

**TAFT CITY COUNCIL/SUCCESSOR AGENCY  
JOINT REGULAR MEETING AGENDA  
TUESDAY, MAY 17, 2016  
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. PROCLAMATION – RELAY FOR LIFE DAY**
- 2. PROCLAMATION – PEACE OFFICERS MEMORIAL DAY AND POLICE WEEK**
- 3. PROCLAMATION – CORRECTIONAL OFFICER AND CORRECTIONAL EMPLOYEE WEEK**
- 4. PROCLAMATION – PUBLIC WORKS WEEK**
- 5. PRESENTATION – GOVINVEST – LIABILITY CALCULATOR**
- 6. 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.

- 7. COUNCIL STATEMENTS (NON ACTION)**
- 8. DEPARTMENT REPORTS**
- 9. CITY MANAGER STATEMENTS**
- 10. CITY ATTORNEY STATEMENTS**
- 11. FUTURE AGENDA REQUESTS**

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**CONSENT CALENDAR ITEMS 12 – 22**

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?

12. **MINUTES**  
May 3, 2016 Regular

**Recommendation** – Approve as submitted.

13. **PAYMENT OF BILLS**  
Warrant#050616      Check No.82500-82579      \$ 224,973.55

**Recommendation** – Approve payment of the bills.

14. **ANNUAL AUDITED FINANCIAL STATEMENTS FOR 2014-2015**

**Recommendation** – Motion to receive and file the Annual Audited Comprehensive Financial Reports for the year ended June 30, 2015.

15. **PHASES 3, 4, AND 5 OF PROFESSIONAL SERVICES AGREEMENT WITH RADIAN DESIGN GROUP, INC. FOR TAFT TRANSIT CENTER**

**Recommendation** – Motion to approve Phases 3, 4, and 5 of a Professional Services Agreement with Radian Design Group, Inc. for Construction Documents, Agency Review and Approval, and Bidding preparation services for the Taft Transit Center in an amount not to exceed \$53,550.

16. **RECEIVE AND ACCEPT RECORDS MANAGEMENT NEEDS ASSESSMENT REPORT FROM GLADWELL GOVERNMENTAL SERVICES, INC.**

**Recommendation** – Motion to receive and accept the Records Management Needs Assessment Report from Gladwell Governmental Services, Inc.

17. **2016-2017 APPROPRIATIONS LIMIT**

**Recommendation** – Motion to adopt resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT ESTABLISHING APPROPRIATIONS LIMIT FOR 2016-2017.**

18. **DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE) GRANT**

**Recommendation** – Motion to adopt resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF TAFT IS ELIGIBLE.**

19. **ARAMARK FOOD SERVICE AGREEMENT AMENDMENT #4**

**Recommendation** – Motion to approve the Food Service Agreement Amendment #4 between the City of Taft and Aramark Correctional Services, LLC, and to authorize the Mayor to execute Amendment #4.

20. **PURCHASE OF SUNRIDGE SYSTEMS RIMS E-911 DATA ENGINEERING FOR THE E-911 MAPPING SYSTEM FOR THE POLICE DEPARTMENT DISPATCH CENTER**

**Recommendation** – Motion to approve \$ 2,500.00 from the Asset Forfeiture Fund to purchase Sunridge Systems RIMS E-911 Data Engineering for the E-911 Mapping System.

21. **APPROVAL OF USDA REQUIRED RESOLUTION IN CONNECTION WITH AGREEMENT FOR FUNDS TO MODIFY AND UPGRADE WASTEWATER TREATMENT FACILITY**

**Recommendation** – Motion to adopt a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT PROVIDING FOR THE APPROVAL OF THE UNITED STATES DEPARTMENT OF AGRICULTURE FORM LOAN RESOLUTION REQUIRED IN CONNECTION WITH THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICATION SECURED BY AN INSTALLMENT PURCHASE AGREEMENT THAT WILL PROVIDE FUNDS TO MODIFY AND UPGRADE THE CITY'S EXISTING WASTEWATER TREATMENT FACILITY.**

22. **SPECIAL EVENT PERMIT – CHRISTIAN SERVICE EVENT HELD BY IGLESIA DE JESUCRISTO CANAAN ON THE CORNER OF 6TH ST AND MAIN ST AT THE RAILS TO TRAILS STAGE ON MAY 21, 2016.**

**Recommendation** – Motion to approve a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING A SPECIAL EVENT PERMIT, AUTHORIZING EDGAR GIL OF IGLESIA DE JESUCRISTO CANAAN TO HOLD A CHRISTIAN SERVICE EVENT ON CITY PROPERTY ON THE CORNER OF SIXTH STREET AND MAIN ST AT THE RAILS TO TRAILS STAGE ON MAY 21<sup>ST</sup>, 2016.**

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**CLOSED SESSION**

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATOR, CRAIG JONES- CITY MANAGER  
Government Code Section 54956.8 – 1100 E. Ash Street.

**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**

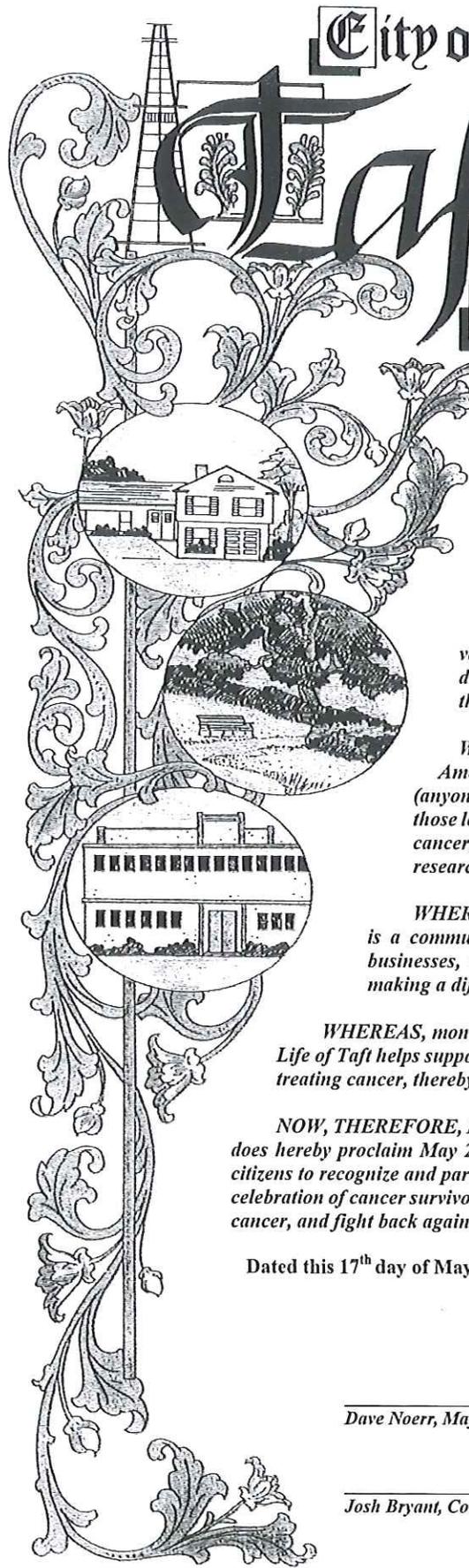
I, Darnell Porter, declare as follows:

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 May 12, 2016, pursuant to 1987 Brown Act Requirements.

I declare under penalty of perjury that the foregoing is true and correct.

Executed May 12, 2016, at Taft, California.

Date/Time \_\_\_\_\_ Signature \_\_\_\_\_



City of  
**Taft**  
State of California

**PROCLAMATION**

declaring

**May 21, 2016**  
**“Relay For Life Day”**

*WHEREAS, the American Cancer Society is a voluntary community-based coalition of local citizens dedicated to eliminating cancer as a major health problem through financial support and education awareness; and*

*WHEREAS, Relay For Life is the signature activity of the American Cancer Society and honors cancer survivors (anyone who has ever been diagnosed with cancer), remembers those lost to the disease, provides opportunity to fight back against cancer, and helps fund more than \$100 million in cancer research each year; and*

*WHEREAS, the American Cancer Society Relay For Life of Taft is a community event that allows an opportunity to network with businesses, associates, family, and friends, with the same goal of making a difference in the battle against cancer; and*

*WHEREAS, money raised during the American Cancer Society Relay For Life of Taft helps support research, education, advocacy, and patient services for treating cancer, thereby increasing cancer survival rates.*

**NOW, THEREFORE, BE IT PROCLAIMED** the City Council of the City of Taft does hereby proclaim May 21, 2016, as Relay For Life Day in Taft, and encourage citizens to recognize and participate in the Relay For Life of Taft on May 21, 2016, in celebration of cancer survivors, remember those individuals that have lost their lives to cancer, and fight back against the disease.

Dated this 17<sup>th</sup> day of May, 2016.

\_\_\_\_\_  
Randy Miller, Mayor

\_\_\_\_\_  
Dave Noerr, Mayor Pro Tem

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Orchel Krier, Council Member

\_\_\_\_\_  
Josh Bryant, Council Member

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Renee Hill, Council Member

City of

Taft

State of California

PROCLAMATION

declaring

“Peace Officers Memorial Day and Police Week, 2016”

WHEREAS, the Congress and President of the United States have designated May 15<sup>th</sup> as Peace Officers Memorial Day, and the week in which it falls as Police Week; and

WHEREAS, Peace Officers Memorial Day and Police Week pay tribute to the local, State, and Federal law enforcement officers who serve and protect us with courage and dedication. These observances also remind us of the ongoing need to be vigilant against all forms of crime, especially to acts of extreme violence and terrorism; and

WHEREAS, it is important that all the citizens know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agencies, and that members of our law enforcement agencies recognize their duty to serve the people by safeguarding life and property, protecting them against violence and disorder; and

WHEREAS, the dedicated members of the Taft Police Department, Kern County Sheriff's Department, California Highway Patrol, and West Side Correctional Officers play an essential role in safeguarding the rights and freedoms of the citizens of Taft; and

WHEREAS, the City of Taft wishes to honor all peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of their duties.

NOW THEREFORE, the City Council of the City of Taft, does hereby formally recognize all Peace Officers for their faithful and loyal devotion to their responsibilities and their dedication to our community. Accordingly the City Council hereby declares May 15, 2016 as Peace Officers' Memorial Day and May 15 – May 21, 2016 as National Police Week.

Dated this 17<sup>th</sup> day of May, 2016.

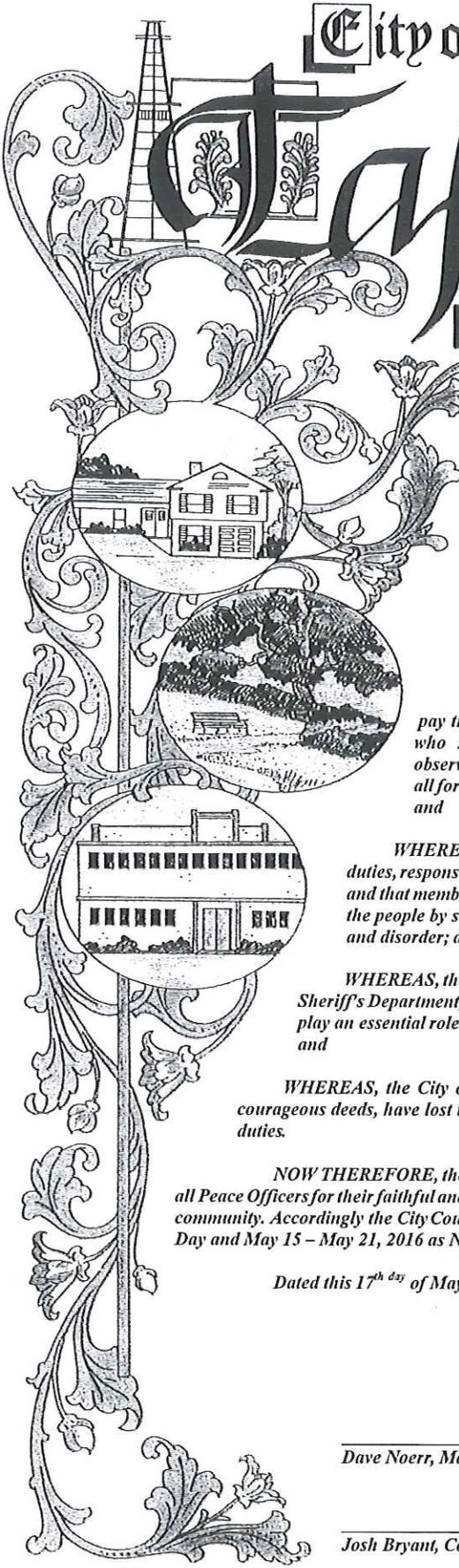
Randy Miller, Mayor

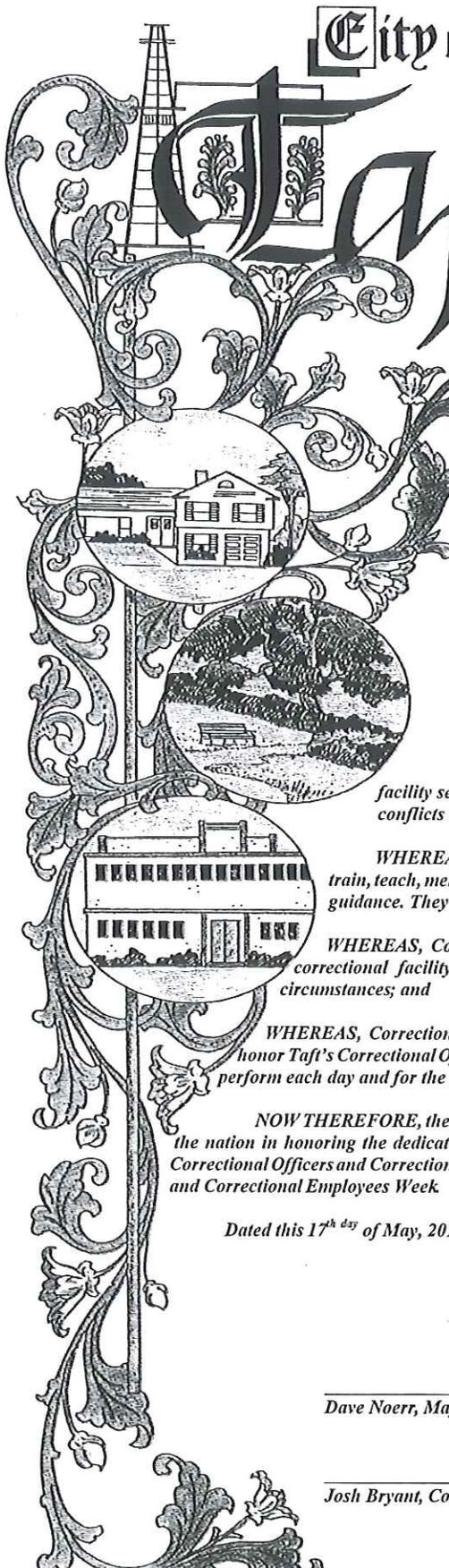
Dave Noerr, Mayor Pro Tem

Orchel Krier, Council Member

Josh Bryant, Council Member

Renee Hill, Council Member





City of  
**Taft**  
State of California

**PROCLAMATION**

declaring

**“Correctional Officers and  
Correctional Employees Week  
2016”**

WHEREAS, City of Taft Correctional Officers and Correctional Employees are responsible for supervising offenders convicted of crimes and sentenced to serve time in Taft’s Modified Community Correctional Facility; and

WHEREAS, Correctional Officers ensure public safety and facility security by supervising offender conduct and behavior to avoid conflicts and escapes; and

WHEREAS, these highly devoted individuals do more than supervise. They train, teach, mentor, counsel, preach and treat inmates while providing hope and guidance. They work to rebuild lives; and

WHEREAS, Correctional Officers and Correctional Employees manage the correctional facility with integrity in the face of challenging situations and circumstances; and

WHEREAS, Correctional Officers’ Week offers an opportunity to acknowledge and honor Taft’s Correctional Officers and Correctional Employees for the important work they perform each day and for the sacrifices they make to protect the citizens of our Community.

NOW THEREFORE, the City Council of the City of Taft, is proud to join in with the rest of the nation in honoring the dedication and professionalism of the women and men who are our Correctional Officers and Correctional Employees by declaring May 1-7, 2016 Correctional Officers and Correctional Employees Week

Dated this 17<sup>th</sup> day of May, 2016.

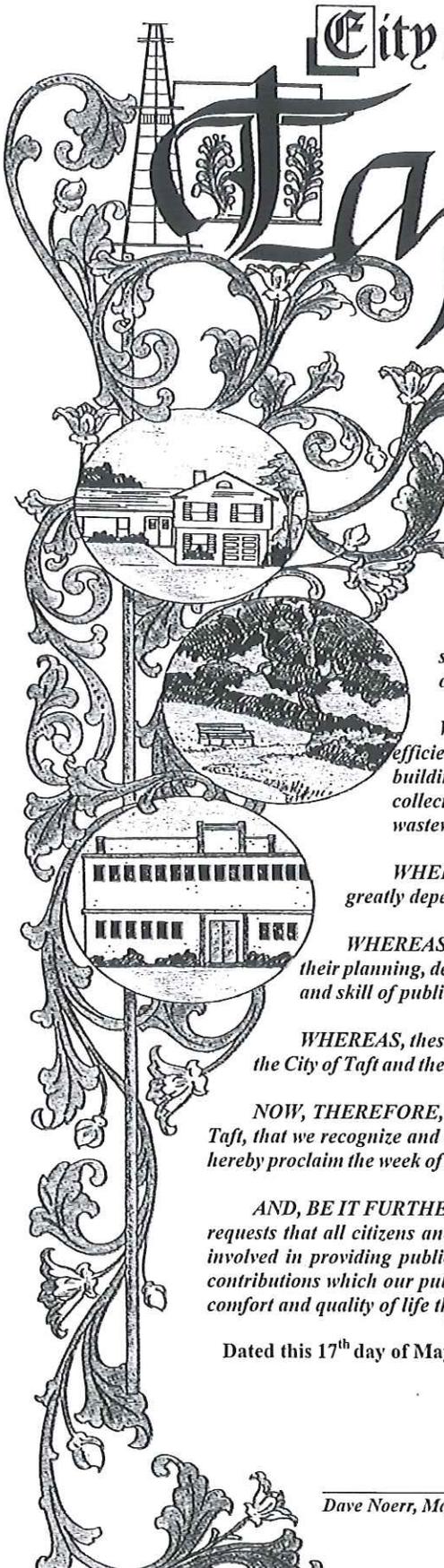
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Randy Miller, Mayor

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Dave Noerr, Mayor Pro Tem

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Orchel Krier, Council Member

\_\_\_\_\_  
Josh Bryant, Council Member

\_\_\_\_\_  
Renee Hill, Council Member



City of  
**Taft**  
State of California

**PROCLAMATION**

declaring

MAY 15 – 21, 2016

**“PUBLIC WORKS WEEK”**

WHEREAS, the Public Works Department provides services to the City of Taft and are a vital and integral part of our citizens' everyday lives; and

WHEREAS, the support of the community is vital to the efficient operation of public works systems and programs such as building maintenance, streets, fleet maintenance, refuse collection, sewer line maintenance and construction, as well as wastewater treatment; and

WHEREAS, the health, safety and comfort of this community greatly depends on these services; and

WHEREAS, the quality and effectiveness of these facilities, as well as their planning, design and construction, is vitally dependent upon the efforts and skill of public works officials; and

WHEREAS, these efforts are greatly influenced by attitudes of the citizens of the City of Taft and their understanding of the importance of the work performed;

NOW, THEREFORE, BE IT PROCLAIMED by the City Council of the City of Taft, that we recognize and extend appreciation to our dedicated and skilled staff and hereby proclaim the week of May 15-21, 2016 as Public Works Week in the City of Taft.

AND, BE IT FURTHER PROCLAIMED that the City Council of the City of Taft requests that all citizens and civic organizations acquaint themselves with the issues involved in providing public works services to our community and to recognize the contributions which our public works employees make every day to the health, safety, comfort and quality of life that the citizens of Taft enjoy.

Dated this 17<sup>th</sup> day of May, 2016.

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Randy Miller, Mayor

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Dave Noerr, Mayor Pro Tem

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Orchel Krier, Council Member

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Josh Bryant, Council Member

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Renee Hill, Council Member

**TAFT CITY COUNCIL/SUCCESSOR AGENCY  
JOINT REGULAR MEETING AGENDA  
MAY 3, 2016**

**REGULAR MEETING**

**6:00 P.M.**

The May 3, 2016, 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 [6:01:27 PM](#). The Pledge of Allegiance was led by Council Member Bryant, followed by an invocation given by Greg Haslow of Calvary Temple.

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

**1. CITIZEN REQUESTS/PUBLIC COMMENTS**

Steve Shayer, Commissioner from the Kern County Superior Court and who is currently running for a judge seat, introduced himself to the Council and shared some information on his background and qualifications.

**2. COUNCIL STATEMENTS (NON ACTION)**

Council Member Noerr commented on current events.

Mayor Miller reminded everyone that now is the time to address weeds before the weather warms up.

**3. PLANNING COMMISSION REPORT**

Chairman Orrin reported that at their last meeting the Commission recognized Arbor Day and started the Municipal Service Review Update.

**4. DEPARTMENT REPORTS**

There were none.

**5. CITY MANAGER STATEMENTS**

There were none.

**6. CITY ATTORNEY STATEMENTS**

There were none.

**7. FUTURE AGENDA REQUESTS**

Noerr requested that the unfunded liability presentation given to the Finance Committee be brought forth and presented to the whole Council. Miller concurred.

Miller asked that the high school Tennis Team be acknowledged with a certificate recognizing their winning season. Noerr concurred.

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**CONSENT CALENDAR ITEMS 8 - 13**

➤ Hill removed Item 11.

Motion: Moved by Bryant, seconded by Noerr to approve consent calendar items 8-10, 12 and 13.

AYES: Noerr, Krier, Bryant, Hill, Miller  
PASSED: 5-0

**8. MINUTES**  
April 19, 2016 Regular

**Recommendation** – Approve as submitted.

**9. PAYMENT OF BILLS**  
Warrant#042216                      Check No. 82385-82496              \$ 935,137.05  
Warrant#042216                      Check No. 82497-82499              \$ 4,335.63

**Recommendation** – Approve payment of the bills.

**10. TREASURER’S REPORT**

**Recommendation** – Motion to receive and file Treasurer’s Report dated April 19, 2016 for the Month of January 2016.

**12. ZONING ORDINANCE AMENDMENT 2016-02: FENCES AND WALLS**

**Recommendation** –  
1. Conduct Public Hearing; and  
2. Motion to approve and amend the City of Taft Municipal Code entitled **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING ZONING ORDINANCE AMENDMENT NO. 2016-02, AN AMENDMENT OF SECTION 6.11.90 OF TITLE 6 OF THE TAFT ZONING ORDINANCE RELATING TO FENCES AND WALLS.** (*Ordinance No. 816-16*)

**13. RECEIVE AND ACCEPT NEEDS ASSESSMENT REPORT FROM STANTEC**

**Recommendation** – Motion to receive and accept the Needs Assessment Report from Stantec.

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**11. ZONING ORDINANCE AMENDMENT 2016-01: GARAGE OR YARD SALES**

Motion: Moved by Noerr, seconded by Bryant to approve and amend the City of Taft Municipal Code entitled **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING ZONING ORDINANCE AMENDMENT NO. 2016-01, AN AMENDMENT OF CHAPTERS 1 AND 12 OF TITLE 6 OF THE TAFT ZONING ORDINANCE RELATING TO GARAGE OR YARD SALES.** (*Ordinance No. 815-16*)

AYES: Noerr, Krier, Bryant, Miller  
NOES: Hill  
PASSED: 4-1

Hill stated that she had the same opinion of this item that she had stated during the first reading and does not agree with the ordinance.

Krier shared that although he believes in people's right to have yard sales he believes this ordinance is needed.

Miller shared that he hopes to alleviate the issue of signs posted all over town.

**CLOSED SESSION**

➤ **Closed Session was cancelled.**

- A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION  
Government Code Section 54956.9 (a) - Case Number S-1500-CV-281650

**ADJOURNMENT** With no further business to conduct the meeting was adjourned at [6:30:08 PM](#).

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Yvette Mayfield  
City Clerk

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Randy Miller  
Mayor



**CITY OF TAFT, CA**  
**ACCOUNTS PAYABLE CHECK REGISTER**

Check Number	Check Date	Type	Vendor Number	Vendor Name	Check Amount
82500	2016 12:00:00	PRINTED	26	ABATE-A-WEED	76.47
82501	2016 12:00:00	PRINTED	300	ARAMARK CORP.	18,701.93
82502	2016 12:00:00	PRINTED	370	AUSTINS PEST CONTROL	200.00
82503	2016 12:00:00	PRINTED	12783	BAKERSFIELD DODGE, INC	903.00
82504	2016 12:00:00	PRINTED	437	BC LABORATORIES, INC	980.00
82505	2016 12:00:00	PRINTED	657	BLUE SHIELD OF CALIFORNIA	48,303.25
82506	2016 12:00:00	PRINTED	669	BOB BARKER COMPANY, INC.	3,151.20
82507	2016 12:00:00	PRINTED	715	BRIGHT HOUSE NETWORKS	488.03
82508	2016 12:00:00	PRINTED	715	BRIGHT HOUSE NETWORKS	244.42
82509	2016 12:00:00	PRINTED	738	BROWN & REICH PETROLEUM INC.	3,700.74
82510	2016 12:00:00	PRINTED	915	CARQUEST AUTO PARTS	1,035.54
82511	2016 12:00:00	PRINTED	965	CENTURY EXECUTONE	473.14
82512	2016 12:00:00	PRINTED	1035	COOPER'S TRUE VALUE HOME CENTER	1,885.15
82513	2016 12:00:00	PRINTED	1114	COUNTRY AUTO & TRUCK TAFT	6.92
82514	2016 12:00:00	PRINTED	1134	CREATIVE BUS SALES	43.34
82515	2016 12:00:00	PRINTED	1431	DEPARTMENT OF MOTOR VEHICLES	0.15
82516	2016 12:00:00	PRINTED	1367	DEPARTMENT OF TRANSPORTATION	1,269.10
82517	2016 12:00:00	PRINTED	1379	DEVON'S BODY SHOP	70.00
82518	2016 12:00:00	PRINTED	1493	DOWNEY BRAND ATTORNEYS LLP	481.00
82519	2016 12:00:00	PRINTED	1505	DOWNTOWN FORD	44,043.92
82520	2016 12:00:00	PRINTED	1830	FASTENAL	150.40
82521	2016 12:00:00	PRINTED	1845	FEDERAL EXPRESS CORP	28.10
82522	2016 12:00:00	PRINTED	1898	FIRST CHOICE SERVICE	210.53
82523	2016 12:00:00	PRINTED	1898	FIRST CHOICE SERVICE	225.12
82524	2016 12:00:00	PRINTED	10027	FRONTIER COMMUNICATIONS	525.47
82525	2016 12:00:00	PRINTED	2040	GENERAL OFFICE	248.33
82526	2016 12:00:00	PRINTED	10239	GLADWELL GOVERNMENT SERVICES, INC	1,500.00
82527	2016 12:00:00	PRINTED	2061	GOLDEN EMPIRE CONCRETE	536.43
82528	2016 12:00:00	PRINTED	2095	GRAINGER INDUSTRIAL AND COMMERCIA	115.95
82529	2016 12:00:00	PRINTED	2216	H & S	367.23
82530	2016 12:00:00	PRINTED	2224	TYLER HALL	116.06

CITY OF TAFT, CA  
 ACCOUNTS PAYABLE CHECK REGISTER

Check Number	Check Date	Type	Vendor Number	Vendor Name	Check Amount
82531	2016 12:00:00	PRINTED	2204	HdL SOFTWARE, LLC	1,599.28
82532	2016 12:00:00	PRINTED	2268	HdL, COREN & CONE	1,750.00
82533	2016 12:00:00	PRINTED	2309	HIGH DESERT WIRELESSS BROADBAND C	285.00
82534	2016 12:00:00	PRINTED	2267	HELT ENGINEERING, INC.	3,552.50
82535	2016 12:00:00	PRINTED	533	HIRACHETA, NICOLE	35.00
82536	2016 12:00:00	PRINTED	2391	HUGHES COMMUNICATIONS INC.	89.99
82537	2016 12:00:00	PRINTED	12385	JONES,SHANNON	50.00
82538	2016 12:00:00	PRINTED	2846	KERN COUNCIL OF GOVERNMENTS	1,035.00
82539	2016 12:00:00	PRINTED	12737	KERN COUNTY ANIMAL CONTROL	95.00
82540	2016 12:00:00	PRINTED	2914	KERN ELECTRIC DIST.	301.28
82541	2016 12:00:00	PRINTED	2911	VIRGIL KEYS	55.42
82542	2016 12:00:00	PRINTED	3139	LEIKAM II, ROBERT J.	50.00
82543	2016 12:00:00	PRINTED	3174	JERRY LIVINGSTON	50.00
82544	2016 12:00:00	PRINTED	3220	MAINTENANCE U.S.A.	2,452.94
82545	2016 12:00:00	PRINTED	12280	MASTEL, MICHELLE	7.84
82546	2016 12:00:00	PRINTED	3359	MELO'S GAS & GEAR	139.96
82547	2016 12:00:00	PRINTED	3398	MISSION LINEN SUPPLY	470.94
82548	2016 12:00:00	PRINTED	3412	MONARCH FLEET SERVICES	235.20
82549	2016 12:00:00	PRINTED	3594	MUTUAL OF OMAHA	407.88
82550	2016 12:00:00	PRINTED	3670	NEOFUNDS BY NEOPOST	1,158.85
82551	2016 12:00:00	PRINTED	3790	OFFICE DEPOT	335.19
82552	2016 12:00:00	PRINTED	3994	ORRIN, RONALD	50.00
82553	2016 12:00:00	PRINTED	4125	PACIFIC GAS & ELECTRIC	21,776.27
82554	2016 12:00:00	PRINTED	4175	PENINSULA MESSENGER SERVICE OF CE	2,322.00
82555	2016 12:00:00	PRINTED	4427	POWERSTRIDE BATTERY CO. INC.	230.06
82556	2016 12:00:00	PRINTED	4430	PREMIER ACCESS DENTAL	4,188.35
82557	2016 12:00:00	PRINTED	4454	PUBLIC EMPLOYEES' RETIREMENT SYSTE	35,167.88
82558	2016 12:00:00	PRINTED	4845	RICHLAND CHEVROLET CO.	440.26
82559	2016 12:00:00	PRINTED	5608	ROBERT THOMPSON	50.00
82560	2016 12:00:00	PRINTED	4908	SC SITES SERVICES LLC	585.00
82561	2016 12:00:00	PRINTED	5134	SHERWIN WILLIAMS	299.60

**CITY OF TAFT, CA**  
**ACCOUNTS PAYABLE CHECK REGISTER**

<b>Check Number</b>	<b>Check Date</b>	<b>Type</b>	<b>Vendor Number</b>	<b>Vendor Name</b>	<b>Check Amount</b>
82562	2016 12:00:00	PRINTED	5098	SIMPLEXGRINNELL	1,757.41
82563	2016 12:00:00	PRINTED	5142	DS SERVICES OF AMERICA, INC	113.81
82564	2016 12:00:00	PRINTED	5187	STATEWIDE TRAFFIC SAFETY & SIGNS	90.70
82565	2016 12:00:00	PRINTED	5229	STRADLING YOCCA CARLSON & RAUTH	142.00
82566	2016 12:00:00	PRINTED	5372	TAFT C.C.F. ITA	9.90
82567	2016 12:00:00	PRINTED	5315	TAFT DISTRICT CHAMBER OF COMMERCE	2,500.00
82568	2016 12:00:00	PRINTED	5315	TAFT DISTRICT CHAMBER OF COMMERCE	375.00
82569	2016 12:00:00	PRINTED	3179	THE TAFT INDEPENDENT	85.00
82570	2016 12:00:00	PRINTED	5560	GEORGE G. ROSS	357.67
82571	2016 12:00:00	PRINTED	1008	CITY OF TAFT	900.00
82572	2016 12:00:00	PRINTED	5702	TYLER TECHNOLOGIES	4,957.69
82573	2016 12:00:00	PRINTED	5810	USI	79.73
82574	2016 12:00:00	PRINTED	6105	VERIZON WIRELES	2,116.81
82575	2016 12:00:00	PRINTED	6211	WALDROPS AUTO PARTS	200.70
82576	2016 12:00:00	PRINTED	6226	WALLACE GROUP	424.50
82577	2016 12:00:00	PRINTED	12441	WENINGER, TASSIE	24.12
82578	2016 12:00:00	PRINTED	6350	WEST KERN WATER DISTRICT	862.44
82579	2016 12:00:00	PRINTED	6770	Z.A.P.	628.46
			<b>80 Checks</b>	<b>Cash Account Total:</b>	<b>224,973.55</b>

**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
26 - ABATE-A-WEED		696903	INV	6 12:00:00AM	\$37.78	82500	CVC-PULLY/KNOB/SCREW/FILTER COVER	10416 04000
26 - ABATE-A-WEED		696906	INV	6 12:00:00AM	\$38.69	82500	CE-2 SWITHC-PTO	10416 04200
300 - ARAMARK CORP.		2003838-113	INV	6 12:00:00AM	\$53.18	82501	PD-04/13/16 INMT MLSx16	10421 09000
300 - ARAMARK CORP.		2003838-115	INV	6 12:00:00AM	\$93.07	82501	PD-4/20/16 INMT MLSx28	10421 09000
300 - ARAMARK CORP.		20038380-116	INV	6 12:00:00AM	\$18,555.68	82501	MCCF-INMT MLS 4/14 - 4/20/16	51451 03020
370 - AUSTINS PEST CONTROL		41416ANX	INV	6 12:00:00AM	\$13.33	82502	ANX-MONTHLY PEST CONTROL	10433 05000
370 - AUSTINS PEST CONTROL		41416ANX	INV	6 12:00:00AM	\$13.33	82502	ANX-MONTHLY PEST CONTROL	59459 05000
370 - AUSTINS PEST CONTROL		41416ANX	INV	6 12:00:00AM	\$13.34	82502	ANX-MONTHLY PEST CONTROL	62462 05000
370 - AUSTINS PEST CONTROL		42816PD	INV	6 12:00:00AM	\$30.00	82502	PD-MONTHLY PEST CONTROL	10421 05000
370 - AUSTINS PEST CONTROL		41216AC	INV	6 12:00:00AM	\$40.00	82502	AC-MONTHLY PEST CONTROL SERVICE	10431 05000
370 - AUSTINS PEST CONTROL		042116	INV	6 12:00:00AM	\$90.00	82502	MCCF-4/21/16 BIWKLY PST CNTRL	51451 05000
12783 - BAKERSFIELD DODGE, INC		38744	INV	6 12:00:00AM	\$840.00	82503	C-8 AE MODULE ANTI-LOCK BRA	10416 04200
12783 - BAKERSFIELD DODGE, INC		38850	INV	6 12:00:00AM	\$903.00	82503	C-8 AE MODULE ANTI-LOCK BRA	10416 04200
12783 - BAKERSFIELD DODGE, INC		CM38744	CRM	6 12:00:00AM	-\$840.00	82503	C-8 AE MODULE ANTI-LOCK BRA	10416 04200
437 - BC LABORATORIES, INC		B232317	INV	6 12:00:00AM	\$70.00	82504	FEDWWTP-TOTAL COLIFORM	58458 03001
437 - BC LABORATORIES, INC		B232731	INV	6 12:00:00AM	\$70.00	82504	FEDWWTP-TOTAL COLIFORM	58458 03001
437 - BC LABORATORIES, INC		B233596	INV	6 12:00:00AM	\$70.00	82504	FEDWWTP-TOTAL COLIFORM	58458 03001
437 - BC LABORATORIES, INC		B232232	INV	6 12:00:00AM	\$95.00	82504	FEDWWTP-EC/SOLIDS/BOD	58458 03001
437 - BC LABORATORIES, INC		B233555	INV	6 12:00:00AM	\$95.00	82504	WWTP-EC/TOTAL SOLIDS/BOD	70470 03001
437 - BC LABORATORIES, INC		B232774	INV	6 12:00:00AM	\$110.00	82504	FED-COMPOSITE/EC/SOLIDS/BOD	70470 03001
437 - BC LABORATORIES, INC		B232205	INV	6 12:00:00AM	\$170.00	82504	FEDWWTP-TOTAL COLIFORM	58458 03001
437 - BC LABORATORIES, INC		B232820	INV	6 12:00:00AM	\$300.00	82504	FEDWWTP-UNIONIZED AMMONIA/EC/BOD SOL	58458 03001
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1.26	82505	05/16 HEALTH INSURANCE PREMIUMS	10432 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		161090003572	INV	6 12:00:00AM	\$21.51	82505	05/16 HEALTH INSURANCE PREMIUMS	10433 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$51.93	82505	05/16 HEALTH INSURANCE PREMIUMS	10412 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$87.87	82505	05/16 HEALTH INSURANCE PREMIUMS	58458 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$87.87	82505	05/16 HEALTH INSURANCE PREMIUMS	70470 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$88.18	82505	05/16 HEALTH INSURANCE PREMIUMS	60460 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$179.58	82505	05/16 HEALTH INSURANCE PREMIUMS	38438 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$210.31	82505	05/16 HEALTH INSURANCE PREMIUMS	61461 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$257.31	82505	05/16 HEALTH INSURANCE PREMIUMS	65465 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$340.38	82505	05/16 HEALTH INSURANCE PREMIUMS	10415 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$925.06	82505	05/16 HEALTH INSURANCE PREMIUMS	10413 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,065.06	82505	05/16 HEALTH INSURANCE PREMIUMS	10420 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,297.66	82505	05/16 HEALTH INSURANCE PREMIUMS	10431 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,298.32	82505	05/16 HEALTH INSURANCE PREMIUMS	10425 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,298.32	82505	05/16 HEALTH INSURANCE PREMIUMS	50450 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,325.35	82505	05/16 HEALTH INSURANCE PREMIUMS	10419 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,543.59	82505	05/16 HEALTH INSURANCE PREMIUMS	10000 00244
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$1,616.26	82505	05/16 HEALTH INSURANCE PREMIUMS	10416 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$2,337.81	82505	05/16 HEALTH INSURANCE PREMIUMS	62462 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$11,663.02	82505	05/16 HEALTH INSURANCE PREMIUMS	10421 01445
657 - BLUE SHIELD OF CALIFORNIA		161090003572	INV	6 12:00:00AM	\$22,606.60	82505	05/16 HEALTH INSURANCE PREMIUMS	51451 01445
669 - BOB BARKER COMPANY, INC.		UT1000380476	INV	6 12:00:00AM	\$40.32	82506	MCCF-DNTL FLSS PCKTS	51451 10036
669 - BOB BARKER COMPANY, INC.		UT1000380517	INV	6 12:00:00AM	\$329.58	82506	MCCF-SHOES/DEODRNT/MLTRY BLT	51451 06750
669 - BOB BARKER COMPANY, INC.		UT1000380517	INV	6 12:00:00AM	\$728.01	82506	MCCF-SHOES/DEODRNT/MLTRY BLT	51451 08000

**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
669 - BOB BARKER COMPANY, INC.		UT1000380517	INV	6 12:00:00AM	\$2,053.29	82506	MCCF-SHOES/DEODRNT/MLTRY BLT	51451 10036
715 - BRIGHT HOUSE NETWORKS		06378730416	INV	6 12:00:00AM	\$95.59	82507	AC-INTERNET 4/30-5/29/16	10431 02200
715 - BRIGHT HOUSE NETWORKS		063783200416	INV	6 12:00:00AM	\$187.44	82507	WWTP-INTRNT SRVC 04/20-05/19/16	70470 02200
715 - BRIGHT HOUSE NETWORKS		064050400416	INV	6 12:00:00AM	\$205.00	82507	PD-INTRNT SRVC 04/13-05/12/16	10421 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$1.11	82508	CITY HALL-5/1-5/31 SERVICE	58458 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$2.22	82508	CITY HALL-5/1-5/31 SERVICE	10432 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$3.34	82508	CITY HALL-5/1-5/31 SERVICE	70470 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$4.44	82508	CITY HALL-5/1-5/31 SERVICE	60460 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$5.00	82508	CITY HALL-5/1-5/31 SERVICE	67467 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$5.56	82508	CITY HALL-5/1-5/31 SERVICE	10433 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$7.22	82508	CITY HALL-5/1-5/31 SERVICE	61461 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$7.22	82508	CITY HALL-5/1-5/31 SERVICE	62462 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$10.55	82508	CITY HALL-5/1-5/31 SERVICE	10420 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$11.11	82508	CITY HALL-5/1-5/31 SERVICE	10416 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$12.22	82508	CITY HALL-5/1-5/31 SERVICE	10412 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$37.22	82508	CITY HALL-5/1-5/31 SERVICE	10413 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$62.22	82508	CITY HALL-5/1-5/31 SERVICE	10419 02200
715 - BRIGHT HOUSE NETWORKS		0604050000416	INV	6 12:00:00AM	\$74.99	82508	CITY HALL-5/1-5/31 SERVICE	10415 02200
738 - BROWN & REICH PETROLEUM INC.		26737	INV	6 12:00:00AM	\$38.01	82509	PLG-4/1-4/15/16 FUEL USAGE	10424 04250
738 - BROWN & REICH PETROLEUM INC.		26740	INV	6 12:00:00AM	\$61.68	82509	PD,AC-4/1-4/15 FUEL USAGE	10431 04250
738 - BROWN & REICH PETROLEUM INC.		26739	INV	6 12:00:00AM	\$114.89	82509	MCCF-4/1-4/15 FUEL USAGE	51451 04250
738 - BROWN & REICH PETROLEUM INC.		26738	INV	6 12:00:00AM	\$318.38	82509	CVC,ST,TRN-4/1-4/15/16 FUEL USAGE	10416 04250
738 - BROWN & REICH PETROLEUM INC.		26738	INV	6 12:00:00AM	\$640.00	82509	CVC,ST,TRN-4/1-4/15/16 FUEL USAGE	10433 04250

**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
738 - BROWN & REICH PETROLEUM INC.		26740	INV	6 12:00:00AM	\$1,012.53	82509	PD,AC-4/1-4/15 FUEL USAGE	10421 04250
738 - BROWN & REICH PETROLEUM INC.		26738	INV	6 12:00:00AM	\$1,515.25	82509	CVC,ST,TRN-4/1-4/15/16 FUEL USAGE	62462 04250
915 - CARQUEST AUTO PARTS		7305-196003	INV	6 12:00:00AM	\$3.19	82510	C-6 COURTESY LAMP	10416 04200
915 - CARQUEST AUTO PARTS		7305-195729	INV	6 12:00:00AM	\$3.19	82510	C-8 COURTESY LAMP	10416 04200
915 - CARQUEST AUTO PARTS		7305-195731	INV	6 12:00:00AM	\$3.19	82510	C-8 COURTESY LAMP	10416 04200
915 - CARQUEST AUTO PARTS		7305-195614	INV	6 12:00:00AM	\$7.72	82510	WT-7	10433 04200
915 - CARQUEST AUTO PARTS		7305-193195	INV	6 12:00:00AM	\$10.66	82510	ST-GREASE/SPRAYWAY GLASSS CLEANER	10433 06200
915 - CARQUEST AUTO PARTS		7305-195880	INV	6 12:00:00AM	\$11.93	82510	T-25 OIL/AIR FILTER	62462 04200
915 - CARQUEST AUTO PARTS		7305-196058	INV	6 12:00:00AM	\$12.85	82510	MS 3 DEF	61461 04200
915 - CARQUEST AUTO PARTS		7305-195826	INV	6 12:00:00AM	\$13.82	82510	MS-3 STA GRSE STAPLEX RED	61461 06200
915 - CARQUEST AUTO PARTS		7305-195881	INV	6 12:00:00AM	\$16.13	82510	ME-12 FUEL HOSE	10433 04200
915 - CARQUEST AUTO PARTS		7305-196055	INV	6 12:00:00AM	\$26.11	82510	M-23 SWITCH-COMBINATION	10433 04200
915 - CARQUEST AUTO PARTS		7305-195739	INV	6 12:00:00AM	\$30.95	82510	C-8 SENSOR	10416 04200
915 - CARQUEST AUTO PARTS		7305-193695	INV	6 12:00:00AM	\$32.12	82510	ST-LOW VOC BRK CLNR	10433 06200
915 - CARQUEST AUTO PARTS		7305-195663	INV	6 12:00:00AM	\$35.73	82510	TRN-SILENCER BAND	62462 06200
915 - CARQUEST AUTO PARTS		7305-195947	INV	6 12:00:00AM	\$39.28	82510	P-36 BLOWER MOTOR	10421 04200
915 - CARQUEST AUTO PARTS		7305-195807	INV	6 12:00:00AM	\$59.01	82510	CC-20 SWITCH - BATTERY	51451 04200
915 - CARQUEST AUTO PARTS		7305-196125	INV	6 12:00:00AM	\$78.55	82510	M-23 FUSE/RELAY	10433 04200
915 - CARQUEST AUTO PARTS		7305-196002	INV	6 12:00:00AM	\$146.16	82510	M-23 AXLE/OIL SEAL	10433 04200
915 - CARQUEST AUTO PARTS		7305-195885	INV	6 12:00:00AM	\$258.00	82510	M-23 XOT ECCO7660A	10433 04200
915 - CARQUEST AUTO PARTS		7305-195555	INV	6 12:00:00AM	\$258.00	82510	M-38 XOT ECCO7660A	10433 04200
915 - CARQUEST AUTO PARTS		7305-185426	CRM	6 12:00:00AM	-\$11.05	82510	ST-WHITE BUCKET	10433 06200
965 - CENTURY EXECUTONE		4585	INV	6 12:00:00AM	-\$35.61	82511	PD-RPLCMNT DESKSx6	51390 00300

**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
965 - CENTURY EXECUTONE		4585	INV	6 12:00:00AM	\$508.75	82511	PD-RPLCMNT DESKSx6	51451 06000
1035 - COOPER'S TRUE VALUE HOME CENTER		349811	INV	6 12:00:00AM	\$3.00	82512	ST-LO VOC LIQ NAILS	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		350228	INV	6 12:00:00AM	\$5.15	82512	ST-ALUM TUBE	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		577351	INV	6 12:00:00AM	\$6.92	82512	GAR-FITTING	59459 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		350333	INV	6 12:00:00AM	\$7.34	82512	CVC-NIPPLE/ELL/COUPLING/BUSHING	10416 06201
1035 - COOPER'S TRUE VALUE HOME CENTER		350132	INV	6 12:00:00AM	\$9.40	82512	MCCF-PLS PNT TRY LNR/FM RLL CVR	51451 05000
1035 - COOPER'S TRUE VALUE HOME CENTER		349634	INV	6 12:00:00AM	\$9.66	82512	ADM-CLOTHLINE	10413 08601
1035 - COOPER'S TRUE VALUE HOME CENTER		349797	INV	6 12:00:00AM	\$10.81	82512	ST-CEMENT/FUNNEL/MIXING CONTAINER	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		350450	INV	6 12:00:00AM	\$13.94	82512	CVC-SINGLE CUT KEY/POLY DECK SCRUB	10416 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		348329	INV	6 12:00:00AM	\$13.95	82512	CVC-BLU MARKING PAINT/SPRINK RISER EXTI	10416 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		349940	INV	6 12:00:00AM	\$14.28	82512	GAR-FEM COUPLER/BRONZE FLOAT VALVE	59459 05000
1035 - COOPER'S TRUE VALUE HOME CENTER		350188	INV	6 12:00:00AM	\$14.94	82512	MCCF-BRN CTCH STRK/BRS PLT TWST CHN	51451 06950
1035 - COOPER'S TRUE VALUE HOME CENTER		349422	INV	6 12:00:00AM	\$16.11	82512	MCCF-K&B SLNT/TLT VLV&KT/WSHRS	10421 05000
1035 - COOPER'S TRUE VALUE HOME CENTER		350384	INV	6 12:00:00AM	\$19.72	82512	M-38 COVER/TRAY LINER/PLAS PAIL/PAIL LID	10733 00005
1035 - COOPER'S TRUE VALUE HOME CENTER		349967	INV	6 12:00:00AM	\$23.64	82512	ST-BLK STL TOE BOOTS	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		349830	INV	6 12:00:00AM	\$25.78	82512	CVC-MM GAL BAR & CHAIN OIL	10416 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		349943	INV	6 12:00:00AM	\$38.68	82512	CVC-COOLER/MINI SHOVEL	10416 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		350146	INV	6 12:00:00AM	\$43.52	82512	MCCF-PNT/PST RSPRTR/LIQ EPXY	51451 06950
1035 - COOPER'S TRUE VALUE HOME CENTER		349952	INV	6 12:00:00AM	\$45.13	82512	ST-REACH EXT POLE/CORN WHISK BROOM	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		350057	INV	6 12:00:00AM	\$46.21	82512	MCCF-BLK STL PPE/RD WD FNSH	51451 06950
1035 - COOPER'S TRUE VALUE HOME CENTER		349533	INV	6 12:00:00AM	\$46.42	82512	MCCF-PRCH LGHT/4PK BTTRY	51451 05000
1035 - COOPER'S TRUE VALUE HOME CENTER		348717	INV	6 12:00:00AM	\$46.43	82512	MCCF-DCT TPE/SND DSC/FHP V BLT	51451 06950
1035 - COOPER'S TRUE VALUE HOME CENTER		350063	INV	6 12:00:00AM	\$68.07	82512	PD-PLYWOOD/DGLS FIR/FRRNG STRP	10421 02000

**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
1035 - COOPER'S TRUE VALUE HOME CENTER		349422	INV	6 12:00:00AM	\$70.60	82512	MCCF-K&B SLNT/TLT VLV&KT/WSHRS	51451 05000
1035 - COOPER'S TRUE VALUE HOME CENTER		350293	INV	6 12:00:00AM	\$81.36	82512	ST-NTRL BASE, PAINT	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		349534	INV	6 12:00:00AM	\$90.74	82512	PD-SAT SPLTTR/ELEC BOX/WLL PLT/COAX CBI	10421 02200
1035 - COOPER'S TRUE VALUE HOME CENTER		350332	INV	6 12:00:00AM	\$96.69	82512	ST-UNIV PIN/LONG SHK	10433 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		349246	INV	6 12:00:00AM	\$100.99	82512	FEDWWTP-V BELT/FILTER/COMM SPRAYER/DF	58458 06200
1035 - COOPER'S TRUE VALUE HOME CENTER		349903	INV	6 12:00:00AM	\$187.25	82512	MCCF-HRD COP TBE/FPT BLL VLVE	51451 05000
1035 - COOPER'S TRUE VALUE HOME CENTER		349620	INV	6 12:00:00AM	\$737.01	82512	ADM-SAN BAGS/CANOPY/CLOTHESLINE	10413 08601
1035 - COOPER'S TRUE VALUE HOME CENTER		350189	CRM	6 12:00:00AM	-\$8.59	82512	MCCF-NPTF UNV CPLR	51451 06950
1114 - COUNTRY AUTO & TRUCK TAFT		577351	INV	6 12:00:00AM	\$6.92	82513	GAR-FITTING	59459 06200
1134 - CREATIVE BUS SALES		5073501	INV	6 12:00:00AM	\$166.17	82514	T-22 BELT/FREIGHT	62462 04200
1134 - CREATIVE BUS SALES		5085820	INV	6 12:00:00AM	\$197.90	82514	T-23 CYL REPAIR KIT/FREIGHT	62462 04200
1134 - CREATIVE BUS SALES		5079508	CRM	6 12:00:00AM	-\$213.82	82514	T-14 BLOWER MOTOR ASSEMBLY	62462 04200
1134 - CREATIVE BUS SALES		5079505	CRM	6 12:00:00AM	-\$106.91	82514	T-14 BLOWER MOTOR ASSEMBLY	62462 04200
1431 - DEPARTMENT OF MOTOR VEHICLES		021816A	INV	6 12:00:00AM	\$0.15	82515	PD-2016 CA VEHICLE CODE BOOKS RMNNG AN	10421 06000
1367 - DEPARTMENT OF TRANSPORTATION		SL160717	INV	6 12:00:00AM	\$1,269.10	82516	ST-SIGNALS & LIGHTING JAN 16-MAR 16	10433 08000
1379 - DEVON'S BODY SHOP		16050	INV	6 12:00:00AM	\$70.00	82517	P-33 TOW YRD TO BODY SHOP	10421 04200
1493 - DOWNEY BRAND ATTORNEYS LLP		494667	INV	6 12:00:00AM	\$481.00	82518	SWR-SEWER SPILL MATTER SERVS RNRDR TH	60460 03011
1505 - DOWNTOWN FORD		236345	INV	6 12:00:00AM	-\$500.00	82519	2016 FORD F250 SUPERCAB	10360 00300
1505 - DOWNTOWN FORD		236345	INV	6 12:00:00AM	\$44,543.92	82519	2016 FORD F250 SUPERCAB	10531 10002
1830 - FASTENAL		CATAF32469	INV	6 12:00:00AM	\$2.56	82520	ST-MAGNETIC POWER NUTSETTER	10433 06200
1830 - FASTENAL		CATAF32627	INV	6 12:00:00AM	\$4.81	82520	ST-GEN-PURPCOVER	10733 00005
1830 - FASTENAL		CATAF32467	INV	6 12:00:00AM	\$18.08	82520	ST-GEN-PURPCOVER/FOURWIREFRAME	10733 00005
1830 - FASTENAL		CATAF32584	INV	6 12:00:00AM	\$56.31	82520	SWR-ULTRA LUBE	60460 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
1830 - FASTENAL		CATAF32623	INV	6 12:00:00AM	\$68.64	82520	SWR-CUTTER	60460 06200
1845 - FEDERAL EXPRESS CORP		5-393-07960	INV	6 12:00:00AM	\$28.10	82521	BLD-POSTAGE	10424 06500
1898 - FIRST CHOICE SERVICE		025274	INV	6 12:00:00AM	\$11.05	82522	AMD,PLG,FIN,CVC-04/19/16 CFFEE SRVC	10419 06000
1898 - FIRST CHOICE SERVICE		025274	INV	6 12:00:00AM	\$11.06	82522	AMD,PLG,FIN,CVC-04/19/16 CFFEE SRVC	10416 06000
1898 - FIRST CHOICE SERVICE		025274	INV	6 12:00:00AM	\$22.05	82522	AMD,PLG,FIN,CVC-04/19/16 CFFEE SRVC	10413 06000
1898 - FIRST CHOICE SERVICE		025274	INV	6 12:00:00AM	\$22.05	82522	AMD,PLG,FIN,CVC-04/19/16 CFFEE SRVC	10415 06000
1898 - FIRST CHOICE SERVICE		025271	INV	6 12:00:00AM	\$144.32	82522	PD-04/19/16 CFFEE SRVC	10421 06000
1898 - FIRST CHOICE SERVICE		025270	INV	6 12:00:00AM	\$25.74	82523	ST,GAR,TRN-4/19 COFFEE SERVICE	10433 06000
1898 - FIRST CHOICE SERVICE		025270	INV	6 12:00:00AM	\$25.74	82523	ST,GAR,TRN-4/19 COFFEE SERVICE	59459 06000
1898 - FIRST CHOICE SERVICE		025270	INV	6 12:00:00AM	\$25.75	82523	ST,GAR,TRN-4/19 COFFEE SERVICE	62462 06000
1898 - FIRST CHOICE SERVICE		025267	INV	6 12:00:00AM	\$147.89	82523	MCCF-4/19/16 CFFEE SRVCS	51451 06000
10027 - FRONTIER COMMUNICATIONS		MAY-2016-PD	INV	6 12:00:00AM	\$525.47	82524	PD-04/04-05/03/16 PHONE SRVC	10421 02200
2040 - GENERAL OFFICE		10248	INV	6 12:00:00AM	\$248.33	82525	ADM-MAINTENANCE CONTRACT	10000 00206
10239 - GLADWELL GOVERNMENT SERVICES, INC.		3439	INV	6 12:00:00AM	\$1,500.00	82526	CTY CLK-RCRDS MNGMNT NEEDS ASSSMNT &	10412 02000
2061 - GOLDEN EMPIRE CONCRETE		105601	INV	6 12:00:00AM	\$536.43	82527	ST-CHURCH CONCRETE	10433 06200
2095 - GRAINGER INDUSTRIAL AND COMMERCIAL		9085196229	INV	6 12:00:00AM	\$115.95	82528	ME-28 BRASS BALL VALVE - 3 WAY	10433 04200
2216 - H & S		49059	INV	6 12:00:00AM	\$108.70	82529	MS-3 KJ FILL CPLD FNST L MN/COUPLING/BAN.	61461 04200
2216 - H & S		49058	INV	6 12:00:00AM	\$258.53	82529	GAR-HYD HOSE/MALE PIPE CRIMP	59459 06200
2224 - TYLER HALL		042216	INV	6 12:00:00AM	\$116.06	82530	MCCF-4/22-4/24/16 FRARMS MLS&MLG	51451 02000
2204 - HdL SOFTWARE, LLC		0010257-IN	INV	6 12:00:00AM	\$266.55	82531	FIN-USE FEES-BUSINESS LICENSE	10419 04150
2204 - HdL SOFTWARE, LLC		0010257-IN	INV	6 12:00:00AM	\$1,332.73	82531	FIN-USE FEES-BUSINESS LICENSE	10000 00206
2268 - HdL, COREN & CONE		0022557-IN	INV	6 12:00:00AM	\$1,750.00	82532	FIN-CONTRACT SERVICES PROPERTY TAX	10419 03001
2309 - HIGH DESERT WIRELESSS BROADBAND COMMUNICATIONS		40335	INV	6 12:00:00AM	\$285.00	82533	PD-4 DATA DROPS TO STHEST OFFICE	10421 04150

**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
2267 - HELT ENGINEERING, INC.		016-152	INV	6 12:00:00AM	\$55.00	82534	ST-CHURCH ST REHAB-PILGRIM TO LASSEN	10733 00023
2267 - HELT ENGINEERING, INC.		016-153	INV	6 12:00:00AM	\$117.50	82534	SUPPLY ROW-PARK & RIDE	81884 00005
2267 - HELT ENGINEERING, INC.		016-157	INV	6 12:00:00AM	\$167.50	82534	ENG-PLAN CHECK-LLA #2015-15	10432 03000
2267 - HELT ENGINEERING, INC.		016-151	INV	6 12:00:00AM	\$360.00	82534	ST-CENTER ST RECONSTRUCTION	10733 00021
2267 - HELT ENGINEERING, INC.		016-154	INV	6 12:00:00AM	\$720.00	82534	ST-RAILS TO TRAILS PHASE IV	10733 00017
2267 - HELT ENGINEERING, INC.		016-156	INV	6 12:00:00AM	\$782.50	82534	ENG-PLAN CHECK- P.M. #12176 FINAL MAP	10432 03000
2267 - HELT ENGINEERING, INC.		016-155	INV	6 12:00:00AM	\$1,350.00	82534	ST-RAILS TO TRAILS PHASE IV	10733 00017
533 - HIRACHETA, NICOLE		042916	INV	6 12:00:00AM	\$35.00	82535	PARK RESERVATION REFUND	10341 00009
2391 - HUGHES COMMUNICATIONS INC.		B1-298620292	INV	6 12:00:00AM	\$89.99	82536	FEDWWTP-MNTHLY SRVC FEE	58458 02200
12385 - JONES,SHANNON		APR 2016	INV	6 12:00:00AM	\$50.00	82537	PLANNING COMMISSIONER	10415 01301
2846 - KERN COUNCIL OF GOVERNMENTS		042716	INV	6 12:00:00AM	\$35.00	82538	KRN CNTY ASSOC OF CITIES	10415 02000
2846 - KERN COUNCIL OF GOVERNMENTS		042716	INV	6 12:00:00AM	\$35.00	82538	KRN CNTY ASSOC OF CITIES	10420 02000
2846 - KERN COUNCIL OF GOVERNMENTS		042716	INV	6 12:00:00AM	\$35.00	82538	KRN CNTY ASSOC OF CITIES	10424 02000
2846 - KERN COUNCIL OF GOVERNMENTS		042716	INV	6 12:00:00AM	\$35.00	82538	KRN CNTY ASSOC OF CITIES	10433 02000
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$45.00	82538	2015 KERN COG AWARDS	10412 09500
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$45.00	82538	2015 KERN COG AWARDS	10421 02000
2846 - KERN COUNCIL OF GOVERNMENTS		042716	INV	6 12:00:00AM	\$70.00	82538	KRN CNTY ASSOC OF CITIES	10413 02000
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$90.00	82538	2015 KERN COG AWARDS	10415 09500
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$90.00	82538	2015 KERN COG AWARDS	10433 09500
2846 - KERN COUNCIL OF GOVERNMENTS		042716	INV	6 12:00:00AM	\$105.00	82538	KRN CNTY ASSOC OF CITIES	10411 02000
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$135.00	82538	2015 KERN COG AWARDS	10411 02000
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$135.00	82538	2015 KERN COG AWARDS	10433 09500
2846 - KERN COUNCIL OF GOVERNMENTS		883	INV	6 12:00:00AM	\$180.00	82538	2015 KERN COG AWARDS	10413 02000

**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
12737 - KERN COUNTY ANIMAL CONTROL		042716	INV	6 12:00:00AM	\$95.00	82539	AC-KC DOG LIC-CONNERS/ROBINSON	78000 00229
2914 - KERN ELECTRIC DIST.		546404	INV	6 12:00:00AM	\$79.72	82540	CVC-MH MED PLSE	10416 05000
2914 - KERN ELECTRIC DIST.		546510	INV	6 12:00:00AM	\$221.56	82540	MCCF-FLUOR LMP	51451 05000
2911 - VIRGIL KEYS		042316	INV	6 12:00:00AM	\$55.42	82541	MCCF-ESC PLCY CLSS MLS&MLG	51451 02000
3139 - LEIKAM II, ROBERT J.		APR 2016	INV	6 12:00:00AM	\$50.00	82542	PLANNING COMMISSIONER	10415 01301
3174 - JERRY LIVINGSTON		APR 2016	INV	6 12:00:00AM	\$50.00	82543	PLANNING COMMISSIONER	10415 01301
3220 - MAINTENANCE U.S.A.		13813251	INV	6 12:00:00AM	\$725.63	82544	MCCF-NO TCH ELEC HND DRYR	51451 05000
3220 - MAINTENANCE U.S.A.		13805121	INV	6 12:00:00AM	\$1,727.31	82544	MCCF-SNGL HNDL LAV CTRST CHR/FBRGLS FF	51451 05000
12280 - MASTEL, MICHELLE		042316	INV	6 12:00:00AM	\$7.84	82545	MCCF-ESCP PLCY CLSS,LNCH	51451 02000
3359 - MELO'S GAS & GEAR		10288886	INV	6 12:00:00AM	\$43.29	82546	ST-HEADGEAR FACESHIELD/FLAP DISC/NEON	10433 06200
3359 - MELO'S GAS & GEAR		10291222	INV	6 12:00:00AM	\$96.67	82546	ST-NOZZLE/GASKET/FACE SHEILD	10433 06200
3398 - MISSION LINEN SUPPLY		502325944	INV	6 12:00:00AM	\$32.67	82547	PD-MATS/NO BATT	10421 06000
3398 - MISSION LINEN SUPPLY		502374571	INV	6 12:00:00AM	\$84.52	82547	CVC-TWLS/NO BATT BLK	10416 06400
3398 - MISSION LINEN SUPPLY		502374572	INV	6 12:00:00AM	\$94.93	82547	CVC-TWLS/DUST MOP/MATS	10416 06400
3398 - MISSION LINEN SUPPLY		502374573	INV	6 12:00:00AM	\$97.57	82547	CVC-TWLS/DUST MOPS/MATS/CANLINERS	10416 06400
3398 - MISSION LINEN SUPPLY		501502518	INV	6 12:00:00AM	\$161.25	82547	PD-MATS ALL PURPOSE KL	10421 06000
3412 - MONARCH FLEET SERVICES		207044	INV	6 12:00:00AM	\$117.60	82548	P-36 GOODYEAR EAGLE RSA	10421 04200
3412 - MONARCH FLEET SERVICES		207045	INV	6 12:00:00AM	\$117.60	82548	P-36 GOODYEAR EAGLE RSA	10421 04200
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$0.30	82549	05/16 LIFE INSURANCE PREMIUMS	38438 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$0.90	82549	05/16 LIFE INSURANCE PREMIUMS	10432 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$0.90	82549	05/16 LIFE INSURANCE PREMIUMS	53453 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$1.95	82549	05/16 LIFE INSURANCE PREMIUMS	58458 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$1.95	82549	05/16 LIFE INSURANCE PREMIUMS	70470 01441

**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
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$2.10	82549	05/16 LIFE INSURANCE PREMIUMS	60460 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$2.70	82549	05/16 LIFE INSURANCE PREMIUMS	67467 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$3.00	82549	05/16 LIFE INSURANCE PREMIUMS	10424 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$3.00	82549	05/16 LIFE INSURANCE PREMIUMS	10425 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$3.15	82549	05/16 LIFE INSURANCE PREMIUMS	10412 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$4.50	82549	05/16 LIFE INSURANCE PREMIUMS	61461 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$5.70	82549	05/16 LIFE INSURANCE PREMIUMS	10416 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$6.00	82549	05/16 LIFE INSURANCE PREMIUMS	10431 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$6.00	82549	05/16 LIFE INSURANCE PREMIUMS	59459 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$7.77	82549	05/16 LIFE INSURANCE PREMIUMS	10420 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$9.00	82549	05/16 LIFE INSURANCE PREMIUMS	50450 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$9.90	82549	05/16 LIFE INSURANCE PREMIUMS	10415 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$13.36	82549	05/16 LIFE INSURANCE PREMIUMS	10419 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$13.38	82549	05/16 LIFE INSURANCE PREMIUMS	10413 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$15.31	82549	05/16 LIFE INSURANCE PREMIUMS	62462 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$16.95	82549	05/16 LIFE INSURANCE PREMIUMS	10433 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$66.00	82549	05/16 LIFE INSURANCE PREMIUMS	10421 01441
3594 - MUTUAL OF OMAHA		000518410473	INV	6 12:00:00AM	\$214.06	82549	05/16 LIFE INSURANCE PREMIUMS	51451 01441
3670 - NEOFUNDS BY NEOPOST		041816	INV	6 12:00:00AM	\$1,158.85	82550	MCCF-4/18/16 PSTG	51451 06500
3790 - OFFICE DEPOT		831000514001	INV	6 12:00:00AM	\$125.05	82551	MCCF-STPLR,DSK/PN,RD,RTRCTBL/BNDRS	51451 06000
3790 - OFFICE DEPOT		834973835001	INV	6 12:00:00AM	\$129.72	82551	PD-PINESOL/CLOROX/BANDAGES/SCOTCH TAI	10421 06400
3790 - OFFICE DEPOT		833604052001	INV	6 12:00:00AM	\$215.34	82551	MCCF-PRT PPR/PD FNGRPRNT/BOOK CMP	51451 06000
3790 - OFFICE DEPOT		831007185001	CRM	6 12:00:00AM	-\$125.05	82551	MCCF-CRDT STPLR/BNDRS/PENS RD	51451 06000

**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
3790 - OFFICE DEPOT		830394878001	CRM	6 12:00:00AM	-\$9.87	82551	MCCF- CRDT TAPE	51451 06000
3994 - ORRIN, RONALD		APR 2016	INV	6 12:00:00AM	\$50.00	82552	PLANNING COMMISSIONER	10415 01301
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$18.09	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	60460 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$24.89	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	10421 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$82.48	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	38438 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$221.97	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	59459 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$289.25	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	10433 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$373.76	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	62462 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$418.13	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	10416 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$465.74	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	10431 08100
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$713.71	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	10416 08101
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$7,006.23	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	10433 08000
4125 - PACIFIC GAS & ELECTRIC		3980-0516	INV	6 12:00:00AM	\$12,162.02	82553	CITY HALL-3/18-4/18 GAS & ELECTRIC	51451 08100
4175 - PENINSULA MESSENGER SERVICE OF CENTRAL CA., INC.		61700	INV	6 12:00:00AM	\$2,322.00	82554	MCCF-PHRMCTCLS FRM WSP	51451 06200
4427 - POWERSTRIDE BATTERY CO. INC.		B86172	INV	6 12:00:00AM	\$115.03	82555	P-55 DELCO 65	10421 04200
4427 - POWERSTRIDE BATTERY CO. INC.		B86148	INV	6 12:00:00AM	\$115.03	82555	T-23 DELCO 78 DT	62462 04200
4430 - PREMIER ACCESS DENTAL		MAY-2016	INV	6 12:00:00AM	\$4,188.35	82556	5/16 DENTAL INSURANCE PREMIUM	10000 00228
4454 - PUBLIC EMPLOYEES' RETIREMENT SYSTEM		4-2016-4	INV	6 12:00:00AM	\$35,167.88	82557	PERS FOR P/R 03/28-04/10/16	10000 00212
4845 - RICHLAND CHEVROLET CO.		234891	INV	6 12:00:00AM	\$111.21	82558	CC-19 SWITCH	51451 04200
4845 - RICHLAND CHEVROLET CO.		234923	INV	6 12:00:00AM	\$62.40	82558	P-45 ACTUATOR	10421 04200
4845 - RICHLAND CHEVROLET CO.		100075	INV	6 12:00:00AM	\$473.92	82558	M-23 CLUSTER/PUSHBUTTON	10433 04200
4845 - RICHLAND CHEVROLET CO.		CM233975	CRM	6 12:00:00AM	-\$107.27	82558	T-21 ARM KIT	62462 04200
5608 - ROBERT THOMPSON		APR 2016	INV	6 12:00:00AM	\$50.00	82559	PLANNING COMMISSIONER	10415 01301

**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
4908 - SC SITES SERVICES LLC		41028	INV	6 12:00:00AM	\$585.00	82560	TRN-REPEATER RENTAL MAY-JULY	62462 02200
5134 - SHERWIN WILLIAMS		5397-5	INV	6 12:00:00AM	\$299.60	82561	ST-DURACRAFT FL EXTRA	10733 00005
5098 - SIMPLEXGRINNELL		82438753	INV	6 12:00:00AM	\$1,757.41	82562	PD-ALRM & DETCTNT LABR/BTTRY/TRCK CHR	10521 10007
5142 - DS SERVICES OF AMERICA, INC		042016MCCF	INV	6 12:00:00AM	\$38.63	82563	MCCF-4/20/16 BTTL WTR&RNLT	51451 06000
5142 - DS SERVICES OF AMERICA, INC		042016	INV	6 12:00:00AM	\$75.18	82563	CVC-WTR RNLT/BTTL WTR	10416 05000
5187 - STATEWIDE TRAFFIC SAFETY & SIGNS		12003000	INV	6 12:00:00AM	\$90.70	82564	ST-RED FAST DRY	10733 00005
5187 - STATEWIDE TRAFFIC SAFETY & SIGNS		12002998	INV	6 12:00:00AM	\$453.52	82564	ST-RED FAST DRY	10733 00005
5187 - STATEWIDE TRAFFIC SAFETY & SIGNS		12002999	CRM	6 12:00:00AM	-\$453.52	82564	ST-RED FAST DRY	10733 00005
5229 - STRADLING YOCCA CARLSON & RAUTH		307217-0001	INV	6 12:00:00AM	\$142.00	82565	PRF-SRV-SUCCESSOR AGENCY	67467 03011
5372 - TAFT C.C.F. ITA		042816	INV	6 12:00:00AM	\$9.90	82566	MCCF-MRCH 2016 IM PAY P. WEST #A13250	51451 09020
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		041916	INV	6 12:00:00AM	\$2,500.00	82567	CC-SPNSR FIREWORKS SHOW 2016	10411 09500
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$15.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10421 02000
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$15.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10424 09500
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$30.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10412 09500
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$30.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10413 02000
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$30.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10420 09500
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$30.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10433 09500
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$60.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10415 09500
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$75.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10411 02000
5315 - TAFT DISTRICT CHAMBER OF COMMERCE		4522	INV	6 12:00:00AM	\$90.00	82568	ADM-2016 STATE OF THE CITY LUNCHEON	10419 09500
3179 - THE TAFT INDEPENDENT		128	INV	6 12:00:00AM	\$85.00	82569	PD-CFFEE W/ A COP 4/7/16	10421 09500
5560 - GEORGE G. ROSS		168324	INV	6 12:00:00AM	\$20.00	82570	AC-HEALTH CERT/FELINE/ANGELO	10431 09001
5560 - GEORGE G. ROSS		166566	INV	6 12:00:00AM	\$85.00	82570	AC-CAT SPAYED/ROSIE	10431 09001

**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
5560 - GEORGE G. ROSS		168896	INV	6 12:00:00AM	\$121.21	82570	AC-NUETERED DOG/OLLIE	10431 09001
5560 - GEORGE G. ROSS		168835	INV	6 12:00:00AM	\$131.46	82570	AC-SPAYED DOG/SHILO	10431 09001
1008 - CITY OF TAFT		063016	INV	6 12:00:00AM	\$900.00	82571	CC-STIPEND	10411 01301
5702 - TYLER TECHNOLOGIES		045-158158	INV	6 12:00:00AM	\$4,957.69	82572	FIN-OPER SYS DATABASE ADM SUPPORT	10000 00206
5810 - USI		011165500012	INV	6 12:00:00AM	\$79.73	82573	MCCF-PHOTO POUCHES	51451 06000
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$1.91	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	67467 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$2.66	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10420 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$6.84	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10413 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$9.20	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10432 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$11.90	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	60460 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$11.90	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	70470 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$17.30	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	58458 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$19.01	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10421 02200
6105 - VERIZON WIRELES		9763459193	INV	6 12:00:00AM	\$35.11	82574	PD-03/10-04/09/16 WIRELESS SRVC	10421 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$43.41	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10419 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$55.13	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	61461 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$81.35	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10425 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$102.64	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10416 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$135.37	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10424 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$138.30	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	59459 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$218.27	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	62462 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$255.94	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	51451 02200
6105 - VERIZON WIRELES		9763869546	INV	6 12:00:00AM	\$351.71	82574	CITY HALL-3/17 - 4/16 WIRELESS SERVICE	10433 02200

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

<b>Vendor Number</b>	<b>Vendor Name</b>	<b>Invoice Number</b>	<b>Type</b>	<b>Warrant Date</b>	<b>Invoice Amount</b>	<b>Check Number</b>	<b>Expenditure Description</b>	<b>Account Number</b>
6105 - VERIZON WIRELES		9763854624	INV	6 12:00:00AM	\$618.86	82574	PD-03/16-04/15/16 CELLPHONE SRVCS	10421 02200
6211 - WALDROPS AUTO PARTS		40743	INV	6 12:00:00AM	\$31.36	82575	ST-EXTENSION	10433 06200
6211 - WALDROPS AUTO PARTS		40793	INV	6 12:00:00AM	\$36.40	82575	M-23 PIGTAIL SOCKET	10433 04200
6211 - WALDROPS AUTO PARTS		40639	INV	6 12:00:00AM	\$55.92	82575	ST-GLOVES	10433 06200
6211 - WALDROPS AUTO PARTS		40827	INV	6 12:00:00AM	\$77.02	82575	ST-HOSE/COUPLER/PLUG	10433 06200
6226 - WALLACE GROUP		41408	INV	6 12:00:00AM	\$424.50	82576	SWR-PRF SRV THRU MARCH 31, 2016	60460 03011
12441 - WENINGER, TASSIE		042316	INV	6 12:00:00AM	\$24.12	82577	MCCF4/23/16 -ESCP PLCY CLSS MLS&MLG	51451 02000
6350 - WEST KERN WATER DISTRICT		5603050-0416	INV	6 12:00:00AM	\$111.00	82578	CORP YARD-03/17-04/18/16 WATER USAGE	70470 08100
6350 - WEST KERN WATER DISTRICT		5603003-0416	INV	6 12:00:00AM	\$123.54	82578	SEC 17-32-24 03/17-04/18/16 WATE USAGE	70470 08100
6350 - WEST KERN WATER DISTRICT		7110200-0416	INV	6 12:00:00AM	\$136.00	82578	REF-WATER USAGE	61461 08850
6350 - WEST KERN WATER DISTRICT		7102700-0416	INV	6 12:00:00AM	\$491.90	82578	FEDWWTP-WATER USAGE	58458 08100
6770 - Z.A.P.		44979	INV	6 12:00:00AM	\$628.46	82579	ST-FLUORESCENT YELLOW/GREEN	10433 06200

12:00 pm  
Friday, 6 May, 2016

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
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\$224,973.55



# City of Taft Agenda Report

**DATE:** MAY 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**ANNUAL AUDITED FINANCIAL STATEMENTS FOR 2014-2015**

**SUMMARY STATEMENT:**

Attached is the Annual Audited Reports for the years ended June 30, 2015, which includes the Comprehensive Annual Financial Report (CAFR), Management Report (City wide), Wastewater Treatment Plant Financial Statements (WWTP). Since the City did expend more than \$500,000 in Federal monies the City was required to prepare a Single Audit, which is attached.

On April 27, 2016, 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, 2015.

**IMPACT ON BUDGET (Y/N):** No

**ATTACHMENT (Y/N):** YES, Comprehensive Annual Financial Reports dated June 30, 2015 and Management Report and Auditor's Communication Letter for the City, WWTP Financial Statements and Single Audit Report dated June 30, 2015

**PREPARED BY:** *Teresa Binkley, Finance Director*

**REVIEWED BY:**

CITY CLERK	FINANCE DIRECTOR	CITY MANAGER
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**CITY OF TAFT  
ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2015**

**CITY OF TAFT  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2015**

**TABLE OF CONTENTS**

**FINANCIAL SECTION**

<b>Independent Auditor’s Report</b> .....	1
<b>Basic Financial Statements</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Position .....	5
Statement of Activities.....	6
<b>Governmental Fund Financial Statements</b>	
Balance Sheet.....	8
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	11
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	15
<b>Proprietary Funds Financial Statements</b>	
Statement of Net Position .....	16
Statement of Revenues, Expenses, and Changes in Fund Net Position .....	18
Statement of Cash Flows .....	20
<b>Fiduciary Funds Financial Statements</b>	
Statement of Net Position .....	22
Statement of Changes in Net Position .....	23
<b>Notes to Basic Financial Statements</b> .....	25
<b>Required Supplementary Information</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund .....	59
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – TDA Special Revenue Fund .....	60
Schedule of Plan’s Proportionate Share of Net Pension Liability and Related Ratios as as of Measurement Date – Safety and Miscellaneous Plan .....	61
Schedule of Contributions – Safety Plan .....	62
Schedule of Contributions – Miscellaneous Plan .....	63
<b>Other Supplemental Information</b>	
Major Fund Budgetary Comparison Schedule Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – WWTP Capital Projects Fund .....	66

**CITY OF TAFT  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2015**

**TABLE OF CONTENTS (Continued)**

**Non-Major Governmental Funds**

Combining Balance Sheet.....	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	70
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –	
Traffic Safety Special Revenue Fund .....	72
Gas Tax Special Revenue Fund .....	73
Inmate Welfare Trust Special Revenue Fund .....	74
WWTP Special Revenue Fund .....	75
Asset Forfeiture Special Revenue Fund.....	76
Landscape Assessment District Special Revenue Fund.....	77
Crime Prevention Special Revenue Fund .....	78

**Private-Purpose Trust Funds and Agency Funds**

Combining Statement of Net Position - Private-Purpose Trust Funds .....	80
Combining Statement of Changes in Net Position - Private- Purpose Trust Funds .....	81
Combining Statement of Assets and Liabilities - Agency Funds .....	82
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	83



**PARTNERS**

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**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, 2015, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

***Management’s Responsibility for the Financial Statements***

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

***Auditor’s Responsibility***

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Taft, California, as of June 30, 2015, 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 of the notes to the basic financial statements, effective July 1, 2014, the City adopted the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our opinion is not modified with respect to this matter.

## ***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 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.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 59 and 60, the schedule of plan's proportionate share of net pension liability on page 61 and the schedule of pension contributions on pages 62 and 63, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Taft, California's basic financial statements. The WWTP Capital Projects budgetary comparison schedule, combining and individual non-major governmental and fiduciary fund financial statements and schedules 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 and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major governmental and fiduciary fund financial statements and schedules 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 March 31, 2016, 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  
March 31, 2016

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**CITY OF TAFT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 3,562,073	\$ 5,941,351	\$ 9,503,424
Restricted cash and investments		1,181,943	1,181,943
Accounts receivable	1,792,012	3,163,731	4,955,743
Interest receivable	628	592	1,220
Internal balances	3,042,825	(3,042,825)	
Notes receivable	3,279,740		3,279,740
Prepaid expenses	33,357	2,564	35,921
Inventory	1,412		1,412
Deposits		17,362	17,362
Loan receivable - Successor Agency	2,535,490		2,535,490
Capital assets not being depreciated	1,992,238	617,857	2,610,095
Capital assets being depreciated	18,103,330	10,433,838	28,537,168
Capital assets, accumulated depreciation	(10,742,193)	(5,985,244)	(16,727,437)
	<u>23,600,912</u>	<u>12,331,169</u>	<u>35,932,081</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
City's pension contributions subsequent to the measurement date	<u>766,525</u>	<u>596,078</u>	<u>1,362,603</u>
Total deferred outflows of resources	<u>766,525</u>	<u>596,078</u>	<u>1,362,603</u>
<b>LIABILITIES</b>			
Accounts payable	123,703	352,265	475,968
Accrued payroll	97,152	127,602	224,754
Unearned revenue	353,495	1,609,564	1,963,059
Deposits payable	9,989	40,907	50,896
Noncurrent liabilities:			
Due within one year	35,859	29,854	65,713
Due in more than one year	<u>3,281,972</u>	<u>2,226,076</u>	<u>5,508,048</u>
Total liabilities	<u>3,902,170</u>	<u>4,386,268</u>	<u>8,288,438</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Differences between projected and actual earnings on pension plan investments	<u>952,822</u>	<u>717,968</u>	<u>1,670,790</u>
Total deferred inflows of resources	<u>952,822</u>	<u>717,968</u>	<u>1,670,790</u>
<b>NET POSITION</b>			
Net investment in capital assets	9,353,375	6,248,394	15,601,769
Restricted for:			
Streets and roads	90,732		90,732
Public safety	191,628		191,628
Community development	4,047,236		4,047,236
Capital projects - WWTP	3,831,558		3,831,558
Unrestricted	<u>1,997,916</u>	<u>1,574,617</u>	<u>3,572,533</u>
Total net position	<u>\$ 19,512,445</u>	<u>\$ 7,823,011</u>	<u>\$ 27,335,456</u>

See accompanying notes to financial statements

**CITY OF TAFT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ (2,351,146)	\$ 2,148,937	\$ 768,668	\$ 29,237
Public safety	(3,442,217)	377,754	303,999	
Public works	(1,535,285)	194,430	602,303	599,461
Health and welfare	(55,511)	49,839	7,131	
Community development	(580,858)		147,124	
Total governmental activities	<u>(7,965,017)</u>	<u>2,770,960</u>	<u>1,829,225</u>	<u>628,698</u>
Business-type activities:				
Community correctional facility (CCF)	(11,899,191)	15,162,535		
Federal WWTP	(935,742)	989,332		
Sewer	(944,048)	1,106,559		
Refuse	(831,251)	865,450		
Transit	(900,474)	428,424	335,450	157,518
Total business-type activities	<u>(15,510,706)</u>	<u>18,552,300</u>	<u>335,450</u>	<u>157,518</u>
Total government	<u>\$ (23,475,723)</u>	<u>\$ 21,323,260</u>	<u>\$ 2,164,675</u>	<u>\$ 786,216</u>

General revenues and transfers:

Taxes:

  Property taxes

  Sales tax

  Other taxes

Investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

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

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ 595,696	\$ -	\$ 595,696
(2,760,464)		(2,760,464)
(139,091)		(139,091)
1,459		1,459
<u>(433,734)</u>		<u>(433,734)</u>
<u>(2,736,134)</u>		<u>(2,736,134)</u>
	3,263,344	3,263,344
	53,590	53,590
	162,511	162,511
	34,199	34,199
	<u>20,918</u>	<u>20,918</u>
	<u>3,534,562</u>	<u>3,534,562</u>
<u>(2,736,134)</u>	<u>3,534,562</u>	<u>798,428</u>
1,372,304		1,372,304
1,475,787		1,475,787
526,768		526,768
198,178	46,563	244,741
613,749		613,749
<u>(180,547)</u>	<u>180,547</u>	
<u>4,006,239</u>	<u>227,110</u>	<u>4,233,349</u>
<u>1,270,105</u>	<u>3,761,672</u>	<u>5,031,777</u>
21,673,915	6,726,525	28,400,440
<u>(3,431,575)</u>	<u>(2,665,186)</u>	<u>(6,096,761)</u>
<u>18,242,340</u>	<u>4,061,339</u>	<u>22,303,679</u>
<u>\$ 19,512,445</u>	<u>\$ 7,823,011</u>	<u>\$ 27,335,456</u>

**CITY OF TAFT  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2015**

<b>ASSETS</b>	<u>General</u>	<u>Revolving Loan Fund CDBG</u>	<u>Revolving Loan Fund Home</u>	<u>TDA</u>
Cash and investments	\$ 500	\$ 477,488	\$ 125,934	\$ -
Receivables:				
Accounts	984,798	596		791,006
Interest	172	39	11	
Notes		1,727,305	1,096,684	
Due from other funds	2,546,141			
Prepaid items	33,357			
Inventory				
Loan receivable from Successor Agency	2,535,490			
	<u>6,100,458</u>	<u>2,205,428</u>	<u>1,222,629</u>	<u>791,006</u>
Total assets	<u>\$ 6,100,458</u>	<u>\$ 2,205,428</u>	<u>\$ 1,222,629</u>	<u>\$ 791,006</u>
 <b>LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 110,598	\$ -	\$ -	\$ -
Accrued payroll	90,110			
Due to other funds				700,624
Deposit payable	9,989			
Unearned revenue	353,495			
	<u>564,192</u>			<u>700,624</u>
Total liabilities	<u>564,192</u>			<u>700,624</u>
 <b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred revenue	77,692	1,727,305	1,096,684	
	<u>77,692</u>	<u>1,727,305</u>	<u>1,096,684</u>	
Total deferred inflow of resources	<u>77,692</u>	<u>1,727,305</u>	<u>1,096,684</u>	
 <b>FUND BALANCES</b>				
Nonspendable	2,491,155			
Restricted		478,123	125,945	90,382
Unassigned	2,967,419			
	<u>5,458,574</u>	<u>478,123</u>	<u>125,945</u>	<u>90,382</u>
Total fund balances	<u>5,458,574</u>	<u>478,123</u>	<u>125,945</u>	<u>90,382</u>
	<u>\$ 6,100,458</u>	<u>\$ 2,205,428</u>	<u>\$ 1,222,629</u>	<u>\$ 791,006</u>
Total liabilities, deferred inflow of resources, and fund balances	<u>\$ 6,100,458</u>	<u>\$ 2,205,428</u>	<u>\$ 1,222,629</u>	<u>\$ 791,006</u>

See accompanying notes to financial statements

WWTP Capital Projects	Total Non- major Governmental Funds	Total
\$ 2,493,945	\$ 453,396	\$ 3,551,263
	15,612	1,792,012
350	56	628
	455,751	3,279,740
1,254,561		3,800,702
		33,357
	1,412	1,412
		2,535,490
<u>\$ 3,748,856</u>	<u>\$ 926,227</u>	<u>\$ 14,994,604</u>
\$ -	\$ 10,155	\$ 120,753
	4,582	94,692
	57,253	757,877
		9,989
		353,495
	<u>71,990</u>	<u>1,336,806</u>
	<u>455,751</u>	<u>3,357,432</u>
	<u>455,751</u>	<u>3,357,432</u>
	1,412	2,492,567
3,748,856	436,696	4,880,002
	(39,622)	2,927,797
<u>3,748,856</u>	<u>398,486</u>	<u>10,300,366</u>
<u>\$ 3,748,856</u>	<u>\$ 926,227</u>	<u>\$ 14,994,604</u>

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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, 2015**

Fund balances of governmental funds \$ 10,300,366

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	\$ 20,095,568	
Accumulated depreciation	<u>(10,742,193)</u>	9,353,375

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 net pension liability. (3,317,831)

Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred inflows of resources relating to pensions	\$ (952,822)	
Deferred outflows of resources relating to pensions	<u>766,525</u>	(186,297)

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 (\$5,400)) 5,400

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. 3,357,432

Net position of governmental activities \$ 19,512,445

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, 2015**

	General	Revolving Loan Fund CDBG	Revolving Loan Fund Home	TDA
<b>REVENUES</b>				
Property taxes	\$ 1,372,304	\$ -	\$ -	\$ -
Sales taxes	1,475,787			
Other taxes	526,768			
Licenses and permits, and fees	312,364			
Fines and forfeitures	8,182			
Use of money and property	198,178	2,351	978	
Intergovernmental	997,989	216,481	31,843	368,521
Current services charges	2,318,050			
Other	613,749			
	<u>7,823,371</u>	<u>218,832</u>	<u>32,821</u>	<u>368,521</u>
Total revenues				
<b>EXPENDITURES</b>				
Current:				
General government	1,419,774			
Public safety	3,498,974			
Public works	1,160,631			
Health and welfare				
Community development	556,320	14,344	39,267	
Capital outlay	1,145,500			
	<u>7,781,199</u>	<u>14,344</u>	<u>39,267</u>	
Total expenditures				
Excess of revenues over (under) expenditures	<u>42,172</u>	<u>204,488</u>	<u>(6,446)</u>	<u>368,521</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	466,120			
Transfers out				(368,521)
	<u>466,120</u>			<u>(368,521)</u>
Total other financing sources (uses)				
Net change in fund balances	<u>508,292</u>	<u>204,488</u>	<u>(6,446)</u>	
Fund balances, beginning of fiscal year	5,056,970	273,635	132,391	90,382
Prior period adjustments	(106,688)			
Fund balances, beginning of fiscal year, restated	<u>4,950,282</u>	<u>273,635</u>	<u>132,391</u>	<u>90,382</u>
Fund balances, end of fiscal year	<u>\$ 5,458,574</u>	<u>\$ 478,123</u>	<u>\$ 125,945</u>	<u>\$ 90,382</u>

See accompanying notes to financial statements

WWTP Capital Projects	Total Non- major Governmental Funds	Total
\$ -	\$ -	\$ 1,372,304
		1,475,787
		526,768
		312,364
	5,720	13,902
29,237	3,824	234,568
	1,143,411	2,758,245
	134,806	2,452,856
	22,268	636,017
<u>29,237</u>	<u>1,310,029</u>	<u>9,782,811</u>
	879,591	2,299,365
	115,835	3,614,809
	19,011	1,179,642
	6,309	6,309
		609,931
	<u>234,694</u>	<u>1,380,194</u>
	<u>1,255,440</u>	<u>9,090,250</u>
<u>29,237</u>	<u>54,589</u>	<u>692,561</u>
131,200		597,320
	<u>(409,346)</u>	<u>(777,867)</u>
<u>131,200</u>	<u>(409,346)</u>	<u>(180,547)</u>
<u>160,437</u>	<u>(354,757)</u>	<u>512,014</u>
3,588,419	653,155	9,794,952
	100,088	(6,600)
<u>3,588,419</u>	<u>753,243</u>	<u>9,788,352</u>
<u>\$ 3,748,856</u>	<u>\$ 398,486</u>	<u>\$ 10,300,366</u>

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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, 2015**

Net change in fund balances of governmental funds \$ 512,014

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	\$ 1,435,323	
Depreciation expense	<u>(697,352)</u>	737,971

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. (165,374)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis pension costs and actual employer contributions was:  
Pension costs 376,441

Revenues that are measurable but not available. Amounts are not recorded as revenue under the modified accrual basis of accounting. (201,768)

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.

Compensated absences		<u>10,821</u>
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Change in net position of governmental activities		<u>\$ 1,270,105</u>
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See accompanying notes to financial statements

**CITY OF TAFT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2015**

	Business-type Activities			
	Enterprise Funds			
	CCF	Federal WWTP	Sewer	Refuse
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 4,020	\$ 2,950,833	\$ 2,058,943	\$ 927,555
Restricted cash and investments				
Receivables:				
Accounts	2,605,020	82,444	69,229	90,313
Interest		282	211	99
Prepaid items	2,066			
Deposits			17,362	
Total current assets	<u>2,611,106</u>	<u>3,033,559</u>	<u>2,145,745</u>	<u>1,017,967</u>
Noncurrent assets:				
Capital assets, not being depreciated	11,850	541,511		
Capital assets, being depreciated	186,987	5,370,252	2,908,734	601,714
Capital assets - accumulated depreciation	(42,636)	(3,162,160)	(1,534,992)	(418,764)
Total noncurrent assets	<u>156,201</u>	<u>2,749,603</u>	<u>1,373,742</u>	<u>182,950</u>
Total assets	<u>2,767,307</u>	<u>5,783,162</u>	<u>3,519,487</u>	<u>1,200,917</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
City's pension contributions subsequent to the measurement date	514,440	6,717	6,737	14,272
Total deferred outflows of resources	<u>514,440</u>	<u>6,717</u>	<u>6,737</u>	<u>14,272</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	313,529	8,477	3,332	14,190
Accrued payroll	108,533	1,504	1,442	2,430
Due to other funds	2,038,379			
Unearned revenue				
Deposits payable			18,382	22,525
Current portion of compensated absences	22,361	1,143	1,166	1,900
Total current liabilities	<u>2,482,802</u>	<u>11,124</u>	<u>24,322</u>	<u>41,045</u>
Noncurrent liabilities:				
Compensated absences	67,084	3,428	3,499	5,701
Net pension liability	1,843,899	24,075	24,149	51,154
Total noncurrent liabilities	<u>1,910,983</u>	<u>27,503</u>	<u>27,648</u>	<u>56,855</u>
Total liabilities	<u>4,393,785</u>	<u>38,627</u>	<u>51,970</u>	<u>97,900</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Differences between projected and actual earnings on pension plan investments	619,637	8,090	8,115	17,190
Total deferred inflows of resources	<u>619,637</u>	<u>8,090</u>	<u>8,115</u>	<u>17,190</u>
<b>NET POSITION</b>				
Net investment in capital assets	156,201	2,749,603	1,373,742	182,950
Unrestricted	(1,887,876)	2,993,559	2,092,397	917,149
Total net position (deficit)	<u>\$ (1,731,675)</u>	<u>\$ 5,743,162</u>	<u>\$ 3,466,139</u>	<u>\$ 1,100,099</u>

See accompanying notes to financial statements

<u>Business-type Activities</u>		<u>Governmental</u>
<u>Enterprise Funds</u>		<u>Activities</u>
	Total	Internal Service
<u>Transit</u>	<u>Enterprise Funds</u>	<u>Fund</u>
\$ -	\$ 5,941,351	\$ 10,810
1,181,943	1,181,943	
316,725	3,163,731	
498	592	
	2,564	
	17,362	
<u>1,499,166</u>	<u>10,307,543</u>	<u>10,810</u>
64,496	617,857	
1,366,151	10,433,838	
(826,692)	(5,985,244)	
<u>603,955</u>	<u>5,066,451</u>	
<u>2,103,121</u>	<u>15,373,994</u>	<u>10,810</u>
53,912	596,078	
<u>53,912</u>	<u>596,078</u>	
12,737	352,265	2,950
13,693	127,602	2,460
1,004,446	3,042,825	
1,609,564	1,609,564	
	40,907	
<u>3,284</u>	<u>29,854</u>	<u>5,400</u>
<u>2,643,724</u>	<u>5,203,017</u>	<u>10,810</u>
9,851	89,563	
193,236	2,136,513	
<u>203,087</u>	<u>2,226,076</u>	
<u>2,846,811</u>	<u>7,429,093</u>	<u>10,810</u>
64,936	717,968	
<u>64,936</u>	<u>717,968</u>	
1,785,898	6,248,394	
(2,540,612)	1,574,617	
<u>\$ (754,714)</u>	<u>\$ 7,823,011</u>	<u>\$ -</u>

**CITY OF TAFT**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-type Activities			
	Enterprise Funds			
	CCF	Federal WWTP	Sewer	Refuse
<b>OPERATING REVENUES</b>				
Charges for services	\$ 15,137,563	\$ 989,332	\$ 971,961	\$ 865,450
Connection and installation fees			4,356	
Other	24,972		130,242	
Total operating revenues	<u>15,162,535</u>	<u>989,332</u>	<u>1,106,559</u>	<u>865,450</u>
<b>OPERATING EXPENSES</b>				
Salaries and wages	4,383,307	59,008	55,713	119,403
Training and development	13,003			
Contract and professional services	2,767,162	409,671	66,586	335,856
Maintenance and operations	221,774	25,524	523,685	126,285
Materials and supplies	225,772	48,721	3,107	15,861
Insurance	104,130	15,592	15,592	15,592
Utilities	364,017	38,439	211	
Administrative service charges		93,584	82,330	89,065
Depreciation	42,636	179,008	80,292	40,605
Leases and rents	1,878,590			
Bad debt expense			599	2,716
Other operating expenses	1,874,178	66,195	115,933	85,868
Total operating expenses	<u>11,874,569</u>	<u>935,742</u>	<u>944,048</u>	<u>831,251</u>
Operating income (loss)	<u>3,287,966</u>	<u>53,590</u>	<u>162,511</u>	<u>34,199</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest earnings on investments		23,497	15,841	7,225
Interest expense	(24,622)			
Intergovernmental				
Total nonoperating revenues (expenses)	<u>(24,622)</u>	<u>23,497</u>	<u>15,841</u>	<u>7,225</u>
<b>CAPITAL CONTRIBUTION AND TRANSFERS</b>				
Capital contribution				
Transfers in				
Transfers out		(27,271)	(27,271)	(27,271)
Total capital contribution and transfers		<u>(27,271)</u>	<u>(27,271)</u>	<u>(27,271)</u>
Changes in net position	<u>3,263,344</u>	<u>49,816</u>	<u>151,081</u>	<u>14,153</u>
Total net position (deficit), beginning of fiscal year	(2,719,530)	5,723,055	3,344,859	1,149,073
Prior period adjustments	(2,275,489)	(29,709)	(29,801)	(63,127)
Total net position (deficit), beginning of fiscal year, restated	<u>(4,995,019)</u>	<u>5,693,346</u>	<u>3,315,058</u>	<u>1,085,946</u>
Total net position (deficit), end of fiscal year	<u>\$ (1,731,675)</u>	<u>\$ 5,743,162</u>	<u>\$ 3,466,139</u>	<u>\$ 1,100,099</u>

See accompanying notes to financial statements

Business-type Activities		Governmental Activities
Enterprise Funds		Internal Service Fund
Transit	Total Enterprise Funds	
\$ 348,531	\$ 18,312,837	\$ 164,187
	4,356	
79,893	235,107	
428,424	18,552,300	164,187
502,293	5,119,724	116,502
2,055	15,058	
2,933	3,582,208	
197,673	1,094,941	8,331
12,211	305,672	4,893
15,592	166,498	
7,415	410,082	4,793
	264,979	15,912
134,499	477,040	
	1,878,590	
	3,315	
11,979	2,154,153	13,756
886,650	15,472,260	164,187
(458,226)	3,080,040	
	46,563	
(13,824)	(38,446)	
335,450	335,450	
321,626	343,567	
157,518	157,518	
262,360	262,360	
	(81,813)	
419,878	338,065	
283,278	3,761,672	
(770,932)	6,726,525	
(267,060)	(2,665,186)	
(1,037,992)	4,061,339	
\$ (754,714)	\$ 7,823,011	\$ -

**CITY OF TAFT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-type Activities		
	Enterprise Funds		
	CCF	Federal WWTP	Sewer
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 15,587,728	\$ 906,888	\$ 1,104,246
Cash paid to suppliers for goods and services	(7,369,059)	(716,055)	(804,736)
Cash paid to employees for services	(4,646,726)	(62,257)	(58,937)
Net cash provided (used) by operating activities	<u>3,571,943</u>	<u>128,576</u>	<u>240,573</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition, proceeds, and construction of capital assets		(73,947)	
Interest paid			
Capital contribution			
Net cash provided (used) by capital and related financing activities		<u>(73,947)</u>	
Cash Flows from Non-Capital Financing Activities:			
Intergovernmental grant received			
Cash received (paid) to/from other funds, including interest	(3,570,836)		
Transfers in		(27,271)	(27,271)
Net Cash provided (used) by Non-Capital Financing Activities:	<u>(3,570,836)</u>	<u>(27,271)</u>	<u>(27,271)</u>
Cash Flows from Investing Activities:			
Interest received	(307)	23,474	15,781
Net Cash provided (used) by investing activities	<u>(307)</u>	<u>23,474</u>	<u>15,781</u>
Net increase (decrease) in cash and cash equivalents	800	50,832	229,083
Cash and Cash Equivalents at Beginning of Fiscal Year	<u>3,220</u>	<u>2,900,001</u>	<u>1,829,860</u>
Cash and Cash Equivalents at End of Fiscal Year	<u>\$ 4,020</u>	<u>\$ 2,950,833</u>	<u>\$ 2,058,943</u>
Reconciliation to Statement of Net Position:			
Cash and investments	\$ 4,020	\$ 2,950,833	\$ 2,058,943
Restricted cash and investments			
Total cash and cash equivalents	<u>\$ 4,020</u>	<u>\$ 2,950,833</u>	<u>\$ 2,058,943</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 3,287,966	\$ 53,590	\$ 162,511
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	42,636	179,008	80,292
(Increase) decrease in accounts receivable	425,193	(82,444)	(1,403)
(Increase) decrease in prepaid expenses	19,640	89	89
(Increase) decrease in deposits			(17)
(Increase) decrease in deferred outflows of resources - pension	(270,500)	(3,532)	(3,542)
Increase (decrease) in deferred inflows of resources - pension	619,637	8,090	8,115
Increase (decrease) in net pension liability	(675,530)	(8,819)	(8,847)
Increase (decrease) in accounts payable	59,927	(18,418)	3,218
Increase (decrease) in accrued payroll	32,089	232	225
Increase (decrease) in unearned revenue			(893)
Increase (decrease) in deposits payable			825
Increase (decrease) in compensated absences	30,885	780	825
Total adjustments	<u>283,977</u>	<u>74,986</u>	<u>78,062</u>
Net cash provided (used) by operating activities	<u>\$ 3,571,943</u>	<u>\$ 128,576</u>	<u>\$ 240,573</u>

See accompanying notes to financial statements

Business-type Activities			Governmental Activities
Enterprise Funds			Internal Service Fund
Refuse	Transit	Totals	
\$ 852,022	\$ 1,052,550	\$ 19,503,434	\$ 164,187
(665,153)	(244,560)	(9,799,563)	(45,240)
(126,712)	(535,287)	(5,429,919)	(120,137)
60,157	272,703	4,273,952	(1,190)
	(223,298)	(297,245)	
	(13,824)	(13,824)	
	157,518	157,518	
	(79,604)	(153,551)	
	335,450	335,450	
580,118	297,200	(2,693,518)	
(27,271)	262,360	180,547	
552,847	895,010	(2,177,521)	
7,207	(56)	46,099	
7,207	(56)	46,099	
620,211	1,088,053	1,988,979	(1,190)
307,344	93,890	5,134,315	12,000
\$ 927,555	\$ 1,181,943	\$ 7,123,294	\$ 10,810
\$ 927,555	\$ -	\$ 5,941,351	\$ 10,810
	1,181,943	1,181,943	
\$ 927,555	\$ 1,181,943	\$ 7,123,294	\$ 10,810
\$ 34,199	\$ (458,226)	\$ 3,080,040	\$ -
40,605	134,499	477,040	
(12,351)	122,893	451,888	
203	3,286	23,307	891
		(17)	
(7,504)	(28,348)	(313,426)	
17,190	64,936	717,968	
(18,741)	(70,794)	(782,731)	
5,887	2,012	52,626	1,554
360	1,909	34,815	544
	501,233	501,233	
(1,077)		(1,970)	
1,386	(697)	33,179	(4,179)
25,958	730,929	1,193,912	(1,190)
\$ 60,157	\$ 272,703	\$ 4,273,952	\$ (1,190)

**CITY OF TAFT**  
**STATEMENT OF NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2015**

	Private-Purpose Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and investments	\$ 95,656	\$ 65,708
Cash and investments with fiscal agents	465,448	3,245,924
Interest receivable	120	
Capital assets - nondepreciable	1,698,163	
Capital assets - being depreciated	407,116	
Capital assets - accumulated depreciation	(215,950)	
Total assets	2,450,553	\$ 3,311,632
<b>LIABILITIES</b>		
Accounts payable	597	\$ 13,656
Accrued payroll	625	
Accrued interest payable	93,152	
Deposits payable		159,000
Due to inmates		51,493
Compensated absences	15,393	
Due to bondholders		3,087,483
Loan payable to City of Taft	2,535,490	
Bonds payable	3,230,000	
Total liabilities	5,875,257	\$ 3,311,632
<b>NET POSITION</b>		
Restricted for debt service	372,296	
Unrestricted	(3,797,000)	
Total net position (deficit)	\$ (3,424,704)	

See accompanying notes to financial statements

**CITY OF TAFT  
FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Private Purpose Trust Funds
<b>Additions:</b>	
Investment revenue	\$ 129,582
Taxes and assessments	272,269
Total additions	401,851
<b>Deductions:</b>	
Community development	103,162
Interest expense	197,335
Depreciation	10,178
Total deductions	310,675
Change in net position	91,176
Net Position (Deficit) - July 1, 2014	(3,521,064)
Prior Period Adjustment	5,184
Net Position (Deficit) - July 1, 2014, Restated	(3,515,880)
Net Position (Deficit) - June 30, 2015	\$ (3,424,704)

See accompanying notes to financial statements

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**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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.)

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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 position presented in the government-wide financial statements. The City has presented all major funds that met the qualifications of GASB Statement No. 34.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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 TDA 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.

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

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Basis of Accounting/Measurement Focus (Continued)

**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.

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.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Basis of Accounting/Measurement Focus (Continued)

**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.

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).

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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

In addition to assets, the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources on pensions in the statement of net position.

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflows of resources-deferred revenue – loans/notes on the fund financial statements and pensions in the statement of net position.

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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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, 2015.

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, for less than four years of service; from four years through nine years of service, fifteen days are earned; from ten years through nineteen years of 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, 2015, amounted to \$143,437 for Governmental Activities and \$119,417 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 1<sup>st</sup> of each year and are delinquent, if unpaid by August 31<sup>st</sup>. 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).

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

P. Pensions

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

Q. New Accounting Pronouncements

Governmental Accounting Standards Board Statement No. 68

For the fiscal year ended June 30, 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, "*Accounting and Financial Reporting for Pensions.*" This Statement is effective for periods beginning after June 15, 2014. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. This Statement replaces the requirements of Statement No. 27, "*Accounting for Pensions by State and Local Governmental Employers*" as well as the requirements of Statement No. 50, "*Pension Disclosures*". This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense related to pensions. Implementation of the GASB Statement No. 68 did have an impact on the City's financial statements for the fiscal year ended June 30, 2015, see Note 1 (P) – Pensions, Note 9 – Pensions Plan, and Note 16 – Prior Period Adjustments.

Governmental Accounting Standards Board Statement No. 71

For the fiscal year ended June 30, 2015, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date.*" This Statement is effective for periods beginning after June 15, 2014. The objective of this Statement is to address an issue regarding application of the transition of GASB Statement No. 68 "*Accounting and Financial Reporting for Pensions.*" The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This statement will eliminate the source of potential significant understatement of restated beginning net position and expense in the first year of implementation of GASB Statement No. 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. Implementation of the GASB Statement No. 71 did have an impact on the City's financial statements for the fiscal year ended June 30, 2015, see Note 1 (P) – Pensions, Note 9 – Pension Plan, and Note 16 – Prior Period Adjustments.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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.

There were no budgets adopted for the following funds: RLF-CDBG (major fund), Revolving Loan Fund – Home (major fund), Cal Homes Revolving Loan, and TARP Revolving Loan.

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, 2015, 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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

**B. Deficit Fund Balances/Net Position**

The following funds contained deficit fund balances/net position as of June 30, 2015:

Major Proprietary Funds:	
CCF	\$ 1,731,675
Transit	754,714
Nonmajor Governmental Fund:	
Landscape Assessment District	39,622

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:

	<u>Expenditures</u>	<u>Final Appropriations</u>	<u>Excess</u>
Major Governmental Funds			
General Fund			
General government	\$ 1,419,774	\$ 1,313,380	\$ 106,394
Public works	1,160,631	1,122,686	37,945
Community development	556,320	502,961	53,359
Capital outlay	1,145,500	253,700	891,800
Nonmajor Governmental Funds			
Asset Forfeiture			
Public safety	35,131	2,300	32,831
Landscape Assessment			
Public works	19,011	18,321	690
WWTP			
General government	879,591	747,527	132,064
Capital outlay	234,694	52,500	182,194

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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, 2015, consisted of the following:

Statement of Net Position:	
Cash and investments	\$ 9,503,424
Restricted cash and investments	1,181,943
Statement of Fiduciary Net Position:	
Cash and investments	161,364
Cash and investments with fiscal agents	<u>3,711,372</u>
 Total cash and investments	 <u><u>\$ 14,558,103</u></u>

Cash and investments as of June 30, 2015 consisted of the following:

Cash on hand	\$ 5,285
Deposits held by financial institutions	1,966,685
Investments	<u>12,586,133</u>
 Total cash and investments	 <u><u>\$ 14,558,103</u></u>

**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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage/ Amount of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
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

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**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.

<u>Authorized Investment Type</u>	<u>Maximum Investment in One Issuer</u>	<u>Maximum Percentage/ Amount of Portfolio</u>	<u>Maximum Maturity</u>
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:

<u>Investment Type</u>	<u>Remaining Maturity (in Months)</u>			<u>Total</u>
	<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	
State Investment Pool (LAIF)	\$ 2,892,758	\$ -	\$ -	\$ 2,892,758
Certificates of Deposit	631,857	100,446	2,249,700	2,982,003
U.S. Agency Securities			3,000,000	3,000,000
Held by Trustees:				
U.S. Agency Securities			363,540	363,540
Money Market Funds	3,347,832			3,347,832
<b>Total</b>	<b>\$ 6,872,447</b>	<b>\$ 100,446</b>	<b>\$ 5,613,240</b>	<b>\$ 12,586,133</b>

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of 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)	\$ 2,892,758	N/A	\$ -	\$ -	\$ -	\$ -	\$ 2,892,758
Certificates of Deposit	2,982,003	N/A					2,982,003
U.S. Agency Securities	3,000,000	N/A			3,000,000		
Held by Trustees:							
U.S. Agency Securities	363,540	N/A			363,540		
Money Market Funds	<u>3,347,832</u>	N/A		<u>3,347,832</u>			
Total	<u>\$ 12,586,133</u>		<u>\$ -</u>	<u>\$ 3,347,832</u>	<u>\$ 3,363,540</u>	<u>\$ -</u>	<u>\$ 5,874,761</u>

**Concentration of Credit Risk**

The City is in compliance with restrictions imposed by the investment policy, which limits certain types of investments. As of June 30, 2015, the City has not invested more than 5% of its total investments in any one issuer. Investments guaranteed by the United States Government and investments in mutual funds and external investment pools are excluded from this requirement.

**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 another party.

The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following 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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 3 – CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk (Continued)**

As of June 30, 2015, all of the City’s deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts. As of June 30, 2015, the City’s investment in the following type was held by the same broker-dealer (Counterparty) that was used by the City to buy the security:

<u>Investment Type</u>	<u>Reported Amount</u>
Certificates of Deposit	\$2,982,003

**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, 2015, the balance of notes receivable was \$ 3,279,740. Of this amount, \$2,823,989 is 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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 5 – INTERFUND ACTIVITIES (Continued)**

Interfund transfers during the fiscal year ended June 30, 2015 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds:		
General	\$ 466,120	\$ -
TDA		368,521
WWTP Capital Projects	131,200	
Nonmajor Governmental Funds:		
Traffic Safety		6,068
Gas Tax		244,807
WWTP Special Revenue		158,471
Major Proprietary Funds:		
Federal WWTP		27,271
Sewer		27,271
Refuse		27,271
Transit	262,360	
Total interfund transfers	<u>\$ 859,680</u>	<u>\$ 859,680</u>

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, 2015.

	<u>Due from (Receivable)</u>	<u>Due to (Payable)</u>
Major Governmental Funds:		
General	\$ 2,546,141	\$ -
WWTP Capital Projects	1,254,561	
Major Proprietary Funds:		
CCF		2,038,379
Transit		1,004,446
Nonmajor Governmental Funds:		
TDA		700,624
Landscape Assessment District		35,387
Inmate Welfare Trust		21,866
Total	<u>\$ 3,800,702</u>	<u>\$ 3,800,702</u>

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.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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, 2015.

<u>Governmental Activities</u>	Balance July 1, 2014	Additions	Deletions	Transfers	Prior Period Adjustment	Balance June 30, 2015
Capital assets not being depreciated:						
Land	\$ 1,328,603	\$ -	\$ -	\$ -	\$ -	\$ 1,328,603
Construction in progress	359,848	1,124,673		(823,782)	2,896	663,635
Total capital assets not being depreciated	<u>1,688,451</u>	<u>1,124,673</u>		<u>(823,782)</u>	<u>2,896</u>	<u>1,992,238</u>
Capital assets being depreciated:						
Structures and improvements	8,735,928			823,782		9,559,710
Machinery and equipment	3,413,150	270,374	(158,120)		95,590	3,620,994
Infrastructure:						
Roadway system	4,613,734	40,276			3,433	4,657,443
Bridges	265,183					265,183
Total capital assets being depreciated	<u>17,027,995</u>	<u>310,650</u>	<u>(158,120)</u>	<u>823,782</u>	<u>99,023</u>	<u>18,103,330</u>
Less accumulated depreciation for:						
Structures and improvements	(5,174,068)	(261,880)				(5,435,948)
Machinery and equipment	(3,130,900)	(224,050)	158,120		11,370	(3,185,460)
Infrastructure:						
Roadway system	(1,670,698)	(202,583)				(1,873,281)
Bridges	(238,665)	(8,839)				(247,504)
Total accumulated depreciation	<u>(10,214,331)</u>	<u>(697,352)</u>	<u>158,120</u>		<u>11,370</u>	<u>(10,742,193)</u>
Total capital assets, being depreciated net of accumulated depreciation	<u>6,813,664</u>	<u>(386,702)</u>		<u>823,782</u>	<u>110,393</u>	<u>7,361,137</u>
Total Governmental activities capital assets, net of accumulated depreciation	<u>\$ 8,502,115</u>	<u>\$ 737,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,289</u>	<u>\$ 9,353,375</u>

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

General government	\$ 120,337
Public safety	79,195
Public works	444,888
Health and welfare	50,514
Community development	<u>2,418</u>
 Total depreciation expense - governmental activities	 <u>\$ 697,352</u>

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 6 – CAPITAL ASSETS AND DEPRECIATION (Continued)**

Changes in business-type activities capital assets:

<u>Business-type activities</u>	Balance July 1, 2014	Additions	Deletions	Reclassification	Balance June 30, 2015
Capital assets not being depreciated:					
Land	\$ 11,850	\$ -	\$ -	\$ -	\$ 11,850
Construction in progress	467,564	138,443			606,007
Total capital assets not being depreciated	<u>479,414</u>	<u>138,443</u>			<u>617,857</u>
Capital assets being depreciated:					
Structures and improvements	5,887,340	158,802			6,046,142
Machinery and equipment	1,478,961				1,478,961
Sewer infrastructure	2,908,735				2,908,735
Total capital assets being depreciated	<u>10,275,036</u>	<u>158,802</u>			<u>10,433,838</u>
Less accumulated depreciation for:					
Structures and improvements	(3,144,774)	(253,240)		41,848	(3,356,166)
Machinery and equipment	(908,730)	(143,508)		(41,848)	(1,094,086)
Sewer infrastructure	(1,454,700)	(80,292)			(1,534,992)
Total accumulated depreciation	<u>(5,508,204)</u>	<u>(477,040)</u>			<u>(5,985,244)</u>
Total capital assets, being depreciated, net of accumulated depreciation	<u>4,766,832</u>	<u>(318,238)</u>			<u>4,448,594</u>
Total Business-type activities capital assets, net of accumulated depreciation	<u>\$ 5,246,246</u>	<u>\$ (179,795)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,066,451</u>

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

CCF	\$ 42,636
Federal WWTP	179,008
Sewer	80,292
Refuse	40,605
Transit	<u>134,499</u>
Total depreciation expense - business-type activities	<u>\$ 477,040</u>

**NOTE 7 – GOVERNMENTAL ACTIVITIES LONG-TERM DEBT**

During the fiscal year ended June 30, 2015, 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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

During the fiscal year ended June 30, 2015, 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. The outstanding balance was restated during fiscal year per implementation of GASB Statement No. 68 and No. 71. See Note 16 for further details.

	Balance July 1, 2014	Prior Period Adjustment	Additions	Deletions	Balance June 30, 2015	Due in One Year
<u>Governmental Activities:</u>						
Compensated Absences	\$ 158,437	\$ -	\$ 36,158	\$ (51,158)	\$ 143,437	\$ 35,859
Net pension liability		4,087,858	1,434,259	(2,347,723)	3,174,394	
CalPERS side fund obligation	198,868	(198,868)				
Total governmental activities	<u>\$ 357,305</u>	<u>\$ 3,888,990</u>	<u>\$ 1,470,417</u>	<u>\$ (2,398,881)</u>	<u>\$ 3,317,831</u>	<u>\$ 35,859</u>

**NOTE 8 – BUSINESS-TYPE ACTIVITIES LONG-TERM DEBT**

During the fiscal year ended June 30, 2015, the following changes occurred to the business-type activities long-term liabilities:

	Balance July 1, 2014	Prior Period Adjustment	Additions	Deletions	Balance June 30, 2015	Due in One Year
<u>Business type activities</u>						
Compensated Absences	\$ 86,238	\$ -	\$ 100,870	\$ (67,691)	\$ 119,417	\$ 29,854
Net pension liability		2,919,244	1,100,507	(1,883,238)	2,136,513	
Total business-type activities	<u>\$ 86,238</u>	<u>\$ 2,919,244</u>	<u>\$ 1,201,377</u>	<u>\$ (1,950,929)</u>	<u>\$ 2,255,930</u>	<u>\$ 29,854</u>

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**

A. General Information about the Pension Plan

**Plan Descriptions** - All qualified employees are eligible to participate in the City’s separate Safety (fire) and Miscellaneous (all other) Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 – PENSION PLAN (Continued)**

A. General Information about the Pension Plan (Continued)

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

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	City Safety Plan	
	Tier I	Tier II
	Prior to October 3, 1996	On or after October 3, 1996
Hire date		
Benefit formula	2.0% @ 50	2.0% @ 55
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 55
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.4% to 2.0%
Required employee contribution rates	7.00%	9.50%
Required employer contribution rates	11.53%	9.069%
	City Miscellaneous Plan	
	Tier I	PEPRA
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 -63	52 - 67
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates	11.032%	6.237%

**Contributions** - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the fiscal year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 – PENSION PLAN (Continued)**

A. General Information about the Pension Plan (Continued)

For the fiscal year ended June 30, 2015, the contributions recognized as part of pension expense were as follows:

Contributions – employer (Safety Plan)	\$252,658
Contributions – employer (Miscellaneous Plan)	\$380,720

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2015, the City reported net pension liability for its proportionate share of the net pension liability in the amount of \$5,310,907.

The City’s net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

	<u>Safety</u>	<u>Miscellaneous</u>
Proportion - June 30, 2013	0.03910%	0.04625%
Proportion - June 30, 2014	0.03910%	0.04625%
Change - Increase (Decrease)	<u>-</u>	<u>-</u>

For the fiscal year ended June 30, 2015, the City recognized pension expense of \$754,630. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(1,582,020)
Changes in proportion and differences between City contributions and proportionate share of contributions	140,849	(88,770)
City contributions subsequent to the measurement date	<u>1,221,754</u>	<u>-</u>
	<u>\$ 1,362,603</u>	<u>\$ (1,670,790)</u>

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 – PENSION PLAN (Continued)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

\$1,221,754 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	
2016	\$ (382,485)
2017	(382,485)
2018	(382,485)
2019	(382,486)

**Actuarial Assumptions** - The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>Safety</u>	<u>Miscellaneous</u>
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.50%	7.50%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.30%-14.20% (1)	3.30%-14.20% (1)
Investment Rate of Return	7.50% (2)	7.50% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using CalPERS' Membership Data for all Funds

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 9 – PENSION PLAN (Continued)**

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

**Discount Rate** - The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 9 – PENSION PLAN (Continued)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Year 1 - 10(a)</u>	<u>Real Return Years 11+(b)</u>
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	<u>2.00%</u>	-0.55%	-1.05%
 Total	 100.00%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate*** -The following presents the net pension liability of the Local Government for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>Safety</u>	<u>Miscellaneous</u>
1% Decrease	6.50%	6.50%
Net Pension Liability	\$ 3,954,426	\$ 5,127,324
 Current Discount Rate	 7.50%	 7.50%
Net Pension Liability	\$ 2,433,122	\$ 2,877,785
 1% Increase	 8.50%	 8.50%
Net Pension Liability	\$ 1,179,632	\$ 1,010,882

***Pension Plan Fiduciary Net Position*** - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 10 – NET POSITION AND FUND BALANCES**

**Governmental and Business -Type Activities**

**Net Position**

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.

**Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds.

**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 member if it has a positive balance (i.e. payout and reserve experience is less than premium paid) or collects any deficit.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 11 – RISK MANAGEMENT (Continued)**

**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 reinsurance above \$5,000,000 to the statutory limit.

**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, 2015, the most recent information available, is presented below:

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

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.

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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. 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 during the 2015/2016 fiscal year.

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
2016	\$ 36,000
2017	36,000
2018	36,000
2019	36,000
2020	36,000
Thereafter	<u>306,000</u>
Total	<u>\$ 486,000</u>

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 13 – FUND EQUITY**

**Fund Balance – Governmental Funds**

As of June 30, 2015, 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	TDA	WWTP Capital Projects	Total Non-major Governmental Funds	Total
Nonspendable:							
Prepaid items	\$ 33,357	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,357
Inventory						1,412	1,412
Principal on advances	<u>2,457,798</u>						<u>2,457,798</u>
Total Nonspendable	<u>2,491,155</u>					<u>1,412</u>	<u>2,492,567</u>
Restricted for:							
Streets and roads				90,382		350	90,732
Public safety						190,216	190,216
Community development		478,123	125,945			163,428	767,496
Capital Projects - WWTP					<u>3,748,856</u>	<u>82,702</u>	<u>3,831,558</u>
Total Restricted		<u>478,123</u>	<u>125,945</u>	<u>90,382</u>	<u>3,748,856</u>	<u>436,696</u>	<u>4,880,002</u>
Unassigned	<u>2,967,419</u>					<u>(39,622)</u>	<u>2,927,797</u>
Total Fund Balances	<u>\$ 5,458,574</u>	<u>\$ 478,123</u>	<u>\$ 125,945</u>	<u>\$ 90,382</u>	<u>\$ 3,748,856</u>	<u>\$ 398,486</u>	<u>\$ 10,300,366</u>



**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 16 – PRIOR PERIOD ADJUSTMENTS (Continued)**

Reason for adjustments	Proprietary Funds				
	CCF	Federal WWTP	Sewer	Refuse	Transit
Net pension liabilities	\$ (2,519,429)	\$ (32,894)	\$ (32,996)	\$ (69,895)	\$ (264,030)
Deferred outflow of resources - City's contribution subsequent of the measurement	243,940	3,185	3,195	6,768	25,564
Understatement of cash and investments (Overstatement) of accounts receivable					6,600 (35,194)
	<u>\$ (2,275,489)</u>	<u>\$ (29,709)</u>	<u>\$ (29,801)</u>	<u>\$ (63,127)</u>	<u>\$ (267,060)</u>
	Governmental Funds Major Fund	Governmental Funds Nonmajor Funds	Private-Purpose Trust Fund		
		Asset Forfeiture Special Revenue Fund	Post RDA Debt Retirement		
Reason for adjustments	General Fund				
(Overstatement) of cash and investments	\$ (106,688)	\$ -	\$ -		
Understatement of cash and investments		100,088			
Overstatement of accounts payable			5,184		
	<u>\$ (106,688)</u>	<u>\$ 100,088</u>	<u>\$ 5,184</u>		

**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 same 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 months 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. The lease was ended in January, 2016. Currently, it is listed for sale.

A City employee's family member obtained a loan under a City grant program, which was approved by the City Council and the State of California Agency administering the grant program. The loan was paid off in the amount of \$156,513 on June 15, 2015.

**NOTE 18 – SUCCESSOR 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.

**CITY OF TAFT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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.

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, 2015 was as follows:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
Capital assets not being depreciated:				
Land	\$ 1,698,163	\$ -	\$ -	\$ 1,698,163
Total capital assets not being depreciated	<u>1,698,163</u>			<u>1,698,163</u>
Capital assets being depreciated:				
Structures and improvements	407,116			407,116
Total capital assets being depreciated	<u>407,116</u>			<u>407,116</u>
Less accumulated depreciation for:				
Structures and improvements	(205,772)	(10,178)		(215,950)
Total accumulated depreciation	<u>(205,772)</u>	<u>(10,178)</u>		<u>(215,950)</u>
Total capital assets, being depreciated net of accumulated depreciation	<u>201,344</u>	<u>(10,178)</u>		<u>191,166</u>
Total Governmental activities capital assets, net of accumulated depreciation	<u>\$ 1,899,507</u>	<u>\$ (10,178)</u>	<u>\$ -</u>	<u>\$ 1,889,329</u>

**CITY OF TAFT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2015**

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

The following is a schedule of long-term liabilities for the fiscal year ended June 30, 2015:

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015	Due in One Year
1998 Revenue Refunding Bonds	\$ 3,395,000	\$ -	\$ (165,000)	\$ 3,230,000	\$ 175,000
Total governmental activities	<u>\$ 3,395,000</u>	<u>\$ -</u>	<u>\$ (165,000)</u>	<u>\$ 3,230,000</u>	<u>\$ 175,000</u>

The maturity schedule of the bonds is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	220,000	143,550	363,550
2021-2025	1,285,000	512,430	1,797,430
2026-2028	<u>970,000</u>	<u>114,550</u>	<u>1,084,550</u>
Total	<u>\$ 3,230,000</u>	<u>\$ 1,457,250</u>	<u>\$ 4,687,250</u>

**NOTE 19 - 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.

**CITY OF TAFT**  
**MAJOR FUND BUDGETARY COMPARISON SCHEDULES**  
**JUNE 30, 2015**

Budgetary comparison schedules are presented as Required Supplementary Information for the General Fund and TDA Special Revenue 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, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Property taxes	\$ 1,415,177	\$ 1,415,177	\$ 1,372,304	\$ (42,873)
Sales taxes	1,650,336	1,650,336	1,475,787	(174,549)
Other taxes	414,260	414,260	526,768	112,508
Licenses and permits, and fees	265,204	265,204	312,364	47,160
Fines and forfeitures	1,540	1,540	8,182	6,642
Use of money and property	106,150	106,150	198,178	92,028
Intergovernmental	188,718	188,718	997,989	809,271
Current services charges	2,553,049	2,553,049	2,318,050	(234,999)
Other	28,975	28,975	613,749	584,774
	<u>6,623,409</u>	<u>6,623,409</u>	<u>7,823,371</u>	<u>1,199,962</u>
<b>EXPENDITURES</b>				
Current:				
General government	1,313,380	1,313,380	1,419,774	(106,394)
Public safety	3,680,020	3,680,020	3,498,974	181,046
Public works	1,122,686	1,122,686	1,160,631	(37,945)
Community development	502,961	502,961	556,320	(53,359)
Capital outlay	253,700	253,700	1,145,500	(891,800)
	<u>6,872,747</u>	<u>6,872,747</u>	<u>7,781,199</u>	<u>(908,452)</u>
Excess (deficiency) of revenues over expenditures	<u>(249,338)</u>	<u>(249,338)</u>	<u>42,172</u>	<u>291,510</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>249,338</u>	<u>249,338</u>	<u>466,120</u>	<u>216,782</u>
Total other financing sources (uses)	<u>249,338</u>	<u>249,338</u>	<u>466,120</u>	<u>216,782</u>
Net change in fund balance	<u>                    </u>	<u>                    </u>	<u>508,292</u>	<u>508,292</u>
Fund balance, beginning of fiscal year	5,056,970	5,056,970	5,056,970	
Prior period adjustment			(106,688)	(106,688)
Fund balance, beginning of fiscal year, restated	<u>5,056,970</u>	<u>5,056,970</u>	<u>4,950,282</u>	<u>(106,688)</u>
Fund balance, end of fiscal year	<u>\$ 5,056,970</u>	<u>\$ 5,056,970</u>	<u>\$ 5,458,574</u>	<u>\$ 401,604</u>

**CITY OF TAFT  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
TDA SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original/Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,000	\$ 368,521	\$ 367,521
Total revenues	<u>1,000</u>	<u>368,521</u>	<u>367,521</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(1,000)</u>	<u>(368,521)</u>	<u>(367,521)</u>
Total other financing sources (uses)	<u>(1,000)</u>	<u>(368,521)</u>	<u>(367,521)</u>
Net change in fund balance			
Fund balance, beginning of fiscal year	<u>90,382</u>	<u>90,382</u>	
Fund balance, end of the fiscal year	<u><u>\$ 90,382</u></u>	<u><u>\$ 90,382</u></u>	<u><u>\$ -</u></u>

**CITY OF TAFT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2015**

Cost Sharing Defined Benefit Pension Plan  
Last 10 Fiscal Years\*  
Safety and Miscellaneous Plan

Schedule of Plan's Proportionate Share of the Net Pension Liability and Related Ratios

	<b>Safety Plan</b>	<b>Miscellaneous Plan</b>
	2015 <sup>1</sup>	2015 <sup>1</sup>
Plan's proportion of the Net Pension Liability (Asset)	0.03910%	0.04625%
Plan's proportionate share of the Net Pension Liability (Asset)	\$2,433,122	\$2,877,785
Covered employee payroll <sup>2</sup>	\$1,138,018	\$1,898,242
Plan's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered employee payroll	213.80%	151.60%
Plan's fiduciary net position	\$8,924,342	\$14,079,035
Plan's proportionate share of the Fiduciary Net Pension Liability (Asset) as a percentage of the Plan's Total Pension Liability	78.58%	83.03%

<sup>1</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>2</sup> Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF TAFT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2015**

Cost Sharing Defined Benefit Pension Plan  
Last 10 Fiscal Years\*  
Safety Plan

Schedule of Contributions <sup>1</sup>

	<b>Safety Plan</b>
	Fiscal Year 2014-15
Actuarially Determined Contribution <sup>2</sup>	\$ 488,278
Contributions in Relation to the Actuarially Determined Contribution <sup>2</sup>	(488,278)
Contribution Deficiency (Excess)	\$ -
Covered Employee Payroll <sup>3,4</sup>	\$ 1,172,159
Contributions as a Percentage of Covered Employee Payroll <sup>3</sup>	41.66%

<sup>1</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>2</sup> Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB 68, therefore are not considered separately financed specific liabilities.

<sup>3</sup> Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

<sup>4</sup> Payroll from prior year (\$1,138,018) was assumed to increase by the 3.00 percent payroll growth assumption.

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For detail, see June 30, 2011 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2011 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates included 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF TAFT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2015**

Cost Sharing Defined Benefit Pension Plan  
Last 10 Fiscal Years\*  
Miscellaneous Plan

Schedule of Contributions <sup>1</sup>

	<b>Miscellaneous Plan</b>
	Fiscal Year 2014-15
Actuarially Determined Contribution <sup>2</sup>	\$ 733,476
Contributions in Relation to the Actuarially Determined Contribution <sup>2</sup>	(733,476)
Contribution Deficiency (Excess)	\$ -
Covered Employee Payroll <sup>3,4</sup>	\$ 1,955,189
Contributions as a Percentage of Covered Employee Payroll <sup>3</sup>	37.51%

<sup>1</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>3</sup> Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

<sup>3</sup> Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

<sup>4</sup> Payroll from prior year (\$1,898,242) was assumed to increase by the 3.00 percent payroll growth assumption.

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For detail, see June 30, 2011 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2011 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates included 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

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**CITY OF TAFT  
MAJOR CAPITAL PROJECT FUND  
JUNE 30, 2015**

**WWTP Capital Projects Fund**

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

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Use of money and property	\$ 30,164	\$ 29,237	\$ (927)
Total revenues	<u>30,164</u>	<u>29,237</u>	<u>(927)</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>123,864</u>	<u>                    </u>	<u>123,864</u>
Total Expenditures	<u>123,864</u>	<u>                    </u>	<u>123,864</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(93,700)</u>	<u>29,237</u>	<u>122,937</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	131,200	131,200	
Transfers out	<u>(37,500)</u>	<u>                    </u>	<u>37,500</u>
Total other financing sources (uses)	<u>93,700</u>	<u>131,200</u>	<u>37,500</u>
Net change in fund balance		160,437	160,437
Fund balance, beginning of fiscal year	<u>3,588,419</u>	<u>3,588,419</u>	
Fund balance, end of the fiscal year	<u>\$ 3,588,419</u>	<u>\$ 3,748,856</u>	<u>\$ 160,437</u>

**CITY OF TAFT  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2015**

**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.

**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.

**Wastewater Treatment Plant (WWTP)**

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

**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.

**Crime Prevention**

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

**CITY OF TAFT**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2015**

	Special Revenue Funds			
	Traffic Safety	Gas Tax	Inmate Welfare Trust	WWTP Special Revenue
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 330	\$ 58,746	\$ 75,514
Receivables:				
Accounts	477			15,135
Interest		20		
Notes				
Inventory			1,412	
Total assets	\$ 477	\$ 350	\$ 60,158	\$ 90,649
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 6,037
Accrued payroll			1,100	1,910
Due to other funds			21,866	
Total liabilities			22,966	7,947
<b>DEFERRED INFLOW OF RESOURCES</b>				
Deferred revenue				
<b>FUND BALANCES</b>				
Nonspendable			1,412	
Restricted	477	350	35,780	82,702
Unassigned				
Total fund balances (deficits)	477	350	37,192	82,702
Total liabilities, deferred inflow of resources, and fund balances	\$ 477	\$ 350	\$ 60,158	\$ 90,649

Special Revenue Funds

Cal Homes Revolving Loan Fund	TARP Revolving Loan	Asset Forfeiture	Landscape Assessment District	Crime Prevention	Total Non- Major Governmental Funds
\$ -	\$ 163,409	\$ 122,820	\$ -	\$ 32,577	\$ 453,396
	19	14		3	15,612
292,303	163,448				56
					455,751
					1,412
<u>\$ 292,303</u>	<u>\$ 326,876</u>	<u>\$ 122,834</u>	<u>\$ -</u>	<u>\$ 32,580</u>	<u>926,227</u>
\$ -	\$ -	\$ 33	\$ 4,085	\$ -	10,155
			150	1,422	4,582
			35,387		57,253
		33	39,622	1,422	71,990
292,303	163,448				455,751
	163,428	122,801		31,158	1,412
			(39,622)		436,696
					(39,622)
	163,428	122,801	(39,622)	31,158	398,486
<u>\$ 292,303</u>	<u>\$ 326,876</u>	<u>\$ 122,834</u>	<u>\$ -</u>	<u>\$ 32,580</u>	<u>\$ 926,227</u>

**CITY OF TAFT  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds			
	Traffic Safety	Gas Tax	Inmate Welfare Trust	WWTP Special Revenue
<b>REVENUES</b>				
Fines and forfeitures	\$ 5,720	\$ -	\$ -	\$ -
Use of money and property		1,128	31	722
Intergovernmental		224,492		752,779
Current services charges			49,839	76,805
Other			7,100	15,168
Total revenues	<u>5,720</u>	<u>225,620</u>	<u>56,970</u>	<u>845,474</u>
<b>EXPENDITURES</b>				
Current:				
General government				879,591
Public safety				
Public works				
Health and welfare			6,309	
Capital outlay				234,694
Total expenditures			<u>6,309</u>	<u>1,114,285</u>
Excess of revenues over (under) expenditures	<u>5,720</u>	<u>225,620</u>	<u>50,661</u>	<u>(268,811)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(6,068)</u>	<u>(244,807)</u>		<u>(158,471)</u>
Total other financing sources (uses)	<u>(6,068)</u>	<u>(244,807)</u>		<u>(158,471)</u>
Net changes in fund balances	(348)	(19,187)	50,661	(427,282)
Fund balances (deficits), beginning of fiscal year	825	19,537	(13,469)	509,984
Prior period adjustments				
Fund balances (deficits), beginning of fiscal year, restated	<u>825</u>	<u>19,537</u>	<u>(13,469)</u>	<u>509,984</u>
Fund balances (deficits), end of fiscal year	<u>\$ 477</u>	<u>\$ 350</u>	<u>\$ 37,192</u>	<u>\$ 82,702</u>

Special Revenue Funds

Cal Homes Revolving Loan Fund	TARP Revolving Loan	Asset Forfeiture	Landscape Assessment District	Crime Prevention	Total Non- Major Governmental Funds
\$ -	\$ - 934 59,910	\$ - 902	\$ -  8,162	\$ - 107 106,230	\$ 5,720 3,824 1,143,411 134,806 22,268
	<u>60,844</u>	<u>902</u>	<u>8,162</u>	<u>106,337</u>	<u>1,310,029</u>
		35,131	19,011	80,704	879,591 115,835 19,011 6,309 234,694
		<u>35,131</u>	<u>19,011</u>	<u>80,704</u>	<u>1,255,440</u>
	<u>60,844</u>	<u>(34,229)</u>	<u>(10,849)</u>	<u>25,633</u>	<u>54,589</u>
					(409,346)
					(409,346)
	60,844	(34,229)	(10,849)	25,633	(354,757)
	102,584	56,942	(28,773)	5,525	653,155
		100,088			100,088
	<u>102,584</u>	<u>157,030</u>	<u>(28,773)</u>	<u>5,525</u>	<u>753,243</u>
<u>\$ -</u>	<u>\$ 163,428</u>	<u>\$ 122,801</u>	<u>\$ (39,622)</u>	<u>\$ 31,158</u>	<u>\$ 398,486</u>

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 8,500	\$ 5,720	\$ (2,780)
Total revenues	<u>8,500</u>	<u>5,720</u>	<u>(2,780)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(8,500)</u>	<u>(6,068)</u>	<u>2,432</u>
Total other financing sources (uses)	<u>(8,500)</u>	<u>(6,068)</u>	<u>2,432</u>
Net change in fund balance		(348)	(348)
Fund balance, beginning of fiscal year	<u>825</u>	<u>825</u>	
Fund balance, end of fiscal year	<u>\$ 825</u>	<u>\$ 477</u>	<u>\$ (348)</u>

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Use of money and property	\$ 800	\$ 1,128	\$ 328
Intergovernmental	<u>239,038</u>	<u>224,492</u>	<u>(14,546)</u>
Total revenues	<u>239,838</u>	<u>225,620</u>	<u>(14,218)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	<u>(239,838)</u>	<u>(244,807)</u>	<u>(4,969)</u>
Total other financing sources (uses)	<u>(239,838)</u>	<u>(244,807)</u>	<u>(4,969)</u>
Net change in fund balance		(19,187)	(19,187)
Fund balance, beginning of fiscal year	<u>19,537</u>	<u>19,537</u>	
Fund balance, end of fiscal year	<u><u>\$ 19,537</u></u>	<u><u>\$ 350</u></u>	<u><u>\$ (19,187)</u></u>

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Use of money and property	\$ -	\$ 31	\$ 31
Current services charges	46,446	49,839	3,393
Other	1,076	7,100	6,024
	<u>47,522</u>	<u>56,970</u>	<u>9,448</u>
<b>EXPENDITURES</b>			
Current:			
Health and welfare	46,446	6,309	40,137
	<u>46,446</u>	<u>6,309</u>	<u>40,137</u>
Total expenditures	46,446	6,309	40,137
	<u>46,446</u>	<u>6,309</u>	<u>40,137</u>
Net change in fund balance	1,076	50,661	49,585
Fund balance (deficit), beginning of fiscal year	(13,469)	(13,469)	
Fund balance (deficit), end of fiscal year	<u>\$ (12,393)</u>	<u>\$ 37,192</u>	<u>\$ 49,585</u>

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Use of money and property	\$ -	\$ 722	\$ 722
Intergovernmental	823,727	752,779	(70,948)
Current services charges	70,000	76,805	6,805
Other		15,168	15,168
	<u>893,727</u>	<u>845,474</u>	<u>(48,253)</u>
<b>EXPENDITURES</b>			
Current:			
General government	747,527	879,591	(132,064)
Capital outlay	52,500	234,694	(182,194)
	<u>800,027</u>	<u>1,114,285</u>	<u>(314,258)</u>
Excess (deficiency) of revenues over expenditures	<u>93,700</u>	<u>(268,811)</u>	<u>(362,511)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	37,500		(37,500)
Transfers out	(131,200)	(158,471)	(27,271)
	<u>(93,700)</u>	<u>(158,471)</u>	<u>(64,771)</u>
Net change in fund balance		(427,282)	(427,282)
Fund balance, beginning of fiscal year	<u>509,984</u>	<u>509,984</u>	
Fund balance, end of fiscal year	<u>\$ 509,984</u>	<u>\$ 82,702</u>	<u>\$ (427,282)</u>

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Fines and forfeitures	\$ 2,000	\$ -	\$ (2,000)
Use of money and property	300	902	602
Total revenues	<u>2,300</u>	<u>902</u>	<u>(1,398)</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	<u>2,300</u>	<u>35,131</u>	<u>(32,831)</u>
Total expenditures	<u>2,300</u>	<u>35,131</u>	<u>(32,831)</u>
Net change in fund balance		<u>(34,229)</u>	<u>(34,229)</u>
Fund balance, beginning of fiscal year	56,942	56,942	
Prior period adjustment		<u>100,088</u>	<u>100,088</u>
Fund balance, beginning of fiscal year, restated	<u>56,942</u>	<u>157,030</u>	<u>100,088</u>
Fund balance, end of fiscal year	<u>\$ 56,942</u>	<u>\$ 122,801</u>	<u>\$ 65,859</u>

**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, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Current services charges	\$ 8,171	\$ 8,162	\$ (9)
Total revenues	8,171	8,162	(9)
<b>EXPENDITURES</b>			
Current:			
Public works	18,321	19,011	(690)
Total expenditures	18,321	19,011	(690)
Excess (deficiency) of revenues over expenditures	(10,150)	(10,849)	(699)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	10,150		(10,150)
Total other financing sources (uses)	10,150		(10,150)
Net change in fund balance		(10,849)	(10,849)
Fund balance (deficit), beginning of fiscal year	(28,773)	(28,773)	
Fund balance (deficit), end of fiscal year	\$ (28,773)	\$ (39,622)	\$ (10,849)

**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, 2015**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Use of money and property	\$ 50	\$ 107	\$ 57
Intergovernmental	100,000	106,230	6,230
Total revenues	<u>100,050</u>	<u>106,337</u>	<u>6,287</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	135,859	80,704	55,155
Total expenditures	<u>135,859</u>	<u>80,704</u>	<u>55,155</u>
Excess (deficiency) of revenues over expenditures	<u>(35,809)</u>	<u>25,633</u>	<u>61,442</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>35,809</u>		<u>(35,809)</u>
Total other financing sources (uses)	<u>35,809</u>		<u>(35,809)</u>
Net change in fund balance		25,633	25,633
Fund balance, beginning of fiscal year	<u>5,525</u>	<u>5,525</u>	
Fund balance, end of fiscal year	<u>\$ 5,525</u>	<u>\$ 31,158</u>	<u>\$ 25,633</u>

**CITY OF TAFT  
PRIVATE-PURPOSE TRUST FUNDS AND AGENCY FUNDS  
JUNE 30, 2015**

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.

**CITY OF TAFT  
COMBINING STATEMENT OF NET POSITION  
PRIVATE PURPOSE TRUST FUNDS  
JUNE 30, 2015**

	Capital Projects Fund	Post RDA Debt Retirement	Total
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 95,656	\$ 95,656
Cash and investment with fiscal agents		465,448	465,448
Interest receivable		120	120
Capital assets - nondepreciable	1,698,163		1,698,163
Capital assets - being depreciated	407,116		407,116
Capital assets - accumulated depreciation	(215,950)		(215,950)
	<u>1,889,329</u>	<u>561,224</u>	<u>2,450,553</u>
<b>LIABILITIES</b>			
Accounts payable		597	597
Accrued payroll		625	625
Accrued interest payable		93,152	93,152
Compensated absences		15,393	15,393
Advance due to City of Taft		2,535,490	2,535,490
Bonds payable		3,230,000	3,230,000
		<u>5,875,257</u>	<u>5,875,257</u>
<b>NET POSITION (DEFICIT)</b>			
Restricted for debt service		372,296	372,296
Unrestricted	1,889,329	(5,686,329)	(3,797,000)
	<u>1,889,329</u>	<u>(5,686,329)</u>	<u>(3,797,000)</u>
Total Net Position (Deficit)	<u>\$ 1,889,329</u>	<u>\$ (5,314,033)</u>	<u>\$ (3,424,704)</u>

**CITY OF TAFT  
PRIVATE PURPOSE TRUST FUNDS  
COMBINING STATEMENT OF CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Capital Projects Fund	Post RDA Debt Retirement	Total
<b>Additions:</b>			
Investment revenue	\$ -	\$ 129,582	\$ 129,582
Taxes and assessments		272,269	272,269
Total additions		401,851	401,851
<b>Deductions:</b>			
Community development		103,162	103,162
Interest expense		197,335	197,335
Depreciation	10,178		10,178
Total deductions	10,178	300,497	310,675
Change in net position	(10,178)	101,354	91,176
Net Position (Deficit) - July 1, 2014	1,899,507	(5,420,571)	(3,521,064)
Prior Period Adjustment		5,184	5,184
Net Position (Deficit) - July 1, 2014, Restated	1,899,507	(5,415,387)	(3,515,880)
Net Position (Deficit) - June 30, 2015	\$ 1,889,329	\$ (5,314,033)	\$ (3,424,704)

**CITY OF TAFT**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**JUNE 30, 2015**

	<u>Inmate Trust Fund</u>	<u>1997-A Lease Revenue Bond</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 65,149	\$ 559	\$ 65,708
Cash and investment with fiscal agents		3,245,924	3,245,924
	<u>\$ 65,149</u>	<u>\$ 3,246,483</u>	<u>\$ 3,311,632</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 13,656	\$ -	\$ 13,656
Deposits payable		159,000	159,000
Due to inmates	51,493		51,493
Due to bondholders		3,087,483	3,087,483
	<u>\$ 65,149</u>	<u>\$ 3,246,483</u>	<u>\$ 3,311,632</u>

**CITY OF TAFT**  
**FIDUCIARY FUNDS - AGENCY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<b>Inmate Trust Fund</b>	July 1, 2014 Balance	Additions	Reductions	June 30, 2015 Balance
<b>ASSETS</b>				
Cash and investments	\$ 61,811	\$ 121,626	\$ (118,288)	\$ 65,149
Total assets	<u>\$ 61,811</u>	<u>\$ 121,626</u>	<u>\$ (118,288)</u>	<u>\$ 65,149</u>

<b>LIABILITIES</b>				
Accounts payable	\$ 1,873	\$ 65,898	\$ (54,115)	\$ 13,656
Due to inmates	59,938	55,728	(64,173)	51,493
Total liabilities	<u>\$ 61,811</u>	<u>\$ 121,626</u>	<u>\$ (118,288)</u>	<u>\$ 65,149</u>

<b>1997-A Lease Revenue Bond</b>	July 1, 2014 Balance	Additions	Reductions	June 30, 2015 Balance
<b>ASSETS</b>				
Cash and investments	\$ 559	\$ -	\$ -	\$ 559
Cash and investments with fiscal agents	3,250,894	3,716,755	(3,721,725)	3,245,924
Total assets	<u>\$ 3,251,453</u>	<u>\$ 3,716,755</u>	<u>\$ (3,721,725)</u>	<u>\$ 3,246,483</u>

<b>LIABILITIES</b>				
Deposits payable	\$ 159,000	\$ -	\$ -	\$ 159,000
Due to bondholders	3,092,453	3,716,755	(3,721,725)	3,087,483
Total liabilities	<u>\$ 3,251,453</u>	<u>\$ 3,716,755</u>	<u>\$ (3,721,725)</u>	<u>\$ 3,246,483</u>

<b>Total</b>	July 1, 2014 Balance	Additions	Reductions	June 30, 2015 Balance
<b>ASSETS</b>				
Cash and investments	\$ 62,370	\$ 121,626	\$ (118,288)	\$ 65,708
Cash and investments with fiscal agents	3,250,894	3,716,755	(3,721,725)	3,245,924
Total assets	<u>\$ 3,313,264</u>	<u>\$ 3,838,381</u>	<u>\$ (3,840,013)</u>	<u>\$ 3,311,632</u>

<b>LIABILITIES</b>				
Accounts payable	\$ 1,873	\$ 65,898	\$ (54,115)	\$ 13,656
Due to bondholders	3,092,453	3,716,755	(3,721,725)	3,087,483
Due to inmates	59,938	55,728	(64,173)	51,493
Deposits payable	159,000			159,000
Total liabilities	<u>\$ 3,313,264</u>	<u>\$ 3,838,381</u>	<u>\$ (3,840,013)</u>	<u>\$ 3,311,632</u>

**CITY OF TAFT**  
**MANAGEMENT REPORT**  
**AND**  
**AUDITOR'S COMMUNICATION LETTERS**

**June 30, 2015**

**CITY OF TAFT**  
JUNE 30, 2015

**TABLE OF CONTENTS**

**Management Letter** ..... 1

**Required Communications**

Communication with Those Charged with Governance..... 3

**Current Year Recommendations**

**Significant Deficiencies**

2015-01 Bank Reconciliations were not completed in a timely manner ..... 6

2015-02 TDA Claims were not submitted in a timely manner..... 6

**Other Matters**

2015-03 Lack of official policy on fraud..... 7

2015-04 Deficiencies in internal controls over credit cards ..... 7

2015-05 Lack of formal accounting manual in place ..... 7

**Status of Prior Year Recommendations** ..... 8



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**MOSS, LEVY & HARTZHEIM LLP**

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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, the 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, 2015, 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 two significant deficiencies (Findings 2015-01 and 2015-02).

During our audit, we noted six matters involving internal control presented for your consideration, which are designed to assist the City to make improvements and operational efficiencies (Findings 2015-03 through 2015-05).

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 responses and, accordingly, we express no opinion on them. In addition, we would be pleased to discuss these recommendations in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing these recommendations.

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*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
March 31, 2016



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**MOSS, LEVY & HARTZHEIM LLP**

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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, the 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, 2015, and have issued our report thereon dated March 31, 2016. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards 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 to you dated July 13, 2015. 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, 2014, the City adopted the Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Both Statements had an effect on the financial statements (see Note 1Q 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:

Management's estimates included the funding progress and net pension liability of CalPERS, the estimated historical cost and useful lives of capital assets, and the allowance for doubtful accounts receivable. These estimates are based on CalPERS' actuarial estimates, historical data and industry guidelines for capital assets, and historical data for allowance for doubtful accounts receivable. We evaluated the key factors and assumptions used to develop the estimates above in determining 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 March 31, 2016.

### *Management Consultations with Other Independent Accountants*

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

### *Other Audit Findings or Issues*

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

### Other Matters

We applied certain limited procedures to the budgetary comparison information, the schedules of the plan's proportionate share of net pension liability, and the schedule of pension contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on WWTP Capital Projects budgetary comparison schedule, combining and individual non-major governmental and fiduciary fund financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use 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*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
March 31, 2016

## **CURRENT YEAR RECOMMENDATIONS**

### **Significant Deficiencies**

#### **2015-01 Bank reconciliations were not completed in a timely manner:**

During our audit, it was noted that bank reconciliations were not being prepared in a timely manner.

##### Effect:

Proper bank reconciliations prepared in a timely manner help safeguard cash by detecting errors on the part of the bank or City. In addition, bank reconciliations help create stronger internal controls and establish accountability for cash. Delays in completing bank reconciliations increase the risk that errors and irregularities may occur and go undetected, which can lead to a misappropriation of funds

##### Recommendation:

We recommend the City prepare and finalize bank reconciliations in a timely manner, within 30 days of the bank statement date.

##### Management's Response:

The City will complete the bank reconciliations in a timely manner.

#### **2015-02 TDA Claims were not submitted in a timely manner:**

During our audit, it was noted that the City has not yet submitted its TDA claims for the 2014/15 fiscal year.

##### Effect:

By not submitting the claims, the City has not received the money from the County Treasury, causing a negative fund balance in the Transit fund and having a negative effect on investment earnings.

##### Recommendation:

We recommend the City file its claims for the 2014/15 fiscal year and continue to file claims in a timely manner.

##### Management's Response:

The City plans on having all TDA claims current and will continue to prepare claims timely.

## CURRENT YEAR RECOMMENDATIONS (CONTINUED)

### Other Matters

#### 2015-03 Lack of official policy on fraud:

During our audit, it was noted that the City does not have an official fraud policy in place.

#### Effect:

Without an official fraud policy, effective and efficient fraud prevention cannot take place.

#### Recommendation:

We recommend the City create an official fraud policy and have it approved by the City Council.

#### Management's Response:

City will create a fraud policy and have it approved by city council.

#### 2015-04 Deficiencies in internal controls over credit cards:

- A) The City was missing multiple receipts for purchases on Amazon.com.
- B) The City had receipts for City Council meals that were not itemized.
- C) The Finance Director approves her own credit card statement.

#### 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 the Finance Director. In addition, the Finance Director credit card purchases should be approved by City Manager.

#### Management's Response:

City revised the credit card policy on October 6, 2015 per the auditor's recommendation in prior year's findings.

#### 2015-05 Lack of formal accounting manual in place:

During our audit, it was noted that the City does not have a formal accounting manual.

#### Effect:

Without a formal accounting manual, there are no set guidelines for employees to follow, which increases the risk of material misstatements.

#### Recommendation:

We recommend the City create a formal accounting manual.

#### Management's Response:

The finance department will work at creating a formal accounting manual.

## STATUS OF PRIOR YEAR RECOMMENDATIONS

### Other Matters

#### 2014-01 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.

#### Current Status:

Implemented – See Finding 2015-04 - New Credit Card policy implemented October 2015.

**CITY OF TAFT**

**SINGLE AUDIT REPORT**

For the Fiscal Year Ended June 30, 2015

# City of Taft

Single Audit Report

For the Fiscal Year Ended June 30, 2015

## TABLE OF CONTENTS

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	<u>Page</u>
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1
Independent Auditor's Report on Compliance For Each Major Program and on Internal Control over Compliance Required By OMB Circular A-133	3
Schedule of Expenditures of Federal Awards	5
Notes to the Schedule of Expenditures of Federal Awards	6
Schedule of Findings and Questioned Costs	8
Status of Prior Year's Findings	11



MOSS, LEVY & HARTZHEIM LLP

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Taft (City), California, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 31, 2016.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies, listed as 2015-01 and 2015-02.

## **Compliance and Other Matters**

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

We noted certain other matters that we reported to management of the City of Taft in a separate letter dated March 31, 2016.

## **City's Responses to Findings**

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of the Report**

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

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
March 31, 2016



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

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

**Report on Compliance for Each Major Federal Program**

We have audited the City of Taft's (City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the fiscal year ended June 30, 2015. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

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

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

***Opinion on Each Major Federal Program***

In our opinion, the City of Taft complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the fiscal year ended June 30, 2015.

## **Report on Internal Control over Compliance**

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

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

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

## **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

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 as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 31, 2016, which contained unmodified opinions on the financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements taken as a whole.

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

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
March 31, 2016

**City of Taft**  
 Single Audit Report  
 Schedule of Expenditures of Federal Awards  
 For the Fiscal Year Ended June 30, 2015

Federal Grantor/ Pass - Through Grantor Program Title	Federal CFDA Number	Agency or Pass-Through Program Number	Federal Expenditures
<b>U.S. Department of Transportation:</b>			
Passed through the State of California Department of Transportation:			
Formula Grants for Rural Areas Section 5311	20.509	64BO15-00284	\$ 29,381
			<u>29,381</u>
Federal Highway Administration (FHWA) - Highway Planning and Construction			
Passed through the State of California Department of Transportation:			
Highway Planning and Construction - Hillard Street from A St. to Rails to Trails	20.205	RPSTPLE - 5193 (033)	249,000 *
Highway Planning and Construction - Center St. - 4th St. to 6th St.	20.205	STPL - 5193 (035)	12,405 *
Highway Planning and Construction - Safe Routes to Schools	20.205	SRTSLNI - 5193 (034)	411,123 *
Highway Planning and Construction - Former Sunset Corridor - from 2nd St. to SR 119	20.205	RPSTPLE - 5193 (036)	87,000 *
			<u>759,528</u>
<b>Total U.S. Department of Transportation</b>			<u>788,909</u>
<b>U.S. Department of Housing and Urban Development:</b>			
Passed through programs from the State of California Department of Housing and Community Development			
Home Investment Partnership Program (HOME)	14.239	N/A	39,169
Community Development Block Grant (CDBG)	14.228	N/A	14,343
<b>Total U.S. Department of Housing and Urban Development</b>			<u>53,512</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 842,421</u>

\* - Denotes major program  
 N/A – Not applicable

See accompanying notes to schedule of expenditures of federal awards.

# CITY OF TAFT

## Notes to Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2015

### NOTE 1 – REPORTING ENTITY

The financial reporting entity consists of (a) the primary government, City of Taft (City), and (b) component unit which includes an organization for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The component unit of the City is:

- Wastewater Treatment Plant of the City of Taft/Ford City-Taft Heights Sanitation District

### NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

#### Basis of Accounting

Funds received under various grant programs have been recorded within the general fund, special revenue funds, and capital project funds of the City. The City utilizes the modified accrual method of accounting, whereby grant revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred.

#### Schedule of Expenditures of Federal Awards

The accompanying schedule presents the activity of all federal financial assistance programs of the City. Federal financial assistance received directly from federal agencies as well as federal financial assistance passed through the State of California are also included in the schedule.

The schedule was prepared from only the accounts of various grant programs and, therefore, does not present the financial position or results of the City's operations.

### NOTE 3 – PROGRAM DESCRIPTIONS

#### U.S. Department of Housing and Urban Development

##### Community Development Block Grant (CDBG)

The Community Development Block Grant (CDBG) Program was authorized under Title I of the Housing and Community Development Act of 1974. The primary objective of the CDBG Program is the development of viable urban communities, including adequate housing, a suitable living environment, and expansion of economic opportunities principally for persons of low to moderate income. Under this program, the Department of Housing and Urban Development (HUD) distributes funds based upon approved applications to eligible local governmental units for the purpose of community improvement and betterment. The City uses CDBG funds to finance a comprehensive home improvement program that assists low and moderate income residents through low interest subsidies and deferred loans.

##### Home Investment Partnerships

The Home Investment Partnerships Program was authorized under Title II of the National Affordable Housing Act of 1990. The primary objective of the Home Investment Partnerships Program is to expand the supply of affordable housing, particularly rental housing, for low and very low income Americans; to strengthen the abilities of State and local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing; and to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of affordable housing.

# CITY OF TAFT

## Notes to Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2015

### NOTE 3 – PROGRAM DESCRIPTIONS (Continued)

#### U.S. Department of Transportation

##### Formula Grants for Rural Areas

The objective of this grant is to improve, initiate, or continue public transportation service in nonurbanized areas (rural areas and small cities under 50,000 in population) and to provide technical assistance for rural transportation providers. The Section 5311 program supports both the maintenance of existing public transportation services and the expansion of those services through the following program goals: enhancing access in rural areas to health care, shopping, education, employment, public services, and recreation; assisting in the maintenance, development, improvement, and use of public transportation systems in rural areas; encouraging and facilitating the most efficient use of all transportation funds used to provide passenger transportation in rural areas through the coordination of programs and services; providing financial assistance to help carry out national goals related to mobility for all, including seniors, individuals with disabilities, and low-income individuals; increasing availability of transportation options through investments in intercity bus services; assisting in the development and support of intercity bus transportation; encouraging mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development; and providing for the participation of private transportation providers in rural public transportation.

##### Highway Planning and Construction

This grant is awarded to assist State transportation agencies in the planning and development of an integrated, interconnected transportation system important to interstate commerce and travel by constructing and rehabilitating the National Highway System (NHS); and for transportation improvements to most other public roads; to provide aid for the repair of Federal-aid highways following disasters; to foster safe highway design; to replace or rehabilitate deficient or obsolete bridges; and to provide for other special purposes. Federal-aid highway funds are generally apportioned by statutory formulas to the States. They are generally restricted to roads open to the public and not functionally classified as rural minor collectors or local roads. Exceptions to this highway functional classification restriction include: planning and research activities, bridges, bicycle and pedestrian paths, and safety improvements that may be on any public road, non-motorized transportation, the FLTP, and public transportation improvement. For highway projects, funds may be used for environmental studies, engineering and design services, right-of-way acquisition and relocation assistance, and construction for capital improvement projects classified as new construction, reconstruction, restoration, rehabilitation, and resurfacing, or for functional, geometric, or safety reasons. Funds may also be used for planning; research, development, and technology transfer; intelligent transportation systems projects; roadside beautification; wetland and natural habitat mitigation; traffic management and control improvements; improvements necessary to accommodate other transportation modes; development and establishment of transportation management systems; billboard removal; construction of bicycle facilities and pedestrian walkways; fringe and corridor parking; car pool and van pool projects; transportation alternatives and enhancements such as scenic and historic highway improvements; and recreational trails. Funds generally cannot be used for routine highway operational activities.

**CITY OF TAFT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued

**Unmodified**

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes      X   No

Significant deficiency(ies) identified not considered to be material weaknesses?

  X   Yes    \_\_\_\_\_ None reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes      X   No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

\_\_\_\_\_ Yes      X   No

Significant deficiency(ies) identified not considered to be material weaknesses?

\_\_\_\_\_ Yes      X   None reported

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

**Unmodified**

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

\_\_\_\_\_ Yes      X   No

Identification of major programs:

**CFDA Number**

**Name of Federal Program or Cluster**

20.205

Highway Planning and Construction

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

**\$ 300,000**

Auditee qualified as low-risk auditee:

\_\_\_\_\_ Yes      X   No

**CITY OF TAFT**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Section II – Findings– Financial Statement Audit**

**Significant Deficiencies**

2015-01 Bank reconciliations not completed in a timely manner:

During our audit, it was noted that bank reconciliations were not being prepared in a timely manner.

Effect:

Proper bank reconciliations prepared in a timely manner help safeguard cash by detecting errors on the part of the bank or City. In addition, bank reconciliations help create stronger internal controls and establish accountability for cash. Delays in completing bank reconciliations increase the risk that errors and irregularities may occur and go undetected, which can lead to a misappropriation of funds.

Recommendation:

We recommend that the City prepare and finalize bank reconciliations in a timely manner, within 30 days of the bank statement date.

Management's Response:

The City will complete the bank reconciliations in a timely manner.

2015-02 TDA Claims were not submitted in a timely manner:

During our audit, it was noted that the City has not yet submitted its TDA claims for the 2015 fiscal year.

Effect:

By not submitting the claims, the City has not received the money from the County Treasury, causing a negative fund balance in the Transit fund and having a negative effect on investment earnings.

Recommendation:

We recommend the City file its claims for the 2015 fiscal year and continue to file claims in a timely manner.

Management's Response:

The City plans on having all TDA claims current and will prepare TDA claims timely.

**CITY OF TAFT**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Section III – Findings and Questioned Costs – Major Federal Award Program Audit**

None reported in the current fiscal year.

**CITY OF TAFT**  
STATUS OF PRIOR YEAR'S FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

**Section IV – Status of Prior Year Findings and Questioned Costs**

None reported.

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

**FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY-TAFT HEIGHTS  
SANITATION DISTRICT  
FINANCIAL STATEMENTS  
JUNE 30, 2015**

**Table of Contents**

<b>INDEPENDENT AUDITOR’S REPORT</b> .....	1
<b>BASIC FINANCIAL STATEMENTS:</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Position.....	3
Statement of Activities.....	4
<b>Fund Financial Statements</b>	
Balance Sheet – Governmental Funds.....	5
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	7
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities.....	8
<b>Notes to the Basic Financial Statements</b> .....	9
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Special Revenue Fund.....	15
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Capital Projects Fund.....	16



# MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

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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, 2015, 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.

## ***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, 2015, 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 15 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 March 31, 2016, 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*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
March 31, 2016

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY - TAFT HEIGHTS SANITATION DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2015**

<b>ASSETS</b>	<u>Governmental Activities</u>
Current Assets:	
Cash and investments	\$ 2,569,459
Accounts receivable	15,135
Interest receivable	350
Due from the City of Taft, net	<u>1,254,561</u>
Total Current Assets	<u>3,839,505</u>
Noncurrent Assets:	
Capital assets:	
Non-depreciable:	
Land	18,750
Construction-in-progress	421,361
Depreciable, net of accumulated depreciation:	
Machinery and equipment	7,297
Structures and improvements	<u>718,588</u>
Total Noncurrent Assets	<u>1,165,996</u>
Total Assets	<u>5,005,501</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	6,037
Accrued payroll	1,910
Compensated absences	<u>4,571</u>
Total Current Liabilities	<u>12,518</u>
Total Liabilities	<u>12,518</u>
<b>NET POSITION</b>	
Net investment in capital assets	1,165,996
Restricted	<u>3,826,987</u>
Total Net Position	<u>\$ 4,992,983</u>

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, 2015**

Function/Program	Expenses	Program Revenues		Net (Expense)/Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental Activities:				
General government	\$ 958,158	\$ 76,805	\$ 752,779	\$ (128,574)
Total Governmental Activities	<u>\$ 958,158</u>	<u>\$ 76,805</u>	<u>\$ 752,779</u>	<u>\$ (128,574)</u>
General Revenues:				
Investment earnings				29,959
Other revenue				15,168
Total General Revenues				<u>45,127</u>
Change in Net Position				<u>(83,447)</u>
Net Position, Beginning of Fiscal Year				5,022,757
Prior Period Adjustments				<u>53,673</u>
Net Position, Beginning of Fiscal Year, Restated				<u>5,076,430</u>
Net Position, End of Fiscal Year				<u>\$ 4,992,983</u>

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, 2015**

	WWTP Capital Projects	WWTP Special Revenue	Total Governmental Funds
<b>ASSETS</b>			
Cash and investments	\$ 2,493,945	\$ 75,514	\$ 2,569,459
Accounts receivable		15,135	15,135
Interest receivable	350		350
Due from City of Taft	1,254,561		1,254,561
Total Assets	<u>\$ 3,748,856</u>	<u>\$ 90,649</u>	<u>\$ 3,839,505</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 6,037	\$ 6,037
Accrued payroll		1,910	1,910
Total Liabilities		<u>7,947</u>	<u>7,947</u>
<b>FUND BALANCES</b>			
Restricted	<u>3,748,856</u>	<u>82,702</u>	<u>3,831,558</u>
Total Fund Balances	<u>3,748,856</u>	<u>82,702</u>	<u>3,831,558</u>
Total Liabilities and Fund Balances	<u>\$ 3,748,856</u>	<u>\$ 90,649</u>	<u>\$ 3,839,505</u>

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, 2015**

Fund Balances of Governmental Funds	\$	3,831,558
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.		(4,571)
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		<u>1,165,996</u>
Net Position of Governmental Activities	\$	<u><u>4,992,983</u></u>

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, 2015**

	WWTP Capital Projects	WWTP Special Revenue	Total Governmental Funds
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 752,779	\$ 752,779
Use of money and property	29,237	722	29,959
Charges for services		76,805	76,805
Other		15,168	15,168
Total Revenues	<u>29,237</u>	<u>845,474</u>	<u>874,711</u>
<b>EXPENDITURES</b>			
Current:			
General government		906,862	906,862
Capital outlay		234,694	234,694
Total Expenditures		<u>1,141,556</u>	<u>1,141,556</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>29,237</u>	<u>(296,082)</u>	<u>(266,845)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	131,200		131,200
Transfers out		(131,200)	(131,200)
Total Other Financing Sources (Uses)	<u>131,200</u>	<u>(131,200)</u>	
Net Change in Fund Balances	160,437	(427,282)	(266,845)
Fund Balances, Beginning of Fiscal Year	<u>3,588,419</u>	<u>509,984</u>	<u>4,098,403</u>
Fund Balances, End of Fiscal Year	<u>\$ 3,748,856</u>	<u>\$ 82,702</u>	<u>\$ 3,831,558</u>

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, 2015**

Net Change in Fund Balances of Governmental Funds \$ (266,845)

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	\$	234,694	
Depreciation		<u>(50,515)</u>	184,179

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.

(781)

Change in Net Position of Governmental Activities

\$ (83,447)

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY – TAFT HEIGHTS SANITATION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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.

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY – TAFT HEIGHTS SANITATION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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.

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY – TAFT HEIGHTS SANITATION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY – TAFT HEIGHTS SANITATION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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, 2015. The WWTP's cash and investments balance at June 30, 2015 is \$2,569,459.

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, 2015, the following changes in capital assets occurred:

	Beginning Balance July 1, 2014	Prior Period Adjustments	Additions	Deletions	Ending Balance June 30, 2015
<b>Governmental Activities</b>					
Capital Assets Not Being Depreciated:					
Land	\$ 18,750	\$ -	\$ -	\$ -	\$ 18,750
Construction in Progress	132,994	53,673	234,694		421,361
Total Capital Assets Not Being Depreciated	<u>151,744</u>	<u>53,673</u>	<u>234,694</u>		<u>440,111</u>
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	<u>2,981,148</u>				<u>2,981,148</u>
Less Accumulated Depreciation For:					
Machinery and equipment	(272,631)		(4,497)		(277,128)
Structures and improvements	(1,932,117)		(46,018)		(1,978,135)
Total Accumulated Depreciation	<u>(2,204,748)</u>		<u>(50,515)</u>		<u>(2,255,263)</u>
Total Capital Assets, Being Depreciated, Net	<u>776,400</u>		<u>(50,515)</u>		<u>725,885</u>
Governmental Activities Capital Assets, Net	<u>\$ 928,144</u>	<u>\$ 53,673</u>	<u>\$ 184,179</u>	<u>\$ -</u>	<u>\$ 1,165,996</u>

Depreciation expense of \$50,515 was charged to general government on the Statement of Activities for the fiscal year ended June 30, 2015.

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY – TAFT HEIGHTS SANITATION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**NOTE 4 – INTERFUND TRANSFERS**

Interfund transfers as of June 30, 2015 were as follows:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
WWTP Capital Projects	\$ 131,200	\$ -
WWTP Special Revenue		131,200
Total	<u>\$ 131,200</u>	<u>\$ 131,200</u>

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, 2015, the following changes occurred in the governmental activities compensated absences:

	Balance			Balance June 30, 2015	Due in One Year
	July 1, 2014	Additions	Deletions		
<u>Governmental Activities</u>					
Compensated Absences	\$ 3,790	\$ 4,571	\$ (3,790)	\$ 4,571	\$ 4,571
Total governmental activities long-term debt	<u>\$ 3,790</u>	<u>\$ 4,571</u>	<u>\$ (3,790)</u>	<u>\$ 4,571</u>	<u>\$ 4,571</u>

*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, 2015, 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.

**WASTEWATER TREATMENT PLANT  
CITY OF TAFT / FORD CITY – TAFT HEIGHTS SANITATION DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2015**

**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 of 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.

**NOTE 7 – Prior Period Adjustments**

A prior period adjustment of \$53,673 was made in the government-wide statements due to understatement of construction in progress in the prior fiscal year.

**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 722	\$ 722
Intergovernmental	823,727	823,727	752,779	(70,948)
Charges for services	70,000	70,000	76,805	6,805
Other			15,168	15,168
Total Revenues	<u>893,727</u>	<u>893,727</u>	<u>845,474</u>	<u>(48,253)</u>
<b>EXPENDITURES</b>				
Current:				
General government	747,527	747,527	906,862	(159,335)
Capital outlay	52,500	52,500	234,694	(182,194)
Total Expenditures	<u>800,027</u>	<u>800,027</u>	<u>1,141,556</u>	<u>(341,529)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>93,700</u>	<u>93,700</u>	<u>(296,082)</u>	<u>(389,782)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	37,500	37,500		(37,500)
Transfers out	<u>(131,200)</u>	<u>(131,200)</u>	<u>(131,200)</u>	
Total other financing sources (uses)	<u>(93,700)</u>	<u>(93,700)</u>	<u>(131,200)</u>	<u>(37,500)</u>
Net Change in Fund Balance			(427,282)	(427,282)
Fund Balance, Beginning of Fiscal year	<u>509,984</u>	<u>509,984</u>	<u>509,984</u>	
Fund Balance, End of the Fiscal Year	<u>\$ 509,984</u>	<u>\$ 509,984</u>	<u>\$ 82,702</u>	<u>\$ (427,282)</u>

**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, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Use of money and property	\$ 30,164	\$ 29,237	\$ (927)
Total Revenues	<u>30,164</u>	<u>29,237</u>	<u>(927)</u>
<b>EXPENDITURES</b>			
Capital outlay	<u>123,864</u>	<u>123,864</u>	<u>123,864</u>
Total Expenditures	<u>123,864</u>	<u>123,864</u>	<u>123,864</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(93,700)</u>	<u>29,237</u>	<u>122,937</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	131,200	131,200	
Transfers out	<u>(37,500)</u>	<u>          </u>	<u>37,500</u>
Total other financing sources (uses)	<u>93,700</u>	<u>131,200</u>	<u>37,500</u>
Net Change in Fund Balance		160,437	160,437
Fund Balance, Beginning of Fiscal Year	<u>3,588,419</u>	<u>3,588,419</u>	
Fund Balance, End of the Fiscal Year	<u>\$ 3,588,419</u>	<u>\$ 3,748,856</u>	<u>\$ 160,437</u>



# City of Taft Agenda Report

**DATE:** May 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**PHASES 3, 4, AND 5 OF PROFESSIONAL SERVICES AGREEMENT WITH RADIAN DESIGN GROUP, INC. FOR TAFT TRANSIT CENTER**

**SUMMARY STATEMENT:**

On January 19, 2016, the City Council approved a Professional Services Agreement with Radian Design Group, Inc. for the first two phases of professional design services for the Taft Transit Center in an amount not to exceed \$32,010. Radian Design and City Staff have completed the first phase of the project, the Preliminary Design Phase. The project team has completed approximately 80% of the Design Development phase, which included a schematic design phase.

Through the KernCOG, the City of Taft was allotted \$1,400,000 under the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA) funds, originally with no local matching requirement and no firm deadline. However, KernCOG informed Kern County cities that many of their projects needed to be completed by next June 1, 2017, or otherwise lose their funding. In order to keep the project proceeding quickly and without delays, the next phases need to be approved.

Company	Design Services	Construction Management	Total
Radian Design Group, Inc.	\$69,355	\$37,345	\$106,700

Above is the original approved bid by Radian Design, with the first two approved phases coming out of the Design Services amount. City staff recommends that the City Council approve the next three phases to prepare the construction documents, process project approvals through the City, and to prepare documents needed for the bid package for construction of the Transit Center. City staff will be processing final project approvals at Planning Commission and City Council meetings in June 2016, which will include a public comment period on the final designs.

**RECOMMENDED ACTION:**

Motion to approve Phases 3, 4, and 5 of a Professional Services Agreement with Radian Design Group, Inc. for Construction Documents, Agency Review and Approval, and Bidding preparation services for the Taft Transit Center in an amount not to exceed \$53,550.

**FUNDING SOURCE:** PTMISEA Grant (\$1,400,000)

**ATTACHMENT (Y/N):** Professional Services Agreement w/Exhibits A and B  
Radian Design Group Certificate of Liability Insurance  
Radian Design Group, Inc. Proposal

**PREPARED BY:** Mark Staples, Director, Planning & Community Development

**REVIEWED BY:**

<b>CITY CLERK:</b>	<b>FINANCE DIRECTOR:</b>	<b>CITY MANAGER:</b>
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## **AGREEMENT**

**THIS AGREEMENT** (the "Agreement") made this \_\_\_th day of May, 2016, by and between the CITY OF TAFT ("City") and Radian Design Group, Inc. "Consultant"),

### **W I T N E S S E T H**

WHEREAS, City wishes to continue to use Consultant to provide professional design services of the Taft Transit Center, which includes, but is not limited to, design of architectural and engineering, Construction Document, Agency/Review Approval, and Bidding Phase plans and documents for the Taft Transit Center, which is to include offices for the Taft Area Transit (TAT), station stops for TAT and Kern Regional Transit, and bus fleet storage. The project is intended to provide 1) A Transit Center Building with an approximately 1,650 square foot Transit Office, approximate 2,200 square foot Meeting Room/Event Center, with a 20 foot breezeway separating the uses but all under one roof structure; and an approximate 2,000 square foot Outdoor Event flex space with optional shade structure on an approximate 150' x 180' site, 2) Office space to accommodate the Taft Area Transit (TAT) employees and drivers, 3) Station hub for TAT and Kern Regional Transit buses, 4) Bus fleet storage for TAT, Kern Regional Transit, and employee personal vehicles, 5) Designed for paths of travel to connect and flow with adjacent separate CMAQ funded Park-n-Ride facility (City of Taft designed and managed project), and 6) Design of the Taft Transit Center should complement the Oil Worker's Monument; and to perform the tasks for each phase of service as described in Exhibit "A" attached hereto and by this reference made a part hereof (the "Services") and Consultant is agreeable thereto under the terms and conditions described hereinafter.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth hereinafter, the parties agree as follows:

1. The parties incorporate the foregoing recitals as if fully set forth herein verbatim; and
2. City hereby contracts with Consultant to perform the Services and Consultant agrees to provide the Services under the terms and conditions hereinafter described.
3. Consultant shall provide the Services at a cost not to exceed \$53,550.00. Consultant's compensation shall be calculated based on the number of hours expended by the Consultant charged at the rates more particularly described in Exhibit "B" attached hereto and by this reference made a part hereof. City shall pay Consultant based on invoices submitted by Consultant no more often than monthly. The invoices shall contain a description of the Services performed during the period referred to in the invoice and of the employees performing them, and the number of hours expended, provided, however, that no such invoice shall include charges for Services not yet performed. Each invoice shall contain such other information and documentation as City may reasonably require. City Manager or his designated representative, shall have the right of reasonable review of each invoice and, at the conclusion of the review, City Manager shall place the matter on the agenda for the next available City Council meeting

for consideration by the City Council. Upon approval of each such invoice by the City Council, same shall be paid in the regular cycle of payments made by City for other bills and claims.

- a. In addition to the compensation payable to Consultant, City agrees to pay certain reimbursable costs that may be incurred by Consultant (the "Costs"). These Costs may include procured services or other listed additional reimbursable expenses defined in Exhibit "B", provided, however, that no Costs shall be incurred without City's prior written consent. All Costs billed in any invoice shall be itemized and describe how Costs were incurred and include copies of receipts where applicable. City shall have the right of reasonable review and approval of the Costs. Should the City wish to review periodic invoices outlining the individual costs during the previous monthly billing cycle the reviews shall not exceed two weeks in duration. Should 14 calendar days expire without a decision regarding the validity of individual expenses Radian Design Group shall consider the Invoice and all aggregate charges itemized in a specific Invoice approved in order to maintain overall project progress required to meet the deadlines established for the individual phases of the work.

4. Consultant shall complete the individual scope of services for each phase within the time frames agreed upon by the City and Consultant for this Agreement.

5. Consultant shall indemnify, defend and hold harmless City, its officers, Councilpersons, employees, and agents from any and all claims, liability, expenses, and damages, including attorney's fees, arising out of or in any way connected to the professional architectural and engineering services performed by the Consultant and his sub-consultant team. Notwithstanding the foregoing, to the extent that City provides Consultant with information, records, or other documents necessary or convenient for Consultant to complete the Services, Consultant may rely on the accuracy and completeness of same (except as otherwise advised by the City in writing) and Consultant shall have no liability for same to the extent that they are incomplete or inaccurate.

6. Without limiting Consultant's obligations under Paragraph 5 of this Agreement, Consultant shall obtain and maintain during the life of this Agreement:

- a. Comprehensive liability insurance coverage, including premises – operations, products/completed operations, broad form property damage and blanket contractual liability, in an amount not less than \$1 million per occurrence, automobile liability for owned, hired, and non-owned vehicles; and
- b. Such workers compensation insurance as required by statute.

Consultant shall provide City with appropriate certificates of insurance and endorsements for all of the foregoing in which City, its officers, Councilpersons, employees, and agents are named as additional insureds and specifically designating all such insurance as "primary," excluding professional liability insurance, and providing further that same shall not be terminated nor coverage reduced without ten (10) days prior written notice to City.

7. Consultant shall not assign its interest herein or any part thereof and any attempted assignment shall be void. All documents, reports, information, data, exhibits, maps, tables, charts, and all other matters generated by Consultant shall be the property of City and shall be delivered to City upon demand without additional costs or expense to City. In the event Consultant needs to access City files in the performance of its Services, Consultant shall first receive authorization from the City Manager to do so.

8. Either party may terminate this Agreement at any time by giving the other party ten (10) days prior written notice, provided that in such event Consultant shall be entitled to payment for those eservices rendered through the date of termination.

9. All notices required to be given under this Agreement or by law shall be in writing and shall be deemed received by the party to whom directed if personally served or if faxed, emailed, or when deposited in the United States mail, postage prepaid, first class, faxed or emailed or addressed as follows:

If to City:  
City Manager  
209 E. Kern Street  
Taft, California, 93268  
Fax: (661) 765-2480  
[cjones@cityoftaft.org](mailto:cjones@cityoftaft.org)

If to Consultant:  
Radian Design Group, Inc.  
Mark E. Russell, AIA – Principal Architect  
5301 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309  
Fax: (661) 864-7677  
[mrussell@radiandesign.net](mailto:mrussell@radiandesign.net)

Any party may change its address or fax number by giving notice to the other party in the manner herein described.

10. Time is of the essence with regard to each covenant, condition and provision of this Agreement.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

12. This Agreement constitutes the entire Agreement between the parties with regard to the subject matter herein and supersedes all prior oral and written agreements and understandings between the parties with respect thereto.

13. This Agreement may not be altered, amended, or modified except by a writing executed by duly authorized representatives of all parties.

14. In the event any action or proceeding is instituted arising out of or relating to this Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees and actual costs.

15. This Agreement may be executed in counterparts and the respective signature pages for each party may thereafter be attached with the body of this Agreement to constitute one

integrated Agreement which is as fully effective and binding as if the entire document had been signed at one time.

16. Notwithstanding any provision to the contrary, this Agreement shall not become effective and shall not be binding as to any party until all of the parties have executed this Agreement.

17. Waiver by a party of any provision of this Agreement shall not be considered a continuing waiver or a waiver of any other provision, including the time for performance of any such provision.

18. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and not be affected, impaired, or invalidated thereby.

19. City and Consultant each acknowledge that each party and their respective legal counsel have reviewed this Agreement and agree that this Agreement is the product of negotiations between the parties. This Agreement shall be interpreted without reference to the rule of interpretation of documents that uncertainties or ambiguities therein shall be determined against the party so drafting the Agreement.

20. Consultant agrees to take all reasonable measures to protect City's computer systems from computer viruses including, without limitation, installation and maintenance of the latest versions of anti-virus software. Any computer virus existing as of the date of this Agreement may be removed by Consultant at City's request and at City's sole cost and expense.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the date first hereinabove written.

CITY OF TAFT

Radian Design Group, Inc., "**Consultant**"

\_\_\_\_\_  
Randy Miller, Mayor

\_\_\_\_\_  
Mark E. Russell, AIA - Principal Architect

ATTEST:

\_\_\_\_\_  
Yvette Mayfield, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Jason Epperson, City Attorney

## **AGREEMENT**

### **Exhibit “A”**

**THIS AGREEMENT**, (the “Agreement”), between the CITY OF TAFT (“City”) and Radian Design Group, Inc. (“Consultant”), for the City of Taft, Taft Transit Center.

#### **A. Construction Documents Phase**

Tasks:

1. Prepare construction documents including architectural and engineering drawings, specifications and calculations for the purpose of Owner review and approval and for submission to agencies having jurisdiction for this project. Included drawing documents are:
  - a. Floor, Site, Roof and Reflected Ceiling Plans
  - b. Exterior Elevations and Interior Elevations
  - c. Building Sections
  - d. Materials and Finish Schedules
  - e. Door and Window Schedules
  - f. Details
  - g. Civil engineering documents.
  - h. Structural engineering documents and calculations.
  - i. Mechanical engineering HVAC and Plumbing documents and calculations
  - j. Electrical engineering power, lighting, data, communications, voice, fire alarm and security documents.
2. Updated estimate of project cost
3. Owner review and approval.

#### **B. Agency / Review Approval Phase**

Tasks:

1. Submit drawings and specifications to agency for review and approval
2. Address agency plan review comments and resubmit for approval.

#### **C. Bidding Phase**

Tasks:

1. Assist Owner with bid documents required
2. Attend pre-bid meeting
3. Respond to bid questions
4. Prepare addenda as needed



## Exhibit “B”

**THIS AGREEMENT**, (the “Agreement”), between the CITY OF TAFT (“City”) and Radian Design Group, Inc. (“Consultant”), for the City of Taft, Taft Transit Center.

### Hourly Rate Schedule Effective July 1, 2015

#### Hourly Professional Fees

Principal	\$150.00 per hour
Project Manager	\$120.00 per hour
Project Architect	\$110.00 per hour
Project Job Captain	\$95.00 per hour
CAD Technician	\$85.00 per hour
Administrative Assistant	\$65.00 per hour
Clerical	\$55.00 per hour

Additional Reimbursable Expenses (Additional services expenses unless agreed to otherwise in the City of Taft Contract for Architectural Services for this project)

Consulting Engineers (Other than those provided under the base agreement.)	Direct Cost x 1.15
Design Consultant	Direct Cost x 1.15
Specialty Consultants	Direct Cost x 1.15
Renderings, Models & Photographs	Direct Cost x 1.15
Application / Permit Fees	Direct Cost x 1.15
Commercial Printing	Direct Cost x 1.15
Travel Expenses (beyond City limits)	Direct Cost x 1.15



# OLD REPUBLIC GENERAL INSURANCE CORPORATION

## CHANGES ADDITIONAL INSURED PRIMARY WORDING SCHEDULE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

**Name of Additional Insured Person(s)  
Or Organization(s):**

**Location(s) of Covered Operations**

As required by written contract.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The insurance provided by this endorsement is primary insurance and we will not seek contribution from any other insurance of a like kind available to the person or organization shown in the schedule above unless the other insurance is provided by a contractor other than the person or organization shown in the schedule above for the same operation and job location. If so, we will share with that other insurance by the method described in paragraph 4.c. of Section IV – Commercial General Liability Conditions.

All other terms and conditions remain unchanged.

Named Insured	Radian Design Group, Inc.		
Policy Number	A1CG48891611	Endorsement No.	
Policy Period	04/01/2016-04/01/2017	Endorsement Effective Date:	04/01/2016
Producer's Name:	Alliant Insurance Services, Inc.		
Producer Number:			

Nick Bellasis

04/01/2016

AUTHORIZED REPRESENTATIVE

DATE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – AUTOMATIC STATUS FOR OTHER  
PARTIES WHEN REQUIRED IN WRITTEN  
CONSTRUCTION AGREEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Section II – Who Is An Insured is amended to include as an additional insured:

1. Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy; and
2. Any other person or organization you are required to add as an additional insured under the contract or agreement described in Paragraph 1. above.

Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

- a. Your acts or omissions; or
- b. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

However, the insurance afforded to such additional insured described above:

- a. Only applies to the extent permitted by law; and
- b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for the person or organization described in Paragraph 1. above are completed.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
  - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

2. "Bodily injury" or "property damage" occurring after:
  - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement described in Paragraph A.1.; or

2. Available under the applicable Limits of Insurance shown in the Declarations;  
whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

**ISSUED TO:** RADIAN DESIGN GROUP, INC.  
**POLICY NUMBER:** A1CG48891611  
**POLICY TERM:** 04/01/2016-04/01/2017

COMMERCIAL GENERAL LIABILITY  
CG 20 37 0413

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following :

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations
WHERE REQUIRED BY WRITTEN CONTRACT ,BUT ONLY WHEN COVERAGE FOR COMPLETED OPERATIONS IS SPECIFICALLY REQUIRED BY THAT CONTRACT	

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II - Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III- Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement ; or
  2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

# TAFT TRANSIT CENTER

CITY OF TAFT, CALIFORNIA

SEPTEMBER 10, 2015



PROPOSAL FOR PROFESSIONAL DESIGN SERVICES

ARCHITECTURE  
PLANNING  
DESIGN BUILD



September 10, 2015

City of Taft  
Attn: Yvette Mayfield, Taft City Clerk  
209 E. Kern Street  
Taft, CA. 93268

Re: **PROFESSIONAL DESIGN SERVICES, TAFT TRANSIT CENTER**

Dear Ms. Mayfield:

**Radian Design Group, Inc.**, is pleased to submit to the City of Taft our Proposal for Professional Design Services. Our submission includes the qualifications and experience of our firm, staff and required consultants assembled for your project. We have included our anticipated fee breakdown for scope of services requested. Although the RDG firm may be a new name to many in the Kern County area, our team of licensed architects combined with our team of consulting engineers have been providing professional design services for public civic and governmental clients in our County and surrounding areas for over 25 years. Some of these projects have been transportation oriented. Individually, we have master planned and designed projects such as International Terminal at Meadows Field, Cruz Thru Express Carwashes to name a few. Radian Design Group, Inc. has assembled a highly- qualified and talented team of professionals ready to perform the architectural and engineering needs for the City of Taft.

RDG will assist the City of Taft in the development of the present conceptual design that the City has generated. We will provide the requested professional services as requested for in your RFP and also delineate optional services and related fees if required by the City.

We know that the proposed Taft Transit Center will become an important transportation hub for the City and needs to be complimentary to the nearby Oil Worker's Monument and also evoke an architectural characteristic from Taft's railroad historic past. This project provides the unique opportunity to re-think how to continue the well-established tradition of excellence that the City of Taft consistently strives to provide for its community.

Again, we thank you for this opportunity to provide our qualifications and proposal for this very important and exciting project. After your review and evaluation of our submittal, we are confident that you will agree that this distinctively qualified team, together with City of Taft, can truly provide the expertise, creativity and vision to elevate and guide this project to a successful and meaningful conclusion; one that will continue to make a difference for the City of Taft for years to come.

Respectfully submitted,

Mark Russell, AIA, Principal  
**Radian Design Group, Inc.**



## TAFT TRANSIT CENTER

### TABLE OF CONTENTS

A | ORGANIZATIONAL INFORMATION

B | QUALIFICATION & EXPERIENCE

C | CONSULTING TEAM

D | PROJECT APPROACH & WORK SCHEDULE

E | FEE PROPOSAL

F | INSURANCE REQUIREMENTS

# ORGANIZATIONAL INFORMATION **A**

**Company Name**  
Radian Design Group, Inc.

**Address**  
5301 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309

**Phone | Fax**  
661/864-7676 | 661/864-7677

**Main Contact's Name**  
Mark Russell

**State of Incorporation**  
California

**Type of Organization**  
Corporation

## FIRM INFORMATION



## SERVICES AVAILABLE

- Feasibility Studies
- Project Analysis
- Site Location Analysis
- Space Planning
- Models and Renderings
- Computer Renderings
- Promotional Design Studies
- Public Relations Materials
- Community Presentation
- ADA Accessibility Audit
- Energy Analysis
- Facility Assessment
- Development of Client Standards
- Site Investigations
- Master Planning
- Graphic Design
- Agency Processing
- Schematic Design
- Design Development
- Construction Documents
- Project Cost Estimating
- Design Consultants
- Specialized Consultants
- CAD Documentation
- Bidding Assistance
- Construction Administration
- Construction Management
- Facility Management



## ORGANIZATIONAL INFORMATION

Radian Design Group, Inc. was established in 2011. The firm has assembled a highly experienced and creative Architecture and Planning team, which combined, has over 60 years in the practice of Architecture. RDG has been organized for the specific purpose of providing excellent design services for our Clients. The firm has dedicated, qualified leaders and staff with extensive experience in providing successful projects of quality design while focusing sensitivities to the Client's needs of maintaining project budget, schedule and construction compliance.

## DIRECT MANAGEMENT

Project management will be led from Radian Design Group's Bakersfield office. The breakdown of the staff is as follows:

- Architects: 3
- Architectural Intern: 1
- CADD Technicians: 2
- Administrative Assistant: 1
- Receptionist: 1
- Support: 3



**QUALIFICATIONS &  
EXPERIENCE**





## **A SUMMARY OF OUR TEAM'S RELEVANT CIVIC & GOVERNMENT PROJECT EXPERIENCE**

With over 30 years of experience in Civic and Government design and construction, our team of professionals has collaborated with numerous governmental agencies on their facility projects. We cover all the bases in facility design including experience in modernizations, renovations, additions and new construction. We have designed and/or renovated County of Kern Meadows Field International Terminal, Department of Public Health, ITS Data Center, Regional Courts, Fire Stations, Cruz Thru Express Car Washes, just to list a few.

**Our goal is to assist the community of Taft to visualize the future for the Taft Transit Center and then work with you to attain your vision.** Our team is ready to begin a successful, collaborative relationship with your City. The following pages offer more detailed examples of the services that our team has recently provided for similar civic & governmental agencies and how that expertise can benefit the City of Taft.

## **LIST OF MOST RECENT PROJECTS OF SIMILAR SCOPE**

- Cruz Thru Express Carwashes – Numerous Sites
- St. Philip the Apostle Church Chapel Expansion
- St. Elizabeth Ann Seton Church Renovation
- Bakersfield Memorial Hospital Pediatric Pavilion for Emergency Care

## **REFERENCES**

- 1) Geoffrey Hill, Manager Construction Services Division, County of Kern (661) 868-3000
- 2) Doug DuRivage, Property Manager, Roman Catholic Diocese of Fresno (559) 493-2872
- 3) Woody Colvard, Director of Facilities Planning, Kern High School District (661) 827-3321



## **\*INTERNATIONAL TERMINAL MEADOWS FIELD AIRPORT**

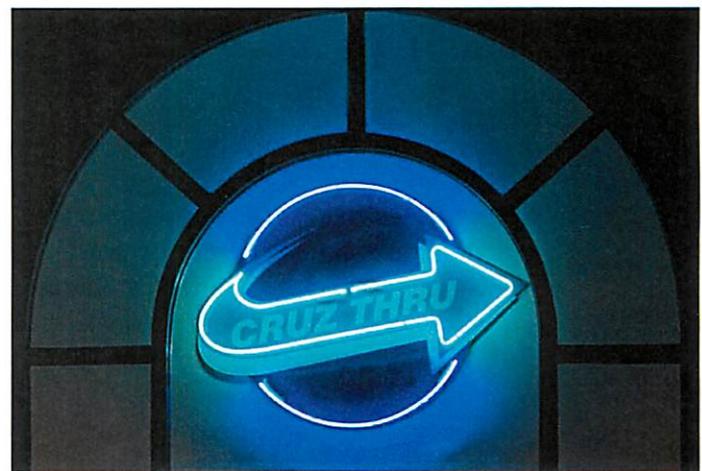
The International Terminal at Meadows Field was initially designed to accommodate the international flights for Mexicana Airlines with hopes of expanding to multiple airline service in the years to come. The facility has a full baggage claim carousel, two baggage screening belts with magnetometers for passengers and administration and security offices for six customs agents. Pre-screening restrooms facilities and three cue lanes were included. The international terminal is physically attached to the existing original Meadows Field Air Terminal which is upgraded with all new restrooms and rental car agency bays as part of this scope of work for the County of Kern Airport Department. This allowed segregation of all international flight processing to be completed separate from the domestic flights processed through the new Thomas Airport Terminal.

*\*Portfolio of Mark Russell prior to establishing Radian Design Group*



**\*MUSTANG SQUARE  
CRUZ THRU EXPRESS CAR WASH**

The Cruz Thru Express Car Wash at Mustang Square is the seventh car wash to be developed for this client. The project includes a 150 foot tunnel with hot wax systems, full service brushes and spray equipment, software for license plate recognition, and vacuum bays for customer use. This project was recently featured as the cover story in a national magazine for state-of-the art car wash facilities. The Cruz Thru Express Car Wash facilities are now located in three different cities in California.



*\*Portfolio of Mark Russell prior to establishing Radian Design Group*



## \*CRUZ THRU EXPRESS CAR WASH

This prototype car wash was developed with a 96' equipment tunnel. The building provides express car washes with the tunnel equipment found in full service car wash operations. The car wash is designed to be operated by as few as 3 employees. Customer options include cloth washes with full wax systems, reverse osmosis water treatment and tire treatment without leaving their cars. Free vacuum bays are also provided for customers.

*\*Portfolio of Mark Russell prior to establishing Radian Design Group*





### \*JIFFY LUBE

This is a new prototype design which breaks from the concrete block rectangles so derivative for lube facilities. This lube shop design was intended to harken back to the 50's when cars were cared for with meticulous pride. The three bay facility also includes a full basement for lube service and bulk oil storage.

*\*Portfolio of Mark Russell prior to establishing Radian Design Group*





The three story Department of Public Health Facility establishes a new central location for all County health-related programs.

The facility of approximately 61,000 net square feet contains a laboratory, Health Officer and TB clinics, offices for Communicable Disease, Maternal Child and Health Services, California Children Services and Epidemiology Programs. Support spaces include Business Management, Data Processing, Health Promotions and Public Information and Vital Statistics Divisions. The building houses a staff of approximately 225 and serves the health needs of 300 to 400 visitors a day.

A multi-purpose / media center capable of breaking down into three separate conference rooms is included with satellite teleconferencing and television lighting systems.

*\*Portfolio of Mark Russell prior to establishing Radian Design Group*

## **\*COUNTY OF KERN DEPARTMENT OF PUBLIC HEALTH**





**\*COUNTY OF KERN  
ADMINISTRATIVE CENTER**

The County of Kern Administrative Center houses all key administrative departments in a 242,000 square foot five story rigid steel frame structure with a white precast concrete exterior panel and reflective blue glass skin. The project has a basement parking level and a separate four story concrete parking structure with two pedestrian overhead bridge ways.

The twenty eight million dollar facility contains the Personnel, Treasurer / Tax Collector, Auditor Controller, General Services and County Counsel Departments. District Offices for each Board member, Clerk of the Board and the County Administrative Officer are also included.

The Center has a state-of-the-art Board Chamber with public seating for 250 and live television and radio broadcasting capabilities.

*\*Portfolio of Mark Russell prior to establishing Radian Design Group*



**CONSULTING  
TEAM** 

## ARCHITECT TEAM QUALIFICATIONS

Radian Design Group has gathered the best and most qualified team members and has hand-picked specialized expert consultants who have experience with Civic and Governmental facilities.

The key team members listed below are immediately available to begin working. Once the project team is assigned, Radian Design Group assures the City of Taft that those staff members will remain part of the project team for its entire duration, providing consistency, continuity, and efficiency.

## TOTAL PERSONNEL BY DISCIPLINE

Project management will be led from the Radian Design Group office with consulting engineering support from local consulting firms. The breakdown of the resources of our team with our design consultant is as follows:

- Principals: 1
- Architects: 3
- Engineers: 4
- Drafters: 6
- Clerical: 5
- Estimating: 1



#### PRINCIPAL IN CHARGE

**Mark Russell** AIA

Radian Design Group

Mark has over 30 years of experience as an architect. He has been responsible for the development of some of Bakersfield's most prominent buildings. His current experience includes private school work as well as work with the California State University system. Mark has personally designed, or supervised the design, of over four hundred private and public works projects with a construction value in excess of \$500,000,000.

#### PROJECT MANAGER

**Tom Preston** ARCHITECT

Radian Design Group

Tom is a Project Architect/Manager with over 32 years of experience in all aspects of Architectural design services, from strategic planning, design, design documentation to project closeout. This experience has included partnering with clients on master planning as well as project programming activities. Primary roles and responsibilities focus on facilitating client projects by monitoring project design, work scope, budget and schedule.

#### CONSTRUCTION ADMINISTRATION

**Glenn Hartzell** ARCHITECT

Radian Design Group

Glenn has over 37 years of experience covering all aspects of Architectural design and planning. Experience in educational facility design has ranged from new schools, additions, modernizations, as well as modular and relocatable buildings. Other facility design has included building remodels and additions for numerous communication companies. Relative experience in the fields of construction management and electrical contracting has provided a well-rounded balance in the practice of architecture.

#### STRUCTURAL ENGINEER

**John Forestelle** SE

John Q. Forestelle Structural Engineer, Inc.

The firm of JOHN Q. FORESTELLE-STRUCTURAL ENGINEER, INC. was established in 1983 as a consulting structural engineering firm. This firm was formed to meet the needs of architects, owners, public agencies and contractors in the structural design of many types of projects. The primary goal of this firm is to offer its clients and the community a professional engineering service. This goal will be achieved by maintaining a practical and thorough solution to the structural design of each project.

#### MECHANICAL ENGINEER

**Mark Baskin** ME

Baskin Mechanical Engineers

Baskin Mechanical Engineering, Inc. (BME) is a full service consulting mechanical engineering firm specializing in HVAC and Plumbing systems design. BME's portfolio of work includes, but is not limited to, governmental, educational, commercial, medical, institutional, professional, and industrial facilities.

#### ELECTRICAL ENGINEER

**John Maloney** PE

JMPE

JMPE is a full-spectrum electrical engineering and lighting design firm headquartered in Santa Barbara, California with offices in Bakersfield, CA. Founded in 1994 by principal John Maloney, PE, the firm's areas of expertise include electrical design of power, lighting, and signal systems; distribution system design, short circuit analysis, coordination studies and Title 24 Lighting Calculations. Interior and exterior lighting design for governmental, residential, commercial, and institutional spaces are also a specialty.

#### CIVIL ENGINEER

**Robert Swanson** PE

President, Swanson Engineering

Swanson Engineering was established in November of 2009. In January of 2012, the company incorporated as Swanson Engineering, Inc. Mr. Swanson, the Owner, has over 25 years experience in the civil engineering field in Kern County, dating back to 1984. The office staff includes three registered civil engineers, four graduate engineers, one office engineer, and a design draftsman.

#### COST ESTIMATOR

**Paul Burzych** LEED AP

Senior Vice President, S.C. Anderson, Inc.

With 25 years of estimating experience, Paul oversees all budgeting, preliminary estimating, and bidding activities. He also works with the business development department in developing sales leads by preparing conceptual estimates based on preliminary designs.

**PROJECT APPROACH  
& WORK SCHEDULE**



## PROJECT APPROACH AND WORK SCHEDULE

Any project requires a determination of balance between sometimes contradictory factors affecting budget, site, context, logistics and schedule. We must design and plan in such a way as to preserve the continuity of the desired architecture, style and history. Jurisdictional agencies involved, can further challenge the process. The Radian Design Group Team has proven experience in crafting strategies that find the appropriate balance and manage the challenges, while still defining, creative, innovative and thoughtful solutions that tackle the myriad of issues involved.

### INCLUSIVE, CLIENT-CENTERED APPROACH

Radian Design Group guarantees that our design process will be highly collaborative, engaging all stakeholders, and will keep the Client at the center of the decision-making process. The intent of this process is to identify the Client's goals and to implement the best, most cost-effective solution. Transparency and inclusion will be paramount.

In a workshop setting, design options will be developed and key decisions will be made through a collaboration of the project team and the Client. We gather the best ideas from the most qualified people in each area of expertise. Our team will help guide the group through an efficient, streamline process of decision-making.

### DISCOVERY PROCESS & PREDESIGN TASKS

As with other projects, before design begins, a Discovery Process is essential to project success. We must ascertain what is known about the particular project from documents such as the facility needs assessment, site assessments, seismic assessments, and historic status. The Discovery Process will identify 'what we know' as well as 'what do we still need to know?' to gain a clear understanding of existing conditions.

**Governing Board Presentation.** At the discretion of City of Taft administration, Radian Design Group team will present the findings of all existing conditions to the City of Taft Governing Board, maintaining transparency of our process and providing a comprehensive view of potential scope to be addressed in the modernization.

### PROGRAMMING/ CONCEPTUAL DESIGN

The Radian Design Group Team will collaboratively develop various design options, based on the City of Taft's conceptual designs, and through discussion and input with the various stakeholders, we will select the best scheme for further development. The best conceptual solution will be selected to move forward into the schematic design phase. The chosen scheme will provide conceptual solutions for all aspects of the project including budgets and schedule, as well as any necessary seismic upgrades, infrastructure and systems upgrades, accessible paths of travel, and site improvements.

### SCHEMATIC DESIGN

In the Schematic Design phase, the design will be further developed through stakeholder input. During this phase our project team will:

- Verify that the design complies with client standards
- Develop vignettes to communicate design intent

A Schematic Design deliverable will be submitted for necessary Client review and approvals.

### DESIGN DEVELOPMENT

The approved schematic design will be taken into the Design Development phase where the design will be further refined specific to building systems, material and product selection, and architectural elements. During this phase, we will work closely with our consultants to finalize the method of the respective systems.

A Design Development (DD) deliverable will be submitted for necessary Client review and approvals. Approval of the DD phase marks the end of the design process – an important milestone before producing construction documents. We avoid any design changes in the construction document phase as this puts the project at risk of delays and coordination issues that may result in change orders during construction. The Radian Design Group Team will work with you to incorporate all client review comments prior to commencing the construction document phase.

### CONSTRUCTION DOCUMENTS

The Radian Design Group Team will work closely with consultants, the Client, and the cost consultant to produce a well-coordinated, cost modeled set of construction documents. We will supply progress sets at the specified contractual milestones for Client comment and review.

Our team will secure all the necessary local and state jurisdictional agency approvals as required for submission for this project.

### AGENCY APPROVAL (OPTION)

Throughout the agency back-check and approval phase, Radian Design Group Team will ensure the proper and timely reviews and approvals. A careful review and log of agency back-check comments are distributed to our team for correction. Once all corrections are complete and coordinated, a back-check appointment will be scheduled.

### BID PHASE (OPTION)

The Radian Design Group Team will assist the Client with the bidding phase of the project conducting job walks and presentations, collecting bid questions, and issuing addenda to the contract documents if necessary.

## CONSTRUCTION ADMINISTRATION (OPTION)

Radian Design Group Team's practices and procedures for administration of the construction phase of our projects follow three basic principles:

1. Planning the work
2. Timely responses
3. Team collaboration

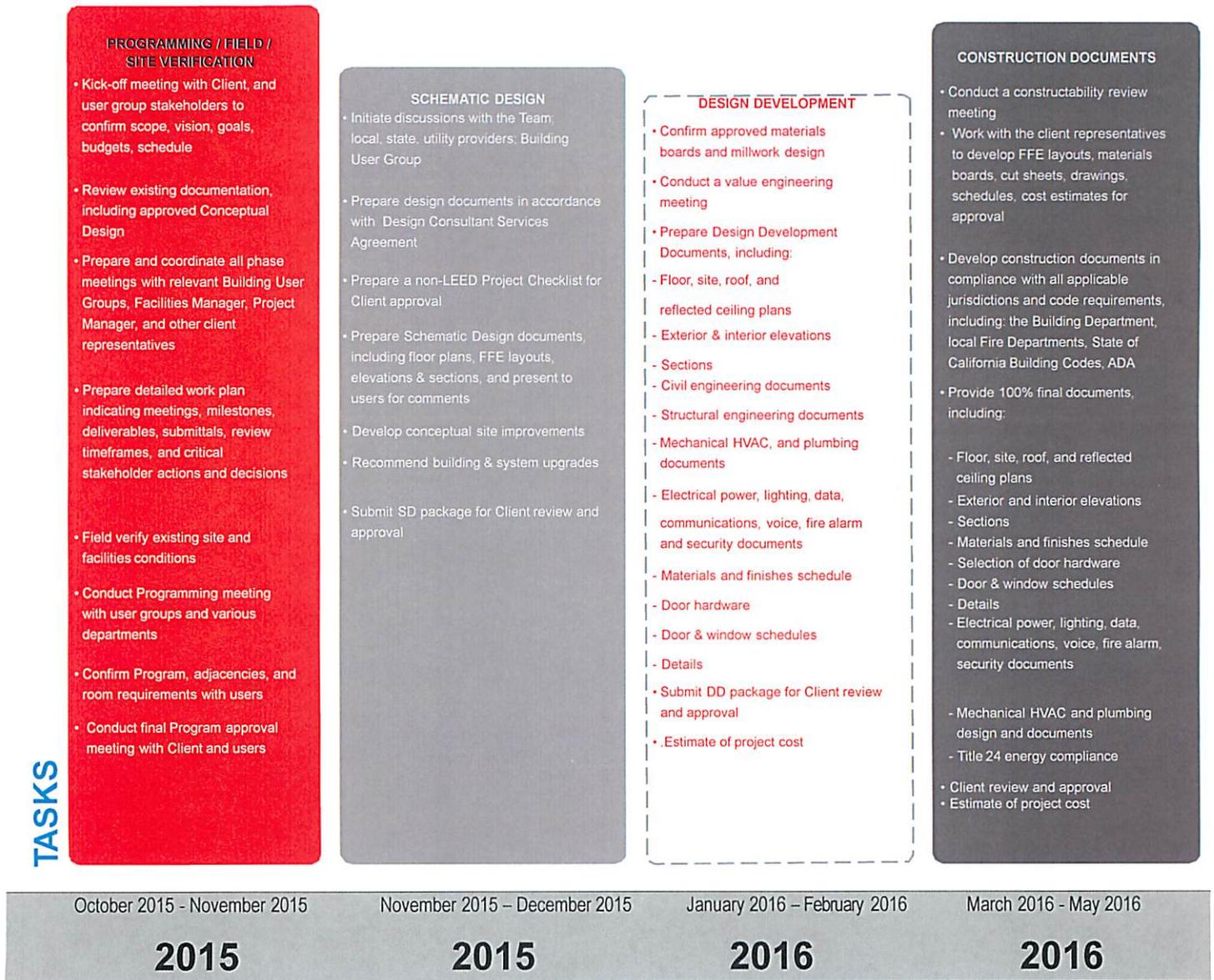
We actively participate in both pre-construction meetings and review of construction mock ups. This best informs all parties of the issues, conflicts, and potential pitfalls of the more complex aspects of construction. Requests for information are communication tools that allow the project to be propelled forward. The Radian Design Group Team recommends that the District write into the construction contract a 5-day turnaround time to limit their exposure, while Radian Design Group Team implements a 0-3 day turnaround policy. Our project managers have a "CA First" standing directive that each morning they take care of the RFI's and submittals on their desk prior to working on other assigned duties. Lastly, the Radian Design Group Team collaborates with the District through frequent site visits, meetings with stakeholders, and working through problems together on site.

# SAMPLE WORKPLAN FOR TAFT TRANSIT CENTER

Radian Design Group has created a sample work plan that we would propose for the Taft Transit Center Project. The application of the fundamental principles can be universally applied with specific project information included at the appropriate phase.

One aspect of a work plan that is crucial to the success of this process is the verification component. Each phase cannot be successful without the verification and approval of the previous phase, and obtaining approval requires our team to be diligent, proactive and complete in presenting information to the various users, staff, and team members for discussion, decision and approval.

The work plan is our best tool for managing expectations, gauging status and ensuring that we have fully completed the task.



**(OPTIONAL SERVICE)**

**AGENCY APPROVALS/  
BID PHASE SUPPORT**

- Submit design documents to Client, building department and other government entities/utility providers
- Respond to Agency comments, and re-submit for back-check as needed to secure approvals
- Coordinate with Client furniture vendors and users to assist in developing budget and logistic, i.e. schedule and consolidated FFE drawings in accordance with Client furniture vendors' purchase orders
- Assist with bid documents as required
- Attend pre-bid meeting
- Respond to bid questions
- Prepare addenda as needed
- Revise original documents to reflect addenda and submit to the Client

**(OPTIONAL SERVICE)**

**CONSTRUCTION  
ADMINISTRATION / CLOSEOUT**

- Attend pre-construction meeting
- Review shop drawings and submittals from contractor
- Review and respond to RFIs
- Answer miscellaneous questions
- Review/resolve non-compliant work
- Assist Inspector of Record with field issues
- Prepare change orders, CCDs, ASIs, proposal requests and other field directives
- Evaluate contractor change order requests and pricing
- Attend site observation meetings
- At substantial completion, attend the walk-through to develop the punchlist
- Review contract close-out documents and coordinate training

Agency: June 2016 - July 2016  
Bid Period: August 2016 - Sept. 2016

**2016**

October 2016 - June 2017

**2016 / 2017**

**FINAL DELIVERY**



**FEE PROPOSAL**

**E**

# FEE PROPOSAL

Radian Design Group is confident that our fee proposal represents a fee consistent with the design profession and is fair and reasonable for the services required to complete your project as expected. Our fee proposal is broken down into RFP requested services and available optional services.

### RFP Requested Services:

- Preliminary Design Assessment Phase
    - \$10,670.00
  - Design Development Phase
    - \$21,340.00
  - Construction Documents Phase
    - \$37,345.00
- Subtotal \$69,355.00**

### Additional Optional Services:

- Agency Review / Approval Phase
    - \$10,670.00
  - Bidding Phase
    - \$5,535.00
  - Construction Administration / Observation Phase
    - \$21,340.00
- Subtotal \$37,345.00**

### Total (Including Optional Services)

**Total \$106,700.00**

### Additional Services:

Any added professional architectural or engineering services authorized by the City of Taft will be negotiated and agreed upon prior to the added service being performed. Additional services will not be performed until written authorization is provided by the Client. Added service fees will be compensated on an hourly basis and in conformance with the Hourly Rate Schedule included in this section.

### Reimbursable Expenses:

The Architect is to be reimbursed for expenses as outlined in the Hourly Rate Schedule below as an additional expense unless agreed to otherwise. (Refer to Additional Reimbursable Expenses cost listings)

### Hourly Rate Schedule

#### Architectural

Principal	\$150
Project Manager	\$120
Project Architect	\$110
Project Job Captain	\$95
CAD Technician	\$85
Administrative Assistant	\$65
Clerical	\$55

### Additional Reimbursable Expenses (if applicable):

*(Additional services expenses unless agreed to otherwise in the City of Taft Contract for Architectural Services for this project)*

- Consulting Engineers: Direct Cost x 1.15
- Design Consultant: Direct Cost x 1.15
- Specialty Consultants: Direct Cost x 1.15
- Renderings, Models & Photographs: Direct Cost x 1.15
- Application / Permit Fees: Direct Cost x 1.15
- Commercial Printing: Direct Cost x 1.15
- Travel Expenses (beyond City limits): Direct Cost x 1.15

### Exclusions:

- Local Agency Planning & Permit Fees
- State Agency Fees
- Federal Agency Fees
- Utility Connection Fees
- Testing & Inspection Fees
- Architectural / Engineering Reimbursable Expenses

# INSURANCE REQUIREMENTS



## INSURANCE COVERAGE

At the time of selection by the City of Taft and prior to the commencement of services, Radian Design Group, Inc. will furnish to the City a copy of our underwriter's certificate of insurance. The certificate will reflect the minimum requirements of the City. Our limits of liability are consistent with industry standards and we will review your requirements and our compliance.

Insurance Company: AON Risk Services, Inc. (Agent)  
Northern Division  
5260 North Palm Avenue, Suite 400  
Fresno, California  
(559) 449-1900  
Contact: John Day

### Insurance Coverage's

\$1 million per occurrence for Worker's Compensation

\$2 million per occurrence for Comprehensive General Liability

\$1 million per occurrence for Automobile Liability

\$2 million per occurrence for Errors and Omissions





# City of Taft Agenda Report

**DATE:** MAY 17, 2016

**TO:** HONORABLE MAYOR AND COUNCIL MEMBERS

**AGENDA MATTER:**

**RECEIVE AND ACCEPT RECORDS MANAGEMENT NEEDS ASSESSMENT REPORT FROM GLADWELL GOVERNMENTAL SERVICES, INC.**

**SUMMARY STATEMENT:**

Late last year the City Council approved entering in to an agreement with Gladwell Governmental Services, Inc. (GGS) for the purposes of performing a needs assessment for our records management. This report will be utilized by the City Clerk's Department over the next several years to budget and enact new and updated policies and procedures and procure new and needed systems for records management throughout the city.

Attached is the final Needs Assessment Report provided by GGS under that agreement.

**RECOMMENDED ACTION:**

Motion to receive and accept the Records Management Needs Assessment Report from Gladwell Governmental Services, Inc.

**IMPACT ON BUDGET (Y/N):** NO

**ATTACHMENT (Y/N):** YES – Records Management Needs Assessment Report

**PREPARED BY:** City Clerk

**REVIEWED BY:**

<b>CITY CLERK</b>	<b>FINANCE DIRECTOR</b>	<b>CITY MANAGER</b>



# Records Management Needs Assessment

## City of Tatt, California

prepared by



P.O. Box 62, 1028 Tirai Lane, Lake Arrowhead, CA 92382-0062  
VOICE (909) 337-3516 • E.MAIL: [Info@gladwellgov.org](mailto:Info@gladwellgov.org) • [www.gladwellgov.org](http://www.gladwellgov.org)

TABLE OF CONTENTS

Project Overview..... 1

Accomplishments..... 3

Findings ..... 4

Recommendations..... 6

Appendix A: Qualifications of Gladwell Governmental Services, Inc.

Appendix B: Pictures

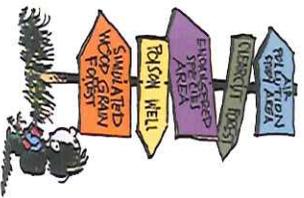
Appendix C: Document Imaging Laws – Trustworthy Electronic Records Mandates

Appendix C(a): Trustworthy Electronic Records Diagram

Appendix D: CPS Proposal for Laserfiche Update to Avante

# RECORDS MANAGEMENT NEEDS ASSESSMENT

## April, 2016



“A decision is as good as the information that goes into it.”

-John F. Bookout, Jr.

### Project Overview

In April of 2016, an on-site Assessment was conducted to determine unmet needs and make recommendations as it pertained to the City's records management systems.

Implementation of the recommendations in this report will provide the following benefits to the City:

- Improve Transparency;
- Improve Efficiency;
- Reduce Duplication of Effort;
- Increase Customer Service Levels (both external and internal);
- Free up valuable office space;
- Reduce costs;
- Reduce employee frustration;
- Enable employees to make faster, more accurate decisions;

The analysis was conducted by Gladwell Governmental Services, Inc. (GGS) has assisted over 150 California local governments in relation to records management and document imaging systems. The President of the firm, Diane R. Gladwell, MMC, is a former City Clerk. For more information about the firm, refer to Personnel, Approach and Methodology and Qualifications sections of this document.

This Assessment is an independent review, and is based upon unmet needs and industry standards (rather than the City's budgetary constraints.)

The Findings and Recommendations in this document are based upon various standards, guidelines and publications, including GARP® (Generally Accepted Recordkeeping Principals, or "The Principals,") California Secretary of State's Guidelines for Local Government Records, ISO 15489 (the International Records Management Standard), NISO (National Information Standards Organization), ARMA (Association of Records Management and Administrators, Inc.), NAGARA (National Association of Government Archives and Records Administrators), and ICMA (International City/County Management Association), and State and Federal laws.

## Accomplishments

Even though the City has experienced financial difficulties in recent years, the current employees have been able to accomplish the following:

The City implemented Laserfiche, an Electronic Content Management System (ECMS), which is used by several departments to scan, index, and OCR records into the repository. This enables fast, easy research and retrieval for these documents. The City has implemented this in the Police Department in full compliance with the Trustworthy Electronic Records law, and has been able to scan important records series into the repository.

The Human Resources department has cleaned up and re-organized employee personnel files, which are appropriately secured.

Finance's operational records were found to be well-managed clearly labeled and kept current with records retention policies.

The City's municipal code is published on-line and kept current by sending new ordinances to the City's codifier, Sterling Code. Important records, including City Council Minutes, Agendas and Videos back to 2013, Planning Commission Agendas, Minutes and Audios back to 2013, sophisticated crime mapping, Permits, "Document Center," Employee Names and telephone numbers are provided on the City's website and are easy for a novice to locate on the website.

The e-mail policy written in 2011 was found to be in compliance with law and best practices of other cities, although some portions of the policy have not been implemented.

Current employees were found to be dedicated, motivated and willing to improve systems and efficiencies, and have made progress where they can.

## Findings

Increased volume of records is a nation-wide phenomenon: The volume of documents has dramatically increased as a result of the computer age and the increased regulation, sophistication and complexity of municipal government services. Paper usage has doubled since 1966<sup>1</sup>, and the average office currently makes 19 copies of every document they produce<sup>2</sup>.

### **Finding F-1: Loss of Employees and Funding has Negatively Impacted Records Management and Efficiency**

The City's severe financial losses resulted in the loss of employee positions and high turnover rates. Some departments and employees have not had the time to properly manage their records.

### **Finding F-2: Records Retention Schedules are Insufficient and Out of Date**

The City developed a records retention schedule in 1997, based upon guidelines that were created as a volunteer effort. Many records series are not included, and the schedule is out of date.

### **Finding F-3: The Laserfiche Database is Inefficient; the Software is Out of Date**

Many employees reported records were difficult to search and retrieve. During this Assessment, some recommendations for improvement were made (removing "Fuzzy Search", how to identify records that have not been OCRd, etc.)

### **Finding F-4 Some Paper Records are Not Properly Managed**

Because of the lack of staffing and resources outlined in F-1, some records are inefficient and time-consuming to locate.

### **Finding F-5: Electronic Records Stored on Computer Hard Drives Needs Improved Management.**

<sup>1</sup> United Nations Food and Agriculture Organization

<sup>2</sup> AIIM Study, 2012 (AIIM: Association for Information and Image Management)

Most departments reported that “each employee does their own thing” when they file their electronic records and e-mail, and reported they had difficulty locating their predecessor’s records.

Most employees stated they had not destroyed any electronic records stored on their hard drives, nor records from employees that had separated from the City’s employment, which are difficult to locate when they are needed.

Employees reported a variety of methods in managing e-mails, including reliance on employee’s using their best judgment to clean their e-mail. The e-mail policy, nor the records retention schedule, address the retention period of e-mail.

**Finding F-6: Training on Most Records Management Subjects Are Not Adequate for Efficient, Legally Sufficient Operations**

Employees reported they had received no training in the City’s Records Management program. Of particular concern is new employees and contract employees, which have been provided no “rules of the road” when they are hired.

**Finding F-7: There is No Auditing Mechanism to Verify Compliance with Records Management Policies & Procedures**

Employees from all departments reported that there is no compliance mechanism, annual audits or other efforts to ensure compliance with records management policies and procedures to be in compliance with a variety of Records Management standards, policies and procedures.

## Recommendations

### APPROACH

A recent study by AIIM<sup>3</sup> found:

- It costs \$20 to file a document, \$120 to find a misfiled document, and \$220 to reproduce a lost document.
- 7.5 percent of all documents get lost; 3 percent of the remainder are misfiled.
- The average document is photocopied 19 times.
- Professionals spend only 5-15% of their time reading information, but up to 50% of their time looking for the right information.

As this study demonstrates, the proper management of records impacts all facets of efficient and effective operations.

All recommendations are prioritized in the order of the highest Return on Investment (ROI), and use the most economical solutions in a recommended sequence to create space in a cascading manner in the least expensive manner.

### Project Goals

- Increase Transparency
- Increased Customer Service Levels
- Easy to locate records
- Increased Access to Records / Levels of Transparency
- Increased Efficiency / Best and Highest Use of Resources
- Free Office Space
- Disaster Recovery Capabilities
- Protection and Retrieval of Important / Vital City Records
- Reduce employee frustration;
- Enable employees to make faster, more accurate decisions
- Systems adequate to support high-volume development environments / fluctuating volumes of workloads.
- Legal Compliance

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<sup>3</sup> AIIM: Association for Information and Image Management, the leading non-profit organization focused on helping users to understand the challenges associated with managing documents, content, records, and business processes.

**Recommendation R-1: Revise Records Retention Schedules, Records Destruction Policies & Procedures; Employee Training**

**Cost: \$6,900** (*Revised Records Retention Schedules, index, reports & resolutions; destruction procedures, forms & training - GGS on site 2 days*)

The current records retention schedule is insufficient, and some retention periods are not legally sufficient.

As the basis for the remaining components of the Records Management program, the Records Retention Schedules should be re-written in an interactive manner with employees, providing education and ownership to the retention periods established.

Following adoption by the City Council, efficient and legally-sufficient procedures and forms to process the destruction of records that have exceeded their retention should be developed, and employee training and assistance should be provided.

**Recommendation R-2a: Bring Laserfiche Software Current (Avante)**

**Cost: \$14,000** (*CPS upgrades systems and migrates volumes & provides training*)

Laserfiche migrated to a new software platform ("Avante") several years ago, and the City has not migrated to it. The new licensing is based on "named user" licensing, so there is a disadvantage to the new platform, however, it is not recommended the City run a mission-critical application that is out of date, and there are many features that the City would benefit from.

The proposal includes training.

The City is currently paying \$6,500 annually in maintenance and support for the system.

GGs can assist the City in achieving some cost savings and efficiencies in both the upgrade and annual software maintenance fee, if desired.

**Recommendation R-2b: Improve Laserfiche Document Imaging / ECMS Software & Implementation / Plans**

**Cost: \$5,000** (*GGs provides analysis of current database, plans for remediation and/or expansion; 3 days on site*)

The benefit realized from the system depends upon the ability of employees, or contracted service bureaus, to scan records into the system in a manner that allows the records to serve as the City's original.

The industry-standard cost for scanning and indexing records is 12¢ a letter sized document, \$250 a box, and \$1.25 a large format sheet. The cost is essentially equal whether performed by internal staff or external service bureau (the process still needs to be managed and quality checked by City employees.)

A new law regarding "Trustworthy Electronic Records" has also been mandated, and should be incorporated into the project so the City's electronic records are legally compliant.

#### Benefits of Imaging Archival Records (Trustworthy Electronic Records)

- Improved Transparency / Access to Documents (many people, including the public, can access records simultaneously)
- Improved Customer Service Levels (fast searching and retrieval)
- Reduced Duplication of Effort (copying / filing)
- Powerful Research
- Fast Retrieval
- Disaster Recovery: Can Replace Microfilm
- Immediate, Random Input (faster protection from disasters compared to microfilm)
- Destroy Paper / Free Office Space
- Higher employee efficiency

Prioritized plans for expansion for the City should be developed for the expansion of the system, focused on records series with a Permanent retention and of high-value to the City. The plan should include labor and/or outsource scanning costs to ensure each records series can be supported with the very small staffing levels at the City. This will provide a road map and budgetary information so as the City wants to expand its use, they will know the cost and impact on staff of doing so.

Plans should be adjusted so they are realistic and achievable (it typically takes 4 times longer to scan a record than file it,) or additional resources should be provided to meet the goals of the City. Following the development of the plans, departments may seek funds to send documents to a commercial vendor for scanning, and/or seek additional staff to achieve the plans.

#### **Recommendation R-3: Implement a Document Imaging Fee for Building and Planning Permit Applications**

**Cost: \$(revenue) (Applicants pay for the imaging & retention of their records)**

Currently, the City's General Fund is paying to store, index, retrieve, scan, and quality check records that result from an application generated by a development.

#### **Records Management Needs Assessment – Taft, CA – April 2016 (Draft v1)**

By Gladwell Governmental Services, Inc. (909) 337-3516

The City should implement a cost-recovery fee for these services that approximate \$1.75 - \$2.00 a large format sheet, and 20¢ a letter-sized document so these records can be scanned, indexed and quality checked into the City's Laserfiche repository, and maintained permanently.

**Recommendation R-4: Proceed with Destruction of Police Records and Expansion of MCCF's Records Storage**  
**Cost: \$0 (Existing Staff destroys police records, creating space to store MCCF's records)**

Both Departments have plans to create the space to properly store MCCF's boxed records in the Tuff Sheds, which should proceed. MCCF will store records currently stored in office space (not in compliance with Records Management Standards) in secured



Police Storage Tuff Shed



Small Tuff Shed (to be used by MCCF)



MCCF Office with two years of records

**Recommendation R-5: Temporary "Strike Team" to Process Records in Compliance with Records Retention**  
**Cost: \$38,000 (\$31,500 - Six months of two temporary employees at \$15/hr; \$3,000 - shredding costs; \$3,900 GGS provides written procedures and two on-site days to train temporary employees and two subsequent on-site visits to process the difficult / complex / unknown records series.)**

The goal of this project is to destroy unnecessary records in compliance with the new Records Retention Schedules, policies and procedures, and to ensure the records that are retained are appropriately stored in boxes, inventoried and labeled so employees can quickly and easily locate them. (Scanning of some records may follow after this has been accomplished.)

The City does not have sufficient staffing to devote two employees full time for six months to complete the process; therefore a team of temporary employees is recommended, trained and periodically supervised by GGS.

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Some of the Records that need to be processed (stored in the old jail)



**Recommendation R-6: Electronic Records Filing and Naming Convention Standards / E-mail Update & Training**  
**Cost: \$4,000** (*GGS provides e-mail advice, three on-site days to analyze and develop written standards for all departments*)

Many employees expressed difficulty and frustration in locating electronic records, compounded by frequent personnel changes, and each employee filing as they thought best.

The City has the responsibility to manage the storage and production of their records, and the obligation to establish standards and procedures to manage those records, whether in paper or electronic format.

The City has an e-mail policy, which should be updated.

This recommendation provides for GGS to facilitate the update of the City's e-mail policy, development City-wide and each Department's standard file structure and naming convention, in addition to cleaning up the older electronic files so they are properly managed.

Each meeting should start with a presentation of compelling needs and Best Practices from other cities, and then an analysis of their current structure and naming conventions. GGS will facilitate developing consensus for an improved structure, in addition to the removal of old, unnecessary drafts and copies and the transfer of records still required into the new format.

This recommendation includes two "rounds" of meetings for each department, and will provide a clean base for future management of electronic records and e-mail. Experience has shown that when facilitated by an outside expert, department personnel will

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dedicate time and resources to attend the meetings and make progress towards implementation; hence the recommendation for consulting services to facilitate this.

**Recommendation R-7: Move and/or Purge Electronic and Paper Files in Compliance with Standards**  
**Cost: \$undetermined** (*Employees in all Departments Devote Days to Implementation; additional resources may be required*)

In order to achieve improved efficiency, it is critical that employees be given the time to move and/or purge records from networked computer drives, e-mail, and in paper file folders and systems in compliance with the standards developed in previous recommendations.

The Strike Team will be focused on the inactive boxed records in the old jail cell; the records stored on computer drives and in active office areas will be the responsibility of employees.

Each department should be evaluated periodically on their progress, and additional resources (via temporary employees, properly supervised by City employees and/or GGS) where necessary.

**Recommendation R-8: Develop New Employee Training / Annual Training**  
**Cost: \$250** (*GGS provides Syllabus development, all Material for New Employees*)

A training program should be developed for all new employees, which should vary depending upon the position held by the new employee. This will overcome several weaknesses found in the assessment (more extensive training will be provided to employees that rely more heavily on Records Management to perform their responsibilities.)

Electronic records, e-mail management, and other aspects of records management will be addressed in a concise, effective manner.

In addition to training for all new employees, annual training encompassing various aspects of records management should be provided to all employees working with records.

**Recommendation R-9: Develop and Implement a Records Management Audit Program**  
**Cost: \$1,500** (*GGS develops audit program and procedure; provides one on-site day to conduct initial audit*)

Various records management standards require an annual audit of the records management program.

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Audits can make employees nervous and defensive; this program would ensure the audit is conducted in a non-threatening manner and in a way that assists departments in making progress toward accomplishing their Records Management goals (and becoming more efficient and effective.)

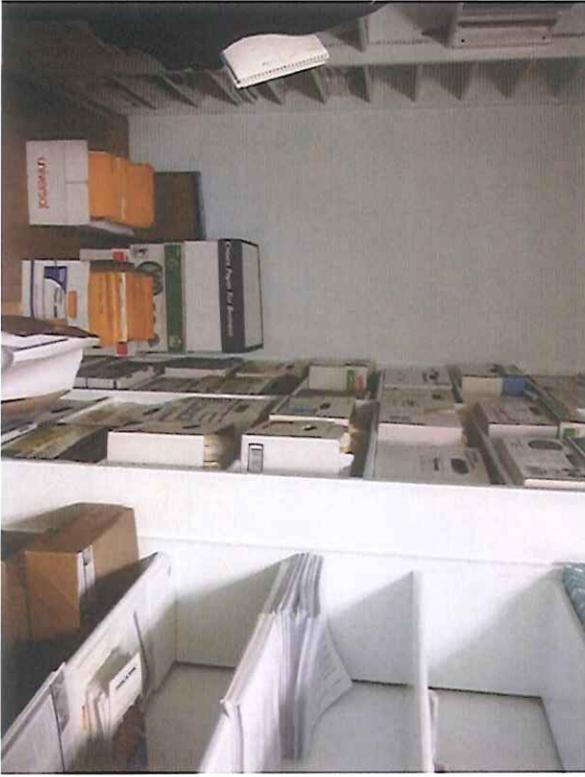
This recommendation includes GGS developing the audit program in compliance with all standards, teleconferences with City employees to modify the program to better suit their needs, and then provide two on-site days to conduct the audit, and produce a written audit report.

The City can use this initial audit process as a base to use in future years, which will help in targeting funding and resources to the highest and best use.

**Summary of Recommendations / Project Budget**

Recommendation	One-time costs	Annual costs
R-1: Revise Records Retention Schedules & Records Destruction Procedures; Provide Employee Training	\$6,900	
R-2b: Improve Laserfiche Document Imaging / ECMS Software & Implementation / Plans	\$14,000	(unchanged)
R-2b: Improve Laserfiche Document Imaging / ECMS Software & Implementation / Plans	\$5,000	
R-3: Implement a Document Imaging Fee for Building and Planning Permit Applications	(revenue)	
R-4: Proceed with Destruction of Police Records and Expansion of MOCF's Records Storage	\$0	
R-5: Temporary "Strike Team" to Process Records in Compliance with Records Retention	\$38,000	
R-6: Electronic Records Filing and Naming Convention Standards / E-mail Update & Training	\$4,000	
R-7: Move and/or Purge Electronic and Paper Files in Compliance with Standards	(undetermined)	
R-8: Develop New Employee Training / Annual Training	\$250	
R-9: Develop and Implement a Records Management Audit Program	\$1,500	
<b>Totals:</b>	<b>\$69,650</b>	

**APPENDIX B - PICTURES**



**Human Resources Storage Room (Locked)**



**Police Storage Tuff Shed; Records will be processed for destruction**



**Police - Laserfiche Scanning Station**



**Police Storage Tuff Shed; Records will be processed for destruction**

**APPENDIX B - PICTURES**



**Police Chief's Filing Cabinets**



**Inside of Small Tuff Shed**



**Small Tuff Shed between PD & MCCF (to be used by MCCF)**

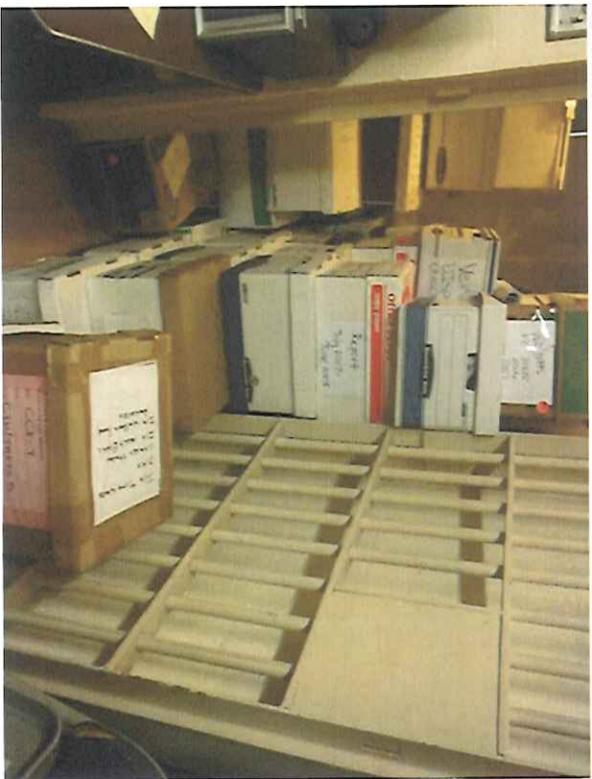


**MCCF Office with two years of records**

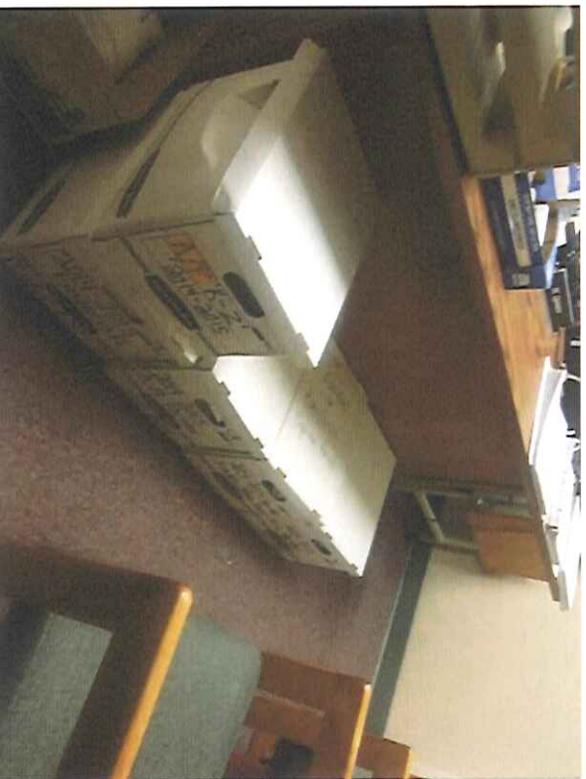
**APPENDIX B - PICTURES**



MCCF Office with two years of records



Records waiting to be shredded (in old jail)



MCCF Office with two years of records



Records waiting to be shredded (in old jail)

APPENDIX B - PICTURES



Planning Records (old jail)



Records (old jail)



Planning Records (old jail)

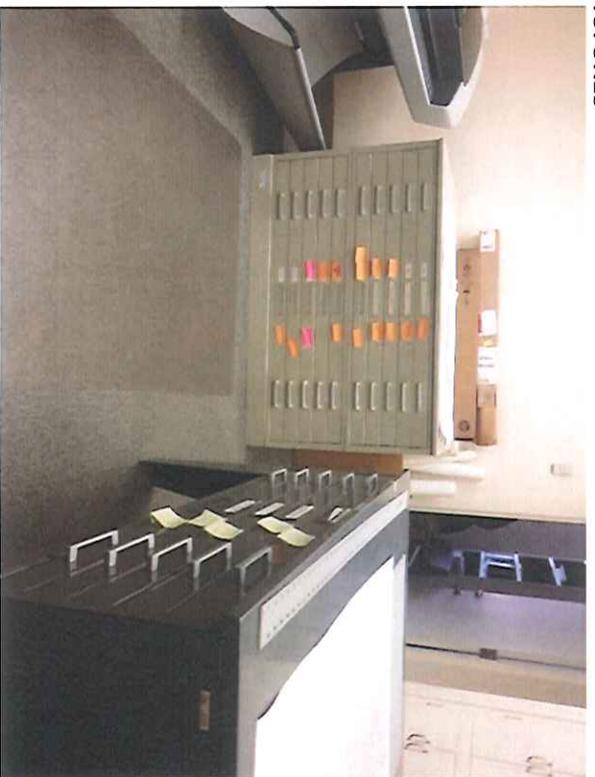


Boxed Records (old jail)

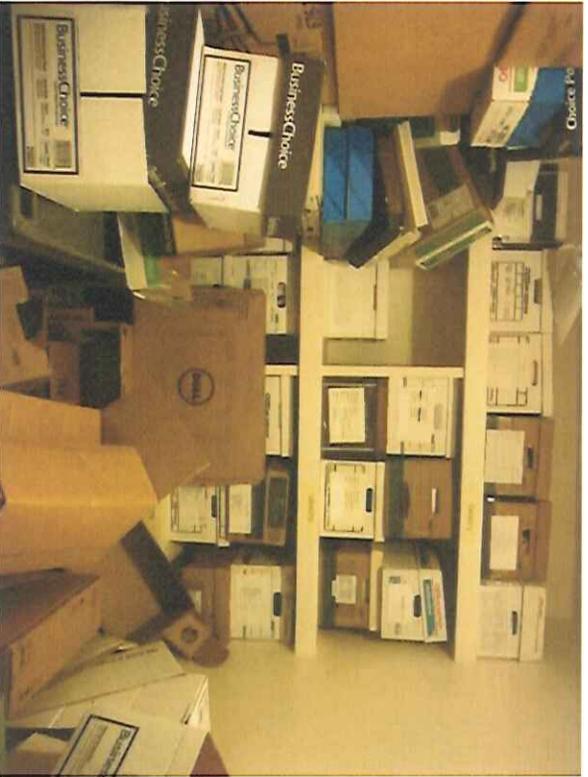
APPENDIX B - PICTURES



Accounting Records (Old Jail)



Large Format Drawings

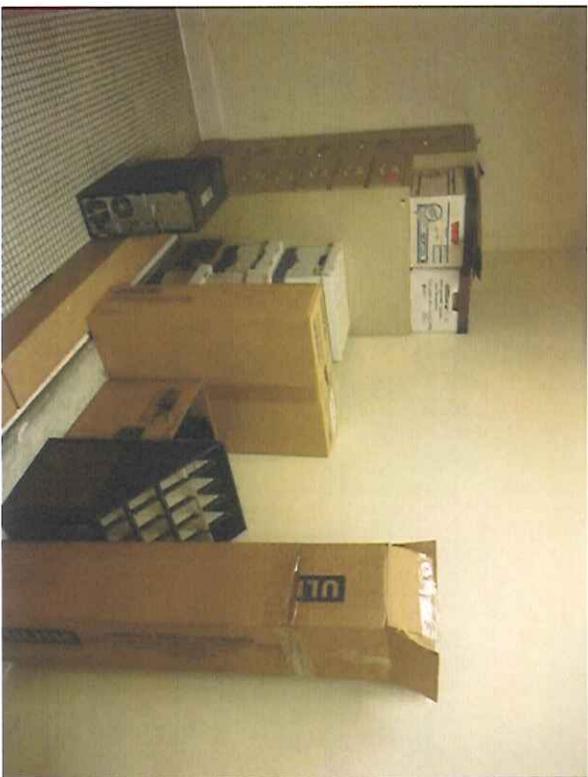


Records (Old Jail)



Bathroom Storage (Mostly empty)

**APPENDIX B - PICTURES**



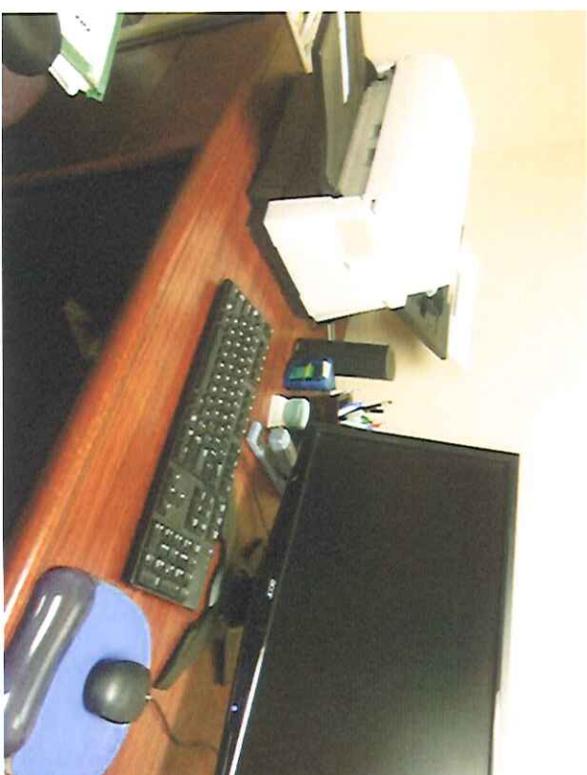
**Bathroom Storage (Mostly empty boxes)**



**Old Centralized City Clerk / City Manager's Office**

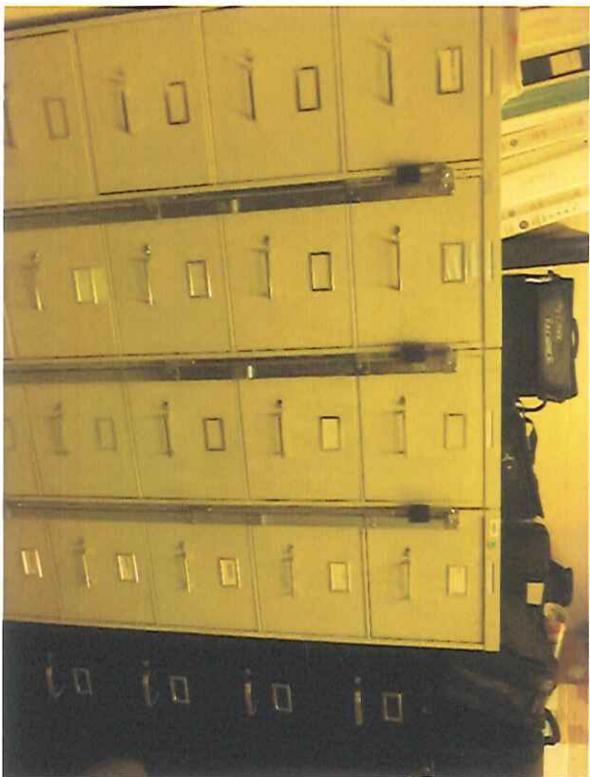


**Capital Improvement Projects (filed by City Clerk)**

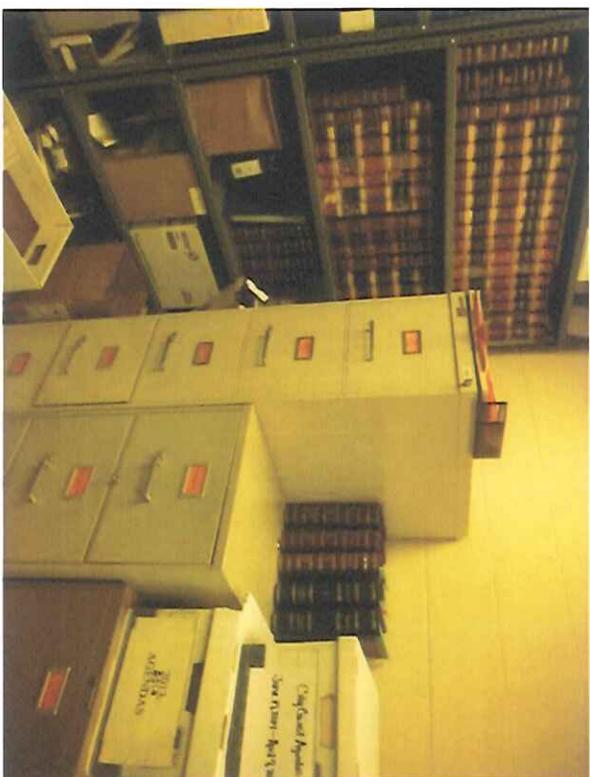


**City Clerk's Scan Station**

APPENDIX B - PICTURES



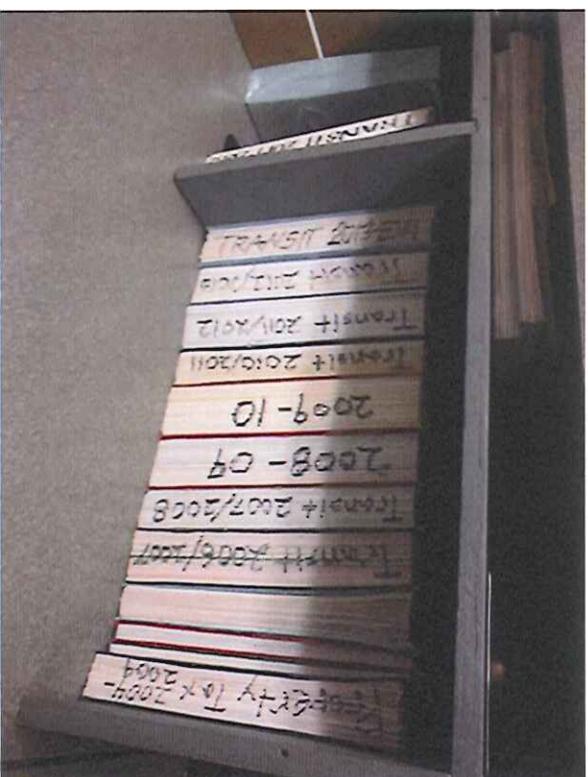
City Clerk Records (Old Jail)



City Clerk Records (Old Jail)



City Clerk Records (Old Jail)



Finance Reports Labeled on Spine

APPENDIX B - PICTURES



Active Finance Records



Finance Director's Office



Finance Boxes In Active Office Area



Finance Records In old Jail

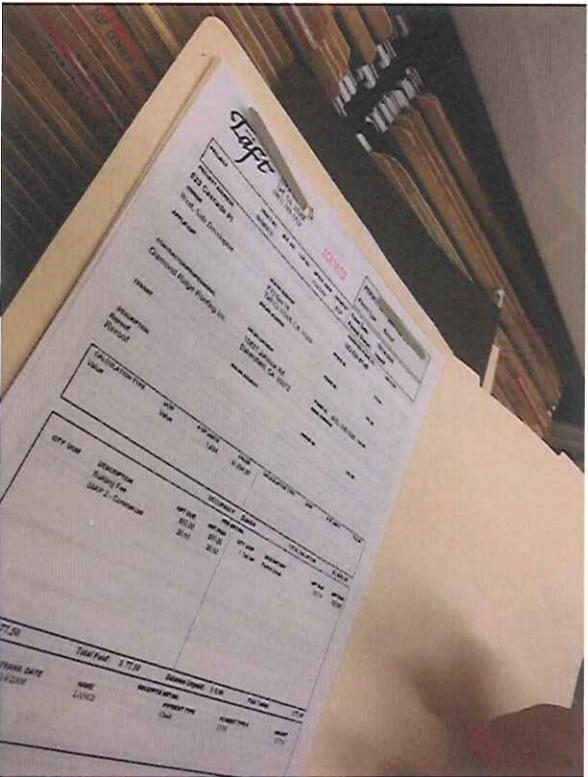
APPENDIX B - PICTURES



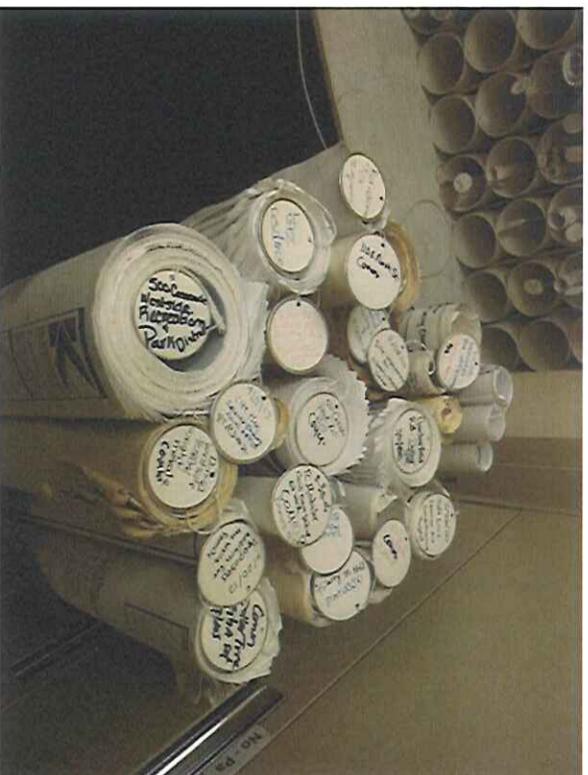
Finance Binders in Old Jail



Building Plans in Plan Check properly Labeled



Scanned Building Permit (Scanned Stamp)



Building Plans properly labeled

DOCUMENT IMAGING / ECMS / EDMS / TRUSTWORTHY ELECTRONIC RECORDS  
CALIFORNIA LAW EXCERPTS  
(2015)

Analyzed, compiled, and summarized by Diane R. Gladwell, MMC

## OVERVIEW

- Applicable California Laws (see excerpts below) GC 60200, 12168.7, EVC 1550, 2 CCR 22620 et seq.; ISO/TR 15801, ISO 22957, AIIIM ARP 1-2009, ANSII/AIIM 25-2012
- Basic Requirements
  - Written policies & procedures
  - Quality Check Images
  - Quality Check Indexes
  - Store images on media that does not permit additions, deletions, or changes to the original document (EVC 1550 requires "optical media...")
  - Media must be stored in a safe & separate location
  - Policies and Procedures must be followed by employees
- California Code of Regulations (In effect August 8, 2012)
  - Applies to all electronic records used as "Official Records," including electronically-originated documents.
  - Restates Unalterable Media requirement: "... Write at least one copy of the electronic document or record into electronic media that does not permit unauthorized additions, deletions, or changes to the original document and that is to be stored and maintained in a safe and separate location."

## GOVERNMENT CODE

60200. The legislative body of any special district may authorize at any time the destruction or disposition of any duplicate record, paper, or document, the original or a permanent photographic record of which is in the files of any officer or department of the district.

60201. (a) For purposes of this section, "record" means any record consisting of a "writing," as defined by subdivision (f) of Section 6252.

(b) The legislative body of a district may destroy or dispose of any record that is not expressly required by law to be filed and preserved through either of the following procedures:

(1) The legislative body may authorize the destruction or disposition of any category of records if it does both of the following:

(A) Adopts a resolution finding that destruction or disposition of this category of records will not adversely affect any interest of the district or of the public.

(B) Maintains a list, by category, of the types of records destroyed or disposed of that reasonably identifies the information contained in the records in each category.

(2) The legislative body may, by resolution, adopt and comply with a record retention schedule that complies with guidelines provided by the Secretary of State pursuant to Section 12236, that classifies all of the district's records by category, and that establishes a standard protocol for destruction or disposition of records.

## Appendix C – Records Management Needs Assessment

- (c) A district is not required to photograph, reproduce, microfilm, or make a copy of any record that is destroyed or disposed of pursuant to this section.
- (d) Notwithstanding any other provision of this section or other provision of law, a district may not destroy or dispose of any record that is any of the following:
- (1) Relates to formation, change of organization, or reorganization of the district.
  - (2) An ordinance adopted by the district. However, an ordinance that has been repealed or is otherwise invalid or unenforceable may be destroyed or disposed of pursuant to this section five years after it was repealed or became invalid or unenforceable.
  - (3) Minutes of any meeting of the legislative body of the district.
  - (4) Relates to any pending claim or litigation or any settlement or other disposition of litigation within the past two years.
  - (5) Is the subject of any pending request made pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1), whether or not the district maintains that the record is exempt from disclosure, until the request has been granted or two years have elapsed since the district provided written notice to the requester that the request has been denied.
  - (6) Relates to any pending construction that the district has not accepted or as to which a stop notice claim legally may be presented.
  - (7) Relates to any nondischarged debt of the district.
  - (8) Relates to the title to real property in which the district has an interest.
  - (9) Relates to any nondischarged contract to which the district is a party.
  - (10) Has not fulfilled the administrative, fiscal, or legal purpose for which it was created or received.
  - (11) Is an unaccepted bid or proposal, which is less than two years old, for the construction or installation of any building, structure, or other public work.
  - (12) Specifies the amount of compensation paid to district employees or officers or to independent contractors providing personal or professional services to the district, or relates to expense reimbursement to district officers or employees or to the use of district paid credit cards or any travel compensation mechanism. However, a record described in this paragraph may be destroyed or disposed of pursuant to this section seven years after the date of payment.
60203. (a) Notwithstanding Section 60201, the legislative body of a district may authorize the destruction of any record, paper, or document that is not expressly required by law to be filed and preserved if all of the following conditions are complied with:
- (1) The record, paper, or document is photographed, microphotographed, reproduced by electronically recorded video images on magnetic surfaces, recorded in the electronic data processing system, recorded on optical disk, reproduced on film or any other medium that is a trusted system and that does not permit additions, deletions, or changes to the original document in compliance with Section 12168.7 for recording of permanent records or nonpermanent records.
  - (2) The device used to reproduce the record, paper, or document on film, optical disk, or any other medium is one that accurately reproduces the original thereof in all details and that does not permit additions, deletions, or changes to the original document images.
  - (3) The photographs, microphotographs, or other reproductions on film, optical disk, or any other medium are placed in conveniently accessible files and provision is made for preserving, examining, and using the files.
- (b) For the purposes of this section, every reproduction shall be deemed to be an original record and a transcript, exemplification, or certified copy of any reproduction shall be deemed to be a transcript, exemplification, or certified copy, as the case may be, of the original.

12168.7. (a) The California Legislature hereby recognizes the need to adopt uniform statewide standards for the purpose of storing and recording permanent and nonpermanent documents in electronic media.

(b) In order to ensure that uniform statewide standards remain current and relevant, the Secretary of State, in consultation with the Department of General Services, shall approve and adopt appropriate standards established by the American National Standards Institute or the Association for Information and Image Management.

(c) The standards specified in subdivision (b) shall include a requirement that a trusted system be utilized. For this purpose and for purposes of Sections 25105, 26205, 26205.1, 26205.5, 27322.2, 34090.5, and 60203, Section 102235 of the Health and Safety Code, and Section 10851 of the Welfare and Institutions Code, "trusted system" means a combination of techniques, policies, and procedures for which there is no plausible scenario in which a document retrieved from or reproduced by the system could differ substantially from the document that is originally stored.

(d) In order to develop statewide standards as expeditiously as possible, and until the time that statewide standards are adopted pursuant to subdivision (b), state officials shall ensure that microfilming, electronic data imaging, and photographic reproduction are done in compliance with the minimum standards or guidelines, or both, as recommended by the American National Standards Institute or the Association for Information and Image Management for recording of permanent records or nonpermanent records.

## EVIDENCE CODE

1550. A nonerasable optical image reproduction provided that additions, deletions, or changes to the original document are not permitted by the technology, a photostatic, microfilm, microcard, miniature photographic, or other photographic copy or reproduction, or an enlargement thereof, of a writing is as admissible as the writing itself if the copy or reproduction was made and preserved as a part of the records of a business (as defined by Section 1270) in the regular course of that business. The introduction of the copy, reproduction, or enlargement does not preclude admission of the original writing if it is still in existence. A court may require the introduction of a hard copy printout of the document.

1550. (a) If made and preserved as a part of the records of a business, as defined in Section 1270, in the regular course of that business, the following types of evidence of a writing are as admissible as the writing itself:

- (1) A nonerasable optical image reproduction or any other reproduction of a public record by a trusted system, as defined in Section 12168.7 of the Government Code, if additions, deletions, or changes to the original document are not permitted by the technology.
  - (2) A photostatic copy or reproduction.
  - (3) A microfilm, microcard, or miniature photographic copy, reprint, or enlargement.
  - (4) Any other photographic copy or reproduction, or an enlargement thereof.
- (b) The introduction of evidence of a writing pursuant to subdivision (a) does not preclude admission of the original writing if it is still in existence. A court may require the introduction of a hard copy printout of the document.

## CALIFORNIA CODE OF REGULATIONS (Title 2, Section 22620, effective August 8, 2012)

Applies to:

- (a) all electronic documents or records created or stored as the official record;
- (b) where the intent is to destroy the original hardcopy and to maintain an electronic version as the official record.

## Appendix C – Records Management Needs Assessment

(c) electronically originated documents or records that are maintained as official documents or records.

Official records or documents are those defined in the entity's business practices.

Document management policy shall be prepared prior to system implementation and updated at regular intervals.

Two (2) separate copies of the official document or record must be created on electronic media meeting all the conditions of a trusted system

1. Adherence to documented policies and procedures through all aspects.
  - a) Utilize both hardware and media storage methodologies to prevent unauthorized additions, modifications or deletions;
  - b) Verifiable through independent audit processes ensuring that there is no plausible way for electronically stored information to be modified, altered, or deleted;
  - c) One copy of the electronic document or record into electronic media that does not permit unauthorized additions, deletions, or changes to the original document and that is to be stored and maintained in a safe and separate location.
2. Migration Strategy developed to manage media and software obsolescence.

(More requirements are located in the law.)

#### AIIM STANDARDS (QUALITY CONTROL)

"Proper scanning and quality control procedures are consequently essential to ensure that the digitized images represent true copies of the original documents. To be considered a true copy, a digitized image must contain all significant details from the original and must be an adequate substitute for the original document for all purposes for which to the document was created or maintained."

"At a minimum level, such (quality control) procedures involve the following:

- Visually inspecting digitized document images
- Testing and adjusting the scanner
- Verifying the image recording
- Verifying the index data"

#### ANSI/AIIM STANDARDS (ASSESSING TRUSTED SYSTEMS FOR COMPLIANCE)

"...shall be fully evaluated to determine compliance with organizational and records management policies and procedures."

"... shall write at least one copy of the electronic document or record into electronic media that does not permit additions, deletions, or changes to the original document and that is to be stored and maintained in a safe and separate location."

#### Appendix C – Records Management Needs Assessment



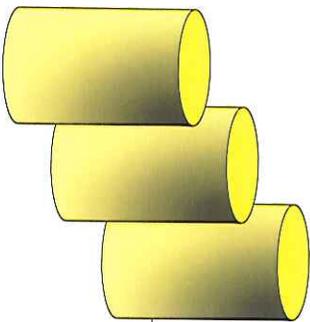
**TRUSTWORTHY ELECTRONIC RECORDS**

**Legal Requirements**

**Effective August, 2012**

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Do not duplicate or distribute without prior written permission from GGS (909) 337-3516



**NAS / SAN / File Servers  
(Magnetic Media / Re-written)**

Daily / Weekly off-site  
(reused / recycled)

**ONLY FOR DATABASES / REPOSITORIES WHERE THE ELECTRONIC RECORD OR IMAGES  
ARE TO SERVE AS THE CITY'S "OFFICIAL" (ORIGINAL) RECORD**

Incremental

Examples:

ECMS / Document Imaging Databases

Building Permit / Planning Permit Systems (if images stored in database)

Finance System (if images stored in database)



**Backup (Recycled / Magnetic Media)  
Disaster Recovery**



**WORM Tape / CD-r / DVD-r (NOT recycled / Unalterable Media)**

**Legal Compliance for Trustworthy Electronic Records,  
wherever the electronic record is the "official record"**

**Not required if the paper version is retained  
(the paper serves as the Town's "official record")**



Complete Paperless  
Solutions

Complete Paperless Solutions  
4025 E. La Palma Ave. Ste. 204  
Anaheim, CA 92807

(866)661-2425

## Quote

Date	Quote #
04/04/2016	1666
Exp. Date	
05/04/2016	

### Address

Yvette Mayfield  
City of Taft  
209 East Kern Street  
Taft, CA 93268 USA

Date	Product/Service	Description	Quantity	Rate	Amount
04/04/2016	MSE30	Laserfiche Avante Server for MS SQL with Workflow	1	5,000.00	5,000.00
04/04/2016	MNF16	Laserfiche Named Full User with Web Access, Mobile, Snapshot and Email	10	600.00	6,000.00
04/04/2016	MSA30	Avante Add. DB-SQL	1	1,000.00	1,000.00
04/04/2016	MATX16	Laserfiche Advanced Audit Trail with Watermark	10	100.00	1,000.00
04/04/2016	MPL01	LF Plug-In	1	3,795.00	3,795.00
04/04/2016	S30	Laserfiche United Server	-1	7,250.00	-7,250.00
04/04/2016	FX	Laserfiche Full User United, incl. Snapshot and Email Plug Ins	-5	750.00	-3,750.00
04/04/2016	97840	LF Plus Plug In	-1	3,795.00	-3,795.00
04/04/2016	MSE30P	Laserfiche LSAP Avante MS SQL with Workflow	1	1,500.00	1,500.00
04/04/2016	MNF16P	Laserfiche Avante LSAP for name user	10	180.00	1,800.00
04/04/2016	MSA30P	Avante Add. DB-SQL LSAP	1	300.00	300.00
04/04/2016	MATX16P	Advanced Audit Trail Basic	10	30.00	300.00
04/04/2016	MPL01P	LF Plug-In LSAP	1	1,898.00	1,898.00
04/04/2016	BOCR	Support for Batch OCR	1	450.00	450.00
04/04/2016	S3P	Laserfiche LSAP United Server (prorated to 4 months)	-0.32	2,175.00	-696.00
04/04/2016	FXP	Laserfiche LSAP Full User including Email & Snapshot (prorated to 4 months)	-1.58	225.00	-355.50
04/04/2016	97840UP	Laserfiche LSAP Plus Plug In (prorated to 4 months)	-0.32	1,898.00	-607.36
04/04/2016	BOCR	Support for Batch OCR (prorated to 4 months)	-0.32	450.00	-144.00
Continue to the next page					

Date	Product/Service	Description	Quantity	Rate	Amount
04/04/2016	Professional Services	CPS Professional Services: Avante upgrade and Volume Migration	1	6,000.00	6,000.00
04/04/2016	Professional Services	CPS Professional Services: Training (optional)	1	1,600.00	1,600.00
<b>Total</b>					<b>\$14,045.14</b>

Accepted By \_\_\_\_\_

Accepted Date \_\_\_\_\_

Tax ID: 27-0926551

Please Make Checks Payable to: Complete Paperless Solutions



# City of Taft Agenda Report

**DATE:** MAY 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**2016-2017 APPROPRIATIONS LIMIT**

**SUMMARY STATEMENT:**

The City Council must annually establish a spending limit for the coming fiscal year as a requirement of Proposition 4, which was adopted in 1979 and modified June 5, 1990, when voters approved Proposition 111.

Beginning with the 1990-91 appropriations limit, the annual adjustment factors changed. Instead of using the lesser of California Per Capita Income or U.S.C.P.I. to measure inflation, each city may choose:

1. The growth in the California Per Capita Income, or the growth in the non-residential assessed valuation due to new construction within the city.
2. Instead of using only the population growth of the city, each city may choose to use the population growth within its county.

These are both annual elections.

The decision as to which of the options to select must be done by a recorded vote of the City Council. The data necessary to calculate the increase in the non-residential assessed valuation for FY 2016-2017 is not available from the County Assessor's Office until late July or August 2016; however, the valuation for FY 2015-2016 is available.

It is recommended that the City adopt its 2016-2017 appropriations limit using the alternative factor of non-residential assessed valuation for the inflationary adjustment. The computation shows that the City's inflationary adjustment factor is 0.994045% and the appropriation limit for 2016-2017 fiscal year is \$6,526,285 (see attached worksheet).

**RECOMMENDED ACTION:**

Motion to adopt resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT ESTABLISHING APPROPRIATIONS LIMIT FOR 2016-2017.**

**IMPACT ON BUDGET (Y/N):** Yes, setting 2016-2017 operating expenditure level.

**ATTACHMENT (Y/N):** Yes, Appropriation Limit Worksheet and Resolution

**PREPARED BY:** *Teresa Binkley, Finance Director*

**REVIEWED BY:**

CITY CLERK	FINANCE DIRECTOR	CITY MANAGER
------------	------------------	--------------

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT ESTABLISHING  
APPROPRIATIONS LIMIT FOR 2016-2017**

**WHEREAS**, cities are required to establish appropriations limits pursuant to Proposition 111 each fiscal year; and

**WHEREAS**, appropriations limits are developed based upon base year 1986-87 appropriations; and

**WHEREAS**, the 1986-87 appropriations for the City of Taft have been set at \$2,308,812; and

**WHEREAS**, the City chooses the percentage change in California non-residential assessed valuation as a basis for computing the appropriation limit; and

**WHEREAS**, the City chooses as an adjustment factor the growth in the County population; and

**WHEREAS**, based upon state formulas, the 2016-2017 appropriation limit is 0.994045% below the 2015-2016 limit.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Taft that the City Council hereby establishes the appropriation limit for the 2016-2017 fiscal year at \$6,526,285.

**PASSED, APPROVED AND ADOPTED** on this 17<sup>th</sup> day of May, 2016.

\_\_\_\_\_  
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 17<sup>th</sup> day of May 2016, by the following vote:

AYES: Council Members:  
NOES: Council Members:  
ABSENT: Council Members:  
ABSTAIN: Council Members:

\_\_\_\_\_  
Yvette Mayfield  
City Clerk

CITY of TAFT  
Article XIII B Appropriations Limit  
Fiscal Year 2016-2017  
Appropriations Limit

A. Last Year's Limit	6,564,857
B. Adjustment Factors:	
1. Population %	1.00008
2. Inflation %	0.994045
Total Adjustment %	0.9941245
C. Annual Adjustment \$	(38,572)
D. Other Adjustments:	
Lost Responsibility (-)	.
Transfer to private (-)	.
Transfer to fees (-)	.
Assumed Responsibility (+)	.
Sub-total	0
E. Total Adjustments	(38,572)
F. This Years Limit	6,526,285

Adjustment Factor Calculation:

Population:	
City	0.47%
County	0.80%
Inflation:	
Per capita personal income	5.37%
Non-Residential Assessed Valuation	-59.55%

CITY of TAFT  
Article XIII B Appropriations Limit  
Fiscal Year 2016-2017  
Appropriations Limit

---

A. Last Year's Limit	6,693,778
B. Adjustment Factors:	
1. Population %	1.000047
2. Inflation %	1.000537
Total Adjustment %	1.000584
C. Annual Adjustment \$	3,909
D. Other Adjustments:	
Lost Responsibility (-)	
Transfer to private (-)	
Transfer to fees (-)	
Assumed Responsibility (+)	
Sub-total	0
E. Total Adjustments	3,909
F. This Years Limit	6,697,687

Adjustment Factor Calculation:

Population:	
City	0.47%
County	0.80%
Inflation:	
Per capita personal income	5.37%
Non-Residential Assessed Valuation	-59.55%

**CITY of TAFT**  
**Article XIII B Appropriations Limit**  
**Fiscal Year 2016-17**  
**Population Changes per**  
**State of California, Department of Finance Report**

**Worksheet #5**

	<u>City</u> <u>Population</u>	<u>Change</u>	<u>County</u> <u>Population</u>	<u>Change</u>
01/01/92	6,133		561,540	
01/01/93	6,193	0.98%	565,524	0.71%
01/01/94	6,180	-0.21%	590,883	4.48%
01/01/95	6,542	5.86%	612,823	3.71%
01/01/96	6,594	0.79%	624,695	1.94%
01/01/97	6,659	0.99%	628,216	0.56%
01/01/98	6,894	3.53%	639,798	1.84%
01/01/99	8,958	29.94%	648,398	1.34%
01/01/00	9,141	2.04%	658,935	1.63%
01/01/01	8,904	-2.59%	685,811	4.08%
01/01/02	8,929	0.28%	687,552	0.25%
01/01/03	8,978	0.55%	702,873	2.23%
01/01/04	8,962	-0.18%	724,883	3.13%
01/01/05	9,052	1.00%	753,070	3.89%
01/01/06	9,147	1.05%	779,869	3.56%
01/01/07	9,161	0.15%	801,678	2.80%
01/01/08	9,228	0.73%	817,517	1.98%
01/01/09	9,117	-1.20%	827,173	1.18%
01/01/10	9,264	1.61%	839,587	1.50%
01/01/11	9,321	0.62%	846,883	0.87%
01/01/12	8,906	-4.45%	850,006	0.37%
01/01/13	8,911	0.06%	857,882	0.93%
01/01/14	8,942	0.35%	873,092	1.77%
01/01/15	9,456	5.75%	874,264	0.13%
01/01/16	9,405	-0.54%	886,507	1.40%
01/01/17		-100.00%		-100.00%
01/01/18		#DIV/0!		#DIV/0!
01/01/19		#DIV/0!		#DIV/0!
01/01/20		#DIV/0!		#DIV/0!
01/01/21		#DIV/0!		#DIV/0!
01/01/22		#DIV/0!		#DIV/0!
01/01/23		#DIV/0!		#DIV/0!
01/01/24		#DIV/0!		#DIV/0!



# City of Taft Agenda Report

**DATE:** MAY 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE)  
GRANT**

**SUMMARY STATEMENT:**

The City of Taft annually is eligible to submit a grant application to the Department of Resources Recycling and Recovery (CalRecycle) in the amount of \$5,000 each fiscal year. The funds that are allocated to the city are to be used for the promotion, education, and advertising the recycling of beverage containers. The city has used these funds to purchase recycling containers and billboard advertisements in prior years.

Beginning with the funding cycle for FY 2016-17 CalRecycle now requires that the city adopt a resolution and to submit the resolution with the online application.

**RECOMMENDED ACTION:**

Motion to adopt resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR ALL CALRECYCLE GRANTS FOR WHICH THE CITY OF TAFT IS ELIGIBLE.**

**IMPACT ON BUDGET (Y/N):** No

**ATTACHMENT (Y/N):** Yes; Resolution.

**PREPARED BY:** *Teresa Binkley, Finance Director*

**REVIEWED BY:**

<b>CITY CLERK</b>	<b>FINANCE DIRECTOR</b>	<b>CITY MANAGER</b>

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT  
AUTHORIZING SUBMITTAL OF APPLICATION(S) FOR ALL CALRECYCLE  
GRANTS FOR WHICH THE CITY OF TAFT IS ELIGIBLE**

**WHEREAS**, Public Resources Code sections 48000 et seq. authorize the Department of Resources Recycling and Recovery (CalRecycle) to administer various grant programs (grants) in furtherance of the State of California's (state) efforts to reduce, recycle and reuse solid waste generated in the state thereby preserving landfill capacity and protecting public health and safety and the environment; and

**WHEREAS**, in furtherance of this authority CalRecycle is required to establish procedures governing the application, awarding, and management of the grants; and

**WHEREAS**, CalRecycle grant application procedures require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of CalRecycle grants.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Taft authorizes the submittal of application(s) to CalRecycle for all grants for which the City of Taft is eligible; and

**BE IT FURTHER RESOLVED** by the City Council of the City of Taft that the Mayor or City Manager or his/her designee is hereby authorized and empowered to execute in the name of the City of Taft all grant documents, including but not limited to, applications, agreements, amendments and requests for payment, necessary to secure grant funds and implement the approved grant project; and

**BE IT FURTHER RESOLVED** that these authorizations are effective for five (5) years from the date of adoption of this resolution.

**PASSED, APPROVED AND ADOPTED** on this 17th day of May, 2016.

\_\_\_\_\_  
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 17th day of May 2016, by the following vote:

AYES: Council Members:  
NOES: Council Members:  
ABSENT: Council Members:  
ABSTAIN: Council Members:

---

Yvette Mayfield  
City Clerk



# City of Taft Agenda Report

**DATE:** MAY 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**ARAMARK FOOD SERVICE AGREEMENT AMENDMENT #4**

**SUMMARY STATEMENT:**

The Taft Modified Community Correctional Facility currently contracts with Aramark Correctional Services, LLC (Aramark) to supply meals to inmates and within the original agreement addresses a change in cost based on the Consumer Price Index every July 1.

Amendment #4 is attached and is effective as of July 1, 2016 until June 30, 2017 with the increase in meals at an increase of 3.16%, the new cost per meals range from \$3.429 to \$1.796.

**RECOMMENDED ACTION:**

Motion to approve the Food Service Agreement Amendment #4 between the City of Taft and Aramark Correctional Services, LLC, and to authorize the Mayor to execute Amendment #4.

**IMPACT ON BUDGET (Y/N):** Yes

**ATTACHMENT (Y/N):** Yes; Food Service Agreement Amendment #4 along with attachments with calculation for rate increase.

**PREPARED BY:** *Teresa Binkley, Finance Director*

**REVIEWED BY:**

<b>CITY CLERK</b>	<b>FINANCE DIRECTOR</b>	<b>CITY MANAGER</b>
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**Amendment No. 4 to Food Services  
Management Agreement Correctional Facilities**

**THIS AMENDMENT NO. 4** is entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 by and between the **City of Taft, California** ("City") and **ARAMARK Correctional Services, LLC**, a Delaware limited liability company with offices at ARAMARK Tower, 1101 Market Street, Philadelphia PA, 19107 ("ARAMARK").

**WITNESSETH:**

**WHEREAS**, the City and ARAMARK entered into a Food Services Management Agreement Correctional Facilities on May 4, 2010 for the management of the food operation at Taft Community Correctional Facility (the "Agreement");

**WHEREAS**, the parties acknowledge the need to address volatility in the cost of food commodities; and

**WHEREAS**, the parties desire to amend the Agreement as hereinafter set forth, effective July 1, 2016.

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual promises in the Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below. Capitalized terms used but not defined in this Amendment have the meanings ascribed to such terms in the Agreement:

1. **Price Adjustment:** In accordance with Paragraph IV.A of the Agreement, the parties agree that the price per meal charged to the County by ARAMARK shall be changed as set forth on Attachment A as a result of changes in the Consumer Price Index. This price shall be effective from July 1, 2016 through June 30, 2017, and shall supersede in all respects the price per meal set forth in Paragraph IV.A of the Agreement or in any other prior agreements between the parties.
2. **Effect of Amendment:** Except as specifically set forth herein, all other terms and provisions of the Agreement shall remain unaffected by this Amendment and continue in full force and effect.

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment No. 4 to be signed by their duly authorized representatives the day and year first written above.

**ARAMARK Correctional Services, LLC**

**City of Taft, California**

By: \_\_\_\_\_  
Mark R. Adams  
Vice President, Finance

By: \_\_\_\_\_  
Name:  
Title:

**Attachment A**

**City of Taft, California  
Effective July 1, 2016 through June 30, 2017**

Average Meals Served*			Price	Price with Sales Tax
300	-	399	3.190	3.429
400	-	499	2.497	2.684
500	-	599	2.394	2.574
600	-	699	2.226	2.392
700	-	799	2.057	2.211
800	-	899	1.951	2.097
900	-	999	1.868	2.008
1000	-	1099	1.837	1.975
1100	-	1199	1.830	1.967
1200	-	1299	1.858	1.997
1300	-	1399	1.763	1.895
1400	-	1499	1.714	1.843
1500	-	Above	1.671	1.796

\*The total number of inmate meals served per seven-day week is divided by seven (7) in order to determine the price point on the sliding scale.



Aramark Correctional Services  
City of Taft, California  
330 Commerce Way  
Taft, CA 93268

February 22, 2016

Captain Holt  
City of Taft

Captain Holt,

As I have mentioned in the past, time sure does fly by when you are busy. Thank you for the continued partnership, support and cohesiveness. The relationship between Staff, Upper Management, the City of Taft and Aramark is very good and we would like to continue that bond. I myself and Karen, along with Aramark, thank you and those involved for this opportunity.

In accordance with our current Food Service Agreement and latest amendment, ARAMARK Correctional Services is entitled to a CPI price increase on 7/1/16. For timing purposes, I will email this letter along with new scale (below) and will follow it up once we have your verbal approval with an amendment from our legal department outlining the change.

Aramark proposes a new price, which is reflected on the attached Sliding Scale. It will be effective July 1, 2016. This new price is based on Market Basket and the CPI-Food Away from Home, all Urban U.S. City Average, for the twelve months ending January 31, 2016 (Below). The increase will be 3.16%.

We appreciate your business and will continue to provide a high standard of service and offer new and better services to meet Taft's changing needs. We are pleased to continue to serve the City of Taft and the partnership that has evolved over the years.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Peter Burt  
Aramark Correctional Services

Cc: Teresa Binkley, Karen Armendariz

**City of Taft**

**Market Basket Price Redetermination Statement  
Period Ended January 31**

<b>CATEGORY</b>	<b>Menu Weighting</b>	<b>January Category CPI %</b>	<b>Weighted CPI %</b>
Baked Goods	7.53%	1.04%	0.08%
Beverage	7.78%	0.62%	0.05%
Dairy	15.80%	-7.20%	-1.14%
Grocery	28.59%	0.85%	0.24%
Produce	16.23%	3.31%	0.54%
Protein	24.07%	-4.86%	-1.17%
<b>TOTAL</b>	<b>100.00%</b>		<b>-1.40%</b>

**January FY 2016 CPI Food Away from Home Index** **3.16%**

**Greater of Market Basket to January CPI - Food Away from Home** **3.16%**

**City of Taft, California  
Effective July 1, 2016 until June 30, 2017**

<b>Average NUMBER OF MEALS Served*</b>		<b>PRICE</b>	<b>PRICE PER MEAL WITH SALES TAX OF 7.5%</b>
300	399	\$ 3.190	\$ 3.429
400	499	\$ 2.497	\$ 2.684
500	599	\$ 2.394	\$ 2.574
600	699	\$ 2.226	\$ 2.392
700	799	\$ 2.057	\$ 2.211
800	899	\$ 1.951	\$ 2.097
900	999	\$ 1.868	\$ 2.008
1000	1099	\$ 1.837	\$ 1.975
1100	1199	\$ 1.830	\$ 1.967
1200	1299	\$ 1.858	\$ 1.997
1300	1399	\$ 1.763	\$ 1.895
1400	1499	\$ 1.714	\$ 1.843
1500	Above	\$ 1.671	\$ 1.796

\*The total number of inmate meals served per seven day week is divided by (7) in order to determine the price point on the sliding scale.



# City of Taft Agenda Report

**DATE:** May 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**PURCHASE OF SUNRIDGE SYSTEMS RIMS E-911 DATA ENGINEERING FOR THE E-911 MAPPING SYSTEM FOR THE POLICE DEPARTMENT DISPATCH CENTER**

**SUMMARY STATEMENT:**

On February 16, 2016 the Taft City Council approved the purchase of Sunridge Systems Mapping and ESRI licensing for the Police Dispatch Center. Installation of the mapping system is complete minus the Data Engineering. The Data Engineering is required so the Enhanced 9-1-1 software is compatible with the mapping layers and will be reimbursed to us by the State of California DGS 9-1-1 services unit. The cost for the Data Engineering is \$2,500.00 and can be taken from the Drug Forfeiture account until it is reimbursed by the State of California. This is the final component of the mapping system and once this is finished our Police Dispatch will have full complete mapping of the City of Taft and its surrounding areas which will include caller ID, and where they are located on the map.

**RECOMMENDED ACTION:**

Motion to approve \$ 2,500.00 from the Asset Forfeiture Fund to purchase Sunridge Systems RIMS E-911 Data Engineering for the E-911 Mapping System.

**FUNDING SOURCE:** Asset forfeiture Fund

**ATTACHMENT (Y/N):** Sunridge Systems Quotation

**PREPARED BY:** Ed Whiting – Chief of Police

**REVIEWED BY:**

CITY CLERK	FINANCE DIRECTOR	CITY MANAGER
------------	------------------	--------------



**To:** Lt. Pete Aranda, Taft Police Department  
**From:** Carol Jackson  
**Subject:** Quotation for RIMS Software  
**Date:** April 5, 2016

The following is a quotation for RIMS map data engineering per your recent request.

Item	Price
Mapping Data Engineering Services	\$2,500
<b>TOTAL</b>	<b>\$2,500</b>

Sale tax has not been included because this is services only.

All services will be provided remotely.

These services are required only when the map source file is ESRI-based. If your Department uses Google maps exclusively as your map source file for RIMS Mapping, these Map Data Engineering services are not required.

Sun Ridge's business address is:

Sun Ridge Systems, Inc.  
P.O. Box 5071  
El Dorado Hills, CA 95762

This quotation is valid for 90 days and may change thereafter. If you have any questions please call me at 800-474-2565. Thank you for your continued interest in RIMS.



# City of Taft Agenda Report

**DATE:** MAY 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA ITEM:**

**APPROVAL OF USDA REQUIRED RESOLUTION IN CONNECTION WITH AGREEMENT FOR FUNDS TO MODIFY AND UPGRADE WASTEWATER TREATMENT FACILITY**

**SUMMARY STATEMENT:**

The City is nearing the point of loan signing with the United States Department of Agriculture (USDA) for loan funds that were applied for to make needed modifications and upgrades to the City's existing wastewater treatment facility. The Council has already approved applying for the loan from the USDA in an amount not to exceed \$3,619,000 and now needs to approve the required resolution.

**RECOMMENDATION:**

Motion to adopt a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT PROVIDING FOR THE APPROVAL OF THE UNITED STATES DEPARTMENT OF AGRICULTURE FORM LOAN RESOLUTION REQUIRED IN CONNECTION WITH THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICATION SECURED BY AN INSTALLMENT PURCHASE AGREEMENT THAT WILL PROVIDE FUNDS TO MODIFY AND UPGRADE THE CITY'S EXISTING WASTEWATER TREATMENT FACILITY.**

**IMPACT ON BUDGET (Y/N):** NO

**ATTACHMENT (Y/N):** YES (Resolution)

**PREPARED BY:** City Clerk

**REVIEWED BY:**

<b>CITY CLERK</b>	<b>FINANCE DIRECTOR</b>	<b>CITY MANAGER</b>
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**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT  
PROVIDING FOR THE APPROVAL OF THE UNITED STATES  
DEPARTMENT OF AGRICULTURE FORM LOAN RESOLUTION  
REQUIRED IN CONNECTION WITH THE EXECUTION AND DELIVERY  
OF CERTIFICATES OF PARTICATION OR OTHER FORM OF  
FINANCING SECURED BY AN INSTALLMENT PURCHASE AGREEMENT  
THAT WILL PROVIDE FUNDS TO MODIFY AND UPGRADE THE CITY'S  
EXISTING WASTEWATER TREATMENT FACILITY**

**WHEREAS**, the City of Taft (the "City") received a Letter of Conditions dated April 10, 2014 (the "Letter of Conditions"), from the United States Department of Agriculture, Rural Development (the "USDA") establishing certain conditions under which the USDA would loan and/or grant money to the City to finance the modification and upgrade of the City's existing wastewater treatment facility (the "Project"); and

**WHEREAS**, the City expects to enter into an Installment Purchase Agreement with the Taft Public Improvement Corporation to provide payments for Certificates of Participation or other form of financing that it intends to execute and deliver to evidence the USDA loan, in the principal amount of not to exceed Three Million Six Hundred Nineteen Thousand Dollars (\$3,619,000) pending the delivery of the Certificates or other form of financing; and

**WHEREAS**, the Letter of Conditions requires the City to execute a Loan Resolution to secure the loan (the "Loan Resolution"), the form of which is attached hereto as Exhibit A, and the Loan Resolution is in the form of USDA (Form RD 1942-47) and is not subject to negotiation and change; and

**WHEREAS**, the Loan Resolution provides for the issuance of bonds as the form of obligation and due to limitations in the California Constitution the City will execute and deliver Certificates of Participation or other form of financing to evidence the USDA loan, payable to the USDA;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Taft, as follows:

**SECTION 1.** The City Council finds and determines that the foregoing recitals are true and correct.

**SECTION 2.** The City Council approves the form of the Loan Resolution with the proviso that all references to bonds and the issuance of bonds in the Loan Resolution will include certificates of participation or other form of financing and the execution and delivery of certificates of participation or other form of financing.

**SECTION 3.** The City Council further finds and determines that: (a) the City expects to execute and deliver Certificates of Participation or other form of financing to the USDA to repay the Loan used to finance the Project; and (b) the Loan Resolution, which is attached hereto as Exhibit A, is approved on behalf of the City.

SECTION 4. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 17th day of May, 2016.

\_\_\_\_\_  
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 17<sup>th</sup> day of May 2016, by the following vote:

AYES: Council Members:  
NOES: Council Members:  
ABSENT: Council Members:  
ABSTAIN: Council Members:

\_\_\_\_\_  
Yvette Mayfield  
City Clerk

Resolution No. \_\_\_\_\_  
Page 3 of 3

**EXHIBIT A**  
**USDA FORM RESOLUTION**

(Automated 8-97)

**LOAN RESOLUTION**  
(Public Bodies)

A RESOLUTION OF THE CITY COUNCIL

OF THE CITY OF TAFT

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

**WASTEWATER TREATMENT SYSTEM**

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the CITY OF TAFT  
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of a loan agreement in the principal amount of: **\$3,619,000**

pursuant to the provisions of CALIFORNIA GOVERNMENT CODE; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of a loan agreement containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its loan agreement upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its loan agreement by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the loan agreement or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the loan agreement or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the loan agreement or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the loan agreement, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the loan agreement.
8. To place the proceeds of the loan agreement on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

*Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0015), Washington, DC 20503.*





CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as City Clerk of the City of Taft hereby certify that the City Council of the Association is composed of five (5) members, of whom, \_\_\_\_\_ constituting a quorum, were present at a meeting thereof duly called and held on the 17th day of May; and that the foregoing resolution was adopted at such meeting by the vote shown above, I further certify that as of \_\_\_\_\_, the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this \_\_\_\_ day of \_\_\_\_\_.

YVETTE MAYFIELD

\_\_\_\_\_  
Title: City Clerk of the City of Taft



# City of Taft Agenda Report

**DATE:** May 17, 2016

**TO:** MAYOR MILLER AND COUNCIL MEMBERS

**AGENDA MATTER:**

**SPECIAL EVENT PERMIT – CHRISTIAN SERVICE EVENT HELD BY IGLESIA DE JESUCRISTO CANAAN ON THE CORNER OF 6<sup>TH</sup> ST AND MAIN ST AT THE RAILS TO TRAILS STAGE ON MAY 21, 2016.**

**SUMMARY STATEMENT:**

Staff received a special event application and letter from Edgar Gil from Iglesia de Canaan requesting use of City property at the corner 6<sup>th</sup> and Main Street at the Rails to Trails Stage (APN 032-110-72,-73) for an outdoor Christian service event May 21<sup>st</sup>, 2016. Edgar Gil of Iglesia de Canaan will set up the event by 5pm and will break down the event Saturday evening by 10:30pm.

The event will include 50 chairs to provide seating for the congregation members, two tables providing refreshments, four speakers and two amplifiers to provide sound. Edgar Gil of Iglesia de Canaan has worked with the Planning Department who have reviewed the plan and addressed all safety concerns. The applicant is requesting that Special Events fee be waived by the City Council so that funds maybe dedicated toward other event costs. The applicant makes no request for street closures.

Conditions of approval:

1. \$1,000,000 liability insurance naming City of Taft as additional insured
2. Signed encroachment permit/ Hold Harmless (if necessary)
3. Trash receptacles
4. Portable chemical toilets

**RECOMMENDED ACTION:**

Motion to approve a resolution entitled **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING A SPECIAL EVENT PERMIT, AUTHORIZING EDGAR GIL OF IGLESIA DE JESUCRISTO CANAAN TO HOLD A CHRISTIAN SERVICE EVENT ON CITY PROPERTY ON THE CORNER OF SIXTH STREET AND MAIN ST AT THE RAILS TO TRAILS STAGE ON MAY 21<sup>ST</sup>, 2016.**

**FUNDING SOURCE:** N/A

**ATTACHMENT (Y/N):** Yes, Resolution, Edgar Gil of Iglesia de Canaan Letter, Application, Liability Insurance, Aerial Map, and 501c3

**PREPARED BY:** Mark Staples, Director, Planning & Community Development

**REVIEWED BY:**

<b>CITY CLERK:</b>	<b>FINANCE DIRECTOR:</b>	<b>CITY MANAGER:</b>
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**RESOLUTION \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TAFT APPROVING  
A SPECIAL EVENT PERMIT, AUTHORIZING EDGAR GIL OF IGLESIA DE  
JESUCRISTO CANAAN TO HOLD A CHRISTIAN SERVICE EVENT ON CITY  
PROPERTY ON THE CORNER OF SIXTH STREET AND MAIN ST AT THE RAILS  
TO TRAILS STAGE ON MAY 21<sup>st</sup>, 2016**

**WHEREAS**, Edgar Gil of Iglesia de Jesucristo Canaan has submitted a Special Event Permit Application, requesting to hold a Christian service event on City property on the Rails to Trails stage at Sixth Street and Main Street (APN 032-110-72, -73) on May 21<sup>st</sup>, 2016; and

**WHEREAS**, Edgar Gil of Iglesia de Jesucristo Canaan shall provide sufficient trash receptacles and portable chemical toilets, and shall clean up all trash and debris at the conclusion of the event.

**WHEREAS**, the City Council agrees to waive the Special Events application fees so that Edgar Gil and Iglesia de Jesucristo Canaan can dedicate those funds toward other event costs.

**NOW, THEREFORE, BE IT RESOLVED**, the Mayor and City Council of the City of Taft, California, approve the special event as follows:

Set-up: May 21<sup>st</sup>, 2016, 3:30pm to 5:00pm  
Christian service event: May 21<sup>st</sup>, 2016; operating 5:00pm to 10:00pm  
Breakdown of event: May 21<sup>st</sup>, 2016, by 10:30pm

**PASSED, APPROVED, AND ADOPTED** this 17<sup>th</sup> day of May, 2016

\_\_\_\_\_  
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 17<sup>th</sup> day of May, 2016, by the following vote:

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

\_\_\_\_\_  
Yvette Mayfield, City Clerk

To the city of Taft

I am writing this letter with the intent to try and explain what the event that we are planning on May 21<sup>st</sup> of this year. The event will start at 5pm and will end at 10pm at the corner of 6<sup>th</sup> and Main St. This will be a Christian event set forth by The Iglesia De Jesucristo Canaan, we are a Christian church. The event will consist of a P.A system with 4 speakers setup on the staging area, we will have roughly 50 chairs, and a few tables with bottled water for the people that decide to stay and hear the music and the sermons. We will be requiring the adjacent parking area for vehicle parking. There will be no sales of any kind, no food, no liquor.

This events sole purpose is to spread the word of Christ and to try and have a positive effect on people who may not know the word of Christ. There will be no cover charge of any kind. We ask that the city of Taft will hopefully allow us the use of the park.

We would like to request the waiving of the application fee we are a non-profit organization and would like to dedicate funds toward other event costs, thank you for your consideration.  
Thank you.

A handwritten signature in blue ink, appearing to read "E. J. Lopez", with a horizontal line drawn through the middle of the signature.



Planning Department  
209 E. Kern Street  
Taft, California 93268  
(661) 763-1222 Ext. 15

RECEIVED

APR 27 2016

CITY OF TAFT  
COMMUNITY DEVELOPMENT

**APPLICATION FOR SPECIAL EVENTS PERMIT**

Application No: 2016-08 Date Received: 4/27/16 Fee Paid \$ 360.00 RP FOR waive.  
Receipt No: \_\_\_\_\_ Received by: [Signature]

In order to expedite processing of this Special Event Permit Application, and to eliminate unnecessary delays to the applicant, Planning Staff will not accept this application unless all items have been checked off and this application form has been signed and dated. In addition, all information is to be submitted in a neat and legible format and all drawings are to be drawn to scale. In the event errors or omissions are discovered, the application will be deemed incomplete and will be returned to the applicant for revision.

**APPLICATION IS HEREBY MADE TO THE PLANNING DEPARTMENT THAT:**

Property Owner (attach sheet if more than one property owner)

Name: Edgar Gil Phone No.: (818)482-3152  
Address: 312 Main st. Cell No.: (661)770-6048  
City: Taft CA. 93268 State: CA. Zip: 93268

**Applicant (attach sheet if more than one applicant)**

Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_ Cell No.: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

**BE GRANTED A SPECIAL EVENT PERMIT TO:** Iglesia De Jesucristo Canaan  
Christian Event non-profit 5-21-16

Property location or address: SEC 6<sup>th</sup> st & Main st.  
Assessor's Parcel Number(s): 032-110-72  
Legal Description of property(s): PAR 8 PMW 08-01 SEC. 13  
Township 32, Range 23, Quarter SW  
General Plan Land Use Designation: Mixed Use  
Zoning of the Subject Property: MU

**NOTE TO APPLICANT: Please check each of the following items when completed and made a part of this application.**

- Property Owner's signed authorization
- A site plan indicating the following: location and boundaries of the property, dimensions of all lot lines, names and location of all bordering streets and alleys, size and dimensions of all on-site buildings (existing and proposed), design and layout of vehicular access, on-site parking and loading areas, location of trash bins, location of all free standing signs (existing and proposed), location of all walls or fences, direction of existing and proposed drainage, scale, north arrow and date.
- Depict all on-site signs (existing and proposed); including size, height, material, color and lighting.
- Building Permits (for Circuses/Carnivals).
- Business Licenses (for Circuses/Carnivals).

**CITY STAFF REVIEW OF EACH SPECIAL EVENT PERMIT APPLICATION WILL INVOLVE CONSIDERATION OF THE FOLLOWING FACTORS:**

1. Compliance with all applicable requirements of the City's General Plan, Zoning Ordinance and Development Standards.
2. Compliance with the California Environmental Quality Act.

Authority for approval of special events permit shall be vested with the Project Assistance Team. However, City Council approval shall be required for issuance of a special event permit for any event anticipated to accommodate 50 or more persons at any given time.

**APPLICANT'S SIGNATURE AND DATE INDICATES COMPLETION AND INCORPORATION OF THE ABOVE MENTIONED ITEMS INTO THIS SPECIAL EVENTS PERMIT APPLICATION.**

I certify that I am the record owner or authorized agent and that the information filed is true and correct to the best of my knowledge.

Edgar Gil \_\_\_\_\_ 04/25/16 \_\_\_\_\_  
Applicant's Signature Date

\_\_\_\_\_  
Owner's Signature Date

Is this event a fund raiser:  Yes  No

Name of Non-profit: Iglesia De Jesucristo Canaan

Contact name: Edgar Gil Phone No.: (818) 482-3152  
(661) 770-6048

Edgar Gil \_\_\_\_\_ 04/25/16 \_\_\_\_\_  
Applicant's Signature Date





Google earth

feet  
meters



INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **NOV 21 2006**

IGLESIA DE JESUCRISTO CANAAN  
4011 S NORMANDIE AVE STE 1  
LOS ANGELES, CA 90037

Employer Identification Number:  
03-0553373  
DLN:  
17053151046036  
Contact Person:  
MS. D. TOBLER ID# 75111  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
DECEMBER 31  
Public Charity Status:  
170(b)(1)(A)(i)  
Form 990 Required:  
NO  
Effective Date of Exemption:  
DECEMBER 31, 2004  
Contribution Deductibility:  
YES

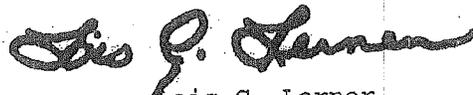
Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Sincerely,



Lois G. Lerner  
Director, Exempt Organizations  
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)

Letter 947 (DO/CG)