



AMENDED CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY MEETING AGENDA

**September 21, 2017
6:00 PM**

The Mission of the City of Coalinga is to provide for the preservation of the community character by delivering quality, responsive City services, in an efficient and cost-effective manner, and to develop, encourage, and promote a diversified economic base in order to ensure the future financial stability of the City for its citizens.

Notice is hereby given that the City Council will hold a Regular Meeting, on September 21, 2017 in the City Council Chambers, 155 West Durian Avenue, Coalinga, CA.

Persons with disabilities who may need assistance should contact the Deputy City Clerk at least 24 hours prior to the meeting at 935-1533 x113. The Meeting will begin at 6:00 p.m. and the Agenda will be as follows:

1. CALL TO ORDER

1. Pledge of Allegiance
2. Changes to the Agenda

2. AWARDS, PRESENTATIONS, APPOINTMENTS AND PROCLAMATIONS

1. Presentation of PG&E's LED On-Bill Financing Program, Paul Bravo, Energy Solution Consultant, Green Energy Innovations
2. Presentation of the Fiscal Year 2014-2015 Audited Financial Statements by the Auditor

3. CITIZEN COMMENTS

This section of the agenda allows members of the public to address the City Council on any item not otherwise on the agenda. Members of the public, when recognized by the Mayor, should come forward to the lectern, identify themselves and use the microphone. Comments are normally limited to three (3) minutes. In accordance with State Open Meeting Laws, no action will be taken by the City Council this evening and all items will be referred to staff for follow up and a report.

4. PUBLIC HEARINGS (NONE)

5. CONSENT CALENDAR

1. Information on Commercial Cannabis Licensing
2. Information on City of Coalinga IT Infrastructure
3. Adoption of Resolution No. 3785 Regarding Certifications and Claims for Collection of Measure "C" Funds for Fiscal Year 2017-18 and Authorization for the Financial Services Director to Sign the Local Transportation Pass Through Revenue Certifications and Claim Forms
4. Adopt Resolution No. 3786 Approving the Contract with Tyler Technologies-Incode Division for Financial Software and Services and Appropriation of the Funding Needed
5. Waive the Second Reading and Adopt Ordinance No. 806 to allow for Minor Adjustments to the City's Development Standards.
6. Authorization for City Manager to Sign and Submit Local Transportation Development Funds for Fiscal Year 2016-2017
7. Authorization for City Manager to Sign and Submit Local Transportation Development Funds for Fiscal Year 2017-18
8. Council Consideration and Approval for a Beer and Wine Off-Sale Business License, through the Department of Alcoholic Beverage Control (ABC) within Census Tract 80 in the City of Coalinga for the State Foods Supermarket located at 203 W. Polk Street
9. Declare Concrete Patio Table and Benches as Surplus and Authorize Sale with Proceeds to Benefit the Coalinga Police Explorers
10. Declare Surplus Property at City Hall and Donate to, Coalinga Community Foundation, Coalinga Neighborhood Resource Center or other local nonprofit agency
11. Fire Department Report - August

6. ORDINANCE PRESENTATION, DISCUSSION AND POTENTIAL ACTION ITEMS

1. Introduce and Waive the First Reading of Ordinance No. 807 Setting Procedures for Expediting Permitting Processing for Electric Vehicle Charging Systems
Sean Brewer, Community Development Director
2. Discussion of Future Business in Coalinga
Marissa Trejo, City Manager
3. Council Direction Regarding Authorization for Councilmember Stolz to Attend the State of Cannabis Conference in Long Beach on September 28th and 29th, 2017
Marissa Trejo, City Manager

7. CITIZEN COMMENTS

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8. ANNOUNCEMENTS

1. City Manager's Announcements
2. Councilmembers' Announcements/Reports
3. Mayor's Announcements

9. FUTURE AGENDA ITEMS

10. CLOSED SESSION (NONE)

11. ADJOURNMENT

Closed Session: A "Closed" or "Executive" Session of the City Council, Successor Agency, or Public Finance Authority may be held as required for items as follows: personnel matters; labor negotiations; security matters; providing instructions to real property negotiators; legal counsel regarding pending litigation; and protection of records exempt from public disclosure. Closed session will be held in the Administration Building at 155 W. Durian Avenue and any announcements or discussion will be held at the same location following Closed Session.

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Presentation of the Fiscal Year 2014-2015 Audited Financial Statements by the Auditor
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Jasmin Bains, Financial Services Director

I. RECOMMENDATION:

No Recommendation. Mr. Giosa from Price Paige & Company will be presenting the Audited Financial Statements for Fiscal Year 2014-2015.

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

None.

ATTACHMENTS:

File Name	Description
Coalinga_FY15_Financial_Statements_(Combined).pdf	Audited Financial Statements Fiscal Year 2014-2015

**CITY OF COALINGA
CALIFORNIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2015**

**CITY OF COALINGA
CALIFORNIA
JUNE 30, 2015**

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coalinga, California (the "City") as of and for the 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 City'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 City'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 Coalinga, California, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Clovis, CA 93612

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Emphasis of Matter

Change in Accounting Principles

As discussed in Note 14, New Pronouncements Adopted, to the financial statements, effective July 1, 2014, the City implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68 and No. 73*. 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 pages 52 and 53, the Schedule of the City's Proportionate Share of the Net Pension Liability on page 55, and the Schedule of Contributions on page 56 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards 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 July 25, 2017, on our consideration of the City of Coalinga's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Coalinga's internal control over financial reporting and compliance.

Price Pange & Company

Clovis, California
July 25, 2017

BASIC FINANCIAL STATEMENTS

CITY OF COALINGA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 3,841,080	\$ 3,578,157	\$ 7,419,237
Restricted cash with fiscal agent	2,390,985	2,839,258	5,230,243
Receivables (net of allowance for uncollectibles)	1,146,419	672,652	1,819,071
Internal balances	12,907,000	(12,907,000)	-
Prepaid items	-	-	-
Assets held for resale	-	-	-
Advances to the Successor Agency	2,950,000	-	2,950,000
Notes receivable	3,197,746	-	3,197,746
Lease receivable	9,212	-	9,212
Bonds receivable	7,994,942	-	7,994,942
Interest receivable - long-term	937,667	-	937,667
Net pension asset	94,230	88,451	182,681
Capital assets:			
Nondepreciable	2,593,373	1,098,789	3,692,162
Depreciable, net of accumulated depreciation	<u>20,224,002</u>	<u>17,467,342</u>	<u>37,691,344</u>
Total assets	<u>58,286,656</u>	<u>12,837,649</u>	<u>71,124,305</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	<u>590,771</u>	<u>250,233</u>	<u>841,004</u>
Total deferred outflows of resources	<u>590,771</u>	<u>250,233</u>	<u>841,004</u>
LIABILITIES			
Accounts payable	217,615	453,750	671,365
Accrued liabilities	49,347	-	49,347
Deposits and other liabilities	79,328	20,400	99,728
Accrued interest payable	346,428	-	346,428
Unearned revenue	757,654	-	757,654
Noncurrent liabilities:			
Due within one year	1,301,383	42,512	1,343,895
Due in more than one year	<u>24,605,998</u>	<u>261,443</u>	<u>24,867,441</u>
Total liabilities	<u>27,357,753</u>	<u>778,105</u>	<u>28,135,858</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	<u>390,644</u>	<u>112,187</u>	<u>502,831</u>
Total deferred inflows of resources	<u>390,644</u>	<u>112,187</u>	<u>502,831</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
STATEMENT OF NET POSITION
JUNE 30, 2015
(Continued)

	Governmental Activities	Business-Type Activities	Total
NET POSITION			
Net investment in capital assets	19,034,161	7,915,559	26,949,720
Restricted for:			
Community development	3,300,274	-	3,300,274
Law enforcement	48,974	-	48,974
Storm drainage and flood control	24,069	-	24,069
Streets and bridges	97,645	-	97,645
Transit System	7,215	-	7,215
Proposition 40 Park	456,593	-	456,593
Street maintenance	1,956,270	-	1,956,270
LTF Article 8	718,178	-	718,178
Public buildings and facilities	46,728	-	46,728
EDA community buildings	61,699	-	61,699
EDA revolving loans	428,820	-	428,820
Debt service	28,505,931	-	28,505,931
Unrestricted	<u>(23,557,527)</u>	<u>4,282,031</u>	<u>(19,275,496)</u>
 Total net position	 <u>\$ 31,129,030</u>	 <u>\$ 12,197,590</u>	 <u>\$ 43,326,620</u>

The accompanying notes are an integral part of these financial statements.

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

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/programs:							
Primary government:							
Governmental activities:							
General government	\$ 1,198,851	\$ 1,203,089	\$ -	\$ -	\$ 4,238	\$ -	\$ 4,238
Public works	1,314,935	127,581	1,559,309	415,383	787,338	-	787,338
Community development	505,025	391,964	(14,434)	192,894	65,399	-	65,399
Public safety	5,978,011	1,980,979	152,236	-	(3,844,796)	-	(3,844,796)
Interest on long-term debt	<u>1,410,010</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,410,010)</u>	<u>-</u>	<u>(1,410,010)</u>
Total governmental activities	<u>10,406,832</u>	<u>3,703,613</u>	<u>1,697,111</u>	<u>608,277</u>	<u>(4,397,831)</u>	<u>-</u>	<u>(4,397,831)</u>
Business-type activities:							
Water	4,014,323	3,873,779	-	-	-	(140,544)	(140,544)
Sewer	1,098,217	1,040,546	-	-	-	(57,671)	(57,671)
Natural gas	1,708,813	1,485,363	-	-	-	(223,450)	(223,450)
Sanitation	1,588,738	1,567,640	-	248,859	-	227,761	227,761
Utility billing	<u>427,457</u>	<u>447,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,240</u>	<u>20,240</u>
Total business-type activities	<u>8,837,548</u>	<u>8,415,025</u>	<u>-</u>	<u>248,859</u>	<u>-</u>	<u>(173,664)</u>	<u>(173,664)</u>
Total	<u>\$ 19,244,380</u>	<u>\$ 12,118,638</u>	<u>\$ 1,697,111</u>	<u>\$ 857,136</u>	<u>(4,397,831)</u>	<u>(173,664)</u>	<u>(4,571,495)</u>
General revenues:							
Property taxes					2,496,011	-	2,496,011
Sales taxes					753,475	-	753,475
Franchise and other taxes					359,114	-	359,114
Rents					78,767	22,700	101,467
Unrestricted investment earnings					1,530,529	4,850	1,535,379
Gain (loss) on sale of assets					687,272	-	687,272
Miscellaneous					57,090	58,133	115,223
Special item - transfer from Successor Agency					<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Total general revenues					<u>7,462,258</u>	<u>85,683</u>	<u>7,547,941</u>
Changes in net position					3,064,427	(87,981)	2,976,446
Net position - beginning, restated					<u>28,064,603</u>	<u>12,285,571</u>	<u>40,350,174</u>
Net position - ending					<u>\$ 31,129,030</u>	<u>\$ 12,197,590</u>	<u>\$ 43,326,620</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Coalinga Public Financing Authority Debt Service Fund	Low-Moderate Housing Asset Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ -	\$ 502,337	\$ 110,194	\$ 3,228,549	\$ 3,841,080
Restricted cash with fiscal agent	-	2,390,985	-	-	2,390,985
Receivables (net of allowance for uncollectibles)	556,050	-	-	590,369	1,146,419
Due from other funds	-	-	-	2,389,030	2,389,030
Advances to other funds	-	13,730,000	-	-	13,730,000
Advances to the Successor Agency	-	2,950,000	-	-	2,950,000
Notes receivable	-	-	3,197,746	-	3,197,746
Lease receivable	9,212	-	-	-	9,212
Bonds receivable	-	7,994,942	-	-	7,994,942
Long-term interest receivable	-	937,667	-	-	937,667
Total assets	<u>\$ 565,262</u>	<u>\$ 28,505,931</u>	<u>\$ 3,307,940</u>	<u>\$ 6,207,948</u>	<u>\$ 38,587,081</u>
LIABILITIES					
Accounts payable	\$ 110,351	\$ -	\$ 7,666	\$ 99,598	\$ 217,615
Accrued liabilities	49,347	-	-	-	49,347
Deposits and other liabilities	71,628	-	-	7,700	79,328
Due to other funds	2,260,263	-	-	506,767	2,767,030
Advances from other funds	11,000	-	-	434,000	445,000
Unearned revenue	<u>748,625</u>	<u>-</u>	<u>-</u>	<u>9,029</u>	<u>757,654</u>
Total liabilities	<u>3,251,214</u>	<u>-</u>	<u>7,666</u>	<u>1,057,094</u>	<u>4,315,974</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>-</u>	<u>-</u>	<u>1,697,746</u>	<u>236,593</u>	<u>1,934,339</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,697,746</u>	<u>236,593</u>	<u>1,934,339</u>
FUND BALANCES (DEFICIT)					
Nonspendable:					
Notes receivable	-	-	1,500,000	-	1,500,000
Leases receivable	9,212	-	-	-	9,212
Advances to other funds	-	13,730,000	-	-	13,730,000
Advances to the Successor Agency	-	2,950,000	-	-	2,950,000
Bonds receivable	-	7,994,942	-	-	7,994,942
Long-term interest receivable	-	937,667	-	-	937,667
Restricted:					
Community development	-	-	102,528	-	102,528
Law enforcement	-	-	-	48,974	48,974
Storm drainage and flood control	-	-	-	24,069	24,069
Streets and bridges	-	-	-	97,645	97,645
Transit system	-	-	-	7,215	7,215
Proposition 40 Park	-	-	-	220,000	220,000
Street maintenance	-	-	-	1,956,270	1,956,270
LTF Article 8	-	-	-	718,178	718,178
Public buildings and facilities	-	-	-	46,728	46,728
EDA community buildings	-	-	-	61,699	61,699
EDA revolving loans	-	-	-	428,820	428,820
Debt service	-	2,893,322	-	-	2,893,322
Committed:					
Capital projects and improvements	-	-	-	1,856,875	1,856,875
Unassigned	<u>(2,695,164)</u>	<u>-</u>	<u>-</u>	<u>(552,212)</u>	<u>(3,247,376)</u>
Total fund balances (deficit)	<u>(2,685,952)</u>	<u>28,505,931</u>	<u>1,602,528</u>	<u>4,914,261</u>	<u>32,336,768</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 565,262</u>	<u>\$ 28,505,931</u>	<u>\$ 3,307,940</u>	<u>\$ 6,207,948</u>	<u>\$ 38,587,081</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
JUNE 30, 2015

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

Total fund balances - governmental funds	\$ 32,336,768
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, they are not reported in the governmental funds.	22,817,375
Other long-term assets are not available resources and, therefore, are not reported in the funds.	1,934,339
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(25,907,381)
Interest payable on long-term debt does not require the use of current financial resources and, therefore, interest payable is generally not accrued as a liability in the balance sheet of governmental funds.	(346,428)
Net pension liability and pension related deferred outflows and inflows of resources are not due in the current period and, therefore, are not reported in the funds.	<u>294,357</u>
Net position of governmental activities	<u><u>\$ 31,129,030</u></u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Coalinga Public Financing Authority Debt Service Fund	Low-Moderate Housing Asset Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes and special assessments	\$ 3,589,552	\$ -	\$ -	\$ 208,769	\$ 3,798,321
Licenses, permits and impact fees	223,935	-	-	-	223,935
Intergovernmental	35,384	-	-	2,319,197	2,354,581
Charges for services	3,148,643	-	-	32,401	3,181,044
Fines and forfeitures	57,741	-	-	-	57,741
Rental	67,422	-	-	43,469	110,891
Interest	676	1,525,701	-	4,152	1,530,529
Miscellaneous	56,621	-	6,347	469	63,437
Total revenues	<u>7,179,974</u>	<u>1,525,701</u>	<u>6,347</u>	<u>2,608,457</u>	<u>11,320,479</u>
EXPENDITURES					
Current:					
General government	661,051	-	-	-	661,051
Public works	519,436	-	-	740,560	1,259,996
Community development	279,164	-	14,402	133,893	427,459
Public safety	5,341,024	-	-	48,479	5,389,503
Capital outlay	156,888	-	-	1,135,619	1,292,507
Debt service:					
Principal	119,251	1,315,000	-	-	1,434,251
Interest and fiscal charges	25,542	1,308,284	-	50,005	1,383,831
Total expenditures	<u>7,102,356</u>	<u>2,623,284</u>	<u>14,402</u>	<u>2,108,556</u>	<u>11,848,598</u>
Excess (deficiency) of revenues over (under) expenditures	<u>77,618</u>	<u>(1,097,583)</u>	<u>(8,055)</u>	<u>499,901</u>	<u>(528,119)</u>
OTHER FINANCING SOURCES (USES)					
Capital lease	141,870	-	-	-	141,870
Sale of general capital assets	687,272	-	-	-	687,272
Total other financing sources (uses)	<u>829,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>829,142</u>
SPECIAL ITEM					
Transfer from Successor Agency	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
Net changes in fund balances	906,760	(1,097,583)	1,491,945	499,901	1,801,023
Fund balances, beginning, restated	<u>(3,592,712)</u>	<u>29,603,514</u>	<u>110,583</u>	<u>4,414,360</u>	<u>30,535,745</u>
Fund balances (deficit), ending	<u>\$ (2,685,952)</u>	<u>\$ 28,505,931</u>	<u>\$ 1,602,528</u>	<u>\$ 4,914,261</u>	<u>\$ 32,336,768</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

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

Net change in fund balances - total governmental funds	\$ 1,801,023
Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is capitalized. This is the amount of capital assets recorded.	1,235,805
Depreciation expense on capital assets is reported on the government-wide statement of activities, but it does not require the use of current financial resources; therefore, depreciation expense is not reported as an expenditure in the governmental funds.	(1,363,757)
Repayment of long-term debt is an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Statement of Net Position.	1,199,152
Amortization of long-term debt premiums and discounts do not require the use of current financial resources and is not reported as an expenditure in the governmental funds.	45,219
Compensated absences expense reported in the statement of activities does not require the use of current financial resources; therefore, it is not reported as an expenditure in the governmental funds.	72,346
Changes to net pension liability and pension related deferred outflows and inflows of resources do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	89,300
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	(36,492)
Change in accrued interest is not reported in the governmental funds.	<u>21,831</u>
Change in net position of governmental activities	<u>\$ 3,064,427</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Business-Type Activities					
			Natural		Nonmajor	
	Water	Sewer	Gas	Sanitation	Utility	Total
					Billing	
ASSETS						
Current assets:						
Cash and investments	\$ -	\$ 2,174,869	\$ 1,315,984	\$ -	\$ 87,304	\$ 3,578,157
Restricted cash with fiscal agent	2,137,120	702,138	-	-	-	2,839,258
Receivables (net of allowance for uncollectibles)	326,188	123,245	23,701	188,060	11,458	672,652
Due from other funds	-	528,897	620,688	-	-	1,149,585
Total current assets	2,463,308	3,529,149	1,960,373	188,060	98,762	8,239,652
Noncurrent assets:						
Net pension asset	44,183	16,743	23,317	4,208	-	88,451
Capital assets:						
Nondepreciable	50,882	1,047,907	-	-	-	1,098,789
Depreciable, net of accumulated depreciation	11,536,042	5,131,206	449,772	350,322	-	17,467,342
Total noncurrent assets	11,631,107	6,195,856	473,089	354,530	-	18,654,582
Total assets	14,094,415	9,725,005	2,433,462	542,590	98,762	26,894,234
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	125,002	47,361	65,978	11,892	-	250,233
Total deferred outflows of resources	125,002	47,361	65,978	11,892	-	250,233
LIABILITIES						
Current liabilities:						
Accounts payable	268,179	25,451	29,855	121,535	8,730	453,750
Deposits	20,400	-	-	-	-	20,400
Due to other funds	528,897	-	-	242,688	-	771,585
Current portion of long-term debt	-	42,512	-	-	-	42,512
Total current liabilities	817,476	67,963	29,855	364,223	8,730	1,288,247
Noncurrent liabilities:						
Advances from other funds	10,195,000	3,090,000	-	-	-	13,285,000
Compensated absences	43,241	16,426	24,026	2,963	12,469	99,125
Long-term debt	-	162,318	-	-	-	162,318
Total noncurrent liabilities	10,238,241	3,268,744	24,026	2,963	12,469	13,546,443
Total liabilities	11,055,717	3,336,707	53,881	367,186	21,199	14,834,690
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	56,040	21,236	29,574	5,337	-	112,187
Total deferred inflows of resources	56,040	21,236	29,574	5,337	-	112,187
NET POSITION						
Net investment in capital assets	3,529,044	3,586,421	449,772	350,322	-	7,915,559
Unrestricted	(421,384)	2,828,002	1,966,213	(168,363)	77,563	4,282,031
Total net position	\$ 3,107,660	\$ 6,414,423	\$ 2,415,985	\$ 181,959	\$ 77,563	\$ 12,197,590

The accompanying notes are an integral part of these financial statements.

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

	Business-Type Activities					Total
	Water	Sewer	Natural Gas	Sanitation	Nonmajor Utility Billing	
Operating revenues:						
Charges for services	\$ 3,851,405	\$ 1,039,170	\$ 1,485,363	\$ 1,567,640	\$ 447,697	\$ 8,391,275
Connection charges	9,025	1,376	-	-	-	10,401
Total operating revenues	<u>3,860,430</u>	<u>1,040,546</u>	<u>1,485,363</u>	<u>1,567,640</u>	<u>447,697</u>	<u>8,401,676</u>
Operating expenses:						
Personnel services	603,033	241,432	268,656	65,500	349,109	1,527,730
Contractual services and utilities	913,090	140,202	186,459	1,462,188	30,984	2,732,923
Supplies and materials	892,295	365,668	605,930	48,988	47,364	1,960,245
Cost of sales	747,418	-	608,001	-	-	1,355,419
Depreciation	346,047	200,952	39,767	12,062	-	598,828
Total operating expenses	<u>3,501,883</u>	<u>948,254</u>	<u>1,708,813</u>	<u>1,588,738</u>	<u>427,457</u>	<u>8,175,145</u>
Operating income (loss)	<u>358,547</u>	<u>92,292</u>	<u>(223,450)</u>	<u>(21,098)</u>	<u>20,240</u>	<u>226,531</u>
Nonoperating revenues (expenses):						
Intergovernmental	-	-	-	248,859	-	248,859
Development impact fees	13,349	-	-	-	-	13,349
Investment earnings	514	2,406	1,930	-	-	4,850
Rental income	-	22,700	-	-	-	22,700
Miscellaneous	21,120	37,013	-	-	-	58,133
Interest expenses	(512,440)	(149,963)	-	-	-	(662,403)
Total nonoperating revenues (expenses)	<u>(477,457)</u>	<u>(87,844)</u>	<u>1,930</u>	<u>248,859</u>	<u>-</u>	<u>(314,512)</u>
Income (loss) before transfers	<u>(118,910)</u>	<u>4,448</u>	<u>(221,520)</u>	<u>227,761</u>	<u>20,240</u>	<u>(87,981)</u>
Changes in net position	(118,910)	4,448	(221,520)	227,761	20,240	(87,981)
Net position, beginning, restated	<u>3,226,570</u>	<u>6,409,975</u>	<u>2,637,505</u>	<u>(45,802)</u>	<u>57,323</u>	<u>12,285,571</u>
Net position, ending	<u>\$ 3,107,660</u>	<u>\$ 6,414,423</u>	<u>\$ 2,415,985</u>	<u>\$ 181,959</u>	<u>\$ 77,563</u>	<u>\$ 12,197,590</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Business-Type Activities					Total
	Water	Sewer	Natural Gas	Sanitation	Nonmajor Utility Billing	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipt from customers and users	\$ 3,915,047	\$ 1,038,780	\$ 1,524,768	\$ 1,584,898	\$ 455,684	\$ 8,519,177
Payments to suppliers and service providers	(2,506,190)	(511,035)	(1,464,187)	(1,526,500)	(74,347)	(6,082,259)
Payments to employees for salaries and benefits	(709,452)	(281,334)	(326,006)	(74,431)	(383,175)	(1,774,398)
Net cash provided (used) by operating activities	699,405	246,411	(265,425)	(16,033)	(1,838)	662,520
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Other receipts	21,120	37,013	-	-	-	58,133
Payments to (from) other funds	(544,384)	1,113,702	(242,688)	16,033	-	342,663
Net cash provided (used) by noncapital financing activities	(523,264)	1,150,715	(242,688)	16,033	-	400,796
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital grants	-	-	-	248,859	-	248,859
Development impact fees received	13,349	-	-	-	-	13,349
Rental income received	-	22,700	-	-	-	22,700
Acquisition and construction of capital assets	(70,986)	(228,314)	(7,959)	(248,859)	-	(556,118)
Proceeds from capital debt	-	220,289	-	-	-	220,289
Principal paid on capital debt	-	(15,459)	-	-	-	(15,459)
Interest paid on capital debt	(512,440)	(149,963)	-	-	-	(662,403)
Net cash provided (used) by capital and related financing activities	(570,077)	(150,747)	(7,959)	-	-	(728,783)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	514	2,406	1,930	-	-	4,850
Net cash provided (used) by investing activities	514	2,406	1,930	-	-	4,850
Increase (decrease) in cash and cash equivalents	(393,422)	1,248,785	(514,142)	-	(1,838)	339,383
Cash and cash investments, July 1 (restated)	2,530,542	1,628,222	1,830,126	-	89,142	6,078,032
Cash and cash investments, June 30	\$ 2,137,120	\$ 2,877,007	\$ 1,315,984	\$ -	\$ 87,304	\$ 6,417,415

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Continued)

	Business-Type Activities					Total
	Water	Sewer	Natural Gas	Sanitation	Nonmajor Utility Billing	
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating income (loss)	\$ 358,547	\$ 92,292	\$ (223,450)	\$ (21,098)	\$ 20,240	\$ 226,531
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	346,047	200,952	39,767	12,062	-	598,828
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	55,817	(1,766)	39,405	17,258	7,987	118,701
(Increase) decrease in deferred outflows of resources	(125,002)	(47,361)	(65,978)	(11,892)	-	(250,233)
Increase (decrease) in accounts payable	46,613	(5,165)	(63,797)	(15,324)	4,001	(33,672)
Increase (decrease) in accrued liabilities	24,730	8,823	13,286	1,827	(13,775)	34,891
Increase (decrease) in deposits and other liabilities	(1,200)	-	-	-	-	(1,200)
Increase (decrease) in compensated absences	(18,004)	(5,857)	(10,915)	5	(20,291)	(55,062)
Increase (decrease) in deferred inflows of resources	56,040	21,236	29,574	5,337	-	112,187
Increase (decrease) in net pension liability	(44,183)	(16,743)	(23,317)	(4,208)	-	(88,451)
Net cash provided (used) by operating activities	<u>\$ 699,405</u>	<u>\$ 246,411</u>	<u>\$ (265,425)</u>	<u>\$ (16,033)</u>	<u>\$ (1,838)</u>	<u>\$ 662,520</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position:						
Cash and investments	\$ -	\$ 2,174,869	\$ 1,315,984	\$ -	\$ 87,304	\$ 3,578,157
Cash with fiscal agent	<u>2,137,120</u>	<u>702,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,839,258</u>
Total cash and cash equivalents	<u>\$ 2,137,120</u>	<u>\$ 2,877,007</u>	<u>\$ 1,315,984</u>	<u>\$ -</u>	<u>\$ 87,304</u>	<u>\$ 6,417,415</u>

The accompanying notes are an integral part of these financial statements.

**CITY OF COALINGA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015**

	Coalinga Successor Agency	Ayres/Beason Scholarship	Total Private Purpose Trust Funds
ASSETS			
Cash and investments	\$ 1,096,493	\$ 50,808	\$ 1,147,301
Restricted cash with fiscal agent	1,782,028	-	1,782,028
Notes receivable	126,556	-	126,556
Assets held for resale	<u>3,107,848</u>	<u>-</u>	<u>3,107,848</u>
 Total assets	 <u>6,112,925</u>	 <u>50,808</u>	 <u>6,163,733</u>
LIABILITIES			
Accounts payable	14,321	-	14,321
Deposits and other liabilities	15,900	-	15,900
Interest payable	123,753	-	123,753
Unearned revenue	600	-	600
Advance from the City of Coalinga	2,950,000	-	2,950,000
Long-term liabilities:			
Due within one year	440,000	-	440,000
Due in more than one year	<u>8,492,609</u>	<u>-</u>	<u>8,492,609</u>
 Total liabilities	 <u>12,037,183</u>	 <u>-</u>	 <u>12,037,183</u>
NET POSITION			
Net position held in trust for:			
Redevelopment dissolution and other purposes	(5,924,258)	-	(5,924,258)
Scholarship	<u>-</u>	<u>50,808</u>	<u>50,808</u>
 Total net position	 <u>\$ (5,924,258)</u>	 <u>\$ 50,808</u>	 <u>\$ (5,873,450)</u>

The accompanying notes are an integral part of these financial statements.

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

	Coalinga Successor Agency	Ayres/Beason Scholarship	Total Private Purpose Trust Funds
ADDITIONS			
Redevelopment property tax revenues	\$ 1,630,406	\$ -	\$ 1,630,406
Investment earnings	<u>26,839</u>	<u>63</u>	<u>26,902</u>
Total additions	<u>1,657,245</u>	<u>63</u>	<u>1,657,308</u>
DEDUCTIONS			
Administrative costs	252,499	-	252,499
Program expenses	38,660	-	38,660
Community Development	1,500,000	-	1,500,000
Interest and fiscal agency expenses	<u>744,659</u>	<u>-</u>	<u>744,659</u>
Total deductions	<u>2,535,818</u>	<u>-</u>	<u>2,535,818</u>
Changes in net position	(878,573)	63	(878,510)
Net position, beginning, restated	<u>(5,045,685)</u>	<u>50,745</u>	<u>(4,994,940)</u>
Net position, ending	<u>\$ (5,924,258)</u>	<u>\$ 50,808</u>	<u>\$ (5,873,450)</u>

The accompanying notes are an integral part of these financial statements.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Coalinga, California (the “City”) was incorporated as a general law city in 1906. The City operates under a Council-Manager form of government. The City's major operations include public safety; highways and streets; water, sewer, natural gas, transit and refuse collection; parks and recreation; building inspection; public improvements; planning and zoning, and general administrative services. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. There are no discretely presented component units included in these financial statements.

Blended component unit. The Coalinga Public Financing Authority (“CPFA”) was established in 1991 through a Joint Exercise of Powers Agreement between the City, the Agency, and the Coalinga-Huron Unified School District. The formation of the joint powers authority was approved by the City Council who is also designated as the Board of Directors for the CPFA. The City Manager is appointed Secretary with the City staff providing all support services. The purpose of the CPFA is solely to provide funds from the sale of revenue bonds to finance or refinance the costs of various projects for the City. The City set up the CPFA to act as a financing/lending type institution only. The CPFA/City legislative meetings are held concurrently. The CPFA is reported as a debt service fund and does not issue separate financial statements.

Basis of Presentation

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Government-Wide Financial Statements – The statement of net position and the statement of activities display information about the primary government (the City) and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental and business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each different identifiable activity of the City's *business-type activities* and for each function of the City's *governmental activities*. Direct expenses are those that are specifically associated with a program or function and, therefore, are included in the program expense reported for individual function. Certain indirect costs, which cannot be identified and broken down, are included in the program expense reported for individual functions and activities. Program revenues include, 1) fines, fees, and charges paid by the recipients of goods and services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

Fund Financial Statements – The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. An accompanying schedule is presented to reconcile and explain the differences in funds and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

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 general government, except those required to be accounted for in another fund.

The **Coalinga Public Financing Authority Fund** is used to account for revenues and expenditures of the CPFA Revenue Bonds. Bond proceeds are to be used to finance or refinance the costs of various improvement projects for the City and other public agencies.

The **Low-Moderate Housing Asset Special Revenue Fund** accounts for monies received and expended for low and moderate income housing activities pursuant to AB1484.

Enterprise fund financial statements include a statement of net position, statement of revenues, expenses and changes in net position, a statement of cash flows for each major enterprise fund and nonmajor funds aggregated.

The City has four major enterprise funds: the Water Fund, Sewer Fund, Natural Gas Fund, and Sanitation Fund, which are used to account for operations that are financed and operated in a manner similar to private business enterprise. In an enterprise fund, the intent of the City Council is that costs (expenses, including depreciation) of providing services to the general public, on a continuing basis, be financed or recovered primarily through user charges.

The City reports the following major enterprise funds:

The **Water Fund** accounts for the activities of the City's water production and distribution operations.

The **Sewer Fund** accounts for the activities of the City's sanitary sewer system operations.

The **Natural Gas Fund** accounts for the operation and maintenance of the City's natural gas system.

The **Sanitation Fund** accounts for the operation and maintenance of the City's sanitation system.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The City's fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fund's activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide statements because the resources of those funds are not available to support the City's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

Private Purpose Trust Fund is used to accounts for assets held by the City as trustee for the Successor Agency and Ayres/Beason Scholarships.

The City reports the following private purpose trust funds:

The **Coalinga Successor Agency Fund** accounts for the assets and liabilities of the former Redevelopment Agency and its allocated revenue to pay estimated installment payments of the enforceable obligations until the obligations of the former Redevelopment Agency are paid in full and assets have been liquidated.

The **Ayres/Beason Scholarship Fund** accounts for the assets and liabilities of the Ayres/Beason scholarship.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Government-Wide Financial Statements – The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – Governmental funds are reported using *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus and Basis of Accounting (Continued)

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund, sewer fund, natural gas fund, sanitation fund, and utility billing funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances

Cash and Cash Equivalents

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

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Interest earnings as result of this pooling are distributed to the appropriate funds based on year-end cash balances in each fund. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

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

Restricted Cash with Fiscal Agent

The City has funds held by trustee or fiscal agents pledged to the payment or security of bonds and are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The City reports restricted cash with fiscal agent in the CPFA debt service fund, the Water and Sewer enterprise funds, and the Coalinga Successor Agency private-purpose trust fund. Amounts reported in these funds are restricted for debt service payments and specific projects.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances (Continued)

Accounts Receivables

These are comprised primarily of revenues that have been earned but not yet received by the City as of June 30 from individual customers, private entities and government agencies. In addition, this account includes accrued revenues due from other agencies for expenditure driven types of grants whereby the City accrues grant revenues for expenditures/expenses incurred but not yet reimbursed by the grantors. Also, property taxes earned but not received from the County of Fresno as of June 30 and unbilled services for utility and other services delivered to customers but not billed as of June 30, are included in this account. Management determines the allowance for doubtful accounts by evaluating individual customer accounts. Utility customer closed accounts are written off when deemed uncollectible. Recoveries to utility customer receivables previously written off are recorded when received.

The City uses an independent billing company to bill and collect on all ambulance services. Due to the large amount of bad debts and write-offs, up to 70% of billings, it is the City's policy to report as accounts receivable only those funds that are collected within the three-month period following June 30 of each year.

Property Tax Calendar

Fresno County is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions. Property taxes are levied in equal installments on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year. Property taxes are accounted for in the General Fund. Property tax revenues are recognized when they become measurable and available to finance current liabilities. The City considers property taxes as available if they are collected within 60 days after year-end. Property tax on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid on August 31. However, unsecured property taxes are not susceptible to year-end accrual.

The City is permitted by Article XIII A of the State of California Constitution (known as Proposition 13) to levy a maximum tax of \$1 per \$100 of full cash value.

Interfund Transactions

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances (Continued)

Assets Held for Resale

Assets held by the City or the Coalinga Successor Agency for the purpose of improving and reselling are accounted for in the account. Property is valued at the lower of cost or net realizable value.

Capital Assets

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

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the Government-Wide Financial Statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

Class	Useful Life Years
Infrastructure	10 - 50
Buildings, structures and improvements	5 - 40
Water storage rights	40
Transmission and distribution equipment	5 - 50
Rolling equipment	2 - 30
Office equipment	3 - 10

Unearned Revenue

Unearned revenue is that for which recognition criteria have been met, but for which revenue recognition criteria have not been met. The City typically records intergovernmental revenues (primary grants and subventions) received but not earned (qualifying expenditures not yet incurred).

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances (Continued)

Unavailable Revenue

In the fund financial statements, unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which revenues have been earned, but for which funds are not available to meet current financial obligations. Typical transactions for which unavailable revenue is recorded are grants when funding requirements have been met, but the related funding is not yet available.

Deferred Outflows and Inflows of Resources

The City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Notes 8 and 9 for a detailed listing of the deferred outflows and deferred inflows of resources the City has recognized.

Interest Payable

In the government-wide financial statements, interest payable of long-term debt is recognized as the liability is incurred for the governmental fund-types and proprietary-fund types.

In the fund financial statements, proprietary fund-types recognize the interest payable when the liability is incurred.

Long-Term Debt

Prepaid bond insurance costs are amortized using the straight-line method over the life of the bonds. Amortization of these balances is recorded as a component of operating expenses.

In the government-wide, proprietary fund and fiduciary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, proprietary fund and fiduciary fund financial statements. Bond premiums and discounts are deferred and amortized on a straight-line basis over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Gains or losses from refunding of debt are reported as deferred outflows or inflows of resources and amortized over the shorter of the life of the refunded debt or refunding debt. Amortization of these balances is recorded as a component of interest expense.

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

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances (Continued)

Compensated Absences

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

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

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

Pensions

In government-wide financial statements, pensions are recognized and disclosed using the accrual basis of accounting (see Note 9 and the RSI section immediately following the notes to financial statements), regardless of the amount recognized as pension expenditures on the modified accrual basis of accounting. The City recognizes a net pension liability for each qualified pension plan in which it participates, which represents the excess of the total pension liability over the fiduciary net position of the qualified pension plan, measured as of the City's fiscal year-end or the City's proportionate share thereof in the case of a cost-sharing multiple-employer plan. Changes in the net pension liability during the period are recorded as pension expense, or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change, in the period incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants including retirees, in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they arose. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

Classification of Net Position

In the government-wide financial statements, net position is classified in the following categories:

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

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

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances (Continued)

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the City.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Encumbrances

The City does not use encumbrance accounting.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Stewardship, Compliance and Accountability

Violations of Legal or Contractual Provisions

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

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

Deficit Fund Balance

The General Fund has deficit net fund balance as of June 30, 2015 of \$2,685,952. The deficit is expected to be relieved from the sale of the Claremont jail and through the legalization of medical and recreational marijuana.

The Development Impact Fee capital projects fund has deficit net fund balance as of June 30, 2015 of \$235,993. The deficit is expected to be relieved from future revenues or transfers from the Natural Gas Fund.

The Special Assessment debt service fund has deficit net fund balance as of June 30, 2015 of \$147,777. The deficit is expected to be relieved from future special assessment revenues.

Deficit Net Position

Prior to February 1, 2012, the California Redevelopment Law provided tax increment financing as a source of revenue to redevelopment agencies to fund redevelopment activities. Once a redevelopment area was adopted, the former Agency could only receive tax increments to the extent that it could show on an annual basis that it had incurred indebtedness that must be repaid with tax increments. Due to the nature of the redevelopment financing, the former Agency liabilities exceeded assets. Therefore, the Agency historically carried a deficit, which was expected to be reduced as future tax increment revenues were received and used to reduce its outstanding long-term debt. This deficit was transferred to the Coalinga Successor Agency on February 1, 2012. At June 30, 2015, Coalinga Successor Agency has a deficit of \$5,924,258, which will be eliminated with future redevelopment property tax revenues distributed from the Redevelopment Property Tax Trust Fund administered by the County's Auditor-Controller.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2015 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 7,419,237
Restricted cash with fiscal agent	5,230,243
Fiduciary Funds:	
Cash and investments	1,147,301
Restricted cash with fiscal agent	<u>1,782,028</u>
 Total cash and investments	 <u><u>\$ 15,578,809</u></u>

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

Cash on hand	\$ 2,652
Deposits with financial institutions	2,688,049
Investments	<u>12,888,108</u>
 Total cash and investments	 <u><u>\$ 15,578,809</u></u>

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local agency bonds	5 years	None	None
U.S. treasury obligations	5 years	None	None
U.S. agency securities	5 years	None	None
Banker's acceptances	180 days	40%	30%
Commercial paper	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20%	None
Medium-term notes	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
County pooled investment funds	N/A	None	None
Local agency investment fund (LAIF)	N/A	None	None
JPA pools (other investment pools)	N/A	None	None

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by the 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 risks, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. treasury obligations	None	None	None
U.S. agency securities	None	None	None
Banker's acceptances	180 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	N/A	None	None
Investment contracts	None	None	None
Certificates of deposits	1 year	None	None
Repurchase agreements	30 days	None	None
Local agency investment fund (LAIF)	N/A	None	None
Municipal bonds	None	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by maintaining funds in liquid, short-term investments which can be converted to cash when necessary to meet disbursement requirements. The City's investment in the Local Agency Investment Fund ("LAIF") is available for withdraw in one business day.

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

Investment Type	Fair Value	Remaining Maturity (in months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
State investment pool	\$ 5,875,852	\$ 5,875,852	\$ -	\$ -	\$ -
Held by bond trustee:					
Deposit custody account	654,037	654,037	-	-	-
Money market funds	5,215,736	5,215,736	-	-	-
Investment contracts	1,142,483	-	-	-	1,142,483
Total	<u>\$ 12,888,108</u>	<u>\$ 11,745,625</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,142,483</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

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

Investment Type	Fair Value	Minimum Legal Rating	Ratings as of Year-End	
			AAAm	Not Rated
State investment pool	\$ 5,875,852	N/A	\$ -	\$ 5,875,852
Held by bond trustee:				
Deposit custody account	654,037	N/A	-	654,037
Money market funds	5,215,736	A	5,215,736	-
Investment contracts	<u>1,142,483</u>	N/A	<u>-</u>	<u>1,142,483</u>
Total	<u>\$ 12,888,108</u>		<u>\$ 5,215,736</u>	<u>\$ 7,672,372</u>

Concentration of Credit Risk

Concentration of credit risk is the risk that the failure of any one issuer would place an undue financial burden on the City. The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated in the California Government Code. The City did not have any investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City's investments.

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

\$1,142,483 of the cash and investments reported in the Coalinga Public Financing Authority debt service fund are held in the form of nonnegotiable unrated investment contract issued by Westdeutsche Landesbank Girozentrale that matures on September 15, 2021.

\$654,037 of the cash and investments (including amounts held by bond trustee) reported in the Successor Agency Trust Fund are held in the form of the above-described Deposit custody account fund.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a city will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by the state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under the state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The carrying amounts of the City's cash deposits totaled \$2,777,367 at June 30, 2015. Bank balances were \$2,688,180, the total amount of which was insured and/or collateralized with securities held by the pledging financial institutions in the City's name.

Local Agency Investment Fund

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

NOTE 3 – RECEIVABLES

Receivables as of year-end for the City's individual governmental major funds and aggregate governmental nonmajor funds, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Nonmajor Governmental Funds	Total
Receivables:			
Accounts receivable	\$ 345,885	\$ 590,369	\$ 936,254
Due from other governments	<u>210,165</u>	<u>-</u>	<u>210,165</u>
Gross receivables	556,050	590,369	1,146,419
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net receivable	<u>\$ 556,050</u>	<u>\$ 590,369</u>	<u>\$ 1,146,419</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 – RECEIVABLES (Continued)

Receivables as of year-end for the City's enterprise funds, including applicable allowances for uncollectible accounts, are as follows:

	Water	Sewer	Natural Gas	Sanitation	Utility Billing	Total
Receivables:						
Accounts receivable	\$ 366,849	\$ 136,310	\$ 44,418	\$ 210,707	\$ 11,458	\$ 769,742
Gross receivables	366,849	136,310	44,418	210,707	11,458	769,742
Less: allowance for uncollectibles	(40,661)	(13,065)	(20,717)	(22,647)	-	(97,090)
Net receivable	<u>\$ 326,188</u>	<u>\$ 123,245</u>	<u>\$ 23,701</u>	<u>\$ 188,060</u>	<u>\$ 11,458</u>	<u>\$ 672,652</u>

NOTE 4 – NOTES RECEIVABLE

Long-term notes receivable of \$1,697,746 represent monies loaned to homebuyers in connection with a down payment assistance program. The loans are secured by real property with repayment due upon the sale of real property or starting at the end of the 30-year deferral period. At the time of sale, the seller pays the loan balance in full without interest. Starting at the end of the 30-year deferral period, the borrower is required to repay the Down Payment Assistance Loan, without interest, over the following 15 years.

Additionally, the City allocated \$1,500,000 in Successor Agency Housing Bond Proceeds as a residual receipts loan to Warthan Place Investors, LP (Warthan) for the construction of the Warthan Place Apartments Multi-Family Housing Project. The City will be repaid through a residual receipts agreement with Warthan at a 1.0% interest rate.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – INTERFUND ACTIVITIES

Interfund balances for the purpose of the government-wide statements have been eliminated. The composition of interfund balances in the fund level statements as of June 30, 2015 is as follows:

Current Interfund Receivables/Payables

Current interfund balances are generally short-term loans to cover temporary cash deficits in various funds and are expected to be repaid shortly after the end of the fiscal year. The City's interfund receivables and payables consisted of the following at June 30, 2015:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major Funds:		
General fund	\$ -	\$ 2,260,263
Water	-	528,897
Sewer	528,897	-
Natural gas	620,688	-
Sanitation	-	242,688
Nonmajor Funds:		
Measure C special revenue fund	1,130,132	-
Transit special revenue fund	-	128,767
Community development capital projects fund	1,258,898	-
Development impact fees capital projects fund	<u>-</u>	<u>378,000</u>
Total	<u>\$ 3,538,615</u>	<u>\$ 3,538,615</u>

Long-Term Interfund Advances

Long-term interfund advances are advances to other funds that are not expected to be repaid in one year or less. The City's long-term interfund advances consisted of the following at June 30, 2015:

	<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>
Major Funds:		
General fund	\$ -	\$ 11,000
Coalinga Public Financing Authority debt service fund	16,680,000	-
Water	-	10,195,000
Sewer	-	3,090,000
Nonmajor Funds:		
Special assessment debt service fund	-	434,000
Fiduciary Funds:		
Coalinga Successor Agency private-purpose trust fund	<u>-</u>	<u>2,950,000</u>
Total	<u>\$ 16,680,000</u>	<u>\$ 16,680,000</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – INTERFUND ACTIVITIES (Continued)

Bonds Receivable and Payable

Long-term interfund advances are advances to other funds that are not expected to be repaid in one year or less. The City's long-term interfund advances consisted of the following at June 30, 2015:

	Bonds Receivable	Bonds Payable
Major Funds:		
Coalinga Public Financing Authority debt service fund	\$ 8,932,609	\$ -
Fiduciary Funds:		
Coalinga Successor Agency private-purpose trust fund	-	8,932,609
Total	<u>\$ 8,932,609</u>	<u>\$ 8,932,609</u>

Bonds receivable consists of debt instruments purchased by the Coalinga Public Financing Authority (CPFA), which was established in 1991 through a Joint Exercise of Powers Agreement between the City, the former Redevelopment Agency of the City of Coalinga, and the Coalinga-Huron Unified School District. The formation of the joint powers authority was approved by the City Council who is also designated as the Board of Directors for the CPFA. The purpose of the CPFA is solely to provide funds from the sale of revenue bonds to finance the costs of various projects for the City and other external agencies. The City set up the CPFA to act as a financing/lending type institution only. In financing the various capital improvement projects, the CPFA purchased bonds, entered into lease/sub-lease agreements and capital financing contracts with the City and other external agencies. The following is a list of the debt instruments comprising the long-term interfund advances and bonds receivable balances in the CPFA debt service fund as of June 30, 2015:

In June 1993, the CPFA loaned \$3,000,000 to the Water Fund for the purpose of financing the acquisition, construction and improvement of certain water facilities and improvements. The final payment of the loan is scheduled for September 15, 2016. The loan balance is \$455,000 as of June 30, 2015.

In June 1991, the CPFA loaned \$4,347,000 to the Special Assessment debt service fund for the purpose of financing the Monterey Avenue Extension, the Jayne Avenue Industrial Park, and the K-Mart off-site projects. The final payment of the loan is scheduled for September 2, 2016. The loan balance is \$209,000 as of June 30, 2015.

In October 1993, the CPFA loaned \$2,269,000 to the Special Assessment debt service fund for the purpose of financing the Highway 198 street improvements projects, in-town street improvements, and the acquisition of the tract number 4492 (Fox Hollow) off-site utilities and street improvements. The final payment of the loan is scheduled for September 2, 2018. The loan balance is \$225,000 as of June 30, 2015.

In June 1991, the CPFA loaned \$611,000 to the former Redevelopment Agency of the City of Coalinga for the purpose of financing the construction of a new police station. The final payment of the loan is scheduled for September 15, 2016. The loan balance is \$11,000 as of June 30, 2015.

In June 1993, the CPFA loaned \$1,420,000 to the former Redevelopment Agency of the City of Coalinga for the purpose of financing the construction of a new police station. The final payment of the loan is scheduled for September 15, 2021. The loan balance is \$605,000 as of June 30, 2015.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – INTERFUND ACTIVITIES (Continued)

Bonds Receivable and Payable (Continued)

In June 1993, the CPFA loaned \$5,480,000 to the former Redevelopment Agency of the City of Coalinga for the purpose of financing the former Redevelopment Agency's \$5,100,000 tax allocation bonds that were issued on June 27, 1991 for the police station project. The final payment of the loan is scheduled for September 15, 2021. The loan balance is \$2,345,000 as of June 30, 2015.

In March 2012, the CPFA loaned \$9,740,000 to the Water and Sewer enterprise funds, respectively, for the purpose of financing the 2012 Water and Wastewater Projects and the refunding of the 2000 Revenue Bonds, Series A (Water and Wastewater Projects). The final payment of the loan is scheduled for March 25, 2048. The outstanding balance as of June 30, 2015 in the Water and Sewer enterprise funds are \$9,740,000 and \$3,090,000, respectively.

Transfers Between Funds

With City Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is for grant-related funds or operating supplies. During the fiscal year ended June 30, 2015, there were no Interfund transfers made by the City

NOTE 6 – CAPITAL ASSETS

Capital assets activity of the governmental activities for the year ended June 30, 2015 is as follows:

	Balance at June 30, 2015 (Restated)	Increases	Decreases	Balance at June 30, 2016
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 2,510,343	\$ -	\$ -	\$ 2,510,343
Construction in progress	<u>1,992,544</u>	<u>953,061</u>	<u>(2,862,575)</u>	<u>83,030</u>
Total	<u>4,502,887</u>	<u>953,061</u>	<u>(2,862,575)</u>	<u>2,593,373</u>
Depreciable capital assets:				
Buildings and improvements	19,062,907	-	-	19,062,907
Infrastructure	28,964,655	2,874,520	-	31,839,175
Machinery and equipment	<u>5,175,729</u>	<u>270,799</u>	-	<u>5,446,528</u>
Total	<u>53,203,291</u>	<u>3,145,319</u>	-	<u>56,348,610</u>
Less accumulated depreciation for:				
Buildings and structures	(10,306,175)	(530,961)	-	(10,837,136)
Infrastructure	(19,812,604)	(596,082)	-	(20,408,686)
Machinery and equipment	<u>(4,642,072)</u>	<u>(236,714)</u>	-	<u>(4,878,786)</u>
Total	<u>(34,760,851)</u>	<u>(1,363,757)</u>	-	<u>(36,124,608)</u>
Total capital assets being depreciated, net	<u>18,442,440</u>	<u>1,781,562</u>	-	<u>20,224,002</u>
Governmental activities capital assets, net	<u>\$ 22,945,327</u>	<u>\$ 2,734,623</u>	<u>\$ (2,862,575)</u>	<u>\$ 22,817,375</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 6 – CAPITAL ASSETS (Continued)

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

Governmental Activities:	
General government	\$ 831,764
Public works	18,137
Community development	100,077
Public safety	<u>413,779</u>
Total depreciation expense - governmental activities	<u>\$ 1,363,757</u>

Capital assets activity of the business-type activities for the year ending June 30, 2015 is as follows:

	Balance at June 30, 2015 (Restated)	Increases	Decreases	Balance at June 30, 2016
Business-Type Activities:				
Capital assets not being depreciated:				
Land	\$ 1,068,039	\$ -	\$ -	\$ 1,068,039
Construction in progress	<u>4,623,824</u>	<u>56,629</u>	<u>(4,649,703)</u>	<u>30,750</u>
Total	<u>5,691,863</u>	<u>56,629</u>	<u>(4,649,703)</u>	<u>1,098,789</u>
Depreciable capital assets:				
Buildings and improvements	6,531,643	3,504,708	-	10,036,351
Improvements other than buildings	26,542,353	1,150,165	-	27,692,518
Machinery and equipment	<u>5,042,176</u>	<u>479,962</u>	<u>-</u>	<u>5,522,138</u>
Total	<u>38,116,172</u>	<u>5,134,835</u>	<u>-</u>	<u>43,251,007</u>
Less accumulated depreciation for:				
Buildings and improvements	(5,799,853)	(37,392)	-	(5,837,245)
Infrastructure	(14,456,123)	(532,066)	-	(14,988,189)
Machinery and equipment	<u>(4,928,861)</u>	<u>(29,370)</u>	<u>-</u>	<u>(4,958,231)</u>
Total	<u>(25,184,837)</u>	<u>(598,828)</u>	<u>-</u>	<u>(25,783,665)</u>
Total capital assets, being depreciated, net	<u>12,931,335</u>	<u>4,536,007</u>	<u>-</u>	<u>17,467,342</u>
Business-type activities capital assets, net	<u>\$ 18,623,198</u>	<u>\$ 4,592,636</u>	<u>\$ (4,649,703)</u>	<u>\$ 18,566,131</u>

Depreciation expense was charged to the functions/programs of the business-type activities of the primary government as follows:

Business-Type Activities:	
Water	\$ 346,047
Sewer	200,952
Natural Gas	39,767
Sanitation	<u>12,062</u>
Total depreciation expense - business-type activities	<u>\$ 598,828</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 – LONG-TERM LIABILITIES

The following is a summary of the long-term liabilities transactions of the City for governmental activities for the year ended June 30, 2015:

	Interest Rates	Original Borrowing	Final Maturity	Balance July 1, 2014 (Restated)	Additions	Reductions	Balance June 30, 2015	Due Within One Year
Governmental Activities:								
Notes Payable:								
Airport Hangar Note Payable	5.08%	\$ 546,521	2015	\$ 26,134	\$ -	\$ (26,134)	\$ -	\$ -
Total Notes Payable				26,134	-	(26,134)	-	-
Bonds Payable:								
1998 Series A Bonds	5.5%-6.375%	12,970,000	2022	3,950,000	-	(865,000)	3,085,000	495,000
1998 Series B Bonds	4.6%-5.0%	1,830,000	2017	65,000	-	-	65,000	65,000
1998 Series C Bonds	5.5%-6.0%	6,140,000	2017	190,000	-	-	190,000	190,000
1993 Series C Bonds (Assessment District 92-1)	7.75%	2,269,000	2019	270,000	-	(45,000)	225,000	50,000
2000 Series Tax Allocation Bonds	5.2%-5.85%	3,404,942	2031	3,304,942	-	(15,000)	3,289,942	15,000
2012 Series Revenue Bonds	3.1%-5.0%	12,830,000	2048	12,830,000	-	-	12,830,000	-
2009 Series A Tax Allocation Bonds	3%-6%	3,235,000	2024	2,515,000	-	(195,000)	2,320,000	210,000
2009 Series B Tax Allocation Bonds	3%-6%	2,660,000	2024	2,065,000	-	(160,000)	1,905,000	170,000
2009 Series C Tax Allocation Bonds	3%-6%	645,000	2024	515,000	-	(35,000)	480,000	45,000
Subtotal				25,704,942	-	(1,315,000)	24,389,942	1,240,000
Bond Premiums				419,443	-	(57,854)	361,589	-
Bond Discounts				(426,443)	-	12,635	(413,808)	-
Accreted Interest				844,438	93,229	-	937,667	-
Total Bonds Payable				26,542,380	93,229	(1,360,219)	25,275,390	1,240,000
Capital Leases Payable:								
Fire Truck Capital Lease	5.125%	346,456	2018	169,461	-	(39,089)	130,372	41,196
KME Fire Engine Capital Lease	5.50%	141,870	2019	-	141,870	(54,028)	87,842	20,187
Total Capital Leases Payable				169,461	141,870	(93,117)	218,214	61,383
Compensated absences				486,123	-	(72,346)	413,777	-
Governmental activities long-term liabilities				<u>\$ 26,737,975</u>	<u>\$ 235,099</u>	<u>\$ (1,479,470)</u>	<u>\$ 25,907,381</u>	<u>\$ 1,301,383</u>
				Balance July 1, 2014 (Restated)	Additions	Reductions	Balance June 30, 2015	Due Within One Year
Business-Type Activities:								
Loans Payable								
CalPOP Energy Efficiency Loan Payable	0.00%	220,289		\$ -	\$ 220,289	\$ (15,459)	\$ 204,830	\$ 42,512
Compensated absences				154,187	-	(55,062)	99,125	-
Business-type activities long-term liabilities				<u>\$ 154,187</u>	<u>\$ 220,289</u>	<u>\$ (70,521)</u>	<u>\$ 303,955</u>	<u>\$ 42,512</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

The annual debt service requirement schedule is as follows:

Years Ended June 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Totals	Principal	Interest	Totals
2016	\$ 1,301,383	\$ 1,242,406	\$ 2,543,789	\$ 42,512	\$ -	\$ 42,512
2017	1,099,743	1,171,020	2,270,763	46,377	-	46,377
2018	1,188,286	1,114,123	2,302,409	46,377	-	46,377
2019	1,183,800	1,052,284	2,236,084	46,377	-	46,377
2020	1,165,000	987,470	2,152,470	23,187	-	23,187
2021-2025	6,380,000	3,846,055	10,226,055	-	-	-
2026-2030	2,721,755	4,929,705	7,651,460	-	-	-
2031-2035	1,968,189	2,785,061	4,753,250	-	-	-
2036-2040	2,370,000	1,674,250	4,044,250	-	-	-
2041-2045	3,025,000	1,020,000	4,045,000	-	-	-
2046-2048	2,205,000	224,000	2,429,000	-	-	-
	<u>\$ 24,608,156</u>	<u>\$ 20,046,374</u>	<u>\$ 44,654,530</u>	<u>\$ 204,830</u>	<u>\$ -</u>	<u>\$ 204,830</u>

NOTE 8 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension related items that qualify to be reported in deferred outflows of resources. The pension related deferred outflows of resources are described in detail in Note 10.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category and they are unavailable revenues and pension deferrals.

Deferred inflows of resources reported in the governmental funds for unavailable revenues are as follows:

	Low-Moderate Housing Asset Fund	Other Governmental Funds	Total Governmental Funds
Housing loans	\$ 1,697,746	\$ -	\$ 1,697,746
Intergovernmental revenue	-	236,593	236,593
Total	<u>\$ 1,697,746</u>	<u>\$ 236,593</u>	<u>\$ 1,934,339</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – DEFINED BENEFIT PENSION PLAN

California Public Employees' Retirement Plan (CalPERS)

A. General Information about the Pension Plan

Plan Description – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost Sharing Multiple-Employer Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors four rate plans (two miscellaneous and two safety.) Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 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	1.426% - 2.418%	1.0% - 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates	8.014%	6.25%

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	1.426% - 2.0%	1.426% - 2.0%
Required employee contribution rates	7.00%	9.50%
Required employer contribution rates	13.46%	9.50%

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

A. General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

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 the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's contributions to the plan for the year ended June 30, 2015 were \$396,490.

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

As of June 30, 2015, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan of (\$182,681).

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2014, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 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 plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2013 and 2014 was as follows:

Proportion - June 30, 2013	0.0089%
Proportion - June 30, 2014	-0.0029%
Change - Increase (Decrease)	-0.0118%

For the year ended June 30, 2015, the City recognized pension expense of \$182,808. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 396,490	\$ -
Net differences between projected and actual earnings on plan investments	-	443,285
Change in employer's proportion	71,836	59,546
Differences between the employer's actual contributions and the employer's proportionate share of contributions	372,678	-
Total	<u>\$ 841,004</u>	<u>\$ 502,831</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

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

\$396,490 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Years Ended June 30		
2016	\$	26,668
2017		26,668
2018		(829)
2019		(110,824)
2020		-
Thereafter		-

C. Actuarial Assumptions

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

Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.5%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	3.3% - 14.2% ⁽¹⁾
Investment Rate of Return	7.5% ⁽²⁾
Mortality	Membership Data for all Funds ⁽³⁾

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

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

⁽³⁾ The mortality table was developed based on CalPERS specific data.
The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

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

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

D. Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the test revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

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

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

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 schedule 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 change 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.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – DEFINED BENEFIT PENSION PLAN (Continued)

California Public Employees' Retirement Plan (CalPERS) (Continued)

D. Discount Rate (Continued)

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. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1-10 ^(a)	Real Return Years 11+ ^(b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100%		

^(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 Proportionate Share of the Net Pension Liability to Changes in the Discount Rate –

The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the 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:

Discount Rate -1%	Current Discount	Discount Rate +1%
6.65%	Rate 7.65%	8.65%
\$ 652,239	\$ 307,269	\$ (872,797)

E. Pension Plan Fiduciary Net Position

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

F. Payable to the Pension Plan

At June 30, 2015, there was no outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 10 – RISK MANAGEMENT

The City is a member of the Public Agency Risk Sharing Authority for California (PARSAC), a public entity risk pool in which there is a transferring (sharing) of risk among the pool participants. The City pays an annual premium to PARSAC for its general liability coverage. PARSAC is self-sustaining through member premiums. The City is insured under a retrospectively rated policy in which the initial premium is adjusted based on actual experience during the period of coverage. The City is responsible for all claims up to \$25,000 per occurrence for general and auto liability with a coverage limit at June 30, 2014 of \$975,000.

The City's risk management program also includes fire, property and automobile insurance. The coverage includes an all risk-replacement cost blanket. Additionally, the City has property insurance coverage up to \$975,000 per occurrence.

The City provides worker's compensation and employer's liability coverage on all employees through PARSAC. This insurance is paid entirely by the City. All premiums are paid by the appropriate fund designation for each employee's salary and benefits. In the risk management program for the City, a proactive approach is taken toward work safety for employees. Various training sessions and inspections are conducted throughout the year. The result has been a continued reduction of work related injury claims.

NOTE 11 – OTHER EMPLOYEE BENEFITS

The City offers medical, dental, vision, chiropractic and prescription insurance coverage, as well as group life insurance coverage, to employees and their dependents. Additionally, the City offers an employee assistance program to assist employees and their families with problem assessment and short-term counseling needs. The City pays a portion of premiums in connection with the insurance coverage offered by the City.

City Employee Post Retirement Benefits

In accordance with federal requirements, the City provides its retirees the opportunity to continue enrollment in the City's health insurance program. Premium charges paid by retirees are intended to cover the full cost of benefits provided without cost to the City. For the year ended June 30, 2015, no retirees were enrolled in the health insurance program.

Employee Deferred Compensation Plan

The City offers an Employee Deferred Compensation Plan created in accordance with the Internal Revenue Code Section 457 to its employees, allowing them to defer or postpone receipt of income. Amounts so deferred may not be paid to the employee during employment with the City except for a catastrophic circumstance creating an undue financial hardship for the employee.

Effective January 1, 1999, Federal legislation (Small Business Job Protection Act of 1996) requires the Section 457 plan assets to be placed in trust for the exclusive use of the plan participants and their beneficiaries.

The City's deferred compensation administrator, the International City Managers' Association (ICMA) or Verisight qualifies as the plan trustee to meet Federal requirements. Since the plan assets are no longer considered property and rights of the City, such assets are no longer reflected in the accompanying basic financial statements.

The City also offers to two employees a deferred compensation plan created in accordance with Internal Revenue Code Section 401(a). All amounts deferred and invested under this plan, with related interest, are the property and rights of the participating employees and, as such, are not reflected in the accompanying basic financial statements.

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – CONTINGENT LIABILITIES AND COMMITMENTS

General Liability

There are various claims and legal actions pending against the City for which no provision has been made in the financial statements. In the opinion of the City Attorney and City Management, liabilities arising from these claims and legal actions, if any, will not be material to these financial statements.

Federal Awards and Grants

The City has received federal grants for specific purposes that are subject to review and audit by the federal government. Although such audits could result in expenditure disallowances under grant terms, any required reimbursements are not expected to be material.

NOTE 13 – COALINGA SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND

On January 30, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with Assembly Bill 1X26 (the “Bill”) which dissolved all redevelopment agencies in the State of California.

Under the control of an oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution of the redevelopment agency (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are only allocated revenue in the amount that is necessary to pay estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Cash and Investments

A reconciliation of the Coalinga Successor Agency Private Purpose Trust Fund’s cash and investments as of June 30, 2015 is as follows:

Cash and Investments

Cash and investments	\$ 1,147,301
Restricted cash with fiscal agents	<u>1,782,028</u>
Total cash and investments	<u><u>\$ 2,929,329</u></u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 13 – COALINGA SUCCESSOR AGENCY PRIVATE PURPOSE TRUST FUND (Continued)

Long-Term Liabilities

The following is a summary of long-term liabilities transactions for the Coalinga Successor Agency Private Purpose Trust Fund at June 30, 2015:

	Interest Rates	Original Borrowing	Final Maturity	Balance July 1, 2014 (Restated)	Additions	Reductions	Balance June 30, 2015	Due Within One Year
Bonds Payable								
2000 Series Tax Allocation Bonds	5.2%-5.85%	3,404,942	2031	\$ 3,304,942	\$ -	\$ (15,000)	\$ 3,289,942	\$ 15,000
2009 Series A Tax Allocation Bonds	3%-6%	3,235,000	2024	2,515,000	-	(195,000)	2,320,000	210,000
2009 Series B Tax Allocation Bonds	3%-6%	2,660,000	2024	2,065,000	-	(160,000)	1,905,000	170,000
2009 Series C Tax Allocation Bonds	3%-6%	645,000	2024	515,000	-	(35,000)	480,000	45,000
Subtotal				8,399,942	-	(405,000)	7,994,942	440,000
Accreted Interest				844,438	93,229	-	937,667	-
Total long-term liabilities				<u>\$ 9,244,380</u>	<u>\$ 93,229</u>	<u>\$ (405,000)</u>	<u>\$ 8,932,609</u>	<u>\$ 440,000</u>

The annual debt service requirement schedule is as follows:

<u>Successor Agency</u>			
Years Ended June 30	Principal	Interest	Totals
2016	\$ 440,000	\$ 413,975	\$ 853,975
2017	460,000	391,885	851,885
2018	490,000	367,198	857,198
2019	505,000	340,236	845,236
2020	540,000	310,011	850,011
2021-2025	4,255,000	884,198	5,139,198
2026-2030	1,196,753	2,328,455	3,525,208
2031	108,189	596,811	705,000
	<u>\$ 7,994,942</u>	<u>\$ 5,632,769</u>	<u>\$ 13,627,711</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE

Prior Period Adjustments

Governmental Activities

Beginning net positions of the Governmental Activities and Business-Type Activities in the Government-Wide Statement of Activities have been restated to record prior period adjustments as presented in the reconciliation below.

Fund Financial Statements

The City has determined that certain transactions were recorded incorrectly in the prior year. The beginning fund balance of the funds has been restated on the fund basis financial statements as presented in the reconciliation below.

Change in Accounting Principle

The City implemented Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, and GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68 and No. 73*, in the fiscal year ending June 30, 2015. The implementation of these statements required the City to record beginning net pension liability and the effects on net position of contributions made by the City during the measurement period (fiscal year ending June 30, 2014).

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE (Continued)

Reconciliations of the prior period ending net position for the Governmental Activities in the Government-Wide Statement of Activities and the prior year ending fund balance in the Governmental Funds Changes in Fund Balance are as follows:

	Government-Wide		Governmental Funds			
	Governmental Activities	Additional Governmental Activities Adjustments	General Fund	Coalinga Public Financing Authority Debt Service Fund	Low-Moderate Housing Asset Special Revenue Fund	Nonmajor Governmental Funds
Fund balance/net position, June 30, 2014, as previously reported	\$ 20,006,523	\$ -	\$ (3,351,712)	\$ 1,828,047	\$ 110,583	\$ 4,488,195
Prior period adjustments:						
Understatement of cash and investments	826,087	-	-	826,087	-	-
Understatement of interfund advances to	45,000	-	-	45,000	-	-
Understatement of interfund advances from	(825,000)	-	(241,000)	-	-	(584,000)
Understatement of bonds receivable	5,276,000	-	-	5,276,000	-	-
Understatement of long-term interest receivable	844,438	-	-	844,438	-	-
Overstatement of capital assets	(505,650)	(505,650)	-	-	-	-
Understatement of accrued interest payable	(238,410)	(238,410)	-	-	-	-
Understatement of long-term debt	(5,565,438)	(5,565,438)	-	-	-	-
Understatement of premiums for long-term debt	(116,430)	(116,430)	-	-	-	-
Understatement of discounts for long-term debt	383,319	383,319	-	-	-	-
Overstatement of unavailable revenue	7,218,942	(13,565,000)	-	20,783,942	-	-
Understatement of revenue	510,165	-	-	-	-	510,165
Total prior period adjustments	<u>7,853,023</u>	<u>(19,607,609)</u>	<u>(241,000)</u>	<u>27,775,467</u>	<u>-</u>	<u>(73,835)</u>
Change in accounting principle:						
Record the adjustments of net pension liability and related deferred inflows and outflows of resources due to the implementation of GASB 68	<u>205,057</u>	<u>205,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total change in accounting principle	<u>205,057</u>	<u>205,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance/net position, July 1, 2014, as restated	<u>\$ 28,064,603</u>	<u>\$ (19,402,552)</u>	<u>\$ (3,592,712)</u>	<u>\$ 29,603,514</u>	<u>\$ 110,583</u>	<u>\$ 4,414,360</u>

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – RESTATEMENT OF BEGINNING NET POSITION/FUND BALANCE (Continued)

Reconciliations of the prior period ending net position for the Business-Type Activities in the Government-Wide Statement of Activities, the Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position, and the Fiduciary Funds Statement of Changes in Net position are as follows:

	Government-Wide		Enterprise Funds				Fiduciary Fund
	Business-Type	Additional Business-Type Activities Adjustments	Water Fund	Sewer Fund	Natural Gas Fund	Sanitation Fund	Coalinga Successor Agency
Net position, June 30, 2014, as previously reported	\$ 13,453,342	\$ -	\$ 4,137,847	\$ 6,697,145	\$ 2,611,345	\$ (50,318)	\$ (4,398,051)
Prior period adjustments:							
Overstatement of cash and investments	(826,087)	-	(627,877)	(198,210)	-	-	-
Overstatement of capital assets	(7,355)	-	(7,355)	-	-	-	-
Overstatement of accrued interest payable	169,272	-	131,954	37,318	-	-	67,049
Understatement of long-term debt	-	-	-	-	-	-	(663,938)
Overstatement of discounts on long-term debt	(605,715)	-	(460,339)	(145,376)	-	-	-
Total prior period adjustments	(1,269,885)	-	(963,617)	(306,268)	-	-	(596,889)
Change in accounting principle:							
Record the adjustments of net pension liability and related deferred inflows and outflows of resources due to the implementation of GASB 68	102,114	-	52,340	19,098	26,160	4,516	-
Total change in accounting principle	102,114	-	52,340	19,098	26,160	4,516	-
Net position, July 1, 2014, as restated	\$ 12,285,571	\$ -	\$ 3,226,570	\$ 6,409,975	\$ 2,637,505	\$ (45,802)	\$ (4,994,940)

CITY OF COALINGA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 15 – SUBSEQUENT EVENTS

The City sold the former Claremont Custody facility located at 185 W. Gale to Latchkey Pioneers, LLC also known as Ocean Grown Extracts on December 27, 2016 in the amount of \$4,100,000. The net proceeds from the sale of the property to the City was in the amount of \$4,087,150 after all sale-associated fees were deducted. The entire amount of the proceeds was used to fund the General Fund.

On October 9, 2015 the Governor signed the Medical Cannabis Regulation and Safety Act (“Act”), comprised of California legislative bills AB 243, AB 266, and SB 643. In November of 2016 the voters for California passed the Adult Use of Marijuana Act (“AUMA”). Adults, age 21 and older, will be allowed to possess marijuana and grow certain amounts at home for personal use. On June 27, 2017 the Governor of California signed into law Senate Bill 94 which would repeal MCRSA and include certain provisions of MCRSA in the licensing provisions of AUMA. Under the bill, these consolidated provisions would be known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). With the adoption of these various laws and the consolidation of the voter initiative AUMA, this new industry is set to financially benefit the City of Coalinga a tremendous way. The City believes this new emerging industry will create hundreds of jobs, increase buyer spending power and increase tax revenues for the City through its commercial cannabis licensing fees and per square foot taxation model.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF COALINGA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amount			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes and special assessments	\$ 3,472,155	\$ 3,472,155	\$ 3,589,552	\$ 117,397
Licenses, permits and impact fees	278,428	278,428	223,935	(54,493)
Intergovernmental	77,000	77,000	35,384	(41,616)
Charges for services	3,242,991	3,242,991	3,148,643	(94,348)
Fines and forfeitures	22,000	22,000	57,741	35,741
Rental	62,900	62,900	67,422	4,522
Interest	750	750	676	(74)
Other	6,500	6,500	56,621	50,121
Total revenues	<u>7,162,724</u>	<u>7,162,724</u>	<u>7,179,974</u>	<u>17,250</u>
EXPENDITURES				
Current:				
General government	630,860	630,860	661,051	(30,191)
Public works	569,955	569,955	519,436	50,519
Community development	281,187	281,187	279,164	2,023
Public safety	5,456,863	5,456,863	5,341,024	115,839
Capital outlay	27,000	27,000	156,888	(129,888)
Debt service:				
Principal	177,620	177,620	119,251	58,369
Interest and fiscal charges	18,071	18,071	25,542	(7,471)
Total expenditures	<u>7,161,556</u>	<u>7,161,556</u>	<u>7,102,356</u>	<u>59,200</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,168</u>	<u>1,168</u>	<u>77,618</u>	<u>76,450</u>
OTHER FINANCING SOURCES (USES)				
Capital lease	-	-	141,870	141,870
Sale of general capital assets	-	-	687,272	687,272
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>829,142</u>	<u>829,142</u>
Net changes in fund balances	1,168	1,168	906,760	905,592
Fund balances, beginning	(3,351,712)	(3,351,712)	(3,351,712)	-
Prior period adjustments	<u>(241,000)</u>	<u>(241,000)</u>	<u>(241,000)</u>	<u>-</u>
Fund balances, beginning, restated	<u>(3,592,712)</u>	<u>(3,592,712)</u>	<u>(3,592,712)</u>	<u>-</u>
Fund balances (deficit), ending	<u>\$ (3,591,544)</u>	<u>\$ (3,591,544)</u>	<u>\$ (2,685,952)</u>	<u>\$ 905,592</u>

CITY OF COALINGA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – LOW-MODERATE HOUSING ASSET SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Budgeted Amount</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Miscellaneous	\$ 1,200	\$ 1,200	\$ 6,347	\$ 5,147
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>6,347</u>	<u>5,147</u>
EXPENDITURES				
Current:				
Community development	<u>12,000</u>	<u>12,000</u>	<u>14,402</u>	<u>(2,402)</u>
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>14,402</u>	<u>(2,402)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,800)</u>	<u>(10,800)</u>	<u>(8,055)</u>	<u>2,745</u>
SPECIAL ITEM				
Transfer from Successor Agency	<u>-</u>	<u>-</u>	<u>1,500,000</u>	<u>1,500,000</u>
Net changes in fund balances	(10,800)	(10,800)	1,491,945	1,502,745
Fund balances, beginning, restated	<u>110,583</u>	<u>110,583</u>	<u>110,583</u>	<u>-</u>
Fund balances (deficit), ending	<u>\$ 99,783</u>	<u>\$ 99,783</u>	<u>\$ 1,602,528</u>	<u>\$ 1,502,745</u>

CITY OF COALINGA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2015

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds incurred expenditures in excess of appropriations in the following amounts for the year ended June 30, 2015:

Major Funds:

General Fund:

Current:

General government (30,191)

Capital outlay (129,888)

Debt service:

Interest and fiscal charges (7,471)

Low-Moderate Income Housing Asset

Special Revenue Fund

Current:

Community development (2,402)

The excess expenditures were covered by available fund balance in the funds.

CITY OF COALINGA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF THE CITY'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 YEARS*
AS OF JUNE 30, 2015

	<u>2015</u>
Proportion of the net pension liability	-0.0029%
Proportionate share of the net pension liability (asset)	\$ (182,681)
Covered payroll	\$ 4,816,404
Proportionate Share of the net pension liability as percentage of covered-employee payroll	-3.79%
Plan fiduciary net position as a percentage of the total pension liability	102.92%

Notes to Schedule:

Change in Benefit Terms - None

Change in Assumptions - None

*Schedule is intended to show information for ten years. Additional years will be displayed as they become available

CITY OF COALINGA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
LAST 10 YEARS*
AS OF JUNE 30, 2015

	<u>2015</u>
Actuarially determined contribution	\$ 684,467
Contributions in relation to the actuarially determined contributions	<u>(684,467)</u>
Contribution deficiency (excess)	<u>\$ -</u>
 Covered payroll	 \$ 4,816,404
 Contributions as a percentage of covered payroll	 14.21%

*Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

SUPPLEMENTARY INFORMATION

**CITY OF COALINGA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Special Revenue Funds				
	Gas Tax	Measure C	Local Transportation	Transit	COPS Grants
ASSETS					
Cash and investments	\$ 485,394	\$ 351,840	\$ 676,847	\$ -	\$ 38,974
Receivables	-	32,605	41,331	136,965	10,000
Due from other funds	-	1,130,132	-	-	-
Total assets	<u>\$ 485,394</u>	<u>\$ 1,514,577</u>	<u>\$ 718,178</u>	<u>\$ 136,965</u>	<u>\$ 48,974</u>
LIABILITIES					
Accounts payable	\$ 36,703	\$ 6,998	\$ -	\$ 983	\$ -
Deposits and other liabilities	-	-	-	-	-
Due to other funds	-	-	-	128,767	-
Advances from other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>36,703</u>	<u>6,998</u>	<u>-</u>	<u>129,750</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)					
Restricted:					
Law enforcement	-	-	-	-	48,974
Storm drainage and flood control	-	-	-	-	-
Streets and bridges	-	-	-	-	-
Transit System	-	-	-	7,215	-
Proposition 40 Park	-	-	-	-	-
Street maintenance	448,691	1,507,579	-	-	-
LTF Article 8	-	-	718,178	-	-
Public buildings and facilities	-	-	-	-	-
EDA community buildings	-	-	-	-	-
EDA revolving loans	-	-	-	-	-
Committed:					
Capital projects and improvements	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficit)	<u>448,691</u>	<u>1,507,579</u>	<u>718,178</u>	<u>7,215</u>	<u>48,974</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 485,394</u>	<u>\$ 1,514,577</u>	<u>\$ 718,178</u>	<u>\$ 136,965</u>	<u>\$ 48,974</u>

**CITY OF COALINGA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015**

	Special Revenue Funds		Capital Projects Funds		Debt Service Fund	
	EDA Building Rentals	EDA Revolving Loans	Community Development	Development Impact Fees	Special Assessment Debt Service	Totals
ASSETS						
Cash and investments	\$ 72,033	\$ 428,820	\$ 757,132	\$ 142,007	\$ 275,502	\$ 3,228,549
Receivables	6,735	-	351,920	-	10,813	590,369
Due from other funds	-	-	1,258,898	-	-	2,389,030
Total assets	<u>\$ 78,768</u>	<u>\$ 428,820</u>	<u>\$ 2,367,950</u>	<u>\$ 142,007</u>	<u>\$ 286,315</u>	<u>\$ 6,207,948</u>
LIABILITIES						
Accounts payable	\$ 340	\$ -	\$ 54,482	\$ -	\$ 92	\$ 99,598
Deposits and other liabilities	7,700	-	-	-	-	7,700
Due to other funds	-	-	-	378,000	-	506,767
Advances from other funds	-	-	-	-	434,000	434,000
Unearned revenue	9,029	-	-	-	-	9,029
Total liabilities	<u>17,069</u>	<u>-</u>	<u>54,482</u>	<u>378,000</u>	<u>434,092</u>	<u>1,057,094</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	236,593	-	-	236,593
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>236,593</u>	<u>-</u>	<u>-</u>	<u>236,593</u>
FUND BALANCES (DEFICIT)						
Restricted:						
Law enforcement	-	-	-	-	-	48,974
Storm drainage and flood control	-	-	-	24,069	-	24,069
Streets and bridges	-	-	-	97,645	-	97,645
Transit System	-	-	-	-	-	7,215
Proposition 40 Park	-	-	220,000	-	-	220,000
Street maintenance	-	-	-	-	-	1,956,270
LTF Article 8	-	-	-	-	-	718,178
Public buildings and facilities	-	-	-	46,728	-	46,728
EDA community buildings	61,699	-	-	-	-	61,699
EDA revolving loans	-	428,820	-	-	-	428,820
Committed:						
Capital projects and improvements	-	-	1,856,875	-	-	1,856,875
Unassigned	-	-	-	(404,435)	(147,777)	(552,212)
Total fund balances (deficit)	<u>61,699</u>	<u>428,820</u>	<u>2,076,875</u>	<u>(235,993)</u>	<u>(147,777)</u>	<u>4,914,261</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 78,768</u>	<u>\$ 428,820</u>	<u>\$ 2,367,950</u>	<u>\$ 142,007</u>	<u>\$ 286,315</u>	<u>\$ 6,207,948</u>

CITY OF COALINGA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds				
	Gas Tax	Measure C	Local Transportation	Transit	COPS Grants
REVENUES					
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	475,327	413,612	390,272	253,138	106,230
Charges for services	-	-	-	32,401	-
Rental	-	-	-	-	-
Interest	601	1,820	836	-	48
Miscellaneous	469	-	-	-	-
Total revenues	<u>476,397</u>	<u>415,432</u>	<u>391,108</u>	<u>285,539</u>	<u>106,278</u>
EXPENDITURES					
Current:					
Public works	469,490	168	-	262,751	-
Community development	-	-	-	-	-
Public safety	-	-	-	-	-
Capital outlay	2,307	103,684	1,239	-	85,692
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>471,797</u>	<u>103,852</u>	<u>1,239</u>	<u>262,751</u>	<u>85,692</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,600</u>	<u>311,580</u>	<u>389,869</u>	<u>22,788</u>	<u>20,586</u>
Net changes in fund balances	4,600	311,580	389,869	22,788	20,586
Fund balances, beginning, restated	<u>444,091</u>	<u>1,195,999</u>	<u>328,309</u>	<u>(15,573)</u>	<u>28,388</u>
Fund balances (deficit), ending	<u>\$ 448,691</u>	<u>\$ 1,507,579</u>	<u>\$ 718,178</u>	<u>\$ 7,215</u>	<u>\$ 48,974</u>

CITY OF COALINGA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds		Capital Projects Funds		Debt Service Fund	
	EDA Building Rentals	EDA Revolving Loans	Community Development	Development Impact Fees	Special Assessment Debt Service	Totals
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ 208,769	\$ 208,769
Intergovernmental	-	-	680,618	-	-	2,319,197
Charges for services	-	-	-	-	-	32,401
Rental	43,469	-	-	-	-	43,469
Interest	89	187	-	231	340	4,152
Miscellaneous	-	-	-	-	-	469
Total revenues	<u>43,558</u>	<u>187</u>	<u>680,618</u>	<u>231</u>	<u>209,109</u>	<u>2,608,457</u>
EXPENDITURES						
Current:						
Public works	-	-	8,151	-	-	740,560
Community development	115,595	-	18,298	-	-	133,893
Public safety	-	-	48,479	-	-	48,479
Capital outlay	-	-	942,457	240	-	1,135,619
Debt service:						
Interest and fiscal charges	-	-	-	-	50,005	50,005
Total expenditures	<u>115,595</u>	<u>-</u>	<u>1,017,385</u>	<u>240</u>	<u>50,005</u>	<u>2,108,556</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(72,037)</u>	<u>187</u>	<u>(336,767)</u>	<u>(9)</u>	<u>159,104</u>	<u>499,901</u>
Net changes in fund balances	(72,037)	187	(336,767)	(9)	159,104	499,901
Fund balances, beginning, restated	<u>133,736</u>	<u>428,633</u>	<u>2,413,642</u>	<u>(235,984)</u>	<u>(306,881)</u>	<u>4,414,360</u>
Fund balances (deficit), ending	<u>\$ 61,699</u>	<u>\$ 428,820</u>	<u>\$ 2,076,875</u>	<u>\$ (235,993)</u>	<u>\$ (147,777)</u>	<u>\$ 4,914,261</u>

**CITY OF COALINGA
CALIFORNIA**

SINGLE AUDIT REPORT

**FOR THE YEAR ENDED
JUNE 30, 2015**

**CITY OF COALINGA
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2015**

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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 City Council
City of Coalinga, 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 City of Coalinga, California (the City), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated July 25, 2017.

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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 City's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2015-001, 2015-002 and 2015-003 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of

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financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Coalinga's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying corrective action plan following the schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

A handwritten signature in cursive script that reads "Price Pange & Company".

Clovis, California
July 25, 2017



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

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

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of 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 City's compliance.

Opinion on Each Major Federal Program

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

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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.

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.

Price Pange & Company

Clovis, California
July 25, 2017

CITY OF COALINGA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures 2015
U.S. Department of Justice			
Direct Program:			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-0045	\$ 11,639
Total U.S. Department of Justice			<u>11,639</u>
U.S. Department of Transportation			
Passed through the State of California Department of Transportation:			
Highway Planning and Construction	20.205	HSIPL -5146(012) *	840,775
Highway Planning and Construction	20.205	HSIPL -5146(013) *	248,859
Highway Planning and Construction	20.205	HSIPL -5146(014) *	<u>28,041</u>
Total U.S. Department of Transportation			<u>1,117,675</u>
Total Federal Awards Expenditures			<u>\$ 1,129,314</u>

* Denotes a major program.

CITY OF COALINGA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial reporting entity, as defined by the Government Accounting Standards Board ("GASB"), consists of the primary government, which is the City of Coalinga, California (the City), organizations for which the primary government is financially accountable, and other organizations 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.

B. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Coalinga and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *(OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

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

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

 X Yes No

Significant deficiencies identified that
are not considered to be material weaknesses?

 Yes X None reported

Noncompliance material to financial statements noted?

 Yes X No

Federal Awards

Internal control over major programs:

Material weaknesses identified?

 Yes X No

Significant deficiencies identified that
are 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 Section 510(a)
of Circular A-133?

 Yes X No

Identification of major programs

CFDA Number

20.205

Name of Federal Program or Cluster

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 COALINGA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding 2015-001

Year-End Closing Process (Material Weakness)

Condition:	During the audit of the City's financial statements, we identified material misstatements in the City's general ledger account balance which necessitated the proposal of numerous audit adjustments. Additionally, the City identified an excessive amount of misstatements to the general ledger account balances subsequent to providing us with a final trial balance.
Criteria:	A strong system of internal controls and management review requires that general ledger account balances be properly reconciled to a subsidiary ledger or other adequate supporting documentation on a periodic basis, as well as during the year-end financial close process in order to accurately and completely close the current year general ledger in a timely manner. Management is responsible for maintaining its accounting records in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
Cause:	The City's Finance Director and accounting department were not able to perform the year-end close and, in addition to the demands of closing a City's general ledger, there were numerous other financial statement, compliance, and control environment matters. The City ultimately had a vacancy in the Finance Director position which further delayed the year-end closing process.
Effect:	The result of the audit included over 30 adjusting journal entries, many of them related to prior year misstatements, which were required to be either posted by the City or proposed by us subsequent to receiving the City's final trial balance.
Recommendation:	<p>We recommend that the City perform the following steps in order to address the matters described above:</p> <ol style="list-style-type: none">1) Create a closing checklist to assist with the preparation of audit schedules that are complete, accurate, and reconcile to the City's general ledger account balances. Additionally, ensure that a system is in place to allow the City to perform this in a timely manner.2) Provide additional assistance to the Finance Department through the hiring of additional competent personnel.3) Provide additional training in accounting specific to government entities to Finance Department staff in order to ensure that they are current with all financial accounting and reporting requirements as directed by the Governmental Accounting Standards Board.

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

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Finding 2015-002

Journal Entries (Material Weakness)

Condition:	During a review of the City's general ledger, we noted that an excessive amount of journal entries were recorded in the accounting system. Additionally, we noted that journal entries were being posted to the accounting system prior to being adequately reviewed.
Criteria:	A strong system of internal control and management review is necessary in order to ensure that the City transactions are correctly recorded into the City's accounting system and do not require additional subsequent adjustments.
Cause:	Controls were not being adhered to in order to ensure that all transactions or journal entries were reviewed in a timely manner and correctly posted to the City accounting system, requiring an excessive amount of corrective journal entries.
Effect:	Posting more journal entries than would normally be necessary, or have not been properly reviewed by appropriate personnel, increases the risk of material misstatements due to error or fraud.
Recommendation:	<p>We recommend that the City perform the following steps in order to address the matters described above:</p> <ol style="list-style-type: none">1) Adhere to its current internal control policies and ensure all transactions and journal entries are reviewed and approved by appropriate personnel prior to being posted to the City's accounting system.2) Provide additional assistance to the Finance Department through the hiring of additional competent personnel.3) Provide training to all department heads responsible for authorizing disbursements on methods to accurately classify all disbursements to the appropriate budget line items.

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

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Finding 2015-003

Schedule of Expenditures of Federal Awards (Material Weakness)

Condition:	The Schedule of Expenditures of Federal Awards (SEFA) initially provided by the City was materially incomplete. There were Federal grants for which the City made expenditures that were not included on the SEFA.
Criteria:	A strong system of internal controls and management review requires that expenditures for all Federal grants are accumulated and included on the SEFA in compliance with applicable standards.
Cause:	The Finance Department did not maintain a centralized file that includes all City grants so its personnel were unaware of funding sources of certain grants. Additionally, the Finance Department did not have a system in place to track all Federal expenditures necessary for inclusion to the SEFA. Certain grant agreements were not available or identified by the Finance Department.
Effect:	The expenditures included on the SEFA initially provided by the City were materially understated.
Recommendation:	We recommend that the Finance Department maintain a centralized file of all City grants and create a system to develop an annual grant reconciliation for these grants that identifies the funding source and can be reconciled to the trial balance.

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None identified.

**CITY OF COALINGA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

FINANCIAL STATEMENT FINDINGS

None identified.

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**CITY OF COALINGA
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2015**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2015-001	The City will perform the recommended year-end closing steps in order to ensure City's general ledger accounts balances are reported correctly. The City acknowledges the need for additional assistance to the Finance Department therefore has hired a new Financial Service Director and will continue to hire additional year end assistance through a contract as needed.	12/31/2017	Jasmin Bains, Financial Service Director
2015-002	The City will ensure internal control policies are follow to ensure all transactions and journal entries are reviewed and approved by the Financial Services Director. The City acknowledges the need for additional assistance to the Finance Department therefore hired a new Financial Service Director and will continue to hire additional year end assistance through a contract as needed.	12/31/2017	Jasmin Bains, Financial Service Director
2015-003	The Finance Department and other departments of the City will coordinate more effectively to insure correct recording of both the general ledger and Grant Reports. The Finance Department will maintain a centralized file of all City Grants and create a system to develop an annual grant reconciliation for these grants that identifies the funding source and will be reconciled to the general ledger.	12/31/2017	Jasmin Bains, Financial Service Director

Jasmin Bains
Financial Service Director, City of Coalinga

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Information on Commercial Cannabis Licensing
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Michael Salvador, Chief of Police

I. RECOMMENDATION:

Receive a presentation on the status of Commercial Cannabis Licensing in the City of Coalinga.

II. BACKGROUND:

Future agenda item Mayor Vosburg.

III. DISCUSSION:

Powerpoint presentation

IV. ALTERNATIVES:

None

V. FISCAL IMPACT:

ATTACHMENTS:

	File Name	Description
□	Medical_Marijuana2.pptx	Presentation



CITY OF COALINGA

The Sunny Side of the Valley

Commercial Cannabis



1. Outline of the Industry to date
2. Problems that have come up
3. Fiscal Impact

Tonight's Meeting

- ⌘ 2015 MCRSA becomes law
- ⌘ Jan. 2016: City Council votes to explore Commercial Cannabis.
- ⌘ July 2016: City Council approves urgency ordinance.
- ⌘ November 2016: City begins taking applications from companies/employees

History

- ⌘ November 2016: Voters pass AUMA, Cannabis tax, and authorizes a single dispensary license.
- ⌘ Jan. 2017: First 2 licenses go operation at the former Claremont facility, Permanent Commercial Cannabis Ordinance goes into effect
- ⌘ September 2017: City Council considers retail ordinance.
- ⌘ November 2016: City begins taking applications from companies/employees

History

- ⌘ Number of Licenses Issued: 2
- ⌘ Number of Approval Letters: 26
- ⌘ Number of Employee Permit Approvals: 100
- ⌘ Number of Calls for Service to the PD: 0

State of Current Cannabis Industry



COALINGA POLICE DEPARTMENT

MARIJUANA - TYPES OF PERMIT FLOW CHART



- ⌘ Slow to get moving
- ⌘ Power is the Issue
- ⌘ Number Approved Grows: 11

Commercial Cultivation

- ⌘ How many? 1 open
- ⌘ 7 approval letters completed
- ⌘ Less power issues
- ⌘ Fastest to open

Manufacturing

- ⌘ Power
- ⌘ Development time
- ⌘ California Regulations
- ⌘ 18 to 24 month process

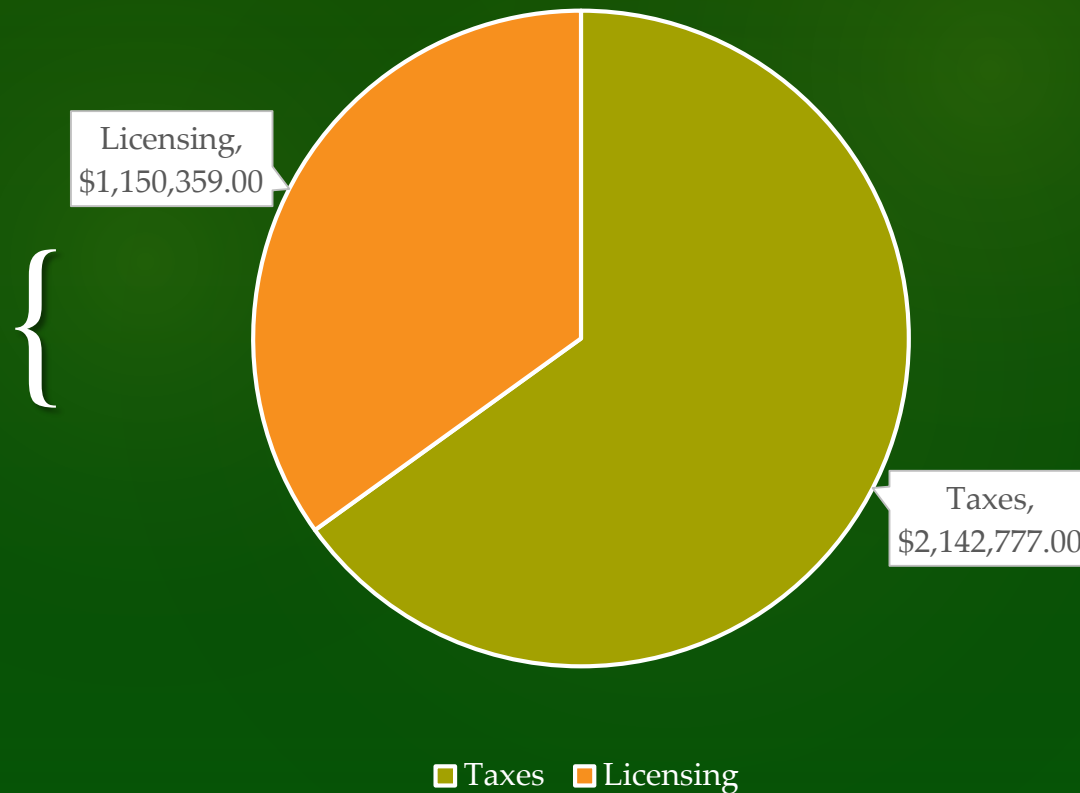
Industry Issues

- ⌘ Licensing Revenue
- ⌘ Tax revenue from voter approved tax
- ⌘ Added public safety expenses

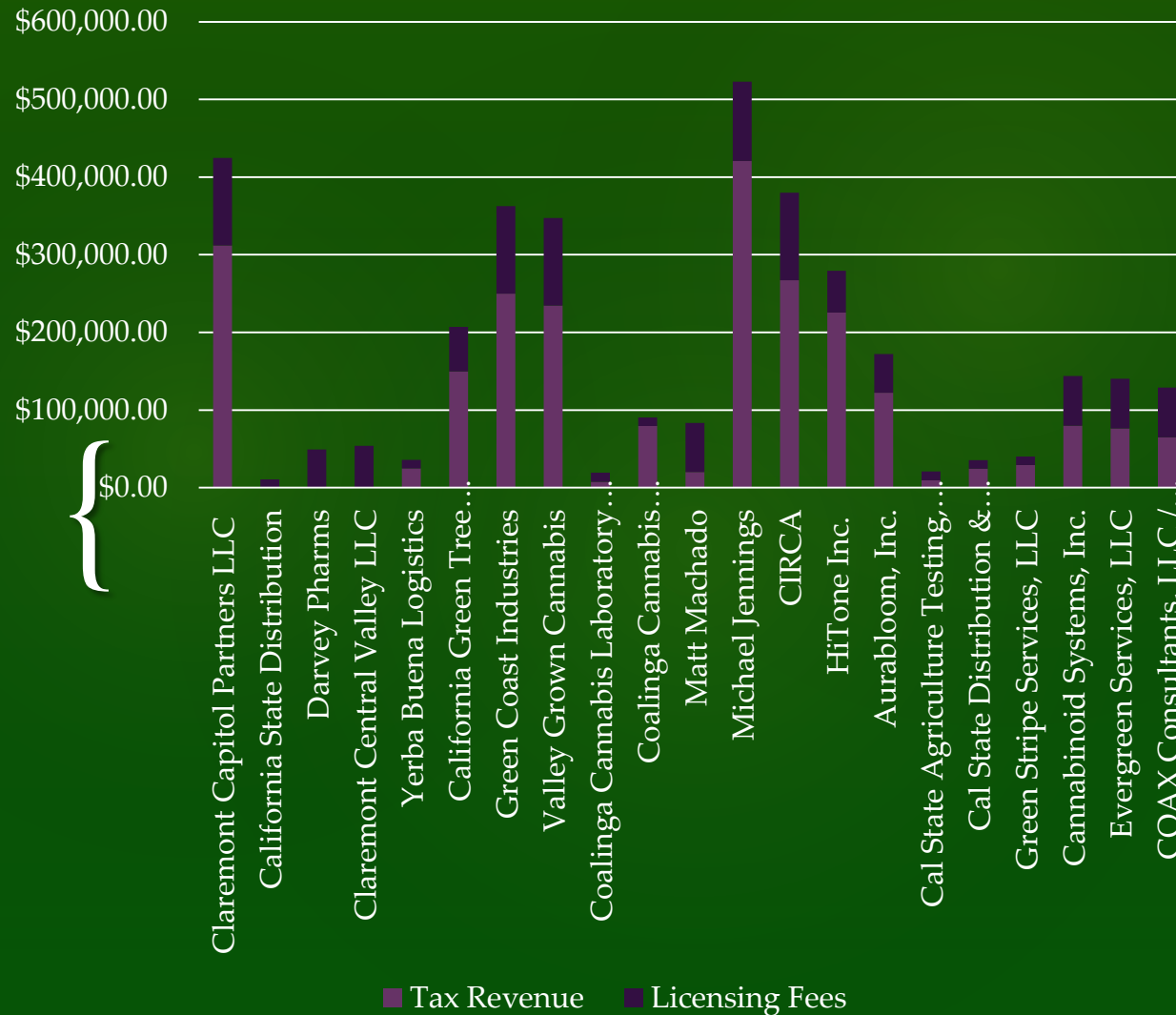
Fiscal Impact

Financial Benefits of Cannabis Licensing

Estimated Future Tax and Licensing Revenue



Financial Benefits of Cannabis Licensing



Any Questions????

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Information on City of Coalinga IT Infrastructure
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Michael Salvador, Chief of Police

I. RECOMMENDATION:

Review information on the current IT infrastructure for the City of Coalinga.

II. BACKGROUND:

Requested future Agenda Item from Mayor Vosburg.

III. DISCUSSION:

Power point Presentation

IV. ALTERNATIVES:

na

V. FISCAL IMPACT:

na

ATTACHMENTS:

	File Name	Description
▣	Coalinga_I.T..pptx	IT presentation

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COALINGA I.T. INFRASTRUCTURE NEEDS

ITEMS TO DISCUSS

- Current Status of Infrastructure
- Current Status of Software
- IT master plan

INFRASTRUCTURE

- Issues:
 - Age of Equipment
 - Product consistency
 - Lack of security
 - Lack of network planning
 - Inadequate capacity
 - Lack of clean power

SOFTWARE

- Issues:
 - Lack of a consistent image
 - No enterprise software
 - Lack of security software
 - Inconsistent upgrading
 - Web Presence

IT MASTER PLAN

- To fix the issues a long term solution is needed
- Phased solution
- Goal is to ensure that the IT solutions meet the City's needs

IT MASTER PLAN (EQUIPMENT)

- Public Works
 - Security Equipment to protect data
 - New switches
 - Replace server
 - New UPS
 - Cabling
 - Total Estimated Costs \$15,000.00

IT MASTER PLAN (EQUIPMENT)

- Fire Department
 - Security Equipment to protect data
 - New switches
 - Replace server
 - New UPS
 - Cableing
 - Total Estimated Costs \$15,000.00

IT MASTER PLAN (EQUIPMENT)

- City Hall
 - Security Equipment to protect data
 - New switches
 - Replace servers
 - New networking equipment
 - New UPS
 - Cabling
 - Total Estimated Costs \$85,000.00

IT MASTER PLAN (EQUIPMENT)

- Police Department
 - Off site backup equipment (shared with the rest of the city)
 - Estimated Cost \$20,000

IT MASTER PLAN (EQUIPMENT)

- Council Chambers
 - New display equipment (screen or monitor)
 - Estimated Cost \$20,000

IT MASTER PLAN (SOFTWARE)

- Email
 - City currently runs an exchange server in house
 - Total Cost currently: \$28,000 based 190 Active users and a new server
 - To move email to the cloud using Office 365 exchange
 - Recurring costs up to \$45,000 per year (190 Users x \$20 per user per month)

IT MASTER PLAN (SOFTWARE)

- Microsoft Office
 - City currently requires individual licenses be purchased by the department
 - Total Cost to move to Office 365: \$28,000 based 190 Active users (\$12 per user per month)
 - One time purchase of license agreement with upgrade rights (\$327.00 per machine)

IT MASTER PLAN (SOFTWARE)

- Adobe Acrobat
 - City currently requires individual licenses be purchased by the department
 - Total Cost to move to Adobe Acrobat Pro DC (Cloud Based): \$35,000 based 190 Active users (\$15 per user per month)
 - One time purchase of license agreement with upgrade rights (\$499.00 per machine)

IT MASTER PLAN (SOFTWARE)

- Anti Virus
- Estimated Cost: \$1 200.00

IT MASTER PLAN (SOFTWARE)

- Web Presence
- Consolidation and integration
- Ecommerce
- Estimated Cost: \$20,000-\$40,000

NEXT STEPS

- Establish priority list
- Budget priority list into manageable pieces.
- Work with Code-3 to establish consistent city image

An abstract graphic on the left side of the slide, consisting of a network of light blue lines and small circles, resembling a circuit board or a neural network diagram. The lines are of varying thickness and connect to small open circles at various points.

ANY QUESTIONS?

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Adoption of Resolution No. 3785 Regarding Certifications and Claims for Collection of Measure “C” Funds for Fiscal Year 2017-18 and Authorization for the Financial Services Director to Sign the Local Transportation Pass Through Revenue Certifications and Claim Forms

Meeting Date: September 21, 2017

From: Marissa Trejo, City Manager

Prepared by: Jasmin Bains, Financial Services Director

I. RECOMMENDATION:

City Manager and Financial Services Director recommends City Council adopt Resolution No. 3785 to submit the Local Transportation Purposes Certifications and Claim Forms to Fresno County Transportation Authority (FCTA) for the City of Coalinga to collect its share of Measure “C” for fiscal year 2017-18 and authorize the Financial Services Director to sign the Local Transportation Pass Through Revenue Certifications and Claim Forms.

II. BACKGROUND:

On June 7, 2017, the FCTA Board adopted their Board Resolution No. 2017-02 (Resolution attached) for Measure C Extension Local Transportation Purposes Pass-Through Projects and Program Funds apportionment for fiscal year 2017-18. The following is the Local Transportation Program Pass-Through and Subprograms of which the City of Coalinga will receive Measure C funding:

- 1.79% of \$11,027,223 for Street Maintenance Category sub program, or City’s share \$197,160;
- 1.80% of \$382,796 for ADA Compliance Category sub program, or City’s share \$6,901;
- 2.06% of \$10,936,290 for Flexible Funding Category sub program, or City’s share \$236,590.

Each subprogram has various requirements and exemptions for spending the funds and is outlined in the Measure C Extension 2007 Local Agency Handbook. These are the estimated apportionments scheduled for FY 2017-18 for the City of Coalinga Measure C Extension Program.

To receive these funds monthly, the City must file a separate 2017-18 Certification and Claim form for each sub program (forms attached) along with a City Council Resolution which is to be submitted to the Fresno County Transportation Authority. Once these documents have been accepted, each agency will receive a separate check for each sub program. Measure “C” funds will be distributed on a proportional basis as funds are received.

III. DISCUSSION:

Staff is requesting that the City Council adopt Resolution No. 3717 to submit the City’s Local Transportation Program Certifications and Claim forms to the Fresno County Transportation Authority and authorize the signing of the claim forms by the Financial Services Director for the City to begin receiving its

share of Measure “C” funds totaling \$440,651.

IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

The 2017-18 Measure C funding will augment other local transportation fund sources to carry out street maintenance programs and other public transportation improvements during the fiscal year.

ATTACHMENTS:

File Name	Description
<input type="checkbox"/> Measure_C_Resolution_No._3785_FY17-18.pdf	Resolution No. 3785 Measure C FY17-18
<input type="checkbox"/> FY2017-18.Measure_C_Ext_Coalinga_LTP_Claim.StreetMaintenance.pdf	FY2017-18.Measure C Ext Coalinga LTP Claim.StreetMaintenance
<input type="checkbox"/> FY2017-18.Measure_C_Ext_Coalinga_LTP_Claim.ADA.pdf	FY2017-18.Measure C Ext Coalinga LTP Claim.ADA
<input type="checkbox"/> FY2017-18.Measure_C_Ext_Coalinga_LTP_Claim.Flex.pdf	FY2017-18.Measure C Ext Coalinga LTP Claim.Flex
<input type="checkbox"/> FCTA_RESOLUTION_NO_2017-02.pdf	FCTA RESOLUTION NO 2017-02

RESOLUTION NO. 3785

RESOLUTION OF THE CITY OF COALINGA IN THE MATTER CONCERNING LOCALTRANSPORTATION PURPOSE FUNDS (MEASURE “C” EXTENSION FUNDS)

WHEREAS, the *City of Coalinga* is an eligible claimant of funds for Measure C Extension Local Transportation Pass-Through Projects and Program Funds pursuant to California Public Utilities Code Section 142257; and

WHEREAS, the Fresno County Transportation Authority has adopted a Resolution of Apportionment for FY 2017-18 Measure C Extension Local Transportation Pass-Through Projects and Program Funds, setting the *City of Coalinga's* percentages at the following:

- 1.79% of \$11,027,223 (or \$197,160) for the Local Transportation Program, Local Allocation – Street Maintenance Category sub program;
- 1.80% of \$382,796 (or \$6,901) for the Local Transportation Program, Local allocation – ADA Compliance Category sub program;
- 2.06% of \$10,936,290 (or \$236,590) for the Local Transportation Program, Local Allocation – Flexible Funding Category sub program; which shall be the proportionate share of Measure C Extension Local Transportation Pass-Through Projects and Program Funds to the City shall be entitled within the fiscal year.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1) The *City of Coalinga* hereby submits its Local Transportation Purposes Certification and Claims for Fiscal Year 2017-18 Measure C Extension Local Transportation Pass-Through Projects and Program Funds;
- 2) The *City of Coalinga* hereby requests the release of funds to the City on a monthly payment basis consistent with the adopted percentages listed above, based on actual receipts;
- 3) The City Council of the *City of Coalinga* further certifies:
 - a) That Local Transportation Purpose Funds will not be used to substitute for property tax funds which the *City of Coalinga* had previously used for local transportation purposes; and
 - b) That the *City of Coalinga* has and will segregate property tax revenues used to support local transportation purposes so that verification of non-substitution can be proved through audit; and
 - c) That the *City of Coalinga* shall separately account for Local Transportation Purposes Funds received, pursuant to Public Utilities Code Section 142257. The City shall maintain records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. The City shall

make such records available to the Authority for inspection or audit at any time.

- 4) The **City of Coalinga** understands that should a financial or compliance audit reveal that the **City of Coalinga** violated any of the requirements set forth in paragraph 3 (a) (b) or (c), that the Fresno County Transportation Authority may seek to take immediate steps to resolve the violation in accordance with its adopted procedures.
- 5) The **City of Coalinga** understands that it intends to complete the reporting requirements for the 2016-17 Measure C expenditures to the Board by November 15, 2017.

I do hereby certify that the foregoing resolution was duly adopted and passed by the City Council of the City of Coalinga at a regular meeting held on the **21st day of September 2017**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Nathan Vosburg, Mayor

ATTEST:

City Clerk / Deputy City Clerk

**MEASURE C EXTENSION
LOCAL TRANSPORTATION PASS THROUGH REVENUES
CERTIFICATION AND CLAIM FOR FY2017-18**

TO: Fresno County Transportation Authority

FROM: City of Coalinga
Local Agency Name

Address: 155 W. Duran, Coalinga, CA 93210 Contact: Jasmin Bains, Financial Services Director
Telephone: (559) 935-1533 FAX: 559-935-0995 Email Address: jbains@coalinga.com

1. Applicable Funding Program: (Check One)

Regional Public Transit Program

- ☐ Fresno Area Express
- ☐ Clovis Transit
- ☐ FCRTA
- ☐ PTIS/Transit Consolidation
- ☐ ADA/Seniors/Paratransit
- ☐ Farmworker Van Pools
- ☐ Car/Van Pools
- ☐ New Technology Reserve

Local Transportation Program

- ☒ Street Maintenance
- ☐ ADA Compliance
- ☐ Flexible Funding
- ☐ Pedestrian/Trails Urban
- ☐ Pedestrian/Trails Rural
- ☐ Bicycle Facilities
- Regional Transportation Program*
- ☐ Fresno Airports

Alternative Transportation Program

- ☐ Rail Consolidation Subprogram
- Environmental Enhancement Program*
- ☐ School Bus Replacement
- ☐ Transit Oriented Infrastructure for In-Fill
- Administrative/Planning Program*
- ☐ Fresno COG

2. The City of Coalinga ("claimant") *Local Agency Name* is an eligible claimant of funds for local transportation purposes pursuant to California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2017-2018 setting 1.79% of \$11,027,223 (or **\$197,160**) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:

- (a) Monthly payments consistent with adopted percentage, based on actual receipts
- (b) Compliance with Steps A and B of the Strategic Implementation Plan (SIP) – Local Agency Pass Through Funding programs and Other Revenue Program Funding

4. On behalf of claimant, I hereby certify as follows:

- (a) That the Subprogram or Category of funds checked above are not being used to substitute for property tax funds which claimant had previously used for local transportation purposes. Such substitution of property tax funds is prohibited by California Public Utilities Code Section 142257.
- (b) That claimant has segregated property tax revenues from claimant's other general fund revenues used to support the Subprogram or Category of funds checked above so that verification of non-substitution can be proved through audit or that the non-substitution of funds shall apply to claimant's entire general fund.
- (c) That claimant shall account for Subprogram or Category of funds checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: _____

Title: Financial Services Director

Date: September 21, 2017

ATTACHMENT: Evidence of Formal Action for Approval and Submittal
Approved by: Fresno County Transportation Authority Board on: _____

**MEASURE C EXTENSION
LOCAL TRANSPORTATION PASS THROUGH REVENUES
CERTIFICATION AND CLAIM FOR FY2017-18**

TO: Fresno County Transportation Authority

FROM: City of Coalinga
Local Agency Name

Address: 155 W. Duran, Coalinga, CA 93210 Contact: Jasmin Bains, Financial Services Director
Telephone: (559) 935-1533 FAX: 559-935-0995 Email Address: jbains@coalinga.com

1. Applicable Funding Program: (Check One)

Regional Public Transit Program

- ☐ Fresno Area Express
- ☐ Clovis Transit
- ☐ FCRTA
- ☐ PTIS/Transit Consolidation
- ☐ ADA/Seniors/Paratransit
- ☐ Farmworker Van Pools
- ☐ Car/Van Pools
- ☐ New Technology Reserve

Local Transportation Program

- ☐ Street Maintenance
- ☒ ADA Compliance
- ☐ Flexible Funding
- ☐ Pedestrian/Trails Urban
- ☐ Pedestrian/Trails Rural
- ☐ Bicycle Facilities
- Regional Transportation Program*
- ☐ Fresno Airports

Alternative Transportation Program

- ☐ Rail Consolidation Subprogram
- Environmental Enhancement Program*
- ☐ School Bus Replacement
- ☐ Transit Oriented Infrastructure for In-Fill
- Administrative/Planning Program*
- ☐ Fresno COG

2. The City of Coalinga ("claimant") *Local Agency Name* is an eligible claimant of funds for local transportation purposes pursuant to California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2017-2018 setting 1.80% of \$382,796 (or \$6,901) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:

- (a) Monthly payments consistent with adopted percentage, based on actual receipts
- (b) Compliance with Steps A and B of the Strategic Implementation Plan (SIP) – Local Agency Pass Through Funding programs and Other Revenue Program Funding

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- (c) That claimant shall account for Subprogram or Category of funds checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: _____

Title: Financial Services Director

Date: September 21, 2017

ATTACHMENT: Evidence of Formal Action for Approval and Submittal
Approved by: Fresno County Transportation Authority Board on: _____

**MEASURE C EXTENSION
LOCAL TRANSPORTATION PASS THROUGH REVENUES
CERTIFICATION AND CLAIM FOR FY2017-18**

TO: Fresno County Transportation Authority

FROM: City of Coalinga
Local Agency Name

Address: 155 W. Duran, Coalinga, CA 93210 Contact: Jasmin Bains, Financial Services Director
Telephone: (559) 935-1533 FAX: 559-935-0995 Email Address: jbains@coalinga.com

1. Applicable Funding Program: (Check One)

Regional Public Transit Program

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- ☐ Clovis Transit
- ☐ FCRTA
- ☐ PTIS/Transit Consolidation
- ☐ ADA/Seniors/Paratransit
- ☐ Farmworker Van Pools
- ☐ Car/Van Pools
- ☐ New Technology Reserve

Local Transportation Program

- ☐ Street Maintenance
- ☐ ADA Compliance
- ☒ Flexible Funding
- ☐ Pedestrian/Trails Urban
- ☐ Pedestrian/Trails Rural
- ☐ Bicycle Facilities
- Regional Transportation Program*
- ☐ Fresno Airports

Alternative Transportation Program

- ☐ Rail Consolidation Subprogram
- Environmental Enhancement Program*
- ☐ School Bus Replacement
- ☐ Transit Oriented Infrastructure for In-Fill
- Administrative/Planning Program*
- ☐ Fresno COG

2. The City of Coalinga ("claimant") *Local Agency Name* is an eligible claimant of funds for local transportation purposes pursuant to California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2017-2018 setting 2.06% of \$10,936,290 (or **\$236,590**) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:

- (a) Monthly payments consistent with adopted percentage, based on actual receipts
- (b) Compliance with Steps A and B of the Strategic Implementation Plan (SIP) – Local Agency Pass Through Funding programs and Other Revenue Program Funding

4. On behalf of claimant, I hereby certify as follows:

- (a) That the Subprogram or Category of funds checked above are not being used to substitute for property tax funds which claimant had previously used for local transportation purposes. Such substitution of property tax funds is prohibited by California Public Utilities Code Section 142257.
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5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: _____

Title: Financial Services Director

Date: September 21, 2017

ATTACHMENT: Evidence of Formal Action for Approval and Submittal
Approved by: Fresno County Transportation Authority Board on: _____

**BEFORE THE
FRESNO COUNTY TRANSPORTATION AUTHORITY BOARD
RESOLUTION NO 2017-02**

In the Matter of:)	
FRESNO COUNTY TRANSPORTATION)	RETAIL TRANSACTIONS AND USE
IMPROVEMENT ACT)	TAX FUNDS FOR EXTENSION
CALIFORNIA PUBLIC UTILITIES)	LOCAL TRANSPORTATION
<u>CODE SECTION 142257</u>)	PURPOSES PASS-THROUGH
)	PROJECTS AND PROGRAMS FOR
)	<u>FY 2017-2018.</u>

WHEREAS, the Fresno County Transportation Authority is the administrator of the Retail Transactions and Use Tax (1/2 cent) Funds collected pursuant to the Fresno County Transportation Improvement Act as provided by Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Public Utilities Code Sections 142000, et seq.,

WHEREAS, California Public Utilities Code Section 142257 provides that the 2006 Measure C Extension Expenditure Plan, which was approved prior to and provided the basis for the ballot measure considered by the voters at the November 7, 2006 election, shall specify the amount and the formula by which the retail transactions and use tax shall be allocated to each participating jurisdiction for Measure C Extension Program and Project Funds Local Transportation Purposes determined to be priority projects by local governments to which funds are allocated, and

WHEREAS, the 2006 Measure C Extension Expenditure Plan creates a number of transportation programs to be funded by participating jurisdictions with Measure C funds passed-through from the Authority to the jurisdiction submitting eligible project claims, and

WHEREAS, these various programs have differing requirements, exemptions, and formulas for calculating pass-through funding levels, and

WHEREAS, the programs and subprograms identified below are eligible for pass-through funding,

Regional Public Transit Program

Public Transit Agencies
Public Transportation Infrastructure Study (PTIS)
ADA/Seniors/Paratransit
Ag-worker/Car/Van Pools

Local Transportation Program

Local Allocation
Pedestrian/Trails
Bicycle Facilities

Regional Transportation Program
Fresno Airports

Administration/Planning Program
Council of Fresno County Governments

and

WHEREAS, the program requirements and exemptions for these programs may change from time to time as local jurisdiction population changes or mandated programs are satisfied, and

WHEREAS, in an effort to fully explain the various program provisions, the Authority, together with the Council of Fresno County Governments, created and will update as needed the Measure C Extension Strategic Implementation Plan which among other things discusses each pass-through program in detail and calculates pass-through funding levels for each in the 2017-18 fiscal year, and

WHEREAS, the Authority Procedures for Administration of Funds for Local Transportation Purposes calls for an annual Resolution of Apportionment to determine the percentage and amount of funds to be available within the forthcoming fiscal year, and

WHEREAS, the attached schedule of apportionment for FY 2017-18 is based upon the Measure C Extension Strategic Implementation Plan,

NOW THEREFORE, BE IT RESOLVED, that the Fresno County Transportation Authority hereby approves the attached schedule of apportionment for FY 2017-18 as indicated in the Measure C Extension Strategic Implementation Plan, which schedule is hereby made a part of this resolution, and approves the allocations, to be distributed as they are received and in accordance with claims submitted by eligible claimants.

BE IT FURTHER RESOLVED, that the Fresno County Auditor-Controller/Treasurer-Tax Collector cause the revised Resolution of Apportionment to be paid in the manner and time directed by the Executive Director of the Fresno County Transportation Authority.

THE FOREGOING RESOLUTION was passed and adopted by the Fresno County Transportation Authority Board this 7th day of June, 2017.

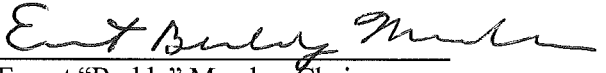
AYES: (5) Ashbeck, Cardenas, Clements, Dhaliwal, Mendes

NOES: ()

ABSTAIN: ()


ABSENT: (3) Brand, Brandau, Borgeas

VACANT: ()

SIGNED: 
Ernest "Buddy" Mendes, Chairman
Fresno County Transportation Authority

ATTEST:

I hereby certify that the foregoing is a true copy of a resolution of the Fresno County Transportation Authority duly adopted at a regular meeting thereof held on June 7, 2017.

SIGNED: 
Mike Leonardo, Executive Director
Fresno County Transportation Authority

/dd/reso/PassThru-Allocation-2017-02

RESOLUTION OF ALLOCATION 2017-02
FY2017-18 MEASURE C EXTENSION ESTIMATED ALLOCATIONS

Table 1
Measure "C" Sales Tax Revenue
2017/18
Presented to FCTA Board 06/7/17

Sales Tax Estimate		\$72,796,884
Program Services and Supplies		\$723,535
Net Distributed Sales Tax Estimate		\$72,073,349
Funding Allocation Programs	Percent	Allocation
Regional Public Transit Program		
Public Transit Agencies		
Fresno Area Express (FAX)	13.70%	9,874,049
Clovis Transit	1.97%	1,419,845
Fresno County Rural Transit Agency (FCRTA)	3.99%	2,875,727
Public Transportation Infrastructure Study (PTIS)	0.29%	209,013
ADA / Seniors / Paratransit	0.79%	569,379
Farmworker / Car / Van Pools		
Farmworker Van Pools	0.58%	418,025
Car/Van Pools	0.58%	418,025
New Technology Reserve	2.10%	1,513,541
Local Transportation Program		
Local Allocation	30.60%	22,054,445
Pedestrian/Trails		
Urban (Fresno/Clovis)	2.15%	1,549,577
Rural	0.95%	684,697
Bicycle Facilities	0.90%	648,660
Regional Transportation Program		
Urban	14.70%	10,594,782
Rural	14.70%	10,594,782
Airports	1.00%	720,733
Alternative Transportation Program		
Rail Consolidation	6.00%	4,324,401
Environmental Enhancement		
School Bus Replacement	2.30%	1,657,687
Transit Oriented Infrastructure for In-Fill	1.20%	864,880
Administration/Planning Program		
Fresno County Transportation Authority (FCTA)	1.00%	720,734
Fresno Council of Governments (FCOG)	0.50%	360,367
Total	100.00%	72,073,349

**RESOLUTION OF ALLOCATION 2017-02
LOCAL TRANSPORTATION SUB PROGRAM FY2017-18 ALLOCATIONS**

**Table 2
FRESNO COUNTY TRANSPORTATION AUTHORITY
MEASURE "C" FUND APPORTIONMENT
Local Allocation Sub Program
FY2017/18**

6/7/2017 Presented for approval to FCTA Board

	Street Maintenance	ADA Compliance	Flexible Funding	Ped/Trails Urban	Ped/Trails Rural	Bicycle Facilities	Total
Clovis	1,040,498	9.44%					
Coalinga	197,160	1.79%	1,004,081	251,777		62,822	2,395,594
Firebaugh	122,380	1.11%	236,590				440,650
Fowler	111,628	1.01%	140,557				267,220
Fresno	4,806,825	43.59%	124,900				240,435
Huron	111,262	1.01%	4,638,586	1,195,285		301,701	11,110,635
Kerman	180,924	1.64%	126,909				242,065
Kingsburg	164,316	1.49%	214,734				401,990
Mendota	163,327	1.48%	192,695				362,762
Orange Cove	132,221	1.20%	190,568				359,611
Parlier	181,097	1.64%	153,219				290,067
Reedley	278,971	2.53%	216,842		56,975	14,522	404,277
San Joaquin	90,153	0.82%	269,207		12,57%		629,438
Sanger	281,670	2.55%	101,567				191,719
Selma	282,219	2.56%	271,812		57,541	14,694	635,574
County of Fresno	2,882,576	26.14%	272,341		54,805	14,728	633,370
			2,781,686	102,515	284,052	179,654	6,331,372
				6.62%	62.65%	30.55%	
TOTAL	11,027,223		10,936,290	1,549,577	453,373	588,121	24,937,379
		382,796					24,937,379

RESOLUTION OF ALLOCATION 2017-02

LOCAL TRANSPORTATION PROGRAM SUB PROGRAM FY2017-18 CALCULATIONS

Table 3
FRESNO COUNTY TRANSPORTATION AUTHORITY
MEASURE "C" FUND APPORTIONMENT CALCULATIONS
Local Allocation Sub Program
FY2017/18 6/7/2017 Approved by FCTA Board

	2017 Population	2014 Road Miles	75%	25%	Percent	Percent	\$100,000 Mn	Formula Above Minimum	Local Allocation Program	Street Maint. 50% of Local Allocation	Total Allocable to Program	Redistribute Ped/Trails	Redistribute Bic. Fac.	ADA Compliance	Flexible Funding	Ped/Trails Urban	Ped/Trails Rural	Bicycle Facilities	Total
Clovis	110,762	325.6	0.083407	0.013442	9.69%		100,000	1,980,995	2,080,995	1,040,498	2,395,594	0	0	36,417	1,004,061	251,777	0	62,822	2,395,594
Coalinga	16,982	38.8	0.012788	0.001601	1.44%		100,000	294,319	394,319	197,160	440,650	36,997	9,334	6,901	236,590	0	0	0	440,650
Firebaugh	8,202	21.8	0.006176	0.000901	0.71%		100,000	144,780	244,780	122,390	267,220	17,869	4,591	4,283	140,557	0	0	0	267,220
Fowler	6,091	34.9	0.004587	0.001439	0.60%		100,000	123,256	223,256	111,628	240,435	13,270	3,909	3,907	124,900	0	0	0	240,435
Fresno	525,832	1,674.9	0.395968	0.069146	46.51%		100,000	9,513,649	9,613,649	4,806,825	11,110,635	0	0	188,239	4,636,586	1,195,285	0	301,701	11,110,635
Huron	7,186	14.0	0.005411	0.000579	0.60%		100,000	122,524	222,524	111,262	242,065	15,655	3,886	3,894	126,908	0	0	0	242,065
Kerman	14,614	43.5	0.011005	0.001797	1.28%		100,000	261,848	361,848	180,924	401,960	37,638	8,304	6,332	214,734	0	0	0	401,960
Kingsburg	12,338	45.7	0.009291	0.001887	1.12%		100,000	228,632	328,632	164,316	362,762	26,860	7,250	5,716	192,685	0	0	0	362,762
Mendota	11,828	52.7	0.008907	0.002174	1.11%		100,000	226,654	326,654	163,327	359,611	25,769	7,188	5,716	190,588	0	0	0	359,611
Orange Cove	9,369	23.8	0.007055	0.000984	0.60%		100,000	184,441	284,441	132,221	290,067	20,411	5,215	4,628	153,219	0	0	0	290,067
Parlier	15,500	27.8	0.011672	0.001146	1.28%		100,000	262,194	362,194	181,997	404,277	33,768	8,315	6,338	216,842	0	0	0	404,277
Reedley	26,152	65.3	0.019693	0.002695	2.24%		100,000	457,941	557,941	278,971	629,438	8,667	2,547	9,764	269,207	56,975	0	14,522	629,438
San Joaquin	4,070	20.9	0.003065	0.000661	0.39%		100,000	80,305	180,305	90,153	191,719	0	0	0	101,567	0	0	0	191,719
Sanger	26,412	66.9	0.019889	0.002763	2.27%		100,000	463,339	563,339	281,670	635,574	0	0	9,858	271,812	57,541	0	14,694	635,574
Selma	25,156	81.1	0.018943	0.003763	2.27%		100,000	464,437	564,437	282,219	633,970	0	0	9,878	272,341	54,805	0	14,728	633,970
County of Fresno	175,481	3,507.9	0.132143	0.144822	27.70%		100,000	5,665,151	5,785,151	2,882,576	6,331,372	0	0	100,890	2,781,686	102,515	284,052	179,654	6,331,372
TOTAL	995,975	6,055.5	0.750000	0.250000	100.00%		1,600,000	20,454,445	22,054,445	11,027,223	24,937,379	231,324	60,539	382,796	10,936,290	1,549,577	453,373	588,121	24,937,379

FY17 LTP Allocation

20,454,445

	Urban Population	Rural Population	Pedestrian/Trails Urban	Rural	Redistribute to Flexible Funding	Bicycle Fac. Sub Program	Redistribute to Flexible Funding
Clovis	110,762	16,982	251,777	0	0	62,822	0
Coalinga		8,202		36,997	17,869	4,591	9,334
Firebaugh		6,091		13,270	13,270	3,909	4,591
Fowler			1,195,285	0	0	301,701	3,909
Fresno	525,832	7,186		15,655	15,655	3,886	0
Huron		14,614		37,638	37,638	8,304	8,304
Kerman		12,338		26,860	26,860	7,250	7,250
Kingsburg		11,828		25,769	25,769	7,188	7,188
Mendota		9,369		20,411	20,411	5,215	5,215
Orange Cove		15,500		33,768	33,768	8,315	8,315
Parlier		26,152		56,975	56,975	14,522	0
Reedley		4,070		8,667	8,667	2,547	2,547
San Joaquin		26,412		57,541	57,541	14,694	0
Sanger		25,156		54,805	54,805	14,728	0
Selma		130,382		284,052	284,052	179,654	0
County of Fresno	45,099	130,382	102,515				
TOTAL	681,683	314,282	1,549,577	684,660	231,324	648,660	60,539

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Adopt Resolution No. 3786 Approving the Contract with Tyler Technologies-Incode Division for Financial Software and Services and Appropriation of the Funding Needed

Meeting Date: September 21, 2017

From: Marissa Trejo, City Manager

Prepared by: Jasmin Bains, Financial Services Director

I. RECOMMENDATION:

City Manager and Financial Services Director recommend the approval of Resolution No. 3786 approving the contract with Tyler Technologies-Incode Division for Financial Software and services and appropriation of the funds needed.

II. BACKGROUND:

The City's current finance software (Springbrook-Version 6) was purchased in 2002. Although it is still functional, it has not kept up with the times and lacks many features and functionality that is available in of today's systems. City staff has been notified by Springbrook, now known as Accela, that the software is so outdated that they will discontinue providing support to the City. It has become imperative for the City to upgrade the Finance Software as it has become impossible for the City to issue W-2 forms and 1099 forms to the employees and vendors. The City had a contract for new software in 2015, but the project was scrapped due to personnel turnover in the Finance Department and after some issues arose with the vendor during the initial stages of implementation and the contract was subsequently terminated.

III. DISCUSSION:

Finance Staff has reviewed three software options available for which are Migration to Version 7 of the existing software which has since been bought out by Accela, Tyler Technologies-Incode Division, or Tyler Technologies-New World Division. Below are some features that separate Tyler Technologies from the other vendors:

1. It is the largest company in the country providing software and services to the public sector with over 15,000 clients.
2. All the modules are developed, sold, and implemented by one vendor.
3. Annual maintenance provides for all upgrades and enhancements. The City will never need to "re-buy" software.
4. Tyler is financially healthy. It is a public company traded on the NYSE.
5. Unlimited support, at no additional cost.
6. Online training center and CPE accredited webinars.
7. California Users group meetings on annual basis in Fresno at the Fresno Irrigation District.
8. Over 100 public sector clients in California are using Incode Software.

Finance and Human Resources staff has had the opportunity to participate in on-site demonstrations of the software at two locations such as the Fresno Irrigation District for the Human Resources staff and the City of Huron for the Finance staff. During the on-site demonstrations staff was thoroughly impressed with the software and all the positive things that we heard from their clients.

In addition, everyone that staff talked to spoke very highly about Incode's customer service and how quickly they responded and resolved issues. Since the current software (Springbrook) was bought out by Accela the customer service response time has decreased significantly as they are allocating limited staff to provide customer service to existing Springbrook customers. Customer Service is key for the Finance staff as we are encountering demanding changes in our operations and the changing laws which we are required to follow.

Over the last four-five months my staff and I have gathered a tremendous amount of information regarding the proposed finance software. During that time, we have seen a lot of features that can increase productivity and efficiency. These features are not available in our current software or future versions available such as an integrated budget module, project accounting, and extensive drill-down capabilities.

IV. ALTERNATIVES:

1. Springbrook Software-Version 7 Migration
2. Tyler Technologies-Incode Division
3. Tyler Technologies-New World Division

V. FISCAL IMPACT:

Staff requests the City Council to appropriate the funds needed to upgrade the finance software. The total project cost for the finance system is proposed to be one-time fees in the amount of \$97,010 and annual recurring fees in the amount of \$34,942. The proposed fees are to be distributed as shown in the funding allocation plan attached as Exhibit A. As you will see the cost to the General Fund would be one-time fee of \$1,940 and an annual recurring fee of \$699. The total costs don't include travel expenses for onsite visits, they will be billed separately from the cost of implementation and conversion. Travel costs will be allocated on a similar basis as the cost of the software as proposed in Exhibit A.

ATTACHMENTS:

File Name	Description
❏ Resolution_No_3786_Tyler_Technologies_New_Fin_Dept_Software_092117.pdf	Resolution No. 3786 Tyler Technologies New Finance Department Software
❏ Exhibit_A-Cost_Allocation_Plan.pdf	Exhibit A-Cost Allocation Plan
❏ Tyler_Incode-City_of_Coalinga_CA_8-17-17.pdf	Tyler Technologies-Incode Division Proposal
❏ Accela-Springbrook_V7_Coalinga_-_Cloud_Migration.pdf	Accela-Springbrook V7 Proposal
❏ Tyler-NW_ERP_Coalinga_CA_Saas_quote_8.14.17.pdf	Tyler Technologies-New World Proposal

RESOLUTION NO. 3786

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COALINGA APPROVING THE CONTRACT WITH TYLER TECHNOLOGIES-INCODE DIVISION FOR FINANCIAL SOFTWARE AND SERVICES AND APPROPRIATION OF THE FUNDING NEEDED.

WHEREAS, the City Council of the City of Coalinga has received a proposal to purchase financial software from Tyler Technologies-Incode Division; and

WHEREAS, after examination, deliberation and due consideration, the City Council of the City of Coalinga has reviewed the proposal with Tyler Technologies-Incode Division; and

WHEREAS, a staff report has been presented to City Council discussing the purchase and implementation of Tyler Technologies software for a new financial software and business registration software; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COALINGA AS FOLLOWS:

1. The purchase of financial software and services from Tyler Technologies-Incode Division, is hereby approved and the City Manager is authorized to sign the appropriate documents.
2. The appropriation of the funding needed as outlined in the funding allocation plan as an exhibit is hereby approved.

PASSED AND ADOPTED by the City Council of the City of Coalinga at its Regular Meeting on September 21, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED

Nathan Vosburg, Mayor

ATTEST

City Clerk/Deputy City Clerk

Exhibit A

**City of Coalinga
Tyler Technologies-Incode Division
Cost Allocation Plan**

				\$97,010	\$ 34,942	
				Annual		
Fund	Fund Description	Allocation Basis	One-Time Fees	Recurring Fees	Totals by Fund	
101	General Fund	2%	\$ 1,940	\$ 699	\$ 2,639	
107	Gas Tax	2%	\$ 1,940	\$ 699	\$ 2,639	
110	TDA-Article 8	2%	\$ 1,940	\$ 699	\$ 2,639	
125	Measure C-Streement Maintenance	2%	\$ 1,940	\$ 699	\$ 2,639	
127	Measure C-Flexible Funding	2%	\$ 1,940	\$ 699	\$ 2,639	
130	Special Assessment Distrcits	2%	\$ 1,940	\$ 699	\$ 2,639	
140	General Capital Projects	2%	\$ 1,940	\$ 699	\$ 2,639	
150	Coalinga Public Financing Authority	2%	\$ 1,940	\$ 699	\$ 2,639	
501	Water Enterprise	25%	\$ 24,253	\$ 8,736	\$ 32,988	
502	Gas Enterprise	25%	\$ 24,253	\$ 8,736	\$ 32,988	
503	Sewer Enterprise	25%	\$ 24,253	\$ 8,736	\$ 32,988	
504	Sanitation Enterprise	5%	\$ 4,851	\$ 1,747	\$ 6,598	
506	Transit Fund	2%	\$ 1,940	\$ 699	\$ 2,639	
820	Redevelopment Obligation Retirement Fund	2%	\$ 1,940	\$ 699	\$ 2,639	
Total		100%	\$ 97,010	\$ 34,942	\$ 131,952	



Proposal

Local Government Division

Presented to:

Jasmin Bains

Financial Services Director
City of Coalinga
155 W. Durian
0.00
Coalinga, CA 93210
559-935-1531 ext. 124
jbains@coalinga.com

Proposal date:

August 17, 2017

Submitted by:

Kip Winget
(855) 245-1100
kip.winget@tylertech.com

Tyler Technologies
Local Government Division
5519 53rd Street
Lubbock, Texas 79414



Prepared for:
Jasmin Bains
City of Coalinga
 155 W. Durian
 Coalinga, CA 93210
 559-935-1531 ext. 124
 jbains@coalinga.com

Quoted By: **Kip Winget**
 Quote Date: **08/17/17**
 Expiration Date: **12/15/17**

Tyler Related Products and Services

Description	QTY	Hours	Services	Annual
Incode Financial Management Suite				
Core Financials (GL, Budget Prep, Bank Recon, AP, Express, Cells		100	\$12,500	
Incode Personnel Management Suite				
Personnel Management (Includes Position Budgeting)		100	\$12,500	
Employee Self Service (ESS) (Employee Portal)		32	\$4,000	
Electronic Time Clock Interface (Generic - Import Only)		4	\$500	
Incode Customer Relationship Management Suite				
Utility CIS System (Electric & Water or Gas)		160	\$20,000	
Mobile Service Orders		8	\$1,000	
Cashiering (Support Credit/Debit Cards via ETS, PCI				
Compliant,Cash Collection Interface, Cashiering Receipt		40	\$5,000	
Import)				
Miscellaneous Accounts Receivable		12	\$1,500	
Energov Product Suite				
<i>License & Regulatory Management</i>				
License Management		55	\$6,875	
<i>System Extensions</i>				
Customer Portal				
Licensing		8	\$1,000	
Subtotal		519	\$64,875	

Conversion Services

Description	Fee	Hours	Services	Investment
Financial Applications	\$4,250	20	\$2,500	\$6,750
Personnel Management/Payroll	\$3,250	8	\$1,000	\$4,250
Utility Billing	\$6,000	16	\$2,000	\$8,000
Permitting & Licensing	\$5,735	16	\$2,000	\$7,735
Subtotal	\$19,235	60	\$7,500	\$26,735

Professional Services

Description	Fee	Hours	Services	Investment
Project Management			\$5,000	\$5,000
Subtotal		-	\$5,000	\$5,000

Tyler Hosted Applications

Description	Services	Investment	Annual
Online Applications			
Utility Billing Online # of Accounts 3,000	\$400		Included
Notifications			
Incode Notifications for Utility Billing			Included
Continuing Education			
Tyler U			Included
Subtotal	-	400	-

Tyler Network Services/Hardware/Third Party

Description	Fee	Hours	Services	Investment	Annual
Network Services					
Disaster Recovery Services					Included
Basic Network Services					Included
Subtotal	\$0	-	\$0	\$0	\$0

Length of Agreement

5 Years- 60 Months

Annual SaaS Fee		\$ 29,192
Annual User Fee	10	\$ 5,750

Total Annual SaaS Fee **\$ 34,942**

**Additional fees will apply for additional users

Summary	One Time Fees	Annual Recurring Fees
Total Tyler Services	\$97,010	
Annual SaaS Fee		\$ 34,942
Summary Total	\$97,010	\$34,942

Note: Travel Expenses are Not Included and are billed as incurred based on Federal IRS per diem standards.



Prepared for:
Jasmin Bains
City of Coalinga

Quoted By: Kip Winget
 Quote Date: 08/17/17
 Expiration Date: 12/15/17

Tyler Conversion Services (NOTE: See Conversion Summary Documentation or SOW for Details on Scope)

Description	QTY	Fee	Hours	Services	Investment
Financial Applications		\$4,250		\$2,500	\$6,750
General Ledger		1,500	8	1,000	
- Chart of Accounts - Additional Fee for Historical Views					
Legacy/Historical Views		500	4	500	
Accounts Payable		1,750	4	500	
- Vendor Master Only - Additional Fee for Historical Views					
Legacy/Historical Views		500	4	500	
Personnel/Payroll Applications		\$3,250		\$1,000	\$4,250
Personnel Management/Payroll		\$2,250	4	\$500	
- Employee Master, Deductions/Taxes, Retirement, Current					
Leave Totals, Current Direct Deposit - Additional Fee for					
Historical Views					
Legacy/Historical Views		\$1,000	4	\$500	
Utility Billing		\$6,000		\$2,000	\$8,000
Utility - CIS - Additional Fee for Historical Views		\$5,000	12	\$1,500	
- Contacts/Properties/Accounts					
- Service meter info - meter inventory					
- Transaction/Consumption/Read History (2 Years)					
- Metered services (1 metered service)					
- Non-Metered service (up to 2 services)					
Legacy/Historical Views		\$1,000	4	\$500	
Permitting & Licensing		\$5,735		\$2,000	\$7,735
Licensing		\$4,235	8	\$1,000	
- License Master (includes contacts & properties)					
Transactions (2 years + current)		\$1,500	8	\$1,000	
Subtotal					\$26,735



Prepared for:
Jasmin Bains
City of Coalinga

Quoted By: Kip Winget
Quote Date: 08/17/17
Expiration Date: 12/15/17

Tyler Hosted Applications

Description		QTY	Services	Investment	Annual
Citizens Portal					
Incode Utility Billing Online Component	(# of Accounts)	3,000	\$400	\$1,840	\$1,440
- Display of:		- Address information including			
• Current status (late, cut off etc)		• Legal description*			
• Action needed to avoid penalty		• Precinct*			
• Current Balance		• School district*			
• Deposits on file (optional)		• Services at address			
• Last payment date		* - Subject to data availability			
• Last payment amount		- Consumption history by service,			
• Payment arrangements on file		including graphs			
• Last bill amount		- Request for service (optional)			
• Last bill date		- Information change request (optional)			
• Bill due date		- Security - SSL (Secure Socket Layer)			
• Contracts on file and status					
• Transaction history					
- Online Payments					
• Payment packet is created to be					
imported to Utility System					
NOTE: Customer pays \$1.25 fee per transaction for payment on-line.					
Subtotal			\$400	\$1,840	\$1,440



Prepared for:

Jasmin Bains
City of Coalinga

Quoted By: Kip Winget

Quote Date: 08/17/17

Expiration Date: 12/15/17

Tyler Notifications

Description

Incode Notification for Utility Billing (\$0.10 per call)

Active Accounts 4,000

-Customer Notification by Phone

- Call Late Notices
- Call Late Notices
- General Notifications

- Call Lists automatically generated

- Account updated after call

- Custom message for each call type

- Call Message can be English or Spanish

- Generate reports based on call results

Note: The Utility will be billed at the rate specified above for all calls made.

The Utility will be billed quarterly by Tyler Technologies for calls conducted.



Prepared for:
Jasmin Bains
City of Coalinga

Quoted By: Kip Winget
Quote Date: 08/17/17
Expiration Date: 12/15/17

Tyler Universtiy

Description	Annual
-------------	--------

Tyler U

- E-learning courses available for all employees during the subscription period
- Unlimited access to hundreds of e-learning courses spanning the entire suite of Tyler applications
- Unlimited access to on-demand Continuing Professional Education credit courses certified by NASBA standards
- Unlimited access to Government compliance courses such as HIPAA Compliance, Red Flag Rules, and Workplace Harassment Prevention
- Available 24/7
- New courses created continually

Tyler Technologies, Inc. is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: www.learningmarket.org

Cloud Migration from V6 to V7.18.2 - Modules to be implemented with no custom - Accounts Receivable, Finance Suite (GL, AP, BR), License and Permits, Utility Billing Suite with Meter Reading Interface.

Coalinga, CA

Proposed By:

Janet Peterson
Account Manager F&A
jpeterson@accela.com

Proposal Date:

July 25, 2017



Proposal Expiration Date:
October 22, 2017

Proposed Products and Services

Service

SKU Code	Product Name	Description	Qty	Sales Price	Total Price
SV80F&AAMUGAO001	Annual Maintenance - Upgrade Support Add-On		1	USD 60,000.0000	USD 60,000.00
Service Total:					USD 60,000.00

Grand Total USD 60,000.00

Product Breakdown and Financial Roll-Up

Recurring Costs

Non-Recurring Costs

Product Type	Total	Payment Terms
Service	USD 60,000.00	

Products and Services Detailed Descriptions

Product Name	PD Hours	Professional Services Description	CD Hours	Conversion Services Description
Annual Maintenance - Upgrade Support Add-On				

Additional Information

Definitions

Masters: static information and data, based on a single individual or entity. An example of a Master file is Customer, Employee or Vendor contact information.

History: Information that is updated or added on a regular basis that is tied to a Master File. An example of History includes Checks, Billings or Receipts.

Client Requirements

Client must perform all data extraction from their legacy system and populate then current Standard Templates. Standard Templates and field listings are available for review by client upon request.

Client must validate the accuracy of data. Data in legacy system which is incorrect or does not balance will need to be altered by Client, or incorrect results will be carried through to new system.

Client must provide data according to the schedule mutually agreed upon with Project Manager, or project may incur changes to schedule or additional fees. Client must provide field descriptions and/or definitions for data that is being extracted from the legacy system.

Client is responsible for travel costs in accordance with Vendor's customer travel policy.

Vendor Requirements

Vendor will provide the base for the Accela Finance & Administration application. The base for the Finance & Administration application includes System Setup, General Ledger Shell, Cash Receipts Shell, and Clearing House. The base is included in all purchases.

Vendor will evaluate data provided from client to ensure that all required fields have been populated, that the formats provided meet the necessary criteria, and the limitations of field ranges.

Vendor will provide consulting services to assist client in analyzing whether data inputs meet criteria specified, and assist in testing to validate inputs are converted correctly to the Vendor System.

Vendor will provide a secure method for electronic data transmission.

Vendor will ensure that all data provided in finalized templates are converted correctly into the corresponding fields or tables within the applications.

Once Client has offered final approval of data sets, Vendor will provide three (3) data conversions into the Live UB System and one (1) data conversion into the Live system for all other Applicable as specified on table above.

Limitations of Conversions Services

Unless otherwise specified and agreed to, Vendor will not consult on or assist in the removal of data from Client legacy system.

Vendor cannot convert data from a legacy system which is not available in a corresponding field.

Vendor cannot convert data into fields which exceed the maximum database field limitations.

The services listed above do not include consulting or data manipulation for the purpose of supplying the Client with information the Client didn't previously have access to.

Data requested to be converted after agreed to live conversion will be considered out of scope, and will require a change order, and be subject to additional fees.

All current templates and field listings are available on the Vendor website, and included herein by reference.



Quoted By: Colin Watts
 Date: 8/14/2017
 Quote Expiration: 11/11/2017
 Quote Name: City of Coalinga -
 FM, HR, UB, EG
 SaaS
 Quote Number: QUO-20015-
 V2Y7X6
 Quote Description:

Sales Quotation For

City of Coalinga
 155 W Durian Ave
 Coalinga, CA 93210-1940
 Phone 5599351531ext124

Software and Related Services

Description	Annual SaaS Fees	Imp. Cost	Imp. # of Days
Financial Management Base Suite (SaaS) - Software-C1	\$22,629.70	\$24,225.00	19.0
Tyler Cashiering – Software – C1	\$6,451.00	\$5,100.00	4.0
Utility Billing Base Suite (SaaS) - Software-C1	\$17,976.09	\$29,325.00	23.0
Meter and Device Inventory (SaaS) - Software-C1	\$2,986.47	\$2,550.00	2.0
Payroll/HR Base Suite (SaaS) - Software-C1	\$32,279.99	\$42,075.00	33.0
Licensing (Animal, Business, Contractor) (SaaS) - Software-C1	\$7,494.74	\$6,375.00	5.0
eSuite Base (Payments) (SaaS) - Software-C1	\$5,593.78	\$3,825.00	3.0
ePersonnel (Employee, Timesheets, Ben Admin, Recruit) (SaaS) - Software-C1	\$12,308.88	\$5,100.00	4.0
eLicense (A La Carte) (SaaS) - Software-C1	\$3,521.42	\$1,275.00	1.0
eUtilities (A La Carte) (SaaS) - Software-C1	\$4,871.83	\$2,550.00	2.0
Total:	\$116,113.90	\$122,400.00	96.0

Other Services

Description	Quantity	Service Cost
VPN Device and Installation	1.0	\$4,000.00
Project Planning Services Services	1.0	\$4,000.00
General Ledger / Budget History (up to 7 Years)	1.0	\$3,200.00
Payroll - Standard - Employee Information	1.0	\$6,000.00
Standard - Utility Information	1.0	\$12,000.00
Payroll - Option 1 Payroll History	1.0	\$4,000.00
Payroll - Option 6 Positions	1.0	\$1,000.00
Business License Standard - BL Information/Contractors	1.0	\$6,000.00
Total:		\$40,200.00

Summary

Annual SaaS Fee	\$116,113.90
Total Services	\$162,600.00

Estimated Travel Expenses
Trips @ \$2,000/each -Includes
airfare, car rental, hotel
accommodations and per diem

\$40,000.00

The SaaS fees, software, services, and hardware, as applicable, that are itemized above, are hereby added to your existing Agreement with us. The software and hardware fees will be invoiced to you in full upon receipt of your signed quote. The service fees will be billed to you as services are delivered and the travel expenses are due as incurred. Annual SaaS fees will be invoiced annually on a pro rata basis beginning on the first day of the month following Amendment Effective Date, and thereafter on an annual basis in accord with Agreement as amended. The terms and conditions of your Agreement will otherwise control.

Footnotes

[Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

The costs provided in this proposal are based on all of the proposed products and services being obtained from Tyler Technologies. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust its prices accordingly.

Conversion prices are based on a single occurrence of the database. If additional databases need to be converted, these will need to be quoted.

Travel and expenses are not included under Total Services as they are billed at actual cost. A separate line item above "Estimated Travel Expenses", shows Tyler's estimate for travel and living expenses for the scope of this project. That estimate is based upon \$2,000 per trip, which may include airfare, hotel, per diem, car rental, and gas). All travel and living expenses will be billed on a weekly basis, but only as incurred.

Tyler supports SQL Server Reporting Services (SSRS) for server-based report generation and ad hoc reporting. SSRS utilizes a web services interface to support the development of custom reporting applications. SSRS is included in the Express, Workgroup, Standard, and Enterprise editions of Microsoft SQL Server. Customers may elect to use other third-party report generation tools including Crystal Reports however Tyler does not provide support for these tools and cannot guarantee compatibility.

Prices assumes that all software proposed is licensed.

An unlimited Site License is included for the above-proposed software The Site License is available to only the affiliated Public Administration agencies within the Prospect listed on this Price Quotation.

Custom interface will be operational with existing third party software. Any subsequent changes to third party applications may require additional services.

Tyler recommends the use of at least a 128-bit SSL Security Certificate for any Internet Web Applications, such as the New World ERP eSuite and the New World ERP myInspections applications if hosted by the Client. This certificate is required to encrypt the highly sensitive information as it travels across the public internet. There are various vendors who sell SSL Certificates, with all ranges of prices.

Conversion prices are based on a single occurrence of the database. If additional databases need to be converted, these will need to be quoted.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

In the event a self-hosted customer opts to enroll as a beneficiary under Tyler's source code escrow agreement, Tyler will provide the paperwork required for enrollment. That self-hosted customer will be billed, on an annual basis, directly by Tyler's escrow agent, and all such fees must be paid directly to that escrow agent. Rates for subsequent years are subject to change at the discretion of Tyler's escrow agent.]

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Waive the Second Reading and Adopt Ordinance No. 806 to allow for Minor Adjustments to the City's Development Standards.
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Sean Brewer, Community Development Director

I. RECOMMENDATION:

Waive the Second reading and move to adopt Ordinance No. 806 to allow for minor adjustments to the City's development standards.

II. BACKGROUND:

In 2013 the City of Coalinga completed a comprehensive update to the City's Planning and Zoning Code that established comprehensive development regulations for the City. Over the course of the last 3-4 years, staff has received several various requests such as lot line adjustments and parcel maps where applicants were denied due to minor issues in meeting the City's development standards such as setbacks of existing buildings, lot sizes and shapes, parking and fence heights. In most cases, they were denied based on a small variation in the application compared to the City's standard, where granting some sort of administrative relief would not be inconsistent with any goals or policies of the City as well as be materially detrimental to the public health, safety and welfare. This administrative relief would still maintain orderly development and neighborhood consistency but not stifle development.

The Planning Commission discussed the development of Ordinance No. 806 and on August 22, 2017, the Planning Commission held a duly noticed public hearing recommending approval of Ordinance No. 806 by the City Council. On September 7, 2017 the City Council introduced and waived the first reading of Ordinance No. 806 recommending a second reading and adoption at their next scheduled meeting.

III. DISCUSSION:

The Minor Exception Ordinance is intended to provide a means of granting relief from the requirements of the City's Planning Regulations for minor exceptions from dimensional and design standards when strict application would preclude an effective design solution improving livability, operational efficiency, or appearance, and fulfilling the basic intent of the applicable regulation.

Ordinance No. 806 allows for a minor exception of fifteen (15%) percent as it relates to various design and site considerations such as distance buildings, projections, lot dimensions, setbacks, signs, required parking an dimensions, building height, code enforcement considerations and non-conformity. The ordinance also includes the imposition of conditions to ensure that the minor exception approvals would be in compliance with the findings. Any deviation beyond 15% would require the submission of an application for variance.

IV. ALTERNATIVES:

Do not adopt Ordinance No. 806 - staff does not recommend.

V. FISCAL IMPACT:

None determined at this time other than a slight increase in application fees as it is anticipated that more projects will be able to be processed instead of being denied.

ATTACHMENTS:

File Name	Description
 Ordinance_No._806_(Minor_Execptions).docx	Ordinance No. 806 - Minor Deviations

ORDINANCE NO. 806
MINOR EXCEPTIONS TO STANDARDS

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA
AMENDING TITLE 9, CHAPTER 6, ARTICLE 7 OF THE CITY'S DEVELOPMENT
CODE TO ADD A NEW SECTION 9-6.707 PERTAINING TO MINOR EXCEPTIONS

THE CITY COUNCIL OF THE CITY OF COALINGA DOES ORDAIN AS FOLLOWS:

SECTION 1. AMEND HEADING OF ARTICLE 7 OF CHAPTER 6 OF TITLE 9

Article 7. – Variances and Minor Exceptions.

SECTION 2. ADOPTION OF SECTION 9-6.707

Sec. 9-6.707 Minor Exceptions

(a) *Purpose.* This Section is intended to provide a means of granting relief from the requirements of these Planning Regulations for minor exceptions from dimensional and design standards when strict application would preclude an effective design solution improving livability, operational efficiency, or appearance, and fulfilling the basic intent of the applicable regulation.

(b) *Applicability.* When it is in the public interest, the Community Development Director may grant a minor exception up to a maximum of fifteen (15%) percent governing the measurable design/site considerations or other situations.

- (1). Distance Between Structures.
- (2). Projections.
- (3). Lot Dimensions.
- (4). Setbacks A decrease of the maximum required setback areas (e.g., front, rear, and side) for structures.
- (5). Sign Regulations (other than prohibited signs).
- (6). On-Site Parking, Loading and Landscaping.
- (7). Structure Heights.
- (8). Code Enforcement. A reduction in development standards, if doing so will help the City abate a public nuisance as part of a code enforcement hearing or process.
- (9). None Conforming Adjustments.

(c) *Findings.* The following findings shall be met before the Community Development Director approves a minor exception:

- (1). Would not exceed fifteen (15%) percent of the prescribed measurable standards.
- (2). No more than two exceptions shall be allowed on any lot.
- (3). Would not adversely affect any development or persons upon abutting property, with adversely affect to mean to impact in a substantial, negative manner the economic value, habitability, or enjoyment of properties.

- (4). Would not result in a hazard to pedestrian and/or vehicular traffic.
- (5). Would be reasonably necessary to the sound development of such property, or would result in better environmental quality of development of such property than without such exception.

(d) *Conditions.* In approving a Minor Exception, the applicable Review Authority may impose conditions deemed reasonable and necessary to ensure that the approval would be in compliance with the required findings as well as protect the public health and safety.

(e) *Variance Requirement.* Any modification request which exceeds the prescribed limitations outlined in this section shall require the filing of a variance application in accordance with Section 7-6.702.

(f) *Report to the Planning Commission.* No later than January 31st, the Community Development Director shall report to the planning commission a summary of the minor adjustments approved during the proceeding calendar year.

SECTION 2. EFFECTIVE DATE; EXPIRATION OF URGENCY ORDINANCE 791.

This Ordinance shall take effect 30 days after its adoption.

SECTION 6. PUBLICATION.

The City Clerk is directed to cause this ordinance or a summary of this ordinance to be published as required by state and local law.

The foregoing Ordinance was introduced by the City Council of the City of Coalinga, California, at a special scheduled meeting held on September 7, 2017, and was passed and adopted by the City Council at a regular meeting held on September 21, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

APPROVED:

Mayor
City of Coalinga

ATTEST:

City Clerk/Deputy City Clerk
City of Coalinga

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Authorization for City Manager to Sign and Submit Local Transportation Development Funds for Fiscal Year 2016-2017
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Jasmin Bains, Financial Services Director

I. RECOMMENDATION:

Financial Services Director recommends City Council authorize the City Manager to sign and submit the Transportation Funding Claim to the Council of Fresno County Governments (COG) to facilitate the collection of City's share of the Local Transportation Development Act and State Transit Assistance Funds (Articles 3 & 8, and Transit monies) for FY 2016-2017.

II. BACKGROUND:

The Council of Fresno County Governments has determined the apportionment of Local Transportation Funds and State Transit Assistance Funds for FY 2016-2017.

To facilitate distribution of the funds allocated to the City of Coalinga, a Transportation Funding Claim form (see attachment) must be submitted to COG. City Council adopted Resolution No. 3629 on November 7, 2013 as a "continuing resolution" so that future action by City Council only requires authorization for the City Manager to sign and submit the Claim Form documents attached. These funds are used for transit operations and street maintenance. The following is a breakdown of this year's claim.

FY 2017

Bicycle & Pedestrian (Art. 3)	11,816
Regional Transportation Planning	16,501
Streets & Roads (Art. 8.A)	303,760
FCRTA (Transit Operations)	96,430
Consolidated Transp. Serv. Agency (CTSA)	29,072
County MOU Pleasant Valley	<u>200,352</u>
TOTAL	657,931

III. DISCUSSION:

There is \$657,931 in Local Transportation and State Transit Assistance revenues designated for Coalinga in FY 16-17.

A previously signed Memorandum of Understanding (MOU) with Fresno County on March 25, 2008

regarding Tax Sharing Agreement requires the City remit a portion of the transportation revenues to the County. Under Article IX section 9.2B, with the annexation of the non-contiguous Pleasant Valley State Prison and Mental Health Treatment Facility, this specific impact led to an increase in City share of certain population based revenues such as the Transportation Development Act Funds (TDA), and Measure C Program Funds. The MOU allows the City to remit to the County of Fresno their apportionment share of TDA and Measure C funds to be claimed out of the City of Coalinga TDA revenues. Based on population data received from the State Department of Finance, the calculation for FY 16-17 shows the City needs to reimburse the County \$200,352 from TDA funds.


IV. ALTERNATIVES:

No alternatives recommended. This annual claim ensures City receives its proportionate share of this transportation funding.

V. FISCAL IMPACT:

There is \$657,931 in Local Transportation and State Transit Assistance revenues designated for Coalinga in FY 16-17, of which \$315,576 will come directly to the City for use.

ATTACHMENTS:

File Name	Description
 TDA_CLAIM_FORM-Coalinga-16-17.pdf	TDA CLAIM FORM-Coalinga-16-17

Enter Date: **9/21/2017**Claimant Name: **City of Coalinga****TRANSPORTATION FUNDING CLAIM FOR FISCAL YEAR: 2016/17**

Instructions: Please note that each page of this claim is a separate worksheet, please click through all tabs and complete. Also note that light yellow fields require an entry if applicable, light grey fields contain formulas that will automatically calculate based on corresponding entries. A date and claimant name field is at the top of the first page, and automatically repeats on following pages, (date should be formatted 00/00/0000)

When completed, please print, sign and send signed original via mail to:

Les Beshears, Director of Finance, Council of Fresno County Governments, 2035 Tulare Street, Suite 201, Fresno, CA 93721

From: Applicant:	City of Coalinga
Address:	155 W. Durian Ave
City/State/Zip:	Coalinga, CA 93210
Contact Phone/email:	Jasmin Bains/ 559-935-1531 Ext. 129/ jbains@coalinga.com

This applicant is an eligible claimant pursuant to Section 99203 of the Public Utilities Code and certifies that the following transportation funds are available to be claimed:

Local Transportation Fund

Apportionment:	\$ 590,933.00
Unexpended, Held by Claimant:	
Other Agency:	

State Transit Assistance Fund

Estimate:	\$ 66,998.00
Unexpended, Held by Claimant:	

Other

Other:	
--------	--

	TOTAL
	\$ 657,931.00

spell out total amount in above cell

for the purposes and respective amounts specified in the attached claim be drawn from the Local Transportation Fund and State Transit Assistance Fund.

Please print and sign after completing form

Authorized Signature:

Name/Title:

Marissa Trejo, City Manager

Date:

9/21/2017

2035 Tulare St., Ste. 201 tel 559-233-4148
Fresno, California 93721 fax 559-233-9645

www.fresnocog.org

Enter Date: 9/21/2017

Claimant Name: City of Coalinga

TRANSPORTATION FUNDING CLAIM DETAIL FOR FISCAL YEAR: 2016/17

PURPOSE		AMOUNT	SUBTOTAL
1. Bicycle & Pedestrian Facilities:			
	Article 3:	\$ 11,816.00	
	Article 8a:		
	Audit Exceptions (General Fund Payback);		
	Unexpended Funds, Held by Claimant:		
			\$ 11,816.00
2. Regional Transportation Planning:			
		\$ 16,501.00	\$ 16,501.00
3. Public Transportation			
	State Transit Assistance Funds (STA):	\$ -	
	County PVSP	\$ 200,352.00	
			\$ 200,352.00
4. Community Transit Service CTSA, Article 4.5:			
		\$ 29,072.00	\$ 29,072.00
5. Streets & Roads:			
	Article 8a:	\$ 303,760.00	
	Unexpended Funds, Held by Claimant:		
			\$ 303,760.00
6. To Be Claimed By:			
	Fresno County Rural Transit Agency LTF:	\$ 29,432.00	
	Fresno County Rural Transit Agency STA:	\$ 66,998.00	
	Other	\$ -	
			\$ 96,430.00
7. Reserve in Fund Pending Further Claiming			
			\$ -
GRAND TOTAL			\$ 657,931.00
Claim Total Must Agree With Total on First Page			\$ 657,931.00
Minus Non Transit Claims			\$ 342,355.00
GRAND TOTAL PAYABLE TO CLAIMANT			\$ 315,576.00

Allocation instructions and payment by the Fresno County Auditor-Controller to the applicant is subject to such monies being available for distribution, and to the provisions that such monies will be used only in accordance with the rules and regulations of the Transportation Development Act.

Enter Date: 9/21/2017

Claimant Name: City of Coalinga

BICYCLE AND PEDESTRIAN FACILITIES FOR FISCAL YEAR: 2016/17

Two percent (2%) of the claimant's Local Transportation Fund apportionment must be spent on bicycle and pedestrian facilities (PUC 99233.3 and 99234); such claims are to be filed as Article 3. Claims for projects in excess of 2% may be filed as Article 8a (PUC 99400(a)). If other funding is to be used with Local Transportation Funds to implement projects, such funding should be shown on the claim form.

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
1. Various Bicycle & Pedestrian Facilities throughout the claimant's jurisdiction:	\$ 11,816.00
AND/OR:	
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
TOTAL PROJECT COSTS	\$ 11,816.00

STREETS AND ROADS CLAIM FOR FISCAL YEAR: 2016/17

Local Transportation Funds coming to claimants within Fresno County may be used for streets and roads improvements and maintenance pursuant to Article 8 (PUC 99400), but only after Fresno COG makes a finding that public transportation needs within the claimant's jurisdiction are reasonably met by satisfying the service requirements set forth by the Regional Transportation Plan (PUC 99401.5).

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
1. Development, Construction & Maintenance Facilities throughout the claimant's jurisdiction:	\$ 303,760.00
AND/OR:	
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
TOTAL PROJECT COSTS	\$ 303,760.00

Enter Date: 9/21/2017

Claimant Name: City of Coalinga

CONTINGENCY PROJECT LISTING FOR FISCAL YEAR: 2016/17

CHECK ALL THAT APPLY (Enter "X" in yellow box)

BICYCLE AND PEDESTRIAN FACILITIES

☒ Article 3

PUBLIC TRANSPORTATION

☐ Article 4

STREETS & ROADS

☒ Article 8a

STANDARD ASSURANCES FOR CLAIMANTS

CLAIMANT ASSURANCES: (initial yellow box all that apply)

- ☒ **A.** Claimant certifies that it has submitted a satisfactory, independent fiscal audit, with required certification statement, to the RTPA and to the State Controller, pursuant to PUC 99245 and 21 Cal. Code of Regulations Section 6664 for the prior fiscal year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one).
- ☒ **B.** Claimant certifies that it has submitted a State Controller Report to the RTPA and to the State Controller, pursuant to PUC 99243.

The undersigned hereby certifies that the above statements are true and correct.

Please print and sign after completing form

Authorized Signature:
Name/Title: Marissa Trejo, City Manager
Date: 9/21/2017

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Authorization for City Manager to Sign and Submit Local Transportation Development Funds for Fiscal Year 2017-18
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Jasmin Bains, Financial Services Director

I. RECOMMENDATION:

Financial Services Director recommends City Council authorize the City Manager to sign and submit the Transportation Funding Claim to the Council of Fresno County Governments (COG) to facilitate the collection of City's share of the Local Transportation Development Act and State Transit Assistance Funds (Articles 3 & 8, and Transit monies) for FY 2017-2018.

II. BACKGROUND:

The Council of Fresno County Governments has determined the apportionment of Local Transportation Funds and State Transit Assistance Funds for FY 2017-2018.

To facilitate distribution of the funds allocated to the City of Coalinga, a Transportation Funding Claim form (see attachment) must be submitted to COG. City Council adopted Resolution No. 3629 on November 7, 2013 as a "continuing resolution" so that future action by City Council only requires authorization for the City Manager to sign and submit the Claim Form documents attached. These funds are used for transit operations and street maintenance. The following is a breakdown of this year's claim.

FY 2018

Bicycle & Pedestrian (Art. 3)	11,901
Regional Transportation Planning	16,620
Streets & Roads (Art. 8.A)	337,035
FCRTA (Transit Operations)	59,922
Consolidated Transp. Serv. Agency (CTSA)	28,950
County MOU Pleasant Valley	200,352
Funds Pending Further Claiming	<u>2,964</u>
TOTAL	657,744

III. DISCUSSION:

There is \$657,744 in Local Transportation and State Transit Assistance revenues designated for Coalinga in FY 17-18.

A previously signed Memorandum of Understanding (MOU) with Fresno County on March 25, 2008

regarding Tax Sharing Agreement requires the City remit a portion of the transportation revenues to the County. Under Article IX section 9.2B, with the annexation of the non-contiguous Pleasant Valley State Prison and Mental Health Treatment Facility, this specific impact led to an increase in City share of certain population based revenues such as the Transportation Development Act Funds (TDA), and Measure C Program Funds. The MOU allows the City to remit to the County of Fresno their apportionment share of TDA and Measure C funds to be claimed out of the City of Coalinga TDA revenues. Based on population data received from the State Department of Finance, the calculation for FY 17-18 shows the City needs to reimburse the County \$200,352 from TDA funds.

IV. ALTERNATIVES:

No alternatives recommended. This annual claim ensures City receives its proportionate share of this transportation funding.

V. FISCAL IMPACT:

There is \$657,744 in Local Transportation and State Transit Assistance revenues designated for Coalinga in FY 17-18, of which \$348,936 will come directly to the City for use.

ATTACHMENTS:

File Name	Description
 TDA_CLAIM_FORM-COALINGA-17-18.pdf	TDA CLAIM FORM-COALINGA-17-18

Enter Date: **9/21/2017**Claimant Name: **City of Coalinga****TRANSPORTATION FUNDING CLAIM FOR FISCAL YEAR: 2017/18**

Instructions: Please note that each page of this claim is a separate worksheet, please click through all tabs and complete. Also note that light yellow fields require an entry if applicable, light grey fields contain formulas that will automatically calculate based on corresponding entries. A date and claimant name field is at the top of the first page, and automatically repeats on following pages, (date should be formatted 00/00/0000)

When completed, please print, sign and send signed original via mail to:

**Les Beshears, Director of Finance, Fresno Council of Governments, 2035 Tulare Street, Suite 201,
Fresno, CA 93721**

From: Applicant:	City of Coalinga
Address:	155 W. Durian Avenue
City/State/Zip:	Coalinga, CA 93210
Contact Phone/email:	Jasmin Bains/ 559-935-1531 Ext. 129/ jbains@coalinga.com

This applicant is an eligible claimant pursuant to Section 99203 of the Public Utilities Code and certifies that the following transportation funds are available to be claimed:

Local Transportation Fund

Apportionment:	\$ 594,858.00
Unexpended, Held by Claimant:	
Other Agency:	

State Transit Assistance Fund

Estimate:	\$ 62,817.00
Unexpended, Held in Trust:	\$ 69.00

Other

Other:	
--------	--

	TOTAL
	\$ 657,744.00

spell out total amount in above cell

for the purposes and respective amounts specified in the attached claim be drawn from the Local Transportation Fund and State Transit Assistance Fund.

Please print and sign after completing form

Authorized Signature:

Name/Title:

Marissa Trejo, City Manager

Date:

9/21/2017

2035 Tulare St., Ste. 201 tel 559-233-4148
Fresno, California 93721 fax 559-233-9645

www.fresnocog.org

Enter Date: 9/21/2017

Claimant Name: City of Coalinga

TRANSPORTATION FUNDING CLAIM DETAIL FOR FISCAL YEAR: 2017/18

PURPOSE	AMOUNT	SUBTOTAL
1. Bicycle & Pedestrian Facilities:		
Article 3:	\$ 11,901.00	
Article 8a:		
Audit Exceptions (General Fund Payback);		
Unexpended Funds, Held by Claimant:		\$ 11,901.00
2. Regional Transportation Planning:	\$ 16,620.00	\$ 16,620.00
3. Public Transportation		
State Transit Assistance Funds (STA):	\$ -	
Other:		\$ -
4. Community Transit Service CTSA, Article 4.5:	\$ 28,950.00	\$ 28,950.00
5. Streets & Roads:		
Article 8a:	\$ 337,035.00	
Unexpended Funds, Held by Claimant:		\$ 337,035.00
6. To Be Claimed By:		
Fresno County Rural Transit Agency LTF:	\$ -	
Fresno County Rural Transit Agency STA:	\$ 59,922.00	
MOU Fresno County PVSP:	\$ 200,352.00	
		\$ 260,274.00
7. Reserve in Fund Pending Further Claiming	\$ 2,964.00	\$ 2,964.00
GRAND TOTAL		\$ 657,744.00
Claim Total Must Agree With Total on First Page		\$ 657,744.00
Minus Non Transit Claims		\$ 308,808.00
GRAND TOTAL PAYABLE TO CLAIMANT		\$ 348,936.00

Allocation instructions and payment by the Fresno County Auditor-Controller to the applicant is subject to such monies being available for distribution, and to the provisions that such monies will be used only in accordance with the rules and regulations of the Transportation Development Act.

Enter Date: 9/21/2017

Claimant Name: City of Coalinga

BICYCLE AND PEDESTRIAN FACILITIES FOR FISCAL YEAR: 2017/18

Two percent (2%) of the claimant's Local Transportation Fund apportionment must be spent on bicycle and pedestrian facilities (PUC 99233.3 and 99234); such claims are to be filed as Article 3. Claims for projects in excess of 2% may be filed as Article 8a (PUC 99400(a)). If other funding is to be used with Local Transportation Funds to implement projects, such funding should be shown on the claim form.

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
1. Various Bicycle & Pedestrian Facilities throughout the claimant's jurisdiction:	\$ 11,901.00
AND/OR:	
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
TOTAL PROJECT COSTS	\$ 11,901.00

STREETS AND ROADS CLAIM FOR FISCAL YEAR: 2017/18

Local Transportation Funds coming to claimants within Fresno County may be used for streets and roads improvements and maintenance pursuant to Article 8 (PUC 99400), but only after Fresno COG makes a finding that public transportation needs within the claimant's jurisdiction are reasonably met by satisfying the service requirements set forth by the Regional Transportation Plan (PUC 99401.5).

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
1. Development, Construction & Maintenance Facilities throughout the claimant's jurisdiction:	\$ 337,035.00
AND/OR:	
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
TOTAL PROJECT COSTS	\$ 337,035.00

Enter Date: 9/21/2017

Claimant Name: City of Coalinga

CONTINGENCY PROJECT LISTING FOR FISCAL YEAR: 2017/18

CHECK ALL THAT APPLY (Enter "X" in yellow box)

BICYCLE AND PEDESTRIAN FACILITIES

☒ Article 3

PUBLIC TRANSPORTATION

☐ Article 4

STREETS & ROADS

☒ Article 8a

STANDARD ASSURANCES FOR CLAIMANTS

CLAIMANT ASSURANCES: (initial yellow box all that apply)

- ☒ **A.** Claimant certifies that it has submitted a satisfactory, independent fiscal audit, with required certification statement, to the RTPA and to the State Controller, pursuant to PUC 99245 and 21 Cal. Code of Regulations Section 6664 for the prior fiscal year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one).
- ☒ **B.** Claimant certifies that it has submitted a State Controller Report to the RTPA and to the State Controller, pursuant to PUC 99243.

The undersigned hereby certifies that the above statements are true and correct.

Please print and sign after completing form

Authorized Signature: _____
Name/Title: Marissa Trejo, City Manager
Date: 9/21/2017

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Council Consideration and Approval for a Beer and Wine Off-Sale Business License, through the Department of Alcoholic Beverage Control (ABC) within Census Tract 80 in the City of Coalinga for the State Foods Supermarket located at 203 W. Polk Street

Meeting Date: September 21, 2017

From: Marissa Trejo, City Manager

Prepared by: Sean Brewer, Community Development Director

I. RECOMMENDATION:

Community Development Director recommends consideration and approval of a request for a beer and wine off-sale license for the Service Station located at 203 W. Polk Street. Further, authorizing the City Manager, as the designated subordinate officer, to issue a letter to the State Department of Alcoholic Beverage Control (ABC) in accordance with Part 3 of the attached application.

II. BACKGROUND:

The State Foods Supermarket located at 203 W. Polk street has applied for a "Type 20-off sale" beer and wine license through the State Department of Alcoholic Beverage Control.

The City of Coalinga requires a Conditional Use Permit for these establishments unless exempt as prescribed in the Planning and Zoning Code. The Applicant submitted their CUP application to Community Development Department and received approval by the Planning Commission on September 12, 2017.

III. DISCUSSION:

Section 23958.4 of the Business and Professions Code limits the number of licenses allowed within any given census tract and if exceeded, the local governing body shall determine whether public convenience or necessity would be served by the issuance of an additional permit.

According to the attached application, there are currently eight (8) off-sale licenses within Census Tract 80. According to ABC, the maximum number of allowed licenses under the Business and Professions Code Section 23958.4 is five (5). All licenses beyond five (5) are required to be approved by the governing body.

Planning Staff spoke with the Police Department and there was no concern related to the issuance of the additional license in the City.

The Community Development Department recommends that the Council authorize the City Manager, as the designated subordinate officer, to issue a letter to be attached to the application indicating public convenience or necessity would be served by the issuance of a license.

IV. ALTERNATIVES:

Do not make the finding of public convenience and necessity - not recommended.

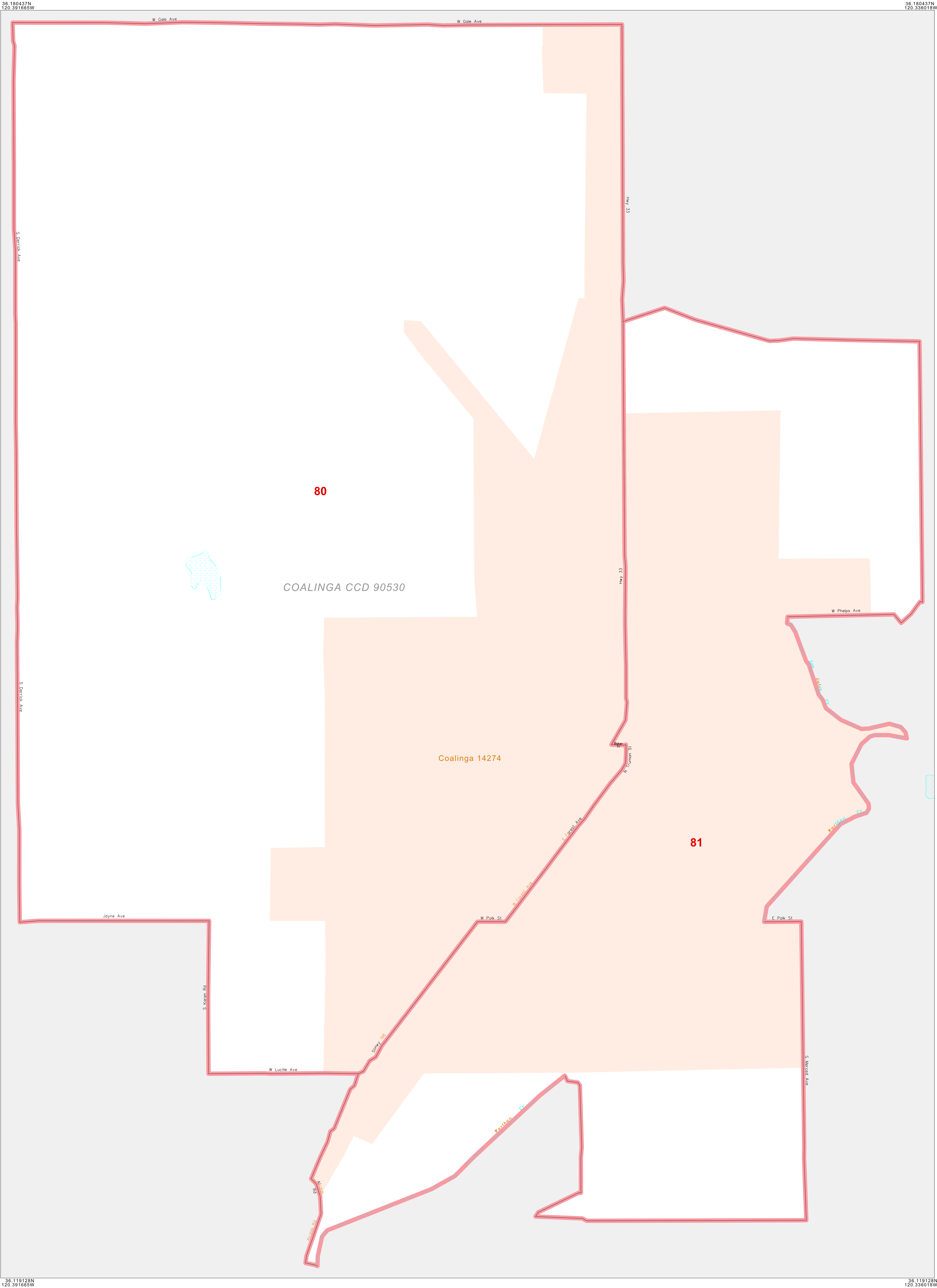
V. FISCAL IMPACT:

Approval of the license would have a sale tax and business license tax benefit to the City. The revenue would benefit the General Fund.

ATTACHMENTS:

	File Name	Description
▣	Census_Tract_80-81.pdf	Census Tract Map
▣	ABC_Saturation_Form.pdf	ABC Saturation Form

CENSUS TRACT OUTLINE MAP (CENSUS 2000)



ABBREVIATED LEGEND

SYMBOL	NAME STYLE
*****	INTERNATIONAL
*****	AIR (FEDERAL)
*****	Trust Land
*****	OTSA / TDSA
*****	TRIBAL SUBDIVISION
////////	AIR (State)
////////	SDA/SA
////////	STATE
■■■■■	COUNTY
○○○○○	CENSUS COUNTY DIV.
○○○○○	Consolidated City
■■■■■	Incorporated Place
■■■■■	Census Designated Place
■■■■■	Census Tract

Abbreviation Reference: AIR = American Indian Reservation; Trust Land = Off-Reservation Trust Land; OTSA = Oklahoma Tribal Statistical Area; TDSA = Tribal Designated Statistical Area; Tribal Subdivision = American Indian Tribal Subdivision; SDA/SA = State Designated American Indian Statistical Area

FEATURES	FEATURES
All Roads	Stream/Shoreline
Railroad	Intermittent Stream
Pipe/Flow Line	River/Lake
Physical Feature	Glacier
Narrative Boundary	
Military	Inset
	Out Area



INFORMATION AND INSTRUCTIONS -**SECTION 23958.4 B&P**

- Instructions This form is to be used for all applications for original issuance or premises to premises transfer of licenses.
- Part 1 is to be completed by an ABC employee, given to applicant with pre-application package, with copy retained in holding file or applicant's district file.
 - Part 2 is to be completed by the applicant, and returned to ABC.
 - Part 3 is to be completed by the local governing body or its designated subordinate officer or body, and returned to ABC.

PART 1 - TO BE COMPLETED BY ABC

1. APPLICANT'S NAME

SONRISA, INC.

2. PREMISES ADDRESS (Street number and name, city, zip code)

203 W POLK ST, COALINGA, CA 93210-2303

3. LICENSE TYPE

20

4. TYPE OF BUSINESS

- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Full Service Restaurant | <input type="checkbox"/> Hofbrau/Cafeteria | <input type="checkbox"/> Cocktail Lounge | <input type="checkbox"/> Private Club |
| <input type="checkbox"/> Deli or Specialty Restaurant | <input type="checkbox"/> Comedy Club | <input type="checkbox"/> Night Club | <input type="checkbox"/> Veterans Club |
| <input type="checkbox"/> Cafe/Coffee Shop | <input type="checkbox"/> Brew Pub | <input type="checkbox"/> Tavern: Beer | <input type="checkbox"/> Fraternal Club |
| <input type="checkbox"/> Bed & Breakfast: | <input type="checkbox"/> Theater | <input type="checkbox"/> Tavern: Beer & Wine | <input type="checkbox"/> Wine Tasting Room |
| <input type="checkbox"/> Wine only <input type="checkbox"/> All | | | |
| <input checked="" type="checkbox"/> Supermarket | <input type="checkbox"/> Membership Store | <input type="checkbox"/> Service Station | <input type="checkbox"/> Swap Meet/Flea Market |
| <input type="checkbox"/> Liquor Store | <input type="checkbox"/> Department Store | <input type="checkbox"/> Convenience Market | <input type="checkbox"/> Drive-in Dairy |
| <input type="checkbox"/> Drug/Variety Store | <input type="checkbox"/> Florist/Gift Shop | <input type="checkbox"/> Convenience Market w/Gasoline | |
| <input type="checkbox"/> Other - describe: | | | |

5. COUNTY POPULATION

984,541

6. TOTAL NUMBER OF LICENSES IN COUNTY

☐ On-Sale ☐ Off-Sale

7. RATIO OF LICENSES TO POPULATION IN COUNTY

1,075 ☐ On-Sale ☒ Off-Sale

8. CENSUS TRACT NUMBER

80

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT

4

☐ On-Sale ☒ Off-Sale

10. NO. OF LICENSES EXISTING IN CENSUS TRACT

8

☐ On-Sale ☒ Off-Sale

11. IS THE ABOVE CENSUS TRACT OVERCONCENTRATED WITH LICENSES? (i.e., does the ratio of licenses to population in the census tract exceed the ratio of licenses to population for the entire county?)

- ☒ Yes, the number of existing licenses exceeds the number allowed
- ☐ No, the number of existing licenses is lower than the number allowed

12. DOES LAW ENFORCEMENT AGENCY MAINTAIN CRIME STATISTICS?

- ☐ Yes (Go to Item #13) ☒ No (Go to Item #20)

13. CRIME REPORTING DISTRICT NUMBER

14. TOTAL NUMBER OF REPORTING DISTRICTS

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

16. AVERAGE NO. OF OFFENSES PER DISTRICT

17. 120% OF AVERAGE NUMBER OF OFFENSES

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

19. IS THE PREMISES LOCATED IN A HIGH CRIME REPORTING DISTRICT? (i.e., has a 20% greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency)

- ☐ Yes, the total number of offenses in the reporting district equals or exceeds the total number in item #17
- ☐ No, the total number of offenses in the reporting district is lower than the total number in item #17

20. CHECK THE BOX THAT APPLIES (check only one box)

- ☐ a. If "No" is checked in both item #11 and item #19, Section 23958.4 B&P does not apply to this application, and no additional information will be needed on this issue. Advise the applicant to bring this completed form to ABC when filing the application.
- ☐ b. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for a non-retail license, a retail bona fide public eating place license, a retail license issued for a hotel, motel or other lodging establishment as defined in Section 25503.16(b) B&P, or a retail license issued in conjunction with a beer manufacturer's license, or winegrower's license, advise the applicant to complete Section 2 and bring the completed form to ABC when filing the application or as soon as possible thereafter.
- ☒ c. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for an off-sale beer and wine license, an off-sale general license, an on-sale beer license, an on-sale beer and wine (public premises) license, or an on-sale general (public premises) license, advise the applicant to take this form to the local governing body, or its designated subordinate officer or body to have them complete Section 3. The completed form will need to be provided to ABC in order to process the application.

Governing Body/Designated Subordinate Name: Coalinga City Council

FOR DEPARTMENT USE ONLY

PREPARED BY (Name of Department Employee)

C. Lee

PART 2 - TO BE COMPLETED BY THE APPLICANT (If box #20b is checked)

21. Based on the information on the reverse, the Department may approve your application if you can show that public convenience or necessity would be served by the issuance of the license. Please describe below the reasons why issuance of another license is justified in

We are A full Service Supermarket.
Are customers Ask for Beer on a daily basis
As they would like to buy their Meat, produce
Groceries and beer at one location, our
Customer count and sales are increasing daily
Since We opened.
And it would be A great Convenience
for customers to get All they need
at one location.

22. APPLICANT SIGNATURE

[Handwritten Signature]

23. DATE SIGNED

8/14/17

PART 3 - TO BE COMPLETED BY LOCAL OFFICIALS (If box #20c is checked)

The applicant named on the reverse is applying for a license to sell alcoholic beverages at a premises where undue concentration exists (i.e., an over-concentration of licenses and/or a higher than average crime rate as defined in Section 23958.4 of the Business and Professions Code). Sections 23958 and 23958.4 of the Business and Professions Code requires the Department to deny the application unless the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance.

Please complete items #24 to #30 below and certify or affix an official seal, or attach a copy of the Council or Board resolution or a signed letter on official letterhead stating whether or not the issuance of the applied for license would serve as a public convenience or necessity.

24. WILL PUBLIC CONVENIENCE OR NECESSITY BE SERVED BY ISSUANCE OF THIS ALCOHOLIC BEVERAGE LICENSE?

☐

Yes

☐

No

☐

See Attached (i.e., letter, resolution, etc.)

25. ADDITIONAL COMMENTS, IF DESIRED (may include reasons for approval or denial of public convenience or necessity):

26. CITY/COUNTY OFFICIAL NAME

27. CITY/COUNTY OFFICIAL TITLE

28. CITY/COUNTY OFFICIAL PHONE NUMBER

29. CITY/COUNTY OFFICIAL SIGNATURE

30. DATE SIGNED

APPLICATION FOR ALCOHOLIC BEVERAGE LICENSE(S)

ABC 211 (6/99)

TO: Department of Alcoholic Beverage Control
 3640 EAST ASHLAN AVE
 FRESNO, CA 93726
 (559) 225-6334

File Number: **584259**
 Receipt Number: **2440148**
 Geographical Code: **1002**
 Copies Mailed Date: **August 14, 2017**
 Issued Date: **issuance**

DISTRICT SERVING LOCATION: **FRESNO**First Owner: **SONRISA, INC.**

Name of Business:

Location of Business: **203 W POLK ST**
COALINGA, CA 93210-2303

County: **FRESNO**Is Premise inside city limits? **Yes** Census Tract **0080.00**

Mailing Address:
 (If different from
 premises address)

Type of license(s): **20**Transferor's license/name: **542033 / GILL, BARJINDER KAUR** Dropping Partner: Yes ☐ No ☒

License Type	Transaction Type	Fee Type	Master	Dup	Date	Fee
20 - Off-Sale Beer And Win.	PREMISE TO PREMISE TRANSFER	NA	Y	0	08/14/17	\$100.00
20 - Off-Sale Beer And Win.	PERSON-TO-PERSON TRANSFER	NA	Y	0	08/14/17	\$50.00
20 - Off-Sale Beer And Win.	ANNUAL FEE	NA	Y	0	08/14/17	\$254.00
NA	FEDERAL FINGERPRINTS	NA	N	1	08/14/17	\$24.00
NA	STATE FINGERPRINTS	NA	N	1	08/14/17	\$39.00
Total						\$467.00

Have you ever been convicted of a felony? **No**

Have you ever violated any provisions of the Alcoholic Beverage Control Act, or regulations of the
 Department pertaining to the Act? **No**

Explain any "Yes" answer to the above questions on an attachment which shall be deemed part of this application.

Applicant agrees (a) that any manager employed in an on-sale licensed premises will have all the qualifications of a licensee, and (b) that he will not violate or cause or permit to be violated any of the provisions of the Alcoholic Beverage Control Act.

STATE OF CALIFORNIA County of **FRESNO**Date: **August 14, 2017**

Under penalty of perjury, each person whose signature appears below, certifies and says: (1) He is an applicant, or one of the applicants, or an executive officer of the applicant corporation, named in the foregoing application, duly authorized to make this application on its behalf; (2) that he has read the foregoing and knows the contents thereof and that each of the above statements therein made are true; (3) that no person other than the applicant or applicants has any direct or indirect interest in the applicant or applicant's business to be conducted under the license(s) for which this application is made; (4) that the transfer application or proposed transfer is not made to satisfy the payment of a loan or to fulfill an agreement entered into more than ninety (90) days preceding the day on which the transfer application is filed with the Department or to gain or establish a preference to or for any creditor or transferor or to defraud or injure any creditor of transferor; (5) that the transfer application may be withdrawn by either the applicant or the licensee with no resulting liability to the Department.

Effective July 1, 2012, Revenue and Taxation Code Section 7057, authorizes the State Board of Equalization and the Franchise Tax Board to share taxpayer information with Department of Alcoholic Beverage Control. The Department may suspend, revoke, and refuse to issue a license if the licensee's name appears in the 500 largest tax delinquencies list. (Business and Professions Code Section 494.5.)

Applicant Name(s)

Applicant Signature(s)

See 211 Signature Page**SONRISA, INC.**

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Declare Concrete Patio Table and Benches as Surplus and Authorize Sale with Proceeds to Benefit the Coalinga Police Explorers
Meeting Date: September 7th 2017
From: Marissa Trejo, City Manager
Prepared by: Michael Salvador, Chief of Police

I. RECOMMENDATION:

Declare a concrete patio table surplus property and allow the Police Department to dispose of it.

II. BACKGROUND:

The Police Department obtained a concrete patio table and benches using department funds. The items have reached the end of its service life and must be disposed of.

III. DISCUSSION:

The Department is requesting that the concrete patio table and benches be declared surplus property and disposed of by sale. These items are no longer serviceable and recently caused an injury to an employee and a workers compensation claim. The department would like to sell the items with the proceeds going to the explorer post.

IV. ALTERNATIVES:

Do not the declare the items surplus

V. FISCAL IMPACT:

Possible revenue to the explorer post.

ATTACHMENTS:

File Name

Description

No Attachments Available

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Declare Surplus Property at City Hall and Donate to, Coalinga Community Foundation, Coalinga Neighborhood Resource Center or other local nonprofit agency
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Mercedes Garcia, Senior Administrative Analyst

I. RECOMMENDATION:

City Manager recommends declaring the items at City Hall from the Building Maintenance Department and Finance Department as surplus and donating them to local nonprofit.

II. BACKGROUND:

Upon relocating the Building Maintenance office along with cleaning and reorganizing the storage rooms staff located several items no longer utilized or needed at City Hall.

III. DISCUSSION:

Staff requests the City Council declare the list of items attached as surplus and authorize the donation to local nonprofit agency and/or direct staff to dispose of the items in some other way. Further staff request to dispose of items not picked up by a local nonprofit after two weeks.

IV. ALTERNATIVES:

None.

V. FISCAL IMPACT:

None.

ATTACHMENTS:

File Name	Description
 City_of_Coalinga_Surplus_Inventory_9-21-2017.pdf	City of Coalinga Surplus Inventory 9-21-2017

City of Coalinga Surplus Items
September 21, 2017

Building Maintenance	
1	Metal desk
1	Short wooden door
1	4 slot shelving unit
1	desk on wheels
3	Metal paper dispenser
6	Stationary desk
1	Brown 2 door cabinet
1	Greyhound sign
1	Projector screen
1	Microwave oven
2	Telephones
3	Monitors
3	Medium wooden tables
4	Chairs
18	Inbox trays
1	3 shelved book shelf
1	4 shelved book shelves
3	Light fixtures
1	Red book shelf
2	Old fridges
2	Type writer
2	Desk lamps
4	Printers 2HP 2Brothers
6	Metal index card filers
1	Brown 3 shelved book shelf
4	Desk file holders
1	Small hand vacuum
1	Small 3 drawer cupboard
1	White 3 door cabinet
2	Metal table on wheels
2	Boxes of 8x8 tile
4	Keyboards
1	Small round mirror
1	Squidgy
1	Push broom
1	Dry mop
2	Bulletin board
3	Picture frames
2	Rulers
1	Small clock
4	Desks
3	Boxes of computer wires
1	Large metal shelving unit
4	Wall mount shelves
1	Large wooden table
1	hard hat with face guard
1	Plastic step stool
2	Chairs
1	Stereo/CD player
1	Large metal 3 shelved filing shelf
1	Small plug in heater
2	Short wooden lockable filing cupboards
2	Small wooden 2 shelved book shelf
2	Printing calculator
4	Tape dispenser
8	Receipt tape
1	Tall brown book shelves
1	Floor sweeper
2	Replacement sweeper brush
1	Drill bit case

Finance Department	
1	Metal filing cabinet
1	Red squared chair
1	Electric puncher
2	Cupboards with wheels
2	Short/wide 2 drawer filing cabinet
1	Desk card holder
2	wooden inboxes
2	Plastic inboxes
16	Paper folders
10	Binders
4	Metal inboxes
1	Small grill/3 small propane tanks
1	Christmas decorations
1	Black 6 stack inbox
1	Small 3 shelved wooden unit
1	white board
2	framed art work
1	Printing calculator Cannon
1	Printing calculator Cannon

City of Coalinga Surplus Items
September 21, 2017

Building Maintenance	
2	Metal flag holders & screws
1	Box molded base frame
1	Box wire channel brackets
2	Black metal shelving units
1	Metal wall mountable mop holder
1	Shampoo vacuum
1	Tall gray metal shelving unit/6 shelves
1	Blue/White wooden shelving unit
22	Shelving brackets
2	Small brown square trash cans
1	Large four shelf metal shelving unit
1	Blue Wooden Shelving Unit

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Fire Department Report - August
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Dwayne Gabriel, Fire Chief

I. RECOMMENDATION:

II. BACKGROUND:

III. DISCUSSION:

STATISTICS FOR AUGUST

Fires		Total 9
Structure	1	
Vehicle	1	
Vegetation	5	
Rubbish	2	
Other	0	
Emergency Medical Service		Total 166
EMS Incidents		164
Medical Assist	1	
Standby	1	
Hazardous Condition		Total 3
Service Calls		Total 6
Good Intent		Total 10
Cancelled Calls	8	
Controlled Burning	0	
Wrong Location/No Emergency	1	
Steam or dust mistaken for smoke	1	
HazMat Release Investigation w/ no Haz Mat	0	
False Alarms		Total 4
Total Responses		197

STAFFING

We had one resignation. Paramedic Jeremy Blackshere took a position as Fire Engineer with the City of Patterson. This drops one shift below minimum staffing of 6 per shift.

EVENT PARTICIPATION

Engine and Ambulance participated in National Night Out on August 1st.

AUTOMATIC AID

We provided Fresno County Fire Protection District and CALFIRE Automatic aid on three vegetation fires. .

COMMITTED STANDBY

No committed standbys. Ambulance did one non-committed standby for a High School Football game..

PREVENTION

Conducted one tent inspection for Walter Brothers Circus which ran August 17th thru August 21st at Fifth and Elm.

INSURANCE SERVICES OFFICE

We have been working with the Insurance Services Office (ISO) in completing the grading of the city for their organization. We completed this process towards the end of August, and are waiting the results.

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name

Description

No Attachments Available

STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE AUTHORITY

Subject: Introduce and Waive the First Reading of Ordinance No. 807 Setting Procedures for Expediting Permitting Processing for Electric Vehicle Charging Systems

Meeting Date: September 21, 2017

From: Marissa Trejo, City Manager

Prepared by: Sean Brewer, Community Development Director

I. RECOMMENDATION:

Community Development Director recommends that the City Council Introduce and waive the first reading of Ordinance No. 807 which sets forth an expedited, streamlined permitting process for electric vehicle charging stations.

II. BACKGROUND:

In 2015, the State of California adopted Assembly Bill 1236 (2015, Chiu, Codified as Government Code Section 65850.7), which requires local jurisdictions with a population less than 200,000 residents to adopt an ordinance to create an expedited, streamlined permitting process for electric vehicle charging stations on or before September 30, 2017.

An electric vehicle charging station is any level of electric vehicle supply equipment station which deliver electricity from a source outside an electric vehicle into a plug-in electric vehicle. AB 1236 may refer to the recommendations in the most current version of the “Plug-In Electric Vehicle Infrastructure Permitting Checklist” of the “Zero-Emission Vehicles in California: Community Readiness Guidebook” published by the Governor’s Office of Planning and Research.

III. DISCUSSION:

Assembly Bill 1236, which amended Government Code Section 65850.7 to require jurisdictions with a population less than 200,000 residents to establish procedures for expedited, streamlined processes for permitting of electric vehicle charging stations. The amendments to Section 65850.7 include the requirement for a jurisdiction to adopt an ordinance for the expedited, streamlined process on or before September 30, 2017. The ordinance shall include the requirement that a jurisdiction adopt a checklist of requirements with which a permit application for an electric vehicle charging station will be eligible for expedited review.

This process includes the establishment of a checklist containing objective requirements for the installation of an electric vehicle charging station and a process for electronic submittal of permit applications. The content of the checklist requires the permit applicant to check the features of the existing electrical service such as rating in amperes, system voltage, connected or calculated load, spare capacity in amperes, voltage and ampere rating of the electric vehicle supply equipment, circuit rating of the electric vehicle supply equipment, location of the electric vehicle supply equipment, if ventilation is/or is not required, and clearances of the charging equipment to comply with all applicable building and fire safety laws. The checklist also assists the applicant in confirming that the location of the electric vehicle supply equipment will comply with any vehicle

clearance requirements in the City's Zoning Ordinance. Section 65850.7 requires that the City's checklist may be based on the "Plug-In Electric Vehicle Infrastructure Permitting Checklist" of the "Zero-Emission Vehicles in California: Community Readiness Guidebook" of the Governor's Office of Planning and Research.

Assembly Bill 1236 (2015) also clarifies that a jurisdiction shall not condition approval of a permit for an electric vehicle charging station based on the approval of an association as defined in California Civil Code, Section 4080.

Staff recommends that City Council introduce and waive the first reading of the attached ordinance, given Government Code Section 65850.7's requirement that local agencies adopt such an ordinance to create an expedited, streamlined permitting process for electric vehicle charging stations on or before September 30, 2017. Most of the procedures, such as electronic submittal of plans are currently in place and comply with the requirements of the Assembly Bill and staff is assuring that successful implementation of an expedited, streamlined process will be available to permit applicants by September 30, 2017.

Concurrent with Council's adoption of the ordinance, staff, is taking the measures to meet all requirements of Assembly Bill 1236 (2015). This includes finalizing the application checklist in conjunction with the "Plug-In Electric Vehicle Infrastructure Permitting Checklist" of the "Zero-Emission Vehicles in California: Community Readiness Guidebook", measures for electrical compliance, and standard items for fire prevention safety. Building and Fire inspection staff are also developing procedures for expedient and thorough inspection of the electric vehicle charging stations.

IV. ALTERNATIVES:

None

V. FISCAL IMPACT:

There is no immediate financial impact or budget action necessary as a result of the recommended action.

ATTACHMENTS:

File Name	Description
 Ordinance_No._807_-_Electrical_Vehicle_Streamlined_Permitting_Process.docx	Ordinance No. 807

ORDINANCE NUMBER 807

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COALINGA SETTING FORTH PROCEDURES FOR EXPEDITING PERMITTING PROCESSING FOR ELECTRIC VEHICLE CHARGING SYSTEMS

The City Council of the City of Coalinga ORDAINS as follows:

SECTION 1: Findings and Recommendations.

- A. The State of California and the City of Coalinga have consistently promoted and encouraged the use of fuel-efficient electric vehicles; and
- B. The State of California recently adopted Assembly Bill 1236, which requires local agencies to adopt an ordinance that creates an expedited and streamlined permitting process for electric vehicle charging systems; and
- C. Creation of an expedited, streamlined permitting process for electric vehicle charging stations would facilitate convenient charging of electric vehicles and help reduce the City's reliance on environmentally damaging fossil fuels.

SECTION 2: Chapter 16 of the Coalinga Municipal Code is added to Title 8 to read as follows:

Chapter 8.16

Expedited Electric Vehicle Charging Station Permitting

Sections:

8-16.01: Purpose

8-16.02: Definitions

8-16.03: Expedited Permitting Process

8-16.04: Permit Application Processing

8-16.05: Technical Review

8-16.06. Electric Vehicle Charging Station Installation Requirements

8-16.01. PURPOSE

The purpose of this Chapter is to promote and encourage the use of electric vehicles by creating an expedited, streamlined permitting process for electric vehicle charging stations while promoting public health and safety and preventing specific adverse impacts in the installation and use of such charging stations. This Chapter is also purposed to comply with California Government Code Section 65850.7.

8-16.02. DEFINITIONS

(a) "Electric vehicle charging station" or "charging station" means any level of electric vehicle supply equipment station that is designed and built in compliance with Article

625 of the California Electrical Code, as it reads on the effective date of this Chapter, and delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.

(b) “Specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified, and written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(c) “Electronic submittal” means the utilization of one or more of the following:

- a. Electronic mail or email.
- b. The internet.
- c. Facsimile.

8-16.03. EXPEDITED PERMITTING PROCESS

Consistent with Government Code Section 65850.7, the Building Official shall implement an expedited, streamlined permitting process for electric vehicle charging stations, and adopt a checklist of all requirements with which electric vehicle charging stations shall comply with in order to be eligible for expedited review. The expedited, streamlined permitting process and checklist may refer to the recommendations contained in the most current version of the “Plug-In Electric Vehicle Infrastructure Permitting Checklist” of the “Zero-Emission Vehicles in California: Community Readiness Guidebook” as published by the Governor’s Office of Planning and Research. The City’s adopted checklist shall be published on the City’s website.

8-16.04. PERMIT APPLICATION PROCESSING

(a) Prior to submitting an application for processing, the applicant shall verify that the installation of an electric vehicle charging station will not have specific, adverse impact to public health and safety and building occupants. Verification by the applicant includes but is not limited to: electrical system capacity and loads; electrical system wiring, bonding and overcurrent protection; building infrastructure affected by charging station equipment and associated conduits; areas of charging station equipment and vehicle parking.

(b) A permit application that satisfies the information requirements in the City’s adopted checklist shall be deemed complete and be promptly processed. Upon confirmation by the Building Official that the permit application and supporting documents meets the requirements of the City adopted checklist, and is consistent with all applicable laws and health and safety standards, the Building Official shall, consistent with Government Code Section 65850.7, approve the application and issue all necessary permits. Such approval does not authorize an applicant to energize or utilize the electric vehicle charging station until approval is granted by the City. If the Building Official determines that the permit application is incomplete, he or she shall issue a written correction notice to the applicant, detailing all deficiencies in the application and any additional information required to be eligible for expedited permit issuance.

(c) Consistent with Government Code Section 65850.7, the Building Official shall allow for electronic submittal of permit applications covered by this Ordinance and associated supporting documentations. In accepting such permit applications, the Building Official shall also accept electronic signatures on all forms, applications, and other documentation in lieu of a wet signature by any applicant.

8-16.05. TECHNICAL REVIEW

(a) It is the intent of this Ordinance to encourage the installation of electric vehicle charging stations by removing obstacles to permitting for charging stations so long as the action does not supersede the Building Official's authority to address higher priority life-safety situations. If the Building Official makes a finding based on substantial evidence that the electric vehicle charging station could have a specific adverse impact upon the public health or safety, as defined in this Chapter, the City may require the applicant to apply for a use permit.

(b) In the technical review of a charging station, consistent with Government Code Section 65850.7, the Building Official shall not condition the approval for any electric vehicle charging station permit on the approval of such a system by an association, as that term is defined by Civil Code Section 4080.

8-16.06. ELECTRIC VEHICLE CHARGING STATION INSTALLATION REQUIREMENTS

(a) Electric vehicle charging station equipment shall meet the requirements of the California Electrical Code, the Society of Automotive Engineers, the National Electrical Manufacturers Association, and accredited testing laboratories such as Underwriters Laboratories, and rules of the Public Utilities Commission or a Municipal Electric Utility Company regarding safety and reliability.

(b) Installation of electric vehicle charging stations and associated wiring, bonding, disconnecting means and overcurrent protective devices shall meet the requirements of Article 625 and all applicable provisions of the California Electrical Code.

(c) Installation of electric vehicle charging stations shall be incorporated into the load calculations of all new or existing electrical services and shall meet the requirements of the California Electrical Code. Electric vehicle charging equipment shall be considered a continuous load.

(d) Anchorage of either floor-mounted or wall-mounted electric vehicle charging stations shall meet the requirements of the California Building or Residential Code as applicable per occupancy, and the provisions of the manufacturer's installation instructions. Mounting of charging stations shall not adversely affect building elements.

SECTION 3: Partial Invalidity

Any provision of the City of Coalinga Municipal Code or appendices thereto, inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, are hereby repealed or modified to that extent necessary to effect the provisions of this Ordinance.

SECTION 4: Severability

If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each and every Section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 5: Effective Date.

This ordinance shall be effective on _____.

This Ordinance was introduced (first reading) by the City Council at its meeting of _____, upon motion by _____ and was adopted (second reading) by the City Council at its meeting of _____, upon motion by _____. The Ordinance was duly passed and ordered published in accordance with law by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST

APPROVED

City Clerk, Wanda Earls

Mayor, Nathan Vosburg

APPROVED AS TO FORM:

City Attorney

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Discussion of Future Business in Coalinga
Meeting Date: Thursday, September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: MarissaTrejo, City Manager

I. RECOMMENDATION:

There is no staff recommendation. This item was requested as a Future Agenda Item by Mayor Pro Tem Raine.

II. BACKGROUND:

III. DISCUSSION:

IV. ALTERNATIVES:

V. FISCAL IMPACT:

ATTACHMENTS:

File Name	Description
No Attachments Available	

**STAFF REPORT - CITY COUNCIL/SUCCESSOR AGENCY/PUBLIC FINANCE
AUTHORITY**

Subject: Council Direction Regarding Authorization for Councilmember Stolz to Attend the State of Cannabis Conference in Long Beach on September 28th and 29th, 2017
Meeting Date: September 21, 2017
From: Marissa Trejo, City Manager
Prepared by: Marissa Trejo, City Manager

I. RECOMMENDATION:

There is no recommendation. This item is being brought before you to inquire whether Council approves of Councilmember Stolz attending the State of Cannabis Conference in Long Beach, California on September 28th and 29th, 2017.

II. BACKGROUND:

III. DISCUSSION:

Details of the Conference are attached.

IV. ALTERNATIVES:

V. FISCAL IMPACT:

The cost of the Conference tickets are between \$299.99 and \$550.00. The earlier the tickets are purchased the cheaper they are. Other attendance costs include mileage, meals and lodging for a total estimated cost of \$1,121 to \$1,471.

Currently Council's 'Training, Travel & Conference' fund shows an available balance of \$1,378.46.

ATTACHMENTS:

File Name	Description
 Agenda_State_of_Cannabis.pdf	Agenda_State of Cannabis

STATE OF CANNABIS

AGENDA

September 28, 2017

10:00AM

Keynote Speaker, BCC Chief Lori Ajax

10:30AM - 11:30AM

"CA Cannabis Regulations and Regulators"

Everyone is holding their breath, waiting for the emergency regulations to come out. How will it effect the California cannabis market? Be one of the first to find out and have the opportunity to directly ask those that administer those regulations as well as the influential and experts on the topic.

11:45AM - 12:45PM

"Adult Use, Medical & the Black Market"

In California we have had decades of black market cannabis activity. Our state legislators have taken 20 years to regulate the medical cannabis industry. Now with the passage of Prop. 64 and the Governor's new trailer bill, where will the market thrive?

1:30 - 2:30PM

"ZigZag Through a Patchwork of Local Cannabis Laws"

Navigating local laws will be one of the biggest challenges moving forward with the new regulations for cannabis businesses. Learn from the experts and local elected officials about challenges and solutions on this complex issue.

2:45 - 3:45PM

"WAR STORIES: The Politics of Passing the Governor's Trailer Bill"

Gov. Jerry Brown signed SB 94 into law to create a single regulatory scheme that addresses both medical cannabis and recreational cannabis. As a budget trailer bill, it is effective immediately. Until recently, there were two separate licensing schemes for medical cannabis and recreational cannabis. In an effort to harmonize the regulatory schemes envisioned by MCRSA and AUMA, SB 94 repeals MCRSA, includes certain provisions of MCRSA in the licensing provisions of AUMA, and creates a single regulatory scheme known as the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). Hear from the warriors that made it happen!

4:00 - 5:00PM

"Semper High – he Military and Cannabis"

It's no secret that our all volunteer military has many obstacles to overcome. Healthcare, PTSD, and suicide are among them. Join us for a one hour talk on how we can help and protect some of our most valuable citizens.

5:15PM
Cocktail Reception

8PM to Midnight
After Party, Magic Dick & Shun Ng

September 29, 2017

9:00AM
Opening Keynote Speaker, Aaron Smith

9:15 - 10:15AM
"The Economics of the CA Cannabis Market"

Voter approval of Proposition 64 has set in motion a system for fully legalized marijuana, which may bring state and local governments \$1 billion in tax revenue, according to government estimates. The study estimated that more than 1,200 jobs will be created for testing and handling cannabis in the legal market. Learn from our expert about the latest breaking news and their projections for 2018 and beyond.

10:30 - 11:30AM
Product Liability in a Legal and Regulated Market

Full legalization of cannabis in California could set the stage for significant product liability litigation. Product liability litigation is likely to include suits for physical injury arising from intoxication and suits for physical injury arising from long-term medical effects including addiction. It also will include consumer suits alleging deceptive and improper marketing. Protect yourself and your business with the important tips and strategies that we will cover in this important panel.

12:30 - 1:30PM
"CA Cannabis Tourism is a multi-BILLION \$ Industry"

California is on the verge of creating a legal market for marijuana worth more than \$5 billion that will help make the state a destination for pot-loving tourists, according to a new state-sponsored economic study. Some say it's even more. Learn how to capitalize on this important segment of the industry.

1:45 - 2:45
"Brand.....New"

We've come a long way from baggies for typical cannabis packaging. In fact, many of the new cannabis companies have extremely creative and beautiful packaging even with the handicap of an ever changing legal landscape. Just one line of one bill could upset the industry: "Advertise or market cannabis or cannabis products in a manner intended to encourage persons under 21 years of age to consume cannabis or cannabis products. This prohibition includes all advertising of cannabis or cannabis products through the use of branded merchandise, including, but not limited to, clothing, hats, or other merchandise with the name or logo of the product." What the Shirt???

3:30PM

Closing Keynote Speaker, Congressman Dana Rohrabacher

WORKSHOP AGENDA

September 28, 2017

10:00 - 11:15AM

"What's in Your Cannabis? This is a Test!", Presented by the Werc Shop

11:30 - 1:15PM

Between a Bong & a Hard Place: Becoming Compliant in California's World of Emergency Regs Post SB94

1:30 - 2:30PM

Preparing for the Lab Bottleneck, Presented by the Werc Shop

2:45 - 3:15PM

Risk Management – Insurance, Presented by Nine Point Strategies

Are your operations insurable? Yes! And as with any specialty niche, it's best to partner with someone who knows your industry. The cannabis industry presents unique exposures from a risk management standpoint. Join us to learn what insurance coverages are available to the industry. Are you properly insured for your cannabis operations? What insurance may be required to obtain my license? Why do I need products liability coverage? Determining the correct insurance limit and coverage can be a challenge for cannabis operators. Come learn how to implement better risk management strategies to protect your assets!

3:20 - 3:50PM

Risk Management - Strategic HR, Presented by Nine Point Strategies

HR management has changed dramatically in recent years. Join us to learn about your responsibilities and exposures as an employer! We will discuss key employment policies, trends and best practices for the cannabis industry. What's employee on-boarding? Should I have an employee handbook? What is an I9 form? What laws apply to my small business? This workshop will address new regulations and discuss what cannabis employers need to know and do as it pertains to compliance regulations.

4:00 - 4:45PM

Risk Management - OSHA/Safety, Presented by Nine Point Strategies

We will discuss key safety requirements under OSHA (Occupational Safety and Health Administration), overlaps with the Department of Agriculture and their impact on Workers Compensation. What is OSHA? What are their requirements? I'm a dispensary with little exposure, do I need to comply? I have an employee handbook, is that enough? What laws apply to my small business? What does OSHA have to do with workers compensation?

Understanding the basics of safety will make your business much more profitable, protect you against significant penalties/fine and possibly keep you out of jail!

September 29, 2017

9:00 to 10:00AM

Home Deco: One Pot Plant at a Time, Presented by Johnny Stash

You can and you should get in on the latest trend: cannabis houseplants. Johnny is the ultimate expert and will guide you through the benefits and process of your personal effort to overgrow America!

10:30 to 11:30AM

Understanding the MAUCRSA - Cultivation, Nurseries, Processing and Cooperatives, Presented by California Growers Association

A deep dive into how the recently passed MAUCRSA will impact the cultivation of cannabis, from nurseries and growers to processing and packaging. Learn what a Cannabis Cooperative Association is and how it may help your business remain competitive.

12:30 to 1:30PM

Understanding the MAUCRSA - Distribution, Testing, Retail and Delivery, Presented by California Growers Association

How will the recently passed MAUCRSA will impact the supply chain and the marketplace? Is it distribution still mandatory? (hint: yes) What do I need to do to get a license for my delivery service? Learn the answers to these questions and more as you gain valuable insight into how the regulated marketplace will work.

1:45 to 2:45PM

Understanding the MAUCRSA – Events, appellations and standards, Presented by California Growers Association

Join the Cal Growers Regional Council for a panel exploring the diverse geography and practices of California's cannabis craftspeople--and the communities they support. Learn how the recently passed MAUCRSA strengthened protections for this valuable heritage and authorized events--the perfect opportunity for you to meet your farmer.

3:00 to 4:00PM

Intellectual Property Protection: A Sword and a Shield, Mary Shapiro, Esq., Moderator

Experienced patent practitioners will answer key questions and demystify the patent procurement and enforcement process. Topics: Can I get a patent on my cannabis product? Does my product infringe somebody else's patent? What cannabis patents have issued? How many are in the application pipeline? Who are the key patent holders? How are patents enforced? How can issued patents be challenged?