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AGENDA
KERMAN CITY COUNCIL
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, May 20, 2015
6:30 PM

AGENDA PACKET AVAILABLE FOR
REVIEW 72 HOURS PRIOR TO
THE CITY COUNCIL MEETING AT
THE CITY CLERK'S OFFICE AND
ON THE CITY WEBSITE
ITEMS RECEIVED AT THE
MEETING WILL BE AVAILABLE
FOR REVIEW AT THE CITY
CLERK'S OFFICE

Stephen B. Hill – Mayor
Gary Yep – Mayor Pro Tem
Rhonda Armstrong – Council Member
Nathan Fox – Council Member
Bill Nijjer – Council Member

ALL MEETING ATTENDEES ARE ADVISED THAT ALL PAGERS, CELLULAR TELEPHONES AND ANY OTHER
COMMUNICATION DEVICES SHOULD BE POWERED OFF UPON ENTERING THE COUNCIL CHAMBERS,
AS THESE DEVICES INTERFERE WITH OUR AUDIO EQUIPMENT.

OPENING CEREMONIES

- Welcome – Mayor
- Call to Order
- Roll Call
- Invocation

At this time the Council wishes to provide anyone an opportunity to give a brief invocation or inspirational thought. In accordance with law, we would request this opportunity not be used to recruit converts, to advance anyone, or to disparage any other faith or belief. If no one steps forward, we will observe a moment of silence so that we may all focus our thoughts on how best to serve our community.

- Pledge of Allegiance – City Clerk

AGENDA APPROVAL/ADDITIONS/DELETIONS

To accommodate members of the public or convenience in the order of presentation, items on the agenda may not be presented or acted upon in the order listed.

1. PRESENTATIONS/CEREMONIAL MATTERS

- A. Presentation on Prop 218 by the Fresno County Mosquito Vector and Vector Control Board (KM)

REQUEST TO ADDRESS COUNCIL

This portion of the meeting is reserved for members of the public to address the Council on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. It is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Council on items on the Agenda should notify the Mayor when that Agenda item is called, and the Mayor will recognize your discussion at that time. It should be noted that the Council is prohibited by law from taking any action on matters discussed that are not on the Agenda. Speakers are asked to please use the microphone, and provide their name and address.

2. CONSENT CALENDAR

Matters listed under the Consent Calendar are considered routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, a member of the audience or a Council Member may request an item be removed from the Consent Calendar and it will be considered separately.

A. SUBJECT: Minutes

RECOMMENDATION: Council approve minutes as presented.

ATTACHMENTS: [May 6, 2015](#)

B. SUBJECT: Payroll

Payroll Report: April 26, 2015 - May 09, 2015: \$127,504.85; Retro Pay & Other: \$1,209.20; Overtime: \$3,911.62; Standby: \$1,239.32; Comp Time Earned: 35.25

RECOMMENDATION: Council approve payroll as presented.

ATTACHMENTS: [Payroll/Overtime Report](#)

C. SUBJECT: Warrants

1. Nos.6356-6449: \$249,346.68
2. Excepting - Sebastian: 6390-\$3,088.58

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented. (Pursuant to Government Code 37208)

ATTACHMENTS: [Accounts Payable](#)

D. SUBJECT: Monthly Investment Report Ending April 30, 2015 (TJ)

RECOMMENDATION: Council accept the Monthly Investment Report as presented

ATTACHMENTS: [Investments-Council](#)

E. SUBJECT: Proclamation - Proclaiming May 17-23, 2015 as National Public Works Week (LP)

RECOMMENDATION: Council by motion proclaim May as National Public Works Week.

ATTACHMENTS: [Proclamation](#)

3. PUBLIC HEARINGS

None

4. DEPARTMENT REPORTS

- A. SUBJECT: Letter of Request from the State Water Resources Control Board for Possible Use of Public Water System as a Source of Potable Water for Water Haulers (KM)

RECOMMENDATION: Council consider water system as a possible source of potable water for water haulers.

ATTACHMENTS: [Staff Report - Request to Sell Potable Water to Certified Water Haulers](#)

- B. SUBJECT: Water Conservation Implementation Plan (KM)

RECOMMENDATION: Council receive Water Conservation Plan and provide direction to staff accordingly.

ATTACHMENTS: [Staff Report - Water Conservation](#)

- C. SUBJECT: Letter from Fresno County Board of Supervisors Henry Perea, District 3 Requesting Resolution for Support of Central Valley Drought (LP)

RECOMMENDATION: Council review request and by motion adopt resolution for Support of Central Valley Drought.

ATTACHMENTS: [Letter Requesting Resolution - Perea](#)

- D. SUBJECT: Resolution Approving Agreement for Auditing Services for Fiscal Years 2014/15 Through 2018/2019 (TJ)

RECOMMENDATION: Council review summary of proposals and by motion adopt resolution for auditing services and authorize the City Manager to sign the Engagement Letter.

ATTACHMENTS: [Staff Report - Auditor RFP](#)

- E. SUBJECT: Second Presentation of Preliminary General Fund Budget for Fiscal Year 2015/2016 (TJ)

RECOMMENDATION: Council to review the preliminary General Fund Budget for Fiscal Year 2015/2016 and make any recommendations for changes.

ATTACHMENTS: [Staff Report - Preliminary GF Budget](#)

- F. SUBJECT: Presentation of Preliminary Enterprise Fund Budgets for Fiscal Year 2015/2016 (TJ)

RECOMMENDATION: Council to review the preliminary Enterprise Fund Budgets for fiscal year 2015/2016 and make any recommendations for changes.

ATTACHMENTS: [Staff Report - Preliminary Enterprise Budget](#)

5. CITY MANAGER/STAFF COMMUNICATIONS

6. MAYOR/COUNCIL REPORTS

- A. Letters Endorsed by the Mayor on behalf of the City - Latino Water Coalition to Governor Brown; Kerman United Health Center

7. CLOSED SESSION

- A. Government Code Section 45957 Public Employee Evaluation - Title: City Manager

COUNCIL RECONVENE FROM CLOSED SESSION & REPORT ANY ACTION TAKEN

8. ADJOURNMENT

In compliance with the American with Disabilities Act (ADA), if you need special assistance to participate at this meeting, please contact the City Clerk at (559) 846-9380. Notification of 48 hours prior to the meeting will enable the City Clerk to make reasonable arrangement to ensure accessibility to this meeting. Pursuant to the ADA, the meeting room is accessible to the physically handicapped.



MINUTES
KERMAN CITY COUNCIL
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, May 6, 2015
6:30 PM

Stephen B. Hill – Mayor
 Gary Yep – Mayor Pro Tem
 Rhonda Armstrong – Council Member
 Nathan Fox – Council Member
 Bill Nijjer – Council Member

Present: Mayor Hill (SH) Rhonda Armstrong (RA) Gary Yep (GY), Fox (NF), Nijjer (BN)
 Absent: None

Also Present: City Manager/Planning & Development Director Patlan, City Attorney Blum, Chief of Police, Community Services Director, Finance Director, Public Works Director, City Engineer

OPENING CEREMONIES

- Welcome – Mayor
- Call to Order
- Roll Call
- Invocation
- Pledge of Allegiance – City Clerk

AGENDA APPROVAL/ADDITIONS/DELETIONS

1. PRESENTATIONS/CEREMONIAL MATTERS

- A. Letter from Tina Guidry Requesting Changes to Kerman Municipal Code Related to Domestic Animals (MR)

REQUEST TO ADDRESS COUNCIL

2. CONSENT CALENDAR

- A. SUBJECT: Minutes

RECOMMENDATION: Council approve minutes as presented.

- B. SUBJECT: Payroll Reports:

March 29, 2015 - April 11, 2015: \$121,629.63; Overtime: \$3,091.32;
 Standby: \$988.30; Comp Time Earned: 1.50
 April 12, 2015 - April 25, 2015: \$121,509.13; Overtime: \$3,348.01;
 Standby: \$1,221.40; Comp Time Earned: 14.25

RECOMMENDATION: Council approve payroll as presented.

Voting: Yes, No, Absent (Abstain if needed)

6:36 p.m.

All present except NF/BN

Performed

Approved GY/RA (3-0-2) NF/BN

6:40 p.m.
NF arrived

Presented

7:00 p.m.
BN arrived

VFW - Parker Brown

Approved GY/BN excepting - 6231 & 6270

C. SUBJECT: Warrants

1. Nos. 6164-6355: \$519,439.98
2. Excepting - 6231 - \$3,111.31; 6270 - 374.55

Approved 6231
GY/BN (4-0-1) RA
Approved 6270
NF/RA (4-0-1) GY

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented. (Pursuant to Government Code 37208)

D. SUBJECT: Proclamation - Proclaiming May as Building and Safety Month

RECOMMENDATION: Council by motion proclaim May as Building and Safety Month

E. SUBJECT: Resolution Appointing Hilda Cantu Montoy as City Attorney (LP)

RECOMMENDATION: Council by motion adopt resolution appointing Hilda Cantu Montoy as City Attorney and authorizing the Mayor to sign the legal services agreement on behalf of the City.

Res 15-13

F. SUBJECT: Resolution Appointing and Reappointing Members to Community Service and Recreation Commission (PG)

RECOMMENDATION: Council by motion adopt resolution appointing/reappointing Commissioners, Teixeira, Amaro and Garcia to the Community Services and Recreation Commission.

Res 15-14

G. SUBJECT: Resolution Affirming Use of Sole Source Purchase for the Kids Climbing Wall Using Community Development Block Grant (CDBG) Funds

RECOMMENDATION: Council by motion adopt resolution affirming that Sole Source procurement complies with local and government procurement requirements for the purchase of Playground Climbing Wall Materials using Community Development Block Grant (CDBG) funds.

Res 15-15

3. PUBLIC HEARINGS

A. SUBJECT: Abatement Hearing for the Removal of Weeds and Rubbish (CK)

RECOMMENDATION: Council open hearing to receive objections or protests from property owners, close the hearing, and adopt by motion resolution ordering the abatement of weeds and rubbish.

Approved GY/RA
(5-0-0)

Res 15-16

4. DEPARTMENT REPORTS

A. SUBJECT: Resolution Approving Agreement for Utility Service at 14452 W. Kearney Boulevard (JJ)

RECOMMENDATION: Council by motion adopt resolution approving Agreement for Utility Service for Manuel and Maria Hernandez at 14452 W. Kearney Boulevard.

Approved GY/BN
(5-0-0)

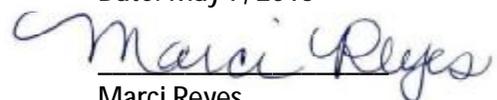
Res 15-17

- | | |
|--|---|
| <p>B. SUBJECT: Intention to Levy and Collect the Annual Assessments for Landscape and Lighting District No. 1 (JJ)</p> <p>RECOMMENDATION: Council by motion adopt resolution of intention to levy and collect the annual assessments for Landscape and Lighting District No. 1 and set the date for the required public hearing for June 17, 2015.</p> | <p>Approved NF/RA (5-0-0)</p> <p>Res 15-18</p> |
| <p>C. SUBJECT: Presentation of Preliminary General Fund Budgets for Fiscal Year 2015/2016 (TJ)</p> <p>RECOMMENDATION: Council to review preliminary General Fund Budget and provide input and direction accordingly.</p> | <p>Presented</p> |
| <p>5. CITY MANAGER/STAFF COMMUNICATIONS</p> | |
| <p>6. MAYOR/COUNCIL REPORTS</p> | |
| <p>A. 1st Annual Almond Festival - May 9, 11 a.m. - 3 p.m., Kerckoff Park</p> | |
| <p>B. Liberty Elementary Mock Student Council Meeting - May 12, 10 a.m.</p> | |
| <p>C. Sebastian's Open House - May 14, 5-8 p.m. 7600 N Palm Ave. Fresno</p> | |
| <p>D. Westside Veterans Memorial Building Opening Ceremony - May 16, 10 a.m., 1020 S. Siskiyou Avenue</p> | |
| <p>7. CLOSED SESSION</p> | |
| <p>A. Government Code Section 45956.9(a) Conference with Legal Counsel - Pending Litigation: Pacific Mountain Partners</p> | |
| <p>B. Government Code Section 45957 Public Employee Evaluation - Title: City Manager</p> | |
| <p>COUNCIL RECONVENE FROM CLOSED SESSION & REPORT ANY ACTION TAKEN</p> | |
| <p>8. ADJOURNMENT</p> | |
| | <p>9:15 p.m.</p> <p>No reportable action.</p> <p>Council gave CM very positive evaluation.</p> <p>Approved GY/BN (5-0-0) Adjourned 10:32 p.m.</p> |

MINUTES CERTIFICATION

I, MARCI REYES, City Clerk for the City of Kerman, do hereby declare under penalty of perjury that the above Minutes are a true depiction of all actions taken at the City Council meeting held on the first date above written at Kerman City Hall, 850 S. Madera Ave, Kerman, CA.

Date: May 7, 2015



Marci Reyes
City Clerk

CITY OF KERMAN PAYROLL REPORT

PAY PERIOD: April 26, 2015 - May 09, 2015

| EMPLOYEE | SALARY | RETRO PAY & Other | OVERTIME | | HOLIDAY OT at 1/2 | | STANDBY | | GROSS SALARY | COMP TIME EARNED |
|-----------------------|---------------------|----------------------|----------|-------------|-------------------|-------------|----------|-------------|---------------------|---------------------|
| | | | HOURS | AMOUNT | HOURS | AMOUNT | HOURS | AMOUNT | | |
| ADMINISTRATION | | | | | | | | | | |
| Alvarez, Josefina | \$ 1,689.69 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,689.69 | |
| Camacho, Josie | \$ 1,083.42 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,083.42 | |
| Gonzalez, Diana | \$ 1,954.85 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,954.85 | |
| Jones, Toni | \$ 3,042.46 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 3,042.46 | |
| Nazaroff, Helen | \$ 1,938.92 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,938.92 | |
| Patlan, Luis | \$ 4,664.77 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 4,664.77 | |
| Reyes, Marcia | \$ 2,586.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,586.00 | |
| TOTAL | \$ 16,960.11 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 16,960.11 | 0.00 |

REC/SOCIAL

| | | | | | | | | | | |
|-----------------------|---------------------|------------------|----------|-------------|----------|-------------|----------|-------------|---------------------|--------------|
| Arredondo, Barbara | \$ 1,526.77 | \$ 172.34 | - | \$ - | - | \$ - | - | \$ - | \$ 1,699.11 | |
| Arredondo, Raquel | \$ 510.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 510.00 | |
| Ayala, Adrien | \$ 101.25 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 101.25 | |
| Burdine-Slaven, Jeann | \$ 1,511.54 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,511.54 | |
| Denman, Wayne | \$ 13.50 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 13.50 | |
| Figueroa, Rita | \$ 400.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 400.00 | |
| Gallegos, Philip | \$ 3,734.77 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 3,734.77 | |
| Gallegos, Yenifer | \$ 45.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 45.00 | |
| Gonzalez, Jose Felix | \$ 1,599.69 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,599.69 | |
| Johnson, Theresa | \$ 1,666.62 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,666.62 | 16.50 |
| LeBlanc, Noah | \$ 56.25 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 56.25 | |
| Lujan, Vanessa | \$ 583.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 583.00 | |
| Rangel, Jose A | \$ 335.25 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 335.25 | |
| Salvador, Mark | \$ 1,883.08 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,883.08 | |
| Sidhu, Nirmal | \$ 274.76 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 274.76 | |
| Silva, Jessica | \$ 420.25 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 420.25 | |
| Villa, Erika | \$ 225.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 225.00 | |
| Villalobos, Stacey | \$ 321.75 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 321.75 | |
| Villarreal, Arlene | \$ 435.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 435.00 | |
| TOTAL | \$ 15,643.47 | \$ 172.34 | - | \$ - | - | \$ - | - | \$ - | \$ 15,815.81 | 16.50 |

POLICE

| | | | | | | | | | | |
|----------------------|-------------|-----------|-------|-----------|---|------|------|----------|-------------|-----|
| Antuna, Eric | \$ 2,209.69 | \$ - | 19.00 | \$ 787.20 | - | \$ - | 4.00 | \$ 27.62 | \$ 3,024.51 | 4.5 |
| Antuna, Miguel | \$ 928.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 928.00 | |
| Barbosa, Isaias | \$ 2,368.32 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,368.32 | 3 |
| Barcoma, Wilbert | \$ 2,895.71 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,895.71 | |
| Belding, Jeff | \$ 2,357.08 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,357.08 | |
| Blohm, Joseph | \$ 4,047.23 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 4,047.23 | |
| Chapman, Tom | \$ 2,413.38 | \$ - | 3.00 | \$ 135.75 | - | \$ - | - | \$ - | \$ 2,549.14 | |
| Cubillos, Teresa | \$ 3,040.62 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 3,040.62 | |
| Davis, Jeff | \$ 3,040.47 | \$ 574.26 | - | \$ - | - | \$ - | - | \$ - | \$ 3,614.73 | |
| Dunn, Jacob | \$ 1,683.23 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,683.23 | |
| Ledezma, Linda | \$ 1,199.54 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,199.54 | |
| Lehman, Dustin | \$ 1,767.23 | \$ - | - | \$ - | - | \$ - | 3.00 | \$ 16.57 | \$ 1,783.80 | |
| Madruga, Ron | \$ 3,114.46 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 3,114.46 | |
| Magallon, Peter | \$ 2,413.43 | \$ 290.75 | 11.50 | \$ 520.40 | - | \$ - | 1.50 | \$ 11.31 | \$ 3,235.88 | |
| Medina-Labetiaux, EJ | \$ 1,767.23 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,767.23 | |
| Mendoza, Sandra | \$ 2,379.60 | \$ 171.85 | - | \$ - | - | \$ - | - | \$ - | \$ 2,551.45 | |
| Moon, Nathan | \$ 1,020.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,020.00 | |

CITY OF KERMAN PAYROLL REPORT

PAY PERIOD: April 26, 2015 - May 09, 2015

| EMPLOYEE | SALARY | RETRO PAY & Other | OVERTIME | | HOLIDAY OT at 1/2 | | STANDBY | | GROSS SALARY | COMP TIME EARNED |
|-----------------------|---------------------|----------------------|--------------|--------------------|-------------------|-------------|--------------|-----------------|---------------------|---------------------|
| | | | HOURS | AMOUNT | HOURS | AMOUNT | HOURS | AMOUNT | | |
| Nelson, Christopher J | \$ 3,114.46 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 3,114.46 | 4.5 |
| Ness, Lee | \$ 2,046.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,046.00 | |
| Nevis, James | \$ 2,300.77 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,300.77 | |
| Ramer, Joseph | \$ 1,493.54 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,493.54 | |
| Ramirez, Donald | \$ 1,493.54 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,493.54 | |
| Rodrigues, Mary | \$ 1,759.38 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,759.38 | |
| Rodriguez, Erika | \$ 3,411.80 | \$ - | 21.00 | \$ 801.79 | - | \$ - | 1.50 | \$ 9.55 | \$ 4,223.14 | 2.25 |
| Seroka, Dylan | \$ 952.00 | \$ - | - | \$ - | - | \$ - | 1.50 | \$ 6.00 | \$ 958.00 | |
| Tiwana, Manpreet | \$ 3,586.49 | \$ - | 6.00 | \$ 236.76 | - | \$ - | - | \$ - | \$ 3,823.25 | |
| TOTAL: | \$ 58,803.19 | \$ 1,036.86 | 60.50 | \$ 2,481.90 | - | \$ - | 11.50 | \$ 71.05 | \$ 62,393.01 | 14.25 |

PUBLIC WORKS

| | | | | | | | | | | |
|---------------------|---------------------|-------------|--------------|--------------------|-------------|-------------|-----------------|--------------------|---------------------|-------------|
| Arechiga, Pastor | \$ 1,742.31 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,742.31 | |
| Barajas, Michael | \$ 1,917.85 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,917.85 | |
| Castro, Joseph | \$ 1,785.69 | \$ - | 18.00 | \$ 658.47 | - | \$ - | 22.50 | \$ 502.23 | \$ 2,946.39 | |
| Chavez, Fernando M. | \$ 2,368.15 | \$ - | 8.50 | \$ 407.03 | - | \$ - | 22.50 | \$ 666.04 | \$ 3,441.22 | |
| Coronado, Karl | \$ 520.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 520.00 | |
| Gastelum, Humberto | \$ 1,924.15 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,924.15 | |
| Gonzales, Ruben | \$ 2,011.38 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,011.38 | |
| Gruce, Robert | \$ 2,478.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,478.00 | |
| Isaak, Denise | \$ 1,466.31 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,466.31 | |
| Madruga, Lydia | \$ 982.38 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 982.38 | |
| Moore, Ken | \$ 3,853.85 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 3,853.85 | |
| Prieto, Ruben | \$ 1,762.15 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,762.15 | |
| Ramirez, Manuel | \$ 1,830.92 | \$ - | 1.00 | \$ 34.33 | - | \$ - | - | \$ - | \$ 1,865.25 | |
| Rodriguez, Joe | \$ 368.39 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 368.39 | |
| Sanchez, Daniel | \$ 1,465.38 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,465.38 | |
| Tinoco, Alfonso | \$ 520.00 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 520.00 | |
| Vallejo, Edward | \$ 2,189.08 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,189.08 | 3.00 |
| Zapata, Domingo | \$ 1,070.22 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 1,070.22 | |
| TOTAL | \$ 30,256.23 | \$ - | 27.50 | \$ 1,099.83 | \$ - | \$ - | \$ 45.00 | \$ 1,168.27 | \$ 32,524.33 | 3.00 |

PLANNING

| | | | | | | | | | | |
|------------------|--------------------|-------------|-------------|------------------|----------|-------------|----------|-------------|--------------------|-------------|
| Kufis, Chris | \$ 2,392.62 | \$ - | - | \$ - | - | \$ - | - | \$ - | \$ 2,392.62 | 1.50 |
| Pimentel, Olivia | \$ 2,199.23 | \$ - | 8.00 | \$ 329.88 | - | \$ - | - | \$ - | \$ 2,529.12 | |
| TOTAL | \$ 4,591.85 | \$ - | 8.00 | \$ 329.88 | - | \$ - | - | \$ - | \$ 4,921.73 | 1.50 |

PLANNING

| | |
|---------------|-------------|
| Epperson, R | \$ - |
| Bandy, R | \$ - |
| Nehring, K | \$ - |
| Kehler, E | \$ - |
| Wettlaufer, K | \$ - |
| Jones, C | \$ - |
| Nunez, M | \$ - |
| Total | \$ - |

COUNCIL

| | |
|-----------|-----------|
| Yep | \$ 250.00 |
| Fox | \$ 250.00 |
| Nijjer | \$ 250.00 |
| Armstrong | \$ 250.00 |
| Hill | \$ 250.00 |

Total \$ 1,250.00

| | | | | | | | | | | |
|---------------------|---------------------|-------------------|--------------|-------------------|----------|---------------|--------------|-------------------|---------------------|--------------|
| GRAND TOTAL: | \$127,504.85 | \$1,209.20 | 96.00 | \$3,911.62 | - | \$0.00 | 56.50 | \$1,239.32 | \$133,864.99 | 35.25 |
|---------------------|---------------------|-------------------|--------------|-------------------|----------|---------------|--------------|-------------------|---------------------|--------------|

**CITY OF KERMAN
OVERTIME SUPPLEMENTAL PAYROLL REPORT**

PAY PERIOD 04/26/15-05/09/15

POLICE DEPARTMENT

| Overtime Categories - Number of Hours | | | | | | | |
|--|-------|-------------------|-----|----------|-----------------------|-------------------|-------|
| Regular Overtime | Court | Shift Coverage | SID | Training | Avoid the 21 Grant | Special Events | Total |
| 11 | 13.5 | 26 | | 10 | | | 60.5 |
| (see notes below for overtime description) | | | | | | | |
| DOUBLE TIME: (Sunday) | | | | | | | 0 |
| | | | | | | Sub Total | 60.5 |

| Overtime Categories - Number of Hours | | | | | | | |
|--|----------------------|-------------------|-------------------|-----------------------|-------------------|-----------|------|
| Water Service | Sewer Emergencies | Animal Control | Special Events | Other or Call Back | On Call Duties | Total | |
| 3 | 7.5 | 1 | | 5 | | 20.5 | |
| (see notes below for overtime description) | | | | | | | |
| | | | | | 3 | 4 | 7 |
| | | | | | | Sub Total | 27.5 |

COMMUNITY SERVICES DEPARTMENT

| Overtime Categories - Number of Hours | | | |
|---------------------------------------|---------------------|--|-----------|
| Regular Overtime | After Hour Event | | Total |
| | | | 0 |
| | | | Sub Total |
| | | | 0 |

FINANCE / PLANNING DEPARTMENTS

| Overtime Categories - Number of Hours | | | | | | |
|---------------------------------------|--------------------|---------|------------|-------------------|--|-----------|
| Planning Overtime | Utility Billing | Payroll | Dog Clinic | Year End Audit | | Total |
| 8 | | | | | | 8 |
| | | | | | | Sub Total |
| | | | | | | 8 |

Total Hours (All Departments) 96.0

POLICE DEPARTMENT:

- Regular Overtime** – 9 hrs OT for FTO Meetings, 2 hrs OT explorer meeting
- Court** – 13.5 hrs OT for officer's attending court proceedings.
- Shift Coverage** – 26 hrs OT for shift coverage due to officer(s) being out on vacation, sick or training.
- Special Investigation Division (SID)** – Special police action is required such as a search warrant, surveillance, and other crime patterns, etc.
- Training** – 10 hrs OT for officers being out on training
- Grant** – Officers conducting Special Enforcement Control. Avoid the 21, Click It or Ticket, and Special Project. The City gets reimbursed for overtime through the Grant Programs.
- Special Events** - Occurs when officers are needed for events such as Harvest Festival, 3rd of July, Parades, etc

PUBLIC WORKS DEPARTMENT:

- Water Service** - Includes 3 hrs OT for shut-off and turn-on of service, all water related emergencies
- Sewer Emergencies** - 7.5 hrs OT SCADA problems/Sewer emergencies. (SCADA controls pumps, wells and sewer, lift stations, all sewer and storm drain related issues)
- Animal Control** - 1 hr DT for vicious or dead animals. (not normally used for stray animals)
- Special Events** - Harvest Festival, Pageantry of Lights, National Night Out Water Conservation booth, Portuguese Parade, 3rd of July, including set up and clean up.
- Other** - 5 hrs OT - Multiple alarms WWTP, Lock door at Scout Hut, Unlock booth at Kerckhoff Park
- Call Back** - 3 hrs DT - Any emergencies where additional employees are called to assist
- On-Call Duties** 4 hrs OT and 4 hrs DT for reading and recording flow meters on wells and sewer plant; feed and clean kennels, verify WWTP running effectively, etc. OT is for two weekends. and/or any holidays

COMMUNITY SERVICES DEPARTMENT

- Regular Overtime** – On occasion, but very rare due to the amount of part-time employees
- After Hour Event** – Occurs only if a full-time employee would have to stay for clean-up or as a facility attendant.

FINANCE / PLANNING DEPARTMENTS

- Planning** - 8 hrs OT - Springbrook conversion.
- Utility Billing** - Completed on the 1st of each month.
- Payroll** - Completed bi-weekly.
- Dog Clinic** - Once a year clinic held after business hours.
- Year-End Audit** - Completed over a period of time at the end of each fiscal year.

Accounts Payable

Checks by Date - Detail by Check Date

User: jcamacho
 Printed: 5/14/2015 9:15 AM



| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|--|---|--|-------------------------|--|
| ACH | 10147 05012015 05012015 | Employment Development Department C PR TAX DEPOSIT 5/1/15 SIT PAYABLE = P C PR TAX DEPOSIT 5/1/15 SDI PAYABLE = S | 05/01/2015 | 3,503.51 1,048.12 |
| Total for this ACH Check for Vendor 10147: | | | | 4,551.63 |
| ACH | 10517 05012015 05012015 05012015 | Federal Taxes-Payroll C PAYROLL TAX DEPOSIT 4/17/15 FIT PAYA C PAYROLL TAX DEPOSIT 4/17/15 FICA PAY C PAYROLL TAX DEPOSIT 4/17/15 FICA ME | 05/01/2015 | 13,458.93 15,331.60 3,585.58 |
| Total for this ACH Check for Vendor 10517: | | | | 32,376.11 |
| ACH | 10518 05012015 | Kerman Police Officers Assn. C MEMBERSHIP DUES 5/1/15 | 05/01/2015 | 648.12 |
| Total for this ACH Check for Vendor 10518: | | | | 648.12 |
| ACH | 10519 05012015 | Kerman Municipal Employees Assn. C MEMBERSHIP DUES 5/1/2015 | 05/01/2015 | 172.50 |
| Total for this ACH Check for Vendor 10519: | | | | 172.50 |
| ACH | 10520 05012015 | ICMA-RC C DEFERRED COMP 5/1/15 | 05/01/2015 | 3,050.00 |
| Total for this ACH Check for Vendor 10520: | | | | 3,050.00 |
| ACH | 10522 05012015 05012015 05012015 05012015 | CalPERS C EMPLOYER PAID CONTRIBUTIONS EMPLOYEE PAID CONTRIBUTIONS ROUNDING ADJ ROUNDING ADJ | 05/01/2015 | 12,482.84 8,130.44 -0.40 0.40 |
| Total for this ACH Check for Vendor 10522: | | | | 20,613.28 |
| Total for 5/1/2015: | | | | 61,411.64 |
| 6356 | UB*00092 | MICHELLE ALEJO Refund Check | 05/05/2015 | 47.07 |
| Total for Check Number 6356: | | | | 47.07 |
| 6357 | UB*00099 | KEENYNN ALLAN Refund Check | 05/05/2015 | 107.74 |
| Total for Check Number 6357: | | | | 107.74 |
| 6358 | UB*00097 | ALTISOURCE SOLUTIONS INC Refund Check | 05/05/2015 | 157.97 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|-------------------------|----------------------------|------------------------------|--------------|
| | | Refund Check | | 5.65 |
| | | Refund Check | | 16.43 |
| | | Refund Check | | 1.10 |
| | | Refund Check | | 0.66 |
| | | | Total for Check Number 6358: | 181.81 |
| 6359 | UB*00093 | ABRASHAM AULAKH | 05/05/2015 | |
| | | Refund Check | | 12.99 |
| | | Refund Check | | 7.19 |
| | | Refund Check | | 20.92 |
| | | Refund Check | | 11.71 |
| | | | Total for Check Number 6359: | 52.81 |
| 6360 | UB*00108 | FELIPE BURGOS | 05/05/2015 | |
| | | Refund Check | | 44.32 |
| | | | Total for Check Number 6360: | 44.32 |
| 6361 | UB*00106 | GABRIEL CEBALLOS | 05/05/2015 | |
| | | Refund Check | | 150.90 |
| | | | Total for Check Number 6361: | 150.90 |
| 6362 | UB*00091 | ANGEL DOMINGUEZ | 05/05/2015 | |
| | | Refund Check | | 46.07 |
| | | Refund Check | | 7.44 |
| | | Refund Check | | 21.66 |
| | | Refund Check | | 14.57 |
| | | | Total for Check Number 6362: | 89.74 |
| 6363 | UB*00101 | DELBERT FRIESEN | 05/05/2015 | |
| | | Refund Check | | 46.45 |
| | | | Total for Check Number 6363: | 46.45 |
| 6364 | UB*00095 | JUAN LECHUGA | 05/05/2015 | |
| | | Refund Check | | 139.68 |
| | | | Total for Check Number 6364: | 139.68 |
| 6365 | UB*00098 | HOMER MALDONADO | 05/05/2015 | |
| | | Refund Check | | 10.21 |
| | | Refund Check | | 5.65 |
| | | Refund Check | | 16.43 |
| | | Refund Check | | 5.59 |
| | | | Total for Check Number 6365: | 37.88 |
| 6366 | UB*00102 | JAMES MELTON | 05/05/2015 | |
| | | Refund Check | | 43.15 |
| | | | Total for Check Number 6366: | 43.15 |
| 6367 | UB*00094 | JOSE MONGE | 05/05/2015 | |
| | | Refund Check | | 139.89 |
| | | | Total for Check Number 6367: | 139.89 |
| 6368 | UB*00096 | ANTOLIN PENAFLO | 05/05/2015 | |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|---|--|------------------------------|---|
| | | Refund Check | | 55.85 |
| | | | Total for Check Number 6368: | 55.85 |
| 6369 | UB*00105 | SANDRA RIVERA Refund Check | 05/05/2015 | 150.00 |
| | | | Total for Check Number 6369: | 150.00 |
| 6370 | UB*00107 | THE CHURCH OF JESUS CHRIST OF LI Refund Check | 05/05/2015 | 147.93 |
| | | | Total for Check Number 6370: | 147.93 |
| 6371 | UB*00103 | AURORA TRIGO Refund Check | 05/05/2015 | 52.30 |
| | | | Total for Check Number 6371: | 52.30 |
| 6372 | UB*00100 | LETICIA VELAZQUEZ Refund Check Refund Check Refund Check | 05/05/2015 | 7.89 4.36 6.18 |
| | | | Total for Check Number 6372: | 18.43 |
| 6373 | UB*00104 | JEWELIA WHITE Refund Check Refund Check Refund Check Refund Check Refund Check Refund Check | 05/05/2015 | 54.81 0.32 4.59 4.23 0.40 0.13 |
| | | | Total for Check Number 6373: | 64.48 |
| | | | Total for 5/5/2015: | 1,570.43 |
| 6374 | 10010 42877903 42877903 42877903 42877903 42877903 | ACCOMTEMPS FIN-TEMP AGENCY PERSONNEL 32 HRS FIN-TEMP AGENCY PERSONNEL 32 HRS FIN-TEMP AGENCY PERSONNEL 32 HRS FIN-TEMP AGENCY PERSONNEL 32 HRS FIN-TEMP AGENCY PERSONNEL 32 HRS | 05/06/2015 | 27.47 192.30 164.84 137.36 27.47 |
| | | | Total for Check Number 6374: | 549.44 |
| 6375 | 10040 05042015 | AT&T MOBILITY PD-APRIL MDT WIRELESS SERVICE 3/20/15 | 05/06/2015 | 276.70 |
| | | | Total for Check Number 6375: | 276.70 |
| 6376 | 10617 331651 | C.A. REDING CO., INC. BPO-LANIER/MP COPIER | 05/06/2015 | 61.54 |
| | | | Total for Check Number 6376: | 61.54 |
| 6377 | 10070 4271502 4301501 | CALIFORNIA FRESNO OIL CO. STRTC-ROAD OIL STRTC-ROAD OIL | 05/06/2015 | 102.51 112.30 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|---|--|------------------------------|---|
| | | | Total for Check Number 6377: | 214.81 |
| 6378 | 10775 43828 | CERUTTI & SONS TRUCKING INC STRTC-24.74 TONS COLD MIX DELIVERY | 05/06/2015 | 1,975.74 |
| | | | Total for Check Number 6378: | 1,975.74 |
| 6379 | 10452 K031815 K031815 K032515 K032515 K040115 K040115 K040815 K040815 K041515 K041515 | CITY OF FRESNO WMD WTR-LAB ANALYSIS SWR-LAB ANALYSIS WTR-LAB ANALYSIS SWR-LAB ANALYSIS WTR-LAB ANALYSIS SWR-LAB ANALYSIS WTR-LAB ANALYSIS SWR-LAB ANALYSIS WTR-LAB ANALYSIS SWR-LAB ANALYSIS | 05/06/2015 | 30.00 76.00 30.00 76.00 75.00 133.00 30.00 96.00 30.00 76.00 |
| | | | Total for Check Number 6379: | 652.00 |
| 6380 | 10795 5052015 | DANNY MILSAP BAND REC-ALMOND FESTIVAL ENTERTAINMEN | 05/06/2015 | 600.00 |
| | | | Total for Check Number 6380: | 600.00 |
| 6381 | 10144 3009268 | ELBERT DISTRIBUTING, INC V/E-MOTOR OIL ADDITIVE | 05/06/2015 | 84.97 |
| | | | Total for Check Number 6381: | 84.97 |
| 6382 | 10162 SO 12553 SO 12554 | FRESNO COUNTY TREASURER PD-DISPATICHING SERVICE MAY 2015 PD-APRIL 2015 RMS/JMS/CAD ACCESS FEE | 05/06/2015 | 17,780.36 167.29 |
| | | | Total for Check Number 6382: | 17,947.65 |
| 6383 | 10226 5514450 | JORGENSEN & CO CS-ANNUAL FIRE MAINTENANCE | 05/06/2015 | 48.00 |
| | | | Total for Check Number 6383: | 48.00 |
| 6384 | 10794 1146 | MID VALLEY ENFORCEMENT REC-ALMOND FESTIVAL SECURITY | 05/06/2015 | 190.00 |
| | | | Total for Check Number 6384: | 190.00 |
| 6385 | 10269 05012015 | MOUNTAIN VALLEY PEST CONTROL BPO-PEST CONTROL | 05/06/2015 | 160.00 |
| | | | Total for Check Number 6385: | 160.00 |
| 6386 | 10271 0000037133 | MUNISERVICES, LLC ADM-SALES TAX QTRLY SERVICE 4TH-201 | 05/06/2015 | 500.00 |
| | | | Total for Check Number 6386: | 500.00 |
| 6387 | 10276 S1060573.001 S1060573.001 | NATIONAL METER & AUTOMATION FIN-METERS FOR RESALE/LIENS FIN-METERS FOR RESALE/LIENS | 05/06/2015 | 3,155.77 1,450.22 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|-------------------------|--|------------------------------|--------------|
| | | | Total for Check Number 6387: | 4,605.99 |
| 6388 | 10282 768169202001 | OFFICE DEPOT PD-OFFICE SUPPLIES | 05/06/2015 | 147.77 |
| | | | Total for Check Number 6388: | 147.77 |
| 6389 | 10573 00174596 | PILOT ROCK CS-REPLACEMENT BBQ GRILL LIONS PAR | 05/06/2015 | 308.00 |
| | | | Total for Check Number 6389: | 308.00 |
| 6390 | 10332 | SEBASTIAN | 05/06/2015 | |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 552.19 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 17.06 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 25.59 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 213.21 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 2.13 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 7.68 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 196.15 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 298.50 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 63.96 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 81.02 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 213.21 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 319.82 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 49.04 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 213.21 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 104.00 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 72.49 |
| | 10313546 | VAR-MONTHLY PHONE SERVICE | | 141.04 |
| | 10317115 | PD APRIL T1 LINE | | 416.70 |
| | 10317501 | ADM-MONTHLY BURGULAR ALARM SERV | | 50.79 |
| | 10317502 | ADM-MONTHLY BURGULAR ALARM SERV | | 50.79 |
| | | | Total for Check Number 6390: | 3,088.58 |
| 6391 | 10793 05052015 | SHELDON ROMAGNOLI REC-ALMOND FESTIVAL KID ZONE | 05/06/2015 | 1,500.00 |
| | | | Total for Check Number 6391: | 1,500.00 |
| 6392 | 10336 77762699 | SIMPLEXGRINNEL PD-ANNUAL CONTRACT PAYMENT | 05/06/2015 | 884.20 |
| | | | Total for Check Number 6392: | 884.20 |
| 6393 | 10561 IN-000251665 | SOUTHERN COMPUTER WAREHOUSE WTR-2 VIEWSONIC HD MONITORS | 05/06/2015 | 274.13 |
| | | | Total for Check Number 6393: | 274.13 |
| 6394 | 10357 10081 | TAYLOR MADE IRRIGATION WTR-GASKET | 05/06/2015 | 21.97 |
| | | | Total for Check Number 6394: | 21.97 |
| 6395 | 10394 572582 | VALLEY IRON, INC SWR-PARTS FOR BIOLAC BARGE | 05/06/2015 | 27.27 |
| | | | Total for Check Number 6395: | 27.27 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|---|-------------------------|--------------|
| 6396 | 10412 | XEROX CORPORATION | 05/06/2015 | |
| | 079411239 | PD-APRIL COPIER SERVICE 3/25/15-4/27/15 | | 407.21 |
| | 7941138 | ADM-COPIER LEASE 3/21/15 - 4/21/15 | | 498.46 |
| Total for Check Number 6396: | | | | 905.67 |
| Total for 5/6/2015: | | | | 35,024.43 |
| 6397 | UB*00110 | LETICIA GONZALEZ | 05/12/2015 | |
| | | Refund Check | | 177.53 |
| | | Refund Check | | 1.27 |
| | | Refund Check | | 0.75 |
| | | Refund Check | | 0.45 |
| Total for Check Number 6397: | | | | 180.00 |
| 6398 | UB*00109 | KERMAN WIRELESS | 05/12/2015 | |
| | | Refund Check | | 25.14 |
| Total for Check Number 6398: | | | | 25.14 |
| Total for 5/12/2015: | | | | 205.14 |
| 6399 | 10005 | A-1 NATIONAL FENCE | 05/14/2015 | |
| | 7359 | SD-REPAIR FENCE-LIONS PARK | | 95.00 |
| Total for Check Number 6399: | | | | 95.00 |
| 6400 | 10010 | ACCONTEMP | 05/14/2015 | |
| | 42982023 | FIN-TEMP AGENCY PERSONNEL 38.5 HRS | | 33.05 |
| | 42982023 | FIN-TEMP AGENCY PERSONNEL 38.5 HRS | | 231.37 |
| | 42982023 | FIN-TEMP AGENCY PERSONNEL 38.5 HRS | | 198.33 |
| | 42982023 | FIN-TEMP AGENCY PERSONNEL 38.5 HRS | | 165.25 |
| | 42982023 | FIN-TEMP AGENCY PERSONNEL 38.5 HRS | | 33.05 |
| Total for Check Number 6400: | | | | 661.05 |
| 6401 | 10617 | C.A. REDING CO., INC. | 05/14/2015 | |
| | 334695 | BPO-LANIER/MP COPIER | | 82.24 |
| Total for Check Number 6401: | | | | 82.24 |
| 6402 | 10064 | CAL VALLEY PRINTING | 05/14/2015 | |
| | 13923 | REC-ALMOND FEST CAR SHOW TROPHIES | | 50.76 |
| Total for Check Number 6402: | | | | 50.76 |
| 6403 | 10095 | CHEM QUIP INC | 05/14/2015 | |
| | 5362644 | WTR-DEPOSIT REFUND/PALLETS/CARBOY | | -940.00 |
| | 5362756 | WTR-CHLORINE FOR WELL SITES | | 3,496.96 |
| Total for Check Number 6403: | | | | 2,556.96 |
| 6404 | 10452 | CITY OF FRESNO WMD | 05/14/2015 | |
| | K042915 | WTR-LAB ANALYSIS WATER | | 30.00 |
| | K042915 | SWR-LAB ANALYSIS SEWER | | 96.00 |
| Total for Check Number 6404: | | | | 126.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|--|---|-------------------------|--|
| 6405 | 10098 78137 | CLEANSTREET STRT-MONTHLY SWEEP FEE APRIL 2015 | 05/14/2015 | 6,672.90 |
| Total for Check Number 6405: | | | | 6,672.90 |
| 6406 | 10717 1006 | DAVID CASTILLO, VORTAL ME ADM-MONTHLY WEB HOSTING & MTG-M. | 05/14/2015 | 50.00 |
| Total for Check Number 6406: | | | | 50.00 |
| 6407 | 10445 520067 522239 | DELTA LIGHTING PRODUCTS INC. CTC-LIQUID ENZYME - PROPRIETARY CTC-LIQUID ENZYME - PROPRIETARY | 05/14/2015 | 537.10 560.48 |
| Total for Check Number 6407: | | | | 1,097.58 |
| 6408 | 10571 C23213 | DITCH WITCH V/E-AIR FILTER MUD VAC | 05/14/2015 | 305.85 |
| Total for Check Number 6408: | | | | 305.85 |
| 6409 | 10141 1157762 | EAST BAY TIRE CO. V/E-2 TIRE FOR CAT BACKHOE | 05/14/2015 | 434.24 |
| Total for Check Number 6409: | | | | 434.24 |
| 6410 | 10619 L0856414016 L0856414016 L0856414016 L0856414016 L0856414016 | EDD VAR-1ST QTR EMPLOYMENT TAX VAR-1ST QTR EMPLOYMENT TAX VAR-1ST QTR EMPLOYMENT TAX VAR-1ST QTR EMPLOYMENT TAX VAR-1ST QTR EMPLOYMENT TAX | 05/14/2015 | 175.70 1,229.90 1,054.40 878.50 175.50 |
| Total for Check Number 6410: | | | | 3,514.00 |
| 6411 | 10144 3009302 | ELBERT DISTRIBUTING, INC V/E-GAS TREATMENT FOR TORO MOWER | 05/14/2015 | 42.29 |
| Total for Check Number 6411: | | | | 42.29 |
| 6412 | 10151 1329958-A-2 9578661 9605066 | EWING IRRIGATION PRODUCTS CS-HUNTER QCV KEY & HOSE LLD-SPRINKLER SUPPLIES/PARTS LLD-SPRINKLER SUPPLIES/PARTS | 05/14/2015 | 203.57 210.12 190.24 |
| Total for Check Number 6412: | | | | 603.93 |
| 6413 | 10168 AT19195 | FRESNO NETWORKS SONICWALL SECURITY SERVICE 2 YR REN | 05/14/2015 | 2,021.64 |
| Total for Check Number 6413: | | | | 2,021.64 |
| 6414 | 10185 9724337085 9724337085 9724337085 9724337085 | GRAINGER WTR-SOLENOID VALVE WELL #9 SWR-HARNESS FOR BARGE SWR-TIE BACK LANYARD FOR BARGE SWR-LANYARD BARGE | 05/14/2015 | 346.32 179.11 217.54 133.18 |
| Total for Check Number 6414: | | | | 876.15 |
| 6415 | 10191 CVW19422 | H & J CHEVROLET INC V/E-THROTTLE SENSOR KIT #1459 | 05/14/2015 | 35.91 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|--|---|------------------------------|---|
| | | | Total for Check Number 6415: | 35.91 |
| 6416 | 10196 69485197 | HELENA CHEMICAL COMPANY SD-ROUNDUP PRO CONCENTRATE | 05/14/2015 | 324.68 |
| | | | Total for Check Number 6416: | 324.68 |
| 6417 | 10198 22641 22642 22643 22644 22645 22647 22648 | HENRY, LOGOLUSO, & BLUM APRIL LEGAL FEES-MONTHLY MEETINGS APRIL LEGAL FEES-PACIFIC MOUNTAIN P. APRIL LEGAL FEES-UPRR APRIL LEGAL FEES-GENERAL ONG APRIL LEGAL FEES-PERSONNEL ONG APRIL LEGAL FEES-POLICE ONG APRIL LEGAL FEES-WATER DEPT ONG | 05/14/2015 | 500.00 54.00 204.00 1,662.00 288.00 132.00 432.00 |
| | | | Total for Check Number 6417: | 3,272.00 |
| 6418 | 10514 11772 11775 | ICAD INC. WTR-REPLACE RELAY WELL #9/PARTS/TE: WTR-PLC PROGRAMMING WELL #9 | 05/14/2015 | 297.97 623.75 |
| | | | Total for Check Number 6418: | 921.72 |
| 6419 | 10767 05122015 | IDESIGN CUSTOM SCREEN PRINTING REC-ALMOND FEST T-SHIRTS | 05/14/2015 | 2,391.75 |
| | | | Total for Check Number 6419: | 2,391.75 |
| 6420 | 10205 IN-000522457 IN-000523398 IN-000523563 | INDEPENDENT STATIONERS CS- 3 MONITOR RISERS CS- 1 MONITOR RISERS ADM-OFFICE SUPPLIES | 05/14/2015 | 81.40 27.13 179.78 |
| | | | Total for Check Number 6420: | 288.31 |
| 6421 | 10226 5514448 5514474 5514857 | JORGENSEN & CO CS-ANNUAL FIRE EXT MAINTENANCE SEI CS-ANNUAL FIRE EXT MAINTENANCE CT CS-ANNUAL FIRE EXT MAINTENANCE CT | 05/14/2015 | 142.46 276.41 54.00 |
| | | | Total for Check Number 6421: | 472.87 |
| 6422 | 10233 05122015 | KERMAN CHAMBER OF COMMERCE REC-ALMOND FESTIVAL BAKE/PIC PRIZE! | 05/14/2015 | 140.00 |
| | | | Total for Check Number 6422: | 140.00 |
| 6423 | 10239 37838 37839 | KERWEST NEWSPAPERS REC-ALMOND FEST AD REC-HELP WANTED AD AQUATICS STAFF | 05/14/2015 | 400.00 180.00 |
| | | | Total for Check Number 6423: | 580.00 |
| 6424 | 10752 05122015 | LION PRINTS (KERMAN HIGH SCHOO REC-ALMOND FEST BANNER | 05/14/2015 | 75.00 |
| | | | Total for Check Number 6424: | 75.00 |
| 6425 | 10261 04302015 | MID VALLEY DISPOSAL, INC SWA-APRIL SW CHARGES | 05/14/2015 | 88,444.79 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|-------------------------|--------------------------------------|------------------------------|--------------|
| | 04302015 | SWA-CITY PORTION FOR APRIL 2015 | | -17,688.96 |
| | 04302015 | SWA-ROLL OFF/FRANCHISE FEES | | -834.80 |
| | | | Total for Check Number 6425: | 69,921.03 |
| 6426 | 10487 | LORA NEHRING | 05/14/2015 | |
| | 05122015 | REC-REFUND FOR ALMOND FEST WALK/R | | 25.00 |
| | 05122015 | REC-INSTRUCTOR FEE ZUMBA 4/15 | | 371.00 |
| | | | Total for Check Number 6426: | 396.00 |
| 6427 | 10286 | O'REILLY AUTOMOTIVE, INC | 05/14/2015 | |
| | 05112015 | V/E-SUPPLIES 2 INV <\$50 | | 62.67 |
| | 3921-211206 | V/E-BOOSTER CABLES #1405 | | 54.10 |
| | 3921-211323 | V/E-AIR TOOL SHOP CHARGER #1341 | | 59.50 |
| | 3921-211374 | V/E-FRONT BRAKES/ROTORS #1454 | | 411.35 |
| | 3921-211376 | V/E-REAR BRAKES/ROTORS/PADS #1454 | | 449.40 |
| | 3921-211381 | V/E-RETURN ON INV #3921-211376 | | -73.97 |
| | 3921-211834 | V/E-BATTERY #1383 | | 142.88 |
| | 3921-212259 | V/E-FRONT BRAKES #1404 | | 57.97 |
| | 3921-212642 | V/E-SNAP RING PLIERS | | 118.99 |
| | | | Total for Check Number 6427: | 1,282.89 |
| 6428 | 10283 | OFFICE DEPOT CREDIT ACCOUNT | 05/14/2015 | |
| | 05122015 | REC-ALMOND FEST SUPPLIES/FLYER PAPER | | 108.55 |
| | | | Total for Check Number 6428: | 108.55 |
| 6429 | 10285 | ONTRAC | 05/14/2015 | |
| | 8194923 | BPO-PLAN CHECK OVERNIGHT DELIVERY | | 51.28 |
| | 8201419 | BPO-PLAN CHECK OVERNIGHT DELIVERY | | 35.43 |
| | | | Total for Check Number 6429: | 86.71 |
| 6430 | 10289 | P.G. & E. | 05/14/2015 | |
| | 2881141119-9 | CS-TRANSIT BUS FUEL APRIL | | 223.18 |
| | 4939626163-5 | V/E-MONTHLY SERVICE 3/31/15-4/29/15 | | 535.50 |
| | 6825025396-7 | ADM-MONTHLY UTILITIES 4/2/15-5/3/15 | | 890.68 |
| | | | Total for Check Number 6430: | 1,649.36 |
| 6431 | 10293 | PAPER PLUS | 05/14/2015 | |
| | 6230030379 | CS-COLOR PAPER FOR FLYERS | | 103.90 |
| | | | Total for Check Number 6431: | 103.90 |
| 6432 | 10301 | PETTY CASH | 05/14/2015 | |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 68.62 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 38.50 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 5.00 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 13.95 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 13.00 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 4.99 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 98.35 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 18.35 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 16.95 |
| | 05062015 | VAR-REPLENISH PETTY CASH | | 18.34 |
| | | | Total for Check Number 6432: | 296.05 |
| 6433 | 10305 | PITNEY BOWES PURCHASE POWER | 05/14/2015 | |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|-------------------------|---------------------------------------|------------------------------|--------------|
| | 742305 | VAR-VAR INK FOR POSTAGE MACHINE | | 17.71 |
| | 742305 | VAR-VAR INK FOR POSTAGE MACHINE | | 17.71 |
| | 742305 | VAR-VAR INK FOR POSTAGE MACHINE | | 17.70 |
| | 742305 | VAR-VAR INK FOR POSTAGE MACHINE | | 17.70 |
| | | | Total for Check Number 6433: | 70.82 |
| 6434 | 10319 | RENO'S HARDWARE | 05/14/2015 | |
| | 05122015 | WTR-SUPPLIES 2 INV <\$50 | | 42.43 |
| | 05122015 | LLD-SUPPLIES 3 INV <\$50 | | 14.34 |
| | 53495 | SWR-SUPPLIES 1 INV <\$50 | | 13.72 |
| | 53570 | STRTC-SUPPLIES 1 INV <\$50 | | 23.80 |
| | 53589 | BPO-SUPPLIES 1 INV <\$50 | | 2.10 |
| | | | Total for Check Number 6434: | 96.39 |
| 6435 | 10335 | SILVA FORD MADERA | 05/14/2015 | |
| | 22150 | V/E-FUEL PUMP #1471 | | 463.84 |
| | | | Total for Check Number 6435: | 463.84 |
| 6436 | 10337 | SLUMBERGER LUMBER | 05/14/2015 | |
| | 05122015 | V/E-SUPPLIES 3 INV <\$50 ACCT #3115 | | 28.53 |
| | 05122015 | STRTC-SUPPLIES 2 INV <\$50 ACCT #3115 | | 42.86 |
| | 05122015 | BPO-SUPPLIES 5 INV <\$50 ACCT #3115 | | 38.73 |
| | 05122015 | SWR-SUPPLIES 2 INV <\$50 ACCT #3305 | | 54.04 |
| | 05122015 | WTR-SUPPLIES 2 INV <\$50 ACCT #3305 | | 28.29 |
| | 05122015 | CS-BUILDING MAINT/REPAIR SUPPLIES | | 149.09 |
| | 05122015 | CS-PARKS MAINT/REPAIR SUPPLIES | | 315.81 |
| | 05122015 | CS-CTC MAINT/REPAIR SUPPLIES | | 183.95 |
| | 05122015 | CS-PLANNED REC | | 7.56 |
| | B249976 | SWR-SUPPLIES 1 INV <\$50 ACCT #3305 | | 4.31 |
| | B250716 | LLD-SUPPLIES <\$50 ACCT #3115 | | 2.95 |
| | C151652 | STRTC-ROLLERS/PAINT ACCT #3115 | | 180.64 |
| | | | Total for Check Number 6436: | 1,036.76 |
| 6437 | 10338 | SMITH AUTO | 05/14/2015 | |
| | 05122015 | V/E-SUPPLIES 3 INV <\$50 | | 114.51 |
| | 29872 | V/E-FUEL LUBE FILTERS WASHER FLUID | | 78.38 |
| | 8059 | V/E-BRAKE ROTORS #1404 | | 96.15 |
| | 8191 | V/E-TOOLS FOR SHOP BOX | | 104.87 |
| | 998806 | WTR-SUPPLIES <\$50 | | 2.70 |
| | 998806 | SWR-SUPPLIES <\$50 | | 2.70 |
| | | | Total for Check Number 6437: | 399.31 |
| 6438 | 10561 | SOUTHERN COMPUTER WAREHOUSE | 05/14/2015 | |
| | IN-000250114 | WTR-STATE OF CA EWASTE FEE | | 44.00 |
| | IN-000254546 | WTR-VIEWSONIC 11 FULL HD MONITORS | | 1,507.74 |
| | | | Total for Check Number 6438: | 1,551.74 |
| 6439 | 10796 | STARTECHTEL.COM | 05/14/2015 | |
| | P119483 | CS-PHONE REPLACEMENT | | 137.35 |
| | | | Total for Check Number 6439: | 137.35 |
| 6440 | 10754 | SUPPLYWORKS | 05/14/2015 | |
| | 5137801-00 | CTC-JANITORIAL SUPPLIES | | 387.07 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|----------|-------------------------|-------------------------------------|------------------------------|--------------|
| | | | Total for Check Number 6440: | 387.07 |
| 6441 | 10441 | TURF STAR INC. | 05/14/2015 | |
| | 3893628-00 | V/E-6 BLADES FOR 44" TORO MOWER | | 129.55 |
| | 6889766-00 | V/E-PARTS/MAINT. ON 60 & 72" MOWERS | | 438.21 |
| | 6893570-00 | V/E-REPAIRS TO 72" TORO MOWER | | 667.85 |
| | | | Total for Check Number 6441: | 1,235.61 |
| 6442 | 10386 | US BANK CORPORATE PAYMENT | 05/14/2015 | |
| | 05132015 | CS-AMAZON SR PROM DECORATIONS | | 10.81 |
| | 05132015 | CS-AMAZON SR PROM DECORATIONS | | 12.88 |
| | 05132015 | CC-TABLET & CASE | | 471.96 |
| | 05132015 | AAC-DOG FOOD | | 60.81 |
| | 05132015 | BPO-ICC CERTIFICATION RENEWAL | | 168.75 |
| | 05132015 | BLD-OFFICE SUPPLIES | | 149.03 |
| | 05132015 | BLD-OFFICE SUPPLIES | | 149.03 |
| | 05132015 | TECH-ASSET TAGS | | 96.58 |
| | 05132015 | TECH-ASSET TAGS | | 96.58 |
| | 05132015 | TECH-ASSET TAGS | | 96.57 |
| | 05132015 | LLD-ECHO BLOWER PARTS | | 64.47 |
| | 05132015 | V/E-PHONE HOLSTER CLIP | | 16.98 |
| | 05132015 | WTR-LODGING FOR E VALLEJO | | 77.84 |
| | 05132015 | SWR-LODGING FOR E VALLEJO | | 77.84 |
| | 05132015 | BPO-BALLAST FOR CITY HALL | | 43.51 |
| | 05132015 | CS-LOCK IN PRIZE FRESNO CITY COLLEG | | 82.50 |
| | 05132015 | REC-LOCK IN SUPPLIES | | 59.58 |
| | 05132015 | REC-EGG HUNT PRIZES | | 182.75 |
| | 05132015 | REC-KERMAN NEWS PRINTING FLYERS | | 349.17 |
| | 05132015 | REC-KERMAN NEWS PRINTING FLYERS | | 484.45 |
| | 05132015 | REC-VARIOUS GIFT CARDS FOR TEEN SCA | | 205.00 |
| | 05132015 | CS-AMAZON REPLACEMENT PRINTER | | 108.21 |
| | 05132015 | CS-AMAZON PRINTER INK | | 132.95 |
| | 05132015 | CS-WAL MART PHOTOS FOR SR PROM | | 29.71 |
| | 05132015 | CS-AMAZON PRINTER INK | | 142.80 |
| | | | Total for Check Number 6442: | 3,370.76 |
| 6443 | 10406 | WEST HILLS OIL, INC | 05/14/2015 | |
| | 227723 | V/E-DIESEL FUEL-CITY YARD 335 GAL | | 979.25 |
| | 47319 | V/E-FUEL APR 16-30 1103.729 GAL | | 3,470.41 |
| | 47319 | V/E-FUEL BARBARA ARREDONDO TRANS | | 100.74 |
| | | | Total for Check Number 6443: | 4,550.40 |
| 6444 | 10412 | XEROX CORPORATION | 05/14/2015 | |
| | 079411241 | CS-REC DEPT COPIER APRIL | | 362.67 |
| | | | Total for Check Number 6444: | 362.67 |
| 6445 | 10413 | YAMABE & HORN ENGINEERING | 05/14/2015 | |
| | 33260 | GOLDENROD RAILROAD CROSSING | | 260.00 |
| | 33261 | WHITESBRIDGE & VINELAND TRAFFIC SI | | 765.00 |
| | 33262 | GENERAL ENGINEERING | | 315.00 |
| | 33263 | WELL NO 18 PRODUCTION WELL | | 1,127.50 |
| | 33264 | MID-VALLEY DISPOSAL EXPANSION REVI | | 105.00 |
| | 33265 | STANISLAUS AVE & 16TH/FRONTAGE LAN | | 225.00 |
| | 33266 | VINELAND AVE WIDENING | | 2,071.25 |
| | 33267 | UPRR PEDESTRIAN & BICYCLE TRAIL | | 848.75 |
| | 33268 | PROP 84 WATER METER PROJECT | | 7,420.00 |

| Check No | Vendor No Invoice No | Vendor Name Description | Check Date Reference | Check Amount |
|------------------------------|-------------------------|--|-------------------------|--------------|
| 33269 | | CALIFORNIA & MAY RECONSTRUCTION - | | 1,593.75 |
| 33270 | | PAVEMENT MANAGEMENT SYSTEM | | 5,357.50 |
| 33271 | | CDBG KATIES KIDS PARK | | 2,362.50 |
| 33272 | | HERNANDEZ UTILITY AGREEMENT | | 360.00 |
| 33273 | | CHROMIUM 6 MCL SUPPORT | | 1,040.00 |
| 33274 | | CALIFORNIA RECONSTRUCTION - LOCAL | | 2,212.50 |
| 33275 | | TPM 14-01 AVILA | | 700.00 |
| 33276 | | SR2S PEDESTRIAN SAFETY IMPROVEMEN | | 1,340.00 |
| 33277 | | 2015 CIP UPDATE - STREET CIP | | 525.00 |
| 33277 | | 2015 CIP UPDATE - WATER CIP | | 472.50 |
| 33277 | | 2015 CIP UPDATE - SEWER CIP | | 420.00 |
| 33278 | | 2015 LLMD ASSESSMENT | | 1,372.50 |
| 33278 | | 2015 LLMD ASSESSMENT - GIS MAPPING | | 1,500.00 |
| 33279 | | WATER CONSERVATION ENGINEERING SU | | 2,677.50 |
| Total for Check Number 6445: | | | | 35,071.25 |
| 6446 | 10797 00013204 | Z - ALFREDO NUNEZ CTC-DEPOSIT REFUND/CANCELLATION | 05/14/2015 | 100.00 |
| Total for Check Number 6446: | | | | 100.00 |
| 6447 | 10784 05122015 | Z - ELENA SANCHEZ REC-ALMOND FEST TABLES/TABLECLOTI | 05/14/2015 | 68.00 |
| Total for Check Number 6447: | | | | 68.00 |
| 6448 | 10798 05122015 | Z - RICK GRAGNANI REC-ALMOND FEST ENTERTAINMENT | 05/14/2015 | 500.00 |
| Total for Check Number 6448: | | | | 500.00 |
| 6449 | 10417 9001626949 | ZEP MANUFACTURING CO CTC-METER MIST DEODERANT | 05/14/2015 | 195.75 |
| Total for Check Number 6449: | | | | 195.75 |
| Total for 5/14/2015: | | | | 151,135.04 |
| Report Total (100 checks): | | | | 249,346.68 |

US BANK

| Date | Vendor | Description | Internal Acct Code | Amount | |
|-------------------------|---------------------|------------------------------------|--------------------|--------------------|--------------------|
| Joseph Blohm | | | | | |
| 04/20/15 | WAL-MART | DOG FOOD | 100.3041.521.02.00 | \$ 60.81 | |
| | | | | | \$ 60.81 |
| Blohm | | | | | |
| Terri Cubillos | | | | | |
| | | | | | \$ - |
| Cubillos | | | | | |
| Toni Jones | | | | | |
| 03/31/15 | ICC | CERTIFICATION RENEWAL | 100.1042.555.00.00 | \$ 168.75 | |
| 04/06/15 | AMAZON | OFFICE CHAIRS | 100.1042.521.01.00 | \$ 149.03 | |
| 04/06/15 | AMAZON | OFFICE CHAIRS | 100.1008.521.01.00 | \$ 149.03 | |
| 04/17/15 | MY ASSET TAG | ASSET TAGS | 100.5005.521.01.00 | \$ 96.58 | |
| 04/17/15 | MY ASSET TAG | ASSET TAGS | 420.5005.521.01.00 | \$ 96.58 | |
| 04/17/15 | MY ASSET TAG | ASSET TAGS | 430.5005.521.01.00 | \$ 96.57 | |
| | | | | | \$ 756.54 |
| Jones | | | | | |
| Ken Moore | | | | | |
| 04/07/15 | EREPLACEMENT PARTS | ECHO BLOWER PARTS | 750.4075.521.02.00 | \$ 64.47 | |
| 04/03/15 | AMAZON | PHONE HOLSTER | 500.4050.551.02.00 | \$ 16.98 | |
| 04/17/15 | HAMPTON INN SUITES | LODGING-E. VALLEJO | 410.4041.554.01.00 | \$ 155.68 | |
| 03/25/15 | ATLANTA LIGHT BULBS | BALLAST FOR CITY HALL | 100.4010.521.04.00 | \$ 43.51 | |
| | | | | | \$ 280.64 |
| Moore | | | | | |
| Phillip Gallegos | | | | | |
| 03/24/15 | FRESNO CITY COLLEGE | LOCK IN PRIZES | 100.2065.521.02.00 | \$ 82.50 | |
| 03/25/15 | SMART & FINAL | LOCK IN SUPPLIES | 100.2065.521.02.00 | \$ 40.16 | |
| 03/25/15 | WAL-MART | LOCK IN SUPPLIES | 100.2065.521.02.00 | \$ 19.42 | |
| 04/03/15 | DOLLAR TREE | EGG HUNT PRIZES | 100.2065.521.02.00 | \$ 42.06 | |
| 04/03/15 | WAL-MART | EGG HUNT PRIZES | 100.2065.521.02.00 | \$ 140.69 | |
| 04/07/15 | KERMAN NEWS | FLYERS FOR TEEN SCAVENGER HUNT | 100.2065.521.02.00 | \$ 349.17 | |
| 04/15/15 | KERMAN NEWS | FLYERS FOR TEEN SCAVENGER HUNT | 100.2065.521.02.00 | \$ 61.69 | |
| 04/17/15 | KERMAN NEWS | FLYERS FOR TEEN SCAVENGER HUNT | 100.2065.521.02.00 | \$ 70.76 | |
| 04/18/15 | WAL-MART | SANDWICHES FOR TEEN SCAVENGER HUNT | 100.2065.521.02.00 | \$ 352.00 | |
| 04/17/15 | BLUE TURTLE | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 10.00 | |
| 04/17/15 | BLUE TURTLE | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 30.00 | |
| 04/17/15 | MCDONALDS | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 30.00 | |
| 04/17/15 | FRESNO CHAGGEE ZOO | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 75.00 | |
| 04/17/15 | TACO BELL | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 20.00 | |
| 04/17/15 | WAL-MART | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 20.00 | |
| 04/17/15 | PANDA EXPRESS | GIFT CARDS FOR TEEN SCAVENGER HUNT | 160.0000.230.65.00 | \$ 20.00 | |
| 04/17/15 | AMAZON | REPLACEMENT PRINTER | 100.2065.521.02.00 | \$ 108.21 | |
| 04/16/15 | AMAZON | PRINTER INK | 860.2002.521.01.00 | \$ 132.95 | |
| 04/17/15 | WAL-MART | PHOTOS FOR SR PROM | 100.2044.521.01.00 | \$ 29.71 | |
| 03/24/15 | AMAZON | PRINKTER INK | 100.2002.521.02.00 | \$ 142.80 | |
| 03/25/15 | AMAZON | SR PROM DECORATION | 100.2044.521.02.00 | \$ 10.81 | |
| 03/27/15 | AMAZON | SR PROM DECORATION | 100.2044.521.02.00 | \$ 12.88 | |
| | | | | | \$ 1,800.81 |
| Gallegos | | | | | |
| Marci Reyes | | | | | |
| 04/03/15 | EBAY | TABLET/CASE | 100.6001.521.02.00 | \$ 471.96 | |
| | | | | | \$ 471.96 |
| Reyes | | | | | |
| TOTAL | | | | \$ 3,370.76 | |

**CITY OF KERMAN
CD/Securities Portfolio
As of April 30, 2015**

| Institution | Account Number | Interest Rate/ Trans. Date | Opening Date | Maturity Date | 6/30/2014 Book Balance | Additions/ (Deletions) | Cashed In | 6/30/2015 Book Balance | Fair Value | FY to Date Interest Paid |
|---------------------------------|-----------------|-------------------------------|-----------------|------------------|------------------------------|---------------------------|-----------|------------------------------|------------|--------------------------------|
| CD's: | | | | | | | | | | |
| Pacific Mercantile Bank | 80900343 | 0.95% | 1/22/08 | 1/22/14 | 99,000.00 | | | 99,000.00 | 99,000.00 | 745.19 |
| American Express Centurion Bank | 615-030525-245 | 1.20% | 8/11/11 | 8/11/14 | 52,000.00 | (52,000.00) | | - | - | 309.44 |
| CIT Bank | 615-030525-245 | 1.15% | 8/10/11 | 8/11/14 | 46,000.00 | (46,000.00) | | - | - | 263.78 |
| World Financial Network NB | 615-030525-245 | 1.25% | 8/31/11 | 8/29/14 | 200,000.00 | (200,000.00) | | - | - | - |
| Ally Bank | 615-030525-245 | 1.75% | 10/8/10 | 10/8/14 | 100,000.00 | (100,000.00) | | - | - | 877.40 |
| CIT Bank, Salt Lake City, UT | 615-030525-245 | 1.50% | 5/4/11 | 11/4/14 | 99,000.00 | (99,000.00) | | - | - | 748.60 |
| GE Money Bank | 615-030525-245 | 1.70% | 11/5/10 | 11/5/14 | 97,000.00 | (97,000.00) | | - | - | 831.28 |
| GE Money Bank | 615-030525-245 | 1.70% | 1/21/11 | 1/21/15 | 100,000.00 | (100,000.00) | | - | - | 1,700.00 |
| State Bank of India | 615-030525-245 | 2.00% | 3/24/11 | 3/24/15 | 98,000.00 | (98,000.00) | | - | - | 1,960.00 |
| Doral Bank | 615-030525-245 | 0.70% | 6/12/13 | 6/13/16 | 149,000.00 | (149,000.00) | | - | - | 724.73 |
| Doral Bank San Juan PR | 615-030525-245 | 1.20% | 6/28/12 | 6/28/16 | 99,000.00 | (99,000.00) | | - | - | 818.52 |
| Ally Bank, Midvale | 615-030525-245 | 1.80% | 6/8/11 | 6/8/15 | 147,000.00 | | | 147,000.00 | 147,251.37 | 1,326.62 |
| EverBank | 615-030525-245 | 0.70% | 12/14/12 | 6/15/15 | 98,000.00 | | | 98,000.00 | 98,093.10 | 343.94 |
| Mercantile Bank of Michigan | 615-030525-245 | 2.00% | 1/21/11 | 7/21/15 | 150,000.00 | | | 150,000.00 | 150,580.50 | 3,000.00 |
| GE Money Bank | 615-030525-245 | 1.50% | 8/5/11 | 8/5/15 | 50,000.00 | | | 50,000.00 | 50,156.00 | 750.00 |
| Sallie Mae Bank | 615-030525-245 | 1.10% | 8/8/12 | 8/10/15 | 97,000.00 | | | 97,000.00 | 97,242.50 | 1,067.00 |
| Safra National Bank | 615-030525-245 | 0.70% | 8/15/13 | 8/17/15 | 100,000.00 | | | 100,000.00 | 100,120.00 | 700.00 |
| Discover Bank | 615-030525-245 | 1.55% | 9/14/11 | 9/14/15 | 99,000.00 | | | 99,000.00 | 99,589.05 | 1,534.50 |
| State Bank of India | 615-030525-245 | 2.25% | 9/29/10 | 9/29/15 | 100,000.00 | | | 100,000.00 | 100,772.00 | 2,250.00 |
| Lake City Bank | 615-030525-245 | 0.55% | 1/29/14 | 1/29/16 | 95,000.00 | | | 95,000.00 | 95,215.65 | 523.97 |
| Discover Bank Greenwood | 615-030525-245 | 1.35% | 2/1/12 | 2/1/16 | 51,000.00 | | | 51,000.00 | 51,528.36 | 688.50 |
| Goldman Sachs Bank | 615-030525-245 | 1.40% | 2/1/12 | 2/1/16 | 48,000.00 | | | 48,000.00 | 48,336.00 | 672.00 |
| Synovus Bank | 615-030525-245 | 0.50% | 3/17/14 | 3/17/16 | 100,000.00 | | | 100,000.00 | 100,153.00 | 500.00 |
| State Bank of India | 615-030525-245 | 2.00% | 8/12/11 | 8/12/16 | 47,000.00 | | | 47,000.00 | 47,851.64 | 940.00 |
| Medallion Bank | 615-030525-245 | 1.00% | 8/19/13 | 8/19/16 | 100,000.00 | | | 100,000.00 | 100,692.00 | 1,000.00 |
| Goldman Sachs Bank USA | 615-030525-245 | 1.85% | 8/31/11 | 8/31/16 | 200,000.00 | | | 200,000.00 | 203,242.00 | 3,700.00 |
| Ally Bank | 615-030525-245 | 0.95% | 10/2/14 | 10/11/16 | | 100,000.00 | | 100,000.00 | 100,442.00 | 523.22 |
| Capital One Bank Glen Allen VA | 615-030525-245 | 1.00% | 11/12/14 | 11/14/16 | | 96,000.00 | | 96,000.00 | 96,345.60 | - |
| Firstbank of Puerto Rico | 6-15-030525-245 | 1.10% | 1/25/13 | 1/25/17 | 53,000.00 | | | 53,000.00 | 53,407.57 | 485.60 |
| Firstbank of Puerto Rico | 615-030525-245 | 0.90% | 3/1/13 | 3/1/17 | 196,000.00 | | | 196,000.00 | 197,215.20 | 1,469.21 |
| CIT Bank | 615-030525-245 | 0.90% | 3/27/13 | 3/27/17 | 98,000.00 | | | 98,000.00 | 98,638.96 | 882.00 |
| Ge Capital Bank | 615-030525-245 | 1.10% | 5/8/14 | 5/16/17 | 248,000.00 | | | 248,000.00 | 248,882.88 | - |
| American Express Centurion Bank | 615-030525-245 | 1.70% | 7/26/12 | 7/26/17 | 98,000.00 | | | 98,000.00 | 99,462.16 | 3,041.21 |
| Sallie Mae Bank | 615-030525-245 | 1.70% | 8/22/12 | 8/22/17 | 150,000.00 | | | 150,000.00 | 152,562.00 | 3,033.95 |
| 1st Merchants | 615-030525-245 | 1.00% | 3/21/14 | 9/21/17 | 96,000.00 | | | 96,000.00 | 96,570.24 | 476.05 |
| Third Federal | 615-030525-245 | 1.15% | 2/21/14 | 11/21/17 | 99,000.00 | | | 99,000.00 | 99,740.52 | 2,701.24 |
| Capital One Bank Glen Allen VA | 615-030525-245 | 1.25% | 1/22/15 | 1/22/18 | | 100,000.00 | | 100,000.00 | 100,811.00 | - |
| Bank of Baroda | 615-030525-245 | 1.25% | 3/8/13 | 3/8/18 | 248,000.00 | | | 248,000.00 | 249,240.00 | 1,537.26 |
| Wells Fargo Bank in SD | 615-030525-245 | 1.00% | 3/28/13 | 3/29/18 | 248,000.00 | | | 248,000.00 | 249,403.68 | 1,854.91 |
| Discover Bank | 615-030525-245 | 1.15% | 4/8/15 | 4/9/18 | | 98,000.00 | | 98,000.00 | 98,145.04 | - |
| Everbank CD Jacksonville FL | 615-030525-245 | 1.10% | 4/15/15 | 4/13/18 | | 150,000.00 | | 150,000.00 | 150,213.00 | - |
| Rollstone Bank Fitchburg MA | 615-030525-245 | 1.10% | 4/15/15 | 4/16/18 | | 248,000.00 | | 248,000.00 | 248,414.16 | - |
| American Express Centurion Bank | 615-030525-245 | 1.15% | 5/16/13 | 5/16/18 | 98,000.00 | | | 98,000.00 | 98,210.70 | - |
| Compass Bank | 615-030525-245 | 1.70% | 7/31/13 | 7/31/18 | 97,000.00 | | | 97,000.00 | 98,811.96 | 2,217.13 |
| American Express Bank, FSB | 615-030525-245 | 1.25% | 8/14/14 | 8/14/18 | | 98,000.00 | | 98,000.00 | 98,605.64 | 790.44 |
| Third Federal Cleveland OH | 615-030525-245 | 1.55% | 3/26/15 | 3/26/19 | | 98,000.00 | | 98,000.00 | 98,734.02 | - |

**CITY OF KERMAN
CD/Securities Portfolio
As of April 30, 2015**

| Institution | Account Number | Interest Rate/ Trans. Date | Opening Date | Maturity Date | 6/30/2014 Book Balance | Additions/ (Deletions) | Cashed In | 6/30/2015 Book Balance | Fair Value | FY to Date Interest Paid |
|---|------------------|-------------------------------|-----------------|------------------|------------------------------|---------------------------|-----------|------------------------------|---------------------|--------------------------------|
| Barclays Bank | 615-030525-245 | 1.90% | 4/15/14 | 4/15/19 | 248,000.00 | | | 248,000.00 | 251,467.04 | 4,712.00 |
| BMW Salt Lake City UT | 615-030525-245 | 1.95% | 6/20/14 | 6/20/19 | 200,000.00 | | | 200,000.00 | 202,312.00 | 1,955.34 |
| Cit Salt Lake City UT | 615-030525-245 | 2.15% | 11/13/14 | 11/13/19 | | 100,000.00 | | 100,000.00 | 101,344.00 | - |
| Synchrony Draper UT | 615-030525-245 | 1.95% | 3/13/15 | 3/13/20 | | 150,000.00 | | 150,000.00 | 150,243.00 | - |
| JP Morgan Chase Bank | 615-030525-245 | 2.10% | 3/31/15 | 3/31/20 | | 98,000.00 | | 98,000.00 | 98,504.70 | - |
| | Average Rate | 1.25% | | | | | | | | |
| Subtotal - CD's | | | | | 4,798,000.00 | 296,000.00 | - | 5,094,000.00 | 5,127,550.24 | 53,655.03 |
| Government Securities: | | | | | | | | | | |
| Subtotal - Government Securities | | | | | - | - | - | - | - | - |
| Central Valley Comm Bank CD | | | | | | | | | | |
| | | | | | 200,000.00 | | | 200,000.00 | 200,000.00 | 2,232.11 |
| Total CD and Government Securities Investments | | | | | 4,998,000.00 | 296,000.00 | - | 5,294,000.00 | 5,327,550.24 | 55,887.14 |
| Chandler Asset Management | | | | | | | | | | |
| Beginning Balance | (City of Kerman) | | | | - | | | - | | |
| Interest | | | | | 150,825.51 | | | 150,825.51 | 150,825.51 | - |
| Chandler Ending Balance | | | | | 150,825.51 | - | - | 150,825.51 | 150,825.51 | - |
| Central Valley Money Market Acct | | | | | | | | | | |
| Beginning Balance | 015030960 | | | | 2,901,993.40 | | | 2,901,993.40 | | |
| Interest | | | 7/31/14 | | | 286.72 | | 286.72 | | 286.72 |
| | | | 8/31/14 | | | 282.39 | | 282.39 | | 282.39 |
| | | | 9/30/14 | | | 231.47 | | 231.47 | | 231.47 |
| | | | 10/31/14 | | | 236.58 | | 236.58 | | 236.58 |
| | | | 11/30/14 | | | 215.31 | | 215.31 | | 215.31 |
| | | | 12/31/14 | | | 213.78 | | 213.78 | | 213.78 |
| | | | 1/31/15 | | | 255.68 | | 255.68 | | 255.68 |
| | | | 2/28/15 | | | 270.06 | | 270.06 | | 270.06 |
| | | | 3/31/15 | | | 296.31 | | 296.31 | | 296.31 |
| | | | 4/30/15 | | | 247.49 | | 247.49 | | 247.49 |
| | | | | | | - | | - | | - |
| Transfers In/(Out) | | | 7/10/14 | | | (125,000.00) | | (125,000.00) | | - |
| | | | 8/28/14 | | | (50,000.00) | | (50,000.00) | | - |
| | | | 9/12/14 | | | (500,000.00) | | (500,000.00) | | - |
| | | | 9/19/14 | | | (160,000.00) | | (160,000.00) | | - |
| | | | 10/2/14 | | | 350,000.00 | | 350,000.00 | | - |
| | | | 10/16/14 | | | (165,000.00) | | (165,000.00) | | - |
| | | | 11/19/14 | | | (175,000.00) | | (175,000.00) | | - |
| | | | 12/29/15 | | | 200,000.00 | | 200,000.00 | | - |
| | | | 1/2/15 | | | 400,000.00 | | 400,000.00 | | - |
| | | | 1/7/15 | | | (150,000.00) | | (150,000.00) | | - |
| | | | 1/9/15 | | | (20,000.00) | | (20,000.00) | | - |
| | | | 1/22/15 | | | (175,000.00) | | (175,000.00) | | - |
| | | | 1/29/15 | | | (100,000.00) | | (100,000.00) | | - |
| | | | 1/30/15 | | | 700,000.00 | | 700,000.00 | | - |
| | | | 3/20/15 | | | (100,000.00) | | (100,000.00) | | - |
| | | | 3/25/15 | | | (75,000.00) | | (75,000.00) | | - |
| | | | 3/26/15 | | | 150,000.00 | | 150,000.00 | | - |
| | | | 4/1/15 | | | (60,000.00) | | (60,000.00) | | - |
| | | | 4/6/15 | | | (496,000.00) | | (496,000.00) | | - |

**CITY OF KERMAN
CD/Securities Portfolio
As of April 30, 2015**

| Institution | Account Number | Interest Rate/ Trans. Date | Opening Date | Maturity Date | 6/30/2014 Book Balance | Additions/ (Deletions) | Cashed In | 6/30/2015 Book Balance | Fair Value | FY to Date Interest Paid |
|-------------------------------|----------------|-------------------------------|-----------------|------------------|------------------------------|---------------------------|-----------|------------------------------|---------------------|--------------------------------|
| | | | 4/27/15 | | | 550,000.00 | | 550,000.00 | | |
| | | | | | 2,901,993.40 | 1,535.79 | - | 2,903,529.19 | 2,903,529.19 | 2,535.79 |
| Subtotal All City Investments | | | | | 4,798,000.00 | 296,000.00 | - | 5,094,000.00 | 5,127,550.24 | 53,655.03 |

CITY OF KERMAN
 CD/Securities Portfolio
 As of April 30, 2015

| Institution | Account Number | Interest Rate/ Trans. Date | Opening Date | Maturity Date | 6/30/2014 Book Balance | Additions/ (Deletions) | Cashed In | 6/30/2015 Book Balance | Fair Value | FY to Date Interest Paid |
|--|----------------|-------------------------------|-----------------|------------------|------------------------------|---------------------------|-----------|------------------------------|--------------|--------------------------------|
| SUCCESSOR AGENCY | | | | | | | | | | |
| Total - CD's | | | | | - | - | - | - | - | - |
| CVCB Money Market Accts | 015029549 | | | | | | | | | |
| Beginning Balance | | | | | 131,388.51 | | | 131,388.51 | | |
| Interest | | | 7/31/14 | | | 4.46 | | 4.46 | | 4.46 |
| | | | 8/31/14 | | | 4.46 | | 4.46 | | 4.46 |
| | | | 9/30/14 | | | 4.03 | | 4.03 | | 4.03 |
| | | | | | | | | - | | - |
| | | | | | | | | - | | - |
| | | | | | | | | - | | - |
| | | | | | | | | - | | - |
| | | | | | | | | - | | - |
| | | | | | | | | - | | - |
| Transfers In/(Out) | | | 9/29/14 | | | (131,397.43) | | (131,397.43) | | |
| | | | 10/1/14 | | | (4.03) | | (4.03) | | |
| | | | | | | | | - | | - |
| | | | | | | | | - | | - |
| Subtotal CVCB Money Market | | | | | 131,388.51 | (131,388.51) | - | (0.00) | (0.00) | 12.95 |
| Subtotal SBI Money Market | | | | | - | - | - | - | - | - |
| Ending Balance - Money Market Accts | | | | | 131,388.51 | (131,388.51) | - | (0.00) | (0.00) | 12.95 |
| Subtotal All Successor Agency Investments | | | | | 131,388.51 | (131,388.51) | - | (0.00) | (0.00) | 12.95 |
| Total Investments | | | | | 5,280,214.02 | 164,611.49 | - | 5,444,825.51 | 5,478,375.75 | 55,900.09 |
| | | | | | | | | Market Value Adjustment | 33,550.24 | |
| | | | | | | | | 164,611.49 | | |
| | | | | | | | | 164,611.49 | | |
| | | | | | | | | - | | |

CITY OF KERMAN

Proclamation

Building and Safety Month

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

WHEREAS, the support of the community is vital to the efficient operation o public works systems and programs such as water, sewers, streets, fleet maintenance, building maintenance, wastewater treatment, and solid waste collection; and

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

WHEREAS, the quality and effectiveness of these facilities is vitally dependent upon the efforts and skill of public works officials; and

WHEREAS, the efficiency and effectiveness of the qualified and skilled staff contribute to the quality of life that residents and visitors alike enjoy and rely upon from the City of Kerman,

NOW, THEREFORE, BE IT PROCLAIMED by the Mayor and City Council that we recognize and extend appreciation to our dedicated and skilled staff and hereby proclaim the week of May 17-23, 2015 as "National Public Works Week"

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

Dated: May 20, 2015

Stephen B. Hill
Mayor



City of Kerman

"Where Community Comes First"

MAYOR
Stephen Hill
COUNCIL MEMBER
Rhonda Armstrong

MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Nathan Fox

COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: PUBLIC WORKS
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 20, 2015

To: Mayor and City Council
From: Ken Moore
Subject: Letter of Request from the State Water Resources Control Board for Possible Use of Public Water System as a Source of Potable Water for Water Haulers

RECOMMENDATION

Council consider water system as a possible source of potable water for water haulers.

EXECUTIVE SUMMARY

California is in the fourth year of a severe drought and many domestic private wells are going dry. As a result, many of the affected well owners are installing small tanks to be periodically filled with water from water haulers to meet their basic household needs. Likewise, there are community water systems experiencing diminished source capacity and may be unable to meet their customer's basic health and safety needs through the summer. While there are available certified water haulers, the haulers are having difficulty securing sources of water to fill their tanks. Therefore, the State of California Division of Drinking Water is trying to establish a list of public water systems throughout the state that are willing to sell water to the certified water haulers.

OUTSTANDING ISSUES

The cost of providing water to water haulers would be at the new rate of \$1.00 per 1,000 gallons.

DISCUSSION

Per the State Board's recently adopted emergency water conservation regulation, any water sold from public water systems to water haulers is excluded from the total potable water production values that are required to be reported to the State Board on a monthly basis and will not be counted against your water conservation requirements.

FISCAL IMPACT

None

PUBLIC HEARING

None

ATTACHEMENTS

A. Request Letter

Attachment 'A'



State Water Resources Control Board

May 5, 2015

Community Water Systems/Water Providers

Due to the intensity of the drought in California, several communities are facing limited to no availability of safe drinking water for its residents. For communities that lack reliable drinking water sources, the State is helping to supply potable water by hauling water from external sources.

As the drought continues to intensify, the State Water Resources Control Board applauds a water system's willingness to provide emergency water assistance to nearby communities as an alternative or in conjunction with State provided hauled water. As a reminder, any water that is produced, but not used in a water supplier's service area, is not counted towards Total Water Production and therefore is not subject to the conservation standard adopted by the State Water Board.

Please contact Darrin Polhemus at (916) 341-5458 or Darrin.Polhemus@waterboards.ca.gov if you have any questions or concerns.

Sincerely,


Thomas Howard
Executive Director



MAYOR
Stephen B. Hill
COUNCIL MEMBER
Rhonda Armstrong
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Nathan Fox
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: PUBLIC WORKS
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 20, 2015

To: Mayor and City Council
From: Ken Moore, Public Works Director
Subject: Water Conservation Implementation Plan

RECOMMENDATION

Council receive Water Conservation Plan and provide direction to staff accordingly.

EXECUTIVE SUMMARY

On April 1, 2015, Governor Brown signed an Executive Order mandating water conservation measures to reduce water usage by 25% statewide. The Executive Order directed the State Water Resources Control Board to come up with new restrictions. The State Water Resources Board adopted new restrictions last week that will go into effect June 1, 2015. The City of Kerman was placed in the highest tier with a target reduction of 36%. The City reduced water consumption by 9.2% between 2013 and 2014, far short of the 25% target assigned by the state. Staff has prepared a draft Water Conservation Implementation Plan aimed at meeting the state mandated water reduction target.

OUTSTANDING ISSUES

The City of Kerman will have to implement more aggressive water conservation measures in order to meet the assigned target reduction of 36% by March of 2016. It is unclear what fines the state might impose should the City fall short of meeting its assigned target. The Governor's Executive Order calls for fines of up to \$10,000 per day for not meeting targets.

WATER USAGE

Table 1 shows total water usage for 2014 by sector, and Chart 1 graphically illustrates percentages. The City used 1,054.4 million gallons (mg) in 2014. The residential sector is the largest water user consuming 738.1 mg or 70% of the total water usage. The other category is the second largest water user consuming 187.1 mg or 17.7% of the total followed by schools, city parks and street median. Although street medians represent a small percentage (1.2%) of total water used, the state is prohibiting cities from watering ornamental turf in street medians.

Table 1 – Water Usage (2014)

| | |
|------------------|------------|
| 2014 Water Use = | 1,054.4 MG |
|------------------|------------|

| ESTIMATED WATER USE BY FACILITY/SECTOR, 2014 | | |
|--|----------------|---------------------|
| Facility/Sector | MG | % of Total City Use |
| City Parks/Facilities | 36.9 | 3.5% |
| Medians/Planters | 13.0 | 1.2% |
| Schools | 79.3 | 7.5% |
| Residential | 738.1 | 70.0% |
| Other | 187.1 | 17.7% |
| TOTAL | 1,054.4 | 100.0% |

Note: "Other" includes commercial, industrial, office, institutional, etc.

Chart I – Percentage of Water Used by Sector (2014)

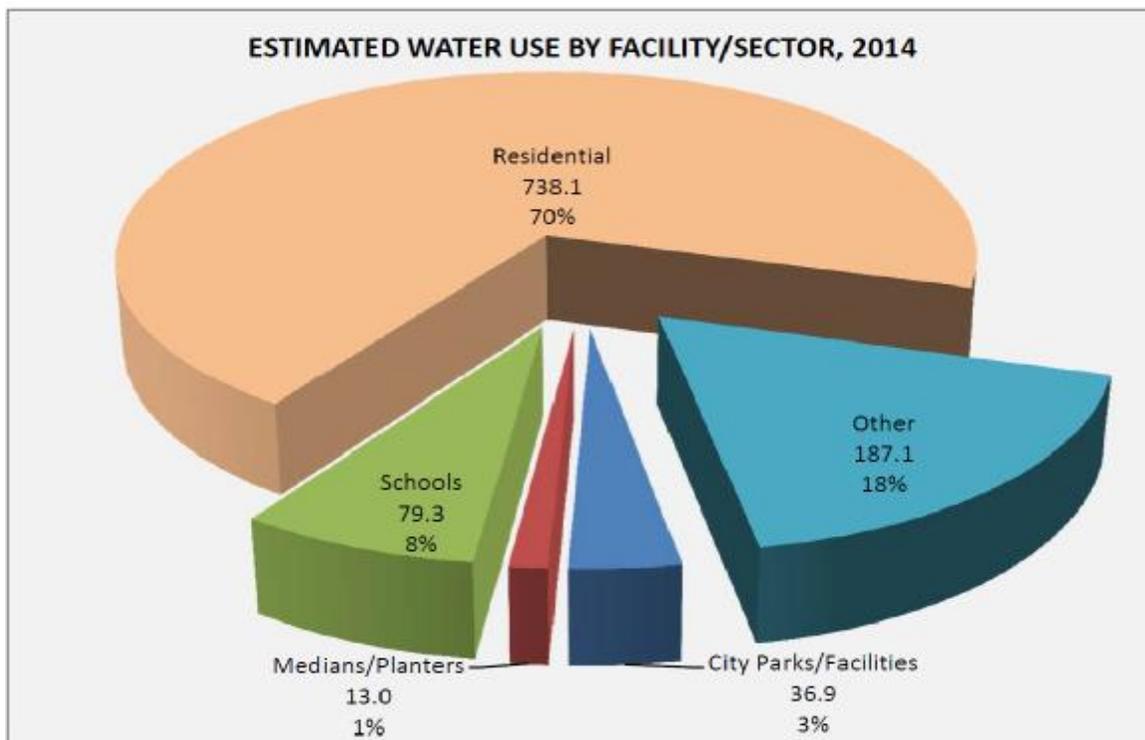


Table 2 – Water Savings (June – February)

| WATER CONSERVATION - 2014/2015 | | | | | | |
|--------------------------------|-----------|-----------|--------------------|--------|-----------------------|--------|
| Month | 2013/2014 | 2014/2015 | Monthly Difference | | Cumulative Difference | |
| | | | MG | % | MG | % |
| JUN | 142.866 | 135.439 | (7.427) | -5.2% | (7.427) | -5.2% |
| JUL | 149.800 | 138.105 | (11.695) | -7.8% | (19.122) | -6.5% |
| AUG | 137.152 | 120.096 | (17.056) | -12.4% | (36.178) | -8.4% |
| SEP | 121.421 | 105.535 | (15.886) | -13.1% | (52.064) | -9.4% |
| OCT | 98.748 | 90.769 | (7.979) | -8.1% | (60.043) | -9.2% |
| NOV | 73.823 | 57.293 | (16.530) | -22.4% | (76.573) | -10.6% |
| DEC | 50.759 | 42.216 | (8.543) | -16.8% | (85.116) | -11.0% |
| JAN | 57.426 | 39.930 | (17.496) | -30.5% | (102.612) | -12.3% |
| FEB | 48.969 | 41.793 | (7.176) | -14.7% | (109.788) | -12.5% |
| TOTAL | 880.964 | 771.176 | | | | |

Chart 2 – Water Savings (June-February)

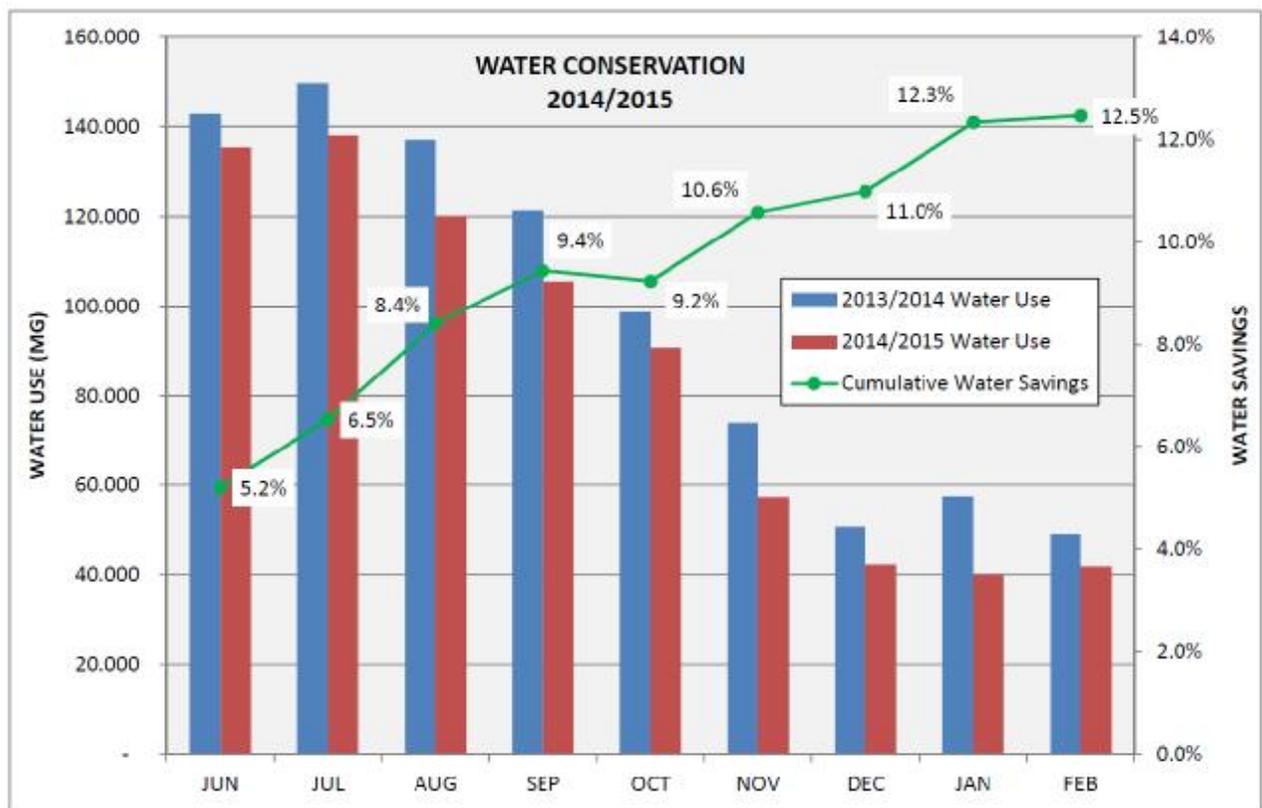


Table 3 - Water Conservation Targets

| WATER CONSERVATION TARGETS | | | | | | |
|----------------------------|---------------------|-------------------------|-----------------------|-------------------------|-----------------------------|------------------------------------|
| | % of Total City Use | Mandated Conservation % | Required Savings (MG) | Less 14/15 Savings (MG) | Required 15/16 Savings (MG) | Required % Reduction vs. 14/15 Use |
| City Parks/Facilities | 3.5% | 36% | 11.1 | (3.8) | 7.3 | 26.9% |
| Medians/Planters | 1.2% | 36% | 3.9 | (1.4) | 2.6 | 26.9% |
| Schools | 7.5% | 36% | 23.9 | (8.3) | 15.6 | 26.9% |
| Residential | 70.0% | 36% | 222.0 | (76.9) | 145.2 | 26.9% |
| Other | 17.7% | 36% | 56.3 | (19.5) | 36.8 | 26.9% |
| TOTAL | 100.0% | | 317.2 | (109.8) | 207.4 | |

Chart 3 – Water Conservation Targets

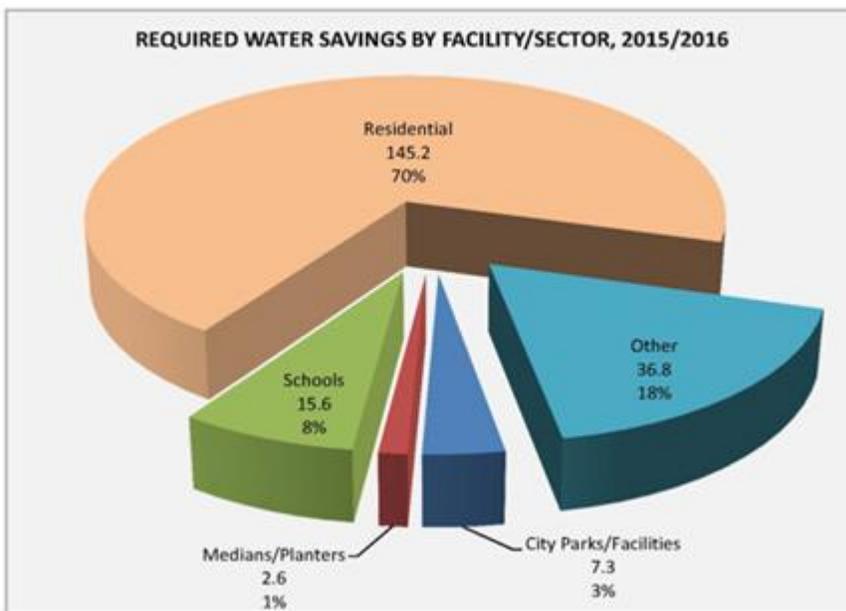
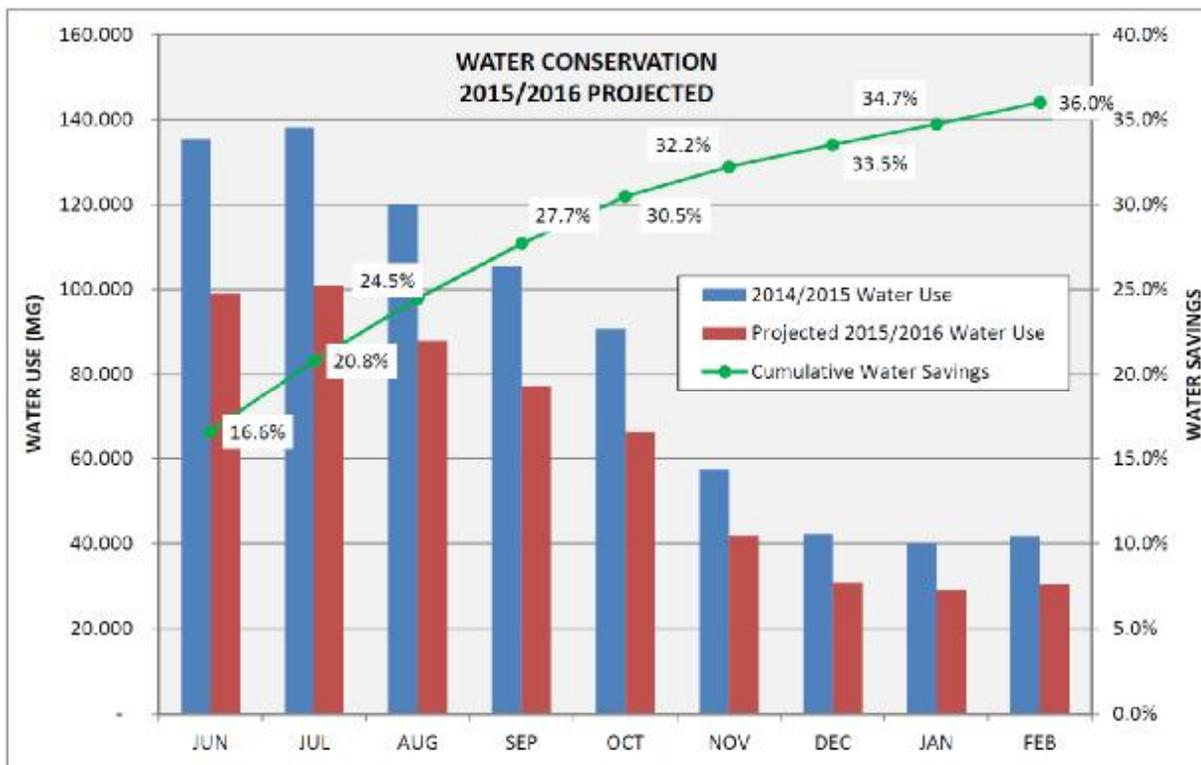


Table 4 - Water Conservation Projections to Meet Emergency Mandates

| WATER CONSERVATION - 2015/2016 PROJECTED | | | | | | |
|--|-----------|-----------|--------------------|--------|-----------------------|--------|
| Month | 2014/2015 | 2015/2016 | Monthly Difference | | Cumulative Difference | |
| | | | MG | % | MG | % |
| JUN | 135.439 | 99.006 | (36.433) | -26.9% | (109.788) | -12.5% |
| JUL | 138.105 | 100.955 | (37.150) | -26.9% | (146.221) | -16.6% |
| AUG | 120.096 | 87.790 | (32.306) | -26.9% | (183.371) | -20.8% |
| SEP | 105.535 | 77.146 | (28.389) | -26.9% | (244.066) | -24.5% |
| OCT | 90.769 | 66.352 | (24.417) | -26.9% | (268.483) | -27.7% |
| NOV | 57.293 | 41.881 | (15.412) | -26.9% | (283.895) | -30.5% |
| DEC | 42.216 | 30.860 | (11.356) | -26.9% | (295.251) | -32.2% |
| JAN | 39.930 | 29.189 | (10.741) | -26.9% | (305.992) | -33.5% |
| FEB | 41.793 | 30.551 | (11.242) | -26.9% | (317.234) | -34.7% |
| TOTAL | 771.176 | 563.730 | | | | |

Chart 4 – Water Conservation Projections to Meet Emergency Mandates



DISCUSSION

The State's mandatory water conservation measures that become effective as of June 1, 2015, include:

- Mandatory 25% reduction in water usage statewide
- Mandatory 36% target reduction in water usage for the City of Kerman
- Prohibition of using potable water for irrigation of ornamental grass in street medians;
- Prohibition of using potable water for irrigation outside of new home construction without drip or micro-spray systems
- Prohibiting using potable water for outdoor irrigation during the 48 hours following a measureable rain event
- Restaurants and other food service establishments can only serve water to customers on request
- Hotels and motels must provide guests with the option of not having towels and linens laundered daily.
- Notify customers about leaks that are within the customer's control
- Report on compliance and enforcement to the State Water Board.

The Public Works Department has established some short, mid and long-term strategies to implement the mandatory water reductions set forth by the state. When the State looked into the individual communities' water usage on a per capita basis, Kerman was listed in the top tier in usage with an R-GPCD (Residential Gallons Per Capita per Day) of 217.9 gallons. Because of this Kerman's mandated target reduction in water usage compared to 2013 is 36%. We have reduced usage to this point by 9.2%.

To be successful in meeting this mandate, the City will need the cooperation of everyone in Kerman to increase the water savings another 26.8% from the 2013 water usage. In doing so, our goal is to preserve the mature trees, shrubs and bushes throughout the City while using as little water as possible to do so. In the future, there are things we can do to make this happen:

It is important to note that most of the City's street medians consist of ornamental turf and trees. The City will need to strategically stop watering the turf while preserving the existing trees. As shown in Attachment 'A', a majority of the street medians have separate stations with bubblers for the trees but there are a few median that only have pop up sprinklers. These will require staff to strategically cap some of the sprinklers that irrigate the turf while leaving others open to water the trees and shrubs. This will result in some of the turf receiving water without having to reconfigure the irrigation systems to add bubblers.

Water Conservation Implementation Plan

Staff has prepared some short, mid and long-term strategies for reducing water usage today and in the future. Some of the strategies can be implemented rather easily while others may require time and significant resources to implement.

Short Term:

- Strategically cap pop-up spray irrigation that irrigate turf and leave others open to water trees and shrubs
- Stop watering turf in all street medians and use bubblers to water trees.
- Begin to systematically remove turf with sod cutter in all street medians and evaluate cost to replace with drip irrigation and drought tolerant plants or synthetic turf or let turf go brown
- Greater enforcement of the current two day per week outdoor watering schedule including fines for repeat violators

-
- Consider one day per week watering schedule
 - Greater enforcement of repairs to leaks detected including fines for not repairing leaks within a time set or by retaining a handyman to make the repairs
 - Require local builders to install drip and micro sprayers to water lawns and planter areas
 - Complete the installation of approximately 700 new water meters on residential services. Using data from our initial meter installation projects it is estimated that water savings could be 6,094,800 gallons per year through leak detection and repair.
 - Explore the development of a turf replacement and drip irrigation rebate program to incentivize greater water conservation
 - Lower operational pressure in the water system. This would have to be cleared through the fire department
 - Aggressively market the FigTree/PACE and HERO program to fund water conservation improvements
 - Conduct water efficiency audits and make repairs to any leaks within the system
 - Establish a link on the City website for resident to report water wasting
 - Establish an anonymous water wasting hot line with voice mail

Mid-Term

- Borrow funds to complete water meter installation on remaining 700 services in the City
- Amend the Zoning Ordinance to reduce the percentage of turf in new residential projects and encourage synthetic turf or xeriscape landscaping
- Amend building code to require more water conservation measures in new construction projects
- Develop an outreach program to educate the citizens of Kerman on the use of drought tolerant plants and trees
- Convert all street medians to drought tolerant planting material and install drip irrigation systems with mulch to reduce evaporation during hot weather. We have submitted an application with the California Conservation Corp for assistance with this project and the estimated water savings would be 8 million gallons when complete

Long-Term

- Finalize agreement with FID to purchase surface water for purple pipe landscape irrigation system
- Upgrade the wastewater treatment plant to a tertiary treatment facility so that reclaimed water can be used to irrigate parks, medians and public landscaped areas

Fiscal Impact

The City is required to reduce water usage by an additional 26.8% over 2013. This will be a difficult task to achieve given the short time frame. The unintended consequence of greater water conservation is the reduction of revenues to fund operations of the water division. Although pumping less water will save some money on power and chlorine, the overall impact would be a reduction in revenues and the need to raise rates.

Staff estimates that if the annual water usage is reduced by 311 million gallons (and every water service was metered), the potential loss of revenue would be approximately \$248,000 at the current cost of \$0.80 per thousand gallons. The pumping cost and chlorine expense would be reduced by about 30% or approximately \$88,350 for a potential net loss of \$159,650. The potential loss of this revenue may result in a reduction in operating costs and/or rate increase. The operation of the water system has some fixed costs no matter how much water is pumped (i.e., testing, state fees, debt service, etc.).

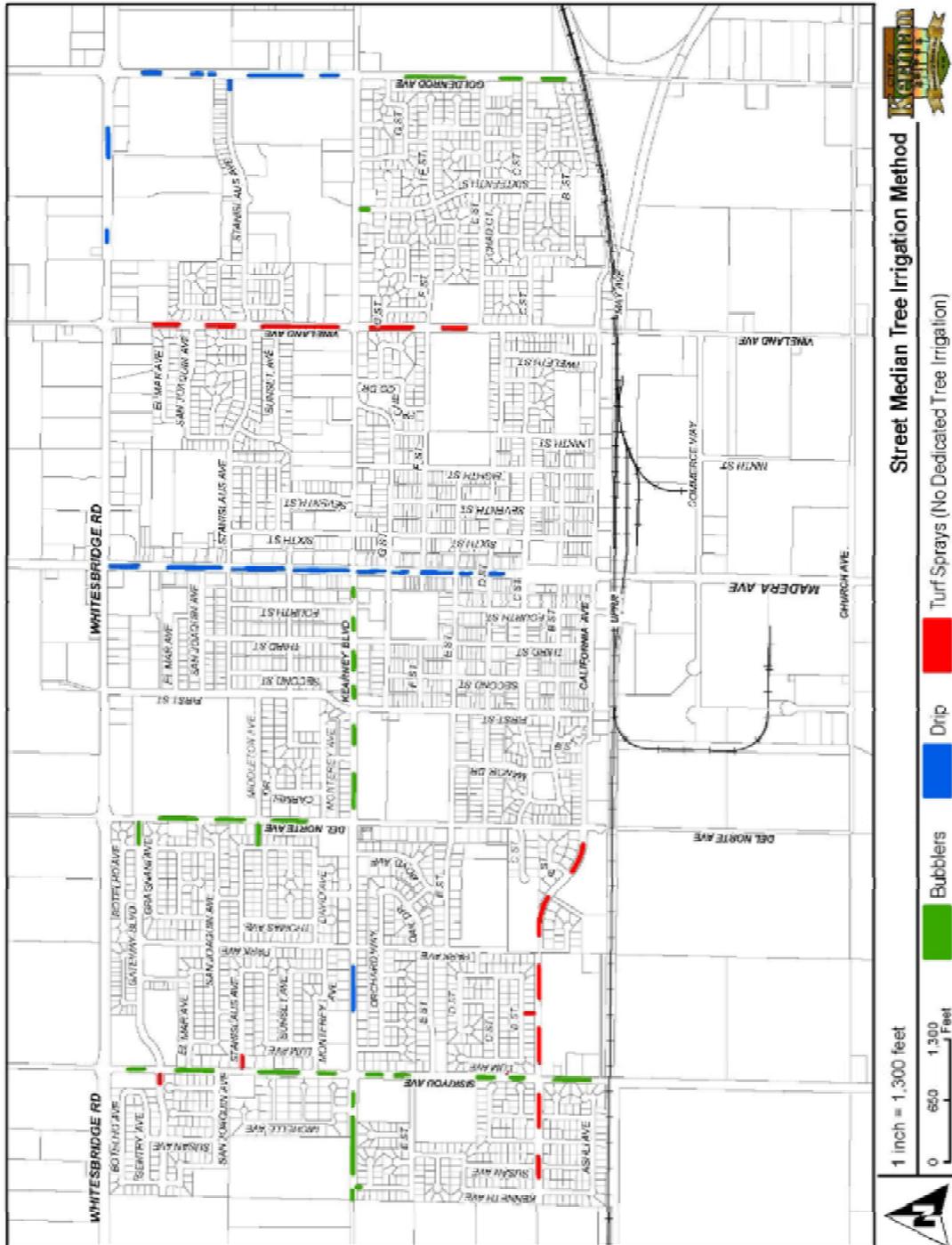
PUBLIC HEARING

None.

Attachments:

- A. Map of the Street Medians and Irrigation Systems

Attachment 'A'
 Street Median and Irrigation Systems





County of Fresno

BOARD OF SUPERVISORS
SUPERVISOR HENRY PEREA - DISTRICT THREE

May 11, 2015

Mayor Stephen B. Hill
Kerman City Hall
850 S. Madera Avenue
Kerman, CA 93630

RE: Support of Central Valley Drought Resolution

Dear Mayor Hill:

As a result of a statewide drought, the Fresno County Board of Supervisors has passed a strongly worded resolution proclaiming Fresno County to be in a local emergency.

The resolution –sent to Governor Jerry Brown – requests the immediate passing of legislation that would bring drought relief to the individuals, growers, businesses, public agencies and private agencies that have been harmed by this disaster.

To present a stronger call to action, I am requesting that you and your city council adopt a similar resolution stating the needs of your residents, and forward your requests to the Governor.

Enclosed you will find a copy of Fresno County's approved local emergency resolution that was sent to the governor's office.

It is crucial that we make this a top priority, as the public health and safety of Fresno County residents remain in jeopardy.

Sincerely,

Henry Perea, District 3
Fresno County Board of Supervisors

Enclosure

RESOLUTION NO. 15-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN URGING THE GOVERNOR'S
CONTINUATION OF A LOCAL EMERGENCY FOR 2015 DROUGHT

WHEREAS, on January 17, 2014, the Governor proclaimed a statewide emergency due to unprecedented drought conditions in the State of California; and

WHEREAS, on January 28, 2014 the Fresno County Board of Supervisors adopted a resolution in support of the Governor's proclamation; and

WHEREAS, on the 24th day of March, 2015, the Board of Supervisors of the County of Fresno, proclaimed the existence of a local emergency and requested the Governor of California make available any and all State assistance programs and seek additional Federal assistance programs to provide relief to the individuals, growers, businesses, public agencies and private agencies that were harmed by this disaster; as a result of local resources being inadequate to cope with the effects of said emergency; and the combined forces of the other political subdivisions of the State were required to assist the County to combat the effects of said emergency; and

WHEREAS, on the 19th day of September, 2014, the Governor issued Executive Order (EO) B-26-14 authorizing the Governor's Office of Emergency Services (Cal OES) to provide California Disaster Assistance Act funding, as deemed appropriate, for local government assistance to provide emergency water supplies to households without water for drinking and sanitation purposes; and

WHEREAS, on the 27TH day of March, 2015, the Governor signed emergency legislation - AB 91 and AB 92 -that fast-tracks more than \$1 billion in funding for drought relief and critical water infrastructure projects; and

WHEREAS, the City of Kerman appreciates the Governor's efforts to deal with this statewide emergency and crisis; and

WHEREAS, said emergency has continued and escalated with a cumulated impact on this City; and

WHEREAS, local and statewide resources continue to be inadequate to cope with the effects of said emergency; and

WHEREAS, of California's total developed water supply of 82.5 million acre-feet, 47.8% is being made available to environmental purposes, 41.5% is designated for agricultural uses and 10.8% is allocated to urban uses; and

WHEREAS, all beneficial uses and users within California have been curtailed - in part or in whole - by the State Water Board or local and regional allocation and entitlement decisions in response to the drought; and

WHEREAS, On average, agricultural water supplies between Redding and Bakersfield have been reduced by 70%, with 31% of California's irrigated farmland, or 2,831,000 acres, receiving zero water supply allocations; and 52.8% of the state's irrigated farmland receiving 20% or less of normal surface water supplies; and

WHEREAS, many members of the public believe water made available by the State of California for environmental purposes has remained unregulated and, in many cases, has resulted in urban and agricultural users losing potential water supplies to keep environmental uses "whole"; and

WHEREAS, 2015 is the second consecutive year in which some Central Valley Project contractors within Fresno County have endured zero water supply allocations, which agricultural contractors and users are being most negatively affected; and

WHEREAS, that these circumstances compel the City of Kerman to request the Governor to pursue all feasible actions to reduce the state's water consumption by imposing curtailments of water supplies currently dedicated to the environment and fishery habitat that are comparable to those now being mandated and burdening urban and agricultural contractors and users; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN RESOLVES AS FOLLOWS:

1. That the Governor be requested to direct the State Water Board to take all feasible actions in making changes in Delta water operations to provide additional water supplies for urban and agricultural users; and
2. That the Governor be requested to meet and confer with the U.S. Department of the Interior to exercise the greatest possible flexibility in biological opinions regulating operations affecting endangered species under the federal Endangered Species Act; and
3. That the Governor be requested to be supportive of Congressional legislative efforts being undertaken by Senator Feinstein to enact federal drought legislation or other legislation that would benefit water supply availability in Fresno County and the San Joaquin Valley; and
4. That the Governor be requested to notify the City of Kerman of any and all actions, orders, negotiations and discussions undertaken on behalf of advancing the points enumerated above; and
5. That the Governor be requested to continue to make available any and all State assistance programs and seek additional Federal assistance programs to provide relief to the individuals, growers, businesses, public agencies, and private agencies that were harmed by this disaster; and
6. A copy of this resolution be forwarded to the Governor of California, the State Water Resources Control Board and the Director of the State Office of Emergency Services.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 20th day of May 2015 and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The forgoing resolution is hereby approved.

Stephen B. Hill
Mayor

Attest:

Marci Reyes
City Clerk



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
COUNCIL MEMBER
Rhonda Armstrong
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Nathan Fox
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: FINANCE
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 20, 2015

To: Mayor and City Council
From: Toni Jones, Finance Director
Subject: Resolution Approving Agreement for Auditing Services for Fiscal Years 2014/15 Through 2018/2019

RECOMMENDATION

Council review summary of proposals and by motion adopt resolution for auditing services and authorize the City Manager to sign the Engagement Letter.

EXECUTIVE SUMMARY

Annually the City of Kerman is required to have an audit from an independent auditor to review the City's internal processes and controls and certify all of the financial records for the City are accurately recorded. The audit is required for the State Controllers Officer, the Fresno County Auditor Controller along with other outside agencies, and for confirmation that Federal and State Grants requirements are being adhered to. Additionally the independent audit is used by firms such as Standards and Poors to rate the City's overall credit rating.

A long-term working relationship between the City and the independent auditing firm is important because of the familiarity the auditor has with the City's records, long-term debt, and overall structure and policies which helps expedite the audit. Internally, the goal of the Finance Department is to have the audit to Council by the second meeting in November.

The City of Kerman sent out an RFP to four auditing firms used by other cities similar in size. The RFP was sent to:

- Bryant Jolley, CPA
- Sampson, Sampson & Patterson
- Price Paige & Company
- Borchardt, Corona & Faeth

Of the four proposals sent, three (3) firms responded; Borchardt, Corona & Faeth declined to quote due to their current client commitments. A committee of four individuals opened and reviewed the proposals; Councilwoman Armstrong, City Clerk Marci Reyes, Asst. Finance Director, City of Huron, Carolina Camacho and Finance Director Toni Jones.

OUTSTANDING ISSUES

None

DISCUSSION

The City of Kerman entered into a five (5) year contract with Bryant Jolley beginning in Fiscal Year 2007/08 followed by two (2) one year agreements for Fiscal years 2012/13 and 2013/14. Prior to FY 2007/08, the City's independent auditor was Sampson & Sampson for at least ten (10) years. The audit services provided by Bryant Jolley's firm are very thorough; annually reviewing Council minutes and ensuring that staff is following policies adopted by Council, testing internal controls based on established City policies and best business practice, reviewing the City's annual budget to ensure compliance, and reviewing revenue and expense receipts to confirm all transactions are recorded properly. The cost for the fiscal year 2013/14 audit paid to Bryant Jolley was \$30,100.

All three firms that responded are competent firms with considerable experience auditing cities. The following is a breakdown of the fees from each of the three firms.

Price, Paige & Company

| Description | FY 2014/15 | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | 5 Yr Total |
|---------------|------------|------------|------------|------------|------------|------------|
| City Audit | 21,600 | 21,600 | 22,248 | 22,248 | 22,915 | 110,611 |
| Succ. Agency | 1,920 | 1,920 | 1,978 | 1,978 | 2,037 | 9,833 |
| Single Audit | 3,600 | 3,600 | 3,708 | 3,708 | 3,819 | 18,435 |
| State Reports | 3,840 | 3,840 | 3,955 | 3,955 | 4,074 | 19,664 |
| Total | \$30,960 | \$30,960 | \$31,889 | \$31,889 | \$32,845 | \$158,543 |

Based on a telephone conversation with Price Paige during the bid opening, once the Successor Agency to the Redevelopment Agency dissolves (FY 16/17) the fee for the Successor Agency will not be charged. Additionally according to the managing partner, he indicated the threshold for single audits will be raised in FY 16/17 and if the City does not reach the \$750,000 Federal minimum award cap, a single audit will not be required and therefore not charged.

Beginning in FY 14/15 a new report based on GASB 68 guidelines must be included in the audit. The Finance Director contacted Price Paige and inquired if that fee was included in their standard audit fee and he said it was not. The additional cost for the report is \$1,750 but the City will only be charged the first year. Below is the adjusted table based on additional information received:

| Description | FY 2014/15 | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | 5 Yr Total |
|---------------|------------|------------|------------|------------|------------|------------|
| Succ Agency | Same | Same | -1,978 | -1,978 | -2,037 | -5,993 |
| Single Audit | Same | Same | -3,708 | -3,708 | -3,819 | -11,235 |
| GASB 68 | \$1,750 | N/C | N/C | N/C | N/C | 1,750 |
| Revised Total | \$32,710 | \$30,960 | \$26,203 | \$26,203 | \$26,989 | \$143,065 |

Sampson, Sampson & Patterson

| Description | FY 2014/15 | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | 5 Yr Total |
|---------------|------------|------------|------------|------------|------------|------------|
| City Audit | 32,500 | 32,500 | 33,400 | 34,400 | 35,600 | 168,400 |
| Succ. Agency | 3,000 | 3,000 | 3,100 | 3,150 | 3,200 | 15,450 |
| Single Audit | 4,000 | 4,000 | 4,000 | 4,200 | 4,200 | 20,400 |
| State Reports | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 25,000 |
| Total | \$44,500 | \$44,500 | \$45,500 | \$46,750 | \$48,000 | \$229,250 |

Bryant Jolley

| Description | FY 2014/15 | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | 5 Yr Total |
|---------------|------------|------------|------------|------------|------------|------------|
| City Audit | 28,500 | 29,000 | 29,500 | 30,000 | 31,500 | 148,500 |
| Succ. Agency | Included | Included | Included | Included | Included | Included |
| Single Audit | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 17,500 |
| State Reports | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 7,500 |
| Total | \$33,500 | \$34,000 | \$34,500 | \$35,000 | \$36,500 | \$173,500 |

Based on a telephone conversation with Ryan Jolley, Engagement Manager, during the bid opening, Bryant Jolley's firm does not charge the City for a single audit if one is required in a certain year; the cost is absorbed into their regular audit fees. Ryan Jolley indicated he should have reduced the regular fees by the amount of the single audit in order to list the cost for the single audit as required in the RFP. Below is the adjusted table based on the information provided by Ryan Jolley.

| Description | FY 2014/15 | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | 5 Yr Total |
|---------------|------------|------------|------------|------------|------------|------------|
| Single Audit | -3,500 | -3,500 | -3,500 | -3,500 | -3,500 | -17,500 |
| Revised Total | \$30,000 | \$30,500 | \$31,000 | \$31,500 | \$33,000 | \$156,000 |

In the past, Bryant Jolley's firm absorbs any additional reporting costs as part of their normal auditing fees and do not charge the City. For instance, GASB 68 is a new requirement for FY 2014/15 and I confirmed with Bryant Jolley's firm they will not charge the City extra to comply with this new regulation. From time to time the Governmental Accounting Standards Board (GASB) implements new reporting requirements on the City and our auditors. Bryant Jolley's firm has historically absorbed these costs and adhere to the "not to exceed" cost for performing the audit, even when GASB requires additional reporting. This practice helps the City stay within the budgeted amount for the audit

The City finance staff appreciates the auditing style approach used by Bryant Jolley's firm; the majority of the testing is done electronically in advance of the field work followed by several accountants in house at one time to complete the field work. This approach is simpler for the Finance staff to manage because they typically only have to set aside one week to complete the majority of the field work.

The Finance staff contacted another like sized City that is currently using Price Paige & Company. Although they said their audits were done very thoroughly, the field work at the City was spread out over several weeks. If the City contracts with Price Paige and Company this could affect the Finance Departments goal of having the audit to Council by the second meeting in November following the close of the fiscal year on June 30th.

Although there is a slight cost difference annually, there is a value in additional staff time that will be required if there is a change in auditing firms.

FISCAL IMPACT

The cost for a five (5) year contract will range from \$143,065 to \$156,000 paid annually. The difference in the cost comparing Bryant Jolley to Price Paige is \$12,935 over five years or \$2,587 more per year.

PUBLIC HEARING

None

Attachments:

- A. Bryant Jolley, CPA Proposal
- B. Price, Paige & Company
- C. Resolution w/Exhibit

Attachment 'A'

Bryant Jolley Proposal

PROPOSAL TO PROVIDE
PROFESSIONAL AUDITING SERVICES

April 9, 2015

Toni Jones, Finance Director
City of Kerman
850 S. Madera Avenue
Kerman, CA 93630

We are pleased to provide this response to the City of Kerman's, request for proposal for an independent accounting firm to provide audit and related financial services for the fiscal years ending June 30, 2015, 2016, 2017, 2018 and 2019.

We understand the scope of work will include Audited Financial Statements for the City of Kerman, a Single Audit if applicable, Controller Reports and a Management Report. We also understand the audit and reports are to be conducted in accordance with generally accepted government auditing standards as set forth by the General Accounting Office's (GAO) Government Auditing Standards and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations. Finally, we understand the objective of the services to be performed and commit to performing those services within the time period specified by the City of Kerman.

We have specialized in the auditing of cities and special districts over the past 30 years and have performed over 400 district and city audits. Our firm consists of five professional staff who have over seventy years combined governmental auditing experience making us premier auditors of local governments. We have provided quality audits and assistance to City staff over the years we have been engaged as the City auditor.

We seek to conduct the City audit because we feel our experience and expertise with government audits makes us a perfect fit for the engagement. We can provide value to the City through the quality of our work, the timeliness of our performance, our knowledge of governments, team consistency, and, most important, a strong relationship among the people on our team and with City staff.

In the following proposal, you will see that our firm is capable of consistently delivering high levels of value to the City. You will work with an auditor that is stable and responsive. You will receive accurate, reliable, and timely service that is fairly priced. In addition, you will have continual access to senior-level team members who are knowledgeable, qualified, and consistent.

Bryant L. Jolley, CPA will serve as the principle contact authorized to make representations on behalf of this bid. This proposal is firm and irrevocable offer for 30 days. He can be reached by phone at 559-659-3045 or by mail at 901 "N" Street, Suite 104, Kerman, CA 93622.

We are eager to continue performing the City's audit and demonstrating our commitment to providing a cost-effective, high-quality audit of the City. We look forward to your response and meeting with you to further discuss a possible relationship. Thank you for your consideration.

Bryant L. Jolley, CPA

TECHNICAL PROPOSAL

Our firm is independent of the City of Kerman as defined by the U.S. General Accounting Office's Government Auditing Standards. Our firm is licensed to operate as a certified public accounting firm by the State of California. All professional staff is properly licensed to practice in California. We are an Equal Opportunity Employer. Our firm maintains professional liability, workers' compensation, and automobile insurance.

Our firm consists of three CPA's who have over seventy years combined governmental auditing experience making us premier auditors of local governments. Because of the size of our firm and the experience of the individuals, all three members of our firm will be involved in this engagement.

Our firm is in compliance with all GAO standards for continuing education and we recently completed a peer-review of our work, which included government engagements, by an independent CPA firm.

The people who serve you today will be the people who serve you tomorrow. Our firm's turnover rate is 0%, which ensures continuity on your engagement. Our firm only consists of senior level members who have significant years of governmental experience. Your engagement team will not contain staff accountants nor will you have to train new audit team members in succeeding years. We highly emphasize senior level involvement because these are the team members who know the most about you and your operations. Their involvement assures quick resolution of issues, better job management, closer supervision, and expeditious review of work papers. These are the people who will remain consistently committed to your engagement.

The following information outlines the qualifications and experience of the individuals who would be assigned to the engagement.

QUALIFICATIONS OF YOUR AUDIT TEAM

BRYANT JOLLEY, CPA #23890E

AUDIT ROLE: CLIENT SERVICE PARTNER/ENGAGEMENT REVIEWER

Bryant Jolley will be the in-charge person for the City audit. He has been a licensed CPA since 1976 and has operated his own firm since 1980. He graduated from Brigham Young University in 1974 and did graduate accounting studies at the University of Southern California. His initial training as an auditor was with Deloitte Touche, an international CPA firm. The first governmental audit he performed was in 1979 and he has been extensively engaged in governmental accounting since that date. He is the in charge person on an average of thirty city or special district audits each year. This experience allows him to have a unique understanding of the accounting and fiscal problems facing governmental units and provide concrete recommendations to improve overall efficiencies. He has received over 80 hours of government-specific continuing professional education over the last two years and is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

DARRYL SMITH, CPA #90152

AUDIT ROLE: ENGAGEMENT MANAGER

Darryl Smith is a licensed certified public accountant who joined the firm in 1982. Since that time, he has worked closely with Bryant Jolley on all audit engagements including approximately 150 governmental audits. Additionally, he has helped many cities and districts with temporary accounting projects or other operational emergencies. This has provided him with extensive working knowledge of the commonly used governmental accounting software programs and allows him to be available for normal accounting questions or assistance throughout the year. He is a member of the American Institute of Certified Public Accountants.

RYAN JOLLEY, CPA #93675

AUDIT ROLE: ENGAGEMENT MANAGER

Ryan Jolley is a licensed certified public accountant who joined our firm in 2004. He graduated with an undergraduate degree in accounting in 2002 and entered the Master's program in accounting at San Diego State University the same year. During this period, he started work as a staff auditor with Moss Adams LLP, a large national CPA firm. He interned with our firm for several summers during college and worked on numerous governmental audits. He was the primary senior non-profit/governmental auditor for the Moss Adams San Diego office. Since then he has worked extensively with several cities helping them with the GASB 34 conversion process. He has over 12 years of experience with auditing municipalities, colleges, and commercial entities as well as conducting Single Audits under OMB Circular A-133 standards.

OUR EXPERIENCE AUDITING GOVERNMENT ENTITIES

City of Angels

Principal Contacts: Julie McManus, Finance Director (209-736-2181)

Engagement Dates: June 30, 2006 - 2014

Approximate Staff Hours Expended: 200 hours/year

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

City of San Juan Bautista

Principal Contacts: Roger Grimsley, City Manager (831-623-4661)

Engagement Dates: June 30, 2008 to 2014

Approximate Staff Hours Expended: 160 hours/year

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

City of Orange Cove

Principal Contacts: Lan Bui, Finance Director (559-626-4488)

Engagement Dates: June 30, 2004 to 2014

Approximate Staff Hours Expended: 250 hours/year

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

City of Coalinga

Principal Contacts: Mari Jimenez, Finance Director (559-935-1531)

Engagement Dates: June 30, 2004 to 2014

Approximate Staff Hours Expended: 300 hours/year

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

City of Livingston

Principal Contacts: Odi Ortiz, Finance Director (209-394-8041)

Engagement Dates: June 30, 2006 to 2014

Approximate Staff Hours to be Expended: 300 hours/year

Scope of Work: Audited Financial Statements, Annual Financial Transaction Report

Note: Eight additional Cities we audit separate from the above available upon request.

HOW WE APPROACH YOUR AUDIT

Our effective and efficient government audit approach combines knowledge of governmental accounting and auditing with an understanding of the associated risks. We are value-driven and seek to maximize the return on your investment in the audit process through in-depth analysis of your financial statements and your internal controls. Throughout the engagement, our team will collaborate with your staff whenever possible to minimize costs and improve efficiencies. Of course, we will need assistance with preparing schedules, finding documents, explaining processes, and providing sample documentation, budget related materials, organizational charts, and manuals.

Audit Standards

The auditor's opinion will be directed toward the fairness of presentation of the financial statements in accordance with Generally Accepted Auditing Standards (GAAS). We will prepare the Annual Financial Report in conformity with Government Code Section 26909, Generally Accepted Accounting Principles (GAAP), and Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States General Accounting Office.

Pre-Audit

We are very familiar with the audit issues facing government entities. We have adjusted our audit services to incorporate these specialized areas and approach the audit from the following aspects:

- Where are the City's greatest exposures?
- How does the City safeguard against risks?
- How does the City internally evaluate its organization?
- What are the controls used by the City to measure accountability?

Our approach to the City's audit is truly a design that will be as unique as the City itself and is based on the areas we find to be the most vulnerable. Our focus includes evaluating internal controls that ensure adherence to applicable federal and state laws and regulations. We place a substantial amount of our time reviewing and assessing such high-risk areas during our evaluation. This risk-based approach focuses our efforts on what is important to you and your stakeholders and enables us to present you with meaningful suggestions.

We monitor our performance using a variety of qualitative and quantitative measures. First and foremost, we honor our agreement with you, completing the engagement on-time and on-budget. When you talk to our references, you will find that this sets us apart from most regional and national CPA firms. Typically, in a first year audit engagement, we invest additional time in your audit, which is not billed to you as cost over-runs. Rather, we view it as an investment in our long-term professional relationship.

We measure our audit performance in the response we receive from the City and its staff. In addition, we report directly to management and the Board in face-to-face meetings, providing meaningful information and answering questions directly.

Segmentation of the Audit

Our audit involves a logical sequence of five steps that ensures compliance with the applicable professional standards and the expeditious completion of the audit. We will tailor our audit to the needs and complexity of the City.

1. Planning – First, we learn everything we can about the City and its related organizations - from organizational structure to policies and procedures. We read meeting minutes, review budgets, assess manuals and programs, hold discussions with key management staff, and evaluate management information systems. Based on what we learn, we develop our expectations regarding current year results, and then

compare our expectations to actual results. This helps us develop risk assessments for each audit segment to determine what level of control testing and/or substantive testing is necessary to address the assessed risk. We then design our audit program accordingly.

2. Control Testing – Depending on our risk assessments, we determine specific audit cycles to test for internal controls and we evaluate the results. Based on the results against our expectations, we then determine if any modification is necessary to our planned substantive audit procedures on ending account balances and transactions. Based on the information we have obtained to date, we plan to test controls to obtain moderate to substantial reliance over cash and investments, revenues and related receivables, expenses and related payables, capital outlay, and long-term debt. This is subject to change once we gather more information as part of our audit planning procedures.
3. Substantive Testing – Our overall objective is to achieve a low level of risk of error in ending account balances. After we have performed our preliminary analytical and internal control tests and evaluated the results, we determine the nature, timing, and extent of detailed audit procedures on ending account balances and transactions necessary to achieve a low level of risk that errors could be present without detection.
4. Compliance Testing – The State requires testing organizational compliance with certain laws and regulations. In addition, we will test your compliance with federal laws. We have specially-designed audit programs that ensure we adequately address both areas.
5. Report Writing and Review – After all the fieldwork is complete, we draft our opinions and other reports. As part of our firm's quality control process, Bryant Jolley is required to review our audit files and report to improve the quality of our audits and to ensure optimum quality. We have a requirement that only personnel involved in our governmental service team can be involved in the review of our work. This ensures that our clients are served with professionals trained in governmental auditing and accounting standards.
6. Statistical Sampling - Sampling to be used during our audit will include random sampling methods for tests of controls and for substantive tests of details. Sampling will be used throughout the engagement to test most financial statement balances.

We will select the most appropriate sampling technique for a given compliance test, tailored to the type and nature of the test.

7. Analytical Procedures - Analytical procedures are generally performed throughout the audit engagement, and result in substantial discussion with management. Initially, at the planning phase of the audit, comparisons are made between current and prior year results, actual and budgetary information, and to industry benchmarks. We use common size financial statements and trend and ratio analyses to aid us in developing our audit plan and programs. Non-financial data and external information are incorporated in our procedures to enhance their validity, and information is disaggregated as much as possible to improve precision.

During our substantive testing of balances, we typically analyze the detail of changes to certain accounts. For example, this approach is often used with sampling in our testing of capital asset, long-term debt and investment accounts.

At the conclusion of the audit, we again employ analytical procedures similar to those used at the planning phase. The audit team takes a holistic view of the financial statements in light of the results of all other auditing procedures performed. We discuss our observations with management and provide information to

the Board as part of our audit result presentation. Our clients find this to be the most important value of their annual audit process. It produces beneficial information far beyond the audit of the financial statements they initially expect.

AUDIT: Documenting internal control structure

- Obtain copies of all available system and policy/procedure documentation from City finance, treasury, human resources, information technology, grant management, budget department, and personnel. This will include organization charts, narratives and flowcharts. Copies will be retained in our permanent working paper file. This documentation will be updated annually for any changes.
- Review the above-described documentation and meet with City personnel to make inquiries about, and discuss questions that arise from, our review.
- Document and assess the adequacy of internal controls over the various City systems, and develop preliminary risk assessments for each of them. As mentioned earlier in our discussion of audit approach, the framework of this system incorporates the requirements of auditing standards related to internal control and fraud detection.

At the planning phase of our audit and in accordance with Statement on Auditing Standards (SAS) 99, Consideration of Fraud in a Financial Statement Audit, we will hold a brainstorming meeting to discuss fraud risks related to the City and design the audit to take those risks into account. Provisions of this new and important auditing standard will be incorporated throughout our audit.

COST PROPOSAL

Submitted By:

Firm Name: Bryant L. Jolley, CPA

I hereby certify that the undersigned is authorized to represent the firm stated above, and empowered to submit this bid, and if selected authorized to sign a contract with the City, for the services identified in the Request for Proposals.

Signature: Signature on Original Proposal Received

Printed Name: Bryant L. Jolley

Date: April 9, 2015

Our services will include the City audit, GANN Limit Review, preparation of the audited financial statements, Controllers Reports and a Management Report. The all-inclusive fee for this work is as follows:

| Description | FY 2014/15 | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | 5 Yr Total |
|---------------|------------|------------|------------|------------|------------|------------|
| City Audit | 28,500 | 29,000 | 29,500 | 30,000 | 31,500 | 148,500 |
| Succ. Agency | Included | Included | Included | Included | Included | Included |
| Single Audit | 3,500 | 3,500 | 3,500 | 3,500 | 3,500 | 17,500 |
| State Reports | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 7,500 |
| Total | \$33,500 | \$34,000 | \$34,500 | \$35,000 | \$36,500 | \$173,500 |

This proposal is made with the assumption that the City's books and records will be in a reasonably balanced condition and reconciled at the start of the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. We agree the City may broaden the scope of our engagement and we agree to hold ourselves available to perform such additional work as the City may desire. A final billing will be submitted upon delivery of all required reports. No billings will be made for out-of-pocket expenses or any other expenses such as typing, clerical, printing and travel costs.

Below is our Hourly Rate Schedule for hourly charges for professional services rendered in relation to any additional services that may be requested by the City. Most often, larger additional projects have negotiated maximums. Should you require such services, we would be pleased to discuss them with you.

Hourly Rates

| | |
|----------|-------|
| Partner | \$200 |
| Managers | \$175 |
| Staff | \$140 |

Attachment 'B'

Price Paige & Company Proposal

**PROPOSAL OF
PROFESSIONAL AUDIT SERVICES
FOR THE
CITY OF KERMAN
CALIFORNIA
FOR THE YEARS ENDING
JUNE 30, 2015 THROUGH 2019**

**Submitted
April 7, 2015**

by

Fausto Hinojosa, CPA, CFE
Price Paige & Company
Accountancy Corporation
677 Scott Avenue
Clovis, California 93612
Phone: 559-299-9540
Fax: 559-299-2344
Email: fausto@ppcpas.com
Website: www.ppcpas.com
Federal ID No. 77-0203007
License No: 66479

CITY OF KERMAN
PROPOSAL OF PROFESSIONAL AUDIT SERVICES
FOR THE YEARS ENDING
JUNE 30, 2015 THROUGH 2018

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The Place to Be

April 7, 2015

City of Kerman
850 S. Kerman Avenue
Kerman, California 93630

Attn: Finance Director and Audit Selection Committee

It is our pleasure to present our proposal to provide auditing services to the City of Kerman (the City) for the fiscal years ending June 30, 2015 through 2019, with an option of extending the contract for up to two additional years upon mutual agreement. When presented with viable alternatives, it isn't always easy for entities such as the City to identify the accounting firm that can best meet their overall audit and accounting needs. Over the past twenty-four years we have developed significant expertise in governmental audit and accounting, specifically as it relates to municipalities. Our knowledge of the government environment and more specifically, municipal operations, has allowed us to develop more robust audit plans that we believe have improved the quality of our audits.

Our audit professionals are highly qualified and have extensive experience and expertise in governmental auditing and accounting. All of our auditors take a minimum of 80 hours of continuing professional education every two years specifically related to the auditing and accounting services we provide. This commitment to learning yields a direct benefit to the clients we work with. Additionally, our firm has a well-earned reputation for ensuring the audit not only gets done right but, just as importantly, on time. We are committed to communicating effectively to ensure that client questions are addressed comprehensively. As demonstrated by our resumes and considerable involvement by the firm's audit principal, we feel that our firm has the resources, knowledge and expertise to meet and service the needs of the City. We can assure you that we fully understand the work to be performed and we wish to emphasize our commitment to meeting or exceeding all of your expectations. Additional information about our firm's audit department and services we offer may be found on our website at www.ppcpas.com.

I trust that this proposal will adequately summarize our approach to client service and identify those attributes which set our firm apart from others. We appreciate the opportunity to submit this proposal to serve you and would be pleased to furnish any additional information regarding our firm or answer any other specific questions or concerns you may have. This audit proposal is irrevocable for 60 days. I am the audit principal for our firm and I am authorized to make representations for the firm with regard to this proposal. I may be reached at (559) 299-9540 or via email at fausto@ppcpas.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Fausto Hinojosa', is written over a light blue horizontal line.

Fausto Hinojosa, CPA, CFE
Audit Principal
Price Paige & Company

677 Scott Avenue
Clovis, CA 93612
tel 559.299.9540
fax 559.299.2344

FIRM HISTORY AND QUALIFICATIONS

Established in 1976 and located in Clovis, California, Price Paige & Company consists of three owners (principals), Fausto Hinojosa, Mitchell Buckley, and Robert F. Price, each of whom is a Certified Public Accountant. The principals of the firm have over 80 years of combined experience in public accounting. Our firm is comprised of twelve CPAs and eight CPA candidates, as well as full and part-time accounting, bookkeeping and clerical staff. Over 50% of Price Paige & Company's practice is in auditing and attest services, primarily in the governmental and not-for-profit sectors. In addition, we provide services to many businesses in accounting, tax, and management consultation in all areas.

Price Paige & Company is recognized in the community and by our peers as experts in the areas of governmental and not-for-profit audit and accounting. Our proven commitment to excellence allows us to work with you in the most time and cost-effective manner possible. Our auditors are not seasonal; what we mean by this is that they are not "tax accountants" who perform audits in the "off-season". They are **focused exclusively in providing audit services** and they receive over 80 hours of continuing education every two years, specifically related to improving their audit skills. The experience of our team allows us to conduct very efficient and effective audits.

We currently provide audit or review services to over 30 governmental agencies and approximately 35 nonprofit organizations annually, many of which are federal single audits. The breadth and scope of single audits we have conducted is significant and we have **experience auditing organizations with an excess of \$100 million dollars of federal funding**.

It is our practice to assign a team of personnel from our firm to your account in order to provide the range of services you have requested. This team is generally kept abreast of any significant developments which arise through our normal association with you. The most important aspect of this approach is to provide continuity to the engagement. We understand that the audit process requires two-way communication and we accept our responsibility to listen and to deliver timely and effective solutions to the audit and accounting problems we encounter.

Mandatory Qualifications

The associates of Price Paige & Company are licensed Certified Public Accountants, certified by the California State Board of Accountancy (License # COR 3442). All team members assigned to the audit are in compliance with the 80-hour continuing education requirements promulgated by *Government Auditing Standards*.

Independence

Our firm is independent with respect to the City of Kerman and all component units of the City of Kerman as defined by auditing standards generally accepted in the U.S. Government Accountability Office's *Government Auditing Standards*.

Conflict of Interest

Our firm's established policy is that we do not submit proposals for audit services if there is a known conflict of interest with the potential client. There are no current or potential conflicts of interest with anyone (employees, management, officers or directors) within the City of Kerman.

External Peer Review

Our record of successful Peer Reviews and our Engagement Quality Control Review program serve as evidence of our commitment to meeting the standards of care and performance applicable to our audit practice and demonstrate the extra measures we take to ensure continued successful compliance with our client's expectations about our quality and competence.

Our Quality Control Review also included a review of specific government engagements. For your consideration, a copy of our most recent Peer Review report is presented in this proposal.

Price Paige & Company has never had any disciplinary actions taken nor are any pending with the Federal or State regulatory bodies or professional organizations.

Proactive Rather than Reactive Approach to Client Service

A primary objective of our client engagements is to make positive contributions to our client's profitable operations, organizational efficiency and productivity. We work hard at **anticipating problems and ensuring there are no surprises**. We are creative and always present alternatives for your evaluation rather than insisting upon the "textbook solution". We use frequent meetings and our management recommendation letters as tools for communication with you.

We strive to maintain a continuous involvement with our clients rather than just an annual one. We ask clients to forward copies of their interim financial statements, we review minutes of meetings throughout the year, and we also schedule meetings with clients outside of the normal "audit cycle" to stay abreast of changes that might impact the audit. We find this enables us to help our clients identify and solve problems on a timely basis and keeps us informed about their operations.

Smart Technologies

We use **sophisticated data analysis software** (IDEA) that allows us to perform **specific fraud detection tests** on large amounts of data, in some cases, testing 100% of the transaction population. Some of the specific tests we perform include: duplicate payment tests; matching of employee and vendor addresses to identify potential conflicts; review of purchase orders to identify potential bid splitting. We believe that our creative use of this value-added software tool allows us to perform more **effective audits** and also gives our clients increased confidence in their financial reporting. **We have successfully implemented this data analysis software and testing at Fresno Unified School District which is the fourth largest school district in the state with a budget in excess of \$800 million dollars.** It is our firm belief that an effective audit of the City of Kerman cannot be properly conducted without the use of this or a similar sophisticated data analysis tool.

All of our audit engagements are performed utilizing a paperless and digital approach. Our auditing software allows us to increase our efficiency and provide a streamlined workflow. Documents and files can easily be retrieved and forwarded to our clients without the need for copying.

Client Training

One of the core values of the firm is Peak Performance which to us means that we consistently inspire each other, our clients and our business partners toward professional excellence. Accordingly, we believe it is important to give our clients access to a full range of information to help them stay abreast of current accounting developments and financial reporting issues. As part of our client service program, we will periodically hold client training seminars and summary courses geared towards providing our clients an understanding of relevant issues. Our audit engagement partner, Fausto Hinojosa, recently taught a course on fraud prevention and detection in Monterey at the California Society of Municipal Finance Officers annual conference. Courses that have been offered or that we are planning to offer locally include understanding and mitigating the risks of fraud, reading and understanding governmental financial statements, CAFR preparation, GASB 68, and other new accounting pronouncements that will impact financial reporting. We invite our clients and their boards or councils to attend as a value added service included in our audit engagements.

Additional Services Provided

In addition to financial statement audits we also offer the following services to the government sector: Internal Control Review, Forensic Accounting, Fraud Investigation, Agreed-Upon Procedures, Financial Statement Review, Financial Statement Compilation and preparation of State Controller's Reports.

Additional Confirmations of Understanding

We will provide, to the City, management letters providing reasonable counseling and guidelines with respect to more acceptable and effective methods of accounting for the City.

We will retain working papers for seven years following the completion of the audit.

Price Paige & Company is an equal opportunity employer. All employees are treated on their merits, without regard to race, age, sex, marital status or other factor not applicable to their position. Employees are valued according to how well they perform their duties, and their ability and enthusiasm to maintain the Firm's standards of service.

Price Paige & Company maintains comprehensive General Liability Coverage, as well as Errors and Omissions Insurance with a limit of at least \$3,000,000. All required certificates of insurance will be provided to City's officials should our firm be the successful bidder.

SUMMARY OF THE AUDITORS' QUALIFICATIONS AND EXPERIENCE

We have an outstanding team of professionals who have established themselves as qualified competent individuals. We can assure you that each of our auditors is experienced in governmental auditing GASB accounting pronouncements and Single Audit requirements. Following is a brief overview of their experience. Detailed experience for each of these professionals can be found on pages 7 through 10 of this proposal.

| | <u>Years of Auditing/Accounting Experience</u> |
|--|---|
| Principal: Fausto Hinojosa, CPA, CFE | 24 |
| Manager: David M. Dybas, CPA | 15 |
| Senior: Kristi L. Miller, CPA | 14 |

Availability of Personnel and Time Requirements

Our level of staffing is more than sufficient to ensure that you receive a timely, efficient audit. We hereby commit to meeting the time constraints included in your Request for Proposal. Should any of the above members of our audit team become unavailable, we would provide another equally-qualified individual from our firm.

Continuity of Professional Staff and Succession Planning

Continuity of staff on engagements is as important to us as it is to our clients. Continuity promotes a thorough understanding of your needs and goals, and helps us help you. A smooth auditor transition will be accomplished as follows:

- ♦ **Communication** – We stress transparent communication from the very beginning of the engagement through the audit report delivery. We schedule a planning meeting with your staff to determine expectations, timing, and extent and availability of assistance. We provide a comprehensive PBC list for both interim and year-end fieldwork which includes due dates and responsible parties.
- ♦ **Experience** – Members of our engagement team are experienced auditors, very familiar with the operational, administrative, and accounting and compliance issues related to the municipal sector and the federal single audit in particular.
- ♦ **Quality** – The firm maintains a rigorous quality control review process that includes not only a detailed review by a quality control manager and engagement partner but also an **additional Engagement Quality Control Review (EQCR)** as defined by AICPA standards.

RESUMES

FAUSTO HINOJOSA
Certified Public Accountant
Certified Fraud Examiner
California License # 66479

Fausto is the Partner in charge of all audit and forensic consulting engagements for Price Paige & Company. His practice is limited to governmental and nonprofit audit and accounting, fraud investigation and consulting, and litigation support services. Fausto serves as the Managing Partner for the Firm and is responsible for providing strategic leadership. He has worked professionally in the accounting field since graduating from California State University, Fresno in 1990. He became a Certified Public Accountant in 1994 and a shareholder with Price Paige & Company in 1997. He is a Certified Fraud Examiner and has investigated numerous allegations of fraud and has been designated a fraud expert in various legal proceedings.

After more than twenty-four years in the profession, Fausto has developed significant expertise specifically in the areas of audit risk assessment, governmental and not-for-profit auditing, fraud detection and prevention, federal/state grant compliance, and internal controls.

Fausto is the former Chair of the local Government Accounting and Auditing Committee for the California Society of CPA's and currently serves on the state committee. In addition, Fausto is a reviewer for the Government Finance Officers Association "Certificate of Achievement for Excellence in Financial Reporting" program. As the former Chair for the State Board of Accountancy Qualifications Committee, Fausto conducted audit workpaper reviews of CPA candidates in order to make licensure recommendations to the Board.

Fausto is a former Adjunct Professor at Fresno Pacific University where he taught an upper division auditing course. He is a frequent lecturer to the California Society of CPA's and other professional organizations, business and civic groups on governmental and nonprofit accounting and auditing, preventative fraud measures, and the unique audit requirements for federal award programs under the Single Audit Act.

Professional Organizations and Community Involvement

State Board of Accountancy Qualifications Committee – Past Chair
Fresno Chapter of California Society of CPA's – Past President
Association of Certified Fraud Examiners – Member
American Institute of Certified Public Accountants – Member
Government Accounting and Auditing Committee of the Fresno Chapter – Past Chair
State Government Accounting and Auditing Committee of the California Society of CPA's – Member
Government Finance Officers Association – CAFR Reviewer
Fresno Regional Foundation – Past Audit Committee Chair

Continuing Education

Continuing professional education courses and seminars recently attended include: *GASB's New Defined Benefit Pension Standards-An Overview; The New Pension Accounting & Its Impact on Pension Funding; 2013 AICPA Guides for State & Local Governments, Non-Profit; YB/Circular A-133 Audits; Testing & Documenting IC Over Compliance in a Single Audit: Getting it Right; Governmental & Non-Profit Fraud; Governmental Pension Plans & Internal Control Guidelines for Governmental Entities; The OMB Cost Principles and Their Relevance to Your Single Audits; Governmental Audit Quality Center - 2014 Annual Webcast Update; Overview of the A-133 Audit; and GASB Standards and Application.*

RESUMES
(Continued)

DAVID M. DYBAS
Certified Public Accountant
California License # 83197

Present Position Manager

Education and Experience David's educational background includes a Bachelor of Science in Business Economics, obtained from State University College, Oneonta, New York in 1984 and a Certificate in Accounting from National University in December 1999. David became a Certified Public Accountant in 2002.

Since joining Price Paige & Company in 1999, David has worked exclusively in governmental and not-for-profit audits, including Single Audits. He has planned, performed and supervised numerous governmental audit engagements. He serves as the audit manager for some of the firm's larger municipalities and has done substantial grant compliance work on both federal and state programs. David also serves as the audit manager for the firm's financial and performance audits of transportation agencies. He is very effective in communicating with granting agencies to resolve difficult compliance issues.

David's Federal Single Audit experience is quite significant. He has most recently been the lead auditor for the firm's largest federal award audits some of which are in excess of \$100 million in federal awards.

Community and Affiliations David is a member of the American Institute of Certified Public Accountants, the California Society of CPAs, and the Government Finance Officers Association.

Continuing Education Continuing professional education courses and seminars recently attended include: *2014 Logic-Based Auditing: the Single Audit Series 2014; GASB Statement No. 68 Introduction; Governmental Accounting and Auditing Conference; The GASB's Pension Standards: Considerations for Cost-Sharing and Agent Plans and Participating Employers; Avoiding Problems in Conducting Single Audits; GASB Basic Financial Statements for State and Local Governments; Auditing for Fraud in the Governmental Environment; and Accountancy Laws, Ethics, Taxes and Financial Reporting Review.*

RESUMES
(Continued)

KRISTI L. MILLER
Certified Public Accountant
California License # 97876

Present Position Senior

Education and Experience Kristi began her career at Price Paige & Company while a student at California State University Fresno and graduated in December 2000 with a Bachelor of Science in Accounting. She became a Certified Public Accountant in 2007.

During her time at Price Paige & Company, Kristi has planned, performed and supervised numerous audit engagements and has served as the in-charge auditor for numerous municipalities and special districts. Kristi's experience includes analysis and testing of internal controls and compliance under OMB Circular A-133, and preparing financial statements that comply with Yellow Book and required GASB standards. She has extensive experience in preparing various annual financial transaction reports required by the State Controller's Office for both municipalities and special districts.

Community and Affiliations Kristi is a member of the American Institute of Certified Public Accountants and the California Society of CPAs. She has served as a Director on the Board of the Fresno Chapter of the California Society of CPAs.

Continuing Education Kristi is in compliance with the continuing education requirements of the AICPA and Government Auditing Standards. Recently attended courses include: *Fundamental Audit Strategies; Audits of State and Local Governments; Applying Circular A-133; GASB 68 Introduction; Audit Watch Level 4: Experienced In-Charge Training; Single Audit 2014 Seminar; and 2014 Logic-Based Auditing.*

SCOPE OF SERVICES

As our experience indicates, we clearly understand the scope of services to be provided. You can be assured that we will design a specific service approach to ensure compliance with all applicable standards and ensure that the City receives high quality, efficient and effective service.

Standards to be Followed

The financial and compliance audits will be performed in accordance with the following auditing standards:

- Generally Accepted Auditing Standards (AICPA)
- *Government Auditing Standards* (U.S. Comptroller General)
- Provisions of the Single Audit Act Amendments of 1996 (Single Audit)
- Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*
- All other applicable federal, state and local laws and regulations

Services to be Performed

All services will be performed in accordance within the City's required timeline as listed in the City's Request for Proposal.

1. **City of Kerman.** We will audit the books and records of the City of Kerman, and issue a report on the fair presentation of the annual financial statements in conformity with accounting principles generally accepted in the United States of America.
2. **Federal Single Audit.** We will issue Single Audit reports (as required) on compliance with requirements that could have a direct and material effect on each major program and internal control over compliance in accordance with OMB Circular A-133. We will issue an opinion on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
3. We will perform and report on Agreed-Upon Procedures for the City's **GANN Limit (Appropriations Limit)**.
4. We will prepare the City's **Annual Street Report and Annual Financial Transaction Report**.
5. **Management Letters.** We may provide management letters that would include findings observations, opinions, comments and/or recommendations with regard to systems of internal control, accounting systems compliance with laws, rules and regulations, or any other matters that may come to our attention during the course of the examination.
6. We will prepare a written communication to the audit committee which will include the following information: (1) auditor's responsibility under generally accepted auditing standards; (2) significant accounting policies; (3) management judgments and accounting estimates; (4) significant audit adjustments; (5) disagreements with management; (6) management consultation with other accountants; (7) difficulties encountered in performing the audit.

AUDIT APPROACH

Planning and Interim Fieldwork

Our preliminary audit procedures will begin in early September each year and we will have a formal entrance conference with City management on at that time. At this meeting we will provide management a listing of items needed for the preliminary interim fieldwork. We expect preliminary fieldwork to commence on September 7 each year. Our preliminary procedures will consist of the following:

- Communicate with the predecessor audit firm and review prior year work papers.
- Provide a list of all audit schedules to be prepared by the City's Finance Director.
- Internal Controls:
 - Read City policy and procedure manuals to obtain general understanding of internal control systems for all significant transaction classes, account balances, financial close process and financial statement preparation process. Perform necessary follow-up inquiries to obtain specific understanding of control procedures in place.
 - Perform walk-throughs of key controls to evaluate whether they are properly designed and have been placed in operation. Walk-through procedures may include inquiries, inspection of documents, re-performance and observation.
 - Systems typically tested include: payroll; disbursements/accounts payable; governmental revenues/receipts; utility revenues/receipts; grant accounting and compliance; capital asset additions/dispositions and depreciation; long-term debt; equity; general ledger closing process.
- Perform a computer control evaluation.
- Perform preliminary analytical review of account balances
- Use sophisticated data analysis software (IDEA) to efficiently identify anomalies and unusual transactions for further review.
- Read minutes, contracts, grant agreements and investment policies to identify significant compliance requirements
- Verify major and non-major federal and state program compliance requirements, as well as contract requirements based on OMB's Compliance Supplement, grants, and contracts.
- Prepare risk based tailored audit programs and a client assistance package
- Make specific inquiries of management and other personnel regarding fraud.
- Perform tests of controls for significant accounting systems (sample sizes will vary based on assessed risks).
- Perform tests of compliance with laws and regulations (sample sizes will vary based on assessed risks; see also Single Audit Approach section).

Fieldwork – Year-End

The firm will provide management a detailed audit plan and a list of all schedules to be prepared by the City in early September and will hold a formal planning conference approximately September 7 each year. Year-end fieldwork will commence approximately October 5 each year, and will be completed no later than December 1 each year.

Based on the results of our planning and risk assessment procedures, we will focus our audit efforts in those areas where the risk of material error or fraud is greatest. Our approach is to identify the most effective and efficient procedures based on inherent and control risk. These procedures may include any of the following for the various account balances and transaction cycles:

- Analytical procedures: if used as the principal substantive test of a significant financial statement assertion, we will document –
 - the expectation and the factors considered in its development.
 - the results of the comparison between the expectation and recorded amounts.
 - any additional procedures performed in response to significant unexpected differences and the results of those procedures.
- Tests of details –
 - Test significant journal entries for propriety and authorization.
 - Trace significant operating, capital and debt service expenditures to source documents.
 - Vouch asset balances to detailed records and schedules.
 - Test individual debt transactions for propriety and proper presentation and disclosure in the financial statements.
 - Perform compliance tests related to grant restrictions.
 - Confirm balances with third parties, including banks and/or other lenders.
 - Trace cash receipts to supporting documents including bank statements.
 - Test both the methodology and the accounting for indirect cost allocations.
 - Respond to specific fraud risks identified with further substantive tests of details or analytical procedures.
 - Perform observation procedures for significant fixed asset additions.
 - Perform a search for unrecorded liabilities.
 - Obtain required representations from management and legal counsel.
 - Propose adjusting journal entries as necessary and provide to the City's Finance Director.

Reporting

We will hold a formal exit conference with City management on prior to December 1 each year and will deliver all required opinions and reports no later than December 1 each year. During the reporting phase, we will:

- ♦ Perform and document final analytical procedures on the financial statements.
- ♦ Prepare a comprehensive GAAP disclosure checklist.
- ♦ Obtain client representation letter.
- ♦ Prepare independent auditor's report and other reports required by *Government Auditing Standards* and OMB Circular A-133.
- ♦ Conduct exit conference with the City's Finance Director to review financial statements and review findings.
- ♦ Resolve all outstanding issues.
- ♦ Issue independent audit reports.

SINGLE AUDIT APPROACH

Our Firm's approach to the Single Audit requirements, as specified in OMB Circular A-133, is as follows:

Objectives

The objectives of the Single Audit are to determine the following:

- ♦ The financial statements of the governmental reporting entity are presented in accordance with GAAP.
- ♦ The governmental unit's internal control systems provide reasonable assurance that it is managing Federal financial assistance programs in compliance with applicable laws and regulations.
- ♦ The governmental unit has complied with laws and regulations that have a material effect on the financial statements and on each major Federal assistance program.

Procedures

- ♦ Identify major and non-major programs and assess inherent and control risks.
- ♦ Perform tests of controls for all major programs to meet percentage of coverage rule.
- ♦ Perform substantive tests of compliance and tests of internal control over compliance for all major programs as required by OMB A-133 Compliance Supplement.
- ♦ Sample sizes will adhere to the guidance found in the sampling chapter of the, "AICPA Audit Guide, *Government Auditing Standards* and Circular A-133 Audits".

Reports

The following reports relating to Federal assistance programs will be issued:

- Report on supplementary Schedule of Expenditures of Federal Awards. The schedule presents total expenditures for each program.
- Report on internal controls used in administering Federal financial assistance programs.
- Report on compliance with laws and regulations, identifying all findings of noncompliance and questioned costs, and expressing an opinion and other assurances on compliance.
- Report on fraud, abuse, or illegal acts, or indications of such acts, if discovered.

Compliance Requirements

In accordance with the Single Audit Act and OMB Circular A-133, we will perform internal control and compliance tests of all major federal programs. The 14 types of compliance requirements which may be applicable to a federal program are as follows:

- 1) Activities allowed or unallowed
- 2) Allowable costs/cost principles
- 3) Cash management
- 4) Davis-Bacon Act
- 5) Eligibility
- 6) Equipment and real property management
- 7) Matching, level of effort, earmarking
- 8) Period of availability of Federal funds
- 9) Procurement and suspension and debarment
- 10) Program income
- 11) Real property acquisition and relocation assistance
- 12) Reporting
- 13) Subrecipient monitoring
- 14) Special tests and provisions

DISCUSSION OF RELEVANT ACCOUNTING ISSUES

In June of 2012 the Governmental Accounting Standards Board finalized GASB No. 68, Accounting and Financial Reporting for Pensions, replacing GASB No. 27 and making it effective for years ending on or after June 30, 2015. This new standard is intended to provide more comparable and visible information within the annual financial statements of governments that provide defined benefit pensions. As such, GASB No. 68 requires:

- Employers to report the difference between the actuarial total pension liability and the fair value of the legally restricted plan assets as the net pension liability on the statement of net position. Previously, a liability was only recorded if the actual contributions made to the plan were less than the actuarial calculated contributions for the year.
- The entry age actuarial cost method to be used to calculate the pension liability for reporting purposes. This differs from prior guidance which allowed one of six actuarial methods.
- If the projected plan assets and future contributions are not sufficient to meet the projected future benefits a blended discount rate will be used incorporating the long-term expected rate of return on investments until such time as resources are exhausted and then based on the municipal tax-exempt, high quality 20-year bond rating. This change from the historical practice of using the long-term expected rate of return will likely decrease the discount rate and increase the total pension liability.
- In addition to the benefits earned each year the annual pension expense will also include interest on the total pension liability and the impacts of changes in benefit terms, projected investment earnings and other plan net position changes. Changes in assumptions or differences between anticipated and actual benefits or earnings will be recorded as deferred inflows or deferred outflows of resources and included in the calculation over a closed period of either the average remaining years of employment for benefit changes or a five year period for investment differences. In the past the expense was only the required annual contribution unless those requirements had not been met in the past. In addition, the new requirement accelerates the inclusion of changes in assumptions or differences between expected and actual results in the calculations.
- The footnotes will provide the reader with additional information including the assumptions and methods used in measuring the net pension liability and in determining the discount rate, any changes in assumptions or benefits from prior years, the impact on the total pension liability of a change in the discount rate of one percentage point in either direction and details of the net pension liability and related deferred inflows or deferred outflows of resources for the year.
- The required supplemental information will include additional details for the total liability, plan position and net liability as well as accumulate up to ten years of information. The City will be required to show up to ten years of information on funding including the actuarially or statutorily determined required contribution, the actual contribution, the difference between these two, the covered payroll and the ratio of the actual contributions to the covered payroll. Finally, RSI will include information on key assumptions and changes that impact the trends presented.

REFERENCES

After evaluating our relevant experience, we are certain you will agree that Price Paige and Company is qualified to serve you. We have been successfully performing audit engagements since 1976. Since then, we have continued to build on our reputation as a well-respected firm in and around the San Joaquin Valley, with the qualifications and experience necessary to provide unequalled performance. Following is a list of some of our audit clients and our primary contact for each.

Reference Name: City of Madera
Contact: Gina Daniels, Financial Services Manager
Address: 205 West Fourth Street, Madera, CA 93637
Phone: (559) 661-5443
Service Provided: Financial Statement Audit (OMB A-133)

Reference Name: City of Los Banos
Contact: Sonya Williams, Finance Director
Address: 520 J Street, Los Banos, CA 93635
Phone: (209) 827-7000
Service Provided: Financial Statement Audit (OMB A-133)

Reference Name: City of Lemoore
Contact: Cheryl Silva, Finance Director
Address: 119 Fox Street, Lemoore, CA 93245
Phone: (559) 924-6707
Service Provided: Financial Statement Audit (OMB A-133)

Reference Name: City of Chowchilla
Contact: Rod Pruett, Finance Director
Address: 130 South Second Street, Chowchilla, CA 93610
Phone: (559) 665-8615
Service Provided: Financial Statement Audit (OMB A-133)

Reference Name: City of Kingsburg
Contact: Maggie Moreno, Finance Director
Address: 1401 Draper Street
Phone: (559) 897-5821
Service Provided: Financial Statement Audit (OMB A-133)

Municipal clients for whom we are currently performing audits, not listed above, include: City of Avenal, City of Corcoran, City of Farmersville, City of Mendota, and City of Parlier.

Governmental audits performed in the past five years include: County of Fresno, County of Alpine, County of Lassen, Housing Authority of the City of Madera, Merced County Association of Governments, County of Fresno Neighborhood Stabilization JPA, Kings River Conservation District, and Westlands Water District.

EXHIBIT 1
AUDIT WORK COST PROPOSAL

| Description of Services | Estimated Hours | Not to Exceed Amounts | | | | |
|---|-----------------|-----------------------|---------------|---------------|---------------|---------------|
| | | 2015 | 2016 | 2017 | 2018 | 2019 |
| 1. City audit, including GANN limit review, management reports and Annual Financial Transaction Reports | 180 | 21,600 | 21,600 | 22,248 | 22,248 | 22,915 |
| 2. Financial and compliance audit of the Successor Agency | 16 | 1,920 | 1,920 | 1,978 | 1,978 | 2,037 |
| 3. Single Audit of Federal Grants (OMB A-133) | 30 | 3,600 | 3,600 | 3,708 | 3,708 | 3,819 |
| 4. State Reports (if requested) for the City | 32 | 3,840 | 3,840 | 3,955 | 3,955 | 4,074 |
| Maximum Fees | | 30,960 | 30,960 | 31,889 | 31,889 | 32,845 |

| Staff Level | Rates |
|---------------|-------|
| Partner | 240 |
| Manager | 140 |
| Senior | 120 |
| Support Staff | 70 |

Our review of the City's most recent audited financial statements revealed that the City had only one major federal program. Accordingly, the above fees include only one major federal program. The fee for any additional major programs is \$2,950 per program.

In the event disclosures in the audit indicate extraordinary circumstances, which warrant more extensive and detailed services, we will provide all pertinent facts relative to the extraordinary circumstances, together with the our fee basis for such additional services. This will be set forth in an addendum to the contract between the City of Kerman and our firm. All work will be performed at the same rates as set forth in the schedule of fees and expenses in this cost proposal.

EXHIBIT 2

PEER REVIEW LETTER

CHIANG, HAMMON & COMPANY
Certified Public Accountants
2007 W. Hedding Street, Suite 209 San Jose, CA 95128
(408) 244-2002 (408) 244-2333 Fax

System Review Report

November 8, 2012

To Price Paige & Company AC
Certified Public Accountants and the Peer Review Committee of the CalCPA

We have reviewed the system of quality control for the accounting and auditing practice of Price Paige & Company AC in effect for the year ended April 30, 2012. Our peer review was conducted in accordance with the Standards for Performing and reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on my review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards and audits of Employee Benefit Plans*;

In our opinion, the system of quality control for the accounting and auditing practice of Price Paige & Company AC in effect for the year ended April 30, 2012, has been suitably designed and complied with to provide the firm with reasonable assurance of conforming with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Price Paige & Company has received a peer review rating of *pass*.


Chiang, Hammon & Company

Attachment 'C'

RESOLUTION NO. 15-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN BRYANT L. JOLLEY, CPA ('AUDITOR') AND THE CITY OF KERMAN FOR AUDITING SERVICES FOR FISCAL YEARS 2014/2015 THROUGH FISCAL YEAR 2018/2019

WHEREAS, Bryant L. Jolley, CPA ('Auditor') and the City of Kerman ('City') wish to enter into a five year agreement for auditing services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Kerman that the City has reviewed the Proposal to Provide Professional Auditing Services between Bryant L. Jolley, CPA ('Auditor') and the City of Kerman ('City'), and authorize the City Manager to sign the engagement letter attached hereto as Exhibit 'A',.

The foregoing resolution was approved and adopted by the City Council of the City of Kerman at a regular meeting held on the 20th day of May 2015, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Stephen B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk

Exhibit 'A'

BRYANT L. JOLLEY

CERTIFIED PUBLIC ACCOUNTANTS

Bryant L. Jolley C.P.A.
Ryan P. Jolley C.P.A.
Darryl L. Smith C.P.A.
Travis B. Evenson

May 14, 2015

Luis Patlan
City of Kerman
850 S. Madera Ave.
Kerman, CA 93630

Dear Mr. Patlan:

We are pleased to confirm our understanding of the services we are to provide the City of Kerman (the City) for the years ended June 30, 2015, 2016, 2017, 2018 and 2019. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements, of the City as of and for the years then ended. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's 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. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtain during our audit of the basic financial statements. We will 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.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- If a Single Audit is required, internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller

General of the United States, and if required, the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. If a Single Audit is required, management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, if required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the

supplementary information in any document that contains and indicates that we have reported on the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. If required, we will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

If applicable, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance

requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133 if applicable.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

If applicable, OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will assist in the preparation of requested audit schedules.

Our services also include preparation of the City and Street Annual State Controllers Reports, any new GASB Pronouncement implementation and any required Federal Single Audit reports. If applicable, we will issue a separate Management Letter that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are not considered material weaknesses.

The audit documentation for this engagement is the property of Bryant L. Jolley, CPA and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Bryant L. Jolley's personnel. Furthermore, upon request, we may provide copies of

selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by any federal or state agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$30,000 for 2015, 30,500 for 2016, 31,000 for 2017, \$31,500 for 2018, and \$32,000 for 2019. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered upon audit completion.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our most current peer review accompanies this letter.

We appreciate the opportunity to be of service to the City of Kerman and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Bryant L. Jolley, CPA

RESPONSE:

This letter correctly sets forth the understanding of the City of Kerman.

Luis Patlan, City Manager



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Rhonda Armstrong
COUNCIL MEMBER
Nathan Fox
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: FINANCE
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 20, 2015

To: Mayor and City Council
From: Toni Jones, Finance Director
Subject: Second Presentation of Preliminary General Fund Budget for Fiscal Year 2015/2016

RECOMMENDATION

Council review the preliminary General Fund Budget for Fiscal Year 2015/2016 and make any recommendations for changes.

EXECUTIVE SUMMARY

Following discussion at the May 6th Council meeting staff made changes to the preliminary budget taking into consideration other department personnel requests and is resubmitting the preliminary budget for further comments or recommendations for changes. Staff also prepared a 5-Year Financial Forecast based on the preliminary budget presented in order to provide a long term perspective.

OUTSTANDING ISSUES

None.

DISCUSSION

The General Fund is the general operating budget for the City's core services including City Council, City Manager, City Clerk, Police, Planning & Development, Public Works, and Parks, Recreation and Community Services. Revenues to cover these general operating expenditures come primarily from sales and property tax, which comprise 79% of all revenues to the General Fund. The balance is collected from franchise taxes, building permits, rents, and miscellaneous fees.

The largest investment of General Fund revenues goes to the Police Department (65%) followed by Parks, Recreation and Community Services (15%), Legislation & General Government (10%), Planning and Development (6%) and Public Works (3.4%). The commitment to law enforcement and recreation is reflected in the community's low crime rates and high youth and adult participation in recreational programs and activities. The Proposed General Fund Budget for FY 2015/16 continues to reinforce this commitment with the addition of a new police officer along with filling the Community Services Secretary position that has been vacant through attrition. Also included are other department needs such as a part-time Permit Tech in the Planning and Building Department along with funding for a Contract Planner to assist the City Manager, who has been simultaneously serving as the Planning & Development Director, and with the recent increase in development projects a contract planner is needed to focus attention in this area.

As reflected in Attachment 'A', the Proposed General Fund Budget for Fiscal Year 2015/16 shows the estimated year-end numbers for the current fiscal year as well as the budgeted numbers for next fiscal year. The City is expected to end the current fiscal year with a surplus of approximately \$105,985. This is slightly more than the projected surplus of \$53,476 included in the Adopted Fiscal Year 2014/2015 Budget. This indicates that the City has done a good job projecting revenues conservatively and managing expenditures throughout the fiscal year. With a projected surplus of \$105,985 as of June 30, 2015, the City is expected to increase the General Fund Reserves from \$2,616,040 to \$2,722,025. Once again, the City expects to the end the fiscal year in a good financial position.

The Proposed General Fund Budget for Fiscal Year 2015/16 reflects revenues of \$4,403,225 and expenditures of \$4,583,531 with a deficit of \$180,306. The proposed budget includes additional full time staffing positions, other increases due to personnel costs (1% COLA effective July 1st), a 9.4% health insurance premium increase and employer contributions to CalPERS for the plans unfunded liability.

General Fund revenues are projected to be \$4,403,225 in FY 2015/16, slightly higher, 1.9%, than the \$4,320,234 budgeted in FY 2014/15. The increase is primarily due to a minor projected increase to property taxes. Based on information from our sales tax consultant, MuniServices, growth in sales tax revenue is not projected in FY 2015/16 due to the ending of the triple-flip in August of this year. According to MuniServices the City should expect lower sales tax receipts as the state winds up the triple-flip in FY 2016/17 through FY 2017/18.

As noted in the 5-Year Financial Forecast, revenues will be in excess over expenditures beginning in FY 2019/20. It is important to note that these projections are a snapshot in time and assume that there is not another downturn in the economy and that there are no major changes in existing wages or benefits resulting from collective bargaining agreements.

In summary, although the Proposed General Fund Budget for FY 2015/16 has a deficit of \$180,306 the Council could transfer in revenues from the General Fund Reserves.

PUBLIC HEARING

None.

Attachments:

- 'A' – Proposed General Fund Summary of Operational Budgets for FY 2015/16
- 'B' – 5-Year Financial Forecast Fiscal Years 2015/16 – 2020/21

Attachment 'A'

Proposed General Fund Summary of Operational Budgets for FY 2015/16

| Activity Description | Audited 2012-2013 | Audited 2013-2014 | Adopted 2014-2015 | 2014/2015 Estimated Year- End | Budget 2015-2016 | Adopted vs Proposed \$ Change | Exp % of Total GF Revenue |
|--|----------------------|----------------------|----------------------|-------------------------------------|---------------------|--|---------------------------------|
| LEGISLATIVE & GEN. GOVT. | | | | | | | |
| 6001 City Council | \$21,676 | \$21,989 | \$30,040 | \$29,490 | \$27,165 | (\$2,875) | |
| 6003 City Attorney | 51,242 | 59,986 | 55,000 | 55,000 | 75,000 | \$20,000 | |
| 1002 General Administration | 149,782 | 228,773 | 220,138 | 204,866 | 202,608 | (\$17,531) | |
| 5005 Administrative Services | 75,796 | 98,038 | 112,378 | 112,722 | 122,592 | \$10,214 | |
| 6004 City Clerk | 21,896 | 27,605 | 32,620 | 29,985 | 32,053 | (\$566) | |
| TOTAL LEGISLATIVE & GEN. GOVT. | 320,392 | 436,390 | 450,176 | 432,063 | 459,417 | \$9,242 | 10.4% |
| PLANNING & DEVELOPMENT | | | | | | | |
| 1008 Planning | 17,338 | 101,707 | 120,728 | 104,946 | 184,066 | \$63,338 | |
| 1010 Engineering | 7,610 | 40,276 | 25,000 | 25,000 | 25,000 | \$0 | |
| 1042 Building | 133,830 | 128,565 | 131,009 | 153,345 | 121,441 | (\$9,568) | |
| TOTAL PLANNING & DEVELOPMENT | 158,778 | 270,549 | 276,737 | 283,291 | 330,508 | \$53,771 | 7.5% |
| RECREATION/SOCIAL SERVICES | | | | | | | |
| 2002 Recreation Administration | 225,442 | 234,547 | 235,416 | 234,916 | 290,038 | \$54,622 | |
| 2010 Building Maintenance | 42,433 | 45,802 | 62,672 | 60,130 | 151,695 | \$89,023 | |
| 2044 Senior Center Services | 123,303 | 109,487 | 111,991 | 114,691 | 120,333 | \$8,342 | |
| 2047 Aquatics Program | 25,966 | 21,779 | 25,297 | 28,697 | 42,219 | \$16,922 | |
| 2062 Planned Recreation | 26,617 | 22,556 | 33,224 | 33,359 | 33,392 | \$169 | |
| 2065 Youth and Teen Services | 41,270 | 37,521 | 54,230 | 55,231 | 55,952 | \$1,722 | |
| 2069 Community Teen Center | 119,758 | 129,628 | 125,811 | 125,901 | 56,703 | (\$69,108) | |
| TOTAL REC/SOC SERVICES | 604,788 | 601,320 | 648,641 | 652,925 | 750,331 | \$101,690 | 17.0% |
| POLICE OPERATIONS | | | | | | | |
| 3011 Police Operations | 2,415,633 | 2,483,503 | 2,705,938 | 2,703,142 | 2,836,337 | \$130,399 | |
| 3041 Animal Control | 34,368 | 56,209 | 60,791 | 61,287 | 58,312 | (\$2,479) | |
| TOTAL POLICE OPERATIONS | 2,450,001 | 2,539,711 | 2,766,729 | 2,764,429 | 2,894,649 | \$127,920 | 65.7% |
| PUBLIC WORKS | | | | | | | |
| 4010 Parks Landscape Maintenance | 149,384 | 145,064 | 124,476 | 127,256 | 148,626 | \$24,150 | |
| TOTAL PUBLIC WORKS | 149,384 | 145,064 | 124,476 | 127,256 | 148,626 | \$24,150 | 3.4% |
| TOTAL GENERAL FUND OPERATIONS | 3,683,344 | 3,993,035 | 4,266,758 | 4,259,963 | 4,583,531 | \$316,773 | 104.1% |
| TOTAL GENERAL FUND REVENUE | 4,028,260 | 4,159,527 | 4,320,234 | 4,365,949 | 4,403,225 | \$82,991 | |
| EXCESS (DEFICIT) REVENUE OVER EXPENDITURES | \$344,916 | \$166,492 | \$53,476 | \$105,985 | (\$180,306) | | |
| PERCENTAGE OF TOTAL G/F REVENUE | 8.56% | 4.00% | 1.24% | 2.43% | -4.09% | | |
| TRANSFER IN FROM SUCCESSOR AGENCY (S/A) | | 250,000 | 175,000 | 175,000 | 100,000 | | |
| EXCESS (DEFICIT) AFTER TRANSFER IN FROM S/A | | 416,492 | 228,476 | 280,985 | (80,306) | | |

Attachment 'B'

5-Year Financial Forecast Fiscal Years 2015/16 – 2020/21

| | Proposed | | ESTIMATED | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | FY 2015/16 | FY 2016/17 | FY 2017/18 | FY 2018/19 | FY 2019/20 | FY 2020/21 |
| GF Revenues: | | | | | | |
| Sales Tax (1) | 1,794,000 | 1,856,790 | 1,921,778 | 1,989,040 | 2,058,656 | 2,130,709 |
| Property Tax (2) | 1,670,000 | 1,720,100 | 1,771,703 | 1,824,854 | 1,879,600 | 1,935,988 |
| Other Revenue | 939,225 | 930,602 | 930,602 | 930,602 | 930,602 | 930,602 |
| Total Revenue | 4,403,225 | 4,507,492 | 4,624,083 | 4,744,496 | 4,868,858 | 4,997,299 |
| % Change | | 2.37% | 2.59% | 2.60% | 2.62% | 2.64% |
| GF Expenses: | | | | | | |
| Personnel (3) | 3,215,239 | 3,255,607 | 3,300,875 | 3,339,683 | 3,373,778 | 3,386,517 |
| Operations & Maintenance (4) | 1,368,292 | 1,382,260 | 1,407,510 | 1,432,765 | 1,458,023 | 1,483,282 |
| Total Expenses | 4,583,531 | 4,637,868 | 4,708,385 | 4,772,447 | 4,831,801 | 4,869,800 |
| % Change | | 1.19% | 1.52% | 1.36% | 1.24% | 0.79% |
| Excess Revenue Over Expenditures | (180,306) | (130,375) | (84,302) | (27,951) | 37,057 | 127,499 |
| GF Reserve Balance Estimate | 2,435,734 | 2,305,359 | 2,221,057 | 2,193,106 | 2,230,163 | 2,357,662 |

Assumptions:

1. Sales tax revenues are projected at 3.47% annually based on projections provided by MuniServices.
2. Property tax revenues are projected at 3% annually based on historical growth.
3. Personnel expenses include normal merit increases without COLA's or other benefits.
4. Operations and maintenance expenses are estimated to increase 2% annually based on historical data.



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
COUNCIL MEMBER
Rhonda Armstrong
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Nathan Fox
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: FINANCE
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: MAY 20, 2015

To: Mayor and City Council
From: Toni Jones, Finance Director
Subject: Presentation of Preliminary Enterprise Budgets for Fiscal Year 2015/2016

RECOMMENDATION

Council to review the preliminary Enterprise Fund Budgets for Fiscal Year 2015/16 and make any recommendations for changes.

EXECUTIVE SUMMARY

Staff has prepared the preliminary Enterprise Fund budgets for Fiscal Year 2015/16. The proposed budgets are structurally balanced with revenues slightly in excess of expenditures. Staff proposed a slight increase to utility rates at the April 1, 2015 Council meeting. Council set a public hearing for June 3, 2015 to consider the proposed utility rate increases and if approved on June 3rd the rates will take effect on July 1, 2015. Staff recommended the following utility rate increases:

Water

Fifty cent (.50) increase with twenty-five cents (.25) set aside in a meter reserve fund for future meter replacements and twenty-five cents (.25) to cover the increase of ongoing operational expenses. The City has an average of 3,300 accounts $\times .25 = \$825$ per month or \$9,900 per year proposed additional revenue.

Additionally staff proposed an increase on the cost per 1,000 gallons; an increase of .0144 cents from .7956 to .81. Based on a twelve month average of 54,600,000 gallons used per month on metered customers, the increase is estimated at \$786 per month or \$9,435 annually.

Sewer

Seventy-five cent (.75) increase to cover the debt service obligation and ongoing operational expenses. The proposed additional revenue is 3,300 accounts $\times .75 = \$2,475$ per month or \$29,700 per year.

Solid Waste

Seventeen cent (.17) increase based on the City's contract with Mid Valley Disposal

Street Sweeping

Five cent (.05) increase to cover ongoing operational expenses. The proposed additional revenue is 3,300 accounts $\times .05 = \$165$ per month or \$1,980 per year.

Storm Drain

Five cent (.05) increase to cover ongoing operational expenses. The proposed additional revenue is 3,300 accounts x .05 = \$165 per month or \$1,980 per year.

OUTSTANDING ISSUES

None.

DISCUSSION

The Enterprise Funds provide basic services to the residents of Kerman and are comprised of water, sewer, solid waste, street sweeping and storm drain. Revenues to cover the operating expenditures for these services come from the collection of fees billed for the services provided. Annually, the City reviews the revenues and expenditures and determines if a rate increase is necessary to cover the cost for services. If staff recommends a rate increase Prop 218 requires the City to notify property owners and tenants of the proposed rate increase that Council is considering. The public is provided the public hearing date to give them the opportunity to discuss the proposed rates the Council is considering.

The Enterprise budgets include one additional full-time maintenance worker at the waste water treatment plant, a 1% COLA, a 9.4% health insurance cost increase along with normal merit increases for employees not at the top step of the pay scale.

The Water fund is projecting a surplus of \$87,659 for fiscal year ending June 30, 2015 and a \$63,401 surplus for fiscal year ending June 30, 2016. The water department is working with City Engineers on the Prop 84 grant that will provide meters for 665 residential customers, leaving approximately 500 residential properties without meters. The City is required to install a minimum of 665 meters to comply with the grant. Staff is anticipating the water fund will need to contribute approximately \$250,000 from water reserves along with the grant for \$725,000 to complete the project.

The Sewer fund is projecting a slight surplus of \$54,182 for fiscal year ending June 30, 2015 and an \$117,100 surplus for fiscal year ending June 30, 2016. The Waste Water treatment facility was expanded in 2012 and received a State Revolving Fund (SRF) loan of nearly \$5 million. Annual debt service payments (principle and interest) of nearly \$235,000 are required and the loan will be paid off in 2031.

Initially when the WWTP facility was expanded, it was proposed 50% of the loan payment would be paid from Sewer Development Impact Fees. When both commercial and residential development sharply declined due to the economic downturn, Development Impact Fees were affected and funds were not available for the debt service payment. During fiscal year 2014/15 the City collected enough Sewer Major Facility impact fees to pay \$75,000 of the total \$234,000 debt service payment.

In addition to the debt service, operational costs on the newly expanded plant have been higher than expected, specifically, utility costs and on-going maintenance costs.

The City contracts with Mid Valley Disposal for solid waste collection. Based on the contract for services, rates are increased annually based on 80% of the CPI, urban wage earners and clerical workers, Los Angeles. The contract with Mid Valley Disposal is a ten (10) year contract that will expire August 2018.

PUBLIC HEARING

None.

Attachments:

'A' – Summary of Enterprise Fund Operational Budgets

Attachment 'A'

Summary of Enterprise Fund Operational Budgets for FY 2015/16

| Activity | Description | Audited 2012-2013 | Audited 2013-2014 | Adopted 2014-2015 | 2014/15 Estimated Year- End | Budget 2015-2016 |
|---|--|----------------------|----------------------|----------------------|-----------------------------------|---------------------|
| WATER FUND (410) | | | | | | |
| | Total Water Fund Revenues | 1,581,159 | 1,645,636 | 1,597,500 | 1,546,500 | 1,571,500 |
| 5005 | Water Administration & Accounting | 407,769 | 394,499 | 404,721 | 397,807 | 442,112 |
| 5006 | Water - Debt Service | 165,000 | 165,000 | 165,000 | 165,000 | 165,000 |
| 4041 | Water Operations | 810,645 | 859,445 | 924,640 | 896,035 | 900,987 |
| | Total Water Fund Operations | 1,383,414 | 1,418,943 | 1,494,361 | 1,458,841 | 1,508,099 |
| | Revenue in Excess of Expenditures | 197,745 | 226,693 | 103,139 | 87,659 | 63,401 |
| SEWER FUND (420) | | | | | | |
| | Total Sewer Fund Revenues | 1,298,383 | 1,434,170 | 1,440,500 | 1,519,886 | 1,533,300 |
| 5005 | Sewer Administration & Accounting | 334,641 | 351,511 | 323,547 | 320,234 | 350,677 |
| 5006 | Sewer - Debt Service | 199,295 | 202,286 | 347,907 | 343,407 | 265,908 |
| 4042 | Sewer Operations | 815,192 | 672,380 | 761,584 | 802,063 | 799,615 |
| | Total Sewer Fund Operations | 1,349,128 | 1,226,177 | 1,433,038 | 1,465,704 | 1,416,200 |
| | Revenue in Excess of Expenditures | (50,745) | 207,994 | 7,462 | 54,182 | 117,100 |
| SOLID WASTE (430) | | | | | | |
| | Total Solid Waste Fund Revenues | 1,063,192 | 1,088,410 | 1,087,580 | 1,119,650 | 1,128,212 |
| 5005 | Solid Waste Administration & Accounting | 974,144 | 1,042,768 | 1,083,124 | 1,097,708 | 1,083,508 |
| | Total Solid Waste Fund Operations | 974,144 | 1,042,768 | 1,083,124 | 1,097,708 | 1,083,508 |
| | Revenue & Transfer in Excess of Expenditures | 89,049 | 45,642 | 4,456 | 21,942 | 44,704 |
| STORM DRAIN OPERATIONS FUND (470) | | | | | | |
| | Total Storm Drain Operation Revenues | 82,097 | 67,192 | 69,400 | 71,200 | 73,180 |
| 4047 | Storm Drain Maintenance & Operations | 63,330 | 65,959 | 72,565 | 71,125 | 71,467 |
| | Total Storm Drain Fund Operations | 63,330 | 65,959 | 72,565 | 71,125 | 71,467 |
| | Revenue in Excess of Expenditures | 18,767 | 1,234 | (3,165) | 75 | 1,713 |
| TOTAL ENTERPRISE FUND REVENUE | | 4,024,832 | 4,235,408 | 4,194,980 | 4,257,236 | 4,306,192 |
| TOTAL ENTERPRISE FUND EXPENDITURES | | 3,770,015 | 3,753,847 | 4,083,088 | 4,093,379 | 4,079,274 |
| EXCESS (DEFICIT) REVENUE | | \$ 254,817 | \$ 481,561 | \$ 111,892 | \$ 163,857 | \$ 226,918 |



May 7, 2015

The Honorable Jerry Brown
Governor, State of California
State Capitol
Suite 1173
Sacramento, California 95814

Re: Is This Our California?

Dear Governor Brown:

As elected and appointed public officials from the San Joaquin Valley, we are writing because this drought and government's management of limited water supplies has severely jeopardized the health and safety of the people we serve. Specifically we want you to know about the deteriorating human condition in our communities. Emergency food distribution and bottled water funding resulting from the legislation you signed into law on March 27, 2015 is appreciated but what we really need is a water supply that creates jobs.

On April 2 at a press conference at Selma City Hall in Fresno County, twenty of us talked about this problem, one which is growing worse by the day. The Valley's east and west sides are enduring zero surface water allocations for the second consecutive year. This cannot continue!

Our collective job is to address the needs of our constituencies as best we can. That includes the delivery of water which we believe can occur through more balanced decision making and better management of the water we have. We must keep people employed and a roof over their heads. If we don't, this economic and social catastrophe will scar California for years to come.

Here is just a little of what we are seeing. A myriad of health and safety dilemmas is quickly expanding beyond the limited abilities and resources of local government. Food lines have become commonplace. Domestic violence is on the rise. So are other law enforcement problems, such as theft and drugs. Large numbers of families have been forced out of their homes. Educational opportunities for our children are declining.

The lack of jobs is only part of the problem. The surface water deficit has created a huge over-reliance on groundwater use resulting in damaged aquifers, and failed wells at rural residences, farms, and in some communities with no water supply at all.

Of course, none of us can miraculously make it rain but we look to you, the Legislature and other public officials to do everything possible to keep conditions from getting worse which we think can be accomplished. There are sources of available water that could be put to the beneficial use of people.

For instance, North state reservoir storage in 2015, while still far below average, is substantially improved over what it was in the early spring of 2014. Much of this water is not being allocated to human uses but instead is being reserved for other purposes later in 2015 such as temperature control and other means of benefitting salmon, delta smelt and other endangered species. There are also questions about amounts of this water being set aside to counter saltwater intrusion in the Delta.

In your recent executive order in which you imposed a new 25% water-use reduction on urban customers, reductions in environmental consumption of water were not mentioned. In this fourth year of drought, all users of water must share in the shortage. Environmental water supplies could and should be curtailed up to the 25% level imposed on municipal uses. Environmental interests simply have to be as responsible in managing and accounting for water usage as is everyone else in California.

In raising these examples, we are not suggesting that environmental issues be ignored but we are asking whether available water is being managed in the most efficient and appropriate way possible. In our view, if this is done, there would be additional water that could be moved to the Valley. We are asking that you make this happen now.

Finally, Governor, we cannot accept that this terrible situation is our California. We must meet with you immediately to find a more caring, socially responsible pathway.

In order to coordinate communications with you, please respond to Robert Silva, Mayor, City of Mendota at 643 Quince Street, Mendota, CA 93640 rsilva@ci.mendota.ca.us or call 559-630-0861.

Sincerely,



Paul Rodriguez, Chair
California Latino Water Coalition



Buddy Mendes, Supervisor
Fresno County



Henry R. Perea, Supervisor
Fresno County



Deborah A. Poochigian, Supervisor
Fresno County



Steve Worthley, Supervisor
Tulare County



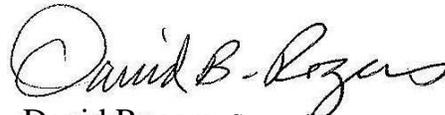
Phil Cox, Supervisor and Board Chair
Tulare County



Pete Vanderpoel, Supervisor
Tulare County



Rick Farinelli, Supervisor
Madera County



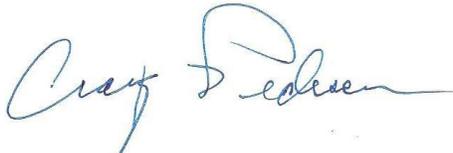
David Rogers, Supervisor
Madera County



Doug Verboon, Supervisor
Kings County



Richard Valle, Supervisor
Kings County



Craig Pederson, Supervisor
Kings County



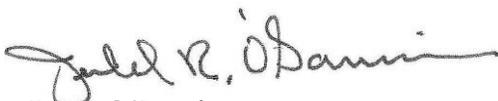
Richard Fagundes, Supervisor
Kings County



Leticia Perez, Supervisor
Kern County



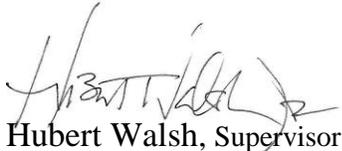
Daron McDaniel, Supervisor
Merced County



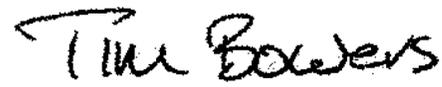
Jerry O'Banion, Supervisor
Merced County



John Pedrozo, Supervisor
Merced County



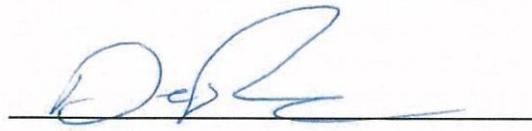
Hubert Walsh, Supervisor
Merced County



Tim Bowers, Superintendent
Kings County



Jim Yovino, Superintendent
Fresno County



Dave Robinson, Sheriff
Kings County



Margaret Mims, Sheriff
Fresno County



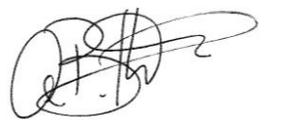
Donny Youngblood, Sheriff
Kern County



Amarpreet Dhaliwal, Mayor
City of San Joaquin
Chair, Fresno County Council of Governments



David Cardenas, Mayor
City of Fowler



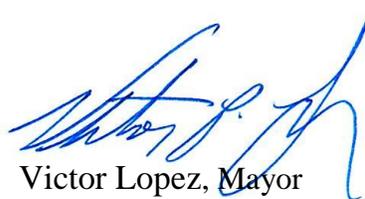
Alma Beltran, Mayor
City of Parlier



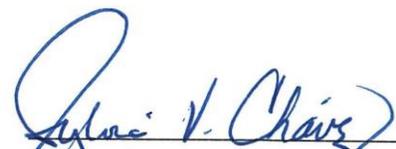
Rodrigo Espinoz, Mayor
City of Livingston



Ray Soleno, Mayor
City of Reedley



Victor Lopez, Mayor
City of Orange Cove



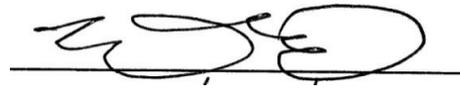
Sylvia Chavez, Mayor
City of Huron



Ron Ramsey, Mayor
City of Coalinga



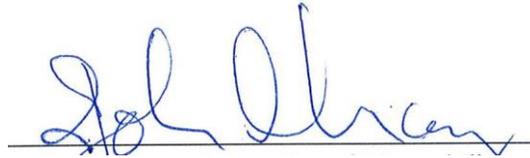
Robert Poythress, Mayor
City of Madera



Nathan Magsig, Mayor
City of Clovis



Scott Robinson, Mayor
City of Selma



John Chavez, Mayor
City of Chowchilla



Craig Knight, Mayor
City of Firebaugh



Stephen Hill, Mayor
City of Kerman



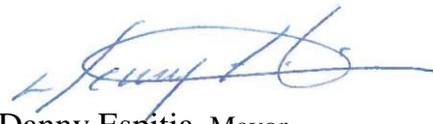
Jennifer Wood, Mayor
City of California City



Peggy Breeden, Mayor
City of Ridgecrest



Dennis Brazil, Mayor
City of Gustine



Danny Espitia, Mayor
City of Wasco



Russ Curry, Mayor
City of Hanford



Harlin Casida, Mayor
City of Avenal



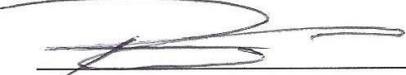
Anita Betancourt, Mayor Pro Tem
City of Reedley

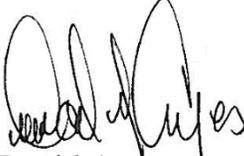


Diana Guerra, Mayor Pro Tem
City of Orange Cove


Daniel Parra, Mayor Pro Tem
City of Fowler


Bruce Blaney, Mayor Pro Tem
City of Kingsburg


Raul Cantu, Mayor Pro Tem
City of Sanger


David Ayers, Mayor Pro Tem
City of Hanford

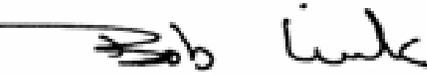

Raul Villanueva, Mayor Pro Tem
City of Parlier

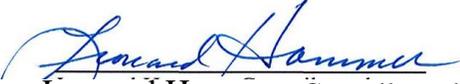

Steve Brandau, Councilmember
City of Fresno

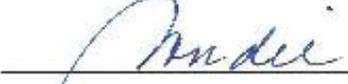

Mary Fast, Councilmember
City of Reedley

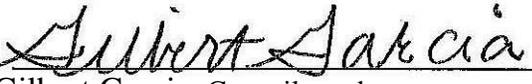

Robert Beck, Councilmember
City of Reedley

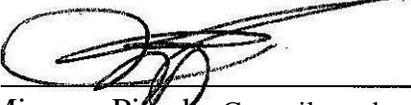

Henry Rodriguez, Councilmember
City of Reedley

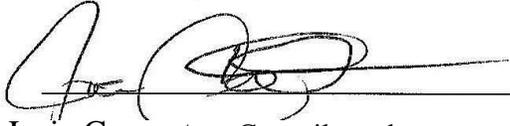

Bob Link, Councilmember
City of Visalia


Leonard Hammer, Councilmember
City of Fowler

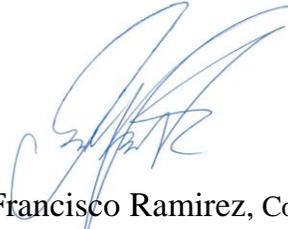

Sandie Monis, Councilmember
City of Fowler


Gilbert Garcia, Councilmember
City of Orange Cove


Minerva Pineda, Councilmember
City of Orange Cove



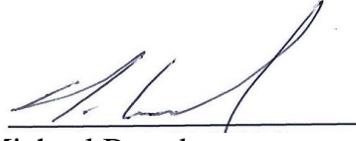
Josie Cervantes, Councilmember
City of Orange Cove



Francisco Ramirez, Councilmember
City of Hanford



Jerry Dyer, Chief of Police
City of Fresno



Michael Brand, Chief of Police
City of Fowler



CITY OF MENDOTA

"Cantaloupe Center Of The World"

April 30, 2015

RE: LETTER ATTACHED FROM LATINO WATER COALITION TO GOVERNOR BROWN CONCERNING THE DROUGHT

With our signatures below, the members of the City Council of the City of Mendota support the issues raised in the April 17 letter from the Latino Water Coalition to California Governor Jerry Brown.



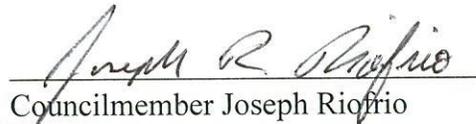
Mayor Robert Silva



Mayor Pro Tem Sergio Valdez



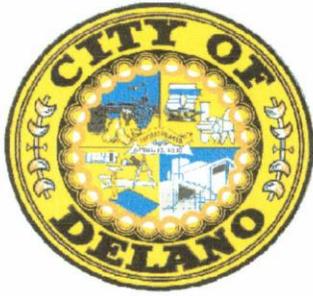
Councilmember Joseph Amador



Councilmember Joseph Riofrio



Councilmember Rolando Castro



CITY HALL
1015 ELEVENTH AVENUE
POST OFFICE BOX 3010

DELANO, CALIFORNIA 93216-3010

(661) 721-3300
(661) 721-3317 TDD
www.cityofdelano.org

COUNCIL MEMBERS

Rueben Pascual
MAYOR

Ricardo G. Chavez
MAYOR PRO TEM

Ruben "Ruby" Hill
Liz Morris
Grace Vallejo

Maribel G. Reyna
CITY MANAGER

April 29, 2015

The City Council Members do hereby state their support of the letter from California Latino Water Coalition, dated April 17, 2015, to the Honorable Jerry Brown, Governor, State of California, regarding: Is This Our California?

Handwritten signature of Rueben Pascual in blue ink.

Rueben Pascual, Mayor

Handwritten signature of Ricardo G. Chavez in blue ink.

Ricardo G. Chavez, Mayor Pro Tem

Handwritten signature of Ruben Hill in blue ink.

Ruben "Ruby" Hill, Council Member

Handwritten signature of Liz Morris in blue ink.

Liz Morris, Council Member

Handwritten signature of Grace Vallejo in blue ink.

Grace Vallejo, Council Member

cc: Members, California State Legislature
Members, California State Water Resources Control Board
Secretary, California Natural Resources Agency
Secretary, California Department of Food and Agriculture
Secretary, California Environmental Protection Agency
Secretary, California Health and Human Services Agency
Attorney General, California Department of Justice
Superintendent, California Department of Education
Director, California Department of Water Resources
Director, California Department of Fish and Wildlife
United States Senator Dianne Feinstein
United States Senator Barbara Boxer
Congressman Kevin McCarthy
Congressman Devin Nunes
Congressman David Valadao
Congressman Jim Costa
Congressman Jeff Denham
Secretary, United States Department of the Interior
Secretary, United States Department of Commerce

Attachments

IS THIS OUR CALIFORNIA?



IS THIS OUR CALIFORNIA?



KERMAN CITY COUNCIL

Mayor – Stephen B. Hill
Mayor Pro Tem Gary Yep
Council Member Rhonda Armstrong
Council Member Nathan Fox
Council Member Bill Nijjer



850 S. Madera Avenue
Kerman, CA 93630

Phone: (559) 846-9380
Fax: (559) 846-6199

stephenhillcityofkerman@gmail.com

May 13, 2015

Colleen Curtis, Chief Executive Officer
United Health Centers of the San Joaquin Valley
650 S. Zediker Avenue, Building 3
Parlier, CA 93648

Dear Ms. Curtis:

The City of Kerman is supportive of the application of United Health Centers of the San Joaquin Valley to Health Resources & Services Administration Bureau of Primary Health Care, for Health Infrastructure Investment Program capital funding. United Health Centers is planning a major alteration/renovation project at its Kerman Health Center; this facility currently lacks sufficient capacity to meet the growing demand for health care services.

The health services provided by United Health Centers benefit the community of Kerman by improving the health of citizens, playing a significant role in economic development and playing a part in the larger community story; a continuation of the community's ability to work together to resolve important social and health care issues.

United Health Centers opened the Kerman Health Center in 1995 and has been in its current building since 2005. The staff knows our residents and has seen the town increase in population by 58% between 2000 and 2010.

They are a trusted and competent partner in the City's health care system. A Health Infrastructure Investment Program capital-funding grant would allow United Health Centers to remodel its existing building to allow for increased accessibility as well as add primary and specialty care providers, potentially doubling its capacity for low-income populations.

The City of Kerman recognizes that federal support serves to promote, protect and provide for the health of underserved and uninsured low-income populations in our community. We support this application and urge a favorable consideration.

Sincerely,

A handwritten signature in blue ink that reads 'Stephen B. Hill'.

Stephen B. Hill
Mayor