$2,011.05**	**$0.00**

Accrued Interest Summary

	Current Period		Year-to-Date	
	Taxable	Non Taxable	Taxable	Non Taxable
Accrued Interest Paid				
Other Accrued Interest	0.00	0.00	-103.97	0.00
Total Accrued Interest Paid	**$0.00**	**$0.00**	**-$103.97**	**$0.00**

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Brokerage Account Statement

Statement Period: 08/01/2015 - 08/31/2015

Portfolio Holdings

Description	Quantity	Opening Balance	Closing Balance	Accrued Income	30-Day Yield
Cash, Money Funds, and Bank Deposits 1.00% of Portfolio					
Cash Balance		197.93	295.60		
Total Cash, Money Funds, and Bank Deposits		$197.93	$295.60	$0.00	

Description	Quantity	Market Price	Market Value	Accrued Interest	Estimated Annual Income	Estimated Yield
Fixed Income 99.00% of Portfolio *(In Maturity Date Sequence)*						
Certificates of Deposit						
FIRSTBANK P R SANTURCE	100,000.000	100.5010	100,501.00	31.51	1,150.00	1.14%
CTF DEP ACT/365 1.150% 11/21/16 B/E						
DTD 11/21/12 1ST CPN DTE 12/21/12						
Security Identifier: 33764JPJ8						
SALLIE MAE BK SALT LAKE CITY UT	100,000.000	100.6440	100,644.00	436.99	1,450.00	1.44%
CTF DEP ACT/365 1.450% 11/13/17 B/E						
DTD 11/13/13 1ST CPN DTE 05/13/14						
Security Identifier: 795450RH0						
DISCOVER BK GREENWOOD DEL	100,000.000	99.1030	99,103.00	456.85	1,150.00	1.16%
CTF DEP ACT/365 1.150% 04/09/18 B/E						
DTD 04/08/15 1ST CPN DTE 10/08/15						
Security Identifier: 254672LF3						
Total Certificates of Deposit:	300,000.000		$300,248.00	$925.35	$3,750.00	
Total Fixed Income:	300,000.000		$300,248.00	$925.35	$3,750.00	

	Market Value	Accrued Interest	Estimated Annual Income
Total Portfolio Holdings	$300,543.60	$925.35	$3,750.00

Portfolio Holdings Disclosures

Pricing

This section includes the net market value of the securities in your account on a settlement date basis, including short positions, at the close of the statement period. The market prices, unless otherwise noted, have been obtained from independent vendor services, which we believe to be reliable. Market prices do not constitute a bid or an offer, and may differ from the actual sale price. Securities for which a price is

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Portfolio Holdings Disclosures *(continued)*

Pricing *(continued)*

not available are marked "N/A" and are omitted from the Total.

THE AS OF PRICE DATE ONLY APPEARS WHEN THE PRICE DATE DOES NOT EQUAL THE STATEMENT DATE.

Estimated Annual Figures

The estimated annual income (EAI) and estimated annual yield (EAY) figures are estimates and for informational purposes only. These figures are not considered to be a forecast or guarantee of future results. These figures are computed using information from providers believed to be reliable; however, no assurance can be made as to the accuracy. Since interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political, and business conditions, they should not be relied on for making investment, trading, or tax decisions. These figures assume that the position quantities, interest and dividend rates, and prices remain constant. A capital gain or return of principal may be included in the figures for certain securities, thereby overstating them. Refer to www.pershing.com/business_continuity.html for specific details as to formulas used to calculate the figures. Accrued interest represents interest earned but not yet received.

Reinvestment

The dollar amount of Mutual Fund distributions, Money Market Fund dividend income, Bank Deposit interest income, or dividends for other securities shown on your statement may have been reinvested. You will not receive confirmation of these reinvestments. Upon written request to your financial institution, information pertaining to these transactions, including the time of execution and the name of the person from whom your security was purchased, may be obtained. In dividend reinvestment transactions, Pershing acts as your agent and receives payment for order flow.

Option Disclosure

Information with respect to commissions and other charges incurred in connection with the execution of option transactions has been included in confirmations previously furnished to you. A summary of this information is available to you promptly upon your written request directed to your introducing firm. In order to assist your introducing firm in maintaining current background and financial information concerning your option accounts, please promptly advise them in writing of any material change in your investment objectives or financial situation. Expiring options which are valuable are exercised automatically pursuant to the exercise by exception procedure of the Options Clearing Corporation. Additional information regarding this procedure is available upon written request to your introducing firm.

Certificates of Deposit

Please be advised that the secondary market for CDs is generally illiquid; the actual value of CDs may be different from their purchase price; and a significant loss of principal could result if your CDs are sold prior to maturity. In the event that the CDs listed above do not indicate a market valuation, an accurate market value could not be determined. In the event that a price is listed above for your CDs, Pershing has obtained a price from sources deemed to be reliable or has priced your CDs using a matrix formula. Prices are estimates and the actual value you may obtain for your CD may be different if you elect to sell your CD in the secondary market.

Foreign Currency Transactions

Pershing may execute foreign currency transactions as principal for your account. Pershing may automatically convert foreign currency to or from U.S. dollars for dividends and similar corporate action transactions unless you instruct your financial organization otherwise. Pershing's currency conversion rate will not exceed the highest interbank conversion rate identified from customary banking sources on the conversion date or the prior business day, increased by up to 1%, unless a particular rate is required by applicable law. Your financial organization may also increase the currency conversion rate. This conversion rate may differ from rates in effect on the date you executed a transaction, incurred a charge, or received a credit. Transactions converted by agents (such as depositories) will be billed at the rates such agents use.

Proxy Vote

Securities not fully paid for in your margin account may be lent by Pershing to itself or others in accordance with the terms outlined in the Margin Agreement. The right to vote your shares held on margin may be reduced by the amount of shares on loan. The Proxy Voting Instruction Form sent to you may reflect a smaller number of shares entitled to vote than the number of shares in your margin account.

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Brokerage Account Statement

Statement Period: 08/01/2015 - 08/31/2015

Activity Summary *(All amounts shown are in base currency)*

	Credits This Period	Debits This Period	Net This Period	Credits Year-to-Date	Debits Year-to-Date	Net Year-to-Date
Securities						
Securities Bought	0.00	0.00	0.00	0.00	-100,103.97	-100,103.97
Total Securities	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**-$100,103.97**	**-$100,103.97**
Dividends and Interest	**$97.67**	**$0.00**	**$97.67**	**$2,531.75**	**-$520.70**	**$2,011.05**
Distributions	**$0.00**	**$0.00**	**$0.00**	**$100,000.00**	**$0.00**	**$100,000.00**
Cash						
Withdrawals	0.00	0.00	0.00	0.00	-1,611.48	-1,611.48
Total Cash	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**-$1,611.48**	**-$1,611.48**
Totals	**$97.67**	**$0.00**	**$97.67**	**$102,531.75**	**-$102,236.15**	**$295.60**

Transactions by Type of Activity

Process/ Settlement Date	Activity Type	Description	Quantity	Price	Accrued Interest	Amount	Currency
Dividends and Interest							
08/21/15	BOND INTEREST RECEIVED 33764JPJ8	100000 FIRSTBANK P R SANTURCE CTF DEP ACT/365 1.150% 11/21/16 B/E DTD 11/21/12 RD 08/20 PD 08/21/15				97.67	USD
Total Dividends and Interest					**$0.00**	**$97.67**	**USD**
Total Value of Transactions					**$0.00**	**$97.67**	**USD**

The price and quantity displayed may have been rounded.

Messages

Although a money market mutual fund seeks to preserve the value of your investment at $1 per share, it is possible to lose money by investing in a money market mutual fund. Shares of a money market mutual fund or the balance of a bank deposit product held in your brokerage account may be liquidated upon request with the proceeds credited to your brokerage account. Please see the money market mutual fund's prospectus or the bank deposit product's disclosure document or contact your advisor for additional information.

A0095044CSF108DP PAR-02-ROLL
Account Number: RMB-017534
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Important Information and Disclosures

The Role of Pershing

- Pershing carries your account as clearing broker pursuant to a clearing agreement with your financial institution. Pershing may accept from your financial institution without inquiry or investigation (i) orders for the purchase and sale of securities and other property and (ii) any other instructions concerning your account. Pershing is not responsible or liable for any acts or omissions of your financial institution or its employees and it does not supervise them. Pershing provides no investment advice nor does it assess the suitability of any transaction or order. Pershing acts as the agent of your financial institution and you agree that you will not hold Pershing or any person controlling or under common control with it liable for any investment losses incurred by you.
- Pershing performs several key functions at the direction of your financial institution. It acts as custodian for funds and securities you may deposit with it directly or through your financial institution or that it receives as the result of securities transactions it processes.
- Your financial institution is responsible for adherence to the securities laws, regulations and rules which apply to it regarding its own operations and the supervision of your account, its sales representatives and other personnel. Your financial institution is also responsible for approving the opening of accounts and obtaining account documents; the acceptance and, in certain instances, execution of securities orders; the assessment of the suitability of those transactions, where applicable; the rendering of investment advice, if any, to you and in general, for the ongoing relationship that it has with you.
- Inquiries concerning the positions and balances in your account may be directed to the Pershing Customer Service Department at (201) 413-3333. All other inquiries regarding your account or activity should be directed to your financial institution. Your financial organization's contact information can be found on the first page of this statement.
- For a description of other functions performed by Pershing please consult the Disclosure Statement provided to you upon the opening of your account. This notice is not meant as a definitive enumeration of every possible circumstance, but as a general disclosure. If you have any questions regarding this notice or if you would like additional copies of the Disclosure Statement, please contact your financial institution.
- Pershing is a member of the Securities Investor Protection Corporation (SIPC®). Please note that SIPC does not protect against loss due to market fluctuation. In addition to SIPC protection, Pershing provides coverage in excess of SIPC limits. For more detailed information please visit: www.pershing.com/about/strength-and-stability.
- This statement will be deemed conclusive. You are advised to report any inaccuracy or discrepancy (including unauthorized trading) promptly, but no later than ten days after receipt of this statement, to your financial organization and Pershing. Please be advised that any oral communication should be re-confirmed in writing to further protect your rights, including your rights under the Securities Investor Protection Act.
- Your financial organization's contact information can be found on the first page of this statement. Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330**. Errors and Omissions excepted.

Important Arbitration Disclosures

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

Important Arbitration Agreement

Any controversy between you and Pershing LLC shall be submitted to arbitration before the Financial Industry Regulatory Authority. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until, (I) the class certification is denied, (II) the class is decertified, or (III) the client is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein. The laws of the State of New York govern.

Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.**

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Brokerage Account Statement

Statement Period: 08/01/2015 - 08/31/2015

Activity Summary *(All amounts shown are in base currency)*

	Credits This Period	Debits This Period	Net This Period	Credits Year-to-Date	Debits Year-to-Date	Net Year-to-Date
Securities						
Securities Bought	0.00	0.00	0.00	0.00	-100,103.97	-100,103.97
Total Securities	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**-$100,103.97**	**-$100,103.97**
Dividends and Interest	**$97.67**	**$0.00**	**$97.67**	**$2,531.75**	**-$520.70**	**$2,011.05**
Distributions	**$0.00**	**$0.00**	**$0.00**	**$100,000.00**	**$0.00**	**$100,000.00**
Cash						
Withdrawals	0.00	0.00	0.00	0.00	-1,611.48	-1,611.48
Total Cash	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**-$1,611.48**	**-$1,611.48**
Totals	**$97.67**	**$0.00**	**$97.67**	**$102,531.75**	**-$102,236.15**	**$295.60**

Transactions by Type of Activity

Process/ Settlement Date	Activity Type	Description	Quantity	Price	Accrued Interest	Amount	Currency
Dividends and Interest							
08/21/15	BOND INTEREST RECEIVED 33764JPJ8	100000 FIRSTBANK P R SANTURCE CTF DEP ACT/365 1.150% 11/21/16 B/E DTD 11/21/12 RD 08/20 PD 08/21/15				97.67	USD
Total Dividends and Interest					**$0.00**	**$97.67**	**USD**
Total Value of Transactions					**$0.00**	**$97.67**	**USD**

The price and quantity displayed may have been rounded.

Messages

Although a money market mutual fund seeks to preserve the value of your investment at $1 per share, it is possible to lose money by investing in a money market mutual fund. Shares of a money market mutual fund or the balance of a bank deposit product held in your brokerage account may be liquidated upon request with the proceeds credited to your brokerage account. Please see the money market mutual fund's prospectus or the bank deposit product's disclosure document or contact your advisor for additional information.

Go paperless
ASK ABOUT E-DELIVERY
Rated Excellent Every Year Since 2007 DALBAR RATED COMMUNICATIONS EXCELLENCE
Clearing through Pershing LLC, a wholly owned subsidiary of The Bank of New York Mellon Corporation (BNY Mellon)
Pershing LLC, member FINRA, NYSE, SIPC

Important Information and Disclosures

The Role of Pershing

- Pershing carries your account as clearing broker pursuant to a clearing agreement with your financial institution. Pershing may accept from your financial institution without inquiry or investigation (i) orders for the purchase and sale of securities and other property and (ii) any other instructions concerning your account. Pershing is not responsible or liable for any acts or omissions of your financial institution or its employees and it does not supervise them. Pershing provides no investment advice nor does it assess the suitability of any transaction or order. Pershing acts as the agent of your financial institution and you agree that you will not hold Pershing or any person controlling or under common control with it liable for any investment losses incurred by you.
- Pershing performs several key functions at the direction of your financial institution. It acts as custodian for funds and securities you may deposit with it directly or through your financial institution or that it receives as the result of securities transactions it processes.
- Your financial institution is responsible for adherence to the securities laws, regulations and rules which apply to it regarding its own operations and the supervision of your account, its sales representatives and other personnel. Your financial institution is also responsible for approving the opening of accounts and obtaining account documents; the acceptance and, in certain instances, execution of securities orders; the assessment of the suitability of those transactions, where applicable; the rendering of investment advice, if any, to you and in general, for the ongoing relationship that it has with you.
- Inquiries concerning the positions and balances in your account may be directed to the Pershing Customer Service Department at (201) 413-3333. All other inquiries regarding your account or activity should be directed to your financial institution. Your financial organization's contact information can be found on the first page of this statement.
- For a description of other functions performed by Pershing please consult the Disclosure Statement provided to you upon the opening of your account. This notice is not meant as a definitive enumeration of every possible circumstance, but as a general disclosure. If you have any questions regarding this notice or if you would like additional copies of the Disclosure Statement, please contact your financial institution.
- Pershing is a member of the Securities Investor Protection Corporation (SIPC®). Please note that SIPC does not protect against loss due to market fluctuation. In addition to SIPC protection, Pershing provides coverage in excess of SIPC limits. For more detailed information please visit: www.pershing.com/about/strength-and-stability.
- This statement will be deemed conclusive. You are advised to report any inaccuracy or discrepancy (including unauthorized trading) promptly, but no later than ten days after receipt of this statement, to your financial organization and Pershing. Please be advised that any oral communication should be re-confirmed in writing to further protect your rights, including your rights under the Securities Investor Protection Act.
- Your financial organization's contact information can be found on the first page of this statement. Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330**. Errors and Omissions excepted.

Important Arbitration Disclosures

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

Important Arbitration Agreement

Any controversy between you and Pershing LLC shall be submitted to arbitration before the Financial Industry Regulatory Authority. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action, who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until, (i) the class certification is denied, (ii) the class is decertified, or (iii) the client is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein. The laws of the State of New York govern.

Pershing's contact information is as follows: **Pershing LLC, Legal Department, One Pershing Plaza, Jersey City, New Jersey 07399; (201) 413-3330.**

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Every Year Since 2007
DALBAR RATED COMMUNICATIONS EXCELLENCE

Clearing through Pershing LLC, a wholly owned subsidiary of The Bank of New York Mellon Corporation (BNY Mellon)
Pershing LLC, member FINRA, NYSE, SIPC

CITY OF TAFT
MORGAN STANLEY INVESTMENT IN CERTIFICATE OF DEPOSIT
BALANCES AS OF 8/31/15

INVESTMENT DESCRIPTION	COST AT PAR	INTEREST EARNED	TOTAL COSTS COST @ PAR+ ACCRUED INT.	MARKET VALUE	RATE OF RETURNS	ANTICIPATED INCOME (ANNUALIZED)	INTEREST PAYMENT DATES	
ORIENTAL B&T CD HATO REY PR CD PURCHASED: 5/6/13 /DUE: 5/16/17 FIRST COUPON: 6/16/13/ CALL: 11/15/13	$ 118,000.00	$ -	$ 118,000.00	$ 117,749.84	0.900%	$1,062.00	Monthly	Monthly
GOLDMAN SACHS CD NEW YORK CD PURCHASED: 11/9/12/ DUE: 11/14/16 FIRST COUPON: 1/9/13/ CALL: 11/14/16	$ 53,000.00	$ -	$ 53,000.00	$ 53,394.32	1.350%	$715.50	MAY 14	NOV 14
ST BK OF INDIA CD NEW YORK CITY NY CD PURCHASED: 9/18/14 DUE: 9/11/17 FIRST COUPON: 9/18/14 DUE: 9/11/17	$ 100,000.00	$ -	$ 100,000.00	$ 99,969.00	1.400%	$1,400.00	MAR 11	SEPT 11
GE CAP BK CD SALT LAKE CITY UT CD PURCHASED: 9/19/14 DUE: 9/19/18 FIRST COUPON : 9/19/14 DUE: 9/19/18	$ 140,000.00	$ -	$ 140,000.00	$ 139,050.80	1.850%	$2,590.00	MAR 19	SEPT 19
AMERICAN EXP SALT LAKE CITY UT CD PURCHASED: 10/30/14 DUE: 10/30/17 FIRST COUPON: 4/30/15	$ 54,000.00	$ -	$ 54,000.00	$ 53,962.20	1.450%	$783.00	APR 30	OCT 30
GOLDMAN SACHS NEW YORK NY CD PURCHASED: 10/29/14 DUE: 10/29/18 FIRST COUPON: 4/29/15	$ 54,000.00	$ -	$ 54,000.00	$ 53,827.20	1.800%	$972.00	APR 29	OCT 29
MORGAN STANLEY BANK	$ 97,118.75		$ 97,118.75	$ 97,118.75	0.010%	$12.00		
ACCRUED INTEREST	$ -	$ -	$ 2,665.17	$ 2,665.17				
TOTAL INVESTMENTS	$ 616,118.75	$ -	$ 618,783.92	$ 617,737.28	1.460%	$7,534.50		

TOTAL ANNUAL INTEREST INCOME FROM THESE INVESTMENTS: $7,534.50

EXHIBIT I

CLIENT STATEMENT | For the Period August 1-31, 2015

Morgan Stanley

STATEMENT PACKAGE FOR:
CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &

RECEIVED
SEP 10 2015
CITY OF TAFT

Morgan Stanley Smith Barney LLC. Member SIPC.

TOTAL VALUE OF YOUR ACCOUNTS (as of 8/31/15) $617,737.28
Includes Accrued Interest

Your Financial Advisor
David Ivarie
Senior Vice President
David.Ivarie@morganstanley.com
661 663-4626

Your Branch
9100 MING AVENUE, SUITE 205
BAKERSFIELD, CA 93311
Telephone: 661-663-8100; Alt. Phone: 800-421-2171; Fax: 661-663-4650

EXHIBIT J

S 063942 MSGDD458 019387

#BWNJGWM
00063942 01 AT 0.413 01 TR 00331 MSGDD458 000000
CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &
CRAIG JONES
209 E. KERN STREET
TAFT CA 93268-3224

Client Service Center (24 Hours a Day; 7 Days a Week): 800-869-3326

Access Your Accounts Online: www.morganstanley.com/online

117 - 066979 - 207 - 1 - 0

Standard Disclosures

The following Disclosures are applicable to the enclosed statement(s). Expanded Disclosures are attached to your most recent June and December statement (or your first Statement if you have not received a statement for those months). The Expanded Disclosures are also available by selecting Account Documents when you log on to www.morganstanley.com/online or, call 800-869-3326.

Questions?

Questions regarding your account may be directed to your Financial Advisor or the Branch Manager for the branch office where you maintain your account. If you require further assistance, call Client Service Center at (800) 869-3326 or for account-related concerns call our Client Advocate at (866) 227-2256.

Errors and Inquiries

It is your responsibility to review your statement promptly and to seek immediate clarification about entries that you do not understand or believe were made in error by contacting the Branch Manager of the office where you maintain your account. Oral communications regarding any inaccuracy or discrepancy in this statement should be re-confirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act (SIPA). Your statement will be deemed correct unless we receive a written inquiry of a suspected error. See your account documentation for special rules regarding your rights and responsibilities with respect to erroneous electronic fund transfers, including a description of the transfers covered.

Availability of Free Credit Balances and Financial Statements

Under the customer protection rules of the SEC [17 CFR §240.15c3-3], we may use funds comprising free credit balances carried for customer accounts here, provided that these funds are payable to customers on demand (i.e., are free of a lien or right of set-off in our favor or on behalf of some third party to whom you have given control). A financial statement of this organization is available for your personal inspection at its offices, or a copy will be mailed to you upon your written request.

Listed Options

Information with respect to commissions and other charges related to the execution of options transactions has been included in confirmations of such transactions previously furnished to you and such information will be made available to you promptly at your request. Promptly advise us of any material change in your investment objectives or financial situation.

Important Information if you are a Margin Customer (not available for certain retirement accounts)

If you have margin privileges, you may borrow money from us in exchange for pledging assets in your accounts as collateral for any outstanding margin loan. The amount you may borrow is based on the value of the eligible securities in your margin accounts. If a security has eligible shares, the number of shares pledged as collateral will be indicated below the position.

Margin Interest Charges

We calculate interest charges on margin loans as follows: (1) multiply the applicable margin interest rate by the daily close of business net settled debit balance, and (2) divide by 360 (days). Margin interest accrues daily throughout the month and is added to your debit balance at month-end. The month-end interest charge is the sum of the daily accrued interest calculations for the month. We add the accrued interest to your debit balance and start a new calculation each time the applicable interest rate changes and at the close of every statement month. For current margin loan interest rates, go to www.morganstanley.com/online/MIRates.

Information regarding Special Memorandum Account

If you have a Margin Account, this is a combined statement of your Margin Account and Special Memorandum Account maintained for you under Section 220.5 of Regulation T issued by the Board of Governors of the Federal Reserve System. The permanent record of the Special Memorandum Account as required by Regulation T is available for your inspection at your request.

Important Information About Auction Rate Securities

Due to market conditions, certain Auction Rate Securities experience no or limited liquidity. Therefore, the price(s) for any Auction Rate Securities shown on this statement may not reflect the price(s) you would receive upon a sale at auction or in a secondary market transaction, and are not an indication of any offer to purchase at such price.

Structured Products

Structured Products are complex products and may be subject to special risks. Investors should consider the concentration risk of owning the related security and their total exposure to any underlying asset. Structured Products may not perform in a manner consistent with the statement product category in which they appear and therefore may not satisfy portfolio asset allocation needs for that category.

Security Measures

This statement features several embedded security elements to safeguard its authenticity. One is a unique security mark-a blue rectangle printed in heat-sensitive ink on the back of every page. When exposed to warmth, the blue rectangle will disappear, and then reappear.

SIPC Protection

We are a member of Securities Investor Protection Corporation (SIPC), which protects securities of its customers up to $500,000 (including $250,000 for claims for cash). An explanatory brochure is available upon request or at www.sipc.org. Losses due to market fluctuation are not protected by SIPC and assets not held with us may not be covered by SIPC protection. To obtain information about SIPC, including an explanatory SIPC brochure, contact SIPC at 1-202-371-8300 or visit www.sipc.org.

Transaction Dates and Conditions

Upon written request, we will furnish the date and time of a transaction and the name of the other party to a transaction. We and/or our affiliates may accept benefits that constitute payment for order flow. Details regarding these benefits and the source and amount of any other remuneration received or to be received by us in connection with any transaction will be furnished upon written request.

Equity Research Ratings Definitions and Global Investment Manager Analysis Status

Some equity securities may have research ratings from Morgan Stanley & Co. LLC or Standard & Poor's. Research ratings are the research providers' opinions and not representations or guarantees of performance. For more information about each research provider's rating system, see the Research Ratings on your most recent June or December statement (or your first statement if you have not received a statement for those months), go to www.morganstanley.com/online or refer to the research provider's research report. Research reports contain more complete information concerning the analyst's views and you should read the entire research report and not infer its contents from the rating alone. If your account contains an advisory component or is an advisory account, a GIMA status will apply.

Credit Ratings from Moody's Investors Service and Standard & Poor's

The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities. All credit ratings represent the opinions of the provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings.

Revised 01/2015

Security Mark at Right

Account Summary

Active Assets Account
117-066979-207

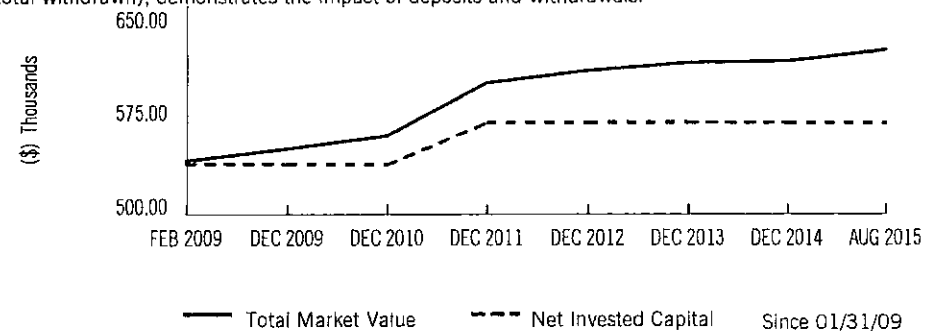
CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &

CHANGE IN VALUE OF YOUR ACCOUNTS (includes accrued interest)

	This Period (8/1/15-8/31/15)	This Year (1/1/15-8/31/15)
TOTAL BEGINNING VALUE	**$617,005.37**	**$609,521.06**
Credits	—	—
Debits	—	(150.00)
Security Transfers	—	—
Net Credits/Debits/Transfers	—	**$(150.00)**
Change in Value	**731.91**	**8,366.22**
TOTAL ENDING VALUE	**$617,737.28**	**$617,737.28**

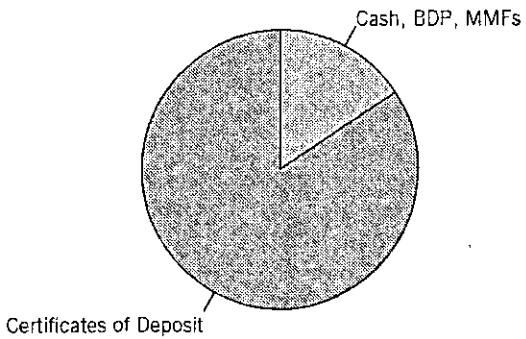
CHANGE IN VALUE OVER TIME

The display of market value (total account value) and net invested capital (total amount invested minus total withdrawn), demonstrates the impact of deposits and withdrawals.



This graph does not reflect corrections to Net Invested Capital or Market Value made subsequent to the dates depicted. It may exclude transactions in Annuities or positions where we are not the custodian, which could delay the reporting of Market Value or affect the Net Invested Capital.

ALLOCATION OF HOLDINGS



	Market Value	Percentage %
Cash, BDP, MMFs*	$97,118.75	15.7
Certificates of Deposit^	520,618.53	84.3
TOTAL VALUE^	**$617,737.28**	**100.0%**

*This allocation represents holdings on a trade date basis, and projected settled Cash/ BDP and MMF balances. These classifications are not intended to serve as a suitability analysis. * FDIC rules apply and Bank Deposits are eligible for FDIC insurance but are not covered by SIPC. Cash and securities (including MMFs) are eligible for SIPC coverage. See Expanded Disclosures. ^ Includes Estimated Accrued Interest.*

063942 MSGDD458 019388

Account Summary

Active Assets Account 117-066979-207
CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &

BALANCE SHEET (^ includes accrued interest)

	Last Period (as of 7/31/15)	This Period (as of 8/31/15)
Cash, BDP, MMFs	$97,027.73	$97,118.75
Certificates of Deposit ^	519,977.64	520,618.53
Total Assets	**$617,005.37**	**$617,737.28**
Total Liabilities (outstanding balance)	—	—
TOTAL VALUE	**$617,005.37**	**$617,737.28**

CASH FLOW

	This Period (8/1/15-8/31/15)	This Year (1/1/15-8/31/15)
OPENING CASH, BDP, MMFs	**$97,027.73**	**$2,822.59**
Sales and Redemptions	—	90,000.00
Income and Distributions	91.02	4,446.16
Total Investment Related Activity	**$91.02**	**$94,446.16**
Other Debits	—	(150.00)
Total Cash Related Activity	—	**$(150.00)**
Total Card/Check Activity	—	—
CLOSING CASH, BDP, MMFs	**$97,118.75**	**$97,118.75**

INCOME AND DISTRIBUTION SUMMARY

	This Period (8/1/15-8/31/15)	This Year (1/1/15-8/31/15)
Interest	$91.02	$4,446.16
Total Taxable Income And Distributions	**$91.02**	**$4,446.16**
Total Tax-Exempt Income	—	—
TOTAL INCOME AND DISTRIBUTIONS	**$91.02**	**$4,446.16**

Taxable and tax exempt income classifications are based on the characteristics of the underlying securities and not the taxable status of the account.

GAIN/(LOSS) SUMMARY

	Realized This Period (8/1/15-8/31/15)	Realized This Year (1/1/15-8/31/15)	Unrealized Inception to Date (as of 8/31/15)
Short-Term Gain	—	—	$19.00
Short-Term (Loss)	—	—	(1,159.80)
Total Short-Term	—	—	**$(1,140.80)**
Long-Term Gain	—	—	394.32
Long-Term (Loss)	—	—	(250.16)
Total Long-Term	—	—	**$144.16**
TOTAL GAIN/(LOSS)	—	—	**$(996.64)**

The Gain/(Loss) Summary, which may change due to basis adjustments, is provided for informational purposes and should not be used for tax preparation. Refer to Gain/(Loss) in the Expanded Disclosures.

Security Mark at Right

Account Detail

Active Assets Account
117-066979-207

CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &

Investment Objectives†: Income, Aggressive Income, Capital Appreciation

Brokerage Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change.

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured products, identified in the Security Description column, appear in various statement product categories. When displayed, accrued interest, annual income and current yield for structured products with a contingent income feature (such as Range Accrual Notes or contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

CASH, BANK DEPOSIT PROGRAM AND MONEY MARKET FUNDS

Cash, Bank Deposit Program, and Money Market Funds are generally displayed on a settlement date basis. You have the right to instruct us to liquidate your bank deposit balance(s) or shares of any money market fund balance(s) at any time and have the proceeds of such liquidation remitted to you. Estimated Annual Income, Accrued Interest, and APY% will only be displayed for fully settled positions.

Description	Market Value	7-Day Current Yield %	Est Ann Income	APY %
MORGAN STANLEY BANK N.A. #	**$97,118.75**	—	$10.00	0.010

	Percentage of Assets	Market Value	Est Ann Income
CASH, BDP, AND MMFs	**15.7%**	**$97,118.75**	**$10.00**

 # Bank Deposits are held at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney LLC and each a national bank and FDIC member.

CERTIFICATES OF DEPOSIT

Security Description	Trade Date	Face Value	Orig Unit Cost / Adj Unit Cost	Unit Price	Orig Total Cost / Adj Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income / Accrued Interest	Current Yield %
GOLDMAN SACHS CD NEW YORK NY CD	11/9/12	53,000.000	$100.000	$100.744	$53,000.00			$716.00	1.34
Coupon Rate 1.350%; Matures 11/14/2016; CUSIP 38143AU37			$100.000		$53,000.00	**$53,394.32**	$394.32 LT	$211.92	
Int. Semi-Annually May/Nov 14; Yield to Maturity .728%; Issued 11/14/12; Maturity Value = $53,000.00									
ORIENTAL B&T CD HATO REY PR CD	5/6/13	118,000.000	100.000	99.788	118,000.00			1,062.00	0.90
Coupon Rate 0.900%; Matures 05/16/2017; CUSIP 686184TH5			100.000		118,000.00	**117,749.84**	(250.16) LT	42.82	
Interest Paid Monthly Jun 16; Callable $100.00 on 10/15/15; Yield to Maturity 1.025%; Issued 05/16/13; Maturity Value = $118,000.00									
ST BK OF INDIA CD NEW YORK CITY NY CD	9/15/14	100,000.000	99.950	99.969	99,950.00			1,400.00	1.40
Coupon Rate 1.400%; Matures 09/11/2017; CUSIP 856284Z80			99.950		99,950.00	**99,969.00**	19.00 ST	658.15	
Int. Semi-Annually Mar/Sep 11; Yield to Maturity 1.416%; Issued 09/11/14; Maturity Value = $100,000.00									

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Account Detail

Active Assets Account 117-066979-207

CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &

Security Description	Trade Date	Face Value	Orig Unit Cost / Adj Unit Cost	Unit Price	Orig Total Cost / Adj Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income / Accrued Interest	Current Yield %
AMERICAN EXP SALT LAKE CITY UT CD	10/23/14	54,000.000	100.000	99.930	54,000.00			783.00	1.45
Coupon Rate 1.450%; Matures 10/30/2017; CUSIP 02587CCE8			100.000		54,000.00	53,962.20	(37.80) ST	261.70	
Int. Semi-Annually Apr/Oct 30; Yield to Maturity 1.483%; Issued 10/30/14; Maturity Value = $54,000.00									
GE CAP BK CD SALT LAKE CITY UT CD	9/15/14	140,000.000	100.000	99.322	140,000.00			2,590.00	1.86
Coupon Rate 1.850%; Matures 09/19/2018; CUSIP 36161T2Y0			100.000		140,000.00	139,050.80	(949.20) ST	1,161.27	
Int. Semi-Annually Mar/Sep 19; Yield to Maturity 2.080%; Issued 09/19/14; Maturity Value = $140,000.00									
Goldman Sachs NEW YORK NY CD	10/23/14	54,000.000	100.000	99.680	54,000.00			972.00	1.80
Coupon Rate 1.800%; Matures 10/29/2018; CUSIP 38148JBC4			100.000		54,000.00	53,827.20	(172.80) ST	329.31	
Int. Semi-Annually Apr/Oct 29; Yield to Maturity 1.905%; Issued 10/29/14; Maturity Value = $54,000.00									

	Percentage of Assets	Face Value	Orig Total Cost / Adj Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income / Accrued Interest	Current Yield %
CERTIFICATES OF DEPOSIT		519,000.000	$518,950.00			$7,523.00	1.45%
			$518,950.00	$517,953.36	$144.16 LT $(1,140.80) ST	$2,665.17	
TOTAL CERTIFICATES OF DEPOSIT (includes accrued interest)	84.3%			$520,618.53			

	Percentage of Assets	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income / Accrued Interest	Current Yield %
TOTAL MARKET VALUE		$518,950.00	$615,072.11	$144.16 LT $(1,140.80) ST	$7,533.00 $2,665.17	1.22%
TOTAL VALUE (includes accrued interest)	100.0%		$617,737.28			

Unrealized Gain/(Loss) totals only reflect positions that have both cost basis and market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

ACTIVITY

CASH FLOW ACTIVITY BY DATE

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
8/16	8/16	Interest Income	ORIENTAL B&T CD 0900 *17MY16	CUSIP: 686184TH5			$90.20
8/31	8/31	Interest Income	MORGAN STANLEY BANK N.A. (Period 08/01-08/31)				0.82
NET CREDITS/(DEBITS)							**$91.02**

Security Mark at Right

Account Detail

Active Assets Account
117-066979-207

CITY OF TAFT
C/O TERESA BINKLEY, BEN MANGUM &

MONEY MARKET FUND (MMF) AND BANK DEPOSIT PROGRAM ACTIVITY

Date	Activity Type	Description	Credits/(Debits)
8/17	Automatic Investment	BANK DEPOSIT PROGRAM	$90.20
8/31	Automatic Investment	BANK DEPOSIT PROGRAM	0.82
NET ACTIVITY FOR PERIOD			$91.02

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CITY OF TAFT
UBS FINANCIAL SERVICES INC.
BALANCES AS OF 8/31/15

INVESTMENT DESCRIPTION	COST AT PAR	INTEREST EARNED	TOTAL COSTS COST @ PAR+ ACCRUED INT.	MARKET VALUE	RATE OF RETURNS	ANTICIPATED INCOME (ANNUALIZED)	INTEREST PAYMENT DATES
BANCO POPULAR PR (PTMISEA) PURCHASED : 7/9/15 DUE: 7/15/16	$100,000.00	$ -	$ 100,000.00	$ 100,013.00	0.450%	$450.00	MONTHLY
Ally Bank UT US (PTMISEA) PURCHASED: 7/30/14 DUE: 8/1/16	$200,000.00	$ -	$200,000.00	$ 200,360.00	0.750%	$1,500.00	MONTHLY
Goldman Sachs Bank NY US (PTMISEA) PURCHASED : 7/30/14 DUE: 1/30/17	$200,000.00	$ -	$200,000.00	$ 200,136.00	0.900%	$1,800.00	MONTHLY
Barclays BK DE US PURCHASED : 7/30/14 DUE: 7/30/19	$100,000.00	$ -	$100,000.00	$ 99,873.00	2.050%	$2,050.00	MONTHLY
AMERICAN EXP CENT UT US PURCHASED: 8/1/13 DUE: 8/01/18 FIRST COUPON: 9/1/13/ CALL: 8/01/18	$ 100,000.00	$ -	$ 100,000.00	$ 101,108.00	1.950%	$1,950.00	MONTHLY
GE CAPITAL FIN UT US PURCHASED: 7/27/12/ DUE: 7/27/16 FIRST COUPON. 7/27/12/ CALL: 7/27/16	$ 100,000.00	$ -	$ 100,000.00	$ 100,723.00	1.350%	$1,350.00	MONTHLY
GE CAP RETAIL BNK UT US PURCHASED: 7/27/12/ DUE: 7/27/17 FIRST COUPON: 7/27/12/ CALL: 7/27/17	$ 100,000.00	$ -	$ 100,000.00	$ 101,230.00	1.800%	$1,800.00	MONTHLY
FIRST BANK PUERTO RICO (PTMISEA) PURCHASED: 8/1/14 DUE: 2/1/16	$ 200,000.00	$ -	$ 200,000.00	$ 200,262.00	0.650%	$1,300.00	MONTHLY
GE CAPITAL BANK UT US (PTMISEA) PURCHASED: 8/1/14 DUE: 8/1/17	$ 140,000.00	$ -	$ 140,000.00	$ 139,864.20	1.250%	$1,750.00	MONTHLY
AMERICAN EXP F UT US (PTMISEA) PURCHASED: 7/9/15 DUE: 7/14/17	$ 245,000.00	$ -	$ 245,000.00	$ 244,380.15	1.200%	$2,940.00	MONTHLY
CASH AND MONEY BALANCE (CITY)	$ -	$ -	$ 100,000.00	$ 100,000.00			
CASH AND MONEY BALANCE (TRANSIT)			$ 155,000.00	$ 155,000.00			
ACCRUED INTEREST	$ -	$ -	$ 3,137.85	$ 3,137.85			
UNREALIZED GAINS AND LOSSES	$ -	$ -	$ -	$ -			
GRANT FUNDS (RESTRICTED USE)	$1,085,000.00	$ -	$ 1,240,000.00	$ 1,240,015.35		$6,350.00	
POOLED FUNDS (UNRESTRICTED)	$400,000.00	$ -	$500,000.00	$ 502,934.00		$7,600.00	
TOTAL INVESTMENTS	$1,485,000.00	$0.00	$503,137.85	$506,071.85	1.235%	$13,950.00	
				$ 1,746,087.20			
TOTAL ANNUAL INTEREST INCOME FROM THESE INVESTMENTS:						$13,950.00	

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EXHIBIT K

UBS

UBS Financial Services Inc.
10001 Woodloch Forest Dr
Suite 100
The Woodlands TX 77380-1924

APZ3001504873 0815 EM 0

Business Services Account

August 2015

RECEIVED
SEP 08 2015
CITY OF TAFT

00006373 02 AT 0.413 02 TR 00026 B301B041 000000 edg
CITY OF TAFT
ATTN MS TERESA BINKLEY
209 EAST KERN ST
TAFT CA 93268-3224

Account name: CITY OF TAFT
ATTN MS TERESA BINKLEY
Account number: EM 16414 70

Your Financial Advisor:
EBERT, RICHARD
Phone: 281-362-6360/866-215-5651

Questions about your statement?
Call your Financial Advisor or the ResourceLine at 800-762-1000, account 735016414.

Visit our website:
www.ubs.com/financialservices

Items for your attention

- Help protect yourself from fraud and review bank, credit card, and brokerage statements regularly. Also, get your free credit report annually from www.annualcreditreport.com.

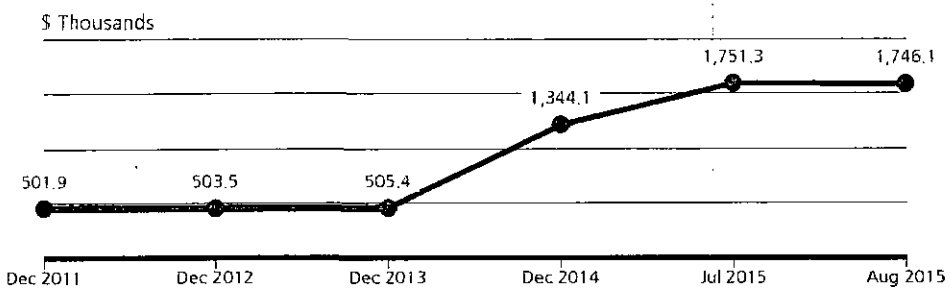
Value of your account

	on July 31 ($)	on August 31 ($)
Your assets	1,751,269.97	1,746,087.20
Your liabilities	0.00	0.00
Value of your account	**$1,751,269.97**	**$1,746,087.20**
Accrued interest in value above	$4,175.29	$3,137.85

As a service to you, your portfolio value of $1,746,087.20 includes accrued interest.

EXHIBIT L

Tracking the value of your account



Sources of your account growth during 2015

Value of your account at year end 2014	$1,344,057.19
Net deposits and withdrawals	$385,531.92
Your investment return:	
Dividend and interest income	$14,618.08
Change in value of accrued interest	-$2,766.94
Change in market value	$4,646.95
Value of your account on Aug 31, 2015	**$1,746,087.20**

Your account balance sheet

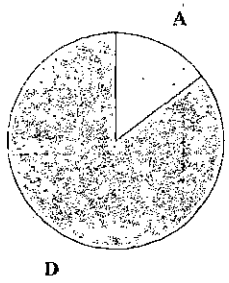
The value of your account includes assets held at UBS and certain assets held away from UBS. See page 1 for more information.

Summary of your assets

		Value on August 31 ($)	Percentage of your account
A	Cash and money balances	255,000.00	14.60%
B	Cash alternatives	0.00	0.00%
C	Equities	0.00	0.00%
D	Fixed income	1,491,087.20	85.40%
E	Non-traditional	0.00	0.00%
F	Commodities	0.00	0.00%
G	Other	0.00	0.00%
Total assets		**$1,746,087.20**	**100.00%**

Value of your account **$1,746,087.20**

Your current asset allocation



- *Cash and money balances* may include available cash balances, UBS Bank USA deposit account balances, UBS AG Stamford Branch deposit account balances and money market mutual fund sweep balances. See the *Important information about your statement* on the last two pages of this statement for details about those balances.

Eye on the markets

Index	Percentage change August 2015	Percentage change Year to date
S&P 500	-6.03%	-2.88%
Russell 3000	-6.04%	-2.61%
MSCI - Europe, Australia & Far East	-7.35%	0.14%
Barclays Capital U.S. Aggregate Bond Index	-0.14%	0.45%

Interest rates on August 31, 2015

3-month Treasury bills: 0.04%

One-month LIBOR: 0.20%

Change in the value of your account

	August 2015 ($)	Year to date ($)
Opening account value	**$1,751,269.97**	**$1,344,057.19**
Deposits, including investments transferred in	0.00	400,000.00
Withdrawals and fees, including investments transferred out	-7,692.61	-14,468.08
Dividend and interest income	2,494.48	14,618.08
Change in value of accrued interest	-1,037.44	-2,766.94
Change in market value	1,052.80	4,646.95
Closing account value	**$1,746,087.20**	**$1,746,087.20**

Dividend and interest income earned

For purposes of this statement, taxability of interest and dividend income has been determined from a US tax reporting perspective. Based upon the residence of the account holder, account type, or product type, some interest and/or dividend payments may not be subject to United States (US) and/or Puerto Rico (PR) income taxes. The client monthly statement is not intended to be used and cannot be relied upon for tax purposes. Clients should refer to the applicable tax reporting forms they receive from UBS annually, such as the Forms 1099 and the Forms 480, for tax reporting information. It is the practice of UBS to file the applicable tax reporting forms with the US Internal Revenue Service and PR Treasury Department, and in such forms accurately classify dividends and/or interest as tax exempt or taxable income. Please consult your individual tax preparer.

	August 2015 ($)	Year to date ($)
Taxable interest	2,494.48	14,618.08
Total current year	**$2,494.48**	**$14,618.08**
Total dividend & interest	**$2,494.48**	**$14,618.08**

Summary of gains and losses

Values reported below exclude products for which gains and losses are not classified.

	Realized gains and losses		Unrealized
	August 2015 ($)	Year to date ($)	gains and losses ($)
Short term	0.00	0.00	-606.85
Long term	0.00	0.00	3,556.20
Total	**$0.00**	**$0.00**	**$2,949.35**

Cash activity summary

See *Account activity this month* for details. Balances in your Sweep Options are included in the opening and closing balances value. FDIC insurance applies only to deposits at UBS Bank USA, not to deposits at UBS AG, Stamford Branch or bank deposits placed through the UBS International Deposit Account program. SIPC protection applies to money market sweep fund holdings but not bank deposits. See *Important information about your statement* on the last two pages of this document for details.

	August 2015 ($)	Year to date ($)
Opening balances	**$160,198.13**	**-$150.00**
Additions		
Deposits and other funds credited	0.00	400,000.00
Dividend and interest income	2,494.48	14,618.08
Proceeds from investment transactions	100,000.00	200,000.00
Total additions	**$102,494.48**	**$614,618.08**
Subtractions		
Other funds debited	-7,692.61	-14,468.08
Funds withdrawn for investments bought	0.00	-345,000.00
Total subtractions	**-$7,692.61**	**-$359,468.08**
Net cash flow	**$94,801.87**	**$255,150.00**
Closing balances	**$255,000.00**	**$255,000.00**

UBS Bank USA Deposit Account APY

Interest period Jul 8 - Aug 6

Opening UBS Bank USA Deposit balance Jul 8	$534.25
Closing UBS Bank USA Deposit balance Aug 6	$250,000.78
Number of days in interest period	30
Average daily balance	$87,922.70
Interest earned	$0.78
Annual percentage yield earned	0.01%

UBS AG Deposit Account APY

Interest period Jul 8 - Aug 6

Opening UBS AG Deposit balance Jul 8	$0.00
Closing UBS AG Deposit balance Aug 6	$12,691.83
Number of days in interest period	30
Average daily balance	$6,286.99
Interest earned	$0.04
Annual percentage yield earned	0.01%

Your investment objectives:

You have identified the following investment objectives for this account. If you have questions about these objectives, disagree with them, or wish to change them, please contact your Financial Advisor or Branch Manager. You can find a full description of the alternative investment objectives in *Important information about your statement* at the end of this document.

Your return objective:
Current income & capital appreciation
Your risk profile:
Primary - Moderate
Investment eligibility consideration - None selected

Your account instructions

- Your account cost basis default closing method is FIFO, First In, First Out.

Your assets

Some prices, income and current values shown *may be approximate*. As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information.

Cash

Cash and money balances

Cash and money balances may include available cash balances, UBS Bank USA deposit account balances, UBS AG Stamford Branch deposit account balances and money market mutual fund sweep balances.

UBS Bank USA deposit account balances are insured by the FDIC within applicable limits, but are not protected by SIPC. UBS AG Stamford Branch deposit account balances are not insured by FDIC and are not protected by SIPC. Money market sweep balances are protected by SIPC but are not insured by the FDIC. See the *Important information about your statement* at the end of this document for details about those balances.

Holding	Opening balance on Aug 1 ($)	Closing balance on Aug 31 ($)	Price per share on Aug 31 ($)	Average rate	Dividend/Interest period	Days in period	Cap amount ($)
UBS BANK USA DEP ACCT	160,198.13	250,000.00					250,000.00
UBS AG DEPOSIT ACCOUNT	0.00	5,000.00					
Total	**$160,198.13**	**$255,000.00**					

Fixed income

Certificates of deposit

Cost basis has been adjusted for accreted original issue discount (OID) on long-term (more than 1 year) CDs. Cost basis has been automatically adjusted for amortization of premium using the constant yield method on long-term (more than 1 year) CDs.

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Adjusted cost basis ($)	Price on Aug 31 ($)	Value on Aug 31 ($)	Unrealized gain or loss ($)	Holding period
FIRSTBANK PUERTO RICO RT 00.6500% MAT 02/01/16 FIXED RATE CD ACCRUED INTEREST $106.84 CUSIP 33767ABN0 EAI: $650 Current yield: 0.65%	Jul 25, 14	200,000.000	100.000	200,000.00	100.131	200,262.00	262.00	LT

continued next page

Your assets › Fixed income › Certificates of deposit (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Adjusted cost basis ($)	Price on Aug 31 ($)	Value on Aug 31 ($)	Unrealized gain or loss ($)	Holding period
BANCO POPULAR PR RATE 00.6000% MAT 07/15/2016 FIXED RATE CD ACCRUED INTEREST $77.26 CUSIP 05967E4H9 EAI: $600 Current yield: 0.60%	Jul 09, 15	100,000.000	100.000	100,000.00	100.013	100,013.00	13.00	ST
GE CAPITAL FIN UT US RATE 01.3500% MAT 07/27/2016 FIXED RATE CD ACCRUED INTEREST $129.45 CUSIP 36160WT74 EAI: $1,350 Current yield: 1.34%	Jul 23, 12	100,000.000	100.000	100,000.00	100.723	100,723.00	723.00	LT
ALLY BANK UT US RATE 00.7500% MAT 08/01/2016 FIXED RATE CD ACCRUED INTEREST $1,631.50 CUSIP 02006LFY4 EAI: $1,500 Current yield: 0.75%	Jul 25, 14	200,000.000	100.000	200,000.00	100.180	200,360.00	360.00	LT
GOLDMAN SACHS BANK NY US RATE 00.9000% MAT 01/30/2017 FIXED RATE CD ACCRUED INTEREST $157.80 CUSIP 38147JV66 EAI: $1,800 Current yield: 0.90%	Jul 25, 14	200,000.000	100.000	200,000.00	100.068	200,136.00	136.00	LT
AMERICAN EXPRESS F UT US RATE 01.2000% MAT 07/17/2017 FIXED RATE CD ACCRUED INTEREST $378.57 CUSIP 02587CDN7 EAI: $2,940 Current yield: 1.20%	Jul 09, 15	245,000.000	100.000	245,000.00	99.747	244,380.15	-619.85	ST
GE CAP RETAIL BNK UT US RATE 01.8000% MAT 07/27/2017 FIXED RATE CD ACCRUED INTEREST $172.60 CUSIP 36160NQR3 EAI: $1,800 Current yield: 1.78%	Jul 23, 12	100,000.000	100.000	100,000.00	101.230	101,230.00	1,230.00	LT

continued next page

Your assets › Fixed income › Certificates of deposit (continued)

Holding	Trade date	Total face value at maturity ($)	Purchase price ($)	Adjusted cost basis ($)	Price on Aug 31 ($)	Value on Aug 31 ($)	Unrealized gain or loss ($)	Holding period
GE CAPITAL BANK UT US RATE 01.2500% MAT 08/01/2017 FIXED RATE CD ACCRUED INTEREST $143.83 CUSIP 36162YSK0 EAI: $1,750 Current yield: 1.25%	Jul 28, 14	140,000.000	100.000	140,000.00	99.903	139,864.20	-135.80	LT
AMERICAN EXP CENT UT US RATE 01.9500% MAT 08/01/2018 FIXED RATE CD ACCRUED INTEREST $160.27 CUSIP 02587DQZ4 EAI: $1,950 Current yield: 1.93%	Jul 26, 13	100,000.000	100.000	100,000.00	101.108	101,108.00	1,108.00	LT
BARCLAYS BK DE US RATE 02.0500% MAT 07/30/2019 FIXED RATE CD ACCRUED INTEREST $179.73 CUSIP 06740KHP5 EAI: $2,050 Current yield: 2.05%	Jul 23, 14	100,000.000	100.000	100,000.00	99.873	99,873.00	-127.00	LT
Total		**$1,485,000.000**		**$1,485,000.00**		**$1,487,949.35**	**$2,949.35**	

Total accrued interest: $3,137.85

Total estimated annual income: $16,390

Your total assets

		Value on Aug 31 ($)	Percentage of your account	Cost basis ($)	Estimated annual income ($)	Unrealized gain or loss ($)
Cash	**Cash and money balances**	**255,000.00**	**14.60%**	**255,000.00**		
Fixed income	Certificates of deposits	1,487,949.35		1,485,000.00	16,390.00	2,949.35
	Total accrued interest	3,137.85				
	Total fixed income	**1,491,087.20**	**85.40%**	**1,485,000.00**	**16,390.00**	**2,949.35**
Total		**$1,746,087.20**	**100.00%**	**$1,740,000.00**	**$16,390.00**	**$2,949.35**

Account activity this month

For more information about the price/value shown for restricted securities, see *Important information about your statement* at the end of this document.

Date	Activity	Description	Your expense code	Quantity/ Face value	Price/Value ($)	Cash amount ($)	Cash and money balance ($)
Jul 31		**Cash and money balance**					**$160,198.13**
Aug 3	Interest	AMERICAN EXP CENT UT US RT 01.1000% MAT 08/03/15 FIXED RATE CD CUSIP: 02587DKQ0				548.49	
Aug 3	Call Redemption	AMERICAN EXP CENT UT US RT 01.1000% MAT 08/03/15 FIXED RATE CD CUSIP: 02587DKQ0		-100,000.000		100,000.00	
Aug 3	Interest	FIRSTBANK PUERTO RICO RT 00.6500% MAT 02/01/16 FIXED RATE CD PAID ON 200000 AS OF 08/01/15 CUSIP: 33767ABN0				110.41	
Aug 3	Interest	GE CAPITAL BANK UT US RT 01.2500% MAT 08/01/17 FIXED RATE CD PAID ON 140000 CUSIP: 36162YSK0				867.81	
Aug 3	Interest	AMERICAN EXP CENT UT US RT 01.9500% MAT 08/01/18 FIXED RATE CD PAID ON 100000 CUSIP: 02587DQZ4				966.99	262,691.83
Aug 7	Interest	UBS BANK USA DEPOSIT ACCOUNT AS OF 08/06/15				.78	262,692.61
Aug 19	Withdrawal	CHECK # 0002118781 TO CITY OF TAFT				-3,598.50	
Aug 19	Withdrawal	CHECK # 0002118782 TO CITY OF TAFT				-4,094.11	255,000.00
Aug 31		**Closing cash and money balance**					**$255,000.00**
		Proceeds from investment transactions					**$100,000.00**

Money balance activities

Date	Activity	Description	Amount ($)
Jul 31	**Balance forward**		**$160,198.13**
Aug 4	Deposit	UBS BANK USA DEPOSIT ACCOUNT	89,801.87
Aug 7	Deposit	UBS BANK USA DEPOSIT ACCOUNT AS OF 08/06/15	0.78
Aug 10	Withdrawal	UBS BANK USA DEPOSIT ACCOUNT	-0.78
Aug 31	**Closing UBS Bank USA Deposit Account**		**$250,000.00**

The UBS Bank USA Deposit Account is your primary sweep option.

Account activity this month (continued)

	Date	Activity	Description	Amount ($)
Money balance activities (continued)	**Jul 31**	**Balance forward**		**$0.00**
	Aug 4	Deposit	UBS AG DEPOSIT ACCOUNT	12,691.83
	Aug 20	Withdrawal	UBS AG DEPOSIT ACCOUNT AS OF 08/19/15	-7,691.83
	Aug 31	**Closing UBS AG Deposit Account**		**$5,000.00**

The UBS AG Deposit Account is your secondary sweep option.

Realized gains and losses

The estimated realized gains and losses shown below are not for tax purposes. Please note that gain or loss recognized on the sale or redemption of certain Structured Products, like Contingent Debt Securities, may be ordinary, and not capital, gain or loss. Please check with your tax advisor. To calculate gains and losses, we liquidate the oldest security lot first. This is known as the first-in, first-out or FIFO accounting method. We use this method unless you specified which tax lot to close when you placed your order. This is known as a versus purchases or VSP order. See *Important information about your statement* at the end of this document for more information. We may not adjust gains and losses for all capital changes. We automatically adjust cost basis for tax-exempt and AMT coupon municipal securities for estimated amortization of bond premiums and for accreted OID for securities issued at a discount. If you requested that UBS adjust cost basis for the bond premium amortization on taxable debt securities then cost basis reflected for these securities has been adjusted. Estimates in the *Unclassified* section can not be classified as short term or long term because information is missing, or the product is one in which the gain/loss calculation is not provided.

Long-term capital gains and losses

Security description	Method	Quantity or face value	Purchase date	Sale date	Sale amount ($)	Cost basis ($)	Wash sale cost basis adjustment($)	Loss ($)	Gain ($)
AMERICAN EXP CENT UT US RT 01.1000% MAT 08/03/15 FIXED RATE CD	FIFO	100,000.000	Jul 23, 12	Aug 03, 15	100,000.00	100,000.00			

UBS

Your notes

Important information about your statement

UBS Financial Services Inc. (the Firm or UBS Financial Services), is a member of all principal security, commodity and options exchanges. UBS Financial Services and UBS Bank USA are indirect subsidiaries of UBS AG and affiliates of UBS Securities LLC. The Firm's financial statement is available upon request. The Firm's executive offices are at:

UBS Financial Services Inc.
1200 Harbor Boulevard
Weehawken, NJ 07086

This statement represents the only official record of your UBS Financial Services account. Other records, except official tax documents, containing conflicting data should not be relied upon. If you believe there is an error or omission, please report it immediately in writing to the Branch Manager of the office serving your account.

Although all figures shown are intended to be accurate, statement data should not be used for tax purposes. Rely solely on year-end tax forms, (i.e., Form 1099, 5498, 1042S, etc.) when preparing your tax return. The Firm is required by law to report to the IRS all taxable dividends, reportable non-taxable dividends and taxable interest earned on securities held in your account, net proceeds on sale transactions, and cost basis on certain covered securities.

Communications with the Firm

- Please re-confirm any oral communications in writing to further protect your rights, including your rights under the Securities Investor Protection Act (SIPA).

- If the financial institution on the top left of the front of this statement is not UBS Financial Services, UBS Financial Services carries your account as clearing broker by arrangement with the indicated institution. We informed you of this relationship when you opened this account. In this case, your funds and securities are located at UBS Financial Services and not the introducing broker, and you must make a report of any error or omission to **both** firms.

  All account statements shall be deemed complete and accurate if not objected to in writing within 60 days.

- Please direct customer complaints or inquiries to the Firm's Client Relations Department at 201-352-1699 or toll-free at 800-354-9103, 8:00 A.M. to 6:00 P.M. ET Monday through Friday, or in writing to UBS Financial Services Inc., Client Relations Department, P.O. Box 766 Union City, NJ 07087.

- In case of errors or questions about an electronic funds transfer (EFT), bill payment or UBS Visa® debit card transactions, call 800-762-1000, or write to UBS Financial Services Inc., 1000 Harbor Blvd., 6th floor, Weehawken, NJ 07086, Attn: RMA/BSA Services.

  Call or write as soon as you can, if you think your statement or receipt is wrong or if you need more information *about a transfer* on the statement or receipt. The Firm or Card Issuer (as applicable) must hear from you no later than 60 days after the Firm sent you the first statement on which the error or problem appeared.
  - Provide your name and account number (if any).
  - Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
  - Provide the dollar amount of the suspected error.

  The Firm or Card Issuer will investigate your complaint and will correct any error promptly.

Please make all checks payable to the Firm or the financial institution indicated on the front of this statement. In addition to regular account fees, accounts may be subject to maintenance fees, charges for late payment for securities purchases and charges for unpaid amounts in cash accounts. Accounts that are transferred to other institutions may be subject to a transfer fee.

UBS Sweep Options

UBS offers options for sweeping cash balances, balances to bank deposits at UBS Bank USA and UBS AG Stamford branch (Bank Sweep Programs), money market mutual funds (Money Funds) and the International Deposit Account (IDA)for customers with an International Resource Management Account. Through the Bank Sweep Programs, cash balances are swept to UBS Bank USA up to an established limit and then to UBS AG Stamford Branch, or a Money Fund. Deposits at UBS Bank USA are FDIC insured in accordance with FDIC rules. For more information please visit www.fdic.gov. Deposits at UBS AG Stamford Branch and shares of Money Funds are not insured by the FDIC.

Through the IDA, available to cash balances are swept to deposit accounts at UBS AG New York Branch and UBS AG Cayman Branch. These deposits are not insured by the FDIC. Balances held at the UBS AG Cayman Branch are temporarily exposed to the sovereign risk of the Cayman Islands, and there is no guarantee or other obligation of UBS AG to repay the balances while on the UBS Cayman's Brach's books.

Deposits at UBS Bank USA and each UBS AG Branch are not protected by SIPC. Money Fund shares are protected by SIPC. See "UBS Financial Services Account Protection" below.

Upon your request, balances in the Bank Sweep Programs or IDA may be withdrawn, and shares of a Money Fund may be liquidated, and the proceeds returned to you or your securities account.

Further information about available sweep options, including current interest rates and yields, is available at www.ubs.com/sweepyields, from your Financial Advisor or by calling 800-762-1000.

UBS Financial Services account protection

The Firm is a member of the Securities Investor Protection Corporation (SIPC), which protects securities accounts of its members up to $500,000 (including $250,000 for claims for cash). The SIPC asset protection limits apply to all accounts that you hold in a particular capacity.
The Firm, together with certain affiliates, has also purchased supplemental protection. The maximum amount payable to all eligible clients, collectively under this protection is $500 million as of December 10, 2013.

Subject to the policy conditions and limitations, cash at the Firm is further protected for up to $1.9 million in the aggregate for all your accounts held in a particular capacity. A full copy of the policy *wording* is available upon request.

The SIPC protection and the supplemental protection both do not apply to:

- Certain financial assets controlled by (and included in your account value) but held away from UBS Financial Services (e.g., certain (i) cash at UBS Bank, (ii) cash at UBS AG Stamford branch, (iii) insurance products, including variable annuities, and (iv) shares of mutual funds where such shares are registered directly in the name of the account holder on the books and records of the applicable issuer or transfer agent);

- Certain investment contracts or investment interests (e.g., limited partnerships and private placements) that are not registered under the Securities Act of 1933; and

- Commodities contracts (e.g., foreign exchange and precious metal contracts), including futures contracts and commodity option contracts.

The *SIPC protection* and the supplemental protection do not apply to these assets even if they otherwise appear on your statements. The SIPC protection and the supplemental protection do not protect against changes in the market value of your investments (whether as a result of market movement, issuer bankruptcy or otherwise).

More information is available upon request. You may obtain more information about SIPC, including the SIPC Brochure, by contacting SIPC at 202-371-8300 or by visiting the SIPC website at *www.sipc.org*.

Dividend Reinvestment Program (DRIP)

The price reflected is an average price. You may obtain the actual price from your Financial Advisor. Only whole shares are purchased under DRIP; partial shares will be sold and the cash will be deposited in your account. The dividend reinvestment price supplied by the issuer may differ from the market price at which the partial shares are sold.

Cash-in-lieu

Only whole units may be held in your account. If you are entitled to a partial unit as a result of a dividend payment or otherwise, the Firm will either sell partial units at market price or accept an amount determined by a registered clearing agency, and credit your account.

Investment objectives

The investment objectives and risk profile are specific to each account and may vary between. Please advise the Firm promptly in writing of any significant change in your financial situation or investment objectives. For each account held, you choose one of the following investment objectives:

- *Produce Current Income*: Investments seeking the generation of income only.
- *Achieve Capital Appreciation*: Investments seeking growth of principal rather than the generation of income.
- *Produce Combination of Income and Capital Appreciation*: Investments seeking both the generation of income and growth of principal.

Overall risk profiles

- *Conservative*: Seeks to maintain initial principal, with low risk and volatility to the account overall, even if that means the account does not generate significant income or returns and may not keep pace with inflation.
- *Moderate*: Willing to accept some risk to principal and tolerate some volatility to seek higher returns.
- *Aggressive*: Willing to accept high risk to principal and high volatility to seek high returns over time.

Statement "householding"

We may consolidate all related account statements with the same address in the same envelope. Accounts may be related for this purpose because they have owners who also maintain joint account relationships with other clients at the same address. This practice is known as "householding." If you prefer to receive individual statements mailed in separate envelopes — you may decline householding by calling your Financial Advisor.

Friendly account name

The Friendly account name reflects information that you entered on the Firm's online services website. It is a customizable "nickname" chosen by you to assist you with your recordkeeping. It has no legal effect on your account. You can change your Friendly account names, through Online Services or by contacting your Financial Advisor.

Account overview

- *Value of your account/portfolio*. Net of assets and liabilities.
- *Assets*. Includes available cash balances, values for restricted security (est.), and Global Time Deposits, unrealized marks to market, and certain assets not held by the Firm. Does not include unpriced securities/assets at the end of the prior and current statement periods, or private investments, unvested stock options and exercisable stock options.
- *Liabilities*. Includes debit balances, outstanding margin loans, credit line, short account balances.
- *Cash/money balances*. Total of uninvested available cash balances, plus UBS Bank USA deposit balances, UBS AG Stamford Branch deposit balances and money market mutual fund sweep balances, at the close of the statement period. Non-commodity free credit balances in your account are not segregated from other balances and the Firm may use any of these funds in the ordinary course of its business. These funds are payable upon your demand. This total is included in the current period closing value.

Lending information

For detailed information on the Firm's lending practices and disclosures, refer to your Client Relationship Agreement or Account Agreement and the General Terms and Conditions UBS Statement of Credit Practices available in *Agreements and Disclosures* at *www.ubs.com/accountdisclosures*

Your assets

Your statement itemizes securities and other assets held in the account at the end of the statement period. You may ask for delivery of fully paid securities at any time. You may receive securities used as loan collateral after paying any balance due on them. Any securities transferred to the Firm during the statement period are listed at market value as of the end of the statement period.

- **Cost basis.** In determining the cost basis of the securities included in this statement, where indicated with the number "1," UBS Financial Services has relied on information obtained from sources other than UBS Financial Services, including information from another firm or that you may have provided to your Financial Advisor. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services.

  In addition, although UBS Financial Services generally updates this information as it is received, the Firm does not provide any assurances that the information under "Cost basis" and "Unrealized gain/loss" is accurate as of the date of this statement. As such, please do not rely on this information to make purchase or sale decisions, for tax purposes or otherwise. Accounts transferred to the Firm may reflect gain/loss information only for the period of time they are held at the Firm. More historical information can be added by your Financial Advisor.

- **Unrealized gains/losses** When data is available, estimated unrealized gains/losses are calculated for

individual security lots. The transaction data for individual lots may or may not reflect commissions, charges and/or security reorganization events. Dividend and other reinvestment lots and systematic purchase lots are each combined to display one averaged lot. The "Trade date" column presents the original transaction trade date.

- **Callable securities**. Bonds and preferred stock that the issuer calls for early redemption will be selected impartially by lot from among all securities of that issue held in our name or in nominee name for our clients. Call feature information is obtained from third parties and its accuracy is not guaranteed. Other call features may exist which could affect yield; complete information will be provided upon request.

- **Certificates of deposit (CDs)**. CDs are FDIC insured up to $250,000 in principal and accrued interest per depositor and per depository institution, in accordance with FDIC rules.

- **Price/value.** Prices displayed for securities and other products may be higher or lower than the price that you would actually receive in the market. Prices are obtained from various third party sources which we believe to be reliable, but we do not guarantee their accuracy.
  - We generally use the closing price when available or the mean of the bid and ask prices for listed securities and options or only bid prices for OTC securities.
  - Less actively traded securities may be priced using a valuation model or the most recent price we obtained and may not reflect an actual market price or value.
  - Certain positions may appear without a price and will show as "price was not available" if we are unable to obtain a price for a security.
  - Deposits or securities denominated in currencies other than U.S. dollars are reflected at the exchange rate as of the statement date.
  - For certain securities trading in non-conforming denominations, price and quantity (face value) may have been adjusted to facilitate proper valuation.

  To obtain current quotations, when available, contact your Financial Advisor.

- **Private investments and structured products.** Private investment securities (including direct participation program and real estate investment trust securities) and structured products are generally highly illiquid. Certain structured products have not been registered with the Securities and Exchange Commission or under any state securities laws. We provide estimated values for private investment securities and structured products for informational purposes only. Accuracy is not guaranteed.
  - These values may differ substantially from prices, if any, at which a private investment security or structured product may be bought or sold and do not necessarily represent the value you may receive upon liquidation.
  - Third party estimates of value are as of a certain date and are supplied to UBS Financial Services on a regular basis by an independent valuation firm.
  - Issuer, general partner or sponsor estimated values, if any, are supplied to the Firm by the issuer, general partner or sponsor and may be calculated based on different information from that used by third parties to derive their estimated values.
  - You can obtain additional information regarding the methodology used to determine the estimate of value and the date of the information that is the basis for the estimate by contacting your Financial Advisor.
  - Third party estimated values may be reflected as "Not priced" in several situations: when an independent valuation firm has not supplied or is unable to assign a value, when we become aware that a material event has occurred that may call a previously reported value into question, or when a value would be highly speculative due to the nature of the security.
  - When neither an issuer, general partner or sponsor estimated value nor a third-party estimated value is provided, the value of the security will be different from its purchase price.
  - "Distributions to date" may include return of capital, income or both.
  - "Original unit size" represents the initial offering price per unit and may not reflect your cost basis.

- **Restricted securities**. Restricted securities generally are not currently eligible for public sale. UBS Financial Services uses the market price of the unrestricted stock of the same issuer as an imputed value for the restricted stock *for purposes of this statement only*. To the extent that restricted securities are eligible for sale, the value received may be substantially less than the imputed value shown.

- **Est. (estimated) income, current yields and rates.** An estimate of annual income is based on current dividend and interest rates, assuming the securities will be held for one year from statement date or until maturity. This estimate is only a guideline; accuracy and continued income are not guaranteed.
  - Estimated annual income and current yield for certain types of securities could include a return of principal or capital gains in which case the est. income (and current yield) would be overstated.
  - Estimated annual income and current yield and the actual income and yield might be lower or higher than the estimated amounts.
  - An estimate of annualized income (dividend and/or interest) divided by the current market value/average balance is based on the last dividend or interest payment made by the issuer and assumes the securities/deposits will be held for one year from the statement date or until maturity. Accuracy and continued yield are not guaranteed.

- **Assets not held by UBS Financial Services.** Certain assets are not held by the Firm and not within the Firm's possession or control. These assets are displayed on your statement for informational purposes only. Positions and values presented are provided by the issuing firm. UBS Financial Services is not responsible for this information and does not guarantee its accuracy. These assets are not protected by SIPC or the Firm's supplemental SIPC coverage.

- **Revenue sharing and additional compensation.**
  - In addition to commissions on sales and 12b-1 fees received in connection with the distribution of mutual funds to our clients we and/or our affiliate receive revenue sharing payments from distributors and/or advisors of the mutual funds that we sell. These amounts are based on two different components: (i) the amount of sales by UBS of a particular mutual fund family to our clients; and (ii) the asset value of a particular mutual fund family's shares held at the firm.
  - We and our affiliate also receive networking and omnibus processing fees in consideration for transfer agent services that we provide to the mutual funds. These fees generally are paid from investor assets in the mutual fund and are a fixed dollar amount based on the number of accounts at the broker-dealer holding mutual funds of that fund family.
  - In addition to commissions received in connection with the sale or distribution of annuity contracts and unit investment trust units to our clients, we and/or our affiliate receive revenue sharing compensation from many of the insurance companies underwriting the annuity contracts, affiliates of the insurance companies or sponsors of the unit investment trusts we distribute.
  - Our affiliates also receive trading commissions and other compensation from mutual funds and insurance companies whose products we distribute.
  - We receive an annual fee from UBS Bank USA and UBS AG Stamford Branch of up to $25 per account sweeping to the banks under the UBS Bank Sweep Programs.

Activity
Information regarding commissions and other charges incurred in connection with the execution of trades, including option transactions has been included on confirmations previously furnished to you, and will be provided to you promptly on request.

Short selling
If you are engaged in short selling a security, you may incur a charge due to certain borrowing costs for that particular security.

Open orders
Regarding open or "good-till-cancelled" orders that were not executed by the statement date, open buy and sell stop orders are reduced by the amount of dividends or rights on an ex-dividends or ex-rights date unless instructed otherwise by you. You are responsible for orders that are executed due to your failure to cancel existing open orders.

Tax withholding on distributions from UBS Financial Services IRAs
Federal tax law requires UBS Financial Services to withhold income tax from your taxable IRA distributions, but you may elect *not* to have income tax withheld or, instead, you may elect to have tax withheld at a rate or in a fixed amount as you choose. Your election will remain in effect until revoked by you. You may revoke your election at any time by making a new election. If you do not have enough income tax withheld from your distributions, you may be responsible for the payment of estimated tax. You may incur penalties if the amounts withheld and your estimated tax payments are not equal to your tax obligation.

Privacy
To obtain a copy of our current Client Privacy Notice, please contact your Financial Advisor or visit our website at *www.ubs.com/privacypolicy*.

UBS Financial Services is not a bank. The RMA, Business Services Account BSA and IRMA are brokerage accounts which provide access to banking services and products through arrangements with affiliated banks and other third-party banks, and provides access to insurance and annuity products issued by unaffiliated third-party insurance companies through insurance agency subsidiaries of UBS Financial Services Inc.

Investment, insurance, and annuity products:
Not FDIC insured • No bank guarantee • May lose value

RMA, Resource Management Account, Business Services Account BSA, IRMA and International Resource Management Account are registered service marks of UBS Financial Services Inc.

Visa Signature is a registered service mark of Visa International. UBS Visa Signature credit cards and UBS Visa debit cards are issued by UBS Bank USA with permission from Visa U.S.A. Incorporated.

UBS Financial Services Inc.
315 Deaderick Street
C-198971
Nashville, TN 37238-8971

ubs.com/fs

Confirmation

Your Financial Advisor
EBERT, RICHARD
281-362-6360/866-215-5651

00022047 01 MB 0.436 01 TR 00088 BCDD15D1 000000 cpl

CITY OF TAFT
ATTN MS TERESA BINKLEY
209 EAST KERN ST
TAFT CA 93268-3224

Send checks/correspondence to:
UBS FINANCIAL SERVICES INC.
10001 Woodloch Forest Dr
Suite 100
The Woodlands TX 77380-1924

RECEIVED
AUG 07 2015
CITY OF TAFT

August 03, 2015

We confirm the following transaction resulting from a corporate action

Redemption

AMERICAN EXP CENT UT US RATE 01.1000% MAT 08/03/2015 FIXED RATE CD CUSIP NO. 02587DKQ0	Account Date UBS capacity	EM 16414 08/03/15 AGENT	Quantity redeemed Amount credited	100,000 **$100,000.00**

A redemption is the partial or full repayment of the principal of a debt security on or before the maturity date.

Questions

If you have any questions, please contact your Financial Advisor, EBERT, RICHARD, at 281-362-6360/866-215-5651.

Thank you for allowing us to serve your wealth management needs.

S 00022047 BCDD15D1 00029619 E

Additional terms and definitions

Payment and Delivery; Late Payment Interest: You agree that (1) you will make payment by the settlement date for all property purchased for your account, and (2) that you own all property sold for your account (except for short sales), or it has been or will be delivered to UBS for your account by the settlement date.

Close-out Rights: We may close transactions without further notice through liquidation or buy-in, as applicable, if we do not receive payment for purchases or delivery of property sold by the settlement date, and we may charge late payment interest.

Purchase for a Cash Account: If this transaction is a purchase of securities for a cash account, until we receive payment from you, these securities may be loaned, pledged, hypothecated and/or commingled with securities carried for other clients.

Applicable Law: All transactions are subject to the provisions of your account agreement and this confirmation, which are governed by New York law. All transactions are subject to applicable federal, state and foreign laws and regulations, and to the rules, regulations, interpretations and customs of the exchange or market on which they are made or the clearing agency through which comparison of terms, delivery and payment is effected.

Other Fees and Charges: Amounts charged to your account may include a Transaction Fee (rounded to the nearest penny, or up to one penny if less than one, on each sale transaction), subscription fees for U.S. Government and Government agency issues, insurance premiums and other charges associated with the processing of transactions for your account. For the current Transaction Fee rate go to ubs.com/account disclosures.

Market Maker: As market maker, we or our affiliate may act as principal, may have a long or short position in the security and may profit from your transaction.

Agency Trades: For trades in which we acted as agent, the name of the person the security was purchased from or sold to and the source and amount of any other remuneration received by us, in addition to the amount shown on confirmations, is available upon written request. The other party may be an affiliate that may earn compensation in addition to the commission shown on confirmations.

Dual Agent: If the capacity shown on the front is dual agent, then we acted as agent for both you and another client.

Principal Trades: For trades in which we acted as principal, the price shown may reflect revenue received by us in addition to any amount shown under "Commission/Sales Charge" including revenue received from affiliated dealers.

Multiple Capacity: If the capacity shown on the front of the confirm is multiple, we executed the trade, acting in two or more of the following capacities: principal, agent or dual agent. Additional information is available upon written request.

Reported Securities: For trades in which we acted as principal in a reported security, the amount shown under "Price" is the reported trade price.

Odd-Lot Differential: The amount of any odd-lot differential or equivalent fee to execute an order for an odd-lot number of shares, unit or principal amount of a security is disclosed on this confirmation or will be furnished upon request.

Not-Rated Debt: This security is not rated by a nationally recognized statistical rating organization. This information is based on a good faith inquiry of selected sources that we believe to be reliable and current, but we cannot guarantee its accuracy and completeness.

Asset-Backed Security: The actual yield on an asset-backed security may vary accordingly to the rate at which the underlying receivables or other financial assets are prepaid. Information about the factors that affect yield will be furnished upon written request. **EY:** Estimated Yield; **WAL:** Weighted Average Life; **PSA:** Prepayment Speed Assumption; **CPR:** Conditional Prepayment Rate.

Zero Coupon Security: If this transaction involves a zero-coupon security, no periodic interest payments will be made and, if the security is callable, it may be called below maturity value. Such securities may be called by mail without direct notice to the holder unless the holder is registered.

U.S. Treasury Securities; Agency Debt and Agency Mortgage Backed Securities: Transactions are subject to Fails Charge Trading Practice published by TMPG and SIFMA at http://www.sifma.org/TMPG

Redeemable/Callable Securities: Redeemable or callable securities may be redeemed in whole or in part before maturity, which could adversely affect the yield represented. When an issuer redeems or calls a portion of an outstanding issue of securities, we will hold an impartial lottery. The probability of your securities being selected will depend on the proportion of your holdings to all such securities held by us. Additional information about callable equity securities indicated on the confirmation is available upon request.

Average Price Trade: Your order may have been completed in multiple trade executions consisting of various quantities/prices and the price shown may be an average of these prices. Average price trade reporting simplifies record keeping and reduces the amount of correspondence you receive from us. Details of the individual trade executions and elements of total remuneration paid by you are available to you upon request.

Aggregated Orders: Your order may have been aggregated with orders of other customers for purposes of execution. Additional information is available upon request.

Credits: In over-the-counter transactions of debt and equity securities, we or an affiliated broker-dealer may act as principal and pay a credit to the Financial Advisor handling your order. This credit represents an internal allocation of revenues received. Additional information is available upon request.

Minimum Denomination: The municipal security that you purchased may have a minimum denomination set by the issuer. The Municipal Securities Rulemaking Board has certain conditions for the purchase of below-minimum denomination securities by brokers, dealers and municipal securities dealers that may reduce the number of investors willing to purchase the security and, therefore, adversely impact the price that you receive for the security.

Revenue Sharing and Additional Compensation: In addition to commissions on sales and 12b-1 fees received in connection with the distribution of mutual funds to our clients, as described in the prospectus, we and/or our affiliate receive revenue sharing payments from distributors and/or advisors of the mutual funds that we sell. These amounts are based on two components:

- The amount of sales by UBS of a particular mutual fund family to our clients; and
- The asset value of a particular mutual fund family's shares held at the firm.

We and/or our affiliate also receive record keeping or service fees in consideration for transfer agent services that we provide to the mutual funds. These fees generally are paid from investor assets in the mutual fund and are a generally fixed dollar amount based on the number of accounts at the broker-dealer holding mutual funds of that fund family.

In addition to commissions received in connection with the sale or distribution of variable annuity contracts and unit investment trust units to our clients, as described in the prospectus, we and/or our affiliates receive revenue sharing compensation from many of the insurance companies underwriting the variable annuity contracts, affiliates of the insurance companies or sponsors of the unit investment trusts we distribute. Our affiliates also receive trading commissions and other compensation from mutual funds and insurance companies whose products we distribute.

Foreign Market Transaction Settlement Date: "Settlement date" is computed on the basis of the standard U.S. calendar and does not take into account holidays on foreign markets. The actual settlement date for a foreign market transaction may differ from the date listed on confirmations. Additional information is available upon request.

Time of Execution: The time of execution is available upon written request.

Markets: Many securities are traded in multiple markets. Unless you provide specific instructions, we will exercise discretion as to the market or markets in which your order is executed.

Good-Til-Cancelled (GTC): A Good-Til-Cancelled (GTC) order is an order that lasts until the order is completed or cancelled. UBS Financial Services will automatically cancel all Equity GTC orders that are in effect for a 6-month duration (Good for 6 months). Upon the opening of the next business day, these orders will be cancelled with immediate notification being sent via confirmation to the investor. This does not include any orders placed for Equity Plan Advisory Services (EPAS) clients or as part of a 10b-5-1 trading plan.

Boston Options Exchange (BOX): UBS Securities LLC, an affiliate of UBS Financial Services Inc., has a beneficial ownership interest in the entity that operates The Boston Options Exchange.

International Securities Exchange (ISE): UBS Securities LLC, an affiliate of UBS Financial Services Inc., has a beneficial ownership interest in the entity that operates the International Securities Exchange.

Location of Execution

1. New York Stock Exchange (NYSE)
2. NYSE MKT (NYSEMKT)
3. NASDAQ OMX BX (BX)
4. Chicago Stock Exchange (CHX)
5. National Stock Exchange (NSX)
6. NYSE Arca
7. NASDAQ OMX PHLX (PHLX)
8. Chicago Board Options Exchange (CBOE)
9. Over-the-Counter (OTC)
10. Multiple Locations – Additional Information Upon Request (MULTIPLE)
11. International Securities Exchange (ISE)- See Disclosure Above
12. Boston Options Exchange (BOX) –See Disclosure Above

Rev. 201407

CITY OF TAFT
MORGAN STANLEY SMITHBARNEY INVESTMENT IN CERTIFICATE OF DEPOSIT
BALANCES AS OF 8/31/15

INVESTMENT DESCRIPTION	COST AT PAR	INTEREST EARNED	TOTAL COSTS COST @ PAR+ ACCRUED INT.	MARKET VALUE	RATE OF RETURNS	ANTICIPATED INCOME (ANNUALIZED)	INTEREST PAYMENT DATES
WORLD FINANCIAL NETWORK BANK (JUMBO) WILMINGTON DE CD PURCHASED: 8/30/11/ DUE: 9/7/16 FIRST COUPON: 9/30/11/ CALL: 9/17/16	$ 200,000.00	$ -	$ 200,000.00	$ 203,304.00	2.000%	$4,000.00	Monthly
MORGAN STANLEY BANK	$ -	$ -	$ -	$ -			
ACCRUED INTEREST	$ -	$ -	$ 311.70	$ 311.70			
TOTAL INVESTMENTS	$ 200,000.00	$ -	$ 200,311.70	$ 203,615.70	2.000%	$4,000.00	

TOTAL ANNUAL INTEREST INCOME FROM THESE INVESTMENTS: $4,000.00

EXHIBIT M

CLIENT STATEMENT | For the Period August 1-31, 2015

Morgan Stanley

STATEMENT FOR:
CITY OF TAFT
C/O TERESA BINKLEY

RECEIVED
SEP 10 2015
CITY OF TAFT

Morgan Stanley Smith Barney LLC. Member SIPC.

TOTAL VALUE OF YOUR ACCOUNT (as of 8/31/15) **$203,615.70**
Includes Accrued Interest

Your Financial Advisor
Stephen Bernstein
First Vice President
Stephen.Bernstein@morganstanley.com
973 425-2305

Your Branch
1200 MT KEMBLE AVENUE FL 2
MORRISTOWN, NJ 07962
Telephone: 973-539-6700; Alt. Phone: 800-755-4253; Fax: 973-425-2366

EXHIBIT N

#BWNJGWM
00063946 01 AT 0.413 01 TR 00331 MSGDD458 000000
CITY OF TAFT
C/O TERESA BINKLEY
209 EAST KERN STREET
TAFT CA 93268-3224

S 063946 MSGDD458 019402

Client Service Center (24 Hours a Day; 7 Days a Week): 800-869-3326

Access Your Account Online: www.morganstanley.com/online

615 - 115505 - 245 - 1 - 0

Standard Disclosures

The following Disclosures are applicable to the enclosed statement(s). Expanded Disclosures are attached to your most recent June and December statement (or your first Statement if you have not received a statement for those months). The Expanded Disclosures are also available by selecting Account Documents when you log on to www.morganstanley.com/online or, call 800-869-3326.

Questions?

Questions regarding your account may be directed to your Financial Advisor or the Branch Manager for the branch office where you maintain your account. If you require further assistance, call Client Service Center at (800) 869-3326 or for account-related concerns call our Client Advocate at (866) 227-2256.

Errors and Inquiries

It is your responsibility to review your statement promptly and to seek immediate clarification about entries that you do not understand or believe were made in error by contacting the Branch Manager of the office where you maintain your account. Oral communications regarding any inaccuracy or discrepancy in this statement should be re-confirmed in writing to further protect your rights, including rights under the Securities Investor Protection Act (SIPA). Your statement will be deemed correct unless we receive a written inquiry of a suspected error. See your account documentation for special rules regarding your rights and responsibilities with respect to erroneous electronic fund transfers, including a description of the transfers covered.

Availability of Free Credit Balances and Financial Statements

Under the customer protection rules of the SEC [17 CFR §240.15c3-3], we may use funds comprising free credit balances carried for customer accounts here, provided that these funds are payable to customers on demand (i.e., are free of a lien or right of set-off in our favor or on behalf of some third party to whom you have given control). A financial statement of this organization is available for your personal inspection at its offices, or a copy will be mailed to you upon your written request.

Listed Options

Information with respect to commissions and other charges related to the execution of options transactions has been included in confirmations of such transactions previously furnished to you and such information will be made available to you promptly at your request. Promptly advise us of any material change in your investment objectives or financial situation.

Important Information if you are a Margin Customer (not available for certain retirement accounts)

If you have margin privileges, you may borrow money from us in exchange for pledging assets in your accounts as collateral for any outstanding margin loan. The amount you may borrow is based on the value of the eligible securities in your margin accounts. If a security has eligible shares, the number of shares pledged as collateral will be indicated below the position.

Margin Interest Charges

We calculate interest charges on margin loans as follows: (1) multiply the applicable margin interest rate by the daily close of business net settled debit balance, and (2) divide by 360 (days). Margin interest accrues daily throughout the month and is added to your debit balance at month-end. The month-end interest charge is the sum of the daily accrued interest calculations for the month. We add the accrued interest to your debit balance and start a new calculation each time the applicable interest rate changes and at the close of every statement month. For current margin loan interest rates, go to www.morganstanley.com/online/MIRates.

Information regarding Special Memorandum Account

If you have a Margin Account, this is a combined statement of your Margin Account and Special Memorandum Account maintained for you under Section 220.5 of Regulation T issued by the Board of Governors of the Federal Reserve System. The permanent record of the Special Memorandum Account as required by Regulation T is available for your inspection at your request.

Important Information About Auction Rate Securities

Due to market conditions, certain Auction Rate Securities experience no or limited liquidity. Therefore, the price(s) for any Auction Rate Securities shown on this statement may not reflect the price(s) you would receive upon a sale at auction or in a secondary market transaction, and are not an indication of any offer to purchase at such price.

Structured Products

Structured Products are complex products and may be subject to special risks. Investors should consider the concentration risk of owning the related security and their total exposure to any underlying asset. Structured Products may not perform in a manner consistent with the statement product category in which they appear and therefore may not satisfy portfolio asset allocation needs for that category.

Security Measures

This statement features several embedded security elements to safeguard its authenticity. One is a unique security mark-a blue rectangle printed in heat-sensitive ink on the back of every page. When exposed to warmth, the blue rectangle will disappear, and then reappear.

SIPC Protection

We are a member of Securities Investor Protection Corporation (SIPC), which protects securities of its customers up to $500,000 (including $250,000 for claims for cash). An explanatory brochure is available upon request or at www.sipc.org. Losses due to market fluctuation are not protected by SIPC and assets not held with us may not be covered by SIPC protection. To obtain information about SIPC, including an explanatory SIPC brochure, contact SIPC at 1-202-371-8300 or visit www.sipc.org.

Transaction Dates and Conditions

Upon written request, we will furnish the date and time of a transaction and the name of the other party to a transaction. We and/or our affiliates may accept benefits that constitute payment for order flow. Details regarding these benefits and the source and amount of any other remuneration received or to be received by us in connection with any transaction will be furnished upon written request.

Equity Research Ratings Definitions and Global Investment Manager Analysis Status

Some equity securities may have research ratings from Morgan Stanley & Co. LLC or Standard & Poor's. Research ratings are the research providers' opinions and not representations or guarantees of performance. For more information about each research provider's rating system, see the Research Ratings on your most recent June or December statement (or your first statement if you have not received a statement for those months), go to www.morganstanley.com/online or refer to the research provider's research report. Research reports contain more complete information concerning the analyst's views and you should read the entire research report and not infer its contents from the rating alone. If your account contains an advisory component or is an advisory account, a GIMA status will apply.

Credit Ratings from Moody's Investors Service and Standard & Poor's

The credit rating from Moody's Investors Service and Standard & Poor's may be shown for certain securities. All credit ratings represent the opinions of the provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings.

Revised 01/2015

Security Mark at Right

Account Summary

Active Assets Account
615-115505-245

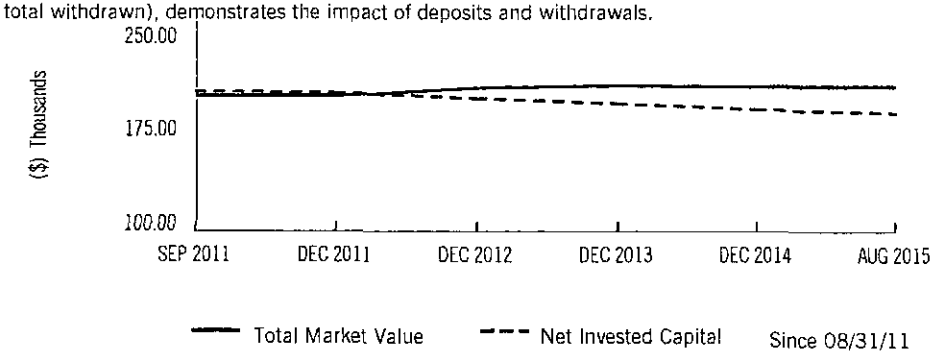
CITY OF TAFT
C/O TERESA BINKLEY

CHANGE IN VALUE OF YOUR ACCOUNTS (includes accrued interest)

	This Period (8/1/15-8/31/15)	This Year (1/1/15-8/31/15)
TOTAL BEGINNING VALUE	**$203,615.70**	**$203,621.70**
Credits	—	—
Debits	(339.73)	(2,663.04)
Security Transfers	—	—
Net Credits/Debits/Transfers	**$(339.73)**	**$(2,663.04)**
Change in Value	**339.73**	**2,657.04**
TOTAL ENDING VALUE	**$203,615.70**	**$203,615.70**

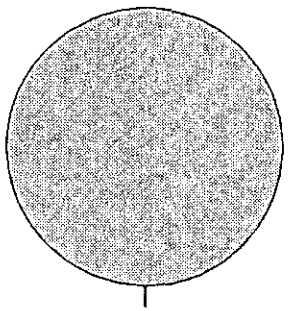
CHANGE IN VALUE OVER TIME

The display of market value (total account value) and net invested capital (total amount invested minus total withdrawn), demonstrates the impact of deposits and withdrawals.



This graph does not reflect corrections to Net Invested Capital or Market Value made subsequent to the dates depicted. It may exclude transactions in Annuities or positions where we are not the custodian, which could delay the reporting of Market Value or affect the Net Invested Capital.

ALLOCATION OF HOLDINGS



	Market Value	Percentage %
Certificates of Deposit ^	$203,615.70	100.0
TOTAL VALUE ^	**$203,615.70**	**100.0%**

This allocation represents holdings on a trade date basis, and projected settled Cash/ BDP and MMF balances. These classifications are not intended to serve as a suitability analysis. ^ Includes Estimated Accrued Interest.

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Morgan Stanley

Account Summary

Active Assets Account
615-115505-245

CITY OF TAFT
C/O TERESA BINKLEY

BALANCE SHEET (^ includes accrued interest)

	Last Period (as of 7/31/15)	This Period (as of 8/31/15)
Certificates of Deposit ^	$203,615.70	$203,615.70
Total Assets	**$203,615.70**	**$203,615.70**
Total Liabilities (outstanding balance)	—	—
TOTAL VALUE	**$203,615.70**	**$203,615.70**

CASH FLOW

	This Period (8/1/15-8/31/15)	This Year (1/1/15-8/31/15)
OPENING CASH, BDP, MMFs	—	—
Income and Distributions	339.73	2,663.04
Total Investment Related Activity	**$339.73**	**$2,663.04**
Electronic Transfers-Debits	(339.73)	(2,663.04)
Total Cash Related Activity	**$(339.73)**	**$(2,663.04)**
Total Card/Check Activity	—	—
CLOSING CASH, BDP, MMFs	—	—

INCOME AND DISTRIBUTION SUMMARY

	This Period (8/1/15-8/31/15)	This Year (1/1/15-8/31/15)
Interest	$339.73	$2,663.04
Total Taxable Income And Distributions	**$339.73**	**$2,663.04**
Total Tax-Exempt Income	—	—
TOTAL INCOME AND DISTRIBUTIONS	**$339.73**	**$2,663.04**

Taxable and tax exempt income classifications are based on the characteristics of the underlying securities and not the taxable status of the account.

GAIN/(LOSS) SUMMARY

	Realized This Period (8/1/15-8/31/15)	Realized This Year (1/1/15-8/31/15)	Unrealized Inception to Date (as of 8/31/15)
Long-Term Gain	—	—	$3,304.00

The Gain/(Loss) Summary, which may change due to basis adjustments, is provided for informational purposes and should not be used for tax preparation. Refer to Gain/(Loss) in the Expanded Disclosures.

Security Mark at Right

Account Detail

Active Assets Account
615-115505-245

CITY OF TAFT
C/O TERESA BINKLEY

Investment Objectives†: Income, Aggressive Income

Brokerage Account

† Inform us if your investment objectives, as defined in the Expanded Disclosures, change.

HOLDINGS

This section reflects positions purchased/sold on a trade date basis. "Market Value" and "Unrealized Gain/(Loss)" may not reflect the value that could be obtained in the market. Fixed Income securities are sorted by maturity or pre-refunding date, and alphabetically within date. Estimated Annual Income a) is calculated on a pre-tax basis, b) does not include any reduction for applicable non-US withholding taxes, c) may include return of principal or capital gains which could overstate such estimates, and d) for securities that have a defined maturity date within the next 12 months, is reflected only through maturity date. Actual income or yield may be lower or higher than the estimates. Current yield reflects the income generated by an investment, and does not reflect changes in its price. Structured products, identified in the Security Description column, appear in various statement product categories. When displayed, accrued interest, annual income and current yield for structured products with a contingent income feature (such as Range Accrual Notes or contingent Income Notes) are estimates and assume specified accrual conditions are met during the relevant period and payment in full of all contingent interest. For Floating Rate Securities, the accrued interest, annual income and current yield are estimates based on the current floating coupon rate and may not reflect historic rates within the accrual period.

CERTIFICATES OF DEPOSIT

Security Description	Trade Date	Face Value	Orig Unit Cost Adj Unit Cost	Unit Price	Orig Total Cost Adj Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
WORLD FINANCIAL NETWORK BANK (JUMBO) WILMINGTON DE	8/30/11	200,000.000	$100.000	$101.652	$200,000.00			$4,000.00	1.96
CD			$100.000		$200,000.00	**$203,304.00**	$3,304.00 LT	$311.70	
Coupon Rate 2.000%; Matures 09/07/2016; CUSIP 981999S71									
Interest Paid Monthly Oct 02; Issued 09/07/11; Maturity Value = $200,000.00									

	Percentage of Assets	Face Value	Orig Total Cost Adj Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
CERTIFICATES OF DEPOSIT		200,000.000	**$200,000.00** **$200,000.00**	**$203,304.00**	**$3,304.00 LT**	**$4,000.00** **$311.70**	**1.97%**
TOTAL CERTIFICATES OF DEPOSIT (includes accrued interest)	**100.0%**			**$203,615.70**			

	Percentage of Assets	Total Cost	Market Value	Unrealized Gain/(Loss)	Est Ann Income Accrued Interest	Current Yield %
TOTAL MARKET VALUE		**$200,000.00**	**$203,304.00**	**$3,304.00 LT**	**$4,000.00** **$311.70**	**1.96%**
TOTAL VALUE (includes accrued interest)	**100.0%**		**$203,615.70**			

Unrealized Gain/(Loss) totals only reflect positions that have both cost basis and market value information available. Cash, MMF, Deposits and positions stating 'Please Provide' are not included.

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Account Detail

Active Assets Account 615-115505-245

CITY OF TAFT
C/O TERESA BINKLEY

ACTIVITY

CASH FLOW ACTIVITY BY DATE

Transaction Date	Settlement Date	Activity Type	Description	Comments	Quantity	Price	Credits/(Debits)
8/2	8/2	Interest Income	WORLD JUMBO CD 2000 16SP07	CUSIP: 981999S71			$339.73
8/4	8/4	Withdrawal	BRANCH CHECK	PAID TO CITY OF TAFT			(339.73)
NET CREDITS/(DEBITS)							$0.00

MONEY MARKET FUND (MMF) AND BANK DEPOSIT PROGRAM ACTIVITY

Date	Activity Type	Description	Credits/(Debits)
8/3	Automatic Investment	BANK DEPOSIT PROGRAM	$339.73
8/4	Automatic Redemption	BANK DEPOSIT PROGRAM	(339.73)
NET ACTIVITY FOR PERIOD			$0.00

Security Mark at Right

CITY OF TAFT
INVESTMENT IN MUTUAL SECURITIES
BALANCES AS OF 8/31/15

INVESTMENT DESCRIPTION	COST AT PAR	ACCRUED INTEREST	TOTAL COSTS COST @ PAR+ ACCRUED INT.	MARKET VALUE	RATE OF RETURNS	ANNUAL INCOME	INTEREST PAYMENT DATES	
STATE BK INDIA NEW YORK NY CD PURCHASED: 4/27/12 DUE: 4/27/17 FIRST COUPON: 10/27/12/ CALL: 4/27/17	$ 250,000.00	$ -	$ 250,000.00	$ 254,100.00	2.000%	$5,000.00	April, 27	October, 27
MONEY MARKET	$ -	$ -	$ 9,941.04	$ 9,941.04				
ANNUAL CUSTODY FEE	$ -	$ -	$ -	$ -				
TOTAL INVESTMENTS	$ 250,000.00	$ -	$ 259,941.04	$ 264,041.04	2.000%	$5,000.00		

TOTAL ANNUAL INTEREST INCOME FROM THESE INVESTMENTS: $5,000.00

EXHIBIT O

ENV# CEBBMDZZBBCZMMF_BBBBB
MUTUAL SECURITIES, INC.
P.O. BOX 2864
CAMARILLO, CA 93011

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CITY OF TAFT CA
TERESA BINKLEY
209 E KERN ST
TAFT CA 93268

RECEIVED
SEP 08 2015
CITY OF TAFT

MUTUAL SECURITIES, INC.
Member FINRA, SIPC • Est. 1982

STATEMENT FOR THE PERIOD AUGUST 1, 2015 TO AUGUST 31, 2015

CITY OF TAFT CA - Unincorporated Assn
Account Number: 0FN-145564

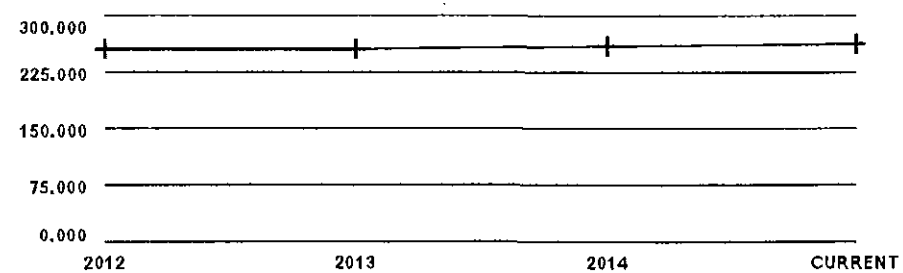
EXHIBIT P

YOUR FINANCIAL ADVISOR IS
MICHAEL HINES
RR#: 467

For questions about your accounts:
Local: 949 388 0064

TOTAL VALUE OF YOUR PORTFOLIO **$264,041.04**

CHANGE IN VALUE OF YOUR PORTFOLIO
$ thousands



***Change In Value Of Your Portfolio** information can be found in Miscellaneous Footnotes at the end of this statement.*

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Mutual Securities, Inc.

Account carried with National Financial Services LLC, Member NYSE, SIPC

MUTUAL SECURITIES, INC.
Member FINRA, SIPC • Est. 1982

Account Overview

CHANGE IN ACCOUNT VALUE	*Current Period*	*Year-to-Date*
BEGINNING VALUE	$264,015.96	$261,272.33
Additions and Withdrawals	$0.00	$0.00
Income	$0.08	$2,493.71
Taxes, Fees and Expenses	$0.00	($30.00)
Change in Investment Value	$25.00	$305.00
ENDING VALUE (AS OF 08/31/15)	$264,041.04	$264,041.04
Total Accrued Interest	$1,739.73	
Ending Value with Accrued Interest	$265,780.77	

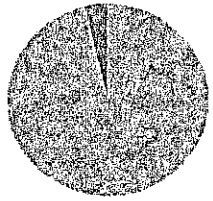
Refer to Miscellaneous Footnotes for more information on Change in Investment Value.

INCOME		
TAXABLE	*Current Period*	*Year-to-Date*
Taxable Dividends	$0.08	$0.56
Taxable Interest	$0.00	$2,493.15
TOTAL TAXABLE	$0.08	$2,493.71
TOTAL INCOME	**$0.08**	**$2,493.71**

Taxable income is determined based on information available to NFS at the time the statement was prepared, and is subject to change. Final information on taxation of interest and dividends is available on Form 1099-Div, which is mailed in February of the subsequent year.

TAXES, FEES AND EXPENSES	*Current Period*	*Year-to-Date*
Account Fees	$0.00	($30.00)
TOTAL TAXES, FEES AND EXPENSES	**$0.00**	**($30.00)**

ACCOUNT ALLOCATION



	Percent	*Prior Period*	*Current Period*
Money Markets	3.8 %	$9,940.96	$9,941.04
CDs	96.2	$254,075.00	$254,100.00
TOTAL	**100.0 %**	**$264,015.96**	**$264,041.04**

Account Allocation *shows the percentage that each asset class represents of your total account value. Account Allocation for equities, fixed income, and other categories may include mutual funds and may be net of short positions. NFS has made assumptions concerning how certain mutual funds are allocated. Closed-end mutual funds and Exchange Traded Products (ETPs) listed on an exchange may be included in the equity allocation. The chart may not reflect your actual portfolio allocation. Consult your broker/dealer prior to making investment decisions.*

MUTUAL SECURITIES, INC.
Member FINRA, SIPC • Est. 1982

Account Overview *continued*

MESSAGES AND ALERTS

Accounts are protected to a value of $500,000 through Securities Investor Protection Corporation (SIPC), of which the portion of cash claims are limited to $100,000. Full protection in excess of SIPC coverage is provided by Assets Guaranty Insurance Company for total net account equity (unlimited) in excess of that which is provided by the SIPC. Complete details are available upon request.

Beginning with your July, 2015 statement, exchange traded products currently reported in the Equity sub-section under Holdings will be reported in a new section entitled Exchange Traded Products. Investments in exchange traded products will be categorized as equity, fixed income, or other in both the Holdings and Account Allocation sections. We are also renaming the Other Securities section under Holdings and Account Allocation to Other acknowledging the broader types of investments included in this section. Both changes will be reflected in the Realized Gain/Loss, Unrealized Gain/Loss, and Global Portfolio Value sections, as appropriate.

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Holdings

NFS-provided cost basis, realized gain (loss) and holding period information may not reflect all adjustments necessary for tax purposes. Please refer to Footnotes and Cost Basis Information at the end of this statement for more information.

CASH AND CASH EQUIVALENTS - 3.76% of Total Account Value

Description	Symbol/Cusip Account Type	Quantity	Price on 08/31/15	Current Market Value	Estimated Annual Income
Money Markets					
PRIME FUND CAPITAL RESERVES CLASS 7 DAY YIELD .01% Dividend Option Reinvest Capital Gain Option Reinvest	FPRXX CASH	9,941.04	$1.00	$9,941.04	
Total Cash and Cash Equivalents				**$9,941.04**	

HOLDINGS > FIXED INCOME - 96.24% of Total Account Value

For an explanation of fixed income pricing, please see the last page. Redemption schedule(s), bond rating(s), and other information are provided where available. If information does not appear regarding a particular investment, it is not available. The ratings on this statement are provided by Standard & Poor's and/or Moody's to rate the quality based on the respective rating agency's assessment. "Ratings information from Standard & Poor's ("S&P") may not be reproduced. S&P credit ratings are statements of opinion and are not statements of fact or recommendations to purchase, hold, or sell securities, nor do they address the suitability of securities for investment purposes, and should not be relied on as investment advice. S&P does not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and is not responsible for errors or omissions (negligent or otherwise). S&P gives no express or implied warranties, including but not limited to any warranties of merchantability or fitness for a particular purpose or use. S&P shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use of ratings."

Accrued Interest - Represents interest accumulated since the last coupon date on certain fixed income securities which may not yet have been paid by the issuer or received by NFS. There is no guarantee that the accrued interest will be paid by the issuer.

Description	Symbol/Cusip Account Type	Quantity	Estimated Price on 08/31/15	Estimated Current Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
CDs							

MUTUAL SECURITIES, INC.
Member FINRA, SIPC • Est. 1982

HOLDINGS > FIXED INCOME *continued*

Description	Symbol/Cusip Account Type	Quantity	Estimated Price on 08/31/15	Estimated Current Market Value	Estimated Annual Income	Total Cost Basis	Unrealized Gain (Loss)
Certificates of Deposit (CDs), including Market Indexed CD s and Market Linked CDs (collectively, MCDs) are generally shown at estimated market prices based upon a matrix or model pricing method that may not represent the actual price if sold prior to maturity. However, CDs and MCDs may be shown at face value for up to seven calendar days from date of issue if estimated market prices have not been received from a third party pricing vendor. The actual value of CDs and MCDs may be different from their purchase price. CDs and MCDs are subject to interest rate risk. The estimated market price reflected for MCDs may not be based on the actual closing value of the linked market index on the final maturity date and the market value of MCDs may not correspond directly to increases or decreases in the underlying linked market index. You may sell CDs or MCDs in the secondary market subject to market conditions. The secondary market for CDs and MCDs is generally illiquid. If sold prior to maturity, the value of MCDs may be less than the purchase amount or face value. The sale or redemption of any fixed income security prior to maturity may result in a substantial gain or loss, and an early withdrawal penalty may apply. Certain MCDs may only be redeemed on pre-specified liquidation dates and may have call features that allow the issuer to call the MCD prior to maturity. Certain Step Rate CDs are also subject to reinvestment risk if call provisions are exercised by the issuer and if a CD with a comparable rate is not available.							
See sales materials or contact your broker/dealer for additional information.							
STATE BK INDIA NEW YORK NY 2.00000% 04/27/2017 CD FDIC INSURED CPN PMT SEMI-ANNUAL ON OCT 27, APR 27 Next Interest Payable: 10/27/15 Estimated Yield 1.96% Accrued Interest $1739.73	856284E34 CASH	250,000	$1.0164	$254,100.00	$5,000.00	$250,000.00	
Adjusted Cost Basis						$250,000.00 D	$4,100.00
Total Fixed Income		**250,000**		**$254,100.00**	**$5,000.00**	**$250,000.00**	**$4,100.00**
Total Securities				**$254,100.00**	**$5,000.00**	**$250,000.00**	**$4,100.00**
TOTAL PORTFOLIO VALUE				**$264,041.04**	**$5,000.00**	**$250,000.00**	**$4,100.00**

Activity

CORE FUND ACTIVITY

Settlement Date	Account Type	Transaction	Description	Quantity	Amount
08/31/15	CASH	REINVESTMENT	PRIME FUND CAPITAL RESERVES CLASS REINVEST @ $1.000	0.08	($0.08)

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ACTIVITY *continued*

	Amount
TOTAL CORE FUND ACTIVITY	**($0.08)**

ACTIVITY > INCOME > TAXABLE INCOME

Settlement Date	Account Type	Transaction	Description	Quantity	Amount
Taxable Dividends					
08/31/15	CASH	DIVIDEND RECEIVED	PRIME FUND CAPITAL RESERVES CLASS DIVIDEND RECEIVED		$0.08
Total Taxable Dividends					**$0.08**
Total Taxable Income					**$0.08**
TOTAL INCOME					**$0.08**

Footnotes and Cost Basis Information

Amortization, accretion and similar adjustments to cost basis have been provided for many fixed income securities (and some bond-like equities), however, they are not provided for certain types, such as short-term instruments, Unit Investment Trusts, foreign fixed income securities, or those that are subject to early prepayment of principal (pay downs). Where current year premium or acquisition premium amortization is provided, the prior years' cumulative amortization is reflected in the adjusted cost basis, but we cannot provide a breakdown or the total of such prior amortization amounts.

NFS is required to report certain cost basis and related information to the IRS on the Form 1099-B. Your official 1099-B forms for certain transactions will reflect which lots have been sold for tax purposes. To apply a specific identification cost basis method to 1099-B reporting, appropriate instructions must be on file with NFS or be received by NFS before the trade has settled. Absent such instructions, NFS determines cost basis at the time of sale based on its default methods of average cost for open-end mutual funds and first-in, first-out (FIFO) for all other (including ETFs) unless your broker dealer has elected to use another default method. NFS applies FIFO (or other disposal method, if applicable) based on its records, which may be different from yours. For transactions that are not subject to 1099-B cost basis reporting, you should refer to your trade confirmations and other applicable records to determine which lots were considered sold for tax purposes.

While NFS must meet IRS requirements with respect to certain information required to be reported to the IRS, NFS-provided cost basis, realized gain and loss, and holding period information may not reflect all adjustments necessary for your tax reporting purposes. NFS makes no warranties with respect to and specifically disclaims any liability arising out of a customer's use of, or any tax position taken in reliance upon, such information.

Footnotes and Cost Basis Information *continued*

For investments in partnerships, NFS does not make any adjustments to cost basis information as the calculation of basis in such investments requires supplemental information from the partnership on its income and distributions during the period you held your investment. Partnerships usually provide this additional information on a Form K-1 issued by April 15th of the following year.

Consult your tax advisor for further information.

D - Adjusted cost basis reflects any cumulative original issue discount, premium, or acquisition premium, and it assumes such amounts were amortized by the taxpayer over the life of the security from acquisition date through disposition date. For securities still held, maturity date was used instead of disposition date. Premium amortization was calculated using the yield-to-maturity method. Acquisition premium was calculated using the ratable accrual method. If applicable, adjusted cost basis reflects market discount accretion which was calculated using the straight-line method and was recognized at disposition date. Gain/loss displayed for this transaction was based on cost basis as adjusted for premium and discount as stated above and does not reflect any losses disallowed because of wash sales (if applicable). The adjusted cost basis may not reflect all adjustments necessary for tax reporting purposes and may also not apply if you are using an alternative amortization calculation method. Refer to IRS Publication 550, Investment Income and Expenses, for additional information.

If a sale, redemption or other disposition involved multiple tax lots, the transaction's totals may have been calculated using a combination of adjusted and unadjusted cost basis information. For lots where adjusted cost basis and its associated gain/loss are known, that was used, otherwise "regular" unadjusted cost basis and its associated gain/loss was used.

Miscellaneous Footnotes

CHANGE IN VALUE OF YOUR PORTFOLIO is the change in market value of your portfolio assets over the time period shown. The portfolio assets include the market value of all the securities in the account, plus insurance and annuity assets if applicable. The time frame of the graph is from account opening or September 2011, whichever is later, to the current period. Please note that large increases and/or declines in the change in the value of the portfolio can be due to additions, distribution and/or performance.

CHANGE IN INVESTMENT VALUE is the difference between the prior period and current period values which includes the difference between securities that were bought, sold and redeemed during this time period as well as any activity that occurred such as additions and withdrawals, securities transferred, income, expenses, and other activity. This does not reflect activity related to assets in which National Financial is not the custodian (e.g. Insurance and Annuities, Assets Held Away and Other Assets Held Away).

CALLABLE SECURITIES LOTTERY - When street name or bearer securities held for you are subject to a partial call or partial redemption by the issuer, NFS may or may not receive an allocation of called/redeemed securities by the issuer, transfer agent and/or depository. If NFS is allocated a portion of the called/redeemed securities, NFS utilizes an impartial lottery allocation system, in accordance with applicable rules, that randomly selects the securities within customer accounts that will be called/redeemed. NFS' allocations are not made on a pro rata basis and it is possible for you to receive a full or partial allocation, or no allocation. You have the right to withdraw uncalled fully paid securities at any time prior to the cutoff date and time established by the issuer, transfer agent and/or depository with respect to the partial call, and also to withdraw excess margin securities provided your account is not subject to restriction under Regulation T or such withdrawal will not cause an undermargined condition.

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Miscellaneous Footnotes *continued*

PRICING INFORMATION - Prices displayed are obtained from sources that may include pricing vendors, broker/dealers who clear through NFS and/or other sources. Prices may not reflect current fair market value and/or may not be readily marketable or redeemable at the prices shown.

FOREIGN EXCHANGE TRANSACTIONS - Some transaction types necessitate a foreign currency exchange (FX) in order to settle. FX transactions may be effected by Fidelity Forex, Inc. on a principal basis. Fidelity Forex, Inc., an affiliate of NFS, may impose a commission or markup on the prevailing interbank market price, which may result in a higher price to you. Fidelity Forex, Inc. may share a portion of any FX commission or markup with NFS. More favorable rates may be available through third parties not affiliated with NFS. The rate applicable to any transaction involving an FX is available upon request through your broker-dealer.

COST BASIS LEGISLATION - New IRS Rules will require National Financial Services to report cost basis and holding period information for the sale of shares of open end Mutual Fund holdings purchased on or after January 1, 2012 on Form 1099-B. National Financial Services determines the cost basis for all shares of open end mutual funds using a default method of average cost. Alternatively, account owners or their brokers and advisors can instruct National Financial Services to determine the cost basis for shares of open end mutual funds by 1) setting up their non-retirement accounts with one of our eleven tax lot disposal methods available to investors or 2) identifying specific tax lots to sell at the time of a transaction. Contact your broker or advisor to learn more about the cost basis tracking of your holdings.

GLOSSARY **Short Account Balances** -If you have sold securities under the short sale rule, we have, in accordance with regulations, segregated the proceeds from such transactions in your Short Account. Any market increases or decreases from the original sale price will be marked to the market and will be transferred to your Margin Account on a weekly basis. **Market Value** - The Total Market Value has been calculated out to 9 decimal places, however, *the individual unit price* is displayed in 5 decimal places. The Total Market Value represents prices obtained from various sources, may be impacted by the frequency in which such prices are reported and such prices are not guaranteed. Prices received from pricing vendors are generally based on current market quotes, but when such quotes are not available the pricing vendors use a variety of techniques to estimate value. These estimates, particularly for **fixed income securities**, may be based on certain minimum principal amounts (e.g. $1 million) and may not reflect all of the factors that affect the value of the security, including liquidity risk. The prices provided are not firm bids or offers. Certain securities may reflect "N/A" or "unavailable" where the price for such security is generally not available from a pricing source. The Market Value of a security, including those priced at par value, may differ from its purchase price and may not closely reflect the value at which the security may be sold or purchased based on various market factors. Investment decisions should be made only after consulting your broker-dealer. **Estimated Yield ("EY")** and **Estimated Annual Income ("EAI")**- When available, the coupon rate of some fixed income securities is divided by the current market value of the fixed income security to create the EY figure and/or the current interest rate or most recently declared dividends for certain securities are annualized to create the EAI figure. *EAI and EY are estimates*, and the income and yield might by lower or higher. Estimates may include return of principal or capital gains, which would render them overstated. In addition, *EAI is calculated for positions* or accounts where dividends are reinvested and not paid as income. EY reflects only the income generated by an investment; not changes in prices which fluctuate. These figures are based on mathematical calculations of available data, and have been obtained from information providers believed to be reliable, but no assurance can be made as to accuracy. Since the interest and dividend rates are subject to change at any time, and may be affected by current and future economic, political and business conditions, they should not be relied on for making investment, trading decisions, or tax decisions.

CUSTOMER SERVICE: Please review your statement and report any discrepancies immediately. Inquiries or concerns regarding your brokerage account or the activity therein should be directed to your broker-dealer at the telephone number and address reflected on the front of this statement and National Financial Services LLC ("NFS") who carries your brokerage account and acts as your custodian for funds and securities that are deposited with NFS by you or your broker-dealer, or as a result of transactions NFS processes for your account, may also be contacted for statement discrepancies.NFS may be called at **(800) 801-9942**. Any oral communications regarding inaccuracies or discrepancies should be reconfirmed in writing to protect your rights, including those under the Securities Investor Protection Act ("SIPA"). When contacting either NFS or your broker-dealer, remember to include your entire brokerage account number to ensure a prompt reply. Please notify the service center or your broker-dealer promptly in writing of any change of address.

ADDITIONAL INFORMATION **Customer free credit balances** are not segregated and may be used in NFS' business in accordance with federal securities laws. You have the right to receive, subject to open commitments in any of your brokerage accounts, any free credit balances to which you are entitled. Interest on free credit balances awaiting reinvestment may be paid out at rates that may vary with current short-term money market rates and/or your brokerage account balances, set at the discretion of your broker-dealer and/or NFS. If your free credit balance is automatically transferred *to a money market fund* or to an FDIC insured bank account you use as your brokerage account's core position, you can liquidate the shares of the money market fund or bank balances at any time and have the proceeds remitted to you or held in your brokerage account subject to the terms and conditions of your account agreement.

Credit Adjustment Program. Accountholders receiving payments in lieu of qualified dividends may not be eligible to receive credit adjustments intended to help cover additional associated federal tax burdens. NFS reserves the right to deny the adjustment to any accountholder and to amend or terminate the credit adjustment program.

Options Customers. Each transaction confirmation previously delivered to you contains full information about commissions and other charges. If you require further information, please contact your broker-dealer. Assignments of American and European-style options are allocated among customer short positions pursuant to a random allocation procedure, a description of which is available upon request. Short positions in American-style options are liable for assignment at any time. The writer of a European-style option is subject to exercise assignment only during the exercise period. You should advise your broker-dealer promptly of any material change in your investment objectives or financial situation. **Splits, Dividends, and Interest.** Expected stock split, next dividend payable, and next interest payable information has been provided by third parties and may be subject to change. Information for certain securities may be missing if not received from third parties in time for printing. NFS is not responsible for inaccurate, incomplete, or missing information. Please consult your broker-dealer for more information about expected stock split, next dividend payable, and next interest payable for certain securities.

Equity Dividend Reinvestment Customers. Shares credited to your brokerage account resulted from transactions effected as agent by either: 1) Your broker-dealer for your investment account, or 2) through the Depository Trust Company (DTC) dividend reinvestment program. For broker-dealer effected transactions, the time of the transactions, the exchange upon which these transactions occurred and the name of the person from whom the security was purchased will be furnished *upon written request. NFS may* have acted as market maker in effecting trades in 'over-the-counter 'securities.

Retirement Contributions/Distributions. A summary of retirement contributions/distributions is displayed for you in the activity summary section of your statement. **Income Reporting.** NFS reports earnings from investments in Traditional IRAs, Rollover IRAs, SEP-IRAs and, Keoghs as tax-deferred income. Earnings from Roth IRAs are reported as tax-free income, since distributions may be tax-free after meeting the 5 year aging requirement and certain other conditions. **A financial statement** of NFS is available for your personal inspection at its office or a copy of it will be mailed to you upon your written request.

Statement Mailing. NFS will deliver statements by mail or, if applicable, notify you by e-mail of your statement's availability, if you had transactions that affected your cash balances or security positions held in your account(s) during the last monthly reporting period. At a minimum, all brokerage customers will receive quarterly statements (at least four times per calendar year) as long as their accounts contain a cash or securities balance.

Loads and Fees. In connection with (i) access to, purchase or redemption of, and/or maintenance of positions in mutual funds and other investment products ("funds") or (ii) platform infrastructure needed to support such funds, some funds, or their investment affiliates, pay your introducing broker dealer and/or NFS sales loads and 12b-1 fees described in the prospectus as well as additional compensation for shareholder services, platform infrastructure support and maintenance, and other programs. Additional information about the source(s) and amount(s) of compensation as well as other remuneration received by your introducing broker dealer and/or NFS will be furnished to you upon written request. At time of purchase fund shares may be assigned a load, transaction fee or no transaction fee status. At time of sale, any fees applicable to your transaction will be assessed based on the status assigned to the shares at time of purchase. **Margin.** If you have applied for margin privileges and been approved, you may borrow money from NFS in exchange for pledging the assets in your account as collateral for any outstanding margin loan. The amount you may borrow is based on the value of securities in your margin account, which is identified on your statement. If you have a margin account, this is a combined statement of your margin account and special memorandum account other than your non-purpose margin accounts maintained for you under Section 220.5 of Regulation T issued by the Board of Governors of the Federal Reserve Board. The permanent record of the separate account, as required by Regulation T, is available *for your inspection upon request.* **NYSE and FINRA.** *All transactions are subject to the constitution, rules,* regulations, customs, usages, rulings and interpretations of the exchange market and its clearing house, if any, where the transactions are executed, and of the New York Stock Exchange (NYSE) and of the Financial Industry Regulatory *Authority ("FINRA"). The* FINRA requires that we notify you in writing of the availability of an investor brochure that includes information describing FINRA Regulation's BrokerCheck *Program ("Program"). To obtain a* brochure or more information about the Program or FINRA Regulation, contact the FINRA Regulation BrokerCheck Program Hotline at (800) 289-9999 or access the FINRA's web site at www.finra.org. **FINRA Rule 4311** requires that your broker-dealer and NFS allocate between them certain functions regarding the administration of your brokerage account. The following is a summary of the allocation services performed by your broker-dealer and NFS. A more complete description is available upon request. **Your broker-dealer is responsible for:** (1) obtaining and verifying brokerage account information and documentation, (2) opening, approving and monitoring your brokerage account, (3) transmitting timely and accurate orders and other instructions to NFS with respect to your brokerage account, (4) determining the suitability of investment recommendations and advice, (5) operating, and supervising your brokerage account and its own activities in compliance with applicable laws and regulations including compliance with margin rules pertaining to your margin account, if applicable, and (6) maintaining required books and records for the services that it performs. **NFS shall, at the direction of your broker-dealer:** (1) execute, clear and settle transactions processed through NFS by your broker-dealer, (2) prepare and send transaction confirmations and periodic statements of your brokerage account (unless your broker-dealer has undertaken to do so). Certain securities pricing and descriptive information may be provided by your broker-dealer or obtained from third parties deemed to be reliable, however, this information has not been verified by NFS, (3) act as custodian for funds and securities received by NFS on your behalf, (4) follow the instructions of your broker-dealer with respect to transactions and the receipt and delivery of funds and securities for your brokerage account, and (5) extend margin credit for purchasing or carrying securities on margin. Your broker-dealer is responsible for ensuring that your brokerage account is in compliance with federal, industry and NFS margin rules, and for advising you of margin requirements. NFS shall maintain the required books and records for the services it performs. **Securities in accounts carried by** NFS are protected in accordance with the Securities Investor Protection Corporation ("SIPC") up to $500,000. The *$500,000 total amount of SIPC protection is inclusive* of up to $250,000 protection for claims for cash, subject to periodic adjustments for inflation in accordance with terms of the SIPC statute and approval by *SIPC's Board of* Directors. NFS also has arranged for coverage above these limits. Neither coverage protects against a decline in the market value of securities, nor does either coverage extend to certain securities that are considered ineligible for coverage. For more details on SIPC, or to request a SIPC brochure, visit **www.sipc.org** or call 1-202-371-8300. Funds used to purchase or sweep to a bank deposit are SIPC protected until deposited to a Program Bank at which time funds may be eligible for FDIC insurance. Assets Held Away, commodities, unregistered investment contracts, futures accounts, loaned securities and other investments may not be covered. Precious metals are not covered by SIPC protection. Mutual funds and/or other securities are not backed or guaranteed by any bank, nor are they insured by the FDIC and involve investment risk including possible loss of principal.

End of Statement **722239.1.0**

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EXHIBIT Q

United Security Bank
...response ability

PAGE: CD31
ACCOUNT: 10300895 08/31/2015

RECEIVED
SEP 03 2015
CITY OF TAFT

CITY OF TAFT
209 E KERN STREET
TAFT CA 93268

TAFT OFFICE
523 CASCADE PLACE
TAFT, CA 93268

TELEPHONE: 661-763-5151

Rate Increase CD CERTIFICATE 10300895

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			07/31/15	102,975.97
INTEREST		43.74	08/06/15	103,019.71
BALANCE THIS STATEMENT			08/31/15	103,019.71

INTEREST PAID 2015: 398.13
INTEREST PAID 2014: 838.05

C

103,019.71*+
51,554.45 +
102,528.69 +
003
257,102.85 *

EXHIBIT Q

United Security Bank
...response ability

PAGE: CD31
ACCOUNT: 10300931 08/31/2015

RECEIVED
SEP 03 2015
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CITY OF TAFT
209 E KERN STREET
TAFT CA 93268

TAFT OFFICE
523 CASCADE PLACE
TAFT, CA 93268

TELEPHONE:661-763-5151

Rate Increase CD CERTIFICATE 10300931

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			07/31/15	51,539.13
INTEREST		15.32	08/08/15	51,554.45
BALANCE THIS STATEMENT			08/31/15	51,554.45

INTEREST PAID 2015: 119.98
INTEREST PAID 2014: 179.69

EXHIBIT Q

United Security Bank
...response ability

ACCOUNT: 10300805 08/31/2015

RECEIVED
SEP 03 2015
CITY OF TAFT

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209 E KERN STREET
TAFT CA 93268

TAFT OFFICE
523 CASCADE PLACE
TAFT, CA 93268

TELEPHONE:661-763-5151

Rate Increase CD CERTIFICATE 10300805

DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
BALANCE LAST STATEMENT			07/31/15	102,485.16
INTEREST		43.53	08/16/15	102,528.69
BALANCE THIS STATEMENT			08/31/15	102,528.69

INTEREST PAID 2015: 340.72
INTEREST PAID 2014: 609.89

City of Taft Agenda Report

DATE: **OCTOBER 20, 2015**

TO: **MAYOR MILLER AND COUNCIL MEMBERS**

AGENDA MATTER:

CITY INVESTMENT POLICY ANNUAL REVIEW

SUMMARY STATEMENT:

California Government Code Section 53646(a)(2) requires local government to review and consider changes to its Statement of Investment Policy annually at a public meeting.

On October 13, 2015 the Taft City Finance Committee reviewed its Statement of Investment Policy to comply with the Government Code Section 53646(a)(2). No changes were requested.

Attached are the City's current Statement of Investment Policy and Broker/Dealer Questionnaire and Certification.

RECOMMENDED ACTION:

Motion to concur with the Finance Committee's recommendation to adopt the policy with no changes.

IMPACT ON BUDGET (Y/N): No

ATTACHMENT (Y/N): Yes, Investment Policy and Broker/Dealer Questionnaire and Certification.

PREPARED BY: *Teresa Binkley. Finance Director*

REVIEWED BY:

CITY CLERK	FINANCE DIRECTOR	CITY MANAGER

POLICIES AND PROCEDURES MANUAL: ADMINISTRATION

Subject: STATEMENT OF INVESTMENT POLICY

INTRODUCTION

The purpose of this document is to identify various policies and procedures that enhance opportunities for the prudent and systematic investment of public money and to formalize the City's investment-related activities.

Such activities, which collectively constitute a comprehensive cash management program, include revenue collection, disbursements control, cost effective banking relations and a short-term borrowing program which coordinates working capital requirements and investment opportunity acting in concert with the many facets of an appropriate and secure short-term investment program.

SCOPE

It is intended that this policy cover all funds and investment activities of the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds, and Fiduciary Funds of the City of Taft and the Taft Community Development Agency. Funds held in a City-approved deferred compensation plan and in employee pension plans are not governed by this policy.

PRUDENCE

Investments shall be made with judgment and care--under circumstances then prevailing--which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

OBJECTIVES

The City strives to maintain the level of investment of all idle funds as near 100% as possible, through the optimum operation of its cash management system which is designated to accurately monitor and forecast expenditures and revenues.

Reference: City Council Motion; 10/5/2004; 8/2/2005; 9/12/2006; 10/02/07; 12/16/08; 12/7/10; 01/17/2012; 9/17/13; 08/19/2014; 10/20/2015

CRITERIA FOR SELECTING INVESTMENT

1. SAFETY: It is the primary duty and responsibility of the Treasurer to protect, preserve and maintain cash and investments placed in his/her trust on behalf of the citizens of the community.

2. LIQUIDITY: An adequate percentage of the portfolio should be maintained in liquid short-term securities which can be converted to cash if necessary to meet disbursement requirements. Since all cash requirements cannot be anticipated, investments in securities with active secondary or resale markets is highly recommended. Emphasis should be on marketable securities with low sensitivity to market risk.

3. YIELD: The potential dollar earnings an investment can provide, and also is sometimes described as the rate of return. Yield should become a consideration only after the basic requirements of safety and liquidity have been met.

4. MARKET-AVERAGE RATE OF RETURN: The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the agency's risk constraints, the cash flow characteristics of the portfolio, and State and Local laws, ordinances or resolutions that restrict investments.

5. DIVERSIFICATION: The investments portfolio will be diversified to avoid incurring unreasonable and avoidable risks regarding specific security types or individual financial institutions.

6. PUBLIC TRUST: All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust.

DELEGATION OF AUTHORITY

Authority to manage the City of Taft's investment program is derived from Resolution No. 2135-93 adopted by the City Council on July 6, 1993. Management responsibility for the investment program is hereby delegated to the City Treasurer and/or his/her Designee, who shall establish written procedures for the

operation of the investment program consistent with this investment policy. Procedures should include reference to: safekeeping, PSA repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City Treasurer. The City Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

REPORTING

The Treasurer shall submit a monthly investment report to the Governing Body. This report will include all required elements of the monthly report as prescribed by Government Code Section 53646.

Required elements of the monthly report:

1. Type of investment.
2. Institution.
3. Date of maturity.
4. Amount of deposit or cost of the security and par value.
5. Market value of investments as of the date of the report and the source of the stated value.
6. Rate of interest.
7. Statement that investments conform to the Investment Policy or the manner in which the investments are not in conformance with the Investment Policy.
8. Statement that there are sufficient funds to meet the next six (6) months' obligations.
9. Weighted average maturity of the investments.

AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness, who maintain an office in the State of California. These may include "primary" dealers that qualify under

Securities & Exchange Commission Rule 15C3-1 (Uniform Net Capital Rule). No public deposit shall be made except in a qualified public depository as established by California laws.

All brokers and dealers will inform the City Council, in writing, of any investment decisions which they believe were not advisable but were asked to execute by a City official or agent.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must have filed with the City Treasurer the following: audited financial statements, proof of National Association of Security Dealers certification, and certification of having read the City of Taft's investment policy. See attached questionnaire and certification form.

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Treasurer.

A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the City of Taft invests.

CONFLICT OF INTEREST

The Treasurer and all other officials and/or agents, who procure investments on the City's behalf, shall disclose to the City Manger any financial interest or business relationship they may have with an institution or broker who is conveying an investment instrument to the City. Such notification shall occur before the City acquires the investment. Brokers and investment bankers will disclose all fee sharing arrangements with the City Manager prior to investments being acquired.

INVESTMENT INSTRUMENTS

The City of Taft operates its temporary pooled idle cash investments under the prudent man rule. This affords the City a broad spectrum of investment opportunities as long as the investment is deemed prudent and is allowable under current legislation of the State of California (Government Code Section 53600 et seq.)

Investment may be made in the following media:

1. United States Treasury Bills, Bonds and Notes, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. The City shall not invest in any United States security that exceeds five-years of maturity.

2. Obligations issued by the United States Government Agencies such as, Securities issued and backed as to payment by one of the following Government Sponsored Entities (GSE's):

   a) Federal Farm Credit Bank
   b) Federal Home Loan Bank.

3. Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loans.
4. Negotiable Certificates of Deposit.
5. Local Agency Investment Fund (State Pool) Demand Deposit.
6. Passbook Savings Accounts.
7. County Pooled Funds.
8. "NOW" Demand Deposits.

The City of Taft will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the entity's total investment portfolio will be invested in a single security type or with a single financial institution. Investment in derivatives is not permitted.

MATURITIES

Security purchases and holdings shall be maintained within statutory limits imposed by the Government Code. Current limits are:

Permitted Investments/Deposits	Percentages	Maximum Maturity
US Government Treasury Securities	Unlimited	5 years*
Certificates of Deposits	Unlimited	5 years*
Negotiable Certificates of Deposit	30%	5 years*
LAIF	15MM**	n/a
Passbook Deposits	---	n/a
County Pooled Funds	50%	n/a

* Maximum term unless expressly authorized by Governing Body and within the prescribed time frame for said approval.

** Limit set by LAIF Governing Board, not Government Code.

BOND PROCEEDS

The investment of bond proceeds will not be governed by this policy, but will be governed by City Council approved documents. Upon the City Council authorizing a bond issue, the investment banker or financial advisor will inform the City Council all investments in the bond documents which deviate from this policy.

COLLATERALIZATION

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse) agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be one hundred ten percent (110%) of mortgages or one hundred three percent (103%) of government securities of market value of principal and accrued interest. (Government Code Section 53652.)

The City of Taft chooses to limit collateral to government securities or first deed mortgages.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained.

INTERNAL CONTROLS

The Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

SAFEKEEPING AND CUSTODY

All security transactions, including collateral for repurchase agreements, entered into by the City of Taft shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.

STATEMENT OF INVESTMENT POLICY

The Statement of Investment Policy shall be reviewed and submitted annually to the City Council.

CITY OF TAFT

OFFICE OF THE CITY TREAURER

BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION

Section I: Statement of Position and General Requirements

The City of Taft (the "City") is a statutory (home rule) Government operating under the laws of the State of California. The City manages an operational portfolio ranging in size from $500,000.00 to $15,000,000.00, which is comprised mainly of U.S. Treasury and Agency obligations as well as selected money market instruments. The City has adopted a written investment policy that regulates the standards and procedures used in its cash management activities. A copy of the Investment policy is provided with this document.

The City maintains relationships with qualified members of the broker/dealer community who, in their opinion, understands the needs, constraints, and goals of the City.

The City will notify broker/dealers of their approval in writing. No transactions will be conducted with an approved broker/dealer until all paperwork required by both parties has been executed. The City solicits competitive bids and offers on the majority of its transactions. City personnel will review and substantiate all information and references requested in the document; therefore, please answer all questions as thoroughly as possible.

Section II – Part I: Request for General Information from Broker/Dealer Candidate

1. Name of firm _____

2. Address – Local _____

Headquarters _____

_____

_____

3. Telephone – Local ( ) _____

Headquarters ( ) _____

4. Contact personnel: (provide an attachment if more space is required)

Name _____

Title _____

Telephone _____

Name _____

Title _____

Telephone _____

4a. Provide background information concerning the account representatives listed in No. 4 above. Please include information on the individual's employment history as it relates to the securities industry, official licenses and certificates, the history and details of any disciplinary actions or complaints and the disposition of each as well as the history of any arbitration or litigation, the nature of the case and status or disposition.

5. Please provide the following information regarding at least four comparable clients with whom any of the representatives listed in No. 4 has an established relationship. We would prefer public sector clients in our geographical area, if possible.

Client Name _____

Address _____

Person to Contact/ _____

Telephone _____

Length of relationship _____

Client Name _____

Address _____

Person to Contact/ _____

Telephone _____

Length of relationship _____

Client Name _____

Address _____

Person to Contact/ _____

Telephone _____

Length of relationship _____

Client Name _____

Address _____

Person to Contact/ _____

Telephone _____

Length of relationship _____

6. Has/have the representative(s) listed in No. 4 been authorized by the firm to be account representative(s) for the City of Taft?

Yes _____ No _____

If Yes, by whom? _____

7. Please list the name and title of the immediate supervisor of the account representative(s) named in your response to No. 4 above.

1. _____

2. _____

3. _____

4. _____

8. Is your firm a member of NASD? Yes _____ No _____

If not, why? _____

9. Place an "X" by each regulatory agency that your firm is examined by and/or subject to its rules and regulations:

FDIC _____ SEC _____ NYSE _____

Comptroller of Currency _____ Federal Reserve System _____

10. Have you obtained all required licenses to operate as a broker/dealer in the State of California?

Yes _____ No _____

11. If you are not a Bank, please provide the following information regarding your principal banking relationship.

Bank Name _____

Address _____

Bank Contact _____

Telephone _____

Length of Relationship _____

12. Place and “X” by each of the instruments below in which you make an active market (both buy and sell):

T-Bills	_____	T-Notes	_____
BA-Domestic	_____	BA-Foreign	_____
Commercial Paper	_____	Medium Term Notes	_____
Repurchase Agreements	_____	Reverse Repo	_____

Federal Agencies-please specify below

_____

13. Does your firm specialize in any of the instruments listed above? If so, please specify which ones.

_____

_____

To the best of your knowledge, has there been any “material” litigation, arbitration or regulatory proceedings, either pending, adjudicated or settled, that your firm has been subject to within the last five years that involved issues concerning the suitability of the sale or purchase of securities to institutional clients or fraudulent or unfair practices related to the sale of securities to a client? If so, please describe each such matter briefly. For purposes of this section, proceedings are “material” if your independent accountant applying generally accepted accounting principles determines that such proceedings required disclosure on your financial statements.

14. Please provide certified audited financial statements for the last three years. In addition, for those dealers preparing and submitting financial statements to the following organizations, please provide publicly available financial documents file with these agencies for the previous two years.

National Association of Securities Dealers

Securities and Exchange Commission

New York Stock Exchange

Federal Deposit Insurance Corp.

Section III: Certification

I hereby certify that I have personally read the City of Taft's Investment Policy and the California Government Codes pertaining to the investments of the City of Taft; that the above information is true and correct to the best of my knowledge; and that I am authorized to execute this request for information on behalf of _____ _____(name of firm).

Signed _____

Print Name _____

Title _____

Date _____

Counter signature by Company president or person in charge of government securities operations

Signed _____

Print Name _____

Title _____

Date _____

GLOSSARY

AGENCIES - Agencies of the Federal government set up to supply credit to various classes of institutions (e.g. S&L's, Small business firms, students, farmers, housing agencies, etc.)

ASK/OFFER - The price at which securities are offered. (The price at which a firm will sell a security to an investor.)

BANKERS ACCEPTANCE (BA) - A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT - One one-hundredth of a percent (i.e. 0.01%)

BEAR MARKET - A period of generally pessimistic attitudes and declining market prices.

BOND EQUIVALENT YIELD - The basis on which yields on notes and bonds are quoted.

BROKER/DEALER - Individual or firm acting as principal in securities transaction.

BULL MARKET - A period of generally optimistic attitudes and increasing market prices.

CALLABLES - Securities that the issuer has the right to redeem prior to maturity.

CERTIFICATE OF DEPOSIT (CD) - A time deposit with a specific maturity evidenced by a certificate. Large denomination CD's are typically negotiable.

CMT - Constant Maturity Treasury

COLLATERAL - Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

CORPORATE MEDIUM TERM NOTE - A security issued by a corporation doing business in the U.S. with a maturity not to exceed five years.

COUPON - a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value; b) A certificate attached to a bond evidencing interest due on a payment date.

DEBENTURE - A bond secured only by the general credit of the issuer.

DELIVERY VS PAYMENT - Deliver of securities with a simultaneous exchange of money.

DERIVATIVES - Financial products that are dependent for their value on (or derived from) an underlying financial instrument, a commodity, or an index representing values of groups of such instruments or assets.

DIVERSIFICATION - Dividing investment funds among a variety of securities offering independent returns.

FEDERAL FUND RATE - The rate of interest associated with borrowing a Federal Reserve bank's excess reserves. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC) - Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

INTERNAL RATE OF RETURN - Rate of return over the life of a security.

LOCAL AGENCY INVESTMENT FUND (LAIF) - The aggregate of all funds from political subdivisions that are place in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE - The price at which a security is trading, usually the liquidation value.

OPEN MARKET OPERATIONS - Federal Reserve activity. Under the Federal Reserve Act, the Fed uses purchases and sales of Government and Federal Agency securities to add to or subtract from commercial bank reserves. Goals are to sustain economic growth, high employment and reasonable price stability.

PAPER GAIN OR LOSS - Term used for unrealized gain or loss on securities being held in a portfolio based on comparison of current market quotes and their original cost. This

situation exists as long as the security is held while there is a difference between market value and the purchase price.

PRIMARY DEALER - A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker/dealers, banks and a few unregulated firms.

RATE OF RETURN - The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

SAFEKEEPING - The service provided by banks and trust companies for clients when the bank or trust company stores the securities, takes in coupon payments, and redeems issues at maturity.

SPREAD - a) The yield or price difference between the bid and offer on an issue; b) The yield or price difference between different issues.

SWAP - The sale of one issue and the simultaneous purchase of another for some perceived advantage.

TREASURY BILLS - A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BONDS - Long-term U.S. Treasury securities having initial maturities of more than ten years.

TREASURY NOTES - Intermediate-term coupon bearing U.S. Treasury securities having initial maturities of one year to ten years.

WHEN ISSUED BASIS (WI) - A term applied to securities that are traded before they are actually issued, with the stipulation that transactions are null and void if securities are not issued.

YIELD CURVE - Yield calculations of various maturities at a given time to observe spread differences.

YIELD TO MATURITY - The current income yield minus any premium above par, or plus any discount from par in the purchase price with the adjustment spread over the period from date of purchase to maturity.

City of Taft Agenda Report

DATE: October 20, 2015

TO: **MAYOR MILLER AND COUNCIL MEMBERS**

AGENDA MATTER:

ECONOMIC DEVELOPMENT AD HOC COMMITTEE – SCHEDULE

SUMMARY STATEMENT:

On September 1, 2015, the City Council confirmed and formed the Economic Development Ad Hoc Committee consisting of Councilmembers Bryant and Hill, with Mayor Miller as alternate. On September 2, 2015, Planning Commissioners Leikam and Livingston, with Commissioner Jones as alternate, were selected to serve on the committee. The City Council directed the City Clerk to publish a notice that the City was accepting letters of interest for at-large members to serve on the committee. The 30-day interest period closed on Friday, October 9, but those interested in serving are still welcome to submit their letter of interest up until the first committee meeting date.

Based on committee member and staff availability, it is recommended that the Council set Tuesday, November 5, 2015, at 4:00PM as the first meeting date. At the kickoff meeting, the committee members will review the letters of interest submitted for at-large members and make a recommendation to the City Council at their next meeting.

RECOMMENDED ACTION:

Motion to set the first meeting date of the Economic Development Ad Hoc Committee.

FUNDING SOURCE: N/A

ATTACHMENT (Y/N): N

PREPARED BY: Mark Staples, Director, Planning & Community Development

REVIEWED BY:

CITY CLERK:	FINANCE DIRECTOR:	CITY MANAGER: