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AGENDA
PUBLIC FINANCE AUTHORITY
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, June 15, 2016
6:30 PM

AGENDA PACKET AVAILABLE FOR
REVIEW 72 HOURS PRIOR TO
THE AGENCY 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

CHAIRMAN
Stephen B. Hill
BOARD MEMBERS
Rhonda Armstrong Kevin Nehring
Bill Nijjer Gary Yep

CALL TO ORDER

1. AGENDA APPROVAL
2. CONSENT CALENDAR
 - A. MINUTES

RECOMMENDATION: Members approve minutes as presented.

ATTACHMENTS: [June 17, 2015](#)

3. ORDER OF BUSINESS
 - A. Resolution Adopting the Public Finance Authority (PFA) Fiscal Year 2016/2017 Budget [TJ]

RECOMMENDATION: Board to approve resolution adopting the Kerman Public Finance Authority budget

ATTACHMENTS: [Staff Report - PFA Budget](#)

4. ADJOURNMENT



AGENDA
PUBLIC FINANCE AUTHORITY
 REGULAR MEETING Kerman City
 Hall
 850 S. Madera Avenue
 Wednesday, June 17, 2015
 6:30 PM

Stephen B. Hill - Chairman
 Gary Yep – Vice Chairman
 Rhonda Armstrong
 Nathan Fox
 Bill Nijjer

CALL TO ORDER

7:30 p.m.
 All Present

1. AGENDA APPROVAL

Approved
 RA/NF (5-0-0)

2. CONSENT CALENDAR

Approved
 RA/BN (5-0-0)

A. SUBJECT: Minutes – June 18, 2014

RECOMMENDATION: Members approve minutes as presented.

B. SUBJECT: Agency Treasurer’s Report

RECOMMENDATION: Members approve warrants as presented.

3. DEPARTMENT REPORTS

A. SUBJECT: Resolution Adopting the Fiscal Year 2015/2016 Kerman Public Finance Authority Budget [TJ]

Approved
 GY/RA (5-0-0)

RECOMMENDATION: Board approve resolution adopting the Kerman Public Finance Authority Budget.

Res PFA 15-01

4. ADJOURNMENT

7:35 p.m.
 Approved
 GY/RA (5-0-0)



City of Kerman

"Where Community Comes First"

CHAIRMAN BOARD MEMBER
Stephen B. Hill Gary Yep

BOARD MEMBER BOARD MEMBER BOARD MEMBER
Rhonda Armstrong Kevin Nehring Bill Nijjer

DEPARTMENT: FINANCE
STAFF REPORT
PUBLIC FINANCE AUTHORITY MEETING
COUNCIL MEETING DATE: JUNE 15, 2016

To: Chairman and Board Members
From: Toni Jones, Finance Director
Subject: Resolution Adopting the Fiscal Year 2016/2017 Kerman Public Finance Authority Budget

RECOMMENDATION

Board to approve resolution adopting the Kerman Public Finance Authority Budget.

EXECUTIVE SUMMARY

In October 2007 the Kerman Public Finance Authority (PFA) issued Lease Revenue Bonds in the amount of \$3,930,000 for improvements to City Hall, purchase of the building at 942 S. Madera Ave., and acreage for a future regional park located on the northeast corner of California and Goldenrod.

The only PFA activity is the collection of Lease Payments from the City of Kerman and the redistribution of these funds to bondholders. For Fiscal Year 2016/2017 these annual payments total \$242,074 along with an administrative fee of \$1,500 to be paid to the Trustee Bank (Wells Fargo) for a total budget of \$243,574.

OUTSTANDING ISSUES

None

FISCAL IMPACT

The PFA collects lease payments and bi-annually debt service payments are paid to Wells Fargo, the Trustee Bank.

PUBLIC HEARING

None Required

Attachments:

- A. Resolution
- B. Budget

Attachment 'A'

RESOLUTION NO. PFA 16-__

A RESOLUTION OF THE KERMAN PUBLIC FINANCING AUTHORITY
ADOPTING THE FISCAL YEAR 2016-2017 BUDGET

The Board of Directors of the Kerman Public Finance Authority does resolve as follows:

SECTION 1: The Board of Directors finds and declares as follows:

The Board of Directors has reviewed the proposed final Kerman Public Finance Authority Budget ("Budget") for fiscal year 2016-2017 and determines as follows:

- A. The Budget is based upon annual debt service payments and administrative fees;
- B. All procedural requirements for adopting the Budget were fulfilled and the Board of Directors was fully informed regarding the Authority's current finances, projected revenue, and financial obligations; and
- C. It is in the public interest for the Board of Directors to adopt the Public Finance Authority Budget as proposed by the Executive Director.

SECTION 2. ADOPTION. The Budget attached to this resolution, and incorporated by reference, is approved and adopted subject only to the authorizations set forth below.

BUDGET APPROPRIATIONS. Based upon the Budget, the total fiscal year 2016-2017 appropriation for the Public Finance Authority is \$243,574. The Executive Director, or designee, is authorized to implement the appropriations as detailed in the Budget.

SECTION 3. BUDGET ADJUSTMENTS. The Budget may be subsequently adjusted as follows:

- A. By majority vote of the Board of Directors;
- B. By the Executive Director, or designee, for all appropriation transfers between line items within the Authority's fund.

SECTION 4. This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 5: The foregoing resolution was introduced at a regular meeting of the Kerman Public Finance Authority, held on the 15th day of June, 2016, and adopted at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Stephen B. Hill
Chairman

Marci Reyes
Secretary

Attachment 'B'
City of Kerman
Public Financing Authority (PFA) Revenue Summary
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Description	Audited 2013-2014	Audited 2014-2015	Adopted 2015-2016	Estimated Year- End	Budget 2016-2017
361 02 00 Lease Income	243,165	240,148	241,986	241,985	243,574
	243,165	240,148	241,986	241,985	243,574

Budget Highlights:

Lease Income is collected from various City and RDA funds to service their portion of the debt. The breakdown of those cost allocations can be seen on page PFA-3. In October of 2007, the Kerman Public Finance Authority (PFA) issued the Lease Revenue Bonds in the amount of \$3,930,000. The principal payments are made every October 1, beginning in 2008 and terminating in 2037. Interest is paid semi-annually each April and October, with interest rates ranging from 3.5% to 4.75%.

City of Kerman
Public Financing Authority
Fiscal Year 2016/2017 Budget
 130

Description	Audited 2013-2014	Audited 2014-2015	Adopted 2015-2016	Estimated Year- End	Budget 2016-2017
Acquisition					
600 01 96 Community Park	0	0	0	0	0
Sub-Total	-	0	0	0	0
Maintenance and Operations					
510 10 00 Professional Services-Admin Fee	1,500	1,500	1,500	1,500	1,500
Sub-Total	1,500	1,500	1,500	1,500	1,500
Construction and Equipment					
600 03 88 Park Improvements	13,623	0	0	0	0
600 04 37 Projector for Council Chamber	0	0	0	0	0
Sub-Total	13,623	0	0	0	0
Debt Service					
700 01 00 Debt Service - Principal	85,000	85,000	90,000	90,000	95,000
700 02 00 Debt Service - Interest	156,665	153,648	150,486	150,486	147,074
Sub-Total	241,665	238,648	240,486	240,486	242,074
Total Expenditures	256,788	240,148	241,986	241,986	243,574

Budget Highlights:

**City of Kerman
 Annual Bond Lease Payment Breakdown
 Fiscal Year 2016/2017**

Projects

Fund	City Hall Expansion	Community Park	Bruno Property	Total			
	Total Project	2,824,951	Total Project	670,870	Total Project	466,655	3,962,476
		71.29%		16.93%		11.78%	
General Fund	12.5%	21,706			100%	28,685	50,392
Facilities	30%	52,095					52,095
Parks			50%	20,619			20,619
Quimby			50%	20,619			20,619
Water	25%	43,412					43,412
Sewer	20%	34,730					34,730
Solid Waste	10%	17,365					17,365
Storm Drain	1%	1,736					1,736
LL&MD	1.5%	2,605					2,605
		<u>173,650</u>		<u>41,238</u>		<u>28,685</u>	<u>243,574</u>
FY 16/17 Payment	243,574						
Allocations:							
City Hall	173,650						
Comm Park	41,238						
Bruno Prop.	28,685						
	<u>243,574</u>						