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**AGENDA**  
**PUBLIC FINANCE AUTHORITY**  
**REGULAR MEETING**  
**Kerman City Hall**  
**850 S. Madera Avenue**  
**Wednesday, June 18, 2014**  
**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

Gary Yep – Chairman  
Doug Wilcox – Vice Chairman  
Raj Dhaliwal – Board Member  
Nathan Fox – Board Member  
Bill Nijjer – Board Member

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**CALL TO ORDER**

**A. AGENDA APPROVAL**

**B. MINUTES**

RECOMMENDATION: Members approve minutes as presented.

ATTACHMENTS: [June 19, 2013](#)

**C. ORDER OF BUSINESS**

1. Resolution Adopting the Fiscal Year 2014/2015 Kerman Public Finance Authority Budget [TJ]

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

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

2. Resolution Confirming Review of the Biennial Conflict of Interest Code [MR]

RECOMMENDATION: Board adopt resolution confirming biennial review with no amendments to the conflict of interest code and accept the 2014 Local Agency Biennial Notice.

ATTACHMENTS: [Staff Report - 2014 PFA Biennial Notice](#)

**D. ADJOURNMENT**



**MINUTES  
PUBLIC FINANCE AUTHORITY  
REGULAR MEETING  
Kerman City Hall  
850 S. Madera Avenue  
Wednesday, June 19, 2013  
6:30 PM**

Gary Yep - Chairman  
Doug Wilcox – Vice Chairman  
Raj Dhaliwal – Agency Member  
Charlie Jones – Agency Member  
Nathan Fox – Agency Member

<p>Present: Chairman Yep (GY), Dhaliwal (RD), Jones (CJ), Wilcox (DW) Absent: Fox Also Present: City Manager Patlan, City Attorney Blum, Finance Director</p>	<p>Voting: Yes, No, Absent (Abstain if needed)</p>
<p><b>CALL TO ORDER</b></p>	<p>9:05 p.m.</p>
<p><b>A. AGENDA APPROVAL</b></p>	<p>All present except NF Approved CJ/DW (4-0-1) NF</p>
<p><b>B. MINUTES – August 15, 2012</b></p>	<p>Approved DW/CJ (4-0-1) NF</p>
<p><u>RECOMMENDATION:</u> Agency approve minutes as presented.</p>	
<p><b>C. ORDER OF BUSINESS</b></p>	
<p><b>1. Resolution Adopting the Public Finance Authority Fiscal Year 2013/2014 Budget [TP]</b></p>	<p>Approved CJ/DW (4-0-1) NF</p>
<p><u>RECOMMENDATION:</u> Agency adopt the Fiscal Year 2013/2014 Budget.</p>	
<p><b>D. ADJOURNMENT</b></p>	<p>9:09 p.m.</p>

**MINUTES CERTIFICATION**

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

Date: June 19, 2013

Marci Reyes  
Secretary



# City of Kerman

*"Where Community Comes First"*

CHAIRMAN            BOARD MEMBER  
Gary Yep            Doug Wilcox  
BOARD MEMBER    BOARD MEMBER    BOARD MEMBER  
Raj Dhaliwal       Nathan Fox          Bill Nijjer

DEPARTMENT: FINANCE  
STAFF REPORT  
PUBLIC FINANCE AUTHORITY MEETING  
COUNCIL MEETING DATE: JUNE 18, 2014

To:            Chairman and Board Members  
From:        Toni Jones, Finance Director  
Subject:     Resolution Adopting the Fiscal Year 2014/2015 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.

## OUTSTANDING ISSUES

None

## DISCUSSION

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 2014/2015 these annual payments total 238,648 along with an administrative fee of \$1,500 to be paid to the Trustee Bank (Wells Fargo) for a total budget of \$240,148.

Beginning July 1, 2013 the PFA's cash balance was \$13,623. Those funds were expended in fiscal year 2013/2014 for trees and shrubs at Katie's Park that is scheduled to be completed October 2014.

## 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 14-\_\_

A RESOLUTION ADOPTING THE FISCAL YEAR 2014-2015 BUDGET FOR  
THE KERMAN PUBLIC FINANCE AUTHORITY

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 2014-2015;

- 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 2014-2015 appropriation for the Public Finance Authority is \$240,148. 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 18<sup>th</sup> day of June, 2014, and adopted at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

\_\_\_\_\_  
Gary Yep  
Chairman

\_\_\_\_\_  
Marci Reyes  
Secretary

Attachment 'B'

**City of Kerman  
 Public Financing Authority (PFA) Revenue Summary  
 13.0**

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
361 02 00 Lease Income	239,352	241,252	243,165	243,165	240,148
	<u>239,352</u>	<u>241,252</u>	<u>243,165</u>	<u>243,165</u>	<u>240,148</u>

**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 2014/2015 Budget  
 13.0**

Description	Audited 2011-2012	Audited 2012-2013	Adopted 2013-2014	Estimated Year- End	Budget 2014-2015
600 01 96 Community Park	85	0	0	0	0
<b>Sub-Total</b>	<b>85</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>and Operations</b>					
510 10 00 Professional Services-Admin Fee	1,845	1,500	1,500	1,500	1,500
<b>Sub-Total</b>	<b>1,845</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>and Equipment</b>					
600 03 88 Park Improvements	9,000	0	0	13,623	0
600 04 37 Projector for Council Chamber	4,800	0	0	0	0
<b>Sub-Total</b>	<b>13,800</b>	<b>0</b>	<b>0</b>	<b>13,623</b>	<b>0</b>
700 01 00 Debt Service - Principal	75,000	80,000	85,000	85,000	85,000
700 02 00 Debt Service - Interest	165,853	159,752	156,665	156,665	153,648
<b>Sub-Total</b>	<b>240,853</b>	<b>239,752</b>	<b>241,665</b>	<b>241,665</b>	<b>238,648</b>
<b>Total Expenditures</b>	<b>254,738</b>	<b>241,252</b>	<b>243,165</b>	<b>256,788</b>	<b>240,148</b>

**Budget Highlights:**

City of Kerman Annual Bond Lease Payment Breakdown Fiscal Year 2014/2015  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%	21,401			100%	28,282	49,683
Facilities	30%	51,362					51,362
Parks			50%	20,329			20,329
Quimby			50%	20,329			20,329
Water	25%	42,802					42,802
Sewer	20%	34,241					34,241
Solid Waste	10%	17,121					17,121
Storm Drain	1%	1,712					1,712
LL&MD	1.5%	2,568					2,568
		171,207		40,658		28,282	240,148
FY 14/15 Payment                    240,148  Allocations: City Hall                    171,207 Comm Park                  40,658 Bruno Prop.                 28,282 <u>240,148</u>							



# City of Kerman

*"Where Community Comes First"*

CHAIRMAN  
Gary Yep

BOARD MEMBER  
Doug Wilcox

BOARD MEMBER  
Raj Dhaliwal

BOARD MEMBER  
Nathan Fox

BOARD MEMBER  
Bill Nijjer

DEPARTMENT: CITY CLERK  
STAFF REPORT  
PUBLIC FINANCE AUTHORITY MEETING  
MEETING DATE: JUNE 18, 2014

To: Mayor and Board Members  
From: Marci Reyes, City Clerk  
Subject: Resolution Confirming Review of the Biennial Conflict of Interest Code

## RECOMMENDATION

Board adopt resolution confirming biennial review with no amendments to the conflict of interest code and accept the 2014 Local Agency Biennial Notice.

## EXECUTIVE SUMMARY

The Political Reform Act requires local agencies to conduct a review of the code every two years. The City has conducted a biennial review of its Conflict of Interest Code and does not see a need for any amendment at this time. A 2014 Local Agency Biennial Notice must be submitted to the Board as the code reviewing body.

## OUTSTANDING ISSUES

None.

## DISCUSSION

The Public Finance Authority adopted Conflict of Interest Codes in compliance with the Political Reform Act. Pursuant Government Code Section 87300, the Board is required every even numbered year to review its Biennial Conflict of Interest Code list of designated positions for changes. The list of positions included in the Conflict of Interest Code is attached as Exhibit 'A'.

There have been no changes to the list of position contained in the Conflict of Interest Code since the prior review in 2012. Therefore, there are no amendments to the Conflict of Interest Code during this biennial review.

## FISCAL IMPACT

None.

## PUBLIC HEARING

None required.

Attachments:

- A. Resolution w/Exhibit 'A' – 2014 Local Agency Biennial Notice  
Attachment 'A'

RESOLUTION NO. 14-\_\_

A RESOLUTION OF THE PUBLIC FINANCE AUTHORITY CONFIRMING BIENNIAL REVIEW  
WITH NO AMENDMENTS OF THE CONFLICT OF INTEREST CODE

Whereas, the Political Reform Act (Government Code Section 81000 et seq.) requires local government agencies to adopt and promulgate conflict of interest codes, and to conduct a biennial review and revise them if necessary; and

Whereas, the Fair Political Practices Commission (FPPC) has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code which may be incorporated by reference in an agency's code, and which may be amended by the FPPC to conform to amendments in the Political Reform Act, following public notice and hearings; and

Whereas, the terms of 2 Cal. Code of Regs. 18730 and any amendment to it duly adopted by the FPPC have previously been incorporated by reference in Resolution 76-64, which, together with the list of designated positions (Exhibit 'A') and disclosure categories (Exhibit 'B') adopted from time to time by the Board constitutes the Conflict of Interest Code for the Public Finance Authority; and

Whereas, the City has conducted its biennial review of the current Conflict of Interest Code which the City last reviewed in 2012 pursuant to Government Code Section 87300; and

Whereas, the City has determined that the Code in its current form is in accordance with the applicable laws, regulations, and guidelines;

Now, therefore, be it resolved that, having undertaken its biennial review of the Public Finance Authority's Conflict of Interest Code, the Board hereby confirms that no amendments to said Code are require at this time and accepts the 2014 Local Agency Biennial Notice enclosed herein as Exhibit 'C'.

The foregoing Resolution was approved and adopted by the Public Finance Authority at a regular meeting held on the 18th day of June, 2014, by the following vote:

AYES:  
NAYS:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Gary Yep  
Chairman

ATTEST:

\_\_\_\_\_  
Marci Reyes  
Secretary

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Exhibit 'A'

**PFA CONFLICT OF INTEREST CODE**

**APPENDIX A**

**Designated Positions**

- I. Persons occupying the following positions are designated employees and must disclose financial interests in all categories defined in Appendix B.

**Consultants**

- 
1. Note: this Conflict of Interest Code designates only those officers, commissioners, and employees who are not required to file a statement of economic interests pursuant to Government Code Section 87200 and related regulations. The Authority Finance Director has been determined to be "a public official who manages public investments" who shall file a statement of economic interest pursuant to Government Code Section 87200.
  2. Note: The City Manager may determine in writing that a particular consultant, although a "designated employee", is hired to perform a range of duties that is limited in scope and, thus, is not required to fully comply with the disclosure requirements of this code. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Exhibit 'B'

**PFA CONFLICT OF INTEREST CODE**

**APPENDIX B**

**Disclosure Categories**

**Category 1**

- (a) Interests in real property which are located in whole or in part either (1) within the boundaries of the City, or (2) within two miles of the boundaries of the City or within a two mile radius of any property owned or used by the City, including any leasehold, beneficial or ownership interest, or option to acquire such interest in real property.
- (b) Investments, business positions in or income from business entities which are contractors or sub-contractors which are or have been within the previous two-year period engaged in the performance of building construction or design within the City.
- (c) Investments, business positions in or income from persons or business entities engaged in the acquisition or disposal of real property within Kerman or as described in Category 1(a).

**Category 2**

Investments, business positions in or income from business entities which manufacture or sell supplies, machinery, or equipment of the type utilized by the department for which the designated employee is Manager or Director. Investments include interests described in Category 1.

**Category 3**

Investments, business positions in or income from business entities which are contractors or sub-contractors engaged in the performance of work or services of the type utilized by the department for which the designated employee is Manager or Director. Investments include the interests described in Category 1.

Exhibit 'C'

**2014 Local Agency Biennial Notice**

Name of Agency: Kerman Public Finance Authority  
Mailing Address: 850 S. Madera Ave.  
Contact Person: Marci Reyes Phone No: (559) 846-9380  
E-Mail: mreyes@cityofkerman.org

**Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.**

This agency has reviewed its conflict of interest code and has determined that (check one box):

- An amendment is required. The following amendments are necessary:**  
(Mark all that apply.)
  - Include new positions (including consultants) that must be designated
  - Revise disclosure categories
  - Revise the titles of existing positions
  - Delete positions that no longer make or participate in making governmental decisions
  - Other (describe) \_\_\_\_\_
- The code is currently under review by the code reviewing body.**
- No amendment is required.** (If your code is more than five years old, amendments may be necessary.)

**Verification**

*This agency's conflict of interest code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions. The code includes all other provisions required by Government Code Section 87302.*

\_\_\_\_\_  
Signature of Chief Executive Officer

June 18, 2014  
\_\_\_\_\_  
Date

Complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 1, 2014**, or by the date specified by your agency, if earlier, to:  
(PLACE RETURN ADDRESS OF THE CODE REVIEWING BODY HERE)

**PLEASE DO NOT RETURN THIS FORM TO THE FPPC**