

1.a.
**CITY OF SELMA
COUNCIL REGULAR MEETING
January 19, 2021**

*VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM. THE COUNCIL CHAMBER WAS CLOSED TO THE
PUBLIC. PUBLIC HAD THE OPTION TO CALL +1 301 715 8592 ID: 846 5701 7190
PASSCODE: 322782 TO PROVIDE COMMENTS ON AGENDA ITEMS.*

The regular meeting of the Selma City Council was called to order at 6:06 p.m. in the Council Chambers and by teleconference. Council members answering roll call were: Guerra, Mendoza-Navarro, Trujillo, Mayor Pro Tem Cho, and Mayor Robertson.

Also present were City Manager Gallavan, Assistant City Manager Moreno, Fire Chief Petersen, Police Chief Gomez, Recreation and Community Services Director Kirchner, Public Works Director Ferrell, Contract Planner Noguera, Acting Attorney Brent Richardson and interested citizens.

The agenda for this meeting was duly posted in a location visible at all times by the general public seventy-two hours prior to this meeting.

INVOCATION: Pastor Maria Tafoya of First Christian Church led the invocation. A moment of silence was held in honor of Mr. Paul Pallares, Ms. Carol Montoya and Ms. Cynthia Gonzales.

ORAL COMMUNICATIONS: Public comments were received from Mrs. Yolanda Torres, Mr. Jesse Crouch, Mr. Mark Medina, Mrs. Nancy Caballero, Mr. Robert Cervantez, and Ms. Elsa Guiba.

SPECIAL PRESENTATION: Mayor Robertson administered the Attorney Oath of Office to Sukhman Singh Sekhon, a Selma resident and has requested Mayor Robertson to administer his oath. During the COVID-19 pandemic, an official can administer the oath for the California State Bar under Government Code §40603.

PLANNING PRESENTATION: Contract Planner Kira Noguera provided a power point presentation on current planning projects in the City.

CONSENT CALENDAR: Council member Mendoza-Navarro requested to pull item 1.a. and 1.g. for separate discussion. Council member Guerra requested to pull item 1.b. and 1.c. Motion was then made by Council member Guerra to approve the remainder of the Consent calendar as written. Motion was seconded by Council Member Trujillo. Motion carried unanimously.

- 1 .a. Pulled Consideration of the June 1, 2020, Council meeting minutes

- b. Pulled Consideration of a Resolution awarding contract to R.J. Berry Jr., Inc. for the Huntsman Avenue Widening Project

- c. Pulled Consideration of a Resolution awarding contract to Don Berry Construction, Inc., for the Selma Arterials Pavement Improvement Project No STPL-5096(036)

- d. 2021-3R Consideration of a Resolution awarding construction contract to Don Berry Construction, Inc., for the Selma Alley Improvement Project No CML-5096(039)
- e. 2021-4R Consideration of a Resolution approving the Supplemental Agreement No. F033 for preliminary engineering for design of a new traffic signal at the intersection of McCall Ave. and Dinuba Ave. in Selma, CA.
- f. Approved Council authorize the City Manager to sign and submit a letter and requests for State Budget Appropriation requests to Senator Hurtado's Office
- g. Pulled Consideration of the check register dated January 11, 2021

CONSENT CALENDAR AGENDA ITEMS 1.a., 1.b., 1.c. and 1.g.: After discussion of agenda items 1.a., 1.b. 1.c. and 1.g., motion was made by Council member Guerra and seconded by Council member Mendoza-Navarro to approve items 1.a. JUNE 1, 2020, COUNCIL MEETING MINUTES; 1.b. RESOLUTION NO. 2021-1R, A RESOLUTION AWARDED CONTRACT TO R.J. BERRY JR., INC. FOR THE HUNTSMAN AVENUE WIDENING PROJECT; 1.c. RESOLUTION NO. 2021-2R, A RESOLUTION AWARDED CONTRACT TO DON BERRY CONSTRUCTION, INC. FOR THE SELMA ARTERIALS PAVEMENT IMPROVEMENT PROJECT NO STPL-5096(036); and 1.g. CHECK REGISTER DATED JANUARY 11, 2021. Motion carried unanimously.

- 2. 2021-5R Continued Item-Consideration and Necessary Action on Resolution declaring an Abandoned Sign at 1505 2nd Street, Selma, California and Illegal On-Premises Advertising Display and Public nuisance and Ordering the Property Owner to Abate the Nuisance –Public Hearing

Mayor Robertson opened the public hearing at 7:04 p.m. Public comments were received by Mr. Jesse Crouch and Mr. Jim Avalos. Mayor Robertson closed the public hearing at 7:09 p.m. After Council discussion, motion was made by Council member Mendoza-Navarro and seconded by Council Member Guerra to approve RESOLUTION NO. 2021-5R, A RESOLUTION DECLARING AN ABANDONED SIGN AT 1505 2ND STREET, SELMA, CALIFORNIA AND ILLEGAL ON-PREMISES ADVERTISING DISPLAY AND PUBLIC NUISANCE AND ORDERING THE PROPERTY OWNER TO ABATE THE NUISANCE WITH HEARING DATE SET FOR FEBRUARY 16, 2021. Motion carried unanimously.

- 3. Continued Continued Item-Consideration and Necessary Action on Resolution declaring an Abandoned Sign at 1630 2nd Street, Selma, California and Illegal On-Premises Advertising Display and Public nuisance and Ordering the Property Owner to Abate the Nuisance –Public Hearing

Mayor Robertson opened the public hearing at 7:15 p.m. Public comments were received by Mr. David Mendrin, owner of property, Mr. Jim Avalos, and Mrs. Yolanda Torres. Mayor Robertson closed the public hearing at 7:23 p.m. After Council discussion, motion was

made by Council member Guerra and seconded by Council Member Mendoza-Navarro to continue the item until March 15, 2021 to allow the owner to continue with planning site improvements. Motion carried unanimously.

4. Pulled Continued Item-Consideration and Necessary Action on Resolution Declaring an Abandoned Sign at 1635 2nd Street, Selma, California and Illegal On-Premises Advertising Display and Public nuisance and Ordering the Property Owner to Abate the Nuisance – Public Hearing

City Manager Gallavan reported on the matter and reported to Council the property was recently sold. Acting Attorney Richardson advised Council to pull the item to allow for the new property owners to be notified. After Council discussion and no comments from the public, consensus was made to pull the item to allow staff to notify the new owners.

RECESS: Mayor Robertson recessed the meeting at 7:29 p.m. The meeting reconvened at 7:35 p.m.

5. Approved Consideration of City CARES Act Funding Allocation from Fresno County Associated FY 2020-21 Budget Adjustments

Public comments were received from Mrs. Victoria Delgadillo, Mrs. Yolanda Torres, Mr. Louis Franco, Mr. Mark Medina, Mr. Jim Avalos, Ms. Theresa Salas, Ms. Nancy Caballero, Dr. Humberto Gomez, Jr., and Mr. Richard Smith. After Council discussion and no further comments from the public, motion was made by Mayor Pro Tem Cho and seconded by Council member Mendoza-Navarro to approve CITY CARES ACT FUNDING ALLOCATION FROM FRESNO COUNTY ASSOCIATED FISCAL YEAR 2020-21 BUDGET ADJUSTMENT AS FOLLOWS: \$150,000 FOR A BUSINESS LICENSE FEE RELIEF PROGRAM FOR CALENDAR YEAR 2021; \$5,900 TO WAIVE FEES FOR DOG LICENSES; \$10,000 FOR SHOP LOCAL SMALL BUSINESS GIFT CARD PROGRAM; and \$1,800 TO COVER THE COST OF UTILITIES FOR THE OPTUM SERVE COVID-19 TEST SITE AT PIONEER VILLAGE. Motion carried unanimously.

RECESS: Mayor Robertson recessed the meeting at 8:52 p.m. The meeting reconvened at 8:57 p.m.

6. Information Only Continued Item-Discussion of Changes in Certain Functions of the City Council Created by New Four District Council member Election with at-large Elective Mayor

City Manager Gallavan reviewed the informational report for Council. Public comments were received from Dr. Humberto Gomez, Jr., Mr. Louis Franco, Ms. Theresa Salas, and Mrs. Yolanda Torres. Mayor Robertson requested the joint powers agreement and bylaws for the Selma Kingsburg Fowler County Sanitation District and Fresno Council of Governments. After Council discussion and clarification from Acting Attorney Richardson, no further action was taken on the matter as this was an informational agenda item.

7. Approved Council request to discuss the process of changing the mayoral appointments and the appointments to city commissions

Public comments were received from Mrs. Victoria Delgadillo, Mrs. Yolanda Torres, Dr. Humberto Gomez, Jr., Mr. Louis Franco, Ms. Theresa Salas, Mr. Mark Medina, and Mr. Jim Avalos. After Council discussion, motion was made by Council member Mendoza-Navarro and seconded by Mayor Pro Tem Cho to ALLOW COUNCIL MEMBERS TO APPROVE THE MAYOR APPOINTMENTS IN THE ABSENCE OF LANGUAGE IN A JOINT POWERS AGREEMENT. Motion carried with the following vote:

AYES: Mendoza-Navarro, Cho, Trujillo
NOES: Guerra, Robertson
ABSTAIN: None
ABSENT: None

8. Approved Council request to update Council's Code of Conduct

Public comments were received from Mrs. Victoria Delgadillo, Mrs. Yolanda Torres, Mr. Louis Franco, Mr. Jim Avalos, Ms. Theresa Salas, Mr. Mark Medina, and Dr. Humberto Gomez, Jr. After Council discussion and no further comments from the public, a motion was made to approve the REVIEW AND UPDATE AS NEEDED TO THE COUNCIL'S CODE OF CONDUCT by Council member Mendoza-Navarro. Motion died for lack of a second.

The matter was revisited at the request of Council member Mendoza-Navarro to clarify that there was a second on the floor but Mayor Pro Tem Cho was muted. At this point in the meeting Mayor Robertson requested that roll call be taken on the motion. Council member Mendoza-Navarro clarified that her motion was to DIRECT CITY STAFF TO REVIEW AND UPDATE AS NEEDED THE COUNCIL'S CODE OF CONDUCT. Motion was seconded by Mayor Pro Tem Cho. Motion carried with the following vote:

AYES: Mendoza-Navarro, Cho, Trujillo, Guerra
NOES: Robertson
ABSTAIN: None
ABSENT: None

9. Continued Council request to discuss Council meeting start time for presentations
Public comments were received from Mrs. Victoria Delgadillo, Mrs. Yolanda Torres, Dr. Humberto Gomez, Jr., Mr. Jim Avalos, Ms. Theresa Salas, and Mr. Mark Medina. After Council discussion and no further comments from the public, a motion was made by Council Member Guerra and seconded by Council member Mendoza-Navarro to DIRECT CITY STAFF TO RESEARCH THIS ITEM FURTHER AND BRING BACK AT A FUTURE MEETING. Motion carried unanimously.

10. Approved Consideration of appointments to City Commissions as a result of unscheduled vacancies

City Clerk Rivera reported on the applications received for the various Commissions for those incumbents wishing to seek appointment. She also stated that Mrs. Yolanda Torrez requested that her application be pulled from the process.

It was the consensus of Council to appoint Mr. John Mendoza to the Recreation and Community Services Commission.

It was the consensus of Council to appoint Mr. John Mendoza to the Pioneer Village Commission with the term ending on June 30, 2021.

It was the consensus of Council to appoint Mr. Jesse Crouch, Mr. Louis Franco and Mr. Mike Valverde to the Pioneer Village Commission.

At this point in the meeting Acting Attorney Richardson clarified the process for Council and advised that a motion and a second was not necessary as the statute stated Council approval. After Council discussion of the process, it was concluded that only roll call votes would be needed.

Council consideration of Mr. Marvin Forbe to the Personnel Commission. Motion did not carry with the following vote:

AYES:	Guerra, Robertson
NOES:	Mendoza-Navarro, Trujillo, Cho
ABSTAIN:	None
ABSENT:	None

Council consideration of Mr. John Mendoza to the Personnel Commission. Motion did not carry with the following vote:

AYES:	Guerra, Robertson
NOES:	Mendoza-Navarro, Trujillo, Cho
ABSTAIN:	None
ABSENT:	None

Council consideration of Mrs. Teresa Salas to the Personnel Commission. Motion did not carry with the following vote:

AYES:	Mendoza-Navarro, Cho
NOES:	Guerra, Trujillo, Robertson
ABSTAIN:	None
ABSENT:	None

Council consideration of Mr. Louis Franco to the Personnel Commission. Motion carried with the following vote:

AYES:	Mendoza-Navarro, Trujillo, Cho
NOES:	Guerra, Robertson
ABSTAIN:	None
ABSENT:	None

RECESS: Mayor Robertson recessed the Council Regular meeting at 11:27 p.m. and convened the Successor Agency to the Dissolved Selma Redevelopment Agency Special meeting. At 11:30 p.m. Mayor Robertson reconvened the Council Regular meeting.

DEPARTMENT REPORTS: City Manager Gallavan provided an update on the café light project at which time Public Works Director Ferrell stated the projected completion date was February 2021. Public Works Director also thanked Cal Water for the funding provided towards the café light project. City Manager Gallavan reported on upcoming projects and budget workshops.

Assistant City Manager Moreno reported that the Central Valley Training Center will be holding a Graduation Ceremony on January 29th at 11:00 a.m. for the first graduating class.

Fire Chief Petersen provided an update on the vaccination site at the Nick Medina Senior Center and asked Council and City Staff to reach out to County officials in requesting additional vaccine clinics for the City of Selma. Chief Petersen also reported that his staff had been deployed to hospitals in Bakersfield and Mission Viejo on COVID related assignments as well as Strike Team assignment in Madera County.

Community Services Director Kirchner reported on applying for two grants for the Arts Council to offset operating cost.

Police Chief Gomez provided an update on the new Police Department and homeless encampment issues.

COUNCIL REPORTS: Council member Mendoza-Navarro provided an update on the Adopt a Child program.

Council member Guerra reported on attending the Ribbon Cutting for Selma Pharmacy and two Selma Kingsburg Fowler County Sanitation meetings. Council member Guerra reported she received her first dose of the COVID vaccine through United Health Centers and encouraged everyone to get it.

Mayor Pro Tem Cho reported attending the Five Cities meeting and that all cities have reported upcoming growth.

Mayor Robertson requested to place as a future Council agenda item an authorization to request a group meeting with the Selma School Board, Selma Healthcare District and Selma Cemetery district.

ORAL COMMUNICATIONS: Public comments were received by Mrs. Victoria Delgadillo, Dr. Humberto Gomez, Jr., and Mr. Richard Smith.

ADJOURNMENT: There being no further business, the meeting was adjourned at 12:04 a.m.

City of Selma
Regular City Council Meeting
January 19, 2021
Page 7
Respectfully submitted,

Reyna Rivera
City Clerk

1.b.
CITY OF SELMA
CITY COUNCIL SPECIAL MEETING
January 22, 2021

*VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM. THE COUNCIL CHAMBER WAS CLOSED TO THE
PUBLIC. PUBLIC HAD THE OPTION TO CALL +1 301 715 8592 ID: 884 7195 7534
PASSCODE: 012221 TO PROVIDE COMMENTS ON AGENDA ITEMS.*

The special meeting of the Selma City Council was called to order at 9:02 a.m. in the Council Chambers. Council members answering roll call were: Guerra, Mendoza-Navarro, Trujillo, Mayor Pro Tem Cho and Mayor Robertson.

Also present were Acting Attorney Richardson, Police Chief Gomez, Community Services Director Kirchner, Contract Planner Noguera, City Engineer Bond, Recreation Coordinator Martinez, Assistant City Manager Moreno, and City Manager Gallavan and interested citizens.

The agenda for this meeting was duly posted in a location visible at all times by the general public twenty-four hours prior to this meeting.

PRESENTATION ON ROCKWELL POND PARK PROJECT BY CITY STAFF:

Introductions of the Selma Development Partners and City Staff working on the Rockwell Pond were made. A power point presentation was given by Community Services Director Kirchner which provided Council updates on status of the grant and funding of the Rockwell Pond project.

**PRESENTATION ON CONCEPTUAL DRAWING OF POTENTIAL PARK
RELATIVE TO SELMA GROVE BY CLIFF TUTELIAN, DEVELOPER OF SELMA
GROVE:** Mr. Cliff Tutelian with Selma Development Partners provided a power point presentation on the Selma Site Plan relative to Selma Grove and economic development.

City Manager Gallavan and Community Services Director Mikal Kirchner reported on the item for Council. Public comments were received from Mr. Frank Hoyt, Mrs. Yolanda Torrez and Mr. Mateo Rodriguez in favor of the project. After a lengthy Council discussion consensus was made to bring the item back to Council for a special meeting by February 8, 2021 or at the latest February 16, 2021 to allow City Staff to look further into impact reports.

RECESS: Mayor Robertson recessed the meeting at 10:58 a.m. The meeting reconvened at 11:07 a.m.

2021-6R Continued Item- Consideration of a Resolution approving a request to enter into an Agreement with Vanir Construction Management, Inc. for Project Management of the Rockwell Park Project, Approving the Agreement, and Authorizing the City Manager to Execute the Agreement on Behalf of the City

Community Services Director Kirchner reported on the item for Council. Public comment was received from Mrs. Yolanda Torrez. After Council discussion, a motion was made by Council member Mendoza-Navarro and seconded by Mayor Pro Tem Cho to approve RESOLUTION NO. 2021-6R A RESOLUTION APPROVING A REQUEST TO ENTER INTO AN AGREEMENT WITH VANIR CONSTRUCTION MANAGEMENT, INC. FOR PROJECT MANAGEMENT OF THE ROCKWELL PARK PROJECT, APPROVING THE AGREEMENT, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY. Motion carried unanimously.

CLOSED SESSION: At 11:14 a.m., Mayor Robertson recessed the meeting into Closed Session to discuss the following:

PUBLIC EMPLOYEE APPOINTMENT: INTERIM CITY ATTORNEY Pursuant to Government Code Section 54957.

Mayor Robertson reconvened the meeting from closed session at 11:32 a.m., and stated that the reportable action for the item regarding public employee appointment was that an Interim City Attorney was selected by the City Council. Pending the acceptance by the selected Interim City Attorney, City Staff will bring a contract for public review during the next Council meeting.

ADJOURNMENT: There being no further business, the meeting was adjourned at 11:33 a.m.

Respectfully submitted,

Reyna Rivera
City Clerk

1-c.
CITY OF SELMA
CITY COUNCIL SPECIAL MEETING
February 1, 2021

*VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM. THE COUNCIL CHAMBER WAS CLOSED TO THE
PUBLIC. PUBLIC HAD THE OPTION TO CALL +1 301 715 8592 ID: 893 8167 1809
PASSCODE: 1893 TO PROVIDE COMMENTS ON AGENDA ITEMS.*

The special meeting of the Selma City Council was called to order at 5:02 p.m. in the Council Chambers. Council members answering roll call were: Guerra, Mendoza-Navarro, Trujillo, Mayor Pro Tem Cho and Mayor Robertson.

Also present were City Manager Gallavan, Assistant City Manager Moreno, Interim City Counsel Montoy and interested citizens.

The agenda for this meeting was duly posted in a location visible at all times by the general public twenty-four hours prior to this meeting.

CLOSED SESSION: At 5:04 p.m., Mayor Robertson recessed the meeting into Closed Session to discuss the following:

LIABILITY CLAIMS:

Claimant: Sirach Harless

Agency Claimed Against: City of Selma

Conference with Legal Counsel; Existing Litigation
(Gov. Code § 54956.9(d)(1))

The City Council finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.

Name of Case: Avalos v. Mendoza-Navarro et al.

Names of Parties or Claimants: Plaintiff Jimmie "Jim" Avalos; Defendants Blanca Mendoza-Navarro, an individual and Brandi Orth, in her capacity as County Clerk/Registrar of Voters of Fresno County Case No. or Claim No. Fresno Superior Court, Case No. 20CECG03762

Mayor Robertson reconvened the meeting from closed session at 6:02 p.m.

Interim City Counsel Montoy reported that all Council members were present during the closed session. She stated that there was no reportable action on the claim against the City of Selma and with respect to Avalos v. Mendoza-Navarro there was reportable action. She stated that Council approved the City's defense of the election contest filed by former Council member Avalos against current Council member Mendoza-Navarro and Brandi Orth, County Clerk/Registrar of Voters. The vote was as follows: Mayor Pro Tem Cho, Council members Trujillo and Mendoza-Navarro voted yes. Council member Guerra and Mayor Robertson voted no.

City of Selma
Special City Council Meeting
February 1, 2021
Page 2

ADJOURNMENT: There being no further business, the meeting was adjourned at 6:03 p.m.

Respectfully submitted,

Reyna Rivera
City Clerk

**CITY OF SELMA
COUNCIL REGULAR MEETING
February 1, 2021**

*VIA TELECONFERENCE PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM. THE COUNCIL CHAMBER WAS CLOSED TO THE
PUBLIC. PUBLIC HAD THE OPTION TO CALL +1 301 715 8592 ID: 893 8167 1809
PASSCODE: 1893 TO PROVIDE COMMENTS ON AGENDA ITEMS.*

The regular meeting of the Selma City Council was called to order at 6:04 p.m. in the Council Chambers and by teleconference. Council members answering roll call were: Guerra, Mendoza-Navarro, Trujillo, Mayor Pro Tem Cho, and Mayor Robertson.

Also present were City Manager Gallavan, Assistant City Manager Moreno, Interim City Counsel Montoy, Fire Chief Petersen, Police Chief Gomez, Community Services Director Kirchner, Public Works Director Ferrell and interested citizens.

The agenda for this meeting was duly posted in a location visible at all times by the general public seventy-two hours prior to this meeting.

INVOCATION: Pastor Nelson Schwamb of Church of the Redeemer led the invocation.

ORAL COMMUNICATIONS: Public comments were received from Mr. Kevin Murray and Mrs. Leslie Nelson.

SPECIAL PRESENTATION: Ms. Laura Moreno, Program Manager with the Department of Social Services and Ms. Sonia De La Rosa, Fiscal Analyst with County Administrative Office (CAO) Fresno County provided a power point presentation on homelessness in Fresno County.

QUARTERLY PRIORITIES PRESENTATION: City Manager Gallavan provided a power point presentation discussing updates on economic and community development projects and Council priorities within the City.

RECESS: Mayor Robertson recessed the meeting at 7:20 p.m. The meeting reconvened at 7:28 p.m.

CONSENT CALENDAR: Council member Guerra requested to pull item 1.d. for separate discussion. Motion was then made by Council member Guerra to approve the remainder of the Consent calendar as written. Motion was seconded by Council member Mendoza-Navarro. Motion carried unanimously.

- | | | |
|-------|-----------------|---|
| 1 .a. | <u>Approved</u> | Consideration of an Interim Legal Services agreement with Montoy Law for Interim City General Counsel Services |
| b. | <u>Approved</u> | Consideration of Increase to Fiscal Year 2020-2021 Full-Time Employee (FTE) Positions to Include One Community Development Director |

- c. Approved Consideration of Purchase and Installation of Systems & Space Inc. (SSI) Weapons Racks for New Police Station
- d. Pulled Consideration of the check register dated January 26, 2021

CONSENT CALENDAR AGENDA ITEMS 1.d. CONSIDERATION OF THE CHECK REGISTER DATED JANUARY 26, 2021: After discussion of agenda items 1.d., motion was made by Council member Guerra and seconded by Mayor Robertson to approve CHECK REGISTER DATED JANUARY 26, 2021. Motion carried unanimously.

- 2. Consensus Council request to discuss Mayor's attendance to various boards on behalf of the City Council

After Council discussion and no comments from the public, Council consensus was made to allow Mayor and Mayor Pro Tem to approach various boards on behalf of the City Council.

- 3. Continued Council request to discuss City CARES Act Funding Reserves

City Manager Gallavan reported on the matter for Council. After Council discussion and no comments from the public, Council consensus was made to review the status of current CARES Act funding reserves and bring back to Council for further discussion.

- 4. Continued Discussion and Direction Regarding Energy Efficacy Capital Improvement Project

Assistant City Manager Moreno reported on the matter for Council. After Council discussion and no comments from the public, Council consensus was made to allow City Staff to proceed with issuing requests for proposals for a solar system in the City to include a financing mechanism and the new police department.

- 5. Approved Review of proposed timeline and Request for Proposals for procurement of City General Counsel Legal Services

City Manager Gallavan reported on the matter for Council. Public comment was received from Mrs. Victoria Delgadillo. After Council discussion, motion was made by Council member Guerra and seconded by Council member Mendoza-Navarro to approve the TIMELINE AND REQUEST FOR PROPOSALS FOR PROCUREMENT OF CITY GENERAL COUNSEL for LEGAL SERVICES. Motion carried unanimously.

DEPARTMENT REPORTS: City Manager Gallavan provided an update on the Amberwood project.

Assistant City Manager Moreno provided a power point presentation the quarterly budget.

Public Works Director Ferrell gave an update on various projects within the City. He also reported on the recent storm and pre-storm preparations and thanked his staff for the excellent job.

Fire Chief Petersen gave an update on his staff deployed on COVID related assignments and vaccine availability. He reported a 12% decrease in call volume which indicates things are heading in the right direction in regards to COVID cases.

Police Chief Gomez provided an update on recent staffing promotions and addressed homelessness within the City.

Community Services Director Kirchner provided an update on recent events and fundraising. He requested a special meeting for parks and recreation on February 8th at 9:00 a.m.

COUNCIL REPORTS: Council member Mendoza-Navarro thanked City Staff. She provided an update on events she has attended including the League of California Cities Latino Caucus and the Central Valley Training Center's graduation ceremony. Council member Mendoza-Navarro addressed the citizens of Selma encouraging them to reach out to her to discuss any issues or concerns.

Council member Trujillo reported on attending the Central Valley Training Center's graduation ceremony and the Superintendent's virtual meeting. He thanked Public Works Director Ferrell and his staff for their proactive work they did on the recent rain storm.

Council member Guerra reported on attending the Superintendent's virtual meeting and Central Valley Training Center's graduation ceremony. She also thanked City Staff.

Mayor Pro Tem Cho thanked City Staff for all their help during her transition and reported she attended the Central Valley Training Center's graduation ceremony. Mayor Pro Tem Cho provided information on an upcoming fundraiser for the Portuguese Hall.

Mayor Robertson thanked City Staff for their hard work during this pandemic. Mayor Robertson reported on attending the Central Valley Training Center's graduation ceremony as well as meetings he attended including the Fresno County Council of Governments (COG). He also provided updates on several projects within the City. Mayor Robertson requested a presentation from Moses Stites to discuss micro grid analysis on electric vehicles. Mayor Robertson also addressed the Transit Oriented Development (TOD) program and its upcoming deadline.

ORAL COMMUNICATIONS: Public comments were received by Mrs. Victoria Delgadillo and Ms. Theresa Salas.

ADJOURNMENT: There being no further business, the meeting was adjourned at 8:57 p.m.

Respectfully submitted,

Reyna Rivera
City Clerk

ITEM NO:

1-d.

SUBJECT: Professional Service Agreement for the Downtown Business Improvement District Feasibility Study

RECOMMENDATION: Execute the Professional Service Agreement with AMI Concepts for the Downtown Business Improvement District Feasibility Study per the USDA Rural Business Development Grant

BACKGROUND:

The City of Selma applied for a USDA Rural Business Development Grant in 2020 and were awarded \$40,000 for the contracting of professional services that would evaluate the potential of an improvement district. The Business Improvement District (BID) study will evaluate the cost, desire and funding mechanism possibilities for downtown Selma. The study will provide the groundwork for the implementation of an improvement district.

DISCUSSION:

The City of Selma released a request for proposal on March 1, 2021. The opportunity was posted to the City's website, promoted through local business email list, and sent directly to four potential applicants. On the deadline of April 4, 2021 the City received one proposal from AMI Concepts. Jan Minami of AMI Concepts has participated in several local and successful improvement districts including the Downtown Visalia PBID, Downtown Fresno PBID, and Downtown Kingsburg BID among others. Three staff members reviewed their proposal and provided an average score of 91.6/100.

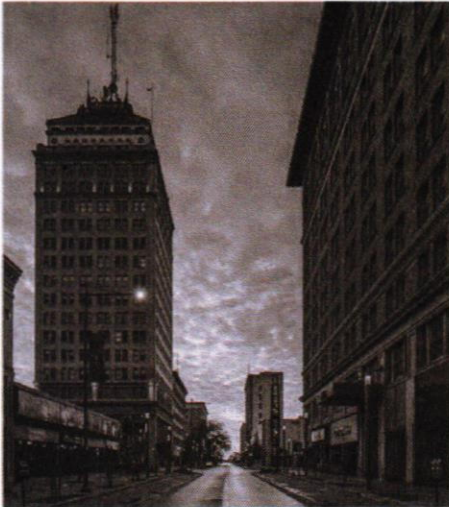
The proposed scope of work and timeline for a Business Improvement District by AMI Concepts fits in the budget and timeline of the USDA Rural Business Development Grant. It is the recommendation of Staff to approve the service agreement.

RECOMMENDATION:

Execute the Professional Service Agreement with AMI Concepts for the Downtown Business Improvement District Feasibility Study per the USDA Rural Business Development Grant.

/s/ 04/29/2021
Tracy Tosta, Administrative Analyst Date

/s/ 04/29/2021
Teresa Gallavan, City Manager Date



April 2, 2021

Tracy Tosta
City of Selma
1710 Tucker Street
Selma CA 93662

Re: Downtown Business Improvement District Feasibility Study

Ms. Tosta,

Thank you for the opportunity to respond to this RFP. I believe strongly in the importance of Downtowns to successful cities.

I am submitting two separate implementation plans, one for a BID (business-based improvement district) and one for a PBID (property-based business improvement district). The focus is different for each while the details for a PBID take longer.

I have included a common initial meeting in both plans, along with a common survey of both business and property owners. From that, the paths diverge and one should be selected to move forward. Since the City of Selma is a General Law city, not a Charter city, those are the options. I look forward to helping you make this decision, and forming a Downtown district that will serve Selma well.

Sincerely,

Jan Minami
Jan Minami



CONTACT INFORMATION

Jan Minami
Owner and Principal of AMI Concepts
MAIL 30 Wood Duck Dr, Sanger CA 93657
PHONE 559.859.1763
EMAIL jan.amiconcepts@gmail.com

ami concepts



Qualifications and Experience; Staffing

A. Qualifications and Experience

AMI Concepts is dedicated to creating thriving urban environments through the development of strong organizations, successful collaborations and vibrant Downtown neighborhoods. We specialize in problem-solving for commercial corridors and Downtown districts, strengthening stakeholder engagement and activating public space.

Formed in 2011, AMI Concepts operates as a sole proprietorship owned and operated by Jan Minami. As the principal, Jan adds team members as needed. Elaine Martell is added for most PBID (property-based business improvement district) work.

Improvement districts, especially PBIDs, are a particular focus because of Jan's experience. She excels in stakeholder engagement, and as a Downtown practitioner, she has the formation and implementation background to guide a Downtown from Feasibility through Plan Development, culminating in a successful Campaign.

Jan has been involved in six Central Valley BIDs and/or PBIDs during the formation and operation stages, including Reedley Streetscape BID, Downtown Visalia PBID, Downtown Fresno PBID, Shaw Corridor (Clovis) PBID, Downtown Kingsburg BID and the the Chinatown Fresno PBID.

C. Staffing

Jan Minami Project Consultant Hours of service: BID 300, PBID 308

Jan was instrumental in forming the Downtown Fresno PBID. Her experience forming, running and serving as a Board Member for BIDs and PBIDs stretches over 25 years in five different cities in the valley. She owns property and has started and run several businesses. She has also served on almost a dozen committees in those cities. She has worked in Tucson, Colorado Springs and Omaha on downtown revitalization and place-making with the Urban Land Institute.

AMI Concepts was hired by the City of Fresno to conduct a PBID Academy, acquainting local neighborhood groups with the PBID concept and the formation process.

Jan's experience gives her a sound knowledge of property owners, business owners, urban neighborhoods, the workings of government, and how they all can collaborate for economic success.

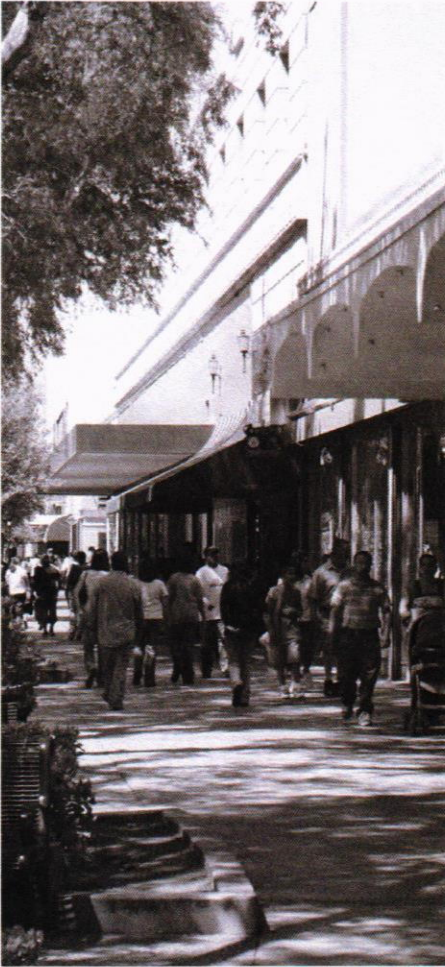
She has a BS in Business Management (Lewis & Clark College), and certificates in Business Retention & Expansion (International Economic Development Council), Engaging Citizens - A Game Changer for Development (The World Bank), Grant Writing and Management (Fresno State), and Graphic Design (California Institute for the Arts).

Elaine Martell Project Associate Hours of service: PBID 58

Elaine has worked for 30 years in the PBID industry. She was the lead in forming the Downtown Visalia PBID in the late 1990s when the law was new. She was also involved in two PBID renewals in Visalia.

She managed the Property Owners Association for much of that time, and also lead capital improvement projects for the property owners. She has a strong understanding of property owner needs, and can address how best to work with them.

Elaine was part of the AMI team to conduct the City of Fresno PBID Academy. She currently works in Chinatown Fresno, principally in PBID formation.



B. Methodology Section

1. Implementation Plan

See separate documents: two Work Plans, two Deliverables, and two Schedules, one each for a BID and a PBID.

2. Client Satisfaction

The approach of AMI Concepts to BID or PBID formation is to consider dual clients. While the hiring party, City of Selma, is the primary client, the business and property owners are secondary clients. The formation process cannot be successful unless ALL clients are satisfied.

We understand that there are two distinct perspectives in a project like this. City of Selma's support and ongoing approval is essential to a successful BID formation. It's reasonable to assume that the City, like many other cities who have promoted a BID or PBID formation, agreed to fund a consultant to encourage collective property owner investment in revitalization. They contribute by reviewing and approving throughout the process.

On the other hand, property owners are most likely looking for a unified voice that gives them a leadership role for infrastructure and other decisions, a recognizable identity for the district, an improved customer experience and economic sustainability. They contribute as Stakeholder Committee members, petition gatherers and signers, and members of the Advisory Board or Owners Association.

Together, they support and build the Downtown for sustainable vitality. And together, they are satisfied.

3. City of Selma Commitment

AMI Concepts strives to be very clear on the BID/PBID development process. The following City staff people will be involved in different ways:

1. Project lead - in this case, Tracy Tosta, Economic Development in conjunction with the Community Development Department
2. City Manager - regular updates will include the Project Lead and the City Manager, in person or in writing, their preference
3. City Clerk - information regarding businesses and property owners is often available through the City Clerk. Other staff people may be necessary, depending on their responsibilities, to gather this data.
4. City Attorney - resolutions are written in conjunction with the City Manager and City Attorney. Everything that goes before the City Council for a vote should be reviewed by the City Attorney.
5. Head of Finance - if not handled by the Project Lead or City Manager, the assessment methodology and calculations should be reviewed by the head of Finance.

B. Methodology Section

Page 2 of 3

In addition, there are specific documents that are important in the formation process. They include (but might not be limited to)

1. GIS map of the greater Downtown Selma area
2. Database of business and/or property owners
3. Baseline Services Agreement - we encourage the City to provide a list of baseline services. This details how different departments are currently serving the Downtown area, whether it's Administration, Community Development, Police or Public Works. The document assures business and property owners that the assessments they pay are not replacing existing services, but rather augmenting them.

We handle the rest of the details, working with City staff and business or property owner leaders. All details in the Implementation Plan are within our purview.

4. Innovation

In order to determine whether a PBID or BID is the preferred method of improvement district formation, we are offering an approach that considers them both initially. Here are the primary differences:

ACTION	BID	PBID
CA law that governs	1989*	1994*
Private sector leader vital	Yes	Yes
Minimum time to complete formation	6 months	9 months
Formation duration	1 year	5 years initially
Usual initiator	City	Property owners
Assessed party	Business owners	Property owners
Basis of assessment	Usually bus. license	Property characteristics
Assessment billing	City	County
Government properties assessed	Optional	Yes
Benefits must equal assessments	Yes	Yes
Owner involvement	Advisory Board	Owner's Association
Requires Management District Plan	No	Yes
Requires signed petitions	No	Yes
Requires Engineer's Report	No	Yes
Requires Council Resolution of Intent	Yes	Yes
Requires public hearings	One	Two
Requires Council approval	Yes	Yes
Requires 218 mail ballots	No	Yes

* Parking and Business Improvement Area Law of 1989

** Parking and Business Improvement District Law of 1994

B. Methodology Section

Page 3 of 3

A couple of notes on the items in the table:

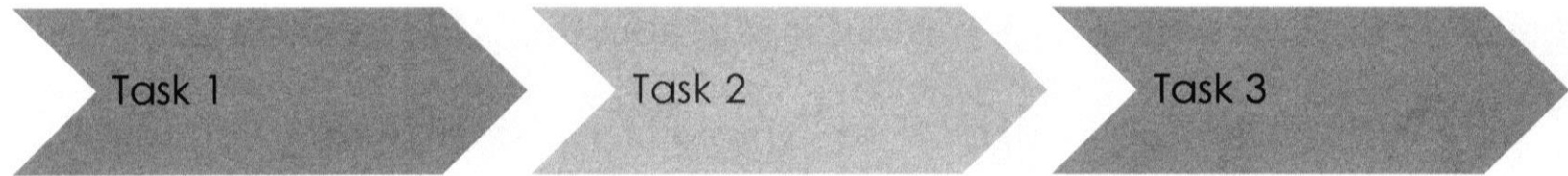
1. We recommend a Management District Plan for either type of improvement district, even though it is not required by law for a business BID. This lays out all the details so that all parties - all clients - are satisfied.
2. It's a good idea for property and business owners to be aware of what's going on, no matter which type of improvement district is being formed.
3. We recommend that the feasibility process NOT include petitions, either individual petitions for a PBID or a circulated commitment petition for a BID. Feasibility of the district can be determined without this final step which is normally done in conjunction with the City formation processes, and it will save time without losing the needed information to conclude that an improvement district is or is not feasible. If a BID or PBID is determined to be feasible, the formation steps would include:
 - Petition and launch event with workshops or other events as deemed necessary
 - Signing campaign
 - Notices, resolutions, public hearing and other City-related items to complete formation of either a BID or PBIDIf the petitions are included in the feasibility, a BID could possibly be completed in five months, but a PBID would take longer because of the legal requirements of PBID formation.

Our approach is divided into tasks. Many of the tasks are similar, but the focus is very different. Since the steps needed for a PBID are more complicated than a BID, the analysis for feasibility is longer.

In order for the new district to run smoothly, we recommend care in the formation process. While this may take slightly longer, this step has proven to result in a better final district with long-term cooperation and success. There are several points that are noted in the Tasks where slowing down or pausing is recommended so that support for the improvement can be developed.

Owners are likely to remain satisfied with the performance of the district in improving the customer experience, creating a recognizable identity and assuring economic sustainability.

BID Work Plan



	Initial Analysis	Benefit Analysis	Management District Plan
Activities	Hold Downtown Open House	Ongoing Stakeholder Committee meetings	Ongoing Stakeholder Committee meetings
	Assemble Stakeholder Committee	Benefits surveys, interviews and meetings	Finalize services, map and assessment methodology
	Determine community outreach methods	Database research	Complete Management District Plan with Engineer's Report
	Conduct initial database research	Determine working assesment methodology	Hold plan review workshops *
	Request business database and baseline services from City of Selma	Determine working district boundaries	Finalize database
	Request GIS map from City of Selma	Develop print and digital PBID promotion materials including social media	
		Assemble Management District Plan information	* May take longer

	Task 1 Preparation	Task 2 Analysis	Task 3 Feasibility
Outcomes	Market evaluation	Management District Plan Executive Summary	Management District Plan
	Operational Stakeholder Committee	Working business database	Final database and map
	City Initial Analysis and Requests Report	City Recommendations Report	Thorough Feasibility Report
		Promotional materials, print and digital	

BID Deliverables

Task 1

Initial Analysis and Review

1. Form a BID Stakeholder Committee

Through an Open House, survey and other outreach, form a committee of business owners to steer the BID process

2. Document Analysis

Review all materials that are available from the Chamber of Commerce and other local groups.

3. Information Request

Create a checklist for the City to gather additional information including, but not limited to, a business database, a baseline service agreement and a GIS map

Task 2

Document Preparation & Benefit Analysis

1. Meetings

Hold at least five meetings and attend others that will contribute to learning the nature and service needs of the neighborhood

2. Budget Development

Using the service list, determine a budget spreadsheet that can generate options, resulting in a tentative budget.

3. Merchant Advisory Board

Outline the materials to create an Advisory Board, including applications and selection process

4. Business Database

Obtain names and addresses of all businesses with email and phone when possible.

5. City Comments

Maintain an ongoing interaction with City staff to assure approval as steps are taken

6. Management Plan Outline

Create a Management District Plan Executive Summary, which serves as an outline of the complete document.

7. Findings and Recommendations Report

Each task is completed with a written report to City staff on the progress made during that task.

Task 3

Management District Plan Development

1. Stakeholder Review

Expand the review process through workshops and small groups

2. Verify and Finalize Business Database

Review and discuss to determine if all addresses are viable. Mail a postcard, if necessary to verify.

3. Develop Informational Materials

Create materials that explain the various aspects of BIDs in print and digital versions, along with a website to inform business owners. These materials include a newsletter and social media.

4. Prepare a Method of Assessment

Run various scenarios based on service needs and the initial budget to determine assessment level and potential fees for businesses that are not required to have Selma business licenses.

5. Confirm Assessment Methodology

Analyze results of scenarios and work with City staff and the Stakeholder Committee to test viability options and arrive at a method.

6. Development BID Management District Plan

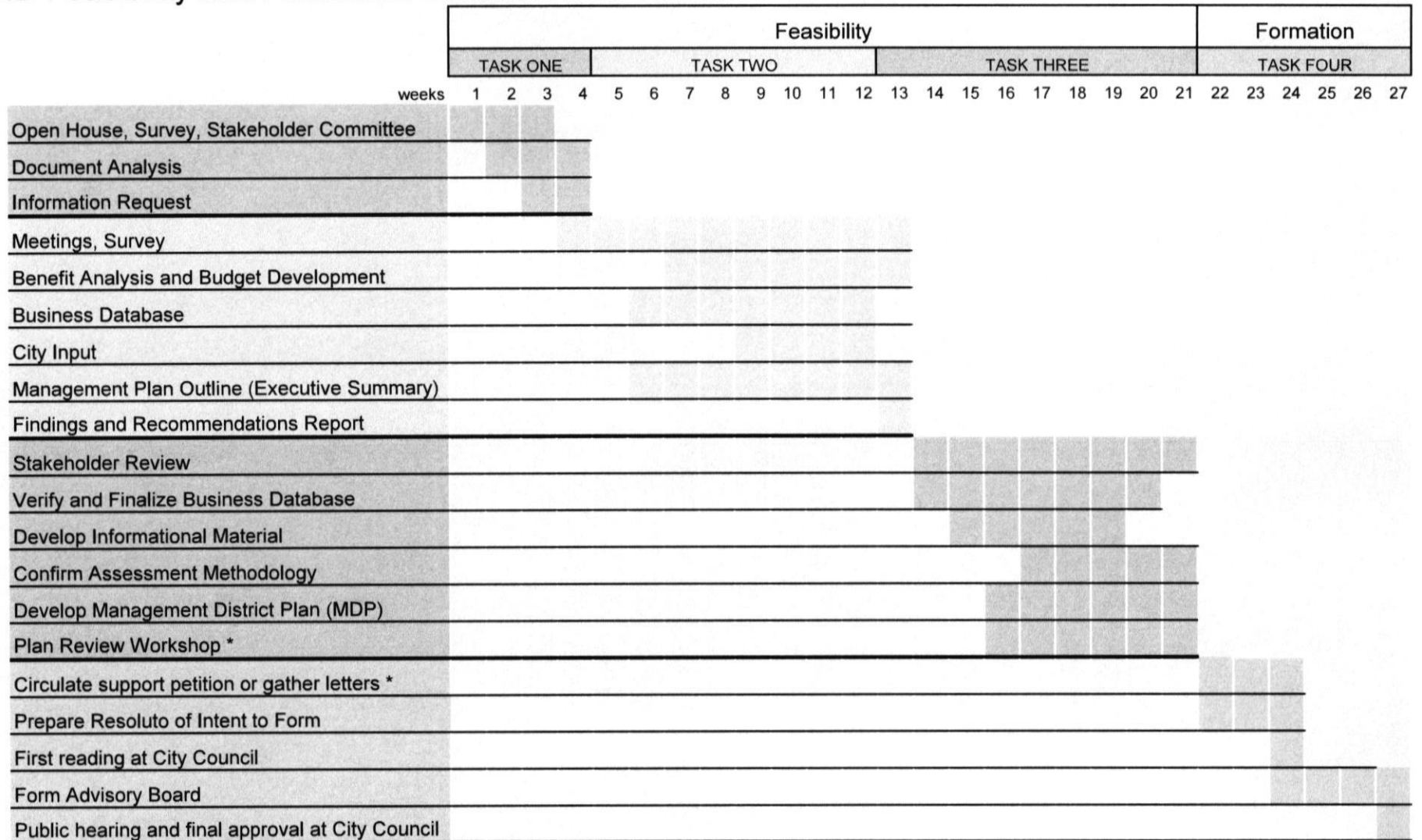
Expand the Management District Plan Executive Summary with details and charts, being careful to leave categories broad enough for flexibility.

Final Feasibility Report

Create report making recommendation to the City of Selma on feasibility of forming a BID in Downtown Selma, and other options going forward.

website

BID Feasibility and Formation Schedule and Timeline



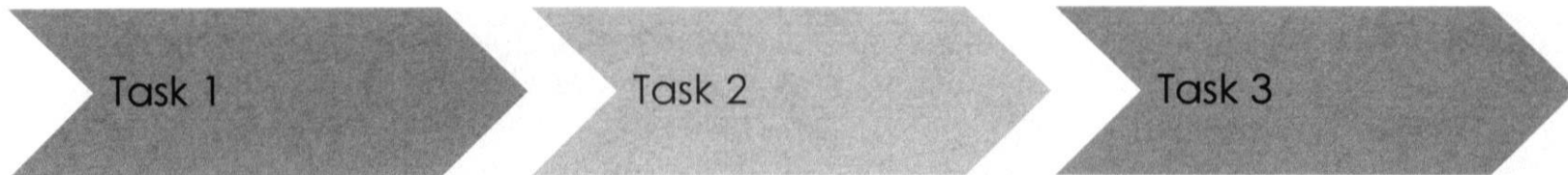
* May take longer

This is a tight timeline from start to finish. A few notes:

A Management District Plan is not required for a BID, but strongly recommended for the assurances it gives assessed businesses

A BID is a "top down" form of assessment district where the City takes the lead in formation, working with business owners to support the improvements being made by the assessment fund

PBID Work Plan



Initial Analysis

Benefit Analysis

Management District Plan

Activities	Hold Downtown Open House	Ongoing Stakeholder Committee meetings	Ongoing Stakeholder Committee meetings
	Assemble Stakeholder Committee	Benefits surveys, interviews and meetings	Finalize services, map, assessment methodology and governance
	Determine community outreach methods	Database research	Legal and Engineering review of Management District Plan
	Conduct initial database research	Determine working assesment methodology	Complete Management District Plan with Engineer's Report
	Request baseline services from City of Selma, and other relevant documents	Determine working district boundaries	Hold plan review workshops *
	Request GIS map from City of Selma	Develop print and digital PBID promotion materials, social media and a website	Finalize database
		Assemble Management District Plan information	* May take longer

Task 1 Preparation

Task 2 Analysis

Task 3 Feasibility

Outcomes	Market evaluation	Management District Plan Executive Summary	Management District Plan and Engineer's Report
	Operational Stakeholder Committee	Working property owner database	Final database and map
	City Initial Analysis and Requests Report	City Recommendations Report	Complete Feasibility Report
		Promotional materials and website	

PBID Deliverables

Task 1

Task 2

Task 3

Initial Analysis and Review

Document Preparation & Benefit Analysis

Management District Plan & Engineer's Report Development

1. Form a PBID Stakeholder Committee
Through an Open House, survey and other outreach, form a committee of property owners, City and local stakeholders to steer the PBID process

2. Document Analysis

Review all materials that are available from the Chamber of Commerce and other local groups.

3. Information Request

Create a checklist for the City to gather additional information including, but not limited to, a baseline service agreement and a GIS map

1. Meetings

Hold at least five meetings and attend others that will contribute to learning the nature and service needs of the Downtown.

2. Budget Development

Using the service list, determine a budget spreadsheet that can generate options, resulting in a tentative budget.

3. Owners Association

Outline the materials to create an Owners Association, including the details of articles of incorporation and bylaws, and mission

4. Parcel Database

Obtain parcel information including APN, owner name(s) and mailing address, parcel address, parcel size and street frontage and contact email and/or phone when possible.

5. Special vs General Benefit Analysis

Rely on an engineers input to use the data being collected to determine special vs general benefit.

6. City Comments

Maintain an ongoing interaction with City staff to assure approval as steps are taken, including a timeline for all City-related steps as required by law.

7. Management Plan Outline

Create a Management District Plan Executive Summary, which serves as an outline of the complete document. Weigh benefits and cost analysis to determine details like map boundaries, and governance.

8. Findings and Recommendations Report

Each task is completed with a written report to City staff on the progress made during that task.

1. Stakeholder Review

Expand the review process through workshops and small groups

2. Verify and Finalize Property Database

Review and discuss to determine if all addresses are viable. Mail a postcard, if necessary to verify.

3. Develop Informational Materials

Create materials that explain the various aspects of PBIDs in print and digital versions, along with a website to inform property owners. These materials include a newsletter and social media.

4. Prepare a Method of Assessment

Run various scenarios based on service needs and the initial budget to determine whether land, building or frontage are the basis of assessments.

5. Confirm Assessment Methodology

Analyze results of scenarios and work with City staff and the Stakeholder Committee to test viability and arrive at a method. Verify with Engineer.

6. Development Full PBID Management Plan

Expand the Management District Plan Executive Summary with details and charts, being careful to leave categories broad enough for flexibility.

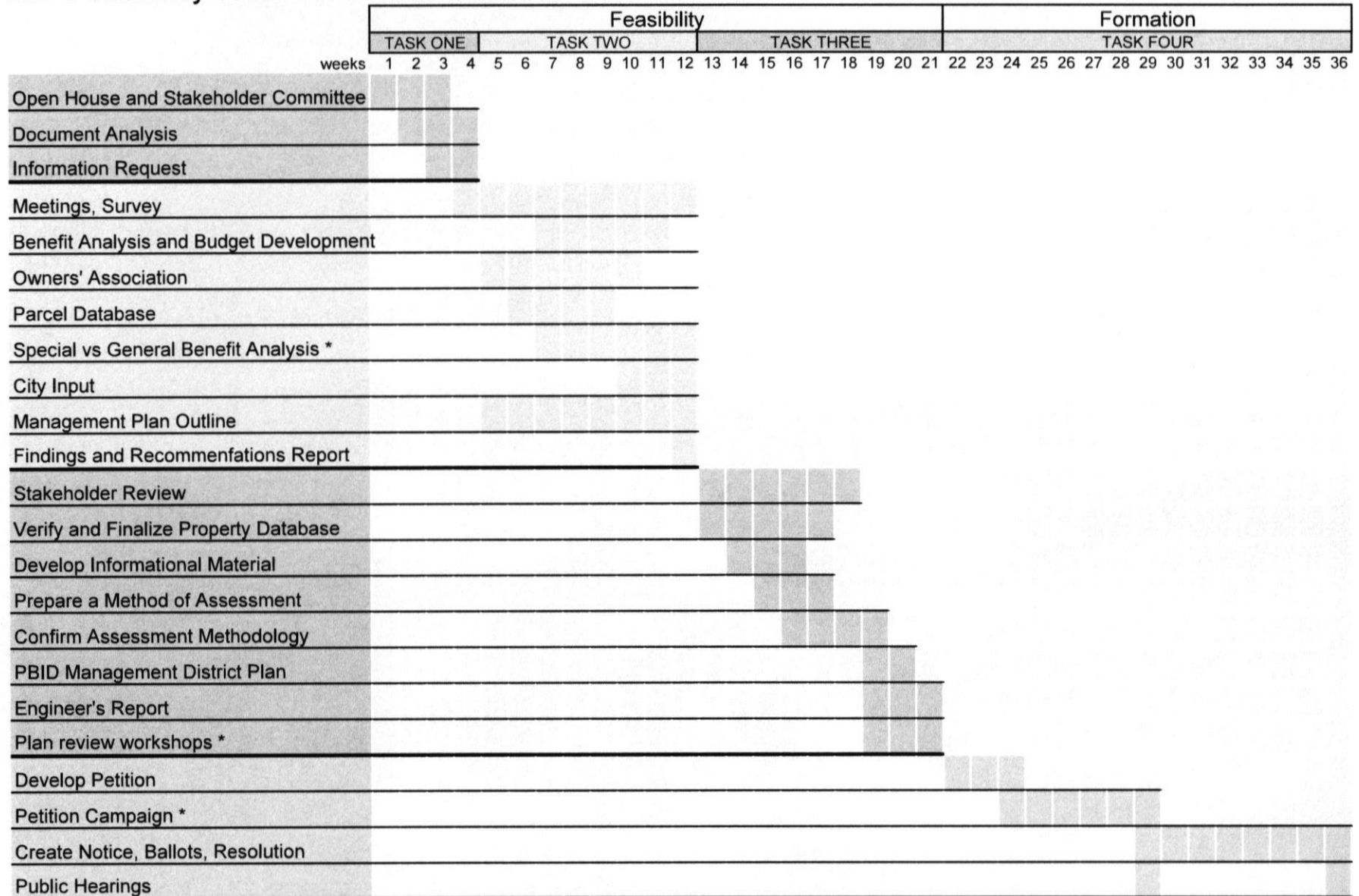
7. Engineer's Report

Obtained from a licensed engineer, this report determines special vs. general benefits. It also determines whether services warrant the proposed assessments.

Final Feasibility Report

Create report making recommendation to the City of Selma on feasibility of forming a PBID in Downtown Selma, and other options going forward.

PBID Feasibility and Formation Schedule and Timeline



* May take longer

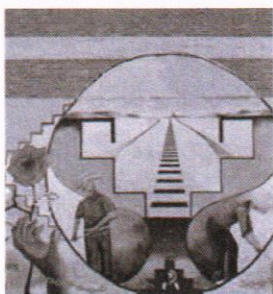
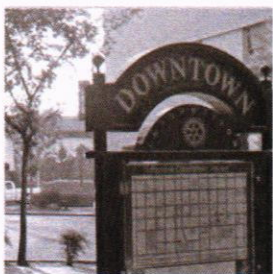
This is a very tight timeline from start to finish for PBID formation. A few notes:

Most steps could take more time, especially benefit analysis phase and the petition phase

After enough petitions are signed, the City process takes about 8 weeks, mostly due to 218 ballots

The petition signing process will likely take at least a month, but it's hard to know before the meetings in the first three tasks

Fresno County requires a completed PBID database by the end of July for a 2022 PBID launch. Since that can't happen under this schedule, it seems unnecessary to compress the process.



D. Similar Projects

Fresno's Chinatown Neighborhood

- CLIENT Chinatown Fresno Foundation
- PROJECT Chinatown Fresno PBID
- DATES January 5, 2018 - current
- PROJECT MANAGER Morgan Doizaki, PBID Formation Chair
- CITY CONNECTION Courtney Espinoza, Transform Fresno Program Implementation Manager (559.621.7913, courtney.espinoza@fresno.gov)

Mr. Doizaki owns and operates Central Fish Company, as well as owning eight other parcels in Chinatown. He can be reached: 559.351.0410, mdoizaki@centralfish.com

Morgan operated a business in Downtown Fresno when I first met him. In 2017, He approached me about coming to Chinatown to form a PBID for the neighborhood. We agreed that forming a stable organization would be the first best step, which was completed in 2018. As the organization grows, I continue to assist the organization operate and work toward PBID formation. I serve as a part-time Executive Director, while Morgan serves on the Board of Directors, originally as Chair and currently as Treasurer.

From Morgan: "Jan knows what she's doing. We couldn't do this without her."

Kingsburg

- CLIENT City of Kingsburg
- PROJECT Downtown Kingsburg PBID
- DATES November, 2019 - September, 2020
- PROJECT MANAGER Alex Henderson, City of Kingsburg

Mr Henderson serves as the City Manager, City of Kingsburg. He can be reached: 559.897.5821, ahenderson@cityofkingsburg-ca.gov

I was hired to form a business improvement district (BID) in Downtown Kingsburg. In addition to Alex, I worked with City Attorney Mike Noland and City Clerk Abigail Palsgaard. I formed a steering committee of business owners to get the work done. While a BID does not have the complexity of a PBID, the work of gathering and educating stakeholders, working closely with City staff, determining the services for which owners are willing to pay, and creating the documents (Management District Plan, Resolution of Intent, et al) is similar.

From Alex: "Ms. Minami provided professionalism that helped lead to the ultimately successful incorporation of the city's first downtown business improvement district (BID). Her work included educating business owners, attending community meetings and workshops, and guiding a steering committee to finalize a management plan for our BID."

Fresno

- CLIENTCity of Fresno/Downtown Association of Fresno
- PROJECTDowntown Fresno PBID
- DATESJanuary 2008 - July 2010
- PROJECT MANAGERElliott Balch, City of Fresno

Mr Balch is currently the Chief Operating Officer of the Central Valley Community Foundation. He can be reached: 559.825.6192, elliott@centralvalleycf.org

Elliott was serving on the Board of the Downtown Association of Fresno when I came to Fresno to form the Downtown PBID. He was part of the interview committee for the Downtown Association when I was hired there. We worked closely on several projects, including the Downtown Fresno PBID formation. By that time, he was serving as Downtown Revitalization Manager for the City of Fresno under Mayor Ashley Swearingen.

Quite a bit of groundwork was needed to elevate the Downtown Association properly to a fully functioning organization that could spearhead PBID formation. It was necessary to educate property owners, City officials and related agencies. Since PBIDs can only be formed at the initiative of property owners, the outreach efforts are significant for a Downtown this large. Elliot and I conducted most of that outreach forming what is now the Downtown Fresno Partnership.

From Elliott: "Jan's the mother of PBIDs."

Visalia

- CLIENTDowntown Visalians
- PROJECTVisalia PBID
- DATESOctober, 2005 - October, 2008
- PROJECT MANAGERMike Olmos, City of Visalia

Mr. Olmos currently served as Interim President/CEO-Tulare Co Economic Development Corporation. He can be reached: 559.737.8676, mike.olmos@icloud.com

I've worked with Mike on two different BIDs - the Streetscape BID in Reedley and the Downtown Visalia PBID. The Streetscape BID only managed the street tree plantings and other sidewalk decorations. In Visalia, the project was to advance and comply with legal requirements for reformation of the Visalia PBID. By this time, Mike was Community Development Director of Visalia. and I was Executive Director of the Downtown Visalia PBID. He become Visalia City Manager, and is now serving the Tulare County EDC.

From Mike: "I have been impressed over the years by Jan's ability to work with community groups and build business relationships."

City of Selma
Downtown Business Improvement District Feasibility Study
Fee Proposals

Employee Type	BID Consultant	
	Rate	\$ 90.00
Scope of Work	Hours	Subtotal
Task 1	80	\$ 7,200
Task 2	100	\$ 9,000
Task 3	120	\$ 10,800
	300.0	\$ 27,000
Describe any additional fees and costs:	Copies and printing, meeting supplies, travel	\$ 2,000
		\$ 29,000

Employee Type	PBID Consultant		PBID Associate		
	Rate	\$ 90.00	Rate	\$ 45.00	
Scope of Work	Hours	Subtotal	Hours	Subtotal	Task Total
Task 1	88	\$ 7,920	8	\$ 360	\$ 8,280
Task 2	100	\$ 9,000	20	\$ 900	\$ 9,900
Task 3	120	\$ 10,800	30	\$ 1,350	\$ 12,150
	308	\$ 27,720	58	\$ 2,610	\$ 30,330
Describe any additional fees and costs:	Copies and printing, meeting supplies, travel, legal review, Engineer's Report				\$ 9,600
					\$ 39,930

CITY OF SELMA

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made and effective as of May 3, 2021 ("Effective Date"), between the City of Selma, a municipal corporation ("City") and AMI Concepts ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties".

RECITALS

WHEREAS, City desires to engage Consultant to perform the services described herein, and Consultant desires to perform such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than May 3, 2022, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

(a) Consultant shall perform the tasks ("Services") described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. ("Scope of Services"). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of the City. The Services shall be performed by Consultant, unless prior written approval is first obtained from the City. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.

(b) City shall have the right to request, in writing, changes to the Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

(c) Consultant shall perform all Services in a manner reasonably satisfactory to the City and in a first-class manner in conformance with the standards of quality normally observed by an entity providing planning and analysis in the Feasibility Study of a Business Improvement District, serving a municipal agency.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this

Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) City has not consented in writing to Consultant's performance of such work. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Consultant represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. All Services shall be performed by Consultant or under its supervision, and all personnel engaged in the Services shall be qualified and licensed to perform such services.

3. MANAGEMENT

City's City Manager shall represent the City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but shall have no authority to modify the Services or the compensation due to Consultant.

4. PAYMENT

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed twenty-nine thousand dollars (\$29,000) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

(c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

5. SUSPENSION OR TERMINATION OF AGREEMENT

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant shall submit an invoice to the City pursuant to Section 4 of this Agreement.

6. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to review such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office, and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to City all right, title, and interest,

including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the City.

7. INDEMNIFICATION

(a) Indemnity for professional liability

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless the City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or Subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnity for other than professional liability

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement (including, but not limited to, omission to perform or negligence in the performance) by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

(c) **DUTY TO DEFEND**. In the event the City, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the performance (including, but not limited to, omission to perform or negligence in the performance) of the services encompassed by this Agreement, and upon demand by City, Consultant shall have an immediate duty to defend the City at Consultant's cost or at City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and City, as to whether liability arises from the sole negligence of the City or its officers, employees, or agents, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Consultant will not be entitled in the absence of such a

determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

8. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

9. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

10. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

11. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

13. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City, unless otherwise required by law or court order. (b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City, unless Consultant is prohibited by law from informing the City of such Discovery, court order or subpoena. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

14. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City: City of Selma
1710 Tucker Street
Selma, CA 93662
Attention: City Manager

With a Copy To: Mary F. Lerner, City Attorney
Lozano Smith Attorneys at Law

7404 North Spalding Avenue
Fresno, CA 93720

To Consultant:

AMI Concepts
30 Wood Duck Dr.
Sanger, CA 93657
Attention: Jan Minami
559-859-1763

15. ASSIGNMENT

The performance of services under this Agreement are based on the expertise and experience of Consultant. Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide City with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include and indemnity provision similar to the one provided herein and identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the City for the performance of its subconsultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the City and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subconsultant under this Agreement.

16. GOVERNING LAW/ATTORNEYS' FEES

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Fresno County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

17. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

18. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

19. COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

20. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

21. WAIVER

The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

22. REMEDIES

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the

exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

23. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

“CITY”
City of Selma

“CONSULTANT”
AMI Concepts

By: _____
Scott Robertson, Mayor

By: Jan Minami
Jan Minami, Owner/Principal

Attest:

By: _____
Reyna Rivera, City Clerk

Approved as to form:

By: _____
Mary F. Lerner, City Attorney

Attachments:	Exhibit A	Scope of Services
	Exhibit B	Rate Schedule
	Exhibit C	Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

TASK 1: Initial Analysis & Review

1. **Form a Business Improvement Stakeholder Committee:** Through Open House, survey, and other outreach, form a committee of business owners to see the BID process.
2. **Document Analysis:** Review all materials that are available from the Chamber of Commerce and other local groups
3. **Information Request:** Create a checklist for the City to gather additional information including but not limited to a, a business database, a baseline service agreement and a GIS map.

TASK 2: Document Preparation & Benefit Analysis

1. **Meetings:** Hold at least five meetings and attend others that will contribute to learning the nature and service needs of the neighborhood
2. **Budget Development:** Using the service list, determine a budget spreadsheet that can generate options, resulting in a tentative budget.
3. **Merchant Advisory Board:** Outline the materials to create an advisory Board including applications and selection process.
4. **Business Database:** Obtain names and addresses of all businesses with email and phone when possible.
5. **City Comments:** Maintain an ongoing interaction with City staff to assure approval as steps are taken.
6. **Management Plan Outline:** Create a Management District Plan Executive Summary, which serves as an outline of the completed document.
7. **Findings and Recommendations Report:** Each task is completed with a written report to City Staff on the progress made during that task.

TASK 3: Management District Plan Development

1. **Stakeholder Review:** Expand the review process through workshops and small groups.
2. **Verify and Finalize Business Database:** Review and discuss to determine if all addresses are viable. Mail a postcard if necessary to verify.
3. **Develop Informational Materials:** Create materials that explain the various aspects of BIDs in print and digital versions, along with a website to inform business owners. These materials include a newsletter and social media.
4. **Prepare a Method of Assessment:** Run various scenarios based on service needs and the initial budget to determine assessment level and potential fees for businesses that are not required to have Selma business licenses.
5. **Confirm Assessment Methodology:** Analyze results of scenarios and work with City staff and the stakeholder Committee to test viability options and arrive at a method.
6. **Development BID Management District Plan:** Expand the management District Plan Executive Summary with details and charts, being careful to leave categories broad enough for flexibility.
7. **Final Feasibility Report:** Create report making recommendation to the City of Selma on Feasibility of forming a BID in Downtown Selma, and other options going forward.

EXHIBIT B
RATE SCHEDULE

Task 1: \$7,200

4 weeks/80 hours (\$90.00 /hour)

Task 2: \$9,000

8 weeks/100 hours (\$90.00 /hour)

Task 3: 10,800

9 weeks/120 hours (\$90.00/hour)

Additional Fees: printing, supplies, travel, etc: \$2,000.

Total: \$29,000.00

Average Monthly Invoice: \$5,800 (Five months, May to September 2021)

FY 2020-2021: \$11,600

May \$5,800

June \$5,800

FY 2021-2022: \$17,400

July: \$5,800

August: \$5,800

September: \$5,800

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of City, and prior to commencement of the Services, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000.00 per occurrence, \$4,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$2,000,000.00 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$2,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000.00).

Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees and volunteers.

Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may

arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant, or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass Through Clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

City's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:

May 3, 2021

ITEM NO: 1. e.

SUBJECT: Resolution authorizing the submittal of applications for the Fresno Council of Governments Housing Planning Grants Program and authorizing the execution of applications related documents by the City Manager or Designee.

RECOMMENDATION:

Adopt Resolution authorizing the City Manager to direct staff in the submittal and management of Regional Early Action Planning Grant Program (REAP) grants.

DISCUSSION:

The City of Selma developed and submitted two grants for the REAP grant program. The first grant for \$25,000 applies to the acquisition and development of the Selma GIS Development Portal. This will include layers of information that will assist in expediting data needed for housing development by providing comprehensive and interactive data to better inform investment and planning decisions for staff and developers.

The second application was submitted for \$20,000 for the development of the Selma Housing Design Program. This will generate up to three preapproved architectural designs with site plans to streamline the planning process and reduce costs associated with building new home units in the City.

The objective of both applications is to encourage new housing development, infill development and provide a route to more timely developments to help the city meet its immediate housing needs. Four letters of support were submitted with each application.

RECOMMENDATION:

Adopt Resolution authorizing the City Manager to direct staff in the submittal and management of Regional Early Action Planning Grant Program (REAP) grants.

<u>/s/</u>	<u>04/29/2021</u>
Tracy Tosta, Administrative Analyst	Date
<u>/s/</u>	<u>04/29/2021</u>
Teresa Gallavan, City Manager	Date

RESOLUTION NO. 2021- R

RESOLUTION OF THE COUNCIL OF THE CITY OF SELMA AUTHORIZING THE SUBMISSION OF APPLICATIONS FOR GRANT FUNDS FOR THE FRESNO COUNCIL OF GOVERNMENTS HOUSING PLANNING GRANTS PROGRAM AND AUTHORIZING THE EXECUTION OF APPLICATION RELATED DOCUMENTS BY THE CITY MANAGER OR DESIGNEE

WHEREAS, the Housing Planning Grants Program provides grant funds for eligible local agencies for the purposes of preparing and adopting planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth-cycle Regional Housing Needs Assessment; and

WHEREAS, Fresno Council of Governments administers the program and has requested applications from eligible agencies;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Selma Appoints and authorizes the City Manager or designee, and each of them as agents for the City of Selma, to execute and submit all grant application related documents, for the Fresno Council of Governments Housing Planning Grants Program subject to prior approval as to form by the City Attorney's Office.

I, **Reyna Rivera**, City Clerk of the City of Selma, do hereby certify that the foregoing Resolution was duly adopted at a regular meeting of the City Council of the City of Selma on the 3rd day of May 2021, by the following vote, to wit:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

Scott Robertson, Mayor

ATTEST:

Reyna Rivera, City Clerk

**CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:**

May 3, 2021

ITEM NO:

1.f.

SUBJECT: Consideration of a Request from Boys and Girls Clubs of Fresno County to submit a letter of support for funding to continue services through Fresno County Community Development Block Grant

RECOMMENDATION: Consider the request and direct staff on issuance of the proposed letter.

DISCUSSION: The City Manager's Office received a request from Boys and Girls Clubs of Fresno County requesting Council support on their grant application proposal for funding.

Attached for Council consideration is the proposed letter of support.

RECOMMENDATION: Consider the request and direct staff on issuance of the proposed letter.

/s/
Teresa Gallavan, City Manager

04/29/2021
Date

Draft Letter to approve from Selma City Council – consent calendar

April 27, 2021

RE: **Letter of Support for Boys & Girls Clubs of Fresno County**
Fresno County - Community Development Block Grant

To Whom It May Concern:

This letter is to express our support for the Community Development Block Grant application proposal submitted by the Boys & Girls Clubs of Fresno County that includes the City of Selma.

Gang and other delinquent activity continue to be an ongoing problem for Selma. Due to the high percentage of poverty and lack of parental structure at home, youth in our community continue to be drawn into gangs and the community of Selma has experienced the negative effects with drugs, crime and violence.

Boys & Girls Club staff are experts at working with disadvantaged and at-risk youth. The City of Selma currently has a successful ongoing relationship with the Boys & Girls Club at our Salazar Community Center. We want to continue that relationship with their after-school mentoring and homework program that meets the needs of our youth. They also provide youth with special events, recreation and health activities, technology and career development. This puts them on the path for education and other opportunities.

Through the strength of Boys & Girls Clubs relationships and their participation in the many life enhancing programs offered at the Club, these children participate in positive engaging activities that help predict future positive success.

We strongly encourage the funding for the Boys & Girls Club in Selma.

Sincerely,

Name
Title
City of Selma

**CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:**

May 3, 2021

ITEM NO:

1.9.

SUBJECT: Consideration of a Professional Services Agreement with National Demographics Corporation to provide demographic and districting services related to the mandated 2020 US Census Analysis

DISCUSSION: In California, all local governments with election districts must analyze US Census data when it is released at the end of each 10-year cycle and follow requirements laid out in the Fair Map Act to ensure that district boundaries comply with the requirements laid out in both the U.S. and California Constitutions. Among other things, City Council districts must be "substantially equal" in population, be geographically contiguous, respect existing local neighborhoods and communities of interest, be easily identifiable, be geographically compact, and neither favor nor discriminate against political parties.

The California Fair Map Act governs the process and lays out certain requirements that must be met procedurally when going through this effort. For instance, cities must hold at least four public hearings, at least of one which must be held before drawing any new maps, and at least two public hearings after a map is drawn. Cities must notice the public at least five days prior to the public hearing (as opposed to the current 72 hour notice for most other city matters), and draft maps must be published at least seven days before adoption. In addition, all cities must provide full public access to demographic and mapping data. The Fair Map Act also sets express deadlines by which cities must act: for cities with the next regular election occurring on or after July 1, 2022, district boundaries must be adopted not later than 205 days before that election. For cities over 200,000 in population, a "redistricting commission" must be organized and used for this process. For cities under 200,000, such as Selma, the City Council sits as this body, unless otherwise specified.

The US Census Bureau has announced that they are delayed in providing census data this year because of the pandemic. The City of Selma could wait to hire a demographer and begin this process until there is a clear date by which the City will receive its data. However, since this process will begin in earnest for all cities and counties very soon, staff desires to ensure that we have a reputable demographer hired and ready to begin, rather than waiting until demographers have full client lists and are pressed to complete processes quickly.

The City of Selma has not grown dramatically since the last redistricting process was completed in 2019. The growth that the City has seen is generally spread amongst the four existing districts. Therefore, staff does not anticipate a lengthy or complex redistricting process.

The last time the City conducted this process, National Demographics Corporation (NDC) from Southern California was utilized. That process was transparent, easy to follow, and led to district boundary changes that were successfully adopted by Council, with public

approval. The consultants of NDC were professional and clearly skilled at analyzing data and conducting facilitated public outreach for this type of effort. Because of this, staff is recommending that NDC be used again this time.

The base fee for NDC services is \$17,500. Additional expenses related to desired "add-on" services, such as facilitation of the mandatory public workshops may add an additional cost to the project expense. City Staff is budgeting an amount of \$25,000 to cover all anticipated costs in the next fiscal year's budget.

ENVIRONMENTAL IMPACT:

This matter is exempt from review under the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that the selection of a demographer may have a significant effect on the environment. Therefore, this matter is not subject to CEQA (Section 15061 (b)(3) of the CEQA Guidelines), and staff is directed to file a notice of exemption.

<u>COST:</u> <i>(Enter cost of item to be purchased)</i>		<u>BUDGET IMPACT:</u> <i>(Enter amount this non-budgeted item will impact this years' budget – if budgeted, enter NONE).</i>
\$25,000		
<u>FUNDING:</u> <i>(Enter the funding source for this item – if fund exists, enter the balance in the fund).</i>		<u>ON-GOING COST:</u> <i>(Enter the amount that will need to be budgeted each year – if one-time cost, enter NONE).</i>
Funding Source: General Fund Fund Balance: FY 2019-20 \$6,717,901		

RECOMMENDATION: Staff recommends Council,

- Discuss the options to include in the consultant's scope of work, and
- Authorize the City Manager to execute a Professional Services Agreement with National Demographics Corporation not to exceed \$25,000 to provide demographic and districting services.

/s/

Teresa Gallavan, City Manager

04/29/2021

Date

CITY OF SELMA

PROFESSIONAL SERVICES AGREEMENT

This PROFESSIONAL SERVICES AGREEMENT ("Agreement"), is made and effective as of May 3, 2021 ("Effective Date"), between the City of Selma, a municipal corporation ("City") and National Demographics Corporation ("Consultant"). The City and Consultant are hereinafter collectively referred to as the "Parties".

RECITALS

WHEREAS, City desires to engage Consultant to perform the services described herein, and Consultant desires to perform such services in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, City and Consultant agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until tasks described herein are completed, but in no event later than November 30, 2022 unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

(a) Consultant shall perform the tasks ("Services") described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. ("Scope of Services"). Tasks other than those specifically described in the Scope of Services shall not be performed without prior written approval of the City. The Services shall be performed by Consultant, unless prior written approval is first obtained from the City. In the event of conflict or inconsistency between the terms of this Agreement and Exhibit A, the terms of this Agreement shall prevail.

(b) City shall have the right to request, in writing, changes to the Services. Any such changes mutually agreed upon by the Parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.

(c) Consultant shall perform all Services in a manner reasonably satisfactory to the City and in a first-class manner in conformance with the standards of quality normally observed by an entity providing Cost Allocation & User Fee Study, serving a municipal agency.

(d) Consultant shall comply with all applicable federal, state, and local laws, regulations and ordinances in the performance of this Agreement, including but not limited to, the conflict of interest provisions of Government Code Section 1090 and the Political Reform Act (Government Code Section 81000 *et seq.*). During the term of this

Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working on the Effective Date if both (i) such work would require Consultant to abstain from a decision under this Agreement pursuant to a conflict of interest statute or law; and (ii) City has not consented in writing to Consultant's performance of such work. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.* Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant was an employee, agent, appointee, or official of the City in the previous twelve (12) months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et. seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for Services performed pursuant to this Agreement, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, will be disqualified from holding public office in the State of California.

(e) Consultant represents that it has, or will secure at its own expense, all licensed personnel required to perform the Services. All Services shall be performed by Consultant or under its supervision, and all personnel engaged in the Services shall be qualified and licensed to perform such services.

3. MANAGEMENT

City's City Manager shall represent the City in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant, but shall have no authority to modify the Services or the compensation due to Consultant.

4. PAYMENT

(a) The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B ("Rate Schedule"), attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. This amount shall not exceed Twenty-five thousand dollars (\$25,000) for the total Term of the Agreement unless additional payment is approved as provided in this Agreement.

(b) Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

(c) Consultant shall submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within 45 days of receipt of an invoice therefore.

5. SUSPENSION OR TERMINATION OF AGREEMENT

(a) The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

(b) In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant shall submit an invoice to the City pursuant to Section 4 of this Agreement.

6. OWNERSHIP OF DOCUMENTS

(a) Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to review such books and records; shall give City the right to examine and audit said books and records; shall permit City to make transcripts or copies therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

(b) Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office, and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to City all right, title, and interest,

including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the services under this Agreement. All reports, documents, or other written material developed by Consultant in the performance of the Services pursuant to this Agreement, shall be and remain the property of the City.

7. INDEMNIFICATION

(a) Indemnity for professional liability

When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless the City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or Subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

(b) Indemnity for other than professional liability

Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or agency for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Consultant and City, as to whether liability arises from the sole negligence of the City or its officers, employees, or agents, Consultant will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as solely negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

8. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached hereto and incorporated herein by reference.

9. INDEPENDENT CONSULTANT

(a) Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultants exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

(b) No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

10. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

11. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

12. NO BENEFIT TO ARISE TO LOCAL OFFICERS AND EMPLOYEES

No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during

his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

13. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

(a) All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the City, unless otherwise required by law or court order. (b) Consultant shall promptly notify City should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the City, unless Consultant is prohibited by law from informing the City of such Discovery, court order or subpoena. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

14. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To City:	City of Selma 1710 Tucker Street Selma, CA 93662 Attention: City Manager
With a Copy To:	Mary F. Lerner, City Attorney Lozano Smith Attorneys at Law 7404 North Spalding Avenue Fresno, CA 93720

To Consultant:

Douglas Johnson, President
National Demographics Corporation
P.O. Box 5271
Glendale, CA 91221

15. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

Before retaining or contracting with any subconsultant for any services under this Agreement, Consultant shall provide City with the identity of the proposed subconsultant, a copy of the proposed written contract between Consultant and such subconsultant which shall include an indemnity provision similar to the one provided herein and identifying City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

Notwithstanding Consultant's use of any subconsultant, Consultant shall be responsible to the City for the performance of its subconsultant as it would be if Consultant had performed the Services itself. Nothing in this Agreement shall be deemed or construed to create a contractual relationship between the City and any subconsultant employed by Consultant. Consultant shall be solely responsible for payments to any subconsultants. Consultant shall indemnify, defend and hold harmless the Indemnified Parties for any claims arising from, or related to, the services performed by a subconsultant under this Agreement.

16. GOVERNING LAW/ATTORNEYS' FEES

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court in Fresno County, California. If any action at law or suit in equity is brought to enforce or interpret the provisions of this Agreement, or arising out of or relating to the Services provided by Consultant under this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

17. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the Parties relating to the obligations of the Parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein

and upon each party's own independent investigation of any and all facts such party deems material.

18. SEVERABILITY

If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

19. COUNTERPARTS

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

20. CAPTIONS

The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this Agreement.

21. WAIVER

The waiver by City or Consultant of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this Agreement shall be deemed to have been waived by City or Consultant unless in writing.

22. REMEDIES

Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any of all of such other rights, powers or remedies.

23. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant represents and warrants that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

“CITY”
City of Selma

“CONSULTANT”
National Demographics, Inc.

By: _____
Teresa Gallavan, City Manager

By: _____
Douglas Johnson, President

Attest:

By: _____
Reyna Rivera, City Clerk

Approved as to form:

By: _____
Mary Lerner, City Legal Counsel

Attachments:	Exhibit A	Scope of Services
	Exhibit B	Rate Schedule
	Exhibit C	Insurance Requirements

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT B

RATE SCHEDULE

Summary Scope of Work

NDC tailors each project to the needs and goals of each jurisdictions. Below is a typical NDC-suggested timeline and description of project elements.

The dates provided below are general guidelines and will vary according to the goals, project choices, and deadlines of each jurisdiction.

This timeline is subject to change based on ongoing changes in the date when official population data will be available and possible changes in state deadlines.

April – May	Project Planning and decisions on public mapping tools, whether to use a commission, and other project options. Begin project communications and outreach.
May – September	Any mapping tools prepared with preliminary population data; initial pre-draft-map hearing(s) held.
October – January	Census data received and processed; draft maps prepared, considered, and revised (in hearings and, if desired, less formal public workshops)
January – April	Final plan revisions made and plan adopted and implemented.

Detailed Project Scope of Work

April – May, 2021: Project Planning and Initial Outreach

- NDC works with the jurisdiction to prepare a detailed project timeline of expected outreach efforts, public forums, formal hearings, draft map dates, and final map adoption dates.
- NDC works with the jurisdiction staff (or contract specialized outreach staff – see notes below about that option if interested) to prepare a project outreach plan for all steps of the process covering target audiences, contact lists, social media efforts, any potential postcard mailings, utility bill inserts, flyers for distribution at schools, media briefings, and community group contacts.
- Decide what public mapping tool(s) to provide, if any.
- Decide whether to use a commission.

- e. Create the project website: NDC will provide advice and text for the jurisdiction's website, or as an optional project element NDC will build a project website that the jurisdiction can simply link to from the jurisdiction site.
- f. NDC will work with jurisdiction and County Registrar staff to confirm GIS boundaries and to identify and include in our redistricting database any available GIS data that NDC and the jurisdiction identify are likely to be useful as mapping references for NDC, the public, and for the jurisdiction.
- g. Project outreach begins with initial alerts and 'invitations to participate' sent out to the general public, to overlapping jurisdictions, and to community organizations.

May – September, 2021: Initial Data Analysis and Initial Hearings / Forums

- h. NDC prepares total population estimates for use in initial hearings and any public mapping tools.
- i. NDC adds socio-economic data from the Census Bureau's American Community Survey to the state demographic data.
- j. NDC matches the demographic database to the existing election areas.
- k. NDC prepares a report regarding the demographics and compliance with state and federal criteria of the existing election areas, including maps of "protected class" population concentrations and other socio-economic data often referenced in redistricting (such as income, education levels, children at home, language spoken at home, renters / homeowners, and single-family / multi-family residences).
- l. NDC report is circulated to the jurisdiction and into the project outreach messaging.
- m. Hearings / Forums: NDC presents an overview of the redistricting laws and criteria, jurisdiction demographics, and the population balance of the existing election areas and their compliance (or possible lack thereof) with state and federal requirements.
- n. The project timeline and outreach plan are presented to the public for comments and feedback, along with a request to the public to provide guidance on what residents consider key neighborhoods, communities of interest, and other project-related regions in the jurisdiction.

- o. If the optional public mapping tools and/or Public Participation Kit are included in the project, their use is demonstrated to the public.
- p. If the optional public mapping tools and/or Public Participation Kit are included in the project, NDC provides email and phone support for any residents with questions regarding their use.
- q. If the optional public mapping tools and/or Public Participation Kit are included in the project, at the jurisdiction's option additional public forums on the use of those tools can be provided.
- r. Outreach efforts continue with messaging to the public, with special focus on community groups with an interest in the redistricting.

October – January, 2021: Draft Mapping Time

- s. 2020 Census total population counts released and California Statewide Database completes “prison adjustments” of the data. Total population counts in outreach materials and mapping tools are updated with the official Census data.
- t. If the existing election areas are in compliance with state and federal rules and balanced, the jurisdiction decides whether to stop at this “Still Balanced” point or to continue with a standard redistricting.
- u. Outreach efforts continue with messaging reminding the public of the opportunity to provide written or mapped input on how the maps should be drawn and welcoming any maps residents wish to submit.
- v. The public deadline for submitting any initial draft maps will be approximately seven days prior to the official deadline to post all draft maps online (to provide NDC time to process any draft maps received, and for NDC to develop our own two to four initial draft maps).
- w. All outreach channels are used to inform the public about the opportunity to submit draft maps and to encourage participation in the review of the upcoming draft maps.
- x. NDC processes all public draft map submissions, drafts NDC's draft maps, summarizes all of the draft maps. The maps, related demographics, and summaries are provided by NDC in web-friendly formats. These process maps are posted on the project website and on the NDC-provided interactive review map.

- y. At the jurisdiction's option, one or more informal workshops or public forums are held to gather residents' reactions to and preferences among the draft maps.
- z. The jurisdiction holds a hearing to review the draft maps, narrow down the list of initial draft maps, and provide direction on any desired new or revised maps.
- aa. Time provided for the public to submit any new maps and for NDC to provide maps based on the direction at the hearing. During this time, additional outreach is conducted to inform interested residents and community groups of the selected 'focus maps' and the remaining opportunities to participate in the process.

January – April, 2022: Map Adoption

- bb. Any new or revised maps, related demographics, and summaries are posted on the project website.
- cc. At the jurisdiction's option, one or more informal workshops or public forums are held to gather residents' reactions to and preferences among the remaining maps.
- dd. One or more hearings are held to continue the review and refinement of the focus maps and, ultimately, adopt the final map.
- ee. Outreach continues to inform residents and community groups of the progress of the project, opportunities for future participation, and, ultimately, which map is adopted.
- ff. Following map adoption, NDC coordinates map implementation with the County Registrar, informing the jurisdiction staff of the progress, any issues, and ultimate completion of that work.
- gg. NDC works with the jurisdiction staff to ensure preservation of all project data and records, including GIS-format versions of the adopted map.

Project Pricing

1. **Basic Project Elements** (covers everything except for per-meeting and optional expenses): \$ 17,500

2. **Per-Meeting expense:**

- In-person attendance, per meeting \$ 2,750
- Virtual (telephonic, Zoom, etc.) attendance, per meeting..... \$ 1,250

For each meeting, NDC will prepare meeting materials, including presentation materials and maps; present and explain key concepts, including mandatory and traditional redistricting criteria and “communities of interest”; facilitate conversations; answer questions; and gather feedback on existing and proposed boundaries.

Per-meeting prices include all travel and other anticipated meeting-related expenses. Telephone calls to answer questions, discuss project status, and other standard project management tasks do not count as meetings and do not result in any charge.

3. **Optional Project Elements:**

a) Project website \$ 4,500

b) Public mapping tool options:

- ESRI Redistricting *
- Caliper-centered system including all elements below \$ 3,000
 - “Maptitude Online Redistricting” (MOR)
 - Tuft University’s “DistrictR” (a simple neighborhood mapping tool)
 - Public Participation Kit paper- and Excel-based mapping tool

c) DistrictR without MOR or ESRI \$ 2,000

d) Public Participation Kit mapping tool without MOR or ESRI..... \$ 2,000

e) Working with independent or advisory redistricting commission..... no additional charge

f) Additional outreach assistance.....separately contracted

* ESRI prices its software on a jurisdiction-by-jurisdiction basis. The lowest prices we have seen are \$80,000 and up. If that is an option the jurisdiction would like to pursue, NDC will request a specific price for your jurisdiction from ESRI.

Other Potential Project-Related Expenses:

The most common additional project expenses would be any site or staff costs for conducting the community forums and the cost of printing or copying paper copies of the “Public Participation Kit.” In NDC’s experience, most participants will download and print the Kits in their own homes or offices.

Additional Analysis

NDC is happy to assist with any additional analysis that the client requests at our standard hourly rates:

Principal (Dr. Douglas Johnson).....	\$300 per hour
Vice President (Justin Levitt).....	\$250 per hour
Senior Consultant	\$200 per hour
Consultant.....	\$150 per hour
Analyst / Clerical.....	\$50 per hour

Dr. Johnson is also available for deposition and/or testimony work if needed, at \$350 per hour.

Requested Payment terms:

NDC requests that the “Still Balanced” project fee be paid at the start of the project; that the difference between the “Still Balanced” fee and half of the “Basic Project Elements” be paid once the decision to update the district lines is made; and the balance of the project costs be paid at the conclusion of the project.

Exception: “Still Balanced” Jurisdictions

For a few jurisdictions, the existing election areas will still meet the equal population and voting rights act requirements using new 2020 Census data and the requirements of California’s new “Fair Maps” law. These jurisdictions have the option simply retain the existing map without drawing and holding hearings on alternative maps. For jurisdictions electing this approach, the project would conclude with that decision.

Includes all the services listed below: \$ 3,500

- Compile total population and Citizen Voting Age Population data.
- Import existing election area lines.
- Compile population data by election area and calculate population deviations, prepare memo summarizing findings.

“Still Balanced” optional project elements and per-meeting expenses

Meeting attendance and optional project elements are not included in the “minimal change” project base fee. If requested, NDC team members participate in “minimal change” project hearings or forums at the same “per meeting” expenses, and optional project elements are provided at the same prices listed for a standard project in the previous section of this proposal.

Details of Optional Project Elements

Advisory or Independent Redistricting Commissions

NDC anticipates that many California jurisdictions will create advisory or independent commissions to manage the redistricting process. NDC welcomes the use of such commissions, and our pricing does not change for jurisdictions creating commissions. But the creation, training, operation and reporting of such commissions often leads to more meetings (and a resulting increase in the “per meeting” project expenses) than a traditional redistricting process conducted primarily by the jurisdiction’s elected leadership.

Outreach Assistance

NDC brings topical expertise to your jurisdiction’s outreach efforts, and NDC makes available to all clients our library of sample outreach materials including op-ed articles, postcards, utility bill inserts, flyers, and social media messages. NDC provides all of these materials along with our advice and input on outreach strategy and materials to any interested jurisdiction, but we do not have graphic artists to customize or design such materials in-house.

For larger-scale outreach efforts, especially where jurisdictions wish to send representatives out to regular meetings of existing community organizations, NDC typically works together with a jurisdiction’s in-house communications staff and/or with one or more outreach organizations. We often work with, and highly recommend, Tripepi-Smith, and some information on the services they offer is included at the end of this proposal. And we would be happy to work with any in-house team at the jurisdiction or with any firm or organization the jurisdiction selects. Many projects can be handled by a jurisdiction’s in-house or regular outreach and communications teams (with samples and topic expertise provided by NDC), but a number of jurisdictions seek supplemental outside communications assistance.

Project Website

NDC provides all project materials in website-friendly formats for posting on the jurisdiction’s website. At no cost, NDC will provide project website samples and website language for use on the jurisdiction’s project website. But for jurisdictions that prefer not to take on the challenge of creating and managing a rapidly-changing project website, NDC will create, host, and update project website (visit to see one such site – though note that site was created prior to passage of the new AB849 requirements).

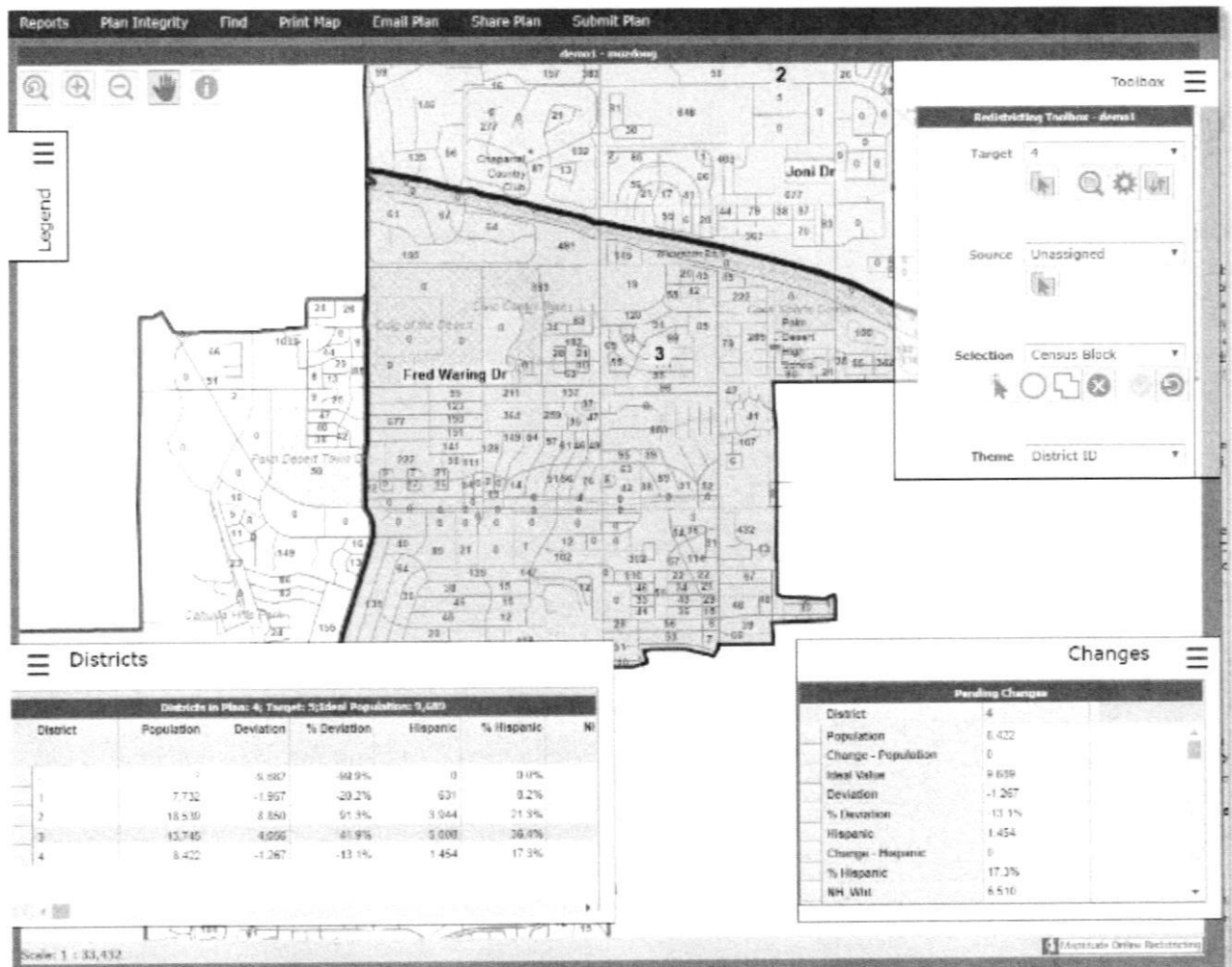


Background on Online Mapping Tool Options

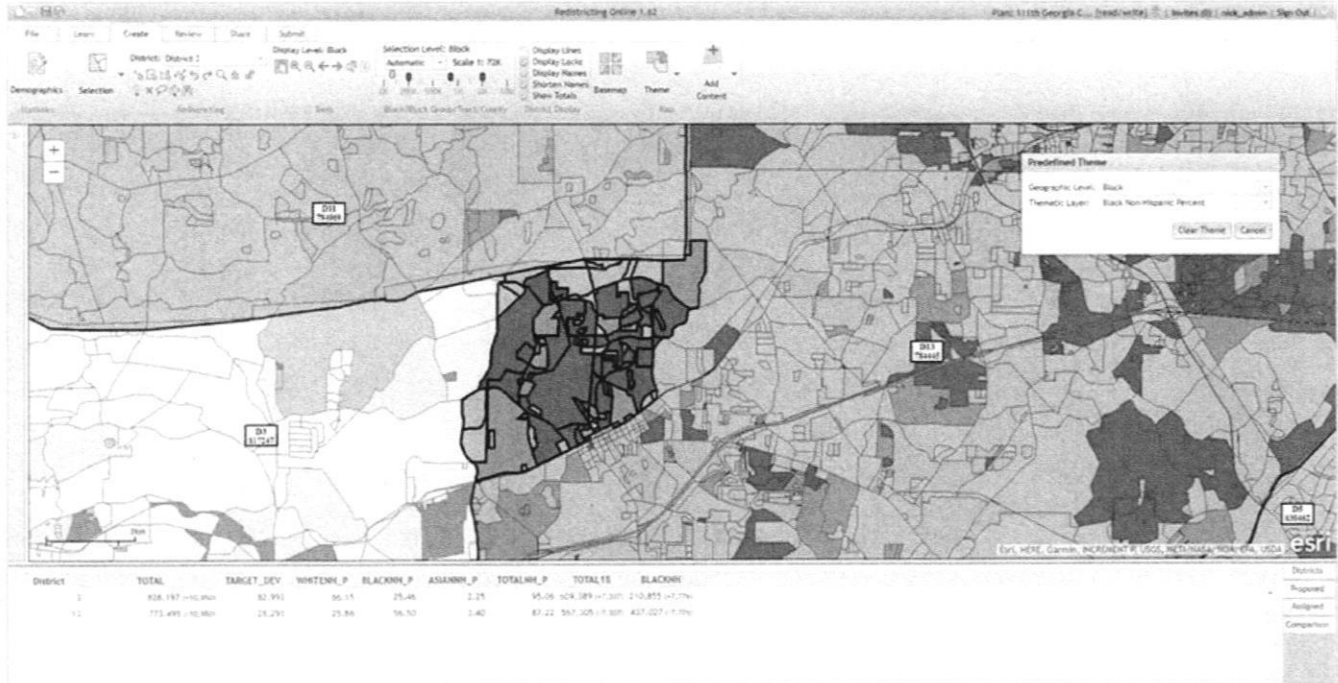
NDC is the unmatched leader in redistricting tools that empower residents to review draft maps and to develop and submit their own map proposals. NDC is the only firm that has used the online mapping solutions from both ESRI and Caliper Corporation in major redistricting projects.

Only NDC has repeatedly trained members of the public, processed public map submissions, and presented the public map proposals to public hearings and commission meetings. NDC's online mapping tool options provide user support, hosting, managing, and processing submitted plans for an online interactive system that allows public to draw and submit proposed maps through a standard web browser.

In the more than 200 California local districting projects between 2012 and 2020, NDC is the only consultant providing clients access to Caliper Corporation's "Maptitude Online Redistricting" tool. Even with the technical challenges arising from such tools' power and flexibility, NDC's training and encouragement frequently results in 10, 20, 30 or more different maps drawn by residents of the school district or city providing that tool to its residents.



The other primary public mapping tool currently on the market is ESRI's online districting tool. While easy to use, the ESRI product costs significantly more. As a result, traditionally only the largest jurisdictions have been able to afford it.



When it is time to start the project, NDC will work with each interested client to determine which, if any, online mapping tool best meets the goals and budget of the jurisdiction.

Paper- and Excel-based Public Mapping Tools

While online mapping tools are very popular, NDC never forgets those residents who do not have internet access or who simply prefer to not drawing maps online.

At no cost with every online mapping tool, and as a separate option for jurisdictions that for budget or other reasons do not include an online mapping tool, NDC offers our “Public Participation Kit.” Each “Kit” includes two formats.

The first, and most simple, Kit is a one-page map showing streets, city borders, and population counts for NDC-created “Population Unit” geographic areas. Residents draw the map they wish to propose and add up the population counts by hand until they get the right population count in each district. All of the directions needed are right on the single-page form. Examples of these tools, from our work for the City of Lake Forest, are available here: <https://drawlf.org/draw-a-map/>.

The second form of offline mapping tool is for those residents who do not want to deal with an online mapping tool, but who are already comfortable with Microsoft Excel. NDC provides a similar simple one-page map of those same “Population Units,” but this time the map shows the Unit ID number rather than the population count in that Unit. Residents then enter their preferred district assignment for each Population Unit into the pre-formatted Excel spreadsheet (also available on the Lake Forest website), and Excel calculates the total population and demographics of each District. When the resident has the map the way they like it, they simple email in the Excel file.


Public Participation Kit

Each number indicates the total population of that “population unit” area. Each district must have essentially equal population.

The population of each of the five districts must be close to 7,447, with no more than a 745 difference between the largest and smallest.

Name: _____

Phone or email: _____



An online version of this map that allows you to zoom in and out for more detail is available as a link from the City website.

Please use a thick dark-colored pen to draw your map, then submit it at City Hall or directly to our project consultants:
Submission@NDCresearch.com
 PO Box 5271, Glendale, CA 91221
 You can hand-deliver, mail, fax, scan and email, or photograph and email your map.

National Demographics Corporation, October 9, 2018 #2016 CALPER

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of City, and prior to commencement of the Services, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$2,000,000.00 per occurrence, \$4,000,000.00 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$2,000,000.00 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$2,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this agreement.

Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees and volunteers.

Proof of insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this contract. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to

contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by City will be promptly reimbursed by Consultant, or City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that City and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

Separation of Insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass Through Clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to City for review.

City's right to revise specifications. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

**CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:**

May 3, 2021

ITEM NO:

1. h.

SUBJECT:

Consideration of a Resolution approving issuance of a special event permit and request for a fee waiver for the National Day of Prayer

RECOMMENDATION: Consider request from Antioquia Ministries, Inc. to issue a special event permit and waive fees for their National Day of Prayer Event at Lincoln Park

DISCUSSION: Antioquia Ministries, Inc. has submitted a request for a special event permit and to waive fees associated with the proposed National Day of Prayer Event on Thursday, May 6, 2021.

Because of the COVID-19 emergency, the City has implemented a temporary policy to request approval from the Council on a case-by-case basis prior to issuing special event permits.

Fees associated with this event include Special Events Permit, Amplified Sound Fee, and Park Rental.

- Planning: \$160.00 (\$80.00 Special Event Fee and \$80.00 Amplified Sound Fee)
- Recreation: \$100.00 Park Rental Fee
- Total **\$260.00**

The event will include music and prayer at Lincoln Park on May 6th between the hours of 12:00 pm and 1:30 pm. The event will be open to the public, but Antioquia Ministries estimates between 30 to 50 people will be in attendance. There will be guest speakers and the event will end following the last speaker.

Antioquia Ministries will be required to provide proof of insurance for the event with the City of Selma named as additional insured.

RECOMMENDATION: Consider request from Antioquia Ministries to issue a special event permit and waive fees for the National Day of Prayer event at Lincoln Park on May 6, 2021.

<u>/s/</u>	<u>04/27/2021</u>
Fernando Santillan, Community Development Director	Date
<u>/s/</u>	<u>04/27/2021</u>
Joe Gomez, Police Chief	Date
<u>/s/</u>	<u>04/27/2021</u>
Teresa Gallavan, City Manager	Date

RESOLUTION NO. 2021 –

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA, CALIFORNIA, APPROVING THE ISSUANCE OF A SPECIAL EVENT PERMIT AND REQUEST FOR A FEE WAIVER FOR THE ANTIOQUIA MINISTRIES, INC NATIONAL DAY OF PRAYER

WHEREAS, Antioquia Ministries has requested that the City Council waive fees associated with its National Day of Prayer event to be held on May 6, 2021 at Lincoln Park; and

WHEREAS, because of the COVID-19 emergency, the City has implemented a temporary policy to request approval from the Council on a case-by-case basis prior to issuing special event permits; and

WHEREAS, the total fees associated with the event are \$260.00, which includes the fees for the special events permit, sound permit, and park rental; and

WHEREAS, the total amount Antioquia Ministries is requesting the City Council to waive is two hundred sixty dollars (\$260.00); and

WHEREAS, while the City is proposing to waive two hundred sixty dollars (\$260.00) associated with the event, Antioquia Ministries is still required to comply with all other provisions of the City's Municipal Code; and

WHEREAS, the City will provide Antioquia Ministries with applicable federal, state, and local COVID-19 guidelines relating to public outdoor gatherings, which Antioquia Ministries has agreed to follow.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. Antioquia Ministries, Inc. is a registered 501 (c)(3) non-profit public charity organization that benefits the residents of Selma.

SECTION 3. The City Council hereby approves the issuance of a special event permit and fee waiver for fees associated with the National Day of Prayer Event in the amount of Two Hundred Sixty Dollars (\$260.00).

SECTION 4. Antioquia Ministries shall comply with the City's Municipal Code and applicable COVID-19 guidelines during the event, and provide the City with all information required by City staff, including, but not limited to, the following:

1. Proof of insurance with the City named as additional insured.
2. Indemnification of the City.

SECTION 5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 3rd day of May, 2021, by the following vote:

AYES:	COUNCILMEMBERS:
NOES:	COUNCILMEMBERS:
ABSTAIN:	COUNCILMEMBERS:
ABSENT:	COUNCILMEMBERS:

Scott Robertson, Mayor

ATTEST:

Reyna Rivera, City Clerk

11.

CHECK REGISTER REPORT

CHECK NUMBER	CHECK DATE	STATUS	VENDOR NAME	CHECK DESCRIPTION	CATEGORY	AMOUNT
77192	04/23/2021	Printed	CHRISTOPHER L. ABBEY / ABBEY DOOR SERV	GARAGE DOOR REPAIRS -STA. 2		2,825.00
77193	04/23/2021	Printed	ACTION TOWING AND DIVE TEAM	EVIDENCE TOWS -MARCH 2021		155.00
77194	04/23/2021	Printed	ADVENTIST HEALTH TULARE	BLOOD/ALCOHOL ANALYSIS CASE #21-1252		100.00
77195	04/23/2021	Printed	AIRGAS USA LLC	OXYGEN SUPPLIES -CVTC	R	52.36
77196	04/23/2021	Printed	AMERICAN AMBULANCE	MAY 2021 PAYMENT		93,750.00
77197	04/23/2021	Printed	JORDAN SCOTT ARANJO / GRAPEWOOD GRILL	COVID 19 SMALL BUSINESS RELIEF GRANT ROUND 2	G	2,500.00
77198	04/23/2021	Printed	AT&T	INTERNET SERVICE -CVTC		78.84
77199	04/23/2021	Printed	AT&T	TELEPHONE 3/12/21-4/11/21		45.83
77200	04/23/2021	Printed	AT&T MOBILITY	TELEPHONE -MDT'S 3/1-3/31/21		437.71
77201	04/23/2021	Printed	CHRIS AYALA	FTO COURSE PER DIEM 4/25/21-4/30/21		275.00
77202	04/23/2021	Printed	BANNER PEST CONTROL INC	PEST CONTROL -APRIL 2021		441.00
77203	04/23/2021	Printed	BEAUMONT LAW FIRM, PC	LEGAL SERVICES -JANUARY 2021		3,100.00
77204	04/23/2021	Printed	MATT BEGINES	FUEL REIMBURSEMENT		85.00
77205	04/23/2021	Printed	BEST UNIFORMS	CODE ENF.REVOLVING ACCT	R	86.36
77206	04/23/2021	Printed	JAY WESLEY BROCK / TOP DOG TRAINING	K9 PURCHASE & K9 MAINTENANCE 4/5/21	PARTIAL R	7,251.00
77207	04/23/2021	Printed	GARY V. BUFKIN	MOVE PERMIT SYSTEM TO ANOTHER SERVER		500.00
77208	04/23/2021	Printed	CALIFORNIA WATER SERVICE	WATER SERVICE -MARCH 2021		11,097.34
77209	04/23/2021	Printed	CDCE INCORPORATED	MDT MONTHLY LEASE -PD		220.00
77210	04/23/2021	Printed	CENTRAL VALLEY TOXICOLOGY INC.	DRUG TESTING 21-0589		215.00
77211	04/23/2021	Printed	CITY OF SANGER FIRE DEPARTMENT	CONSULTING FOR IGT FEB/MAR 21		1,312.75
77212	04/23/2021	Printed	COLANTUONO, HIGHSMITH & WHATLEY	LEGAL SERVICES -JANUARY 2021		5,775.50
77213	04/23/2021	Printed	FLORENCE A. COLBY	TRANSCRIPTS		1,184.00
77214	04/23/2021	Printed	COMCAST	INTERNET SERVICE -APRIL 2021		821.45
77215	04/23/2021	Printed	COUNTY OF FRESNO	INTERNAL AFFAIRS INVESTIGATION		2,099.77
77216	04/23/2021	Printed	DATAPATH LLC	DESKTOPS FOR DISPATCH		10,099.93
77217	04/23/2021	Printed	PAUL DEMMERS	STATION SUPPLIES REIMBURSEMENT		68.84
77218	04/23/2021	Printed	DEPARTMENT OF HEALTH CARE	GEMT QAF 2019/2020 QRT 4		53,101.20
77219	04/23/2021	Printed	DEPARTMENT OF JUSTICE	FINGERPRINTS -MARCH 2021		425.00
77220	04/23/2021	Printed	DOOLEY ENTERPRISES, INC.	AMMUNITION		2,336.55
77221	04/23/2021	Printed	MYRON DYCK	WITNESS FEE REIMBURSEMENT		39.00
77222	04/23/2021	Printed	JOEL A FEDOR / FEDOR PLUMBING	INSTALLED NEW CLEAN OUT SALAZAR CENTER		412.83
77223	04/23/2021	Printed	FIRE RECOVERY EMS LLC	AMBULANCE BILLING -MARCH 2021		12,870.52
77224	04/23/2021	Printed	FRESNO COUNTY CLERK	NOE SPR 2018-0045		50.00
77225	04/23/2021	Printed	FRESNO MADERA COUNTIES POLICE CHIEF'S ASSOCIATION	2021 MEMBERSHIP		150.00
77226	04/23/2021	Printed	GAR BENNETT LLC	IRRIGATION SUPPLIES		0.90
77227	04/23/2021	Printed	GATEWAY ENGINEERING, INC.	20-060 ATP 2020 GRANT APP, 20-088 CDBG DOWNTOWN ADA	PARTIAL G	15,977.00
77228	04/23/2021	Printed	GCS ENVIRONMENTAL EQUIPMENT	HALF RINGS 8" HAND HOSE UNIT# 1318		68.38
77229	04/23/2021	Printed	GEIL ENTERPRISES INC	JANITORIAL SERVICES -APR 2021		3,060.00
77230	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	DENTAL 3/10/21		1,382.10
77231	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	DENTAL 3/17/21		3,695.59
77232	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	DENTAL 3/24/21		2,727.26
77233	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	DENTAL 4/1/21		2,867.80
77234	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	DENTAL 4/7/21		1,734.90
77235	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	ADMINISTRATIVE FEES -APRIL 21		783.59
77236	04/23/2021	Printed	HEALTHEDGE ADMINISTRATORS INC.	ADMINISTRATIVE FEES -MAY 2021		845.29
77237	04/23/2021	Printed	HEALTHWISE SERVICES, LLC.	MEDICAL WASTE SERVICES-PD		150.00
77238	04/23/2021	Printed	HENRY SCHEIN INC.	MEDICAL SUPPLIES		1,786.10
77239	04/23/2021	Printed	MATTHEW HUGHES	ICI CORE COURSE PER DIEM 5/10/21-5/21/21	R	110.00
77240	04/23/2021	Printed	J'S COMMUNICATION INC.	RADIO -PD		15,441.47
77241	04/23/2021	Printed	ANNA M JAIMES / J&A DRUG & ALCOHOL TESTING	EMPLOYMENT DRUG TESTING -PD		325.00
77242	04/23/2021	Printed	JAN T. JOHNSON	FIRE TRAINING PER DIEM 3/8/21-3/11/21		60.00
77243	04/23/2021	Printed	JAN T. JOHNSON	2021 MEMBERSHIP REIMBURSEMENT		90.00

CHECK REGISTER REPORT

CHECK NUMBER	CHECK DATE	STATUS	VENDOR NAME	CHECK DESCRIPTION	CATEGORY	AMOUNT
77244	04/23/2021	Printed	JORGENSEN & COMPANY	ANNUAL FIRE EXTINGUISHER		238.05
77245	04/23/2021	Printed	MICHAEL KAIN	MEDICAL PREMIUM REIMB -MAY 21		1,304.68
77246	04/23/2021	Printed	JEFF KESTLY	MEDICAL PREMIUM REIMB -MAY 21		204.52
77247	04/23/2021	Printed	L.N. CURTIS & SONS	RESCUE SUPPLIES		3,837.31
77248	04/23/2021	Printed	TIM J LAW & ASSOCIATES	LAW ENFORCEMENT BACKGROUND		700.00
77249	04/23/2021	Printed	LIFE-ASSIST INC.	MEDICAL SUPPLIES		613.10
77250	04/23/2021	Printed	SERGIO MALDONADO	FTO COURSE PER DIEM 4/25/21-4/30/21		275.00
77251	04/23/2021	Printed	HEATHER MCCOY	VICTIM EXAM 21-0970		1,000.00
77252	04/23/2021	Printed	STEVEN LEE MCINTIRE	MEDICAL PREMIUM REIMB -MAY 21		1,734.92
77253	04/23/2021	Printed	METRO UNIFORM	NAME TAGS -FD		1,278.00
77254	04/23/2021	Printed	MONTOY LAW CORPORATION	LEGAL SERVICES -FEBRUARY 2021		8,959.50
77255	04/23/2021	Printed	OFFICE DEPOT, INC.	OFFICE SUPPLIES		229.63
77256	04/23/2021	Printed	PG&E	UTILITIES -MARCH 2021		56.25
77257	04/23/2021	Printed	PROFESSIONAL PRINT & MAIL, INC	SECURITY WINDOW ENVELOPES		271.47
77258	04/23/2021	Printed	JACOB PUMAREJO	FTO COURSE PER DIEM 4/25/21-4/30/21		275.00
77259	04/23/2021	Printed	PURCHASE POWER	POSTAGE REFILL -CH		758.15
77260	04/23/2021	Printed	QUAD KNOPF, INC.	ON-CALL PLANNING SERVICES 2/21/21-3/20/21		18,096.40
77261	04/23/2021	Printed	RUIZ FAMILY ENTERPRISES INC	LINCOLN PARK VETERAN'S PLAZA MASONRY W	R	21,120.00
77262	04/23/2021	Printed	SCOTT SANDERS	MEDICAL PREMIUM REIMB -MAY 21		1,326.20
77263	04/23/2021	Printed	SECOND CHANCE ANIMAL SHELTER	MONTHLY SUPPORT -MAY 2021		7,925.80
77264	04/23/2021	Printed	SIGNMAX	SIGNS FOR BOOKING ROOM		65.25
77265	04/23/2021	Printed	SITEONE LANDSCAPE SUPPLY, LLC.	IRRIGATION SUPPLIES		3,947.81
77266	04/23/2021	Printed	SPARKLETTS	WATER SERVICE -PD		115.78
77267	04/23/2021	Printed	SPARKLETTS	WATER SERVICE -CVTC		39.99
77268	04/23/2021	Printed	SPECIALIZED GRAPHICS, INC.	DEDICATION PLAQUE -PD		538.14
			KATHERINE L. STILWELL / MINDFUL CREATIONS			
77269	04/23/2021	Printed		WILDLAND JACKET GRAPHIC		129.58
77270	04/23/2021	Printed	STRYKER SALES CORPORATION	MEDICAL SUPPLIES		79.19
77271	04/23/2021	Printed	THE CRISCOM COMPANY	SEWER INFRASTRUCTURE -MAY 21		4,500.00
77272	04/23/2021	Printed	TULARE CO JAIL INDUSTRIES	GRAPHICS FOR UNIT# 185 & #198		193.95
77273	04/23/2021	Printed	UNITY IT	MDT MANAGED SERVICES -MAR 21		2,777.33
77274	04/23/2021	Printed	VALLEY SHREDDING LLC	DOCUMENT DESTRUCTION SERVICE		60.00
77275	04/23/2021	Printed	VANIR CONSTRUCTION	PROFESSIONAL SERVICES -MAR 21		4,560.80
77276	04/23/2021	Printed	VINCENT COMMUNICATIONS INC	RADIO SUPPLIES		1,219.59
77277	04/23/2021	Printed	DANIEL VIVEROS	REPAIR FENCE -SHAFFER		550.00
77278	04/23/2021	Printed	WASTE MANAGEMENT	TRASH REFUND		3.14
TOTAL						354,162.69

Grant: G PD State Appropriation: PDSA (457) Reimbursement: R

**CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:**

May 3, 2021

ITEM NO: 1-j.

SUBJECT: Consideration of Agreement with Selma Adventist Health- Laboratory & Toxicology Services Agreement

RECOMMENDATION: Authorize City Manager to execute Agreement with Adventist Health- for Laboratory & Toxicology Services.

DISCUSSION: The Selma Police Department desires to enter a contractual agreement with Selma Adventist Health to perform phlebotomy services and laboratory testing as described in the attached agreement.

The Selma Police Department is currently utilizing contract services with various phlebotomists to perform blood draws for arrests involving DUI (Driving Under the Influence) or individuals under the influence of narcotics at a cost of \$50.00 per blood draw. There have been numerous occasions where a phlebotomist was unavailable and a blood draw sample (evidence) not retained. This results in the declination of charges by the Fresno County District Attorney's Office. The phlebotomist also does not retain a sampling of the blood sample evidence, after a successful blood draw, which requires a Police Officer to book the sample as evidence into the Selma Police Department's evidence facility.

This proposed agreement would allow Selma Police Officers to, immediately transport the arrestee to Selma Adventist Health, where a blood draw, or urine sample if applicable, is completed. This service will allow for stronger prosecution in court because it eliminates the excessive handling and transferring of the evidence sample. The blood draw or urine sample will be retained in a secure location at Selma Adventist Health and then tested by their Laboratory Technicians. The additional service will eliminate Selma Police Officers from having to book the evidence at the Selma Police Department and the Evidence Technician from transporting the blood or urine evidence to an outside facility; where it can take up to two to four weeks to receive the results.

The Selma Police Department conducts an average of twenty to thirty blood draws annually, which calculates between \$200 to \$250 per service (blood draw and toxicology testing).

Staff requests authorization for the City Manager to execute a contract with Selma Adventist Health, for an estimated amount of \$3,000.

<u>COST:</u> <i>(Enter cost of item to be purchased)</i>		<u>BUDGET IMPACT:</u> <i>(Enter amount this non-budgeted item will impact this years' budget – if budgeted, enter NONE).</i>
\$3,000.00 (estimate)		None.
<u>FUNDING:</u> <i>(Enter the funding source for this item – if fund exists, enter the balance in the fund).</i>		<u>ON-GOING COST:</u> <i>(Enter the amount that will need to be budgeted each year – if one-time cost, enter NONE).</i>
Funding Source: General Fund Fund Balance: FY 2019-20 \$6,717,901		\$3,000.00

RECOMMENDATION: Authorize City Manager to execute Agreement with Adventist Health- for Laboratory & Toxicology Services.

/s/

04/29/2021

Joseph Gomez, Chief of Police

Date

/s/

04/29/2021

Teresa Gallavan, City Manager

Date

LABORATORY & TOXICOLOGY SERVICES AGREEMENT

THIS AGREEMENT is entered this 1st day of April 2021, between Selma Police Department as "Client" and Adventist Health Tulare, Adventist Health Toxicology hereinafter referred to as "Laboratory".

WITNESSETH:

WHEREAS, Client and Laboratory recognizes the need for services provided by Laboratory to be available to the following clients:

**Selma Police Department
1935 E. Front Street
Selma, CA 93662
Ph# 559-891-2281**

WHEREAS, Client desires to engage Laboratory to perform the functions and to provide laboratory services as described in this Agreement;

THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties to this Agreement agree to the following terms and conditions:

- 1. Laboratory agrees to perform scheduled and non-scheduled lab draws for lab tests on the patients for the Client regardless of Race, Creed, nationality, Origin or handicap, if previously agreed upon.**
- 2. Laboratory will process and/or analyze samples for toxicology and forensic alcohol.**
- 3. Laboratory services shall be available five days a week for obtaining samples and testing. On-call sample collection will be available seven days a week (24/7) and 365 days per year, if previously agreed upon.**
- 4. Client agrees to reimburse Laboratory for services performed at the agreed to rates listed on pages 4-7. Reimbursement for services shall be mail to Adventist Health Toxicology 880 E Merritt Ave Suite 107, Tulare CA. 93274. Reimbursement shall be net fifteen (15) days from receipt of statement. Any Billing Questions Client may contact 559-685-3456.**
- 5. Laboratory will provide a copy of all laboratory results to Client. Screening results will be provided within 24 hours during regular business hours. Confirmations will be provided within 48-72 hours during regular business hours.**
- 6. Laboratory will store samples and results up to a minimum of 3 years.**
- 7. Laboratory will be responsible for all supplies.**

8. Laboratory will be responsible to monitor and ensure that the required services to clients are in accordance with CCR Title 17 Forensic Alcohol Analysis regulated by California Department of Public Health.
9. Term of this agreement is for a period of three year (3) and will automatically continue thereafter for consecutive 1-year term.
10. Either party may terminate this Agreement with or without cause, by providing 30 days written notice to the other party. The Laboratory will provide a 30-day notice in the event of a pricing adjustment.
11. Each party agrees to be responsible and liable to third parties, for its own acts, both passive and active, as they may give rise to claims, lawsuits, penalties or violations.

RELATIONSHIP OF PARTIES:

It is understood by the parties that Client is independent with respect to Hospitals and not an employee of Hospitals. Hospitals will not provide benefits, including health insurance benefits, paid vacation, or any other employment benefit, for the benefit of Facility.

Laboratory shall be solely responsible for paying all taxes and compensation for its employees and for furnishing, at Facility's sole cost and expense, any and all benefits including, but not limited to, workers' compensation insurance, unemployment insurance, medical or life insurance benefits and pension benefits as required by applicable law.

Mutual Indemnity

Each party, Client and Laboratory and its employees and agents, shall be responsible for their own acts and omissions and shall not be responsible for the acts and omissions of the other party in carrying out this agreement. Each party, Client and Laboratory, agrees to indemnify and hold harmless the other party against all actions, claims or demands whatsoever including costs, expenses and attorney fees to which the other party may be put arising out of each party's negligent acts and omissions during the performance of this agreement.

INSURANCE:

Laboratory agrees to secure and maintain in effect, at Laboratories own expense, liability insurance as that are required by all laws and regulations of the State.

**IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 1st day of April 2021, In
Tulare County California.**

**City of Selma
Selma Police Department
1935 E. Front Street
Selma, CA 93662**

Client Authorized Signature

Print Name

Date

**Adventist Health Tulare, Adventist Health Toxicology
880 E. Merritt Ave. Ste 107 & 108
Tulare CA. 93274**

Timothy Haydock, Finance Officer

ADVENTIST HEALTH TOXICOLOGY TESTS AND PRICES

TEST NAME	PRICE CODE	TESTS INCLUDED	PRICE
Blood Alcohol {by GC} Results- - Units in % (g/100mL)	B-5100540	TESTED BY: TEST DATE: Blood Alcohol (Ethanol)=	\$55.00
Coroner Bottle Blood Alcohol {by GC} Results- - Units in %	B-5100540	TESTED BY: TEST DATE: Coroner Bottle / Blood Alcohol (Ethanol) % (g/100 mL) =	\$55.00
Blood Drug Screen {by ELISA} Results	B-5100821	Amphetamines, Barbiturates, Cannabinoids, Cocaine (Metabolite), Benzodiazepines, Opiates, Phencyclidine	\$60.00
Specimen Collection[i]	B-5100839	Collection Fee	\$45.00
Urine Drug Screen-10 Panel {by EMIT} Results	B-5100904	Amphetamines, Barbiturates, Benzodiazepines, Cocaine (Metabolite), Methadone, Methaqualone, Opiates, Phencyclidine, Propoxyphene, Cannabinoids (THC-COOH), Creatinine (mg/dL), Specific Gravity, PH	\$60.00
Urine Drug Screen-7 Panel {by EMIT} Results	B-5100912	Amphetamines, Barbiturates, Benzodiazepines, Cocaine (Metabolite), Opiates, Phencyclidine, Cannabinoids (THC- COOH), Creatinine (mg/dL), Specific Gravity, PH	\$55.00
Blood Culture	B-5100565	Source, Test Type: Result: Testing Location:	\$60.00
Travel to collection 20 miles[i]	B-5101282	Collection Fee	\$45.00
Miscellaneous Culture	B-5100474	Source, Test Type: Result: Testing Location:	\$72.00
Screen Alcohol {by EMIT} Result	B-5100714	Alcohol Screen-EMIT	\$30.00
Amphetamine Confirmation {GC/MS} Results	B-5101027	Amphetamine, Methamphetamine, Ephedrine , Pseudoephedrine, Phenylpropanolamine, Phentermine, MDMA, MDA, MDEA	\$66.00
ALTERNATE SCAN {GC/MS}	B-5100789	Altscan {A,B,N}	\$64.00
ALT SCAN-[A] Confirmation for PROPOXYPHENE {by GCMS}	B-5100789	ALTERNATE SCAN-[A]-PRO	\$64.00
ALT SCAN-[N] for MDPV (Bath Salts) {by GC/MS}	B-5100789	ALTERNATE SCAN-[N]-MDPV	\$64.00

ALT SCAN-[N] for MEPHEDRONE by GC/MS}	B-5100789	ALTERNATE SCAN-[N]-MEP	\$64.00
ALT SCAN-[N] Confirmation for METHADONE {by GC/MS}	B-5100789	ALTERNATE SCAN-[N]-MTD	\$64.00
Blood Fentanyl- Qualitative only	B-5100573	Blood Fentanyl	\$45.00
Amphetamine Confirmation {GC/MS} Results	B-5101142	Amphetamine, Methamphetamine, Ephedrine, Pseudoephedrine, Phenylpropanolamine, Phentermine, MDMA, MDA, MDEA	\$66.00
Barbiturate Confirmation {GC/MS} Results	B-5101126	Butalbital, Pentobarbital, Phenobarbital, Secobarbital	\$66.00
Benzodiazepine Confirmation {GC/MS} Results	B-5101159	Alprazolam, Diazepam, Nordiazepam, Oxazepam, Temazepam, Alpha- hydroxyalprazolam, Lorazepam	\$66.00
Cocaine Confirmation {GC/MS} Results	B-5101167	Cocaine, Benzoylcegonine	\$66.00
Phencyclidine Confirmation {GC/MS} Results	B-5101175	Phencyclidine	\$66.00
Opiate Confirmation {GC/MS} Results	B-5101134	Codeine, Morphine, Hydrocodone, Hydromorphone, Norcodeine	\$66.00
Cannabinoids Confirmation {GC/MS} Results	B-5101183	Delta-9-THC, THC-COOH	\$66.00
Cancelled Collection[i]	B-5100805	Cancelled Collection	\$42.00
Internal and/or External Chain of Custody Provided[i]	B-5100441	CHAIN OF CUSTODY	\$25.00
COURT CASE ASSEMBLY[i]	B-5101191	COURT CASE ASSEMBLY	\$32.00
Esoteric	B-5100938	Source, Test Type:, Result:, Therapeutic Level:, Toxic Level:, Test Type: , Result:, Therapeutic Level 2:, Toxic Level 2: , Testing Location:, Test Method:	\$140.00
Esoteric 2	B-5101076	Source, Test Type:, Result:, Therapeutic Level:, Toxic Level:, Test Type: , Result:, Therapeutic Level 2:, Toxic Level 2: , Testing Location:, Test Method:	\$136.00
Esoteric 3	B-5101084	Source, Test Type:, Result:, Therapeutic Level:, Toxic Level:, Test Type: , Result:, Therapeutic Level 2:, Toxic Level 2: , Testing Location:, Test Method:	\$136.00
Gassing ID 1	B-5101290	Description of Specimen:, Description of Procedure:, Tested for the prescense of:, Test Method:, Result:	\$66.00

Gassing ID 2	B-5101290	Description of Specimen: Description of Procedure: Tested for the presence of: Test Method: Result:	\$66.00
Handling and Splitting[i]	B-5100946	Handling Splitting, Source of specimen sent out: Sample sent to:	\$87.00
Handling & Splitting- Esoteric[I]	B-5100946	Handling & Splitting Esoteric, Source of specimen sent out: Sample sent to:	\$92.00
Hepatitis B Surface Antigen	B-5100631	Source, Hep B Surface AG, Testing Location:	\$65.00
Hepatitis C Antibody	B-5100649	Source, Hepatitis C Antibody, Testing Location:	\$65.00
HIV CONFIRMATION	B-5100664	Source, Test Type: Result: Result: Testing Location:	\$187.00
HIV SCREEN	B-5100656	Source, Test Type: Result: Result: Testing Location:	\$88.00
Substance Identification for Ethanol {by GC}	B-5100722	Description of Specimen: Result:	\$66.00
Substance Identification {GC/MS}	B-5100722	Agency Identifier for Specimen: Description of Specimen: Weight (grams): Packaging: Results of Identification Testing:	\$66.00
Substance Identification-2 {GC/MS}	B-5100722	Agency Identifier for Specimen: Description of Specimen: Weight (grams): Packaging: Results of Identification Testing:	\$66.00
Substance Identification-3 {GC/MS}	B-5100722	Agency Identifier for Specimen: Description of Specimen: Weight (grams): Packaging: Results of Identification Testing:	\$66.00
Court Testimony - 4 Hours	B-5100094	Half Day Court Testimony- 4 Hours	\$559.00
Court Testimony - 1 Hour	B-5100052	Court Testimony - 1 Hour	\$142.00
Court Testimony - 2 Hours	B-5100060	Court Testimony - 2 Hours	\$284.00
Court Testimony - 3 Hours	B-5100078	Court Testimony - 3 Hours	\$426.00
Half Day Court Testimony	B-5100045	Half Day Court Testimony- 4 Hours	\$568.00
Full Day Court Testimony	B-5100086	Full Day Court Testimony - 8 Hours	\$1,136.00
Telephone Testimony	per hour	Description of Specimen:	\$60.00
Urine Alcohol {by GC} Results- - Units in % (g/100mL)	B-5100748	TESTED BY: TEST DATE: Blood Equivalents (Ethanol)=	\$66.00
Amphetamine Confirmation {GC/MS} Results	B-5101027	Amphetamine, Methamphetamine, Ephedrine, Pseudoephedrine, Phenylpropanolamine, Phentermine, MDMA, MDA, MDEA	\$66.00
Barbiturate Confirmation {GC/MS} Results	B-5101001	Butalbital, Pentobarbital, Phenobarbital, Secobarbital	\$66.00

Benzodiazepine Confirmation {GC/MS} Results	B-5101035	Alprazolam, Diazepam, Nordiazepam, Oxazepam, Temazepam, Alpha-hydroxy alprazolam, Lorazepam	\$66.00
Cocaine Confirmation {GC/MS} Results	B-5101043	Cocaine, Benzoyllecgonine	\$66.00
Opiate Confirmation {GC/MS} Results	B-5101019	Codeine, Morphine, Hydrocodone, Hydromorphone, Norcodeine	\$66.00
Phencyclidine Confirmation {GC/MS} Results	B-5101050	Phencyclidine	\$66.00
Urine Validation	B-5101209	Urine Validation, Urea Nitrogen	\$32.00
Amphetamines Screen Test by EMIT	B-5100755	Amphetamines	\$22.00
Barbiturates Screen Test by EMIT	B-5100755	Barbiturates	\$22.00
Benzodiazepines Screen Test by EMIT	B-5100755	Benzodiazepines	\$22.00
Cocaine Screen Test by EMIT	B-5100755	Cocaine (Metabolite)	\$22.00
Methadone Screen Test by EMIT	B-5100755	Methadone	\$22.00
Methaqualone Screen Test by EMIT	B-5100755	Methaqualone	\$22.00
Opiates Screen Test by EMIT	B-5100755	Opiates	\$22.00
Phencyclidine Screen Test by EMIT	B-5100755	Phencyclidine	\$22.00
Cannabinoids Screen Test by EMIT	B-5100755	Cannabinoids (THC-COOH)	\$22.00
THC-COOH Confirmation {GC/MS} Results	B-5101068	THC-COOH	\$66.00

CERTIFICATE OF COVERAGE



IN THE EVENT OF TERMINATION OF THE PROGRAMS DESIGNATED BELOW, IT IS THE INTENT OF ADVENTIST HEALTH SYSTEM/WEST RISK MANAGEMENT TO MAIL THIRTY (30) DAYS PRIOR NOTICE THEREOF TO CERTIFICATE HOLDER:

PARTICIPANT:

Adventist Health Tulare
Adventist Health Toxicology Laboratory
880 E. Merritt Avenue #107 & 108
Tulare, CA 93274

City of Selma
Selma Police Department
1935 E. Front Street
Selma, CA 93662

AHS/WEST RISK MANAGEMENT CERTIFIES THAT THE FOLLOWING PROGRAMS ARE IN FORCE:

TYPE OF COVERAGE	COMPANY/TRUST NO./TRUSTEE	PERIOD OF COVERAGE	AMOUNT OF COVERAGE	
			OCCURRENCE	AGGREGATE*
HEALTHCARE PROFESSIONAL LIABILITY COMPREHENSIVE GENERAL LIABILITY	AHS/WEST TRUST NO. 14969200 WELLS FARGO TRUSTEE	01-01-2021 to 01-01-2022	\$1,000,000	\$3,000,000

*THE COVERAGE PROGRAM LISTED ABOVE HAS BEEN ISSUED TO THE ADVENTIST HEALTH PARTICIPANT INDICATED ABOVE FOR THE PERIOD OF COVERAGE STATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE PROGRAM DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH COVERAGE DOCUMENTS. AGGREGATE LIMITS ARE SHARED BY ALL ADVENTIST HEALTH PARTICIPANTS AND MAY HAVE BEEN REDUCED BY PAID CLAIMS.

DISCLAIMER This Certificate of Coverage does not constitute a contract between the AHS/West HPL/GL Trust and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the coverage documents listed hereon.

DESCRIPTION OF OPERATIONS/LOCATIONS:

All occurrences and medical incidents subject to the terms and conditions of the above Trust as respects the liability of Adventist Health Tulare and its Adventist Health Toxicology Laboratory directly resulting from its performance of services pursuant to its agreement with the Selma Police Department.

Effective: April 01, 2021

THIS CERTIFICATE IS NOT VALID UNLESS SIGNED BY AN AUTHORIZED REPRESENTATIVE OF ADVENTIST HEALTH SYSTEM/WEST RISK MANAGEMENT.

April 14, 2021

DATE

AUTHORIZED REPRESENTATIVE



This endorsement modifies such coverage as is afforded by the provisions of the Trust relating to the following coverage part(s):

COMPREHENSIVE GENERAL LIABILITY

This endorsement effective April 01, 2021 (12:01 A.M., Standard time) forms a part of Trust Document No. 14969200 issued by Adventist Health System/West Risk Management.

It is agreed that the City of Selma is added as an Additional Participant of this Trust but only to the extent that Additional Participant is held liable for the acts, errors or omissions of Adventist Health Tulare and its Adventist Health Toxicology Laboratory directly resulting from its performance of services pursuant to its agreement with the Selma Police Department. This Endorsement does not extend coverage for the acts, errors or omissions of the City of Selma. All other terms, conditions and exclusions remain unchanged. In the event of termination of this program of coverage it is the intent of Adventist Health System/West Risk Management to mail thirty (30) days prior notice thereof to:

City of Selma
Selma Police Department
1935 E. Front Street
Selma, CA 93662

A handwritten signature in black ink, appearing to read "John B. Dan", written over a horizontal line.

AUTHORIZED REPRESENTATIVE

ITEM NO:

2.

SUBJECT: Update the City Council Code of Conduct

RECOMMENDATION: Council discuss and approve Resolution or provide additional direction regarding the updated City Council Code of Conduct.

DISCUSSION: On February 16, 2021, the City Council directed staff to have Liebert Cassidy Whitmore assess and update the City Council Code of Conduct. The revisions were made largely for clarity. One substantive change: the current version allows the City Council to impose a range of sanctions on Board/Committee members, but appears to make elected City Council members entirely immune to enforcement of this policy. Instead, the new version is revised to allow the limited sanction of formal public censure against City Council members, while preserving the broader range for everyone else. An additional substantive change is deleting the section on Council Members being able to appear before the Council relative to private interests. Some conflicts of interest cannot be resolved with mere recusal, could conflict the entire Council out of making a decision on a matter, and common law conflicts could be triggered by allowing this type of comment by an individual Council member in a Council meeting. New language was added regarding allowing Council Members to attend Board and Commission meetings and Members of Boards and Commissions attending Council meetings.

On March 16, 2021, the City Council gave further direction to add process information in Section 6, Enforcement and Compliance. Attached is the updated Code of Conduct with that addition.

RECOMMENDATION: Council discuss and approve Resolution or provide additional direction regarding the updated City Council Code of Conduct.

/s/

Teresa Gallavan, City Manager

04/14/2021

Date

**CITY OF SELMA CODE OF CONDUCT FOR THE CITY COUNCIL
AND MEMBERS OF COMMISSIONS AND BOARDS.**

1. Implementation

This Code of Conduct, as adopted by the City Council of the City of Selma applies to Members of the City Council and to all Member of all Boards and Commissions of the City of Selma, whether elected or appointed. This Code of Conduct supersedes the previous version of this Code of Conduct adopted on July 18, 2016, but is otherwise intended only to supplement, and not replace or supersede, any other Code of Conduct, Code of Ethics, or rules governing meetings of the City Council or any Board or Commission of the City of Selma contained in any prior Resolution or the Selma City Municipal Code.

The purpose of this Code of Conduct is to establish standards of ethical conduct required of elected and appointed City officials to insure the integrity and effective and fair operation of the government of the City of Selma, and to maintain and promote the faith and confidence of the public in their government.

The City Council will review, from time to time, this Code of Conduct and make changes or revisions as deemed necessary to insure the fairness and impartiality of proceedings before the City Council, Boards and Commissions and insure the public's trust in the governers of the City.

Members in office at the time of the adoption of this Code of Conduct and all newly elected or appointed Members shall sign a statement affirming they have read and understand this City of Selma Code of Conduct for Members of the City Council, Boards and Commissions.

Therefore each Member, when representing the City of Selma, shall conduct themselves in accordance with the following Code of Conduct:

2. Conduct of Members.

Members of the City Council, Boards and Commissions are stewards of the Public interest and shall endeavor to serve for the benefit of their constituents and the public. Members are expected to treat all persons, claims and matters coming before the Selma City Council or any Commission or Board of the City equally and in an unbiased manner.

Members shall comply with all of the laws of the United States, State of California and the City of Selma in the performance of their public duties. These laws include but are not limited to; The U.S. and California Constitutions, Federal, State, and Local Acts,

Statutes, Regulations, and Ordinances and the California Fair Political Practices Commission Rules and Regulations relating to financial disclosures, election campaigns, conflicts of interests, and open processes of government.

Members shall always conduct themselves in a professional manner and strive to avoid even the appearance of impropriety. The City expects all Members to use good manners; to be considerate, respectful, and civil at all times and to refrain from abusive conduct, verbal or nonverbal personal attacks upon the character or motives of other Members of the City Council, Commissions or Boards, the Public or Staff, in any setting including before, during, or after the conduct of a Public Meeting, including electronic communications such as email or social media outlets. Members shall support a positive and constructive environment for all Residents, Businesses, other Members, the Council, Boards and Commissions of the City and City Employees.

3. Role of Members

Members shall strive at all times to cooperate with other public officials, employees, and the public, while also respecting the distinct roles that public officials and staff have in the organizational structure of the City's operations.

It is the role of the City Council of the City of Selma to determine the policies of the City with the advice, information and recommendations provided by the Public, Boards and Commissions and City Staff. The independent advice and recommendations of Boards and Commissions to the City Council is extremely valuable to the City Council's decision-making process and in particular for setting City Policy, but the ultimate decision over City policy remains with the City Council.

Under the City of Selma's City Council-City Manager form of Government, neither the City Council nor City Boards and Commissions, nor any Members thereof acting individually, have authority to give orders, directions or instructions to City Employees. This authority falls solely to the City Manager and applicable department heads and supervisors.

However, a Member may make inquiries of City Employees related to the scope of their duties provided that such inquiries will not require significant time or resources of City Employees, without the approval of the City Manager. In addition, Members may, and should, report to City Staff that is available, or the department head that is in charge of a particular function an emergency or other urgent situation requiring the attention of that staff person or department which affects the health, safety or welfare of the public or any citizen or citizens of the City when communication through the City Manager is not practicable. Members may also convey facts they reasonably believe should be made

known to a particular member of the City staff or department in circumstances where conveying such facts or information through the City Manager is not reasonably feasible. In all circumstances, Members shall recognize their role in dealing with City Employees to work for the public interest and shall endeavor to avoid creating the perception of and inappropriate direction to City Staff.

4. Conduct of Public Meetings.

Members shall perform their duties in accordance with the procedures and Rules of Order established by the City Council and/or Boards and Commissions governing the deliberation of issues before them. Member shall prepare themselves for Public Meetings, listen courteously and attentively to the Public, Staff, and each other and shall refrain from interrupting other speakers, making personal comments not germane to the business of the body or otherwise interfering with the orderly conduct of Public Meetings. Members should disclose all substantive information that is relevant to the matter that is under consideration by their body which they may have received from sources outside of the public decision making process. Members shall respect the confidentiality of information made confidential or privileged by law and shall not disclose such confidential or privileged information without proper legal authorization nor shall any Member use such confidential or privileged information for their personal, financial or private interests. Members shall always act in the best interests of the public.

All deliberations of any issue before the City Council, Boards or Commissions, shall be in public, unless those issues are authorized to be heard in Closed Session pursuant to the Brown Act.

5. Conflict of Interest.

Maintaining the independence and impartiality of the City Council, Boards and Commissions is imperative to maintain the Public trust. Members shall not use their official positions to influence City decisions in which they have a material financial interest or personal relationship which may give the appearance of a conflict of interest. Members shall refrain from accepting any gifts, favors or promises of future benefits which might compromise their independence or judgement or give the appearance of their independence or judgement being compromised. Member shall not use public resources unavailable to the public in general, such as City Staff time, equipment, supplies or facilities, for private gain or personal purposes. Members shall disclose investments, interest in real property, sources of income, and gifts pursuant to applicable laws and regulations. Members shall abstain from participating in deliberations and decision-making where a conflict exists, pursuant to applicable law.

Council Members may attend any Board or Commission meeting, which are open to any member of the public. However, they should be sensitive to the way their participation - especially if it is on behalf of an individual, business developer - could be viewed as unfairly affecting the process. Public comments by a Council Member at a Board or Commission meeting should be clearly made as individual opinion and not a representation of the decision, direction, or on behalf of the Council. Public comments by a Council Member at a Board or Commission adjudicatory hearing should not be made and may prohibit the Council Member from participating at City Council hearing on the same matter.

Members of Boards and Commissions may attend a public meeting of the Council or other Boards and Commissions. Because conflicts of interest are fact-intense, Members of Boards and Commissions who wish to address another body should be circumspect and clearly state that public comments are made as individual opinion and not on behalf of the Board or Commission they represent.

6. Compliance and Enforcement.

The City of Selma Code of Conduct for Members of the City Council, Boards, and Commission Members is intended to be self-enforcing.

The Mayor and the Chairs of the Boards and Commissions of the City shall have the additional responsibility to insure compliance with this Code of Conduct during the conduct of Public Meetings. Any Member who becomes aware of any breach of this Code of Conduct by any other Member shall report that violation to the Mayor or City Manager for possible further action. If the Mayor is the subject of the alleged violation, the Member shall report the violation to the City Manager or City Attorney.

An allegation of violation of this Code of Conduct by a Member will be referred to an ad hoc committee composed of one Council Member not subject to the allegation(s), the City Manager, and the City Attorney, who will meet and determine if further fact-finding, process, and referral to the full City Council is appropriate. Such initial inquiry by the ad hoc committee will include notifying the Member subject to the allegation(s) of the allegation(s) and providing the Member an opportunity to present information to the ad hoc committee.

Following completion of a fact-finding process resulting in sustained allegations against a Member, the City Council may impose sanctions on Members whose conduct does not comply with the City's Code of Conduct. For elected officials, such sanctions are limited to a formal public censure, which requires the affirmative vote of (insert *at least two-thirds of the City Council present* or *a majority of the City Council present*). For other

Members, possible sanctions include, but are not limited to, reprimand, formal censure, loss of chair or other designation on the City Council, Board or Committee, or removal from Board or Committee assignment/appointment.

A violation of this Code of Conduct or any enforcement action taken thereunder shall not be considered as a basis for challenging the validity of any action taken or decision made by the City Council, or Board or Commissions of the City of Selma.

RESOLUTION NO. 2021- ____ R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA
ADOPTING AN UPDATED CODE OF CONDUCT FOR THE CITY
COUNCIL AND MEMBERS OF COMMISSIONS AND BOARDS AND
RESCINDING RESOLUTION NO. 2016-53R**

WHEREAS, the residents of the City of Selma are entitled to have fair, ethical, and accountable local government; and

WHEREAS, the residents of the City of Selma are entitled to have complete confidence in the integrity of local government; and

WHEREAS, on July 18, 2016, the City Council adopted Resolution No. 2016-53R adopting a Code of Conduct Policy for elected and appointed officials of the City of Selma; and which includes certain rules and regulations regarding conduct and a commitment to uphold a standard of integrity beyond that required by law; and

WHEREAS, the City of Selma is interested in establishing a framework for day to day actions and decision-making by the City's elected officials and members of boards, commissions, and committees; and

WHEREAS, integrity of officials of local government is key to the effective and fair operation of government; and

WHEREAS, the updating of the Code of Conduct Policy will demonstrate the City's commitment to ethics and commitment to continuous evaluation.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Selma, as follows:

1. The recitals set forth above are true and correct and are incorporated by reference.
2. The City Council adopts the Code of Conduct for the City Council and Members of Commissions and Boards as set forth in Attachment A and incorporated by reference.
3. Resolution No. 2016-53 as set forth in Attachment B is repealed and replaced in its entirety by this Resolution.
4. This resolution is effective upon adoption.

The foregoing Resolution was duly approved this 3rd day of May, 2021 by the following vote, to wit:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

Scott Robertson Mayor of the City of Selma

ATTEST:

Reyna Rivera City Clerk of the City of Selma

RESOLUTION NO. 2016- 53 R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA ADOPTING A
CODE OF CONDUCT POLICY FOR ELECTED AND APPOINTED OFFICIALS OF
THE CITY OF SELMA**

WHEREAS, the City Council of the City of Selma desire to adopt a Code of Conduct Policy governing the manner in which Public Officials, both elected and appointed, should treat one another, City Staff, Residents of the City of Selma, and other who they may come into contact with when representing the City of Selma, in order to insure that the residents and businesses of the City of Selma are served by a fair, ethical, transparent and accountable government; and

WHEREAS, in order to insure that the residents and businesses have confidence in their elected and appointed officials, the City Council of the City of Selma desires to and hereby does adopt the "City of Selma Code of Conduct for Members of City Council, Boards, Commissions and Committees". Attached hereto and incorporated by this reference herein as Attachment "A".

NOW, THEREFORE, be it resolved by the City Council of the City of Selma as follows:

1. The City Council hereby adopts Attachment "A" attached to this Resolution as the City of Selma's Code of Conduct for Members of City Council, Boards, Commissions and Committees. A copy of this Code of Conduct and the Resolution shall be provided to each person who is a Member of the City Council, or of any Commission or Board of the City.

The foregoing Resolution was duly approved this 18th day of July, 2016 by the following vote, to wit:

AYES: 5 COUNCIL MEMBERS: Rodriguez, Montijo, Derr, Avalos, Robertson

NOES: 0 COUNCIL MEMBERS: None

ABSTAIN: 0 COUNCIL MEMBERS: None

ABSENT: 0 COUNCIL MEMBERS: None



Scott Robertson Mayor of the City of Selma

ATTEST:



Reyna Rivera City Clerk of the City of Selma

ATTACHMENT "A"

CITY OF SELMA CODE OF CONDUCT FOR THE CITY COUNCIL AND MEMBERS OF COMMISSIONS AND BOARDS.

1. Implementation

This Code of Conduct, as adopted by the City Council of the City of Selma applies to Members of the City Council and to all Member of all Boards and Commissions of the City of Selma, whether elected or appointed. This Code of Conduct is intended to supplement, and not replace or supersede, any other Code of Conduct, Code of Ethics, or rules governing meetings of the City Council or any Board or Commission of the City of Selma contained in any prior Resolution or the Selma City Municipal Code.

It is the intent of this Code of Conduct that all Members ("Members" shall mean any Member of the City Council or any Board or Commission of the City of Selma whether elected or appointed) to insure the integrity and effective and fair operation of the governers of the City of Selma.

Therefore each Member, when representing the City of Selma, shall conduct themselves in accordance with the following Code of Conduct:

A. Conduct of Members. Members must always work for the common good of the residents and inhabitants of the City of Selma and treat all persons, claims and matters coming before the Selma City Council or any Commission or Board of the City equally and in an unbiased manner. Members shall comply with all of the laws of the United States, State of California and the City of Selma in the performance of their public duties. These laws include but are not limited to; The U.S. and California Constitutions, Federal, State, and Local Acts, Statutes, Regulations, and Ordinances and the California Fair Political Practices Commission Rules and Regulations relating to financial disclosures, election campaigns, conflicts of interests, and open processes of Government.

Members shall always conduct themselves in a professional manner and must be above reproach and avoid even the appearance of impropriety. Members shall refrain from abusive conduct, verbal or nonverbal personal attacks upon the character or motives of other Members of the City Council, Commissions or Boards, the Public or Staff, in any setting including before, during, or after the conduct of a Public Meeting. This prohibition applies, as stated, to any setting, which includes,

but is not limited to personal or telephonic communication or contact, email or other electronic communication and the posting of comments or transmission of other communication through social media outlets such as Facebook and Twitter. Members shall support a positive and constructive environment for all Residents, Businesses, other Members, the Council, Boards and Commissions of the City and City Employees.

- B. Role of Members.** Members of the City Council, Boards and Commissions are stewards of the Public interest. Members may appear before their own body or before the City Council or any Board or Commission or proceeding of the City on behalf of their own interests, or on the behalf of private interest of third parties on matters related to an area of service on their bodies; but may only do so if the Member has recused himself or herself from the consideration of the matter on which the Member is appearing on his or her own behalf or on behalf of a third party, if the appearance is made before the body to which the Member has been appointed or elected to serve. In addition, at any time a Member appears before his or her own body or before the City Council or other Board or Commission of the City the Member shall state or affirm that he or she has, if necessary, recused him or herself from consideration of an item in which the Member is interested, and that the appearance is being made by the member in his or her capacity as an interested citizen and not in his or her capacity as a Member of any Council, Board or Commission of the City.

In the City of Selma, the City Council of the City of Selma determines the policies of the City with the advice, information and recommendations provided by the Public, Boards and Commissions and City Staff. The independent advice and recommendations of Boards and Commissions to the City Council is extremely valuable to the City Council's decision making process and in particular for setting City Policy.

Under the City of Selma's City Council-City Manager form of Government, it is not the role of and Members are prohibited from giving orders, directions or instructions to City Employees. All instructions, directions or orders to City Employees shall be through the City Manager. However, Member may make inquiries of City Employees related to the scope of their duties provided that such inquiries will not require significant time or resources of City Employees, without the approval of the City Manager. In addition, Members may, and should, report to City Staff that is available, or the department head that is in charge of a particular function an emergency or other urgent situation requiring the attention of that staff person or

department which affects the health, safety or welfare of the public or any citizen or citizens of the City when communication through the City Manager is not practicable. Members may also convey facts they reasonably believe should be made known to a particular member of the City staff or department in circumstances where conveying such facts or information through the City Manager is not reasonably feasible. In all circumstances, Members shall recognize their role in dealing with City Employees to work for the public interest and shall endeavor to avoid creating the perception of and inappropriate direction to City Staff.

- C. **Conduct of Public Meetings.** Members shall perform their duties in accordance with the procedures and Rules of Order established by the City Council and/or Boards and Commissions governing the deliberation of issues before them. Member shall prepare themselves for Public Meetings, listen courteously and attentively to the Public, Staff, and each other and shall refrain from interrupting other speakers, making personal comments not germane to the business of the body or otherwise interfering with the orderly conduct of Public Meetings. Members should disclose all substantive information that is relevant to the matter that is under consideration by their body which they may have received from sources outside of the public decision making process. Members shall respect the confidentiality of information made confidential or privileged by law and shall not disclose such confidential or privileged information without proper legal authorization nor shall any Member use such confidential or privileged information for their personal, financial or private interests. Members shall always act in the best interests of the public.

All deliberations of any issue before the City Council, Boards or Commissions, shall be in public, unless those issues are authorized to be heard in Closed Session pursuant to the Brown Act.

- D. **Conflict of Interest.** Maintaining the independence and impartiality of the City Council, Boards and Commissions is imperative to maintain the Public trust. Members shall not use their official positions to influence City decisions in which they have a material financial interest or personal relationship which may give the appearance of a conflict of interest. Members shall refrain from accepting any gifts, favors or promises of future benefits which might compromise their independence or judgement or give the appearance of their independence or judgement being compromised. Member shall not use public resources unavailable to the public in general, such as City Staff time, equipment, supplies or facilities, for private gain or personal purposes. Members shall disclose investments, interest in real property,

sources of income, and gifts, and shall abstain from participating in deliberations and decision-making where a conflict exists, pursuant to applicable law.

- E. Implementation and Enforcement.** The City of Selma Code of Conduct for Members of the City Council, Boards, and Commission Members is intended to be self-enforcing. Members are expected to represent the City in a manner consistent with the Code of Conduct. The City Council will review, from time to time, this Code of Conduct and make changes or revisions as deemed necessary to insure the fairness and impartiality of proceedings before the City Council, Boards and Commissions and insure the public's trust in the governers of the City.

Members in office at the time of the adoption of this Code of Conduct and all newly elected or appointed Members shall sign a statement affirming they have read and understand this City of Selma Code of Conduct for Members of the City Council, Boards and Commissions.

2. Compliance and Enforcement.

The Mayor and the Chairs of the Boards and Commissions of the City shall have the additional responsibility to insure compliance with this Code of Conduct during the conduct of Public Meetings. Any Member who becomes aware of any breach of this Code of Conduct by any other Member shall report that violation to the Mayor or City Manager for further investigation or action.

The City Council may impose sanctions on Members who are not elected City Council persons whose conduct does not comply with the City's Code of Conduct which include, but are not limited to, reprimand, formal censure, loss of chair or other designation on the City Council, Board or Committee, or removal from Board or Committee assignment/appointment.

A violation of this Code of Conduct or any enforcement action taken thereunder shall not be considered as a basis for challenging the validity of any action taken or decision made by the City Council, or Board or Commissions of the City of Selma.

ITEM NO: 3.

SUBJECT: Presentation and Necessary Action to Accept Fiscal Year 2019-20 Financial Statements with Independent Auditors Report

DISCUSSION: The City is required to perform a Financial Audit for all its entities each year from an outside organization. The purpose of this service is to provide financial information to the public and investors for transparency. In addition, the auditors will test for accuracy, controls, and fiscal policy. Once complete, a report called The Financial Statements is generated with the auditor's findings and all standard governmental financial reports. Lack of completion could result in State and Federal funds being withheld.

This annual report consists of a series of financial statements. These statements include all activities of the City of Selma and its component unit, the Selma Public Finance Authority, using the integrated approach as prescribed by GASB Statement No. 34. The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services are financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the government.

The Governmental Funds within the report consist of the General, Special Revenue, Debt Services, and Capital Projects Funds. The combined governmental funds ended the fiscal year with a fund balance of \$23,088,735. The Major funds that make up 56% of the government funds ending fund balance were as follows:

General	\$6,717,902
LTF	\$3,572,906
Groundwater Surcharge	\$454,519
Police Station Construction	\$2,130,093

Other funds types such as Proprietary and Fiduciary can be found within the report as well. The financial audit for the fiscal year of 2019-2020 was conducted and prepared by Sampson, Sampson and Patterson, LLP. Sara Fraijo will be presenting an overview of the report and answering questions from Council.

RECOMMENDATION: Accept fiscal year 2019-2020 Financial Statements with Independent Auditors Reports.

/s/	04/14/2021
Isaac Moreno, Assistant City Manager	Date

/s/	04/14/2021
Teresa Gallavan, City Manager	Date

DRAFT
4/12/21

CITY OF SELMA

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

YEAR ENDED JUNE 30, 2020

CONTENTS

	<u>Page</u>
Independent auditor's report	1-2
Management's discussion and analysis	3-8
 FINANCIAL STATEMENTS:	
Government-wide financial statements:	
Statement of net position	9
Statement of activities	10
Fund financial statements:	
Balance sheet – governmental funds	11
Reconciliation of the governmental funds balance sheet to statement of net position	12
Statement of revenues, expenditures, and changes in fund balance – governmental funds	13
Reconciliation of the statement of revenues, expenditures, and changes in fund balance of governmental funds to the statement of activities	14
Statement of net position – proprietary funds	15
Statement of revenues, expenses and changes in net position - proprietary funds	16
Statement of cash flows – proprietary funds	17
Statement of fiduciary net position – fiduciary funds	18
Statement of changes in fiduciary net position – fiduciary funds	19
Notes to financial statements	20-52
 REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
Schedule of revenues, expenditures, and changes in fund balance – budget and actual - General fund	53
Schedule of revenues, expenditures, and changes in fund balance – budget and actual – Street LTF	54
Schedule of revenues, expenditures, and changes in fund balance – budget and actual – CID Groundwater Surcharge	55
Schedule of revenues, expenditures, and changes in fund balance – budget and actual – Police station construction	56
Schedule of revenues, expenditures, and changes in fund balance – budget and actual – 2017 Bond PD Station	57
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan – Last 10 Years	58
Schedule of Funding Progress PERS Information	59-60
Schedule of Changes in Net OPEB Liability and Related Ratios	61-62
 COMBINING STATEMENTS AS SUPPLEMENTARY INFORMATION	
Combining balance sheet – nonmajor governmental funds	63
Combining statement of revenues, expenditures, and changes in fund balance – nonmajor governmental funds	64

Special revenue funds:	
Combining balance sheet – nonmajor special revenue funds	65-67
Combining statement of revenues, expenditures, and changes in fund balance – nonmajor special revenue funds	68-71
Debt service funds:	
Combining balance sheet – nonmajor debt service funds	72-73
Combining statement of revenues, expenditures, and changes in fund balance – nonmajor debt service funds	74-75
Capital projects funds:	
Combining balance sheet – nonmajor capital projects funds	76-78
Combining statement of revenues, expenditures, and changes in fund balance – nonmajor capital projects funds	79-81
Enterprise funds:	
Combining statement of net position – nonmajor enterprise funds	82
Combining statement of revenues, expenses, and changes in net position – nonmajor enterprise funds	83
Internal service funds:	
Combining statement of net position	84
Combining statement of revenues, expenses, and changes in net position	85
Fiduciary funds:	
Agency funds:	
Combining statement of fiduciary assets and liabilities	86
SINGLE AUDIT REPORTS:	
Independent Auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	87-88
Independent auditor's report on compliance for each major program and on internal control over Compliance required by the Uniform Guidance	89-90
Schedule of expenditures of federal awards	91
Notes to schedule of expenditures of federal awards	92
Schedule of findings and questioned costs	93-95
APPROPRIATIONS LIMIT REPORT:	
Independent auditor's report on applying agreed-upon procedures	96-97
Appropriations limit schedule	98
Notes to appropriations limit schedule	99

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the City Council
City of Selma
Selma, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Selma as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Selma as of June 30, 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Budgetary Comparison Schedules, and Schedules of Changes in Net Pension and Other Post-Employment Benefits (OPEB) Liability and Related Ratios be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Selma's financial statements. The Supplemental Information and the combining and individual nonmajor fund financial statements are presented for purpose of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2021 on our consideration of the City of Selma's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City of Selma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Selma's internal control over financial reporting and compliance.

Clovis, California
April 12, 2021

Management's Discussion and Analysis

This discussion and analysis of the City of Selma's financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements, and accompanying notes to those financial statements.

Financial Highlights

The City's governmental funds ended the year with a combined fund balance of \$23.1 million.

The City's General Fund ended the year with a balance of \$6,717,902, an increase of \$2,151,629 from the previous year.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements include all activities of the City of Selma and its component unit, the Selma Public Finance Authority, using the integrated approach as prescribed by GASB Statement No. 34. The Statement of Net Position and Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services are financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside the Government.

Reporting the City as a Whole

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances. These statements include all assets and liabilities of the City using the *accrual basis of accounting*, which is similar to the accounting method used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received.

The *Statement of Net Position* presents information on all the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increase or decreases in net position may serve as one indicator of whether the City's financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed in the most recent fiscal year. All changes of net position are reported as soon as the underlying event giving rise to the change occurs. Thus, revenues and expenses are reported on this statement for some items that will result in cash flow in future fiscal periods (e.g. earned but unused vacation leave).

The government-wide financial statements of the City are divided as follows:

Governmental Activities: Most of the City's basic services are included here such as public safety, transportation (street and roads), community development, culture and recreation and general government. These services are primarily financed by property and sales taxes, federal and state grants and development fees.

Business-type Activities: The City charges fees to customers to cover the costs of services provided. These services include Ambulance, Garbage Disposal, Pioneer Village, and Cultural Arts.

Fund Financial Statements. The fund financial statements provide more detailed information about the City's most significant funds, not the city as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State Law or by bond covenants. Management establishes other funds due to legal requirements for using certain taxes, grants, and other money. All the funds of the City can be classified into three categories: governmental funds, proprietary funds, and fiduciary funds.

Management's Discussion and Analysis

DRAFT
4/12/21

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all other financial assets that can readily be converted to cash. Such information is useful in evaluating a government's near term financing requirements.

Since the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation between governmental funds and governmental activities. This reconciliation explains the relationship (or differences) between the fund statements and the government-wide statements.

The City of Selma maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Local Transportation Fund (LTF), CID Groundwater Surcharge, Police Station Construction and the 2017 Bond PD Station fund all of which are considered major funds. Data from the other funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City prepares an annual appropriated budget for the General Fund, Street Local Transportation Fund (LTF), CID Groundwater Surcharge, Police Station Construction Fund, and the 2017 Bond PD Station. Budgetary comparison statements have been provided for these funds to demonstrate compliance to their budgets.

Proprietary funds. The City has two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions represented as business-type activities in the government-wide financial statements. The City utilized enterprise funds to account for those activities that are supported primarily by user charges to external users. This includes the ambulance service and garbage service, plus several non-major enterprise activities. Internal service funds are used to account for activities that include employee benefits, general services, risk management and fleet services. Since all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Ambulance and the Transit, which are major funds. Other additional enterprise funds are combined into a single aggregated presentation. Individual fund data for each of these non-major enterprise funds are provided in the form of combining statements elsewhere in this report. All of the internal service funds are combined into a single, aggregated presentation in the fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the city. Fiduciary funds are not reflected in the government-wide financial statements because the city cannot use these funds to finance its operations.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund statements.

Other information. The combining statements referred to earlier in connection with the non-major governmental, enterprise and internal service funds are presented immediately following the required supplementary information on the City's retirement plan.

Management's Discussion and Analysis

DRAFT
4/12/21

Government-wide Financial Analysis

Below is a table showing the City's net position for the fiscal year ended June 30, 2020, with comparative data for the fiscal year ended June 30, 2019.

City of Selma's Net Position						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 29,928,467	\$ 31,020,487	\$ 5,249,834	\$ 4,006,810	\$ 35,178,301	\$ 35,027,297
Capital and long-term assets	63,776,342	55,210,017	334,279	181,688	64,110,621	55,391,705
Total assets	<u>\$ 93,704,809</u>	<u>\$ 86,230,504</u>	<u>\$ 5,584,113</u>	<u>\$ 4,188,498</u>	<u>\$ 99,288,922</u>	<u>\$ 90,419,002</u>
Deferred outflows related to pensions	\$ 3,827,642	\$ 3,535,413	\$ 223,897	\$ 147,704	\$ 4,051,539	\$ 3,683,117
Deferred outflows related to OPEB	\$ 525,985	\$ 123,672	\$ 30,768	\$ 5,356	\$ 556,753	\$ 129,028
Deferred loss on bond refunding	107,134	116,450	-	-	107,134	116,450
	<u>\$ 4,460,761</u>	<u>\$ 3,775,535</u>	<u>\$ 254,665</u>	<u>\$ 153,060</u>	<u>\$ 4,715,426</u>	<u>\$ 3,928,595</u>
Long-term liabilities outstanding	\$ 8,433,822	\$ 9,040,183	\$ -	\$ -	\$ 8,433,822	\$ 9,040,183
Net pension liability	15,159,109	14,339,379	886,741	620,849	16,045,850	14,960,228
Net OPEB liability	6,142,387	5,383,196	359,303	233,075	6,501,690	5,616,271
Other liabilities	5,023,642	2,577,852	300,224	202,740	5,323,866	2,780,592
Total liabilities	<u>\$ 34,758,960</u>	<u>\$ 31,340,610</u>	<u>\$ 1,546,268</u>	<u>\$ 1,056,664</u>	<u>\$ 36,305,228</u>	<u>\$ 32,397,274</u>
Deferred inflows related to pensions	\$ 453,426	\$ 374,801	\$ 26,523	\$ 16,228	\$ 479,949	\$ 391,029
Deferred inflows related to OPEB	\$ 366,459	\$ 440,584	\$ 21,435	\$ 19,075	\$ 387,894	\$ 459,659
Investment in capital assets, net of related debt	\$ 55,489,339	\$ 46,361,089	\$ 334,279	\$ 181,688	\$ 55,823,618	\$ 46,542,777
Restricted	15,354,362	21,446,777	-	-	15,354,362	21,446,777
Unrestricted	(8,256,976)	(9,957,822)	3,910,273	3,067,903	(4,346,703)	(6,889,919)
Total net position	<u>\$ 62,586,725</u>	<u>\$ 57,850,044</u>	<u>\$ 4,244,552</u>	<u>\$ 3,249,591</u>	<u>\$ 66,831,277</u>	<u>\$ 61,099,635</u>

As of June 30, 2020, the City's government-wide total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources (net position) by \$66.8 million. Governmental activities finished the year with a positive net position balance of \$62.6 million. Business type activities finished the year with a positive balance of \$4.2 million. The net position of the City increase by \$5.2 million from 2019. Net position as noted earlier may serve over time as a useful indicator of the City's financial position.

A portion the City's long-term liabilities relate to the acquisition of capital assets. Some of those assets include the City's corporation yard, equipment, and street infrastructure. These capital assets are utilized to provide services to citizens and are not available for future spending. The repayment of the debt on these assets must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position amounts to \$15.4 million of the total. Restricted net position is the resource that is subject to external restrictions on how it may be used. These restrictions are established by bond covenants or restrictions on the use of funds by state or federal regulations. The unrestricted net position may be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements. At June 30, 2020, the unrestricted net position amount was a negative \$8.2 million due to the implementation of GASB Statement No. 68 in 2015 and 75 in 2018. The GASB Statement No. 68 adjustment reflects the cumulative effect of the unfunded pension liability from prior years. The GASB Statement No. 75 adjustment reflects the cumulative effect of the other post-employment benefits (OPEB) from prior years.

Governmental activities.

The following lists key components of these activities:

City of Selma's Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 1,338,230	\$ 1,296,640	\$ 7,260,661	\$ 6,847,292	\$ 8,598,891	\$ 8,143,932
Operating grants and contributions	180,315	189,044	-	-	180,315	189,044
Capital grants and contributions	2,502,490	5,798,321	-	-	2,502,490	5,798,321
General revenues:						
Taxes	14,304,242	13,380,811			14,304,242	13,380,811
Licenses and permits	396,371	380,991			396,371	380,991
Intergovernmental charges	2,142,917	1,830,854			2,142,917	1,830,854
Fines	40,578	45,024			40,578	45,024
Franchise fees	919,180	891,725			919,180	891,725
Revenue for the use of property	510,504	489,189	101,393	73,652	611,897	562,841
Miscellaneous	914,641	893,344	107,543	150,143	1,022,184	1,043,487
Loss on disposition of capital assets	-	-	-	-	-	-
Transfers	1,549,961	3,991,909	(1,549,961)	(3,991,909)	-	-
Total revenues	24,799,429	29,187,852	5,919,636	3,079,178	30,719,065	32,267,030
Expenses:						
General government	2,140,973	2,293,749			2,140,973	2,293,749
Public safety	11,569,477	9,901,256			11,569,477	9,901,256
Public Works	5,477,615	4,418,462			5,477,615	4,418,462
Community development	912,396	1,006,877			912,396	1,006,877
Cultural and recreation	752,097	732,388			752,097	732,388
Debt Service	259,313	386,879			259,313	386,879
Ambulance			2,431,304	2,278,715	2,431,304	2,278,715
Pioneer Village			1,425,409	1,373,686	1,425,409	1,373,686
Garbage services			70,010	86,883	70,010	86,883
Transit Services			811,933	623,299	811,933	623,299
Cultural Arts			186,019	198,579	186,019	198,579
Total expense	21,111,871	18,739,611	4,924,675	4,561,162	26,036,546	23,300,773
Increase in net position	3,687,558	10,448,241	994,961	(1,481,984)	4,682,519	8,966,257
Prior period adjustments	1,049,123	-	-	-	1,049,123	-
Net position - beginning	57,850,044	47,401,803	3,249,591	4,731,575	61,099,635	52,133,378
Effects of accounting change	-	-	-	-	-	-
Net position - ending	\$ 62,586,725	\$ 57,850,044	\$ 4,244,552	\$ 3,249,591	\$ 66,831,277	\$ 61,099,635

The Governmental revenues for the year were \$24.8 million. Taxes, which include property, sales and other taxes account for \$14.3 million or 58% of the City's governmental activities revenue. Total governmental expenses for the year were \$21.1 million. Public Safety, which includes police and fire, accounts for \$11.6 million or 55% of the total governmental activity expenses.

Management's Discussion and Analysis

DRAFT
4/12/21

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Not all of the City's governmental funds ended the year with positive fund balances. Any negative balance funds would be trued up within this current fiscal year. The ending fund balance for all funds is \$23.1 million, which is a decrease of \$3.6 million, when compared to the prior year.

Proprietary funds. As indicated in the description of proprietary funds, there are two types of funds, enterprise and internal service funds. The Ambulance and Garbage funds ended the year with a positive unrestricted balance.

General Fund Budgetary Highlights expropriations

Throughout the fiscal year it was not considered necessary to adjust the original total General Fund budget. The Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual, General Fund, shows the original budget and final budget.

Capital Assets and Debt Administration

Capital Assets. The City's Investment in Capital Assets for its governmental and business-type activities are as follows:

	City of Selma Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 7,990,302	\$ 7,990,302	\$ -	\$ -	\$ 7,990,302	\$ 7,990,302
Construction in progress	13,406,948	9,241,489			13,406,948	9,241,489
Building and improvements	3,494,492	3,477,957	18,191	13,945	3,512,683	3,491,902
Machinery and equipment	3,434,982	3,044,721	316,088	167,743	3,751,070	3,212,464
Road network	35,449,618	31,455,548			35,449,618	31,455,548
Total	<u>\$ 63,776,342</u>	<u>\$ 55,210,017</u>	<u>\$ 334,279</u>	<u>\$ 181,688</u>	<u>\$ 64,110,621</u>	<u>\$ 55,391,705</u>

Long-term Debt. The City's long-term debt as of June 30, 2020 was \$8.3 million with governmental activities accounting for all of debt.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Special assessment debt with governmental commitment	\$ 110,000	\$ 275,000	\$ -	\$ -	\$ 110,000	\$ 275,000
Tax allocation bonds						
Capital leases	876,622	915,741			876,622	915,741
Lease revenue bonds						
Certificates of participation						
Revenue bonds	3,348,855	3,576,582			3,348,855	3,576,582
General obligation bond	3,840,000	3,925,000			3,840,000	3,925,000
Contracts payable	100,000	150,000			100,000	150,000
Total	<u>\$ 8,275,477</u>	<u>\$ 8,842,323</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,275,477</u>	<u>\$ 8,842,323</u>

DRAFT
4/12/21

Economic Factors

The City of Selma has witnessed some economic impacts from the COVID-19 pandemic much like other cities in the state but still maintained growth in its tax revenues at a year-over-year compaction of 6 percent. The City continues to maintain its fiscal policies to grow its reserves to better position itself to withstand a downturn in the economy. In addition, the city created new fiscal policies to address its pension obligations and flatten the bell curve for the coming years. While looking to grow Selma's downtown and commercial and industrial zones to expand its economic diversity, additional development is anticipated in the upcoming years that will increase revenues.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of Selma finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Assistant City Manager, City of Selma 1710 Tucker Street, Selma, CA 93662.

CITY OF SELMA
Statement of Net Position
June 30, 2020

DRAFT
4/12/21

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$25,020,690	\$3,522,983	\$28,543,673
Receivables:			
Accounts, net	220,791	1,733,709	1,954,500
Notes	360,524		360,524
Intergovernmental	4,172,940		4,172,940
Internal balances	6,858	(6,858)	
Cash with fiscal agent - restricted	146,664		146,664
Capital assets (net of accumulated depreciation):			
Non-depreciable	21,397,250		21,397,250
Depreciable	<u>42,379,092</u>	<u>334,279</u>	<u>42,713,371</u>
Total assets	<u>93,704,809</u>	<u>5,584,113</u>	<u>99,288,922</u>
Deferred outflows of resources:			
Deferred outflows related to pensions	3,827,642	223,897	4,051,539
Deferred outflows related to OPEB	525,985	30,768	556,753
Deferred loss on bond refunding	<u>107,134</u>		<u>107,134</u>
Total deferred outflows of resources	<u>4,460,761</u>	<u>254,665</u>	<u>4,715,426</u>
Liabilities			
Accounts payable	2,941,085	140,323	3,081,408
Accrued wages/benefits	490,736	157,597	648,333
Deposits and other liabilities	750,067	2,304	752,371
Accrued interest payable	107,340		107,340
Noncurrent liabilities:			
Due within one year	734,414		723,895
Due in more than one year	8,433,822		8,444,341
Net OPEB liability	6,142,387	359,303	6,501,690
Net pension liability	<u>15,159,109</u>	<u>886,741</u>	<u>16,045,850</u>
Total liabilities	<u>34,758,960</u>	<u>1,546,268</u>	<u>36,305,228</u>
Deferred inflows of resources:			
Deferred inflows related to pensions	453,426	26,523	479,949
Deferred inflows related to OPEB	<u>366,459</u>	<u>21,435</u>	<u>387,894</u>
Total deferred inflows of resources	<u>819,885</u>	<u>47,958</u>	<u>867,843</u>
Net position			
Invested in capital assets, net of related debt	55,489,339	334,279	55,823,618
Restricted for:			
Capital projects	4,031,540		4,031,540
Community development	867,226		867,226
Debt service	774,615		774,615
Public safety	1,337,432		1,337,432
Streets and roads	8,343,549		8,343,549
Unrestricted	<u>(8,256,976)</u>	<u>3,910,273</u>	<u>(4,346,703)</u>
Total net position	<u>\$62,586,725</u>	<u>\$4,244,552</u>	<u>\$66,831,277</u>

See independent auditor's report and notes to financial statements.

DRAFT
4/12/21

CITY OF SELMA
Statement of Activities
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
General government	\$ 2,140,973	\$ 97,770	\$ 6,469	\$ 1,303,166	\$ (2,036,734)	\$ (2,036,734)	\$ (2,036,734)
Public safety	11,569,477	260,537	13,898	1,128,951	(9,991,876)	(9,991,876)	(9,991,876)
Public works	5,477,615	636,640	155,948	70,373	(3,556,076)	(3,556,076)	(3,556,076)
Community development	912,396	272,314	4,000		(569,709)	(569,709)	(569,709)
Parks and recreation	752,097	70,969			(677,128)	(677,128)	(677,128)
Interest and other charges	259,313				(259,313)	(259,313)	(259,313)
Total governmental activities	21,111,871	1,338,230	180,315	2,502,490	(17,090,836)		(17,090,836)
Business-type activities:							
Ambulance	2,431,304	4,702,285				2,270,981	2,270,981
Garbage	1,425,409	1,428,843				3,434	3,434
Pioneer Village	70,010	1,931				(68,079)	(68,079)
Transit service	811,933	1,115,742				303,809	303,809
Cultural arts	186,019	11,860				(174,159)	(174,159)
Total business-type activities	4,924,675	7,260,661				2,335,986	2,335,986
Total primary government	\$26,036,546	\$8,598,891	\$180,315	\$2,502,490	\$(17,090,836)	\$2,335,986	\$(14,754,850)
General revenues:							
Taxes		14,304,242			14,304,242		14,304,242
Licenses and Permits		396,371			396,371		396,371
Intergovernmental		2,142,917			2,142,917		2,142,917
Fines		40,578			40,578		40,578
Franchise fees		919,180			919,180		919,180
Use of money and property		510,504			510,504	101,393	611,897
Miscellaneous		914,641			914,641	107,543	1,022,184
Transfers		1,549,961			1,549,961	(1,549,961)	
Total general revenues and transfers		20,778,394			20,778,394	(1,341,025)	19,437,369
Change in net position		3,687,558			3,687,558	994,961	4,682,519
Net position, beginning of year, as previously reported		57,850,044			57,850,044	3,249,591	61,099,635
Prior period adjustment		1,049,123			1,049,123		1,049,123
Net position, beginning of year, restated		58,899,167			58,899,167	3,249,591	62,148,758
Net position, end of year		\$62,586,725			\$62,586,725	\$4,244,552	\$66,831,277

See independent auditor's report and notes to financial statements.

DRAFT
4/12/21

**CITY OF SELMA
Balance Sheet
Governmental Funds
June 30, 2020**

	General Fund	Street LTF	Groundwater Surcharge	Police Station Construction	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$5,700,563	\$3,412,695	\$860,654	\$3,131,688	\$ 9,801,422	\$22,907,022
Cash with fiscal agent					146,664	146,664
Accounts receivable	114,596				35,049	149,645
Interfund receivables	942,527				3,200	945,727
Due from other agencies	<u>1,418,608</u>	<u>160,211</u>			<u>2,318,725</u>	<u>3,897,544</u>
Total assets	<u>\$8,176,294</u>	<u>\$3,572,906</u>	<u>\$860,654</u>	<u>\$3,131,688</u>	<u>\$12,305,060</u>	<u>\$28,046,602</u>
Liabilities						
Accounts payable	\$ 292,035	\$	\$406,135	\$1,001,595	\$ 1,088,053	\$ 2,787,818
Accrued wages/benefits	421,290				59,823	481,113
Interfund payables					938,869	938,869
Other liabilities	<u>745,067</u>				<u>5,000</u>	<u>750,067</u>
Total liabilities	<u>1,458,392</u>		<u>406,135</u>	<u>1,001,595</u>	<u>2,091,745</u>	<u>4,957,867</u>
Fund balance						
Nonspendable						
Restricted for:						
Streets and roads		3,572,906			4,689,781	8,262,687
Public safety					1,337,432	1,337,432
Community development			454,519		158,045	612,564
Debt service					774,615	774,615
Capital projects				2,130,093	1,901,447	4,031,540
Committed for:						
Streets and roads					23,909	23,909
Community development					90,725	90,725
Recreation					3,351	3,351
Capital projects					600,139	600,139
Assigned for:						
Equipment replacement					694,171	694,171
Unassigned	<u>6,717,902</u>				<u>(60,300)</u>	<u>6,657,602</u>
Total fund balance	<u>6,717,902</u>	<u>3,572,906</u>	<u>454,519</u>	<u>2,130,093</u>	<u>10,213,315</u>	<u>23,088,735</u>
Total liabilities and fund balance	<u>\$8,176,294</u>	<u>\$3,572,906</u>	<u>\$860,654</u>	<u>\$3,131,688</u>	<u>\$12,305,060</u>	<u>\$28,046,602</u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Reconciliation of the Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2020

DRAFT
4/12/21

Total fund balance – governmental funds balance sheet		\$ 23,088,735
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Capital assets used in governmental activities are not reported in the funds.		275,396
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		63,776,342
At June 30, these liabilities consisted of the following:		
Long-term debt	\$ (8,394,137)	
Compensated absences	(774,099)	
Net OPEB liabilities	(6,142,387)	
Net pension liability	<u>(15,159,109)</u>	(30,469,732)
Interest accrued on long-term debt obligations is reported as a liability in the statement of net position but does not get reported in the fund statements.		(107,340)
Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds.		2,021,924
Assessments receivable unavailable to pay for current period expenditures are deferred in the funds.		360,524
Deferred outflows of resources related to pensions.		4,353,627
Deferred inflows of resources related to pensions.		(819,885)
Deferred loss on refunding		<u>107,134</u>
Net position of governmental activities – Statement of Net Position		<u>\$ 62,586,725</u>

See independent auditor's report and notes to financial statements.

DRAFT
4/12/21

CITY OF SELMA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Street LTF	CID Groundwater Surcharge	Police Station Construction	2017 Bond PD Station	Other Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$11,159,701	\$	\$	\$	\$	\$ 2,931,337	\$14,091,038
Licenses and permits	396,371						396,371
Intergovernmental	124,118	951,357				2,941,924	4,017,399
Charges for services	600,820		290,802			446,608	1,338,230
Fines	34,557					6,021	40,578
Franchise fees	911,952						911,952
Investment earnings	134,101	56,404	13,628	51,723	92,169	127,123	475,148
Assessment payments				1,050		416,874	416,874
Miscellaneous	71,706	1,007,761	304,430	52,773	92,169	836,840	909,596
Total revenues	13,433,326	1,007,761	304,430	52,773	92,169	7,706,727	22,597,186
Expenditures							
General government	1,969,359					45,288	2,014,647
Public safety	9,969,237					904,761	10,873,998
Public works	1,067,682	20,550	406,135			1,428,116	2,922,483
Community development	732,994					148,072	881,066
Recreation	574,993					14,291	589,284
Capital outlay	120,704	149,423		4,286,923	4,061,134	1,897,395	10,515,579
Debt service:							
Principal	369,750					377,681	747,431
Interest and fiscal charges	133,396					153,890	287,286
Total expenditures	14,938,115	169,973	406,135	4,286,923	4,061,134	4,969,494	28,831,774
Excess (deficiency) of revenues over (under) expenditures	(1,504,789)	837,788	(101,705)	(4,234,150)	(3,968,965)	2,737,233	(6,234,588)
Other financing sources (uses)							
Operating transfers in	3,013,764					1,215,895	4,229,659
Operating transfers out	(165,500)	(142,512)				(2,371,686)	(2,679,698)
Total other financing sources (uses)	2,848,264	(142,512)				(1,155,791)	1,549,961
Net change in fund balance	1,343,475	695,276	(101,705)	(4,234,150)	(3,968,965)	1,581,442	(4,684,627)
Fund balance, beginning of year, as previously reported	4,566,273	2,877,630	556,224	6,364,243	3,968,965	8,390,904	26,724,239
Prior period adjustment	808,154					240,969	1,049,123
Fund balance, beginning of year, restated	5,374,427	2,877,630	556,224	6,364,243	3,968,965	8,631,873	27,773,362
Fund balance, end of year	\$ 6,717,902	\$3,572,906	\$ 454,519	\$ 2,130,093	\$	\$10,213,315	\$23,088,735

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2020

DRAFT
4/12/21

Net change in fund balance – total governmental funds \$ (4,684,627)

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

Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Position, the cost of those assets was allocated over their estimated useful lives as depreciation expenses. This is the net amount of capital assets recorded in the current period.	10,251,548
Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities and changes in Net Position, but they did not require the use of current financial resources.	(2,821,608)
Payments received on long-term receivables are reported as revenues in the fund statements but reduced the receivable amount in the statement of net position.	(163,269)
Repayment of debt principal is an expenditure in the funds but is not an expense in the statement of activities. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in treatment of long-term debt and related items.	742,510
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	815,551
The net revenue (expense) of internal service funds is reported with governmental activities.	749,057
Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and those earned was:	(15,932)
Accrued interest on long-term debt obligations is reported in the governmental activities but is not reported in the government fund statements.	32,894
Unfunded OPEB liabilities in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	(377,603)
Pension contributions are reported as expenditures in the governmental funds, but contributions are reported as deferred outflows in the statement of net position.	<u>(840,963)</u>
Change in net position of governmental activities – Statement of Activities	<u>\$ 3,687,558</u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Statement of Net Position
Proprietary Funds
June 30, 2020

DRAFT
4/12/21

	Business-Type Activities – Enterprise Funds				Internal Service Funds
	Ambulance	Transit	Nonmajor Enterprise Funds	Total	
Assets					
Current assets:					
Cash and investments	\$3,125,383	\$218,669	\$ 178,931	\$3,522,983	\$2,113,668
Accounts receivable, net	<u>1,540,557</u>	<u>188,799</u>	<u>4,353</u>	<u>1,733,709</u>	<u>71,146</u>
Total current assets	<u>4,665,940</u>	<u>407,468</u>	<u>183,284</u>	<u>5,256,692</u>	<u>2,184,814</u>
Noncurrent assets:					
Capital assets:					
Machinery and equipment	361,879		287,697	649,576	262,814
Less: Accumulated depreciation	<u>(45,791)</u>	<u> </u>	<u>(269,506)</u>	<u>(315,297)</u>	<u>(43,627)</u>
Total noncurrent assets	<u>316,088</u>	<u> </u>	<u>18,191</u>	<u>334,279</u>	<u>219,187</u>
Total assets	<u>4,982,028</u>	<u>407,468</u>	<u>201,475</u>	<u>5,590,971</u>	<u>2,404,001</u>
Deferred outflows of resources:					
Deferred outflows related to pensions	178,287	38,996	6,614	223,897	70,557
Deferred outflows related to OPEB	<u>24,500</u>	<u>5,359</u>	<u>909</u>	<u>30,768</u>	<u>9,697</u>
Total deferred outflow of resources	<u>202,787</u>	<u>44,355</u>	<u>7,523</u>	<u>254,665</u>	<u>80,254</u>
Liabilities					
Current liabilities:					
Accounts payable	16,835	4,294	119,194	140,323	153,267
Accrued wages/benefits	107,089	43,417	7,091	157,597	9,623
Deposits payable			2,304	2,304	
Interfund payables			6,858	6,858	
Current portion of capital leases					<u>20,916</u>
Total current liabilities	<u>123,924</u>	<u>47,711</u>	<u>135,447</u>	<u>307,082</u>	<u>183,806</u>
Noncurrent liabilities:					
Capital leases					32,302
Net pension liability	706,098	154,441	26,202	886,741	279,439
Net other post-employment benefits liability	<u>286,107</u>	<u>62,579</u>	<u>10,617</u>	<u>359,303</u>	<u>113,227</u>
Total noncurrent liabilities	<u>992,205</u>	<u>217,020</u>	<u>36,819</u>	<u>1,246,044</u>	<u>424,968</u>
Total liabilities	<u>1,116,129</u>	<u>264,731</u>	<u>172,266</u>	<u>1,553,126</u>	<u>608,774</u>
Deferred inflows of resources:					
Deferred inflows related to pensions	21,120	4,620	783	26,523	8,358
Deferred inflows related to OPEB	<u>17,069</u>	<u>3,733</u>	<u>633</u>	<u>21,435</u>	<u>6,755</u>
Total Deferred inflow of resources	<u>38,189</u>	<u>8,353</u>	<u>1,416</u>	<u>47,958</u>	<u>15,113</u>
Net Position					
Invested in capital assets, net of related debt	316,088		18,191	334,279	165,969
Unrestricted	<u>3,714,409</u>	<u>178,739</u>	<u>17,125</u>	<u>3,910,273</u>	<u>1,694,399</u>
Total net position	<u>\$4,030,497</u>	<u>\$178,739</u>	<u>\$ 35,316</u>	<u>\$4,244,552</u>	<u>\$1,860,368</u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Statement of Revenues, Expenses, and
Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Business-Type Activities – Enterprise Funds				Internal Service Funds
	Ambulance	Transit	Nonmajor Enterprise Funds	Total	
Operating Revenues					
Charges for services	\$ 4,702,285	\$1,115,742	\$1,442,634	\$ 7,260,661	\$2,661,775
Rents			45,388	45,388	
Miscellaneous			107,543	107,543	38,764
Total operating revenues	<u>4,702,285</u>	<u>1,115,742</u>	<u>1,595,565</u>	<u>7,413,592</u>	<u>2,700,539</u>
Operating Expenses					
Personnel services	881,769	526,996	45,516	1,454,281	(149,969)
Services and supplies	1,528,624	284,937	1,600,371	3,413,932	973,515
Other internal services			34,497	34,497	1,129,357
Depreciation	20,911		1,054	21,965	24,599
Total operating expenses	<u>2,431,304</u>	<u>811,933</u>	<u>1,681,438</u>	<u>4,924,675</u>	<u>1,977,502</u>
Operating income (loss)	<u>2,270,981</u>	<u>303,809</u>	<u>(85,873)</u>	<u>2,488,917</u>	<u>723,037</u>
Nonoperating revenues (expenses)					
Interest income	49,441	6,564		56,005	27,628
Interest expense					(1,608)
Total nonoperating revenues (expenses)	<u>49,441</u>	<u>6,564</u>		<u>56,005</u>	<u>26,020</u>
Income (loss) before transfers	<u>2,320,422</u>	<u>310,373</u>	<u>(85,873)</u>	<u>2,544,922</u>	<u>749,057</u>
Transfers					
Transfers in			58,000	58,000	
Transfers out	(1,382,961)	(225,000)		(1,607,961)	
Net transfers	<u>(1,382,961)</u>	<u>(225,000)</u>	<u>58,000</u>	<u>(1,549,961)</u>	
Change in net position	937,461	85,373	(27,873)	994,961	749,057
Net position, beginning of year	<u>3,093,036</u>	<u>93,366</u>	<u>63,189</u>	<u>3,249,591</u>	<u>1,111,311</u>
Net position, end of year	<u>\$ 4,030,497</u>	<u>\$ 178,739</u>	<u>\$ 35,316</u>	<u>\$ 4,244,552</u>	<u>\$1,860,368</u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Business-Type Activities – Enterprise Funds				Governmental Activities
	Ambulance	Transit	Nonmajor Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities					
Cash received for current services	\$ 5,150,178	\$1,171,017	\$ 1,444,111	\$ 7,765,306	\$ 2,600,578
Cash received for rents			45,388	45,388	
Cash received for other operating revenues			107,543	107,543	38,764
Cash paid for services and supplies	(530,068)	(288,606)	(1,642,120)	(2,460,794)	(2,010,992)
Cash paid for salaries and benefits	<u>(1,556,465)</u>	<u>(438,535)</u>	<u>(46,262)</u>	<u>(2,041,262)</u>	<u>(175,851)</u>
Net cash provided (used) by operating activities	<u>3,063,645</u>	<u>443,876</u>	<u>(91,340)</u>	<u>3,416,181</u>	<u>452,499</u>
Cash flows from noncapital financing activities					
Transfers (to) from other funds	(1,382,961)	(225,000)	58,000	(1,549,961)	
Loans from (to) other funds		<u>(6,771)</u>	<u>6,858</u>	<u>87</u>	
Net cash provided (used) by noncapital financing activities	<u>(1,382,961)</u>	<u>(231,771)</u>	<u>64,858</u>	<u>(1,549,874)</u>	
Cash flows from capital and related financing activities					
Principal paid on long-term debt					(20,434)
Interest paid					(1,608)
Capital expenditures	<u>(169,256)</u>		<u>(5,300)</u>	<u>(174,556)</u>	<u>(124,842)</u>
Net cash used by capital and related financing activities	<u>(169,256)</u>		<u>(5,300)</u>	<u>(174,556)</u>	<u>(146,884)</u>
Cash flows from investing activities					
Interest received	<u>49,441</u>	<u>6,564</u>		<u>56,005</u>	<u>27,628</u>
Net cash provided by investing activities	<u>49,441</u>	<u>6,564</u>		<u>56,005</u>	<u>27,628</u>
Net increase (decrease) in cash and cash equivalents	1,560,869	218,669	(31,782)	1,747,756	333,243
Cash and cash equivalents, beginning of year	<u>1,564,514</u>		<u>210,713</u>	<u>1,775,227</u>	<u>1,780,425</u>
Cash and cash equivalents, end of year	<u>\$ 3,125,383</u>	<u>\$ 218,669</u>	<u>\$ 178,931</u>	<u>\$ 3,522,983</u>	<u>\$ 2,113,668</u>
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 2,270,981	\$ 303,809	\$ (85,873)	\$ 2,488,917	\$ 723,037
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation	20,911		1,054	21,965	24,599
Accounts receivable	447,893	55,275	1,477	504,645	(61,197)
Deferred outflow of resources	(83,868)	(17,786)	49	(101,605)	56,390
Accounts payable	(27,841)	(3,669)	(7,251)	(38,761)	91,880
Accrued wages/benefits	96,052	35,235	4,958	136,245	3,867
Net pension related liabilities	223,735	46,668	(4,511)	265,892	(274,823)
Net OPEB	105,022	22,119	(913)	126,228	(94,850)
Deferred inflow of resources	<u>10,760</u>	<u>2,225</u>	<u>(330)</u>	<u>12,655</u>	<u>(16,404)</u>
Total adjustments	<u>792,664</u>	<u>140,067</u>	<u>(5,467)</u>	<u>927,264</u>	<u>(270,538)</u>
Net cash provided (used) by operating activities	<u>\$ 3,063,645</u>	<u>\$ 443,876</u>	<u>\$ (91,340)</u>	<u>\$ 3,416,181</u>	<u>\$ 452,499</u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

DRAFT
4/12/21

	Redevelopment Successor Agency Private-Purpose Trust Funds	Agency Funds
Assets		
Cash and investments	\$ 1,119,574	\$114,312
Restricted cash with fiscal agent	360,362	
Accounts receivable	27,300	3,430
Notes receivable	59,336	
Total Assets	<u>\$ 1,566,572</u>	<u>\$117,742</u>
Liabilities		
Accounts payable	\$	\$ 73,981
Deposits		4,904
Other liabilities	127,422	38,857
Long-term debt	4,700,037	
Total Liabilities	<u>4,827,459</u>	<u>117,742</u>
Net Position (Deficit)		
Held in trust for retirement of obligations of the former Selma Redevelopment Agency	<u>(3,260,887)</u>	
Total Net Position (Deficit)	<u>\$(3,260,887)</u>	<u>\$</u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Redevelopment Successor Agency Private-Purpose Trust Funds
Additions:	
Property taxes	\$ 849,388
Investment earnings	3,807
Miscellaneous	<u>28,500</u>
Total Additions	<u>881,695</u>
Deductions	
Community development	74,424
Interest and fiscal charges	<u>270,227</u>
Total Deductions	<u>344,651</u>
Change in net position	<u>537,044</u>
Net position, beginning of year	<u>(3,797,931)</u>
Net position, end of year	<u><u>\$(3,260,887)</u></u>

See independent auditor's report and notes to financial statements.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020

DRAFT
4/12/21

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The combined financial statements of City of Selma (the “City”) have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The City of Selma is a general law city incorporated on March 15, 1893 and as such draws its authority from the constitution and laws of the State of California. The City has a council/manager form of government and is governed by a five-member elected council. The City Manager is appointed by the City Council. The City provides the following services: Police and fire protection, ambulance, transit, street construction and maintenance, planning and zoning, and general administrative services.

The City’s financial statements include the operations of all organizations for which the City Council exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters.

Blended Component Units

Based on the aforementioned oversight criteria, the operations of the Selma Public Finance Authority (Authority) have been blended into the accompanying financial statements. Members of the City Council, as well as City administrative personnel make up a significant portion of the governing bodies.

The Authority’s specific and primary purpose is to provide financial assistance to the City of Selma and other agencies by acquiring qualified obligations which were issued for the acquisition, construction, and improvement of public facilities and property.

Separate financial statements for the Authority can be obtained from the Finance Director, City of Selma, 1710 Tucker Street, Selma, CA 93662.

2. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The statement of net assets and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, results from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Major Funds:

Major funds are defined as funds that have either assets, and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. Major governmental and business-type funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reports the following major governmental funds:

General Fund: The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Street LTF Fund: This fund accounts for the activities of the City's local transportation fund allocation for various transit projects.

CID Groundwater Surcharge: This fund accounts for the monthly surcharge paid by residents to cover the costs of groundwater recharge projects pursuant to an agreement with the Consolidated Irrigation District.

Police Station Construction: This fund accounts for the construction of a new police station funded with an appropriation from the State of California.

2017 Bond PD Station: This fund accounts for the proceeds from the Series 2017 General Obligation Bonds, which are to be used to finance the construction of the new police station.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

The City reports the following major enterprise funds:

Ambulance Fund: This fund accounts for the operations of the ambulance service provided by the City.

Transit Fund: This fund accounts for the transactions between the City and the Fresno County Rural Transit Agency (FCRTA). The City performs repairs and maintenance services necessary to maintain FCRTA's vehicle fleet.

In addition, the City reports the following fund types:

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the City. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the City's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

Agency Funds: These funds are used to report resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance to fiduciary resources to individuals, private organizations, or other governments.

Private Purpose Trust Fund: This fund is used to account for the assets of the former City of Selma Redevelopment Agency during the wind down period.

Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned,

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

3. Financial Statement Amounts

Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

Property Taxes

Taxes are payable in two installments on November 1 and March 1. They become delinquent on December 10 and April 10 respectively. The lien date is January 1 of each year. Unsecured property taxes are payable in one installment on or before August 31. The County of Fresno bills and collects the taxes for the City.

On October 12, 1993, the Fresno County Board of Supervisors voted to adopt an alternate method of property tax apportionment known as the Teeter Plan. The method applies to current secured and supplemental, but not to unsecured. The basic concept of the Teeter Plan is that the County will apportion taxing agencies 100% of their levy (adjusted for roll changes) with the County owning the delinquent receivables. The County will apportion the current secured and unitary into a revenue account in three installments. The first 50% was apportioned December 15, the balance will be apportioned by April 15, and June 15 at 45% and 5% respectively.

Inventories and Prepaid Items

Inventories on the balance sheet are stated at weighted average cost. Inventory items are recorded as expenditures when they are consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Pensions

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

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the end of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used for machine and equipment, and \$10,000 is used for buildings and building improvement.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Roads and Infrastructure	30-50
Buildings	50
Building Improvement	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

Payable Balances

The City believes that sufficient detail of payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

Fund Balances – Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance – represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Committed Fund Balance – represents amounts that can only be used for specific purposes because of a formal action by the City Council. Committed amounts cannot be used for any other purpose unless the City Council removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the City Council. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – represents amounts which the City intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the City Council or by an official or body to which the City Council delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the City itself.

Unassigned Fund Balance – represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow resource (expense/expenditure) until then. The City has three items that qualify for reporting in this category, deferred outflows related to pensions, deferred outflows related to OPEB, and deferred loss on bond refunding.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. The separate financial element, *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has two types of deferred inflows which arises only under a full accrual basis of accounting, deferred inflows related to pensions and deferred inflows related to OPEB.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Measurement Period	June 30, 2018 to June 30, 2019

Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None Reported	Not Applicable

Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
Cultural Arts Enterprise Fund	<u>\$(26,406)</u>	Retain future excess revenues
Capital Project Funds:		
Development Impact Police Facility	\$ (4,503)	Retain future excess revenues
Tutelian Project	(11,213)	Retain future excess revenues
Selma Crossing Project	<u>(3,704)</u>	Retain future excess revenues
Total Capital Project Funds	<u>\$(19,420)</u>	
Special Revenue Funds:		
CDBG Grant	<u>\$ (280)</u>	Retain future excess revenues
Total Special Revenue Funds	<u>\$ (280)</u>	

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and investments	\$28,543,673
Restricted cash and investments with fiscal agent	146,664
Fiduciary funds:	
Cash and investments	1,233,886
Restricted cash and investments with fiscal agent	<u>360,362</u>
Total cash and investments	<u>\$30,284,585</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Cash and investments as of June 30, 2020 consists of the following:

Cash on hand	\$ 1,475
Deposits with financial institutions	3,869,075
Investments	<u>26,414,035</u>
Total cash and investments	<u>\$30,284,585</u>

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

The table below identifies the investment types that are authorized for the City of Selma (City) by the California Government Code (or the City's investment policy, where more restrictive). The table also identified certain provisions of the California Government Code (or the City's Investment Policy, where more restrictive) that address interest rate risk, credit risk, and the concentration of credit risk. This table does not address investment of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	None
US Treasury Obligations	N/A	None	None
US Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	None
Certificate of Deposits	5 years	None	None
Bankers Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	20%	10%
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	20%	10%

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

Investment Authorized by Debt Agreement

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest-rate risk, credit risk, and concentration of credit risk.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$50 million
US Treasury Obligations	N/A	None	None
US Government Agency Issues	N/A	None	None
Insured Passbook on Demand Deposits with Banks and Savings and Loans	N/A	None	None
Certificate of Deposits	1 year	None	None
Bankers Acceptances	1 year	None	None
Commercial Paper	N/A	None	None
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Investment Agreements	N/A	None	None

The investment policy allows for the above investments which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk the changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of short-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Fair Value	12 Months or Less
State Investment Pool	\$25,907,009	\$25,907,009
Held by Bond Trustee:		
Money Market Funds	<u>507,026</u>	<u>507,026</u>
	<u>\$26,414,035</u>	<u>\$26,414,035</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest-rate fluctuations (to a greater degree than already indicated in the information provided above).

Disclosures Relating to Credit Risk

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

Investment Type	Amount	Ratings as of Fiscal Year End		
		Minimum Legal Rating	Not Rated	AAAm
State Investment Pool	\$25,907,009	N/A	\$25,907,009	\$
Held by Bond Trustee:				
Money Market Funds	<u>507,026</u>	N/A	<u> </u>	<u>507,026</u>
	<u>\$26,414,035</u>		<u>\$25,907,009</u>	<u>\$507,026</u>

Concentration of Credit Risk

The investment policy of the City of Selma contains no limitations on the amount that can be invested with any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer that represented 5% or more of the total investments.

Custodial Credit Risk

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

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

As of June 30, 2020, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. In addition, as of June 30, 2020, no investments were held by the same broker-dealer (counterparty) that was used by the City of Selma to purchase the securities.

Investment in State Investment Pool

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

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the City has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be the market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant markets.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City Management's perceived risk of that investment. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received by City's asset manager from a third-party service provider.

The City has no investments subject to categorization.

Investments Not Subject to Fair Value Hierarchy:	
California Local Agency Investment Fund	\$25,907,009
Held with Fiscal Agent:	
Money Market Mutual Funds	<u>507,026</u>
Total Investment Portfolio	<u>\$26,414,035</u>

NOTE 4 – RECEIVABLES

The following is a list of receivables at June 30, 2020.

	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Governmental Funds -			
Accounts	\$ 149,645	\$	\$ 149,645
Due from other agencies	<u>3,897,544</u>	<u></u>	<u>3,897,544</u>
	<u>\$4,047,189</u>	<u>\$</u>	<u>\$4,047,189</u>
Internal Service Funds -			
Accounts	<u>\$ 71,146</u>	<u>\$</u>	<u>\$ 71,146</u>
Enterprise Funds -			
Accounts	<u>\$2,836,923</u>	<u>\$1,103,214</u>	<u>\$1,733,709</u>
Fiduciary Funds -			
Accounts	\$ 30,730	\$	\$ 30,730
Notes receivable	<u>59,336</u>	<u></u>	<u>59,336</u>
	<u>\$ 90,066</u>	<u>\$</u>	<u>\$ 90,066</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

The City established the following assessment districts in order to fund improvements within the City of Selma. The property owners within the districts are responsible for the following at June 30, 2020.

Assessment District No. 1991-2 Improvement Bonds - Highland	\$147,104
Assessment District No. 1992-1 Improvement Bonds - Dancer II	48,438
Assessment District No. 1992-1 Supplemental Improvement Bonds – Dancer III	42,058
Assessment District No. 1993-1 Improvement Bonds - Vineyard	100,086
Assessment District No. 1991-2 Supplemental Improvement Bonds - Watermain	22,837
	<u>\$360,523</u>

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balances	Additions	Retirements/ Adjustments	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 7,990,302	\$	\$	\$ 7,990,302
Construction in progress	9,241,489	10,581,008	(6,415,549)	13,406,948
Total capital assets not being depreciated	17,231,791	10,581,008	(6,415,549)	21,397,250
Capital assets being depreciated:				
Roads and other infrastructure	99,868,212	6,250,880		106,119,092
Buildings and improvements	7,120,881	164,668	(35,640)	7,249,909
Machinery and equipment	6,949,037	908,241	(41,077)	7,816,201
Total capital assets being depreciated	113,938,130	7,323,789	(76,717)	121,185,202
Less accumulated depreciation for:				
Roads and other infrastructure	(68,412,664)	(2,256,810)		(70,669,474)
Buildings and improvements	(3,642,924)	(148,133)	35,640	(3,755,417)
Machinery and equipment	(3,904,316)	(513,106)	36,203	(4,381,219)
Total accumulated depreciation	(75,959,904)	(2,918,049)	71,843	(78,806,110)
Total capital assets being depreciated, net	37,978,226	4,405,740	(4,874)	42,379,092
Governmental activities capital assets, net	\$ 55,210,017	\$14,986,748	\$(6,420,423)	\$ 63,776,342
Business-type activities:				
Capital assets being depreciated:				
Buildings and improvements	\$ 278,882	\$	\$ 5,300	\$ 284,182
Equipment	196,138	169,256		365,394
Total capital assets being depreciated	475,020	169,256	5,300	649,576
Less accumulated depreciation for:				
Buildings and improvements	(264,937)	(1,054)		(265,991)
Equipment	(28,395)	(20,911)		(49,306)
Total accumulated depreciation	(293,332)	(21,965)		(315,297)
Total capital assets being depreciated, net	181,688	147,291	5,300	334,279
Business-type activities capital assets, net	\$ 181,688	\$ 147,291	\$ 5,300	\$ 334,279

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Depreciation was charged to functions as follows:

Governmental activities depreciation:	
General government	\$ 211,151
Public protection:	
Fire	139,091
Police	228,937
Public ways and facilities, including depreciation to general infrastructure assets	<u>2,338,870</u>
Total governmental activities depreciation expense	<u>\$2,918,049</u>
Business-type activities depreciation:	
Pioneer Village	\$ 1,054
Ambulance	<u>20,911</u>
Total business-type activities depreciation	<u>\$ 21,965</u>

NOTE 6 – INTERFUND BALANCES AND ACTIVITY

Interfund Payables and Interfund Receivables

Balances due to and due from other funds at June 30, 2020, consisted of the following:

Interfund Payables	Interfund Receivables	Amount	Purpose
Nonmajor Enterprise Funds	General	\$ 6,858	Short-term loans
Nonmajor Special Revenue Funds	General	924,157	Short-term loans
Nonmajor Capital Projects Funds	General	11,512	Short-term loans
Nonmajor Capital Projects Funds	Nonmajor Capital Projects Funds	<u>3,200</u>	Short-term loans
		<u>\$945,727</u>	

All amounts due are scheduled to be repaid within one year.

Transfers To and From Other Funds

The purpose of the majority of transfers is to reimburse a fund that has made an expenditure on behalf of another fund. Transfers totaled \$4,287,659 in the fund financial statements as follows:

Transfers Out	Transfers In					Totals
	General	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Proprietary Funds	
General	\$	\$	\$	\$107,500	\$58,000	\$ 165,500
Street LTF	142,512					142,512
Nonmajor Special Revenue Funds	1,288,291	911,589				2,199,880
Nonmajor Debt Service Funds			171,806			171,806
Proprietary	<u>1,582,961</u>	<u>25,000</u>				<u>1,607,961</u>
	<u>\$3,013,764</u>	<u>\$936,589</u>	<u>\$171,806</u>	<u>\$107,500</u>	<u>\$58,000</u>	<u>\$4,287,659</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Internal Balances

Internal balances are presented in the Entity-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

NOTE 7 – LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the fiscal year ended June 30, 2020:

	Balance at July 1, 2019	Increases	Decreases	Balance at June 30, 2020	Due Within One Year
Governmental activities:					
Revenue bonds – Authority	\$ 550,000	\$	\$210,000	\$ 340,000	\$160,000
Revenue bonds – City	3,576,582		227,727	3,348,855	234,763
General obligation bonds - City	3,925,000		85,000	3,840,000	85,000
Bond premium	123,055		4,395	118,660	
Capital leases	915,741	201,019	240,138	876,622	194,132
Contract payable	150,000		50,000	100,000	50,000
Compensated absences	758,167	15,932		774,099	
Total governmental activities	<u>\$9,998,545</u>	<u>\$216,951</u>	<u>\$817,260</u>	<u>\$9,398,236</u>	<u>\$723,895</u>
Business-type activities:					
Compensated absences	2,735	103,748		106,483	
Total business-type activities	<u>\$ 2,735</u>	<u>\$103,748</u>	<u>\$</u>	<u>\$ 106,483</u>	<u>\$</u>

A summary of changes in bonds payable of the Authority for the year ended June 30, 2020 is as follows:

Description	Interest Rate Payable	Amount Original Issue	Outstanding June 30 2019	Issued	Retired	Outstanding June 30 2020
1994	4% - 7.25%	\$11,570,000	\$275,000	\$	\$ 45,000	\$230,000
2014	3.25%	955,000	275,000		165,000	110,000
		<u>\$12,525,000</u>	<u>\$550,000</u>	<u>\$</u>	<u>\$210,000</u>	<u>\$340,000</u>

A summary of changes in Revenue Bonds of the City for the year ended June 30, 2020 is as follows:

Description	Interest Rate Payable	Amount Original Issue	Outstanding June 30, 2019	Issued	Retired	Outstanding June 30, 2020
2015	3.09%	<u>\$4,344,619</u>	<u>\$3,576,582</u>	<u>\$</u>	<u>\$227,727</u>	<u>\$3,348,855</u>
		<u>\$4,344,619</u>	<u>\$3,576,582</u>	<u>\$</u>	<u>\$227,727</u>	<u>\$3,348,855</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

1994 Revenue Bonds

On December 23, 2015, the City of Selma issued \$4,344,619 Lease Obligation Refunding Bonds with an average interest rate of 3.09% to advance refund \$3,940,000 of outstanding 2010 Lease Revenue Refunding Bonds with an average interest rate of 7.00% and partial refunding of 1994 Revenue Bonds of \$450,000 with an average interest rate of 6.0%. The interest is payable semi-annually on February 1st and August 1st, commencing February 1, 2016. The bonds mature annually at various amounts through February 1, 2030. The bond program continues to be in default of its debt service reserve requirement, but the trustee believes there are sufficient assets remaining in Trust to service the remaining Bonds Outstanding. The bonds are payable from revenues and all other moneys on deposit in any fund or account pursuant to this indenture. The principal balance on the 1994 revenue bonds at June 30, 2020 was \$230,000.

The Bonds were issued to partially refinance the Authority's previously issued 1994 Revenue Bonds in the principal amount of \$450,000, of which \$380,000 remained outstanding at June 30, 2016. As a result, the \$450,000 is considered defeased and the liability for this issue has been removed from the Long-Term Liabilities of the Governmental Activities Debt.

2014 Assessment Revenue Refunding Bonds

On June 1, 2014, the Selma Public Financing Authority issued \$955,000 Series 2014 Assessment Revenue Refunding Bonds bearing interest of 3.250% payable semi-annually on September 2nd and March 2nd, commencing September 2, 2014. The bonds mature annually at various amounts through September 2, 2022. The bonds are payable from revenues and all other moneys on deposit in any fund or account pursuant to this indenture. The principal balance outstanding at June 30, 2020 was \$110,000.

The Bonds were issued to refinance the Authority's previously issued Series 1999A Assessment Revenue Bonds in the principal amount of \$8,165,000. As a result, the Series 1999A Assessment Revenue Bonds are considered defeased and the liability for this issue has been removed from the Long-Term Liabilities of the Governmental Activities Debt.

Series 2015 Refunding Lease Obligations

On December 23, 2015, the City of Selma issued \$4,344,619 Series 2015 Refunding Lease Obligations Bonds, bearing interest of 3.090% payable semi-annually on February 1st and August 1st, commencing February 1, 2016. The bonds mature annually at various amounts through February 1, 2032. The bonds are payable from revenues and all other moneys on deposit in any fund or account pursuant to this indenture. The principal balance on the Series 15 Refunding Lease Obligation Bond at June 30, 2020 was \$3,348,855.

The Bonds were issued to refinance the City of Selma Financing Authority's previously issued 2010 Lease Revenue Refunding Bonds outstanding of \$3,900,000 and partial refinance of their 1994 Revenue Bonds of \$450,000. As a result, the 2010 Lease Revenue Refunding Bonds and the \$450,000 1994 Revenue Bonds are considered defeased and the liability for these issues have been removed from the Long-Term Liabilities of the Governmental Activities.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Series 2017 General Obligation Bonds

On July 6, 2017, the City of Selma issued \$4,000,000 Series 2017 General Obligation Bonds, bearing interest rates varying from 2.0% to 4.0% payable semi-annually on February 1, and August 1, commencing February 1, 2018. The bonds mature annually at various amounts through August 1, 2047. The bonds are general obligations of the City. Payable solely from property taxes levied by the City and collected by the County of Fresno. The principal balance on Series 2017 General Obligation Bonds at June 30, 2020 was \$3,840,000.

The Bonds are being issued to finance the costs of acquiring and constructing a new police station and associated improvements, and to pay the costs of issuing the Bonds. The bonds were authorized at an election of the registered voters of the City held on November 6, 2016 at which more than two-thirds of the persons voting on the proposition voted to authorize the issuance and sale of the Bonds.

1. Debt Service Requirements

Debt service requirements on long-term debt at June 30, 2020 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Authority Governmental Activities Interest</u>	<u>Total</u>
2021	\$160,000	\$22,550	\$182,550
2022	55,000	16,775	71,775
2023	60,000	10,450	70,450
2024	<u>65,000</u>	<u>3,575</u>	<u>68,575</u>
Totals	<u>\$340,000</u>	<u>\$53,350</u>	<u>\$393,350</u>

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>City Governmental Activities Interest</u>	<u>Total</u>
2021	\$ 234,763	\$103,480	\$ 338,243
2022	242,018	96,225	338,243
2023	249,496	88,747	338,243
2024	257,205	81,038	338,243
2025	265,153	73,090	338,243
2026-2030	1,453,845	237,370	1,691,215
2031-2032	<u>646,375</u>	<u>30,111</u>	<u>676,486</u>
Totals	<u>\$3,348,855</u>	<u>\$710,061</u>	<u>\$4,058,916</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

The annual debt service requirements for the General Obligation Bonds are as follows:

Year Ending June 30,	Principal	City Governmental Activities Interest	Total
2021	\$ 85,000	\$ 137,313	\$ 222,313
2022	90,000	135,562	225,562
2023	90,000	133,763	223,763
2024	90,000	131,963	221,963
2025	95,000	129,638	224,638
2026-2030	510,000	595,737	1,105,737
2031-2035	625,000	488,487	1,113,487
2036-2040	750,000	363,531	1,113,531
2041-2045	885,000	214,688	1,099,688
2046-2048	620,000	37,800	657,800
Totals	<u>\$3,840,000</u>	<u>\$2,368,482</u>	<u>\$6,208,482</u>

1. Capital Leases

Capital leases at June 30, 2020, consisted of the following:

	Balance at July 1, 2019	Increases	Decreases	Balance at June 30, 2020	Due Within One Year
Tymco Inc.-street sweeper	\$ 77,681	\$	\$ 77,681	\$	\$
Santander Leasing-Fire Truck	372,451		48,769	323,682	50,179
Umpqua Bank-computer equipment	73,652		20,434	53,218	10,397
Umpqua Bank-10 Ford Explorers, 1 F150 pick-up	391,957		93,254	298,703	96,342
Umpqua Bank-emergency vehicle	<u> </u>	<u>201,019</u>	<u> </u>	<u>201,019</u>	<u>37,214</u>
	<u>\$915,741</u>	<u>\$201,019</u>	<u>\$240,138</u>	<u>\$876,622</u>	<u>\$194,132</u>

The City has entered into multiple lease agreements for financing the acquisition of police vehicles, fire truck, police and fire equipment, computer equipment, and a street sweeper. These lease agreements qualify as capital leases for accounting purposes. These leases have interest rates varying from 2.33% to 3.68% with the final payment on these leases in 2032.

2016 Capital Lease for Street Sweeper

In February, 2016 the City entered into a capital lease agreement with Tymco Inc. The purchase price of the equipment was \$250,502 and is payable over a period of five years. Semi-annual payments on the contract are \$13,249. The effective interest rate on the contract is 2.65% per annum. The balance outstanding at June 30, 2020, was \$-0-.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

2016 Capital Lease for Fire Truck

In March, 2016 the City entered into a capital lease agreement with Santander Leasing for a fire truck with a purchase price of \$510,694. Monthly payments of \$59,533 for 10 years. The effective interest rate 3.42% per annum. The balance outstanding at June 30, 2020, was \$323,682.

The annual debt service requirements for the 2016 Capital Lease for the fire truck at June 30, 2020 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 50,179	\$ 9,354	\$ 59,533
2022	51,629	7,904	59,533
2023	53,121	6,412	59,533
2024	54,656	4,877	59,533
2025	56,236	3,297	59,533
2026	57,861	1,672	59,533
	<u>\$323,682</u>	<u>\$33,516</u>	<u>\$357,198</u>

2017 Capital Lease for Computer Equipment

In December, 2017 the City entered into a capital lease agreement with Umpqua Bank for computer equipment with a purchase price of \$103,223. Semi-annual payments of \$11,021 for five years. The effective interest rate of 2.33% per annum. The balance outstanding at June 30, 2020, was \$53,218.

The annual debt service requirements for the 2017 Capital Lease for the computer equipment at June 30, 2020 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$10,397	\$ 624	\$11,021
2022	21,161	881	22,042
2023	21,660	382	22,042
	<u>\$53,218</u>	<u>\$1,887</u>	<u>\$55,105</u>

2018 Capital Lease for Police Vehicles

In April, 2018 the City entered into a capital lease agreement with Umpqua for police vehicles with a purchase price of \$482,220. Semi-annual payments of \$53,685 for five years. The effective interest rate of 3.26% per annum. The balance outstanding at June 30, 2020, was \$298,703.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

The annual debt service requirements for the 2018 Capital Lease for the police vehicles at June 30, 2020 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 96,342	\$ 9,027	\$105,369
2022	99,532	5,837	105,369
2023	<u>102,830</u>	<u>2,539</u>	<u>105,369</u>
	<u>\$298,704</u>	<u>\$17,403</u>	<u>\$316,107</u>

2020 Capital Lease for Emergency Vehicle

In March, 2020, the City entered into a capital lease agreement with Umpqua Bank for the acquisition of a Danko emergency vehicle with a purchase price of \$201,019. The agreement calls for semi-annual payments of \$21,922 for five years. The effective interest rate is 3.16%. The balance outstanding at June 30, 2020 is \$201,019.

The annual debt service requirements for the emergency vehicle at June 30, 2020 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 37,214	\$ 6,631	\$ 43,845
2022	38,953	4,892	43,845
2023	40,201	3,644	43,845
2024	41,490	2,355	43,845
2025	<u>43,161</u>	<u>684</u>	<u>43,845</u>
	<u>\$201,019</u>	<u>\$18,206</u>	<u>\$219,225</u>

2. Contract Payable:

In July of 2015 the City entered into an agreement with the Consolidated Irrigation District (CID) to obtain from the District certain real property known as "Rockwell Pond." The agreement calls for the exchange of City owned property of a 38.73 acre parcel with a fair market value of \$534,000 and a payment of a non interest bearing note of \$200,000, payable in annual installments of \$50,000 for the years 2016 through 2019. The purpose of the exchange was for development of water retention and sewer drains. As of June 30, 2020, the City has made two payments on the note. Balance owing on the note at June 30, 2020 was \$100,000.

3. Compensated Absences:

The liability for vested leave (vacation, compensated time off, holiday) earned but not used in governmental funds is expensed and established as a liability and is reported in the government-wide statement of net assets in the governmental activities column. Vested leave of proprietary funds (ambulance fund) is recorded as an expense and liability of that fund as the benefits accrue. No liability is recorded for non-vesting leave such as sick leave.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

4. Fiduciary Long-Term Debt

2001 Industrial Park Limited Obligation Improvement Bonds

The former Selma Redevelopment Agency issued limited obligation bonds in the amount of \$3,561,890. The interest rate was 5% and the final payment is scheduled for September 2040. Bonds outstanding at January, 2012 were transferred to the Successor Agency on February 1, 2012 due to the dissolution of the Redevelopment Agency. The balance outstanding at June 30, 2020 was \$2,715,000 and is held in the City's Redevelopment Successor Agency Private-Purpose Trust Funds.

Industrial Park Limited Obligation Improvement Bonds at June 30, 2020, consisted of the following:

Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
\$2,785,000	\$	\$70,000	\$2,715,000

2010A Tax Allocation Bonds

The former Selma Redevelopment Agency issued \$3,600,000 tax allocation bonds, with the rate of 2.875-5.750% to refund previous refunding bonds 2001A and 2004A. The bonds mature in September 2024. Bonds outstanding at June 30, 2020 was \$1,755,000 and are held in the City's Redevelopment Successor Agency Private-Purchase Trust Funds.

Tax Allocation Bonds at June 30, 2020, consisted of the following:

Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
\$2,055,000	\$	\$300,000	\$1,755,000

1994 Revenue Bonds

The 1994 Revenue Bonds were previously issued by the City of Selma Financing Authority to finance the prior Redevelopment Agency Housing Project. The debt is an obligation of the City's Redevelopment Successor Agency and thus appears in the Successor Agency Private-Purpose Trust Fund account. The principal balance of the 1994 Revenue Bonds was \$230,000.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

NOTE 8 – RISK MANAGEMENT

The City participates with other public entities in a joint venture under a joint powers agreement which established the Central San Joaquin Valley Risk Management Authority (CSJVRMA). The relationship between the City and CSJVRMA is such that CSJVRMA is not a component unit of the City for financial reporting purposes.

The City is covered for the first \$1,000,000 of each general liability claim and \$500,000 of each workers' compensation claim through the CSJVRMA. The City has the right to receive dividends or the obligation to pay assessments based on a formula which among other expenses, charges the City's account for liability losses under \$50,000 and workers' compensation losses under \$50,000. The CSJVRMA participates in an excess pool which provides general liability coverages from \$1,000,000 to \$29,000,000. The CSJVRMA participates in an excess pool which provides workers' compensation coverage from \$500,000 to \$5,000,000 and purchases excess reinsurance above \$5,000,000 to the statutory limit.

The CSJVRMA is a consortium of fifty-four (54) cities in the San Joaquin Valley, California. It was established under the provisions of California Government Code Section 6500 et seq. The CSJVRMA is governed by a Board of Directors which meets three times per year, consisting of one member appointed by each member city. The day-to-day business is handled by a management group employed by the CSJVRMA.

At the termination of the joint powers agreement and after all claims have been settled, any excess or deficit will be divided among the cities in accordance with its governing documents.

The most recent condensed financial information of CSJVRMA is as follows:

	As of and for the Year Ended June 30, 2020
Total Assets	<u>\$140,373,479</u>
Total Liabilities	\$120,609,137
Total Net Position	<u>19,764,342</u>
Total Liabilities and Net Position	<u>\$140,373,479</u>
Total Revenues for the Year	\$ 58,727,520
Total Expenses for the Year	<u>57,743,994</u>
Change in Net Position	<u>\$ 983,526</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

NOTE 9 – PENSION PLAN

General Information

Plan Description

The Plan is a cost-sharing multiple-employer defined benefit pension plan (PERF C) administered by the California Public Employees' Retirement System (CalPERS). All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Employee Pension Plans. Benefit provisions under plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 to 52 years with statutory reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustment for each plan are applied as specified by the Public Employees' Retirement Law.

Effective January 1, 2013, CalPERS instituted a new pension plan as a result of the Public Employee Pension Reform Act (PEPRA). Employees hired from that date on are subject to the new 2% at 62 benefit formula. The 2.5% at 55 benefit formula has been closed to new hires from January 1, 2013 on, unless they meet the rules for a CalPERS Classic employee. A Classic employee is already CalPERS member through prior employment and was employed by a CalPERS member within the last 6 months. See the CalPERS website for more information.

Contributions

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

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

For the year ended June 30, 2020, the contributions recognized as part of pension expense for the Plans are as follows:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Contributions – employer	\$696,260	\$881,886	\$1,578,146

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

As of June 30, 2020, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>	
	<u>2019</u>	<u>2018</u>
Miscellaneous	\$ 7,265,144	\$ 6,928,797
Safety	<u>8,780,706</u>	<u>8,031,431</u>
Total Net Pension Liability	<u>\$16,045,850</u>	<u>\$14,960,228</u>

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2019, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2018 and 2019 was as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Proportion – June 30, 2018	.184%	.137%
Proportion – June 30, 2019	.181%	.141%
Change – Increase (Decrease)	(.003)%	.004%

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

For the year ended June 30, 2020, the City recognized pension expense of \$3,070,425. At June 30, 2020 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources

	Deferred Employer Pension Contributions Made After Measurement Date	Changes of Assumptions	Differences Between Expected And Actual Experiences	Total Pension Related Deferred Outflows
Miscellaneous Plan	\$ 934,626	\$346,435	\$ 504,594	\$1,785,655
Safety Plan	<u>1,332,679</u>	<u>359,905</u>	<u>573,300</u>	<u>2,265,884</u>
Total	<u>\$2,267,305</u>	<u>\$706,340</u>	<u>\$1,077,894</u>	<u>\$4,051,539</u>

Deferred Inflows of Resources

	Changes Of Assumptions	Differences Between Expected and Actual Experiences	Net Differences Between Projected Earnings and Actual on Pension Plan Investments	Total Pension-related Deferred Inflows
Miscellaneous Plan	\$122,808	\$39,096	\$127,017	\$288,921
Safety Plan	<u>70,235</u>	<u> </u>	<u>120,793</u>	<u>191,028</u>
Total	<u>\$193,043</u>	<u>\$39,096</u>	<u>\$247,810</u>	<u>\$479,949</u>

Measurement Period Ended June 30	Outflows (Inflows) of Resources	
	Safety Plans	Miscellaneous Plans
2020	\$640,829	\$534,577
2021	(22,885)	(58,289)
2022	100,730	60,154
2023	23,503	25,666
Thereafter	<u>0</u>	<u>0</u>
	<u>\$742,177</u>	<u>\$562,108</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Actuarial Methods and Assumptions

The collective total pension liability for the June 30, 2019 measurement period was determined by an actuarial valuations of June 30, 2018, with update procedures used to roll forward the total pension liability to June 30, 2019. The collective total pension liability was based on the following assumptions.

Investment rate of return	7.15%
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Mortality rate table	Derived using CalPERS' Membership Data for all Funds Contract COLA up to 2.5% until Purchasing Power Post-retirement benefit increase Protection Allowance Floor on Purchasing Power applies

- 1 The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December, 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-Term Expected Rate of Return

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

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

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

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

Asset Class	Assumed Asset Allocation	Real Return Years 1-10(a)	Real Return Years 11+(b)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets		0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%		(0.92)%

- (1) In the System's CAFR, Fixed income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (2) An expected inflation of 2.00% used for this period.
- (3) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Change in the Discount Rate

The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety	Total
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$11,653,671	\$13,299,535	\$30,953,206
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$7,265,144	\$8,780,706	\$16,045,850
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$3,642,725	\$5,075,974	\$8,718,699

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At June 30, 2020, the City reported a payable of \$-0- for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City participates in the CalPERS medical program under the Public Employees' Medical and Hospital and Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS, which requires (1) attainment of age 50 (age 52, if a new miscellaneous member to PERS on or after January 1, 2013) with 5 years of State or public agency service or (2) an approved disability retirement.

The City offers medical, dental, and vision coverage to qualifying retirees. The City is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. The City has an "unequal contribution" resolution with CalPERS, executed in 2001. This resolution defines the City's contribution toward active employee medical premiums to be the PEMHCA minimum employer contribution (MEC). The MEC was \$139 per month in 2020.

The City's contribution toward retiree medical benefits is determined by multiplying together the following three items:

- 5% times
- The number of prior years the employer has been contracted with PEMHCA times
- The contribution the employer provides for active employees (i.e., the MEC).

The amount payable by the City for retirees was \$132.05 per month for 2020.

Employees Covered

As of June 30, 2018 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Active employees	94
Retirees	31
Retirees waiving coverage	<u>34</u>
Total	<u>159</u>

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018.

Actuarial Assumptions:

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial methods of assumptions:

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Valuation Date	June 30, 2018
Funding Method	Entry Age Normal Cost, level percentage of pay
Asset Valuation Method	Market value of assets (\$0; plan is not yet funded)
Discount Rate	3.62% as of June 30, 2018 3.13% as of June 30, 2019
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.25% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years.
Assumed Wage Inflation	3.0% per year; a component of assumed salary increases
General Inflation Rate	2.75% per year
Healthcare Cost Trend Rates	7.50% as of January 1, 2019, decreasing .50% per year to 5.00% for years 2024 and thereafter
Mortality Improvements	MacLeod Watts Scale 2018 applied generationally from 2015.
Medicare Eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicare Part A and Part B at age 65

Discount Rate

The City is currently financing its OPEB liability on a pay-as-you-go basis. The discount rate used in this valuation is based on the Fidelity Muni Bond AA 20 Year maturity yield. As of the beginning and end of the Measurement Period, use of this index results in discount rates of 3.62% as of June 30, 2018 and 3.13% as of June 30, 2019.

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

Changes in the OPEB Liability

The changes in the net OPEB liability for the Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2019 (Measurement Date June 30, 2018)	<u>\$5,616,271</u>	<u>\$</u>	<u>\$5,616,271</u>
Changes recognized for the measurement period:			
Service cost	335,680		335,680
Interest	213,125		213,125
Changes of assumptions	465,642		465,642
Employer contribution		129,028	(129,028)
Benefit payments	<u>(129,028)</u>	<u>(129,028)</u>	
Net Changes	<u>885,419</u>		<u>885,419</u>
Balance at June 30, 2020 (Measurement Date June 30, 2019)	<u>\$6,501,690</u>	<u>\$</u>	<u>\$6,501,690</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The discount rate used for the fiscal year end 2020 is 3.13%. The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
Total OPEB Liability	\$7,631,318	\$6,501,690	\$5,602,971
Net OPEB Liability	\$7,631,318	\$6,501,690	\$5,602,971

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The healthcare cost trend was assumed to start at 7.5% (effective January 1, 2019) and grade down to 5% for years 2024 and thereafter. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$5,392,102	\$6,501,690	\$8,340,263
Net OPEB Liability	\$5,392,102	\$6,501,690	\$8,340,263

Payable to the OPEB Plan

At June 30, 2020, the City reported a payable of \$0 for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2020.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of \$533,007. As of fiscal year ended June 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions subsequent to measurement date	\$147,078	\$
Changes of assumptions	<u>409,675</u>	<u>387,894</u>
Total	<u>\$556,753</u>	<u>\$387,894</u>

The \$147,078 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<u>Fiscal Year Ended June 30</u>	<u>Net Deferred Outflows/(Inflows) of Resources</u>
2021	\$ (15,798)
2022	(15,798)
2023	(15,798)
2024	(15,798)
2025	(15,798)
Thereafter	<u>100,771</u>
Total	<u>\$ 21,781</u>

CITY OF SELMA
Notes to Financial Statements
June 30, 2020
(Continued)

DRAFT
4/12/21

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Contingencies

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivables may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

Litigation

No reportable litigation was pending against the City at June 30, 2020.

NOTE 12 – CONTINGENT LIABILITIES

The City participates in a number of federally assisted grant programs. Receipts from these grant programs are subject to audit to determine if the monies were expended in accordance with the appropriate statutes, grant terms and regulations. The City believes no significant liabilities would result from any such audits.

NOTE 13 – PRIOR PERIOD ADJUSTMENTS

At June 30, 2020, the City changed the methodology used for accruing sales tax revenue. As a result, the beginning fund balances/net position on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Governmental Funds and the Statement of activities were increased by \$1,049,123.

DRAFT
4/12/21

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SELMA
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
General Fund
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$10,957,099	\$10,957,099	\$11,159,701	\$ 202,602
Licenses and permits	339,650	339,650	396,371	56,721
Intergovernmental	119,000	119,000	124,118	5,118
Charges for services	557,078	557,078	600,820	43,742
Fines	26,500	26,500	34,557	8,057
Franchise fees	928,182	928,182	911,952	(16,230)
Investment earnings	59,275	59,275	134,101	74,826
Miscellaneous	29,250	29,250	71,706	42,456
Total revenues	<u>13,016,034</u>	<u>13,016,034</u>	<u>13,433,326</u>	<u>417,292</u>
Expenditures				
General government	2,128,364	2,128,364	1,969,359	159,005
Public safety	10,419,739	10,404,297	9,969,237	435,060
Public works	1,182,955	1,182,955	1,067,682	115,273
Community development	942,529	942,529	732,994	209,535
Recreation	600,001	600,001	574,993	25,008
Capital outlay	106,000	121,442	120,704	738
Debt service:				
Principal	369,750	369,750	369,750	
Interest and fiscal charges	133,396	133,396	133,396	
Total expenditures	<u>15,882,734</u>	<u>15,882,734</u>	<u>14,938,115</u>	<u>944,619</u>
Excess (deficiency) of revenues over (under) expenditures	(2,866,700)	(2,866,700)	(1,504,789)	1,361,911
Other financing sources (uses)				
Operating transfers in	3,053,334	3,053,334	3,013,764	(39,570)
Operating transfers out	(165,500)	(165,500)	(165,500)	
Total other financing sources (uses)	<u>2,887,834</u>	<u>2,887,834</u>	<u>2,848,264</u>	<u>(39,570)</u>
Net change in fund balance	<u>21,134</u>	<u>21,134</u>	<u>1,343,475</u>	<u>1,322,341</u>
Fund balance, beginning of year, as previously reported	4,566,273	4,566,273	4,566,273	
Prior period adjustment	<u>808,154</u>	<u>808,154</u>	<u>808,154</u>	
Fund balance, beginning of year, restated	<u>5,374,427</u>	<u>5,374,427</u>	<u>5,374,427</u>	
Fund balance, end of year	<u>\$ 5,395,561</u>	<u>\$ 5,395,561</u>	<u>\$ 6,717,902</u>	<u>\$1,322,341</u>

DRAFT
4/12/21

CITY OF SELMA
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Street LTF
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$	\$	\$ 951,357	\$ 951,357
Investment earnings			56,404	56,404
Total revenues			<u>1,007,761</u>	<u>1,007,761</u>
Expenditures				
Public Works			20,550	(20,550)
Capital outlay			<u>149,423</u>	<u>(149,423)</u>
Total expenditures			<u>169,973</u>	<u>(169,973)</u>
Excess (deficiency) of revenues over (under) expenditures			837,788	837,788
Other financing sources (uses)				
Operating transfers in				
Operating transfers out			<u>(142,512)</u>	<u>(142,512)</u>
Total other financing sources (uses)			<u>(142,512)</u>	<u>(142,512)</u>
Net change in fund balance			695,276	695,276
Fund balance, beginning of year	<u>2,877,630</u>	<u>2,877,630</u>	<u>2,877,630</u>	
Fund balance, end of year	<u>\$2,877,630</u>	<u>\$2,877,630</u>	<u>\$3,572,906</u>	<u>\$ 695,276</u>

DRAFT
4/12/21

CITY OF SELMA
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
CID Groundwater Surcharge
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$	\$	\$ 290,802	\$ 290,802
Investment earnings			13,628	13,628
Total revenues			<u>304,430</u>	<u>304,430</u>
Expenditures				
Public Works			<u>406,135</u>	<u>(406,135)</u>
Total expenditures			<u>406,135</u>	<u>(406,135)</u>
Excess (deficiency) of revenues over (under) expenditures			<u>(101,705)</u>	<u>(101,705)</u>
Other financing sources (uses)				
Operating transfers in				
Operating transfers out				
Total other financing sources (uses)				
Net change in fund balance			(101,705)	(101,705)
Fund balance, beginning of year	<u>556,224</u>	<u>556,224</u>	<u>556,224</u>	
Fund balance, end of year	<u>\$556,224</u>	<u>\$556,224</u>	<u>\$ 454,519</u>	<u>\$ (101,705)</u>

CITY OF SELMA
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
Police Station Construction
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$	\$	\$ 51,723	\$ 51,723
Miscellaneous			1,050	1,050
Total revenues			52,773	52,773
Expenditures				
Capital outlay			4,286,923	(4,286,923)
Total expenditures			4,286,923	(4,286,923)
Excess (deficiency) of revenues over (under) expenditures			(4,234,150)	(4,234,150)
Other financing sources (uses)				
Operating transfers in				
Operating transfers out				
Total other financing sources (uses)				
Net change in fund balance			(4,234,150)	(4,234,150)
Fund balance, beginning of year	6,364,243	6,364,243	6,364,243	
Fund balance, end of year	\$6,364,243	\$6,364,243	\$ 2,130,093	\$(4,234,150)

CITY OF SELMA
Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual
2017 Bond PD Station
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$	\$	\$ 92,169	\$ 92,169
Total revenues			92,169	92,169
Expenditures				
Capital outlay			4,061,134	(4,061,134)
Total expenditures			4,061,134	(4,061,134)
Excess (deficiency) of revenues over (under) expenditures			(3,968,965)	(3,968,965)
Other financing sources (uses)				
Operating transfers in				
Operating transfers out				
Total other financing sources (uses)				
Net change in fund balance			(3,968,965)	(3,968,965)
Fund balance, beginning of year	3,968,965	3,968,965	3,968,965	
Fund balance, end of year	\$3,968,965	\$3,968,965	\$	\$(3,968,965)

DRAFT
4/12/21

CITY OF SELMA
Required Supplementary Information
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan – Last 10 Years*
For the Year Ended June 30, 2020

**Schedule of Plan's Proportionate Share of the Net Pension
Liability and Related Ratios as of the Measurement Date**

	Miscellaneous					
	2020	2019	2018	2017	2016	2015
Plan's Proportion of the Net Pensions Liability (Asset)	.18142%	.18385%	.17582%	.18473%	.19888%	.07296%
Plan's Proportion share of the Net Pension Liability (Asset)	\$7,265,144	\$6,928,797	\$7,123,581	\$6,417,380	\$5,456,437	\$4,540,156
Plan's Covered Employee Payroll	\$2,456,834	\$2,033,498	\$1,694,454	\$1,609,297	\$1,636,530	\$1,470,465
Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	295.71%	340.73%	420.41%	398.77 %	333.42%	308.76%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	67.68%	67.72%	65.86%	66.99%	71.14%	76.31%

	Safety					
	2020	2019	2018	2017	2016	2015
Plan's Proportion of the Net Pensions Liability (Asset)	.14066%	.13688%	.14971%	.13159 %	.12509%	.07659%
Plan's Proportion share of the Net Pension Liability (Asset)	\$8,780,706	\$8,031,431	\$7,915,874	\$6,815,312	\$5,154,581	\$4,765,927
Plan's Covered Employee Payroll	\$4,072,999	\$3,727,327	\$3,505,756	\$2,878,438	\$3,453,182	\$3,379,336
Plan's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	215.58%	215.47%	225.80%	236.77%	149.27%	141.03%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	73.93%	74.94%	73.95%	75.04%	80.18%	81.42%

*Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

DRAFT
4/12/21

CITY OF SELMA
Required Supplementary Information
Schedule of Funding Progress PERS Information
For the Year Ended June 30, 2020

Schedule Contributions

	Miscellaneous					
	For the Year Ended June 30,					
	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 826,351	\$ 709,431	\$ 619,237	\$ 526,961	\$ 381,662	\$ 367,790
Contributions in relation to the actuarially determined contributions	<u>(826,351)</u>	<u>(709,431)</u>	<u>(619,237)</u>	<u>(526,961)</u>	<u>(381,662)</u>	<u>(367,790)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered-employee payroll	<u>\$2,456,834</u>	<u>\$2,033,498</u>	<u>\$1,694,454</u>	<u>\$1,609,297</u>	<u>\$1,636,530</u>	<u>\$1,470,465</u>
Contributions as a percentage of covered-employee payroll	33.63%	34.89%	36.54%	32.74%	23.32%	25.01%
	Safety					
	For the Year Ended June 30,					
	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,094,779	\$ 898,570	\$ 840,006	\$ 682,202	\$ 660,953	\$ 655,346
Contributions in relation to the actuarially determined contributions	<u>(1,094,779)</u>	<u>(898,570)</u>	<u>(840,006)</u>	<u>(682,202)</u>	<u>(660,953)</u>	<u>(655,346)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered-employee payroll	<u>\$ 4,072,999</u>	<u>\$3,727,327</u>	<u>\$3,505,756</u>	<u>\$2,878,438</u>	<u>\$3,453,182</u>	<u>\$3,379,336</u>
Contributions as a percentage of covered-employee payroll	26.88%	24.10%	23.96%	23.70%	19.14%	19.39%

CITY OF SELMA
Required Supplementary Information
Schedule of Funding Progress PERS Information
for the Year Ended June 30, 2020

DRAFT
4/12/21

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2015 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2015 Funding Valuation Report
Asset Valuation Method	Actuarial Value of Assets. For details, see June 30, 2015 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.5%, Net of Pension Plan Investment and Administrative Expenses; Includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

CITY OF SELMA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios

DRAFT
4/12/21

	Measurement Period Ending June 30,		
	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 335,680	\$ 329,996	\$ 375,557
Interest cost	213,125	196,593	164,777
Assumption changes	465,642	(50,785)	(546,300)
Benefit payments	<u>(129,028)</u>	<u>(103,626)</u>	<u>(34,854)</u>
Net change in total OPEB liability	885,419	372,178	(40,820)
Total OPEB liability – beginning	<u>5,616,271</u>	<u>5,244,093</u>	<u>5,284,913</u>
Total OEPB liability – ending (a)	<u>\$6,501,690</u>	<u>\$5,616,271</u>	<u>\$5,244,093</u>
Fiduciary Net Position			
Employer contributions	\$ 129,028	\$ 103,626	\$ 34,854
Benefit payments	<u>(129,028)</u>	<u>(103,626)</u>	<u>(34,854)</u>
Net change in plan fiduciary net position	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fiduciary net position – beginning	<u> </u>	<u> </u>	<u> </u>
Fiduciary net position – ending (b)	<u> </u>	<u> </u>	<u> </u>
Net OPEB (asset) liability – ending (a)-(b)	<u>\$6,501,690</u>	<u>\$5,616,271</u>	<u>\$5,244,093</u>
Covered-employee payroll	\$6,913,761	\$6,330,599	\$6,169,019
Net OPEB liability as a percentage of covered-employee payroll	94.04%	88.72%	85.01%

Notes to Schedule:

Changes in Assumptions

The discount rate was changed from 3.62% as of June 30, 2018 to 3.13% as of June 30, 2019, based on the published change in return for the applicable municipal bond index.

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

CITY OF SELMA
Required Supplementary Information
Schedule of Changes in the Net OPEB Liability and Related Ratios

DRAFT
4/12/21

	Fiscal Year Ended June 30,		
	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 533,007	\$ 454,824	\$ 474,673
Contributions in relation to the ADC	<u>(147,078)</u>	<u>(129,028)</u>	<u>(103,626)</u>
Contribution deficiency (excess)	<u>\$ 385,929</u>	<u>\$ 325,796</u>	<u>\$ 371,047</u>
Covered-employee payroll	<u>\$6,913,761</u>	<u>\$6,330,599</u>	<u>\$6,169,019</u>
Contributions as a percentage of covered-employee payroll	2.13%	2.04%	1.68%

Notes to Schedule:

Actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020 were from the June 30, 2018 actuarial valuation.

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2018
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets (\$0; plan is not yet funded)
Discount Rate	3.62% as of June 30, 2018 3.13% as of June 30, 2019
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.
Salary Increase	3.25% per year, since benefits do not depend on salary, this is used only to allocate the cost of benefits between service years
Assumed Wage Inflation	3.0% per year; a component of assumed salary increases
General Inflation Rate	2.75% per year

DRAFT
4/12/21

COMBINING STATEMENTS AS SUPPLEMENTARY INFORMATION

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Governmental Funds
June 30, 2020

DRAFT
4/12/21

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$4,271,946	\$627,951	\$4,901,525	\$ 9,801,422
Cash with fiscal agent		146,664		146,664
Accounts receivable	17,728		17,321	35,049
Interfund receivables			3,200	3,200
Due from other agencies	<u>2,318,725</u>			<u>2,318,725</u>
Total assets	<u>\$6,608,399</u>	<u>\$774,615</u>	<u>\$4,922,046</u>	<u>\$12,305,060</u>
Liabilities				
Accounts payable	\$1,058,317	\$	\$ 29,736	\$ 1,088,053
Accrued wages/benefits	59,823			59,823
Interfund payables	924,157		14,712	938,869
Other liabilities	<u>5,000</u>			<u>5,000</u>
Total liabilities	<u>2,047,297</u>		<u>44,448</u>	<u>2,091,745</u>
Fund balance				
Restricted for:				
Streets and roads	2,988,520		1,701,261	4,689,781
Public safety	1,337,432			1,337,432
Community development	158,045			158,045
Debt services		774,615		774,615
Capital projects			1,901,447	1,901,447
Committed for:				
Streets and roads	23,909			23,909
Community development	90,725			90,725
Recreation	3,351			3,351
Capital projects			600,139	600,139
Assigned for:				
Equipment replacement			694,171	694,171
Unassigned	<u>(40,880)</u>		<u>(19,420)</u>	<u>(60,300)</u>
Total fund balance	<u>4,561,102</u>	<u>774,615</u>	<u>4,877,598</u>	<u>10,213,315</u>
Total liabilities and fund balance	<u>\$6,608,399</u>	<u>\$774,615</u>	<u>\$4,922,046</u>	<u>\$12,305,060</u>

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 2,931,337	\$	\$	\$ 2,931,337
Intergovernmental	2,941,924			2,941,924
Charges for services	176,005		270,603	446,608
Fines	6,021			6,021
Investment earnings	55,501	5,213	66,409	127,123
Assessment payments		416,874		416,874
Miscellaneous	<u>372,241</u>		<u>464,599</u>	<u>836,840</u>
Total revenues	<u>6,483,029</u>	<u>422,087</u>	<u>801,611</u>	<u>7,706,727</u>
Expenditures				
General government	22,108	23,180		45,288
Public safety	833,067		71,694	904,761
Public works	1,357,716		70,400	1,428,116
Community development	124,958		23,114	148,072
Recreational			14,291	14,291
Capital outlay	1,531,683		365,712	1,897,395
Debt service:				
Principal		250,000	127,681	377,681
Interest and fiscal charges		<u>152,842</u>	<u>1,048</u>	<u>153,890</u>
Total expenditures	<u>3,869,532</u>	<u>426,022</u>	<u>673,940</u>	<u>4,969,494</u>
Excess (deficiency) of revenues over (under) expenditures	2,613,497	(3,935)	127,671	2,737,233
Other financing sources (uses)				
Operating transfers in	936,589	171,806	107,500	1,215,895
Operating transfers out	<u>(2,199,880)</u>	<u>(171,806)</u>		<u>(2,371,686)</u>
Total other financing sources (uses)	<u>(1,263,291)</u>		<u>107,500</u>	<u>(1,155,791)</u>
Net change in fund balance	<u>1,350,206</u>	<u>(3,935)</u>	<u>235,171</u>	<u>1,581,442</u>
Fund balance, beginning of year, as previously reported	2,969,927	778,550	4,642,427	8,390,904
Prior period adjustment	<u>240,969</u>			<u>240,969</u>
Fund balance, beginning of year, restated	<u>3,210,896</u>	<u>778,550</u>	<u>4,642,427</u>	<u>8,631,873</u>
Fund balance, end of year	<u>\$ 4,561,102</u>	<u>\$ 774,615</u>	<u>\$ 4,877,598</u>	<u>\$10,213,315</u>

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Special Revenue Funds
June 30, 2020

DRAFT
4/12/21

	Traffic Safety	Redevelopment Administration	Public Safety	Sidewalk Repair Funds	AB 1913 Grant	Street Maintenance Fund	Street Gas Tax	Road Maintenance & Rehabilitation	Street Measure C
Assets									
Cash and investments	\$13,349	\$	\$23,748	\$23,300	\$140,196	\$260,741	\$875,069	\$991,922	\$881,931
Accounts receivable				609		164			
Due from other agencies		<u>121,422</u>							<u>43,378</u>
Total assets	<u>13,349</u>	<u>121,422</u>	<u>23,748</u>	<u>23,909</u>	<u>140,196</u>	<u>260,905</u>	<u>875,069</u>	<u>991,922</u>	<u>925,309</u>
Liabilities									
Accounts payable		20				47,374			
Accrued wages/benefits		2,922			5,890	21,218	4,442		
Interfund payables		118,480							
Other liabilities						<u>5,000</u>			
Total liabilities		<u>121,422</u>			<u>5,890</u>	<u>73,592</u>	<u>4,442</u>		
Fund balance									
Restricted for:									
Streets and roads	13,349					187,313	870,627	991,922	925,309
Public safety			23,748		134,306				
Community development									
Committed for:									
Streets and roads				23,909					
Community development									
Recreation									
Unassigned									
Total fund balance	<u>13,349</u>		<u>23,748</u>	<u>23,909</u>	<u>134,306</u>	<u>187,313</u>	<u>870,627</u>	<u>991,922</u>	<u>925,309</u>
Total liabilities and fund balance	<u>\$13,349</u>	<u>\$121,422</u>	<u>\$23,748</u>	<u>\$23,909</u>	<u>\$140,196</u>	<u>\$260,905</u>	<u>\$875,069</u>	<u>\$991,922</u>	<u>\$925,309</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Special Revenue Funds
June 30, 2020

	Reg Safe Trans Program (RSTP)	CFD 2006-1 Vineyard Estates	Landscape and Lighting Assessment	Property Cleanup & Demo Fund	Abandoned Vehicle Abatement	CDBG Grant	Recycling Grant	FEMA Fire Grant	Small Business Support Center
Assets									
Cash and investments	\$ 42,245	\$90,120	\$100,814	\$25,000	\$195	\$	\$21,708	\$	\$605
Accounts receivable									
Due from other agencies	<u>1,021,027</u>							<u>282,139</u>	
Total assets	<u>1,063,272</u>	<u>90,120</u>	<u>100,814</u>	<u>25,000</u>	<u>195</u>		<u>21,708</u>	<u>282,139</u>	<u>605</u>
Liabilities									
Accounts payable	991,897		11,475				400		
Accrued wages/benefits			8,477						
Interfund payables						280		271,860	
Other liabilities									
Total liabilities	<u>991,897</u>		<u>19,952</u>			<u>280</u>	<u>400</u>	<u>271,860</u>	
Fund balance									
Restricted for:									
Streets and roads									
Public safety	71,375				195			10,279	
Community development			80,862	25,000			21,308		
Committed for:									
Streets and roads									
Community development		90,120							605
Recreation									
Unassigned						(280)			
Total fund balance	<u>71,375</u>	<u>90,120</u>	<u>80,862</u>	<u>25,000</u>	<u>195</u>	<u>(280)</u>	<u>21,308</u>	<u>10,279</u>	<u>605</u>
Total liabilities and fund balance	<u>\$1,063,272</u>	<u>\$90,120</u>	<u>\$100,814</u>	<u>\$25,000</u>	<u>\$195</u>	<u>\$</u>	<u>\$21,708</u>	<u>\$282,139</u>	<u>\$605</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Special Revenue Funds
June 30, 2020

	DOJ Bynes Grant	ATP17- 089	Foreclosed Homes Project	Sports Hall of Fame	ACT Program	CMAQ	AB 74 Storm Drain Appropriation	Citizens Tax Initiative	Total Nonmajor Special Revenue Funds
Assets									
Cash and investments	\$	\$	\$13,920	\$3,351	\$	\$	\$	\$ 763,732	\$4,271,946
Accounts receivable			16,955						17,728
Due from other agencies	<u>12,885</u>	<u>159,881</u>			<u>59,338</u>	<u>273,600</u>		<u>345,055</u>	<u>2,318,725</u>
Total assets	<u>12,885</u>	<u>159,881</u>	<u>30,875</u>	<u>3,351</u>	<u>59,338</u>	<u>273,600</u>		<u>1,108,787</u>	<u>6,608,399</u>
Liabilities									
Accounts payable					6,607			544	1,058,317
Accrued wages/benefits					6,160			10,714	59,823
Interfund payables	12,885	159,881			46,571	273,600	40,600		924,157
Other liabilities									5,000
Total liabilities	<u>12,885</u>	<u>159,881</u>			<u>59,338</u>	<u>273,600</u>	<u>40,600</u>	<u>11,258</u>	<u>2,047,297</u>
Fund balance									
Restricted for:									
Streets and roads									2,988,520
Public safety								1,097,529	1,337,432
Community development			30,875						158,045
Committed for:									
Streets and roads									23,909
Community development									90,725
Recreation				3,351					3,351
Unassigned							(40,600)		(40,880)
Total fund balance			<u>30,875</u>	<u>3,351</u>			<u>(40,600)</u>	<u>1,097,529</u>	<u>4,561,102</u>
Total liabilities and fund balance	<u>\$12,885</u>	<u>\$159,881</u>	<u>\$30,875</u>	<u>\$3,351</u>	<u>\$59,338</u>	<u>\$273,600</u>	<u>\$</u>	<u>\$1,108,787</u>	<u>\$6,608,399</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020

	Traffic Safety	Successor Agency Administration	Public Safety	Sidewalk Repair Funds	AB 1913 Grant	Street Maintenance Fund	Street Gas Tax
Revenues							
Taxes	\$	\$	\$59,006	\$	\$	\$	\$ 564,299
Intergovernmental					155,948	7,545	
Charges for services						174,205	
Fines	6,021						
Investment earnings							13,822
Miscellaneous		60,616		930			
Total revenues	<u>6,021</u>	<u>60,616</u>	<u>59,006</u>	<u>930</u>	<u>155,948</u>	<u>181,750</u>	<u>578,121</u>
Expenditures							
General government					98,662		
Public safety							
Public works						1,050,327	65,921
Community development		60,616					
Capital outlay						44,310	
Total expenditures		<u>60,616</u>			<u>98,662</u>	<u>1,094,637</u>	<u>65,921</u>
Excess (deficiency) of revenues over (under) expenditures	6,021		59,006	930	57,286	(912,887)	512,200
Other financing sources (uses)							
Operating transfers in						911,589	
Operating transfers out			(42,000)				(371,684)
Total other financing sources (uses)			<u>(42,000)</u>			<u>911,589</u>	<u>(371,684)</u>
Net change in fund balance	<u>6,021</u>		<u>17,006</u>	<u>930</u>	<u>57,286</u>	<u>(1,298)</u>	<u>140,516</u>
Fund balance, beginning of year, as previously reported	7,328		6,742	<u>22,979</u>	77,020	188,611	730,111
Prior period adjustment							
Fund balance, beginning of year	<u>7,328</u>		<u>6,742</u>	<u>22,979</u>	<u>77,020</u>	<u>188,611</u>	<u>730,111</u>
Fund balance, end of year	<u>\$13,349</u>	<u>\$</u>	<u>\$ 23,748</u>	<u>\$23,909</u>	<u>\$134,306</u>	<u>\$ 187,313</u>	<u>\$ 870,627</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020

	Road Maintenance & Rehabilitation	Street Measure C	Reg Safe Trans Program (RSTP)	CFD 2006-1 Vineyard Estates	Landscape and Lighting Assessment	Property Cleanup & Demo Fund	Abandoned Vehicle Abatement	CDBG Grant
Revenues								
Taxes	\$	\$	\$	\$36,665	\$239,155	\$	\$	\$
Intergovernmental	448,512	649,729	1,021,027					11,434
Charges for services								
Fines								
Investment earnings	15,707	13,965						
Miscellaneous								
Total revenues	<u>464,219</u>	<u>663,694</u>	<u>1,021,027</u>	<u>36,665</u>	<u>239,155</u>	<u></u>	<u></u>	<u>11,434</u>
Expenditures								
General government								
Public safety							4,575	
Public works		7,188			234,280			
Community development								
Capital outlay			953,319					11,620
Total expenditures	<u></u>	<u>7,188</u>	<u>953,319</u>	<u></u>	<u>234,280</u>	<u></u>	<u>4,575</u>	<u>11,620</u>
Excess (deficiency) of revenues over (under) expenditures	464,219	656,506	67,708	36,665	4,875		(4,575)	(186)
Other financing sources (uses)								
Operating transfers in						25,000		
Operating transfers out		(397,393)						
Total other financing sources (uses)	<u></u>	<u>(397,393)</u>	<u></u>	<u></u>	<u></u>	<u>25,000</u>	<u></u>	<u></u>
Net change in fund balance	<u>464,219</u>	<u>259,113</u>	<u>67,708</u>	<u>36,665</u>	<u>4,875</u>	<u>25,000</u>	<u>(4,575)</u>	<u>(186)</u>
Fund balance, beginning of year, as previously reported	527,703	666,196	3,667	53,455	75,987		4,770	(94)
Prior period adjustment								
Fund balance, beginning of year, restated	<u>527,703</u>	<u>666,196</u>	<u>3,667</u>	<u>53,455</u>	<u>75,987</u>	<u></u>	<u>4,770</u>	<u>(94)</u>
Fund balance, end of year	<u>\$991,922</u>	<u>\$ 925,309</u>	<u>\$ 71,375</u>	<u>\$90,120</u>	<u>\$ 80,862</u>	<u>\$25,000</u>	<u>\$ 195</u>	<u>\$ (280)</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020

	Recycling Grant	FEMA Fire Grant	ABC Grant	Small Business Support Center	DOJ Byrnes Grant	ATP 17-089	Foreclosed Homes Project
Revenues							
Taxes	\$ 6,469	\$ 282,139	\$ 8,903	\$	\$ 4,995	\$ 70,373	\$
Intergovernmental							1,800
Charges for services							
Fines							
Investment earnings							
Miscellaneous							
Total revenues	<u>6,469</u>	<u>282,139</u>	<u>8,903</u>		<u>4,995</u>	<u>113,532</u> <u>183,905</u>	<u>14,520</u> <u>16,320</u>
Expenditures							
General government							
Public safety		183,949	8,903		4,995		17,183
Public works	760					63,582	
Community development						120,323	
Capital outlay	<u>760</u>	<u>87,911</u> <u>271,860</u>	<u>8,903</u>		<u>4,995</u>	<u>183,905</u>	<u>17,183</u>
Total expenditures							
Excess (deficiency) of revenues over (under) expenditures	5,709	10,279					(863)
Other financing sources (uses)							
Operating transfers in							
Operating transfers out							
Total other financing sources (uses)							
Net change in fund balance	<u>5,709</u>	<u>10,279</u>					<u>(863)</u>
Fund balance, beginning of year, as previously reported	15,599			605			31,738
Prior period adjustment							
Fund balance, beginning of year, restated	<u>15,599</u>			<u>605</u>			<u>31,738</u>
Fund balance, end of year	<u>\$21,308</u>	<u>\$ 10,279</u>	<u>\$</u>	<u>\$605</u>	<u>\$</u>	<u>\$</u>	<u>\$30,875</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2020

	Sports Hall of Fame	ACT Program	Selma Activity League	CMAQ	AB 74 Storm Drain Appropriation	Citizens Tax Initiative	Total Nonmajor Special Revenue Funds
Revenues							
Taxes	\$	\$	\$	\$	\$	\$ 2,032,212	\$ 2,931,337
Intergovernmental				274,850			2,941,924
Charges for services							176,005
Fines							6,021
Investment earnings						12,007	55,501
Miscellaneous	_____	<u>182,643</u>	_____	_____	_____	_____	<u>372,241</u>
Total revenues	_____	<u>182,643</u>	_____	<u>274,850</u>	_____	<u>2,044,219</u>	<u>6,483,029</u>
Expenditures							
General government			3,675	1,250			22,108
Public safety		181,469				350,514	833,067
Public works							1,357,716
Community development							124,958
Capital outlay	_____	_____	_____	<u>273,600</u>	<u>40,600</u>	_____	<u>1,531,683</u>
Total expenditures	_____	<u>181,469</u>	<u>3,675</u>	<u>274,850</u>	<u>40,600</u>	<u>350,514</u>	<u>3,869,532</u>
Excess (deficiency) of revenues over (under) expenditures		1,174	(3,675)		(40,600)	1,693,705	2,613,497
Other financing sources (uses)							
Operating transfers in							936,589
Operating transfers out	_____	_____	<u>(5,430)</u>	_____	_____	<u>(1,383,373)</u>	<u>(2,199,880)</u>
Total other financing sources (uses)	_____	_____	<u>(5,430)</u>	_____	_____	<u>(1,383,373)</u>	<u>(1,263,291)</u>
Net change in fund balance	_____	<u>1,174</u>	<u>(9,105)</u>	_____	<u>(40,600)</u>	<u>310,332</u>	<u>1,350,206</u>
Fund balance, beginning of year, as previously reported	3,351	(1,174)	9,105			546,228	2,969,927
Prior period adjustments	_____	_____	_____	_____	_____	<u>240,969</u>	<u>240,969</u>
Fund balance, beginning of year, restated	<u>3,351</u>	<u>(1,174)</u>	<u>9,105</u>	_____	_____	<u>787,197</u>	<u>3,210,896</u>
Fund balance, end of year	<u>\$3,351</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$(40,600)</u>	<u>\$ 1,097,529</u>	<u>\$ 4,561,102</u>

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Debt Service Funds
June 30, 2020

DRAFT
4/12/21

	1994 Debt Service	Assessment 91-2 Highland Debt Service	Assessment 92-1 Dancer II Debt Service	Assessment 92-1 Dancer III Debt Service	Assessment 92-1 Watermain Debt Service
Assets					
Cash and investments	\$ 87,215	\$95,106	\$27,184	\$25,969	\$13,392
Cash with fiscal agent	<u>109,306</u>				
Total assets	<u>196,521</u>	<u>95,106</u>	<u>27,184</u>	<u>25,969</u>	<u>13,392</u>
Liabilities					
Accounts payable	_____	_____	_____	_____	_____
Total liabilities	_____	_____	_____	_____	_____
Fund balance					
Restricted for:					
Debt service	<u>196,521</u>	<u>95,106</u>	<u>27,184</u>	<u>25,969</u>	<u>13,392</u>
Total fund balance	<u>196,521</u>	<u>95,106</u>	<u>27,184</u>	<u>25,969</u>	<u>13,392</u>
Total liabilities and fund balance	<u>\$196,521</u>	<u>\$95,106</u>	<u>\$27,184</u>	<u>\$25,969</u>	<u>\$13,392</u>

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Debt Service Funds
June 30, 2020

DRAFT
4/12/21

	Assessment 93-1 Briarwood/ Vineyard Debt Service	PFA 2001 A Debt Service	2014 Assessment Bond	Total Nonmajor Debt Service Funds
Assets				
Cash and investments	\$53,263	\$325,822	\$	\$627,951
Cash with fiscal agent			<u>37,358</u>	<u>146,664</u>
Total assets	<u>53,263</u>	<u>325,822</u>	<u>37,358</u>	<u>774,615</u>
Liabilities				
Accounts payable	_____	_____	_____	_____
Total liabilities	_____	_____	_____	_____
Fund balance				
Restricted for:				
Debt service	<u>53,263</u>	<u>325,822</u>	<u>37,358</u>	<u>774,615</u>
Total fund balance	<u>53,263</u>	<u>325,822</u>	<u>37,358</u>	<u>774,615</u>
Total liabilities and fund balance	<u>\$53,263</u>	<u>\$325,822</u>	<u>\$37,358</u>	<u>\$774,615</u>

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Debt Service Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	1994 Debt Service	Assessment 91-2 Highland Debt Service	Assessment 92-1 Dancer II Debt Service	Assessment 92-1 Dancer III Debt Service
Revenues				
Investment earnings	\$	\$	\$	\$
Assessment payments	<u> </u>	<u>80,765</u>	<u>30,142</u>	<u>28,375</u>
Total revenues	<u> </u>	<u>80,765</u>	<u>30,142</u>	<u>28,375</u>
Expenditures				
General government	11,700	3,496	1,946	1,896
Debt Service:				
Principal				
Interest and fiscal charges	<u>7,025</u>	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>18,725</u>	<u>3,496</u>	<u>1,946</u>	<u>1,896</u>
Excess (deficiency) of revenues over (under) expenditures	(18,725)	77,269	28,196	26,479
Other financing sources (uses)				
Operating transfers in				
Operating transfers out	<u> </u>	<u>(68,847)</u>	<u>(25,220)</u>	<u>(23,673)</u>
Total other financing sources (uses)	<u> </u>	<u>(68,847)</u>	<u>(25,220)</u>	<u>(23,673)</u>
Net change in fund balance	(18,725)	8,422	2,976	2,806
Fund balance, beginning of year	<u>215,246</u>	<u>86,684</u>	<u>24,208</u>	<u>23,163</u>
Fund balance, end of year	<u>\$196,521</u>	<u>\$ 95,106</u>	<u>\$ 27,184</u>	<u>\$ 25,969</u>

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Debt Service Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Assessment 91-2 Watermain Debt Service	Assessment 93-1 Briarwood/ Vineyard Debt Service	PFA 2001 A Debt Service	2014 Assessment Bond	Total Nonmajor Debt Service Funds
Revenues					
Investment earnings	\$	\$	\$ 5,159	\$ 54	\$ 5,213
Assessment payments	<u>13,014</u>	<u>51,374</u>	<u>213,204</u>		<u>416,874</u>
Total revenues	<u>13,014</u>	<u>51,374</u>	<u>218,363</u>	<u>54</u>	<u>422,087</u>
Expenditures					
General government	1,596	2,546			23,180
Debt Service:					
Principal			85,000	165,000	250,000
Interest and fiscal charges			<u>139,012</u>	<u>6,805</u>	<u>152,842</u>
Total expenditures	<u>1,596</u>	<u>2,546</u>	<u>224,012</u>	<u>171,805</u>	<u>426,022</u>
Excess (deficiency) of revenues over (under) expenditures	11,418	48,828	(5,649)	(171,751)	(3,935)
Other financing sources (uses)					
Operating transfers in				171,806	171,806
Operating transfers out	<u>(10,601)</u>	<u>(43,465)</u>			<u>(171,806)</u>
Total other financing sources (uses)	<u>(10,601)</u>	<u>(43,465)</u>		<u>171,806</u>	
Net change in fund balance	817	5,363	(5,649)	55	(3,935)
Fund balance, beginning of year	<u>12,575</u>	<u>47,900</u>	<u>331,471</u>	<u>37,303</u>	<u>778,550</u>
Fund balance, end of year	<u>\$ 13,392</u>	<u>\$ 53,263</u>	<u>\$325,822</u>	<u>\$ 37,358</u>	<u>\$774,615</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Capital Projects Funds
June 30, 2020

	<u>Equipment Replacement</u>	<u>Development Impact Streets & Traffic</u>	<u>Development Impact Police Facility</u>	<u>Development Impact Fire Facility</u>	<u>Development Impact City Facilities</u>	<u>Development Impact Storm Drain</u>	<u>Development Impact Sewer</u>
Assets							
Cash and investments	\$694,924	\$1,489,028	\$	\$27,599	\$383,096	\$53,533	\$603,982
Accounts receivable	15,679						
Due from other funds					3,200		
Total assets	<u>710,603</u>	<u>1,489,028</u>	<u></u>	<u>27,599</u>	<u>386,296</u>	<u>53,533</u>	<u>603,982</u>
Liabilities							
Accounts payable	16,432						4,500
Interfund payables			4,503				
Total liabilities	<u>16,432</u>	<u></u>	<u>4,503</u>	<u></u>	<u></u>	<u></u>	<u>4,500</u>
Fund balance							
Restricted for:							
Streets and roads		1,489,028					
Capital projects				27,599	386,296	53,533	599,482
Committed for:							
Capital projects							
Assigned for:							
Equipment replacement	694,171						
Unassigned			(4,503)				
Total fund balance	<u>694,171</u>	<u>1,489,028</u>	<u>(4,503)</u>	<u>27,599</u>	<u>386,296</u>	<u>53,533</u>	<u>599,482</u>
Total liabilities and fund balance	<u>\$710,603</u>	<u>\$1,489,028</u>	<u>\$</u>	<u>\$27,599</u>	<u>\$386,296</u>	<u>\$53,533</u>	<u>\$603,982</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Capital Projects Funds
June 30, 2020

	Development Impact Parks and Recreation	Long Range Planning Fee	Development Impact Public Use Facilities	Development Impact Waste Water Collection	Development Impact Public Facilities	Development Impact Open Space Acquisition	City Hall Construction
Assets							
Cash and investments	\$666,977	\$355,939	\$67,235	\$52,714	\$42,226	\$5,385	\$19,764
Accounts receivable							
Due from other funds							
Total assets	<u>666,977</u>	<u>355,939</u>	<u>67,235</u>	<u>52,714</u>	<u>42,226</u>	<u>5,385</u>	<u>19,764</u>
Liabilities							
Accounts payable							
Interfund payables							
Total liabilities							
Fund balance							
Restricted for:							
Streets and roads							
Capital projects	666,977		67,235	52,714	42,226	5,385	
Committed for:							
Capital projects		355,939					19,764
Assigned for:							
Equipment replacement							
Unassigned							
Total fund balance	<u>666,977</u>	<u>355,939</u>	<u>67,235</u>	<u>52,714</u>	<u>42,226</u>	<u>5,385</u>	<u>19,764</u>
Total liabilities and fund balance	<u>666,977</u>	<u>355,939</u>	<u>67,235</u>	<u>52,714</u>	<u>42,226</u>	<u>5,385</u>	<u>19,764</u>

CITY OF SELMA
Combining Balance Sheet –
Nonmajor Capital Projects Funds
June 30, 2020

DRAFT
4/12/21

	Amberwood Project	Tutelian Project	Selma Crossing Project	Caltrans Mitigation Fund	Capital Projects Parks	Total Nonmajor Capital Projects Funds
Assets						
Cash and investments	\$27,790	\$	\$	\$212,233	\$199,100	\$4,901,525
Accounts receivable		1,642				17,321
Interfund receivables						3,200
Total assets	<u>27,790</u>	<u>1,642</u>	<u></u>	<u>212,233</u>	<u>199,100</u>	<u>4,922,046</u>
Liabilities						
Accounts payable	2,454	6,350				29,736
Interfund payables		<u>6,505</u>	<u>3,704</u>			<u>14,712</u>
Total liabilities	<u>2,454</u>	<u>12,855</u>	<u>3,704</u>	<u></u>	<u></u>	<u>44,448</u>
Fund balance						
Restricted for:						
Streets and roads				212,233		1,701,261
Capital projects						1,901,447
Committed for:						
Capital projects	25,336				199,100	600,139
Assigned for:						
Equipment replacement						694,171
Unassigned		<u>(11,213)</u>	<u>(3,704)</u>			<u>(19,420)</u>
Total fund balance	<u>25,336</u>	<u>(11,213)</u>	<u>(3,704)</u>	<u>212,233</u>	<u>199,100</u>	<u>4,877,598</u>
Total liabilities and fund balance	<u>\$27,790</u>	<u>\$ 1,642</u>	<u>\$</u>	<u>\$212,233</u>	<u>\$199,100</u>	<u>\$4,922,046</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2020

	Equipment Replacement	Development Impact Streets & Traffic	Development Impact Police Facility	Development Impact Fire Facility	Development Impact City Facilities	Development Impact Storm Drain	Development Impact Sewer
Revenues							
Charges for services	\$ 64,092	\$ 88,875	\$ 10,994	\$10,911	\$ 25,807	\$ 3,317	\$ 912
Investment earnings	11,004	23,578			6,066		9,564
Miscellaneous	<u>439,381</u>						
Total revenues	<u>514,477</u>	<u>112,453</u>	<u>10,994</u>	<u>10,911</u>	<u>31,873</u>	<u>3,317</u>	<u>10,476</u>
Expenditures							
Public safety	71,694						
Public works		2,874				13,348	54,178
Community development							
Recreation							
Capital outlay	278,818						
Debt Service:							
Principal	77,681					50,000	
Interest and fiscal charges	<u>1,048</u>						
Total expenditures	<u>429,241</u>	<u>2,874</u>				<u>63,348</u>	<u>54,178</u>
Excess (deficiency) of revenues over (under) expenditures	85,236	109,579	10,994	10,911	31,873	(60,031)	(43,702)
Other financing sources (uses)							
Operating transfers in							
Total other financing sources (uses)							
Net change in fund balance	85,236	109,579	10,994	10,911	31,873	(60,031)	(43,702)
Fund balance, beginning of year	<u>608,935</u>	<u>1,379,449</u>	<u>(15,497)</u>	<u>16,688</u>	<u>354,423</u>	<u>113,564</u>	<u>643,184</u>
Fund balance, end of year	<u>\$694,171</u>	<u>\$1,489,028</u>	<u>\$ (4,503)</u>	<u>\$27,599</u>	<u>\$386,296</u>	<u>\$ 53,533</u>	<u>\$599,482</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2020

	Development Impact Parks and Recreation	Long Range Planning Fee	Development Impact Public Use Facilities	Development Impact Waste Water Collection	Development Impact Public Facilities	Development Impact Open Space Acquisition	City Hall Construction
Revenues							
Charges for services	\$ 33,849	\$ 17,850	\$	\$12,631	\$ 1,094	\$ 271	\$
Investment earnings	10,561	5,636					
Miscellaneous							
Total revenues	<u>44,410</u>	<u>23,486</u>		<u>12,631</u>	<u>1,094</u>	<u>271</u>	
Expenditures							
Public safety							
Public works							
Community development							
Recreation							
Capital outlay							
Debt Service:							
Principal							
Interest and fiscal charges							
Total expenditures							
Excess (deficiency) of revenues over (under) expenditures	44,410	23,486		12,631	1,094	271	
Other financing sources (uses)							
Operating transfers in							
Total other financing sources (uses)							
Net change in fund balance	44,410	23,486		12,631	1,094	271	
Fund balance, beginning of year	<u>622,567</u>	<u>332,453</u>	<u>67,235</u>	<u>40,083</u>	<u>41,132</u>	<u>5,114</u>	<u>19,764</u>
Fund balance, end of year	<u>\$666,977</u>	<u>\$355,939</u>	<u>\$67,235</u>	<u>\$52,714</u>	<u>\$42,226</u>	<u>\$5,385</u>	<u>\$19,764</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –
Nonmajor Capital Projects Funds
For the Year Ended June 30, 2020

	Amberwood Project	Tutelian Project	Selma Crossing Project	Caltrans Mitigation Fund	Capital Project- Parks	Total Nonmajor Capital Projects Funds
Revenues						
Charges for services	\$	\$	\$	\$	\$	\$ 270,603
Investment earnings						66,409
Miscellaneous		<u>20,218</u>			<u>5,000</u>	<u>464,599</u>
Total revenues		<u>20,218</u>			<u>5,000</u>	<u>801,611</u>
Expenditures						
Public safety						71,694
Public works						70,400
Community development		23,114				23,114
Recreation					14,291	14,291
Capital outlay					86,894	365,712
Debt Service:						
Principal						127,681
Interest and fiscal charges						<u>1,048</u>
Total expenditures		<u>23,114</u>			<u>101,185</u>	<u>673,940</u>
Excess (deficiency) of revenues over (under) expenditures		(2,896)			(96,185)	127,671
Other financing sources (uses)						
Operating transfers in					<u>107,500</u>	<u>107,500</u>
Total other financing sources (uses)					<u>107,500</u>	<u>107,500</u>
Net change in fund balance		(2,896)			11,315	235,171
Fund balance, beginning of year	<u>25,336</u>	<u>(8,317)</u>	<u>(3,704)</u>	<u>212,233</u>	<u>187,785</u>	<u>4,642,427</u>
Fund balance, end of year	<u>\$25,336</u>	<u>\$(11,213)</u>	<u>\$(3,704)</u>	<u>\$212,233</u>	<u>\$199,100</u>	<u>\$4,877,598</u>

CITY OF SELMA
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2020

DRAFT
4/12/21

	Pioneer Village	Cultural Arts	Garbage	Total Nonmajor Enterprise Funds
Assets				
Current assets				
Cash and investments	\$ 49,097	\$	\$129,834	\$ 178,931
Accounts receivable, net	<u>393</u>	<u>3,960</u>		<u>4,353</u>
Total current assets	<u>49,490</u>	<u>3,960</u>	<u>129,834</u>	<u>183,284</u>
Noncurrent assets:				
Capital assets:				
Machinery and equipment	284,182	3,515		287,697
Less: accumulated depreciation	<u>(265,991)</u>	<u>(3,515)</u>		<u>(269,506)</u>
Total noncurrent assets	<u>18,191</u>			<u>18,191</u>
Total assets	<u>67,681</u>	<u>3,960</u>	<u>129,834</u>	<u>201,475</u>
Deferred outflows of resources:				
Deferred outflows related to pensions	3,658	2,956		6,614
Deferred outflows related to OPEB	<u>503</u>	<u>406</u>		<u>909</u>
Total deferred outflow of resources	<u>4,161</u>	<u>3,362</u>		<u>7,523</u>
Liabilities				
Current liabilities:				
Accounts payable	798	689	117,707	119,194
Accrued wages/benefits	306	6,785		7,091
Deposits		2,304		2,304
Interfund payables		<u>6,858</u>		<u>6,858</u>
Total current liabilities	<u>1,104</u>	<u>16,636</u>	<u>117,707</u>	<u>135,447</u>
Noncurrent liabilities:				
Net pension liability	14,489	11,713		26,202
Net other post-employment benefits liability	<u>5,871</u>	<u>4,746</u>		<u>10,617</u>
Total noncurrent liabilities	<u>20,360</u>	<u>16,459</u>		<u>36,819</u>
Total liabilities	<u>21,464</u>	<u>33,095</u>	<u>117,707</u>	<u>172,266</u>
Deferred inflows of resources:				
Deferred inflows related to pensions	433	350		783
Deferred inflows related to OPEB	<u>350</u>	<u>283</u>		<u>633</u>
Total deferred inflow of resources	<u>783</u>	<u>633</u>		<u>1,416</u>
Net position				
Invested in capital assets, net of related debt	18,191			18,191
Unrestricted	<u>31,404</u>	<u>(26,406)</u>	<u>12,127</u>	<u>17,125</u>
Total net position	<u>\$ 49,595</u>	<u>\$(26,406)</u>	<u>\$ 12,127</u>	<u>\$ 35,316</u>

CITY OF SELMA
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended June 30, 2020

DRAFT
4/12/21

	Pioneer Village	Cultural Arts	Garbage	Total Nonmajor Enterprise Funds
Operating Revenues				
Charges for services	\$	\$	\$1,428,843	\$1,428,843
Charges for services	1,931	11,860		13,791
Rents	26,603	18,785		45,388
Miscellaneous	<u>5,422</u>	<u>102,121</u>		<u>107,543</u>
Total operating revenues	<u>33,956</u>	<u>132,766</u>	<u>1,428,843</u>	<u>1,595,565</u>
Operating Expenses				
Personnel services	6,495	39,021		45,516
Services and supplies	59,773	115,189	1,425,409	1,600,371
Other internal services	2,688	31,809		34,497
Depreciation	<u>1,054</u>			<u>1,054</u>
Total operating expenses	<u>70,010</u>	<u>186,019</u>	<u>1,425,409</u>	<u>1,681,438</u>
Income (loss) before transfers	<u>(36,054)</u>	<u>(53,253)</u>	<u>3,434</u>	<u>(85,873)</u>
Transfers				
Transfers in	<u>15,000</u>	<u>43,000</u>		<u>58,000</u>
Changes in net position	(21,054)	(10,253)	3,434	(27,873)
Net position (deficit), beginning of year	<u>70,649</u>	<u>(16,153)</u>	<u>8,693</u>	<u>63,189</u>
Net position (deficit), end of year	<u>\$ 49,595</u>	<u>\$ (26,406)</u>	<u>\$ 12,127</u>	<u>\$ 35,316</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Net Position –
Internal Service Funds
June 30, 2020

	Insurance	Fleet Management	Building & Utility	General Overhead	Information Processing	Total Internal Service Funds
Assets						
Current assets:						
Cash and investments	\$714,450	\$545,700	\$494,336	\$54,054	\$305,128	\$2,113,668
Accounts receivable, net	40,541		30,450	155		71,146
Total current assets	<u>754,991</u>	<u>545,700</u>	<u>524,786</u>	<u>54,209</u>	<u>305,128</u>	<u>2,184,814</u>
Noncurrent assets:						
Capital assets:						
Machinery and equipment		31,901	52,870		178,043	262,814
Less: Accumulated depreciation		(3,680)	(14,588)		(25,359)	(43,627)
Total noncurrent assets		<u>28,221</u>	<u>38,282</u>		<u>152,684</u>	<u>219,187</u>
Total assets	<u>754,991</u>	<u>573,921</u>	<u>563,068</u>	<u>54,209</u>	<u>457,812</u>	<u>2,404,001</u>
Deferred outflows of resources:						
Deferred outflows related to pensions		7,928	62,629			70,557
Deferred outflows related to OPEB		1,090	8,607			9,697
Total deferred outflow of resources		<u>9,018</u>	<u>71,236</u>			<u>80,254</u>
Liabilities						
Current liabilities:						
Accounts payable	71,750	53,840	2,730		24,947	153,267
Accrued wages/benefits		5,421	4,202			9,623
Current portion of capital leases					20,916	20,916
Total current liabilities	<u>71,750</u>	<u>59,261</u>	<u>6,932</u>		<u>45,863</u>	<u>183,806</u>
Noncurrent liabilities:						
Capital leases					32,302	32,302
Net pension liability		31,402	248,037			279,439
Net other post-employment benefits liability		12,724	100,503			113,227
Total noncurrent liabilities		<u>44,126</u>	<u>348,540</u>		<u>32,302</u>	<u>424,968</u>
Total liabilities	<u>71,750</u>	<u>103,387</u>	<u>355,472</u>		<u>78,165</u>	<u>608,774</u>
Deferred inflows of resources:						
Deferred inflow of pensions		939	7,419			8,358
Deferred inflow related to OPEB		759	5,996			6,755
Total deferred inflow of resources		<u>1,698</u>	<u>13,415</u>			<u>15,113</u>
Net position:						
Invested in capital assets, net of related debt		28,221	38,282		99,466	165,969
Unrestricted	<u>683,241</u>	<u>449,633</u>	<u>227,135</u>	<u>54,209</u>	<u>280,181</u>	<u>1,694,399</u>
Total net position	<u>\$683,241</u>	<u>\$477,854</u>	<u>\$265,417</u>	<u>\$54,209</u>	<u>\$379,647</u>	<u>\$1,860,368</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Revenues, Expenses, and Changes in Net Position—
Internal Service Funds
For the Year Ended June 30, 2020

	Insurance	Fleet Management	Building & Utility	General Overhead	Information Processing	Total Internal Service Funds
Operating Revenues						
Charges for services	\$1,393,117	\$ 540,396	\$303,816	\$20,452	\$403,994	\$2,661,775
Miscellaneous	<u>1,393,117</u>	<u>7,627</u>	<u>30,450</u>	<u>687</u>		<u>38,764</u>
Total operating revenues		<u>548,023</u>	<u>334,266</u>	<u>21,139</u>	<u>403,994</u>	<u>2,700,539</u>
Operating Expenses						
Personnel services		(194,232)	44,263			(149,969)
Services and supplies		497,470	197,539	22,851	255,655	973,515
Other internal services	1,129,357					1,129,357
Depreciation	<u>1,129,357</u>	<u>2,808</u>	<u>4,934</u>		<u>16,857</u>	<u>24,599</u>
Total operating expenses		<u>306,046</u>	<u>246,736</u>	<u>22,851</u>	<u>272,512</u>	<u>1,977,502</u>
Operating income (loss)	263,760	241,977	87,530	(1,712)	131,482	723,037
Nonoperating revenues (expenses)						
Interest income	11,313	8,606	7,709			27,628
Interest expense	<u>11,313</u>	<u>8,606</u>	<u>7,709</u>		<u>(1,608)</u>	<u>(1,608)</u>
Total nonoperating revenues (expenses)					<u>(1,608)</u>	<u>26,020</u>
Changes in net position	275,073	250,583	95,239	(1,712)	129,874	749,057
Net position, beginning of year	<u>408,168</u>	<u>227,271</u>	<u>170,178</u>	<u>55,921</u>	<u>249,773</u>	<u>1,111,311</u>
Net position, end of year	<u>\$ 683,241</u>	<u>\$ 477,854</u>	<u>\$265,417</u>	<u>\$54,209</u>	<u>\$379,647</u>	<u>\$1,860,368</u>

DRAFT
4/12/21

CITY OF SELMA
Combining Statement of Fiduciary Assets and Liabilities –
Agency Funds
June 30, 2020

	Finance Clearing	Planning Clearing	Public Works Clearing	Senior Citizens Clearing	Police Department Clearing	Graffiti Reward Fund	Total Agency Funds
Assets							
Cash and investments	\$59,568	\$20,188	\$969	\$24,428	\$8,459	\$700	\$114,312
Accounts receivable	<u>3,430</u>						<u>3,430</u>
Total assets	<u>62,998</u>	<u>20,188</u>	<u>969</u>	<u>24,428</u>	<u>8,459</u>	<u>700</u>	<u>117,742</u>
Liabilities							
Accounts payable	61,198	726		12,057			73,981
Deposits	1,800	2,135	969				4,904
Other	<u>17,327</u>	<u>17,327</u>		<u>12,371</u>	<u>8,459</u>	<u>700</u>	<u>38,857</u>
Total liabilities	<u>62,998</u>	<u>20,188</u>	<u>969</u>	<u>24,428</u>	<u>8,459</u>	<u>700</u>	<u>117,742</u>
Net Position:							
Total net position	\$	\$	\$	\$	\$	\$	\$

DRAFT
4/12/21

SINGLE AUDIT REPORTS

DRAFT
4/12/21

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

The Honorable Mayor and Members of the City Council
City of Selma
Selma, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Selma, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Selma's basic financial statements, and have issued our report thereon dated April 12, 2021.

Internal Control Over Financial Reporting

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

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

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

The Honorable Mayor and Members of the City Council
City of Selma
Selma, California

DRAFT
4/12/21

Compliance and Other Matters

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

Purpose of this Report

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

Clovis, California
April 12, 2021

DRAFT
4/12/21

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The Honorable Mayor and Members of the City Council
City of Selma
Selma, California

Report on Compliance for Each Major Federal Program

We have audited the City of Selma's compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Selma's major federal programs for the year ended June 30, 2020. City of Selma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Selma's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Selma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, City of Selma complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020-01. Our opinion on City of Selma's each major federal program is not modified with respect to these matters.

City of Selma's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Selma's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

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

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

CITY OF SELMA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

DRAFT
4/12/21

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Catalog Number	Pass-Through Grantors Number	Federal Expenditures	Amounts Provided to Subrecipients
<u>U.S. Department of Transportation</u>				
Federal Highway Administration Passed through California Department of Transportation				
Highway Planning and Construction	20.205	STPL-5096-036	\$ 14,460	
Highway Planning and Construction	20.205	STPL-5096-037	920,109	
Highway Planning and Construction	20.205	STPL-5096-038	18,750	
			<u>953,319</u>	
Highway Planning and Construction	20.205	CMAQ-5096(035)	248,750	
Highway Planning and Construction	20.205	CMAQ 5096(039)	26,100	
			<u>274,850</u>	
Highway Planning and Construction	20.205	ATPL 5096(033)	70,373	
Total U.S. Department of Transportation			<u>1,298,542</u>	
<u>U.S. Department of Housing & Urban Development</u>				
Direct Programs				
Office of Community Planning & Development				
CDBG Block Grants	14.218	CDBG prog #16-651	26,893	
CDBG Block Grants	14.218	CDBG prog #18-651	3,565	
			<u>30,458</u>	
Total U.S. Department of Housing & Urban Development			<u>30,458</u>	
<u>U.S. Department of Justice</u>				
Direct Program				
Edward Byne Justice Assistance Grant	16.738	2018-DJ-BX-0690	4,995	
Total U.S. Department of Justice			<u>4,995</u>	
<u>U.S. Department of Homeland Security</u>				
Direct Program				
Assistance to Firefighters Grant	97.044	2018-FR-00382	282,139	
Total U.S. Department of Homeland Security			<u>282,139</u>	
Total Expenditures of Federal Awards			<u>\$1,616,134</u>	

See accompanying notes to schedule of expenditures of federal awards.

CITY OF SELMA
Notes to the Schedule of Expenditures of Federal Awards
June 30, 2020

DRAFT
4/12/21

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Accounting

The accompany Schedule of Expenditures of Federal Awards includes the awards transactions of the City recorded in the governmental and proprietary fund types.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The accrual basis of accounting is utilized by proprietary funds. Under this method revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Proprietary funds distinguish operating revenues and expenses for nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Schedule of Expenditures of Federal Awards

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

The Schedule was presented only from the accounts of various grant programs and, therefore, does not present the financial position or results of operations of the City.

Indirect Cost Rate

The City of Selma has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

CITY OF SELMA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

DRAFT
4/12/21

Part I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		<u>Unmodified</u>		
Internal control over financial reporting:				
Material weakness(es) identified?	_____ Yes	_____ X	_____ No	
Significant deficiency(s) identified not considered to be material weakness(es)?	_____ Yes	_____ X	_____ No	
Noncompliance material to financial statements notes?	_____ Yes	_____ X	_____ No	

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?	_____ Yes	_____ X	_____ No	
Significant deficiency(s) identified not considered to be material weakness(es)?	_____ Yes	_____ X	_____ No	
Type of auditor's report issued on compliance for major programs:				
		<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	_____ X	_____ Yes	_____ No	

Programs Subjected to Audit Procedures as Major Programs

<u>Major Programs</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditure</u>
Highway Planning and Construction	20.205	<u>\$1,298,542</u>
	Total Major Program Expenditures	<u>\$1,298,542</u>
	Total Expenditures of Federal Awards	<u>\$1,616,134</u>
	Percentage of Total Expenditures of Federal Awards	<u>80.35%</u>
Dollar threshold used to distinguish between Type A and Type B programs:		<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	_____ Yes	_____ X _____ No

CITY OF SELMA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

DRAFT
4/12/21

Part II - Financial Statement Finding Section

Significant Deficiencies, Material Weaknesses and Instances of Noncompliance Related to the Financial Statements:

None

Part III – Federal Awards Finding and Questioned Costs Section

Significant Deficiencies, Material Weaknesses and Instances of Noncompliance Related to the Financial Statements:

2020-01 – Procurement Policy

Condition:

All though the City has policies concerning purchasing and procurement, the policies are not written in accordance with Uniform Guidance Standards.

Criteria:

Uniform Guidance standards require written procurement policy.

Effect of Condition:

The City's procurement policies and procedures are not in compliance with the Uniform Guidance.

Cause of Condition:

City management was unaware of the Uniform Guidance Procurement policy requirements.

Recommendation:

We recommend that management compile a written procurement policy to be in conformity with Uniform Guidance.

Response:

Management is in the process of creating a written procurement policy.

CITY OF SELMA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2020

DRAFT
4/12/21

None

DRAFT
4/12/21

APPROPRIATIONS LIMIT REPORT

DRAFT
4/12/21

INDEPENDENT ACCOUNTANTS' REPORT ON
APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below to the accompanying Appropriations Limit Schedule of the City of Selma, California (City) for the year ended June 30, 2020. These procedures, which were agreed to by the City and the League of California Cities (as presented in the publication entitled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*), were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The City management is responsible for the Appropriations Limit Schedule. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or any other purpose.

The procedures performed and our findings are described below:

1. We obtained the completed worksheets used by the City to calculate its appropriations limit for the year ended June 30, 2020, and determined that the limit and annual calculation factors were adopted by resolution of City Council. We also determined that the population and inflation options were selected by a recorded vote of the City Council.
Finding: No exceptions were noted as a result of our procedures.
2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and agreed the resulting amount to the current year's limit.
Finding: No exceptions were noted as a result of our procedures.
3. We agreed the current year information presented in the accompanying Appropriations Limit Schedule to corresponding information in worksheets used by the City.
Finding: No exceptions were noted as a result of our procedures.
4. We agreed the appropriations limit presented in the accompanying Appropriations Limit Schedule to the appropriations limit adopted by the City Council.
Finding: No exceptions were noted as a result of our procedures.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the accompanying Appropriation Limit Schedule. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by Article XIII-B of the California Constitution.

Selma, California

DRAFT
4/12/21

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties.

Clovis, California
April 12, 2021

**CITY OF SELMA
APPROPRIATIONS LIMIT SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

DRAFT
4/12/21

	<u>Amount</u>
A. Appropriations Limit FY 2019	\$30,900,939
B. Calculation Factors:	
1) Population increase %	1.0045
2) Inflation increase %	<u>1.0385</u>
3) Total adjustment %	1.0431733
C. Annual Adjustment Increase	1,334,094
D. Other Adjustments:	
1) Loss responsibility (-)	
2) Transfer to private (-)	
3) Transfer to fees (-)	
4) Assumed responsibility (+)	<u> </u>
E. Total Adjustments	<u>1,334,094</u>
F. Appropriations Limit FY 2020	<u>\$32,235,033</u>

**CITY OF SELMA
NOTES TO APPROPRIATIONS LIMIT SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

DRAFT
4/12/21

NOTE 1 – PURPOSE OF LIMITED PROCEDURES REVIEW

Under Article XIII-B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIII-B, the annual calculation of the appropriations limit is subject to a limited procedures review in connection with the annual audit.

NOTE 2 – METHOD OF CALCULATION

Under Section 10.5 of Article XIII-B, for fiscal years beginning on or after July, 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-87, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

NOTE 3 – POPULATION FACTORS

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population or the annual percentage change in population of the county where the jurisdiction is located. The factor adopted by the City for fiscal year 2020 represents the annual percentage change in population for the City.

NOTE 4 – INFLATION FACTORS

A California governmental agency may use as its inflation factor either the annual percentage change in the 4th quarter per capita personal income (which percentage is supplied by the State Department of Finance) or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City for fiscal year 2020 represents the annual percentage change in the local assessment roll from the preceding year due to the change in local nonresidential construction.

NOTE 5 – OTHER ADJUSTMENTS

A California government agency may be required to adjust its appropriations limit when certain events occur such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. The City had no such adjustments for fiscal year 2020.

**CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:**

May 3, 2021

ITEM NO:

4.

SUBJECT:

Consideration of approval of a \$2,200.00 expenditure for Structural Engineering Services for Lincoln Park Statues Installation and extend construction timeline for the project covered in the Memorandum of Understanding (MOU) with American Legion Post #12

RECOMMENDATION: City Council consider approving an expenditure of \$2,200 for Structural Engineering Services for the installation of the Statues at the Lincoln Park Veteran's Plaza Improvement Project and extend construction timeline of project.

BACKGROUND: At the August 17, 2020 City Council meeting, City Council approved a request to enter into a Memorandum of Understanding (MOU) between the City of Selma and American Legion Post#12.

DISCUSSION: As part of the MOU agreement, American Legion Post #12 was covering the expenses for the improvement and development of the Lincoln Park Veteran's Project. The City of Selma would be assisting with normal park improvements, such as sprinklers, maintenance of trees, plants, etc. Through this agreement, American Legion has expended \$35,000 on the statues, \$21,120 on the masonry improvement, \$4,300 for electrical and lighting, with an additional electrical work to be completed and approximately \$4,600 on landscaping trees and plants.

Due to safety and liability issues presented with ongoing park usage, the City Staff required a structural engineering report be conducted based on the installation of the statues. The statutes are quite heavy and for safety concerns due to weather, including high winds, etc. proper installation was required to reduce potential accidents/incidents arising from the statues potentially falling. This expense for the structural engineering report totals \$2,200. The anticipated costs of the entire project exceeded the original estimate by the American Legion Post #12 and this additional cost would place a hardship on the American Legion Post #12. (American Legion Post #12 has also commented on assisting with the Marquee at Lincoln Park if approved and shade covering once Brentlinger Park is approved for new playground equipment.)

Staff is recommending City Council grant an extension of the project construction timeline allowing for the City to cover the Structural Engineering Report. Funds can be made available to cover the expense. Recreation Professional Services has \$3,990 available.

Attachments:

August 17, 2020 City Council Agenda Item Staff Report.
MOU between City of Selma and American Legion Post #12.
March 15, 2021 City Council Project Staff Report Update.

<u>COST:</u> (Enter cost of item to be purchased in box below)		<u>BUDGET IMPACT:</u> (Enter amount this non-budgeted item will impact this years' budget in box below – if budgeted, enter NONE).
\$2,200.00		\$2,200.00
<u>FUNDING:</u> (Enter the funding source for this item in box below – if fund exists, enter the balance in the fund).		<u>ON-GOING COST:</u> (Enter the amount that will need to be budgeted each year in box below – if one-time cost, enter NONE).
Funding Source: General Fund. Fund Balance: FY 2019-20 \$6,717,901		None.

RECOMMENDATION: Council consider approving an expenditure of \$2,200.00 for Structural Engineering Services for the installation of the Statues at the Lincoln Park Veteran's Plaza Improvement Project and extend construction timeline of project.

/s/

04/29/2021

Mikal Kirchner, Director of Recreation

Date

/s/

04/29/2021

Teresa Gallavan, City Manager

Date

RESOLUTION NO. 2020 –

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SELMA, CALIFORNIA, APPROVING A
REQUEST TO ENTER INTO A MEMORANDUM OF
UNDERSTANDING (MOU) BETWEEN THE CITY OF
SELMA AND AMERICAN LEGION POST #12**

WHEREAS, the City is the owner of Lincoln Park (“Park”), generally located at McCall Avenue and Rose Avenue, in downtown Selma; and

WHEREAS, the American Legion is a patriotic veterans organization devoted to mutual helpfulness, and is the nation’s largest wartime veterans service organization; and

WHEREAS, the Park was established in 1912, and a portion of the Park, known as Veterans Plaza, which is generally located at the corner of Mill and McCall Avenue was dedicated to veterans to honor their service to our country, on July 6, 1999; and

WHEREAS, the City and the American Legion desire to partner to make improvements in the Veteran’s Plaza area of the Park to honor our nation’s veterans; and

WHEREAS, the American Legion proposes improvements to the Veteran’s Plaza area of the Park including the addition of four statutes; four new cement benches to replace the existing benches; replacement of the existing flagpole; raising the height of the outer masonry wall to the height of the inner masonry wall; and the installation of new landscaping including bushes, trees, and plants, collectively, the “Landscaping Improvements”; and

WHEREAS, the City and the American Legion desire to enter into this MOU for the purpose of allocating responsibility for the improvements at the Park, and payment of associated costs.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES HEREBY FIND, DETERMINE, AND RESOLVE AS FOLLOWS:

SECTION 1. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The American Legion Post #12 is a valuable community partner, and consistently works with the City to promote community events, provide resources for a stronger economy and create and maintain a sense of community pride. The MOU serves as a public purpose in that the plaza improvements aim to attract many residents and individuals from neighboring communities to the City’s Lincoln Park, and downtown area, thereby serving as vehicle to recognize and honor all branches of the United States Armed Forces.

SECTION 3. The City Council hereby approves the City Manager to enter into the MOU on behalf of the City of Selma with American Legion Post #12.

SECTION 4. The American Legion Post #12 shall comply with the City's Municipal Code during construction and shall provide the City with all information required by City staff, including, but not limited to, the following:

1. Proof of insurance with the City named as additional insured.
2. Indemnification of the City.

SECTION 5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 6. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED this 17th day of August, 2020, by the following vote:

AYES: 0 COUNCIL MEMBERS:
NOES: 0 COUNCIL MEMBERS:
ABSTAIN: 0 COUNCIL MEMBERS:
ABSENT: 0 COUNCIL MEMBERS:

Louis Franco, Mayor

ATTEST:

Reyna Rivera, City Clerk

MEMORANDUM OF UNDERSTANDING

(Veteran's Plaza)

This Memorandum of Understanding ("MOU") is made and entered into this 24 day of Sept., 2020, ("Effective Date") by and between the City of Selma, a municipal corporation (the "City") and Selma Post #12 American Legion, a California corporation, (the "American Legion"). City and American Legion are collectively referred to herein as the "Parties" and individually as "Party."

RECITALS

WHEREAS, the City is the owner of Lincoln Park ("Park"), generally located at McCall Avenue and Rose Avenue, in downtown Selma; and

WHEREAS, the American Legion is a patriotic veterans organization devoted to mutual helpfulness, and is the nation's largest wartime veterans service organization; and

WHEREAS, the Park was established in 1912, and a portion of the Park, known as Veterans Plaza, which is generally located at the corner of Mill and McCall Avenue was dedicated to veterans to honor their service to our country, on July 6, 1999; and

WHEREAS, the City and the American Legion desire to partner to make improvements in the Veteran's Plaza area of the Park to honor our nation's veterans; and

WHEREAS, the American Legion proposes improvements to the Veteran's Plaza area of the Park including the addition of four statutes; four new cement benches to replace the existing benches; replacement of the existing flagpole; raising the height of the outer masonry wall to the height of the inner masonry wall; and the installation of new landscaping including bushes, trees, and plants, collectively, the "Landscaping Improvements"; and

WHEREAS, the City and the American Legion desire to enter into this MOU for the purpose of allocating responsibility for the improvements at the Park, and payment of associated costs.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the City and the American Legion agree as follows:

1. **Design of Park Improvements and Payment of Costs.** Without the requirement of notice or demand on the part of the City, American Legion shall provide the City with the conceptual drawing and plans of the Landscaping Improvements at the Park, within 90 days of the Effective Date of this MOU, unless extended in writing by the Parties. The American Legion shall pay all costs and expenses associated with the conceptual drawings of the Landscaping Improvements.

by 12/23

Approval of Landscaping Improvements. Without the requirement of notice or demand on the part of the American Legion, the City shall analyze the conceptual drawing's design, and compliance with local, state, and federal laws and regulations within 90 days of the conceptual drawing's completion, unless extended in writing by the Parties. The City, in its sole and absolute discretion, shall preserve the right to reject the conceptual drawing and plans for Landscaping Improvements, with or without cause. In the event the City approves the conceptual drawings, the American Legion shall transfer all rights, title and interest in the drawings to the City, as permitted by law.

2. **Deposit of Estimated Costs.** Upon approval by the City of the Landscaping Improvements, the City shall cause an engineer's estimate to be performed to determine the value of the work. Prior to the City's issuance of a Request for Proposals for the Landscaping Improvements, American Legion shall deposit with the City the total amount of the engineer's estimate, plus a 20 percent contingency ("Deposit"). Within 30 days of receipt of the Deposit, unless extended in writing by the Parties, the City shall put the Landscape Improvements out to bid, in accordance with all applicable laws.

3. **Review of Bids.** In the event the lowest responsive and responsible bid received by the City exceeds the engineer's estimate, the City shall notify the American Legion in writing, within five days. The American Legion shall then have ten days to deposit with the City the difference between the original engineer's estimate and the amount of the lowest bid, plus the 20 percent contingency ("Increased Deposit"), or it may terminate this Agreement in its sole discretion. In the event the American Legion fails to submit the Increased Deposit, the City shall have no obligation to award the project.

4. **City's Obligations.** Within 45 days of receipt of the bids for the Landscaping Improvements, and the Increased Deposit (if required), the City shall award the bid to the lowest responsive and responsible bidder, as required by law, or may reject all bids and complete the Landscaping Improvements using its own forces, in which case, the American Legion is still responsible for all costs associated therewith. In exchange for the American Legion's Landscaping Improvements, in the Veteran's Plaza area of the Park, the City shall, at its sole cost and expense, remove all tree stumps; remove all tree roots or cut them to ground level; adjust the sprinkler system to accommodate the new landscaping; and shall remove the banner signs and poles directly in front of Veteran's Plaza by August 31, 2019, unless extended in writing by the Parties ("City Improvements"). The City Improvements may be included in the bid documents for the project, however the American Legion shall not be responsible for any payments related to the City Improvements, and said costs shall not be included in the American Legion's Deposit, or Increased Deposit.

5. **Increased Costs During Construction.** In the event there are change orders during construction of the Landscaping Improvements that cause the cost of the project to exceed the amount of the Deposit or Increased Deposit, the City shall notify the American Legion within five days of learning of the increased costs. The American Legion shall then have ten days to deposit with the City the additional project costs.

6. Ownership of Landscaping Improvements.

Upon installation of any statue, and acceptance of any landscape or other improvements in Veterans Plaza by the City, that were performed under this Agreement, the American Legion hereby donates Landscaping Improvements to the City.

7. Maintenance Costs. American Legion shall pay to the City by June 30 each year, the amount of \$500 for maintenance costs, including the upkeep, repair or replacement of the Landscape Improvements, including the statues, park benches, masonry and lighting, but not limited to (Maintenance Cost). In the event of some necessary replacement, repair, or damage to the Landscape Improvements, American Legion will be notified of the estimated cost and given the opportunity to repair or replace the damaged item, at its cost. If American Legion fails to pay for such repair or replacement, the City may after ten days' notice to American Legion remove the damaged article, or, repair or replace it. The City will provide the maintenance relating to the sprinklers, trees and plant landscaping, plaza cleaning, mowing, etc. Motor vehicles shall not be allowed on the Plaza itself with the exception of maintenance vehicles as required by the City of Selma.

8. Holiday Tree. The Parties agree that the Landscaping Improvements shall not interfere with the City's placement of the City's annual holiday tree.

9. Termination of MOU. Prior to the award of any bid for the Landscape Improvements, under this MOU, either Party may terminate this MOU by written notice to the other Party so long as notice of intent to terminate is given to the other Party at least five (5) calendar days prior to termination. After the award of a bid for the Landscape Improvements, City may terminate this Agreement for any lawful reason, or cause, by giving ninety (90) days written notice and during that ninety day period, American Legion may remove all statues, benches and other masonry items installed as part of the Landscape Improvements. If removal of those improvements shall require, despite reasonably diligence of American Legion, longer than ninety days an additional sixty (60) days shall be granted American Legion within which to remove all such statutes, benches and other masonry improvements. Any removal of any item or article by American Legion following the service of a Notice to Terminate the Agreement by the City shall be carried out in a manner that leaves the real property in the condition it would have been had these articles not been installed. Lawful reason or cause to terminate includes any reason the City Council of City determines to in the interest of the City. Termination of this Agreement must be based on a four-fifth's (4/5's) vote of the City Council. Upon termination of this MOU, the City shall refund to American Legion any unencumbered Deposit/Increased Deposit amount. Pursuant to the provisions of Section 6 herein, all rights and interest in any of the Landscaping Improvements that are not removed prior to the expiration of the giving of ninety days Notice of Termination by the City, or any extension of said ninety day period, shall them become the property of the City.

10. Term. This MOU shall commence on the Effective Date and shall terminate as set forth in Section 9 herein.

11. Notices. Notices shall be given pursuant to this MOU by personal service on the Party to be notified, or by written notice upon such Party deposited in the custody of the United States Postal Service addressed as follows:

If to American Legion:

American Legion Post #12,
1245 Nebraska Avenue
Selma, CA 93662
Current Commander

If to City:

City of Selma
1710 Tucker Street
Selma, California 93662
Attention: City Manager

With a Copy To:

Neal Costanzo, City Attorney
575 E Locust Ave #115
Fresno, CA 93720

12. Indemnification in Agreements Related to the Landscaping Improvements.

The Parties agree that any contract for services rendered under any competitive bid documents or other agreement related to the Landscaping Improvements, shall include an indemnification provision wherein the successful bidder shall defend, hold harmless and indemnify the City and the American Legion, and any and all of their officials, employees and agents, from and against all claims, liabilities, costs, expenses, loss or damages of any nature whatsoever, including reasonable attorney's fees, arising out of or in any way connected with any consultant and/or contractor's failure to perform its covenants and obligations under any agreement arising out of any agreement and any of its operations or activities related thereto.

13. Indemnification Under this MOU. American Legion shall indemnify, hold harmless, and defend the City, its officers, agents, and employees, from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, this MOU.

In the event the City, its officers, employees, agents and/or volunteers are made a party to any action, claim, lawsuit, or other adversarial proceeding arising from the this MOU, and upon demand by City, American Legion shall have an immediate duty to defend the City at American Legion's cost or at City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters.

14. The Parties understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this MOU and also govern the interpretation of this MOU. Any litigation concerning this MOU shall take place in the municipal, superior, or federal district court in Fresno County, California. If any action at law or

suit in equity is brought to enforce or interpret the provisions of this MOU, or arising out of or relating to this MOU, the prevailing party shall be entitled to reasonable attorneys' fees and all related costs, including costs of expert witnesses and consultants, as well as costs on appeal, in addition to any other relief to which it may be entitled.

15. This MOU contains the entire understanding between the Parties relating to the obligations of the Parties described in this MOU. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this MOU or with respect to the terms and conditions of this MOU, are merged into this MOU and shall be of no further force or effect. Each Party is entering into this MOU based solely upon the representations set forth herein and upon each Party's own independent investigation of any and all facts such Party deems material.

16. If any term or provision of this MOU or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to, the extent necessary to cure such invalidity or unenforceability, and in its amended form shall be enforceable. In such event, the remainder of this MOU, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this MOU shall be valid and be enforced to the fullest extent permitted by law.

17. This MOU may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

18. The captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and shall have no significance in the interpretation of this MOU.


19. The waiver by City or American Legion of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or any other term, covenant or condition herein contained. No term, covenant or condition of this MOU shall be deemed to have been waived by City or American Legion unless in writing.

20. Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance of the exercise by any Party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such Party of any of all of such other rights, powers or remedies.

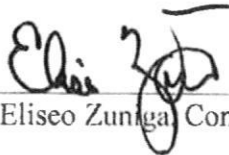
21. The person or persons executing this MOU on behalf of each Party represents and warrants that he/she has the authority to execute this MOU on behalf of that Party and has the authority to bind that Party to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the City and American Legion have caused this Memorandum of Understanding to be executed as of the Effective Date.

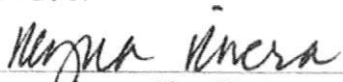
"CITY"
CITY OF SELMA

By: 
Teresa Gallavan, City Manager

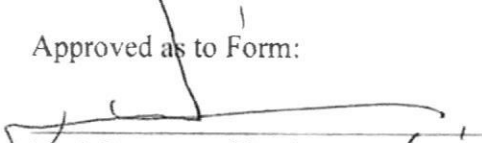
"AMERICAN LEGION"
SELMA POST #12
AMERICAN LEGION

By: 
Eliseo Zuniga, Commander

ATTEST:


Reyna Rivera, City Clerk

Approved as to Form:


Neal Costanzo, City Attorney

**CITY MANAGER'S/STAFF'S REPORT
CITY COUNCIL MEETING:**

March 15, 2021

ITEM NO:

SUBJECT: As a Council request, Staff has placed the item on the agenda for discussion.

DISCUSSION: At the August 17, 2020 City Council meeting, City Council approved an MOU between the City of Selma and American Legion Post #12 for improvements to the Lincoln Park Veterans Plaza. American Legion is providing funding for the improvements of the Veterans Plaza including the construction and installation of four statues.

Veterans Plaza Improvement Project Update:

- Masonry Wall (Back Side) removed along with the trees that overtime had uplifted the back wall and created separation of the wall in several areas.
- Shifted electric boxes on grass area and secured to back masonry wall.
- Public Works ordered new lighting and has been delivered.
- Staff met with new a masonry company to evaluate the installation of the new replacement back wall and is working directly with Basalite Concrete LLC.
- Public Works will be upgrading and replacing the sprinkler system around the plaza once the new masonry wall has been installed.
- Statues once completed, delivered and installed within the plaza.

Prior to this project beginning, the poles that banners were placed on to promote events in the front area of the plaza, had been removed. Staff discussed the installation of a new marquee on the corner of McCall and Rose Avenue which would be used for promoting events, services and public announcements within the City. This marquee would be partially funded also by American Legion and would be used as a promotional tool only, not for ads. With the amount of traffic daily at the intersection, residents would be able to be made aware of a variety of services, programs and public announcements. During the upcoming budget discussion, consideration of the installation of a new marquee will be discussed. The marquee is estimated between to cost between \$45,000.00 to \$50,000.00 and an additional \$5,000.00 for infrastructure and electric installation.

RECOMMENDATION: As a Council request, Staff has placed the item on the agenda for discussion.

Mikal Kirchner, Director of Recreation

Date

Teresa Gallavan, City Manager

Date

May 3, 2021 Council Packet

ITEM NO: 5.
SUBJECT: Council Priorities and Goals

RECOMMENDATION: Council discuss and approve or provide additional direction regarding: 1) the updated top City Council Priorities and Goals, and 2) Council request for a list of all the Council suggested goals and who submitted them.

DISCUSSION: On March 19, 2021, the City Council held a priority and goal setting session to provide staff direction that will also be used to develop the upcoming fiscal year budget. Council established six priority areas: public safety, economic and community development, community engagement/communication, customer service, and infrastructure. Each Council Member developed a list of goals. Those goals were compiled into one list and each Council Member voted for their top five goals. The top five goals of each member and the priority areas they fall under are reflected in the attached matrix of priority areas and goals (Attachment 1). Of note, none of the Council's top five goals were under the priority area of customer service. Customer service is an integral part of the City's Mission Statement and as such it is a priority for the City. Understanding customer service is a constant value for the city, it could be removed from the attached list since no associated goals rose to the level of Council's highest ranking projects in the year ahead.

We had proposed recording the goals without attributing to individual Council Members. Council Member Mendoza-Navarro made a Council request for the matrix to show the goals each Council Member voted for. Her reasoning is that Council Members are voted into office to address matters and by recording who proposed what goals, constituents will be able to see Council Members advocacy at work. If the Council would like to move forward with recording the goals in that manner, staff has provided that documentation (Attachment 2).

Attached is also a list of all the goals suggested (Attachment 3). We also had a Council request from Council Member Mendoza-Navarro for this list to include who suggested what goals. With Council direction, we can compile the information in that manner and provide it to you as well.

RECOMMENDATION: Council discuss and approve or provide additional direction regarding: 1) the updated top City Council Priorities and Goals, and 2) Council request for a list of all the Council suggested goals and who submitted them.

/s/
Teresa Gallavan, City Manager

04/29/2021
Date

Priority Areas	Public Safety (4)	Economic & Community Development (12)	Community Engagement/Communication (5)	Customer Service	Infrastructure (4)
Goal Areas	Increase staffing (1)	Balanced Housing (4)	Selma Legacy Youth Center (3)		Sewer Infrastructure (3)
	New Fire Station (2)	Retention with focus on quality job opportunities (1)	Settle Super 8 Residents (1)		Street Signs Repaired/Replaced for Wayfinding (1)
	Gang Unit (1)	Complete new park (1)	Youth Centers, Job Training (VROP skilled training) (1)		
		Complete Lincoln Park/Veterans Park (1)			
		Downtown Revitalization Strategic Plan (1)			
		Community Ambiance for Downtown and evaluate other commercial areas (1)			
		Parks/Ponding Basin (new developments) (1)			
		Plan to clear up obstacles preventing economic growth (2)			

Color Code

Priority Areas	Public Safety	Economic & Community Development	Community Engagement/Communication	Customer Service	Infrastructure
	Robertson	Cho	Mendoza-Navarro	Trujillo	Guerra
Goal Areas					
1	Increase staffing	Sewer infrastructure (trunk line, etc)	Sewer infrastructure (trunk line, etc)	Sewer infrastructure (trunk line, etc)	Parks/Ponding Basin (New developments)
2	Downtown Revitalization Strategic Plan	Complete new park	Plan to clear up outstanding obstacles preventing economic growth	Plan to clear up outstanding obstacles preventing economic growth	Balanced housing (ie. senior, supportive, affordable, market rate)
3	Street Signs repaired/replaced for wayfinding	Business attraction and retention with focus on quality job opportunities	Balanced housing (ie. senior, supportive, affordable, market rate)	New Fire Station	Community ambiance (Speakers, lights on other streets, banner) for downtown and evaluate other commercial areas
4	Settle Super 8 residents	Balanced housing (ie. senior, supportive, affordable, market rate)	Selma Legacy Youth Center	Balanced housing (ie. senior, supportive, affordable, market rate)	New Fire Station
5	Development at Lincoln Park/Veterans Park	Selma Legacy Youth Center	Youth centers, job training (VROP skilled training)	Selma Legacy Youth Center	Gang Unit

ALL GOALS SUBMITTED FOR CONSIDERATION

Community and Economic Development: Balanced Housing (i.e.: Senior Housing, Supportive Housing, Affordable, and Market Rate)
Infrastructure: Sewer Infrastructure (trunk line etc.)
Community Engagement and Communications: Selma Legacy Youth Center
Community and Economic Development: Plan to clear up outstanding obstacles preventing economic growth.
Public Safety: New Fire Station
Infrastructure: Street signs repaired/replaced for wayfinding
Community and Economic Development: Complete New Park
Community and Economic Development: Community Ambiance (Speakers , lights on other streets, banners) for Downtown and evaluate other commercial areas.
Community and Economic Development: Business Attraction and Retention with focus on quality job opportunities
Community and Economic Development: Parks/Ponding Basin (New Developments)
Community and Economic Development: Downtown Revitalization Strategic Plan
Community and Economic Development: Development at Lincoln Park/Veterans Park
Public Safety: Increase Staffing
Public Safety: Gang Unit
Community Engagement and Communications: Youth Centers, Job Training (VROP skilled Training)
Community Engagement and Communications: Settle Super 8 Residents
Infrastructure: Roads
Infrastructure: Crosswalks
Infrastructure: Sidewalks and gutters (storm drains)
Community and Economic Development: Greater Working Partnership w/ Chamber of Commerce
Community and Economic Development: Create a Health Park
Community and Economic Development: Business Analysis/ Sales Tax Leakage
Community and Economic Development: Vocational Training
Community and Economic Development: Tax Credit Projects (Partnerships)
Community and Economic Development: Business Improvement District
Community and Economic Development: Relaxing Codes
Community and Economic Development: Grants
Community and Economic Development: Community Center
Community and Economic Development: Increase working relationship with developers
Customer Service: Continue Updating Policies and look for efficiency in procedures to increase productivity.
Customer Service: Cal Water/Waste Management Services
Customer Service: Training City Staff (enhance skill sets)
Customer Service: Partnership with Community Leaders
Customer Service: Timeline for applications/permits with check lists
Customer Service: Software for Permits
Customer Service: Greater Professionalism
Customer Service: List of all contracts with services, cost and expiration dates. Ad Hoc community for Audits.
Customer Service: Procurement Policy
Customer Service: Trade Service Contract/ Vendor Listing
Customer Service: Increase Staffing Levels Throughout
Customer Service: Streamline building owner activity with new purchases and abandoned or vacant lots to encourage quicker development.
Public Safety: Staffing level
Public Safety: Training/Certifications
Public Safety: Spot Shotter (gun detection)
Public Safety: Reader-board at Rose /McCall
Public Safety: Stick to Budget
Community Engagement and Communications: Finalize New Website
Community Engagement and Communications: Community Garden
Community Engagement and Communications: Senior Center Engagement
Community Engagement and Communications: Chamber of Commerce /business analysis
Community Engagement and Communications: Partner with FC Mental Health
Community Engagement and Communications: Partnership with Continuum of Care (COC)/Coordinated Entry System (CES)
Community Engagement and Communications: Support Community Non-profits
Community Engagement and Communications: Homeless Engagement Taskforce
Community Engagement and Communications: Coordination with County on Permits
Community Engagement and Communications: More nightlife (restaurants, art center)
Community Engagement and Communications: Reader-board Rose/McCall
Community Engagement and Communications: Greater Coordination with other Boards

ITEM NO: 6.

SUBJECT: Consideration of Early Construction Agreement with 1480 Skelton, LP
a California Limited Partnership for Tract Map 5303 Phase III

RECOMMENDATION: Approve and authorize City Manager to execute Early Construction Agreement with 1480 Skelton, LP to authorize developer to complete limited work on homes.

DISCUSSION: On August 16, 2004, the City Council approved Vesting Tentative Tract Map 5303 for development of a 192-lot single family residential subdivision on 51.8 acres ("Project"). The boundaries of the Project are Thompson Avenue to the west, Saginaw Avenue to the south, and Valley View Street to the north. The Project was proposed to be built in three (3) different phases. Currently, two (2) phases have been completed and the developer is prepared start construction on Phase III.

Phase III will consist of 36 single family homes plus a small community room. Each home will be designed to be a LEED Platinum, net zero energy home and affordable housing. In addition, this Project is utilizing the California State Treasurer low-income housing tax credit program. The final map has been filed with the County for recording and the City is ready to issue building permits for Phase III of the Project. To assist the developer in meeting its estimated timeline of construction completion by January 2021, the developer has requested an at-risk authorization to complete some work on the home foundations while concurrently installing the off-site improvements until the final map has been recorded at the County. The proposed building improvements are as follows:

- Pouring of foundation
- Connections of onsite to offsite utilities
- Any other onsite improvements necessary prior to going vertical

If approved by the City Council, the City will issue at-risk building permits pursuant to an Agreement for Issuance of At-Risk Building Permits that will allow the developer to perform the limited scope of work described above. All necessary inspections will still be required by the Engineering and Building Departments. Once the County has completed its process of recording the final map, full building permits can be issued from the City.

Staff requests authorization for the City Manager to execute the Agreement for Issuance of At-Risk Building Permits to assist with the developer's construction timeline.

RECOMMENDATION: Approve and authorize City Manager to execute Agreement for Issuance of At-Risk Building Permits with 1480 Skelton, LP to authorize developer to complete limited work on homes

/s/

04/29/2021

Isaac Moreno, Assistant City Manager

Date

/s/

04/29/2021

Teresa Gallavan, City Manager

Date

RESOLUTION NO. 2021-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SELMA, CALIFORNIA, APPROVING AN AGREEMENT FOR ISSUANCE OF AT-RISK BUILDING PERMITS WITH 1480 SKELTON ST., L.P., AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME

WHEREAS, the City of Selma ("City") approved vesting Tentative Tract Map No. 5303 for development of a 192-lot subdivision ("Project") on approximately 51.8 acres located on the southeast corner of Valley View Street and Thompson Avenue ("Property") owned by 1480 Skelton St., L.P. ("Developer"); and

WHEREAS, Developer requests the City issue "at-risk" building permits to begin work on certain on-site improvements for Phase III of the Project, as provided in the Agreement for Issuance of At-Risk Building Permits ("Agreement") attached hereto as **Attachment A**; and

WHEREAS, it is in the best interests of the City to issue "at-risk" building permits for Developer to commence limited on-site work for Phase III of the Project pursuant to the Agreement.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SELMA DOES
HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. The above recitals are true and correct and are incorporated herein by reference.

SECTION 2. The City Council hereby approves the Agreement for Issuance of At-Risk Building Permits with 1480 Skelton St., L.P., and authorizes the City Manager to execute same.

SECTION 3. The City Manager or designee is authorized to take such other action as may be necessary to carry out this Resolution. The City Manager or designee is authorized to modify or amend the approved Agreement as may be necessary to promote the best interests of the City of Selma and is directed to confer with and obtain the approval of the City Attorney as to the form and substance of any such modifications or amendments and to seek other advice and counsel.

SECTION 4. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

SECTION 5. That the City Clerk shall certify to the adoption of this Resolution and that the same shall be in full force and effect.

PASSED, APPROVED AND ADOPTED the foregoing resolution of the City of Selma was duly and regularly adopted by the City Council of the City of Selma at a regular meeting held on May 3, 2021, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Scott Robertson, Mayor

Reyna Rivera, City Clerk

RECORDING REQUESTED BY, AND)
WHEN RECORDED, MAIL TO:)
)
City of Selma)
1710 Tucker Street)
Selma, California 93662)
ATTN: City Manager)

(Space above provided for Recorder)

No recording or filing fee required; This document
exempt from fee pursuant to California Government
Code sections 6103 and 27383.

**AGREEMENT FOR ISSUANCE OF
AT-RISK BUILDING PERMITS**

**(EARLY ISSUANCE OF BUILDING PERMITS
FOR PHASE III OF TRACT NO. 5303)**

CITY OF SELMA, FRESNO COUNTY, CA

APN: 390-020-85S

THIS AGREEMENT, dated May 3, 2021, is entered into between the **City of Selma**, a California general law city ("City") and **1480 Skelton St., L.P.**, a California Limited Partnership, doing business as Corporation for Better Housing ("Developer") with respect to the following recitals which are a substantive part of this Agreement.

RECITALS

A. Developer owns approximately 51.8 acres of real property in the City of Selma located on the southeast corner of Valley View Street and Thompson Avenue ("Property"), as more particularly described in **Exhibit A**.

B. The City approved development of a 192-lot subdivision on the Property ("Project") pursuant to vesting Tentative Tract Map No. 5303, to be completed in three (3) phases, the locations of which are depicted in **Exhibit A**.

C. Phase I and Phase II of the Project are complete and Phase III of the Project is ready to commence construction, for which plans have been submitted, all fees have been paid, and building permits are ready to be issued, with the only prerequisite that remains is recording of the Final Map.

D. All conditions of approval of the Final Map have been satisfied by Developer and Developer has filed the Final Map for recording with the County of Fresno ("County").

E. Developer is commencing installation of off-site improvements (e.g., utility infrastructure) for Phase III and Developer requests approval to begin work on

certain on-site improvements for Phase III prior to the Final Map recording so the on-site work can be performed concurrently with the off-site improvements.

F. Developer is willing to perform limited on-site work for Phase III “at-risk” prior to recording of the Final Map, and to assume other duties and responsibilities as further described in this Agreement.

G. No further approvals are required by City.

H. City is willing to issue “at-risk” building permits for Developer to commence limited on-site work for Phase III under the circumstances described herein to facilitate the Project, but without commitment or guarantee as to if and when the Final Map will be recorded, with Developer assuming the risk of any changes or amendments to the Final Map required by the County and/or other circumstances that may cause the permits to be changed, and with Developer’s agreement to waive any and all claims against City and to indemnify and hold harmless City from any and all damages or liability arising out of issuance of the “at-risk” building permits.

NOW THEREFORE, City and Developer agree as follows:

1. At-Risk Authorization for Phase III On-Site Work. Subject to the conditions of this Agreement, Developer is authorized to commence on-site improvements for construction of Phase III in Tract 5303 upon issuance of “at-risk” building permits. The work shall be limited to (1) pouring foundation, (2) connections of on-site to off-site utilities, (3) any other on-site improvements necessary prior to going vertical, and (4) any other work incidental to the foregoing. Should the aforementioned work be completed prior to the recording of the Tract Map, the City shall consider a request from the Developer to go vertical. All work performed will be subject to customary laws, regulations and restrictions as would be the case with any building permit, including but not limited to: approval of plans; inspection of the work; payment of all fees, including development fees, permit fees, connection fees, and inspection fees; satisfaction of Selma-Kingsburg-Fowler sanitation District requirements; and compliance with all laws. The work shall be performed at-risk and subject to a condition subsequent that the Final Map be accepted by County and recorded.

2. No Guarantees as to Acceptance of Final Map. Developer acknowledges that recording of the Final Map is subject to customary processing by County and there is no guarantee as to if and when the Final Map will be recorded or whether it will be accepted by County without changes or amendments. Developer acknowledges that in entering into this Agreement, City is not conferring any vested rights or entitlements on Developer and the Developer bears the risk and costs of any changes or amendments to the Final Map required by County, including any impacts to the building permits.

3. Stop Work. If County does not accept the Final map for any reason, Developer shall immediately stop all work being performed pursuant to this Agreement. City may order Developer to stop work at any time in order to protect the public health

and safety, in which case Developer shall immediately stop all work being performed pursuant to this Agreement. Notwithstanding the foregoing, City may, in its sole discretion, authorize Developer to proceed with the work pursuant to this Agreement.

4. Removal of Improvements.

a. Removal by Developer. If Developer cannot proceed or chooses to not proceed with the Phase III for any reason, including following a work stoppage pursuant to Section 4, above, Developer shall remove from the Property any improvements constructed pursuant to this Agreement and restore the Property to its prior condition.

b. Removal by City. Should Developer fail to timely remove the improvements and restore the Property, City, or any of its duly authorized officers, employees or agents, are unconditionally permitted to enter upon the Property and accomplish such removal and restoration at the cost of Developer. If City causes such removal and restoration, Developer shall hold harmless, defend, and indemnify City, its officials, employees, and agents from all claims, damages, expenses, and liability, including costs of suit and attorneys fees, on account of any damages claimed to have occurred by reason of such removal and restoration.

a. Costs of removal. Any costs and expenses of removal and restoration shall be the responsibility of Developer. Any cost and expense incurred by City shall be a debt due and owing City that may be collected in any lawful manner. In addition, City may prepare a written recordable statement with a description of the Property that the City Clerk or other City officer may record in the Fresno County Recorder's office which shall become a lien on the Property and appurtenances running in favor of the City of Selma. In the event Developer is entitled to a refund of any fees paid to City, City may retain from such refund an amount sufficient to cover all or part of the costs and expenses of removal of the improvements with any balance not utilized for this purpose to be returned to Developer.

5. Release and Waiver. Developer waives any claims that Developer may have, either now or in the future, for damages or other monetary relief against the City resulting from or in connection with City's action authorizing Developer to commence construction of Phase III with the issuance of "at-risk" building permits or in any other way arising out of the subject matter of this Agreement. This waiver shall apply to all known and unknown, anticipated and unanticipated injuries and damages resulting from the activities described in the preceding sentence. In so agreeing, Developer hereby knowingly waives the provisions of Section 1542 of the Civil Code of the State of California, which reads as follows:

"A general release does not extend to claim which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

6. Hold Harmless and Indemnification. Developer shall indemnify, defend and hold the City, its officials, officers, employees, agents, and volunteers harmless from and against all claims, demands, causes of action, actions, damages, losses, expenses, and other liabilities, (including without limitation reasonable attorney fees and costs of litigation) of every nature arising out of or in connection with this Agreement (“claims”). Developer’s indemnity and defense obligations shall survive the expiration or termination of this Agreement for any claims that arose or occurred during the term of this Agreement.

7. Authority. Developer’s representative who executes this Agreement represents that he/she has the authority to execute this Agreement on behalf of Developer and to bind Developer to the Agreement. Attached as **Exhibit B** is evidence of this authority.

8. Assignment; Binding on Successors. This Agreement shall be binding upon the successors, assigns, transferees, and heirs of Developer. Developer may not voluntarily assign this Agreement without City’s written consent.

9. Recordable Covenant. This Agreement may be recorded with the Fresno County Recorder’s office, be a burden on the Property, and constitute a covenant running with the land in favor of and for the benefit of the City of Selma. Developer and City shall execute any additional documents necessary to record this Agreement with the Fresno County Recorder’s office. The burdens against the Property and covenant(s) running with the land established by this Agreement shall immediately be extinguished and removed from title upon the recording of the tract map. The obligations of Developer set forth in Section 6 shall not be affected by this provision.

10. Enforcement. This Agreement shall be enforceable by City through any legal or equitable means.

CITY OF SELMA

1480 SKELTON ST., L.P.

By: _____
Teresa Gallavan
City Manager

By: _____
Lori Koester
Executive Director
Corporation for Better Housing
Its Managing General Partner

J:\wdocs\03492\001\AGT\00871872.DOC

**ATTACH CALIFORNIA
ALL PURPOSE ACKNOWLEDGMENTS**

EXHIBIT A

LEGAL DESCRIPTION

[Insert]

MAP

[Insert]

EXHIBIT B

EVIDENCE OF DEVELOPER AUTHORITY